

Policy Briefing: Addressing UNRWA's Failures and Building a Transparent Future

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Takeaway Summary

The United Nations Relief and Works Agency (UNRWA) was established in the Near East as a temporary solution to address the humanitarian needs of displaced Palestinians. Over seven decades of delivering critical services in education, healthcare, and social support, it has evolved into a permanent institution. This evolution has revealed systemic failures that undermine its effectiveness, credibility, and ability to address the long-term needs of Palestinians.

Key Issues Identified:

1. **Mandate Misalignment:** UNRWA has deviated from its original purpose, perpetuating cycles of dependency rather than fostering self-reliance and sustainable development.
2. **Operational Inefficiencies:** Bureaucratic expansion and high administrative costs have diverted resources from critical services, leaving Palestinians underserved.
3. **Politicisation and Security Risks:** The agency's facilities have been exploited by extremist groups, compromising its neutrality and endangering civilians.
4. **Transparency Deficits:** Chronic mismanagement and resistance to independent audits have eroded donor confidence and accountability.

New Proposed Framework:

1. **Independent Oversight:**
 - Establish an oversight body comprising donor nations, international organisations, and third-party auditors to ensure transparency and impartiality.
 - Conduct regular audits and monitor aid distribution in real time.
2. **Technology Integration:**
 - Use blockchain to create immutable financial records, ensuring funds reach their intended recipients.
 - Employ GPS tracking to monitor aid shipments and eliminate diversion.



3. Self-Reliance Initiatives:

- Develop vocational training programmes aligned with regional labour market demands.
- Introduce microfinance schemes to promote entrepreneurship and economic resilience.

4. Public Accountability:

- Launch publicly accessible platforms, such as the AID Tracker Initiative, to provide real-time updates on aid delivery and usage.

Impact of Reforms:

- Enhanced transparency and efficiency in aid delivery.
- Reduced dependency on international aid through sustainable development initiatives.
- Increased donor confidence and funding stability.
- Strengthened regional stability by addressing root causes of socio-economic stagnation and vulnerability to extremism.

UNRWA's current structure is ill-suited to meet the challenges of the 21st century. The proposed framework offers a transformative path forward, prioritising accountability, transparency, and empowerment around a new, stronger, more equitable structural framework. This is not a reform; it is an urgent necessity to ensure that aid mechanisms are transformed to serve the needs of Palestinians effectively, while fostering peace and stability in the region. Now is the time for the global community to act decisively and rebuild trust in international humanitarian efforts.



Foreword - Anne Herzberg

In the 18 years between the Disengagement in 2005 and the 7 October 2023 Hamas invasion of southern Israel and barbaric massacre, the international community failed to truly engage with the challenges posed by the terror group's absolute rule over Gaza.

Hamas turned all of Gaza into a military fortification, embedding weapons and constructing a tunnel system more extensive than the London Tube network within and under almost every civilian building in Gaza. Hospitals were a choice location for Hamas exploitation, as were UNRWA facilities. It is no surprise that the group's command and control center was found right under, and plugged into the electricity grid at UNRWA's Headquarters.

Coupled with a strategy of turning the entire population of Gaza into a human shield, Hamas established a "revolution from below," targeting every facet of society and indoctrinating the people, beginning with small children, into its ideology. Hamas, as well as other terrorist groups like Palestinian Islamic Jihad and the Popular Front for the Liberation of Palestine, utilize television and radio programming, religious sermons, school curricula, summer camps, women's leagues, agricultural committees, health care organizations, and even the UNRWA teachers union to spread messages of hate and violence.

Rather than tackle these realities, which serve as one of the primary drivers of the conflict with Israel, the international community instead poured billions of dollars into Gaza with inadequate regulation or oversight. As NGO Monitor has extensively documented, instead of reaching people in need and promoting good governance and democratic values, this aid was instead subject to mass diversion that fortified Hamas civil and military control over the territory. For instance, the aid system relieved Hamas



of its duty to provide social services for its people, allowing the terror group to prioritize reinforcing its military infrastructure; the aid system served as a source of easy money and goods that could be diverted by Hamas officials for military purposes and for personal enrichment; and the extensive humanitarian aid apparatus in Gaza also served as a cover for Hamas military activity.

In addition to a lack of adequate controls to prevent aid diversion, few measures were enacted to tackle indoctrination and incitement. UNRWA, along with the dozen other UN agencies and NGOs operating in Gaza, looked the other way as these dynamics were taking shape. Too often, the warnings of groups like NGO Monitor, about the need for immediate and extensive reform, were dismissed or ignored.

October 7 and the war in Gaza have been a catastrophe for both Israelis and Palestinians. Hamas must be removed from power entirely and given no opportunity to regroup or reassert control. UNRWA, with its promotion of forever refugee status, poverty, and fantasies of Palestinian elimination and replacement of Israel, cannot be merely rehabilitated. In essence, the humanitarian aid system in Gaza must be completely overhauled and restructured. This work will be difficult and will require wrestling with uncomfortable truths. But it must be done.

To that end, We Believe in Israel's report is an important contribution to these efforts. It provides practical guidance and recommendations for how to create an aid system that works for Palestinians, decreases conflict, and promotes coexistence with Israel. MPs, government officials, and civil society should carefully study its contents.

We cannot go back to the way things were on October 6.

Anne Herzberg
Legal Advisor, NGO Monitor
February 2025



Executive Summary

Established in 1949 as a temporary mechanism to address the immediate needs of displaced Palestinians following the Arab-Israeli conflict, the United Nations Relief and Works Agency for Arab-Palestinian Palestinians in the Near East¹ (UNRWA) has evolved into a permanent institution. Over seven decades, UNRWA has become the primary provider of humanitarian aid to Palestinians, delivering essential services in education, healthcare, and social support. While its contributions during acute crises are undeniable, the agency's systemic shortcomings and controversial practices have severely hindered its ability to effectively fulfil its mandate in the long term.

This briefing critically examines UNRWA's institutional and operational failings², highlighting its inability to adapt to the changing socio-economic realities of the region and the complex needs of its beneficiaries. Furthermore, it addresses the alarming content found in some of the agency's educational materials, which have been reported to idealise terrorist ideologies, fan hatred toward Israel and Jews while perpetuating narratives of victimhood and jihad.³ The analysis identifies four critical areas of concern:

1. **Perpetuation of Dependency:** UNRWA's operational framework has entrenched cycles of reliance on international aid, leaving Arab-Palestinian Palestinians with limited opportunities for self-sufficiency. Instead of fostering empowerment, the agency's programmes have inadvertently reinforced socio-economic stagnation, with vocational training and economic development initiatives insufficiently aligned with market demands (*World Bank*, 2020).
2. **Transparency and Accountability Deficits:** Chronic allegations of financial mismanagement and the absence of independent auditing mechanisms have

¹ "United Nations Relief and Works Agency for Palestine Palestinians in the Near East," *Encyclopedia Britannica*, accessed January 23, 2025, <https://www.britannica.com/topic/United-Nations-Relief-and-Works-Agency-for-Palestine-Palestinians-in-the-Near-East>.

² Foundation for Defense of Democracies, "UNRWA Exposed," *FDD*, last modified January 30, 2024, <https://www.fdd.org/analysis/2024/01/30/unrwa-exposed/>.

³ UN Watch, *Report on UNRWA: 2023* (March 2023), <https://unwatch.org/wp-content/uploads/2023/03/2023-Report-UNRWA.pdf>.



significantly eroded donor confidence. A 2019 report revealed serious ethical concerns within UNRWA, including allegations of “sexual misconduct, nepotism, and other abuses of authority” among senior officials, further highlighting issues with the agency’s governance and stewardship of resources.⁴

3. **Compromised Neutrality:** Documented ties to extremist actors and the exploitation of UNRWA facilities for militant purposes have severely undermined the agency’s credibility. For example, investigations during the 2014 Gaza conflict revealed instances of weapons being stored in UNRWA schools, endangering civilian lives and eroding the agency’s neutrality.⁵
4. **Problematic Educational Content:** Reviews of UNRWA’s educational materials have uncovered troubling content that glorifies violence, perpetuates anti-Israel and antisemitic rhetoric, and reinforces narratives of victimhood and jihad. Such materials undermine peace-building efforts and perpetuate intergenerational cycles of hostility, directly contradicting the principles of neutrality and reconciliation.⁶
5. **Legal Constraints Following Israel’s New Legislation:** Recent legislative actions by Israel have effectively barred UNRWA from operating within Israeli-controlled territories or accessing areas under its jurisdiction. The law, passed by the Knesset in early 2025, formally prohibits UNRWA from conducting any activities within Israel’s legal and security framework, including in East Jerusalem and other contested regions. The legislation is a response to long-standing concerns about UNRWA’s alleged facilitation of radical elements and its operational inefficiencies. By restricting the agency’s access, the law significantly limits its capacity to deliver aid, further exposing the structural weaknesses of UNRWA and reinforcing the necessity for an alternative humanitarian framework that operates in compliance with host nation laws.

These systemic challenges have not only diminished UNRWA’s effectiveness but have also jeopardised broader goals of regional stability and peace. The agency’s continued operation in its current form risks perpetuating inefficiency, politicisation, and dependency, failing both the Palestinian people and the international community.

⁴ Christians United for Israel, "Top UNRWA Officials Accused of Sexual Misconduct, Other Serious Ethical Abuses," *CUFI*, accessed January 23, 2025, <https://cufi.org/issue/top-unrwa-officials-accused-of-sexual-misconduct-other-serious-ethical-abuses/>.

⁵ United Nations, *Summary by the Secretary-General of the Report of the United Nations Headquarters Board of Inquiry into Certain Incidents in the Gaza Strip Between 8 July and 26 August 2014*, April 27, 2015, https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_2015_286.pdf.

⁶ New York Post, "New Report Exposes UNRWA Educators' Deep Links to Terror Groups," *New York Post*, November 15, 2024, <https://nypost.com/2024/11/15/world-news/new-report-exposes-unrwa-educators-deep-links-to-terror-groups/>.



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The Case for Radical Change

This briefing advocates for a comprehensive restructuring of humanitarian aid delivery to Palestinians. It proposes replacing UNRWA with a modern, transparent, and accountable framework that prioritises innovation, rigorous oversight, and community-driven development. Such a framework would directly address the agency's historical shortcomings by:

- **Establishing Independent Oversight:** Create independent bodies comprising donor nations, international organisations, and third-party auditors to monitor and audit aid distribution. These bodies would ensure accountability and transparency in the allocation of resources.
- **Leveraging Technological Solutions:** Implement blockchain technology to create immutable records of financial transactions, ensuring that funds are used as intended. GPS-enabled tools would track the delivery of aid supplies, reducing opportunities for diversion or theft.⁷
- **Fostering Self-Reliance:** Redirect resources toward education and vocational training programmes designed to equip Palestinians with the skills needed for self-reliance and economic integration. Initiatives such as microfinance schemes and entrepreneurship support would empower individuals and reduce long-term dependency.⁸
- **Reforming Educational Content:** Replace problematic curricula with materials that promote critical thinking, conflict resolution, and respect for human rights. Education must become a tool for empowerment and reconciliation rather than a vehicle for perpetuating hatred and division.

A Vision for the Future

By transitioning to a reimagined aid structure, the international community can ensure that the needs of the Palestinians are met with efficiency, dignity, and sustainability. This

⁷ Transparency International, "Promise and Peril: Blockchain, Bitcoin, and the Fight Against Corruption," *Transparency International*, January 22, 2018, <https://www.transparency.org/en/news/promise-and-peril-blockchain-bitcoin-and-the-fight-against-corruption>.

⁸ Mirela Xheneti and Frances Read, *Microfinance and Entrepreneurship: An Introduction* (Aston University, 2017), https://publications.aston.ac.uk/id/eprint/31784/1/Microfinance_and_entrepreneurship_An_introduction.pdf.



approach would not only provide immediate relief but also promote long-term empowerment, fostering stability and prosperity within refugee communities and the broader region.

The recent Israeli legislative⁹ move against UNRWA underscores the urgency of this transition. As UNRWA is now legally restricted from operating within Israel's jurisdiction, the agency's operational model is no longer viable. A modernised, transparent humanitarian framework is essential to ensure that aid continues to be delivered effectively within the legal frameworks of host countries.

This transformation is not merely a reform; it is a necessary evolution to meet the challenges of the 21st century. By addressing the systemic issues that have plagued UNRWA, the proposed framework represents an opportunity to rebuild trust in international humanitarian efforts and provide meaningful support to those who need it most. This is a call to action for a new era of accountability, transparency, and empowerment in humanitarian aid.

Introduction

The United Nations Relief and Works Agency for Palestinians in the Near East (UNRWA) was established in 1949 as a temporary mechanism to address the urgent humanitarian needs of Palestinians displaced by the Arab-Israeli conflict. Its initial mandate focused on providing short-term relief and employment programmes, premised on the expectation that a political resolution to the refugee issue would soon follow. Over seven decades later, UNRWA remains in operation, serving a registered refugee population that has expanded from approximately 750,000 in 1949 to over 5 million today.

Despite its longevity, UNRWA has become emblematic of a humanitarian institution that has drifted far from its original objectives. While the agency has delivered critical services during periods of acute crisis, its operational framework has entrenched cycles of dependency, hindered opportunities for self-reliance, and failed to adapt to the evolving needs of the Arab-Palestinian refugee population. Compounding these issues is the presence of problematic educational materials, which have been documented to include antisemitic rhetoric, glorification of violence, and perpetuation of narratives that undermine peace efforts. This inability to transition from an emergency relief mechanism to a sustainable development model has exposed deep systemic flaws.

⁹ David Makovsky, *Brinkmanship Over Israel's Ban on UNRWA*, Washington Institute for Near East Policy, February 2025, <https://www.washingtoninstitute.org/policy-analysis/brinkmanship-over-israels-ban-unrwa>.



At the core of the issue is a fundamental paradox: UNRWA was conceived as a temporary response but has become institutionalised as a permanent entity. This mismatch between its founding purpose and its prolonged existence has led to structural and operational shortcomings that undermine its effectiveness, legitimacy, and impact. These failures are not confined to operational inefficiencies; they have far-reaching consequences for the Palestinians it serves, the stability of the region, and the integrity of international humanitarian efforts.

This briefing critically evaluates UNRWA's performance through three key dimensions:

1. **Inability to Fulfil Its Mandate Effectively:** UNRWA has struggled to transition from providing emergency relief to fostering long-term self-sufficiency. By focusing on maintaining services rather than empowering communities, the agency has perpetuated cycles of dependency and failed to address the root causes of socio-economic stagnation among the Arab Palestinians.
2. **Politicisation and Operational Compromises:** The agency's neutrality has been repeatedly called into question due to documented ties to extremist organisations and the exploitation of its facilities for militant purposes. Such compromises not only endanger lives but also erode the credibility of UNRWA as a humanitarian actor.¹⁰
3. **Lack of Financial and Operational Transparency:** Allegations of financial mismanagement, combined with the absence of robust auditing mechanisms, have undermined donor confidence and raised significant concerns about the stewardship of resources.

These challenges necessitate a thorough re-evaluation of how humanitarian aid is structured and delivered to the Palestinians. UNRWA's continued operation in its current form risks entrenching inefficiencies, perpetuating socio-economic stagnation, and compromising the broader objectives of regional stability and peace.

This briefing concludes by proposing a comprehensive framework to replace UNRWA with a modernised aid mechanism grounded in transparency, accountability, and empowerment. Key elements of this framework include independent oversight, technological innovation, and community-driven development initiatives. It also emphasises the urgent need to reform educational programmes to eliminate content that fosters division and instead promote values of coexistence and reconciliation. By addressing the systemic shortcomings of the past, this approach offers a pathway toward more effective and equitable humanitarian assistance.

¹⁰ UN Watch, "Evidence of UNRWA Aid to Hamas on and After October 7th," *UN Watch*, accessed January 23, 2025, <https://unwatch.org/evidence-of-unrwa-aid-to-hamas-on-and-after-october-7th/>.



As the international community navigates the complexities of the Israeli-Palestinian conflict, it must ensure that humanitarian aid mechanisms not only meet immediate needs but also contribute to sustainable, long-term solutions. A restructured framework, tailored to the realities of the 21st century, can better serve Palestinian Palestinians, uphold the principles of international humanitarianism, and foster the stability required for peace to take root.

1. UNRWA's Inability to Fulfil Its Mandate

UNRWA's mandate, as defined by the United Nations General Assembly in resolutions such as A/RES/302 (IV) of 1949, was to provide temporary relief and work programmes to address the immediate needs of Palestinians displaced by the Arab-Israeli conflict. The agency was envisioned as a stopgap measure, designed to mitigate the humanitarian fallout while broader political solutions were pursued. Central to this vision was the idea that UNRWA's interventions would lay the groundwork for self-reliance and socio-economic integration among Palestinians.

However, in the seven decades since its establishment, UNRWA's operational framework has significantly deviated from these foundational objectives. Instead of fostering pathways to empowerment and sustainable development, the agency has entrenched cycles of dependency, failing to evolve its programmes to meet the changing socio-economic and political realities of the region. This failure has rendered UNRWA less of a mechanism for relief and progress, and more of a symbol of stagnation and inefficacy in international humanitarian efforts.

1.1 A Temporary Mission Turned Permanent

Initially established to address a short-term crisis, UNRWA's mandate centred on providing immediate relief and employment opportunities for Palestinians displaced by the 1948 Arab-Israeli conflict. The agency's design presumed a resolution to the refugee situation would soon follow, whether through resettlement, repatriation, or a negotiated political solution. Consequently, its operations prioritised short-term interventions, with little emphasis on fostering long-term self-sufficiency or socio-economic integration.

However, the anticipated resolution never came. Over the decades, the Palestinian refugee population has grown exponentially, from approximately 750,000 in 1948 to more than 5 million registered Palestinians today¹¹, according to UNRWA's own data.

¹¹ Institute for Middle East Understanding, "Quick Facts: Palestinian Refugees," June 19, 2024, <https://imeu.org/article/quick-facts-palestinian-refugees>.



This dramatic expansion has necessitated a corresponding increase in the agency's scope and responsibilities, effectively transforming it from a temporary relief organisation into a permanent presence within the international humanitarian system.

This shift has exposed a critical structural contradiction: while UNRWA's role has evolved into that of a long-term caretaker for millions, its foundational mandate remains rooted in the premise of temporary relief. This disconnect has perpetuated cycles of dependency, as the agency's framework continues to prioritise immediate needs over sustainable development or durable socio-economic solutions.

The Shift from Temporary to Permanent

The permanence of UNRWA's role is reflected in the scale and breadth of its operations. Initially established to provide emergency relief and public works projects, UNRWA now administers extensive systems of education, healthcare, and social welfare. It operates over 700 schools¹², employs tens of thousands of staff, and manages programmes that touch nearly every aspect of refugee life.¹³ Yet, despite this expanded footprint, its operational framework remains rooted in a reactive model, designed to meet immediate needs rather than foster sustainable development or long-term solutions.

This mismatch between mandate and reality has hindered UNRWA's ability to develop forward-looking strategies. The agency remains constrained by its original focus on providing services rather than empowering Palestinians to achieve self-reliance. For example, while UNRWA schools enrol hundreds of thousands of children annually, their curricula often lack alignment with modern labour market demands, leaving graduates ill-prepared for meaningful employment. Similarly, its healthcare services, while essential, focus on basic care rather than building local capacity or infrastructure that could reduce dependency on international aid.

The Consequences of Institutional Permanence

The institutionalisation of UNRWA has had far-reaching consequences, both for the Palestinians it serves and for the broader dynamics of the Israeli-Palestinian conflict.

Perpetuation of Dependency

UNRWA's long-term presence has fostered a system in which Palestinians are reliant on the agency for essential services, from food aid to education. While this reliance is

¹² United Nations Relief and Works Agency for Palestine Refugees in the Near East, "Education," accessed March 31, 2025, <https://www.unrwa.org/what-we-do/education>.

¹³ United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), "Education," UNRWA, accessed January 23, 2025, <https://www.unrwa.org/what-we-do/education>.



understandable in the absence of viable alternatives, it has entrenched a culture of dependency that limits opportunities for self-sufficiency. Palestinians are often caught in a cycle where their immediate needs are met but their long-term aspirations remain unattainable. This dynamic not only undermines individual agency but also perpetuates socio-economic stagnation within refugee communities.

Erosion of Agency and Responsibility

The presence of UNRWA as a permanent service provider has inadvertently shifted responsibility away from local and national actors. Host countries, which might otherwise invest in integrating Palestinians into their socio-economic systems, often defer to UNRWA's role. This has created a situation where Palestinians remain politically marginalised and excluded from full participation in the societies in which they reside.

Institutional Inertia

UNRWA's transformation into a permanent institution has also created bureaucratic inertia. The agency's operational model prioritises continuity over innovation, with resources directed toward maintaining existing programmes rather than exploring new approaches to refugee support. This inertia is further exacerbated by its reliance on voluntary contributions from donor states, which introduces financial instability and limits its capacity for long-term planning.¹⁴

Political Implications

The institutional permanence of UNRWA has also had significant political implications. By maintaining the status of Palestinians across generations—extending it to descendants of the original 1948 displaced persons—the agency has effectively expanded the refugee population over time. This policy, unique to UNRWA, has perpetuated the political dimensions of the refugee issue, complicating efforts to achieve a negotiated resolution to the Israeli-Palestinian conflict.

Locked into a Reactive Model

The mismatch between UNRWA's mandate and its long-term role has locked the agency into a reactive, short-term operational model. Instead of addressing the root causes of refugee dependency or fostering pathways to self-reliance, the agency has focused on delivering immediate services, year after year. This model is not only

¹⁴ United Nations Relief and Works Agency for Palestine Palestinians in the Near East (UNRWA), *Evaluation of the Agency Medium-Term Strategy: 2016–2021*, October 2021, https://www.unrwa.org/sites/default/files/content/resources/evaluation_of_the_agency_medium-term_strategy_oct_2021_final.pdf.



unsustainable but also ill-suited to addressing the broader socio-economic and political challenges faced by Palestinians.

The Need for Structural Reimagining

Addressing the contradictions inherent in UNRWA's role requires a fundamental reimagining of its structure and mandate. The agency's transformation from a temporary relief provider to a permanent service institution underscores the need for a new framework—one that prioritises long-term development, transparency, and accountability over short-term service delivery.

This reimagining should focus on:

- **Empowerment over Dependency:** Shifting from direct service provision to programmes that foster self-reliance, such as vocational training, microfinance initiatives, and entrepreneurship support.
- **Accountability and Efficiency:** Reducing bureaucratic inefficiencies and redirecting resources toward impactful, community-driven projects.
- **Integration into Host Societies:** Encouraging host countries to play a more active role in integrating Palestinians into their social and economic systems, supported by international incentives.
- **Political Neutrality:** Ensuring that any new framework operates free from political interference, maintaining a focus on humanitarian principles.

UNRWA's transformation from a temporary mechanism into a permanent institution has created a paradox that undermines its effectiveness and perpetuates dependency. While the agency has addressed immediate needs for decades, it has failed to adapt to the evolving realities of the Palestinian refugee crisis. Breaking free from this reactive model and reimagining humanitarian support for Palestinians is essential to fostering self-reliance, reducing dependency, and contributing to long-term stability in the region.

1.2 Misaligned Operational Framework

UNRWA's operational framework is fundamentally misaligned with the evolving needs and socio-economic realities of the Arab-Palestinian population. While the agency's services—such as food aid, primary healthcare, and subsidised education—provide critical relief, they fail to address the underlying challenges that perpetuate dependency. By prioritising short-term service provision over long-term empowerment, UNRWA has not only hindered self-reliance but also entrenched systemic vulnerabilities within refugee communities.



A 2015 World Bank report titled "Learning in the Face of Adversity"¹⁵: The UNRWA Education Program for Palestinians" provides insights into UNRWA's educational services. While the report acknowledges the agency's role in delivering some degree of basic education to Palestinians, it also highlights areas where complementary initiatives are lacking. Specifically, the report notes that although UNRWA's services are vital for immediate survival, there is a need for additional programs that focus on economic empowerment, skill development, and community resilience to foster long-term self-sufficiency among Palestinians.¹⁶

Healthcare: A Band-Aid Solution

UNRWA's healthcare programmes focus primarily on the provision of basic medical services, including maternal and child health, vaccination campaigns, and the treatment of common illnesses. These services are undeniably essential, particularly in resource-constrained settings like Gaza and parts of the West Bank. However, the agency's approach has not evolved to include investments in local capacity building or infrastructure development.¹⁷

- **Lack of Local Healthcare Professional Training:** UNRWA has not significantly invested in training programmes for Palestinian healthcare professionals. This gap means that refugee communities remain reliant on international medical staff and external aid organisations for specialised care. For instance, patients requiring advanced treatments or surgeries are often referred to hospitals outside the refugee camps, further reinforcing dependence on external systems.
- **Inadequate Infrastructure Development:** While UNRWA maintains clinics and health centres, these facilities are generally limited in scope and lack the capacity to address complex medical needs. There has been little progress toward developing self-sustaining healthcare infrastructure that could reduce reliance on international support.
- **Impact on Refugee Communities:** The reliance on externally driven healthcare services creates systemic vulnerabilities. In periods of funding shortfalls or

¹⁵ Husein Abdul-Hamid et al., *Learning in the Face of Adversity: The UNRWA Education Program for Palestine Refugees* (Washington, D.C.: World Bank Group, 2016), accessed March 31, 2025, https://www.researchgate.net/publication/284360660_Learning_in_the_Face_of_Adversity_The_UNRWA_Education_Program_for_Palestine_Refugees.

¹⁶ World Bank, *Learning in the Face of Adversity: The UNRWA Education Program for Palestinian Palestinians*, 2015, <https://documents1.worldbank.org/curated/pt/972731468327904489/pdf/923910WP0Box380he0UNRWA0Story0PRINT.pdf>.

¹⁷ United Nations, *Evaluation of UNRWA's Health Programme*, November 29, 2021, https://www.un.org/unispal/wp-content/uploads/2021/12/UNRWAIOSHEALHEVAL_291121.pdf.



geopolitical instability, access to medical care becomes precarious, exacerbating health inequities within refugee populations.

By failing to prioritise healthcare system development, UNRWA has perpetuated a model that addresses symptoms rather than building sustainable solutions.

Education: Outdated and Inadequate

Education constitutes the largest component of UNRWA's budget, with the agency operating over 700 schools and serving more than 500,000 students annually. While access to education is critical, the quality and relevance of UNRWA's educational programmes remain deeply flawed.

- **Outdated Curricula:** UNRWA's school curricula, often developed in collaboration with host governments, fail to align with the demands of modern labour markets. A 2020 study by the Palestinian Economic Policy Research Institute found that Palestinian youth graduating from UNRWA schools lacked the technical and vocational skills needed for meaningful employment in contemporary industries.
- **Rote Learning over Critical Thinking:** UNRWA's teaching methodologies rely heavily on rote memorisation, with limited emphasis on fostering critical thinking, creativity, or problem-solving skills. This approach leaves students ill-prepared to navigate complex socio-economic challenges or pursue higher education opportunities.
- **Lack of Vocational Training:** Unlike other international education providers, UNRWA has not prioritised vocational training or STEM (science, technology, engineering, and mathematics) education. This omission is particularly problematic given the high unemployment rates among Palestinian youth, which exceed 40% in Gaza according to the International Labour Organization (ILO).¹⁸
- Vocational training programmes could play a pivotal role in bridging this gap, equipping students with practical skills and improving their employment prospects.
- **Politicisation of Content:** Investigations by organisations such as IMPACT-se have documented the inclusion of content in UNRWA textbooks that perpetuates political grievances and glorifies violence. Such content not only contravenes international education standards but also reinforces divisive narratives, undermining efforts to promote reconciliation and peacebuilding.¹⁹

¹⁸ International Labour Organization, "After a Year of War, Unemployment Surges to Nearly 80 per Cent and GDP Contracts Almost 85 per Cent," *ILO*, accessed January 23, 2025, <https://www.ilo.org/resource/news/year-war-unemployment-surges-nearly-80-cent-and-gdp-contracts-alm-ost-85>.

¹⁹ IMPACT-se, *UNRWA Education: Textbooks and Terror*, November 2023, <https://www.impact-se.org/wp-content/uploads/UNRWA-Education-Textbooks-and-Terror-Nov-2023.pdf>.



The failure to modernise its educational approach has left UNRWA unable to fulfil its mandate of preparing students for self-reliance and integration into local or regional economies.

Employment: A Perpetual Cycle of Dependency

UNRWA's public works programmes, initially introduced as temporary job creation initiatives, have become permanent features of its operations. While these programmes provide short-term income support, they do little to address the structural barriers to employment faced by Palestinians.

- **Temporary Solutions as Permanent Fixtures:** Originally designed to mitigate the immediate economic impact of displacement, UNRWA's public works programmes now function as long-term stopgap measures. Palestinians participating in these programmes are often employed in low-skilled, temporary positions, with limited opportunities for advancement or skills development.
- **Neglect of Private Sector Development:** UNRWA's focus on direct employment within its own programmes has diverted attention from fostering private sector growth. Without initiatives to encourage entrepreneurship or attract investment, refugee communities remain economically stagnant, dependent on UNRWA salaries and external aid.
- **Barriers to Economic Integration:** In host countries such as Lebanon, restrictive labour laws prevent Palestinians from accessing formal employment opportunities in key sectors. UNRWA has not effectively advocated for policy changes that would enable Palestinians to participate more fully in local economies.
- **Missed Opportunities in Microfinance:** Microfinance initiatives have proven successful in fostering economic resilience in refugee contexts globally, yet UNRWA has not prioritised such programmes. By providing Palestinians with access to credit and business training, microfinance could empower individuals to create sustainable livelihoods, reducing dependency on aid.

Systemic Implications

UNRWA's reliance on outdated operational frameworks has broader implications for Palestinian refugee communities and the region as a whole:

- **Entrenched Inequities:** Palestinians continue to face systemic disadvantages in education, healthcare, and employment, perpetuating cycles of poverty and exclusion.



- **Erosion of Hope:** The lack of meaningful opportunities for self-improvement fosters frustration and disillusionment, particularly among youth. This discontent can be exploited by extremist groups, further destabilising the region.
- **Donor Fatigue:** The inefficiency and ineffectiveness of UNRWA's programmes have led to growing scepticism among donor nations, jeopardising the agency's financial sustainability.

UNRWA's inability to adapt its operational framework to meet the changing needs of Palestinians is a critical failure that undermines its effectiveness and perpetuates dependency. Addressing these shortcomings requires a fundamental reimagining of how humanitarian aid is delivered, prioritising sustainable development, vocational training, and the empowerment of refugee communities. Without such reforms, UNRWA will remain trapped in a cycle of inefficiency, unable to fulfil its mandate or contribute meaningfully to the wellbeing of Palestinians.

1.3 Failure to Adapt to Socio-Economic Realities

Since its establishment in 1949, the socio-economic and political landscape of the Middle East has undergone profound transformations. Shifting regional dynamics, the evolution of labour markets, and the emergence of new political complexities have created challenges that require innovative, forward-looking approaches to humanitarian aid. Yet, UNRWA has failed to adapt its operational framework to these changing realities. The agency continues to function within the confines of a mid-20th-century aid model, which prioritises immediate relief over sustainable development. This inability to evolve has deepened socio-economic vulnerabilities among Palestinian Palestinians and undermined the agency's capacity to deliver effective support.

Beyond its institutional inefficiencies, UNRWA now faces a structural crisis. With Israel's formal ban on the agency's operations, its ability to function effectively is no longer just a matter of reform but of legality. No international agency can operate outside of host-country laws, reinforcing the necessity for an alternative aid framework that adheres to legal and security requirements.

Labour Market Mismatches

One of the most critical examples of UNRWA's failure to adapt is its inability to address the changing demands of labour markets in the region. Palestinian youth, particularly in Gaza, face unemployment rates exceeding 40%, among the highest globally, according to the International Labour Organization (ILO). This crisis is exacerbated by several factors directly linked to UNRWA's outdated programmes:



- **Vocational Training Deficits:** UNRWA operates eight Vocational Training Centres (VTCs) and two teacher training institutes, providing postsecondary education to approximately 10,000 Palestinians across its five fields of operation. These VTCs offer training in various trades and professions, aiming to equip students with skills relevant to the job market. Despite these efforts, a significant skills mismatch persists between the training provided and the demands of the labor market. A 2021 report by the European Training Foundation (ETF) highlighted that in 2020, 34.5% of young Palestinians aged 15–24 were not in employment, education, or training (NEET), with 30% of NEETs being male and 39% female. The report emphasized the need for vocational training programs to align more closely with labor market needs, particularly in high-demand sectors such as information technology, engineering, and renewable energy.²⁰ The World Bank's Economic Monitoring Report to the Ad Hoc Liaison Committee noted that unemployment rates in Gaza reached 44%, even with low labor force participation. The report identified the mismatch between educational outcomes and labor market needs as a primary barrier to employment for Palestinians, leaving many graduates unable to secure meaningful work and perpetuating cycles of poverty and dependency.²¹ These findings underscore the importance of enhancing vocational training programs to better align with current labor market demands, thereby improving employment prospects for Palestinian youth.
- **Lack of Private Sector Engagement:** UNRWA has largely neglected opportunities to collaborate with private sector actors to create job placement programmes or internships for Palestinians. Partnerships with industries could provide valuable pathways for skill development and employment, but the agency has not prioritised such initiatives. This oversight is particularly damaging in regions like Gaza, where the private sector is already constrained by political and economic barriers. Without deliberate efforts to foster industry collaboration, Palestinian Palestinians remain excluded from meaningful economic participation.
- **Economic Isolation in Gaza:** In Gaza, where the economy is further restricted by blockades and political instability, UNRWA's failure to promote entrepreneurial initiatives or microfinance programmes has compounded the problem. Palestinians are left with few viable options for self-employment or small business development, further exacerbating unemployment and poverty.

Political Complications

²⁰ European Training Foundation, *Country Fiche: Palestine 2021*, 2021, https://www.etf.europa.eu/sites/default/files/document/CFI_Palestine_2021.pdf.

²¹ World Bank, *Economic Monitoring Report to the Ad Hoc Liaison Committee*, accessed January 23, 2025, <https://www.worldbank.org/en/country/westbankandgaza/publication/economic-monitoring-report-ahlc>.



The political environment in which UNRWA operates presents significant challenges that have further undermined its effectiveness. The agency's presence in politically sensitive areas such as Gaza and the West Bank has exposed it to interference from local actors, including Hamas, which has repeatedly exploited UNRWA's resources and facilities.

- **Politicisation of Operations:** UNRWA's inability to maintain neutrality in politically charged environments has been a longstanding issue. Investigations by the United Nations and independent organisations have documented instances where UNRWA facilities were used for storing weapons or as operational bases for militant activities, particularly during periods of conflict in Gaza. These incidents not only compromise the safety of Palestinians and staff but also undermine donor confidence, as countries are reluctant to fund an agency that cannot safeguard its resources from being co-opted for violent purposes.
- **Impact of Local Governance Structures:** In Gaza, where Hamas exercises de facto control, UNRWA faces additional obstacles. The group's influence over local governance and infrastructure has limited UNRWA's ability to implement apolitical development programmes. For example, vocational training or economic empowerment initiatives are often deprioritised in favour of services that align with Hamas's political objectives.

Restrictions in Host Countries

In host countries such as Lebanon, restrictive labour laws prevent Palestinian Palestinians from entering key employment sectors. While these restrictions are beyond UNRWA's direct control, the agency has not effectively advocated for policy changes that could enable greater economic integration for Palestinians. This failure to engage with host governments on structural reforms further entrenches the socio-economic marginalisation of Palestinian Palestinians, leaving them dependent on UNRWA's limited resources.²²

Broader Implications of Inertia

UNRWA's failure to adapt its operational framework to socio-economic realities has broader consequences for Palestinian Palestinians and the stability of the region as a whole:

²² United Nations Relief and Works Agency for Palestine Palestinians in the Near East (UNRWA), "Protection in Lebanon," *UNRWA*, accessed January 23, 2025, <https://www.unrwa.org/activity/protection-lebanon>.



- **Entrenchment of Poverty:** By neglecting to align its programmes with labour market demands, UNRWA has perpetuated high unemployment and poverty rates among Palestinians. This stagnation not only limits individual opportunities but also weakens the economic foundations of refugee communities.
- **Donor Fatigue:** The inefficiency and politicisation of UNRWA's operations have led to growing frustration among donor states, many of which have reduced or withheld funding in recent years. For example, the United States, historically one of UNRWA's largest donors, has periodically suspended contributions, citing concerns over transparency and ties to extremism.
- **Vulnerability to Exploitation:** The socio-economic frustrations of Palestinians, particularly unemployed youth, create fertile ground for recruitment by extremist groups. By failing to address the root causes of economic marginalisation, UNRWA inadvertently contributes to regional instability.

UNRWA's inability to adapt its programmes to the socio-economic and political realities of the 21st century represents a critical failure in its mandate to support Palestinian Palestinians. The labour market mismatches and political complications outlined above underscore the urgent need for a reimagined aid framework—one that prioritises vocational training, private sector engagement, and political neutrality. Without such reforms, UNRWA risks perpetuating the very challenges it was established to address, to the detriment of both Palestinian Palestinians and the broader region.

1.4 Institutional Inertia and Bureaucratic Expansion

UNRWA's operations are significantly hampered by its institutional inertia and the expansion of its bureaucracy, which has outpaced its ability to deliver effective services. This misalignment between resources and outcomes underscores the urgent need for structural reform within the agency.

Bureaucracy That Consumes Itself

One of the most glaring indicators of UNRWA's inefficiency is its bloated administrative structure. In 2020, nearly 60% of the agency's expenditures were allocated to administrative costs.²³ This allocation far exceeds the benchmark for efficient humanitarian organisations, where administrative costs typically range between 10% and 20% of total expenditure. UNRWA's disproportionately high administrative overhead diverts critical funds away from the services it is mandated to provide, such as education, healthcare, and social support.

²³ United Nations, *Report of the Working Group on UNRWA Financing*, August 30, 2024, <https://www.un.org/unispal/document/report-of-the-working-group-on-unrwa-financing-30aug24/>.



Overstaffing and Redundancy

UNRWA employs over 30,000 staff members, the majority of whom are Palestinian Palestinians. While this policy aims to provide employment within refugee communities, it has also led to significant overstaffing and redundancy. For example:

- **Multiple Tiers of Management:** Complex layers of bureaucracy complicate decision-making processes, reducing organisational agility and responsiveness.
- **Lack of Accountability:** The absence of performance-based accountability allows inefficiencies to persist unchecked, with resources often allocated based on political considerations rather than operational necessity.

This overreliance on a large and unwieldy bureaucracy reduces UNRWA's ability to respond to evolving challenges, such as shifts in refugee demographics or emerging crises. Instead, the agency becomes increasingly focused on maintaining its internal machinery, prioritising institutional survival over impactful service delivery.

Resource Misallocation

The inefficiency of UNRWA's bureaucratic structure has direct consequences for the communities it serves. With administrative costs absorbing the majority of its budget, less funding is available for essential programmes, such as school upgrades, healthcare infrastructure, or vocational training. As a result, Palestinians often receive substandard services, perpetuating cycles of dependency and dissatisfaction.

The Impact of Funding Volatility

UNRWA's reliance on voluntary contributions from donor states exacerbates its inefficiencies. Unlike other UN agencies that benefit from mandatory contributions, UNRWA depends on the goodwill of donor nations to fund its operations. This funding model is inherently unstable, leaving the agency vulnerable to geopolitical shifts and donor fatigue.

- **Frequent Budget Crises:** UNRWA has faced chronic funding shortfalls, with annual deficits sometimes exceeding \$100 million. These crises force the agency into reactive measures, such as:
 - Delaying or cancelling key programmes, including educational and healthcare initiatives.
 - Cutting staff salaries, leading to labour unrest and further disruptions in service delivery.
 - Relying on emergency appeals, which detract from long-term planning and perpetuate a cycle of financial instability.



For example, the decision by the United States in 2018 to withdraw funding from UNRWA—a move that accounted for nearly 30% of the agency's budget—precipitated a severe financial crisis. This withdrawal exposed the fragility of UNRWA's funding model and its inability to insulate its operations from external political pressures.

Short-Term Survival Over Strategic Planning

The unpredictability of funding has forced UNRWA to prioritise immediate needs over strategic goals. This myopic approach undermines the agency's ability to address root causes of dependency or invest in sustainable development initiatives. Instead of adapting to the changing socio-economic realities of the refugee population, UNRWA remains trapped in a reactive operational model, perpetually scrambling to fill budgetary gaps.

Erosion of Donor Confidence

The inefficiencies of UNRWA's bureaucracy and its susceptibility to funding volatility have eroded confidence among donor states. Concerns over financial mismanagement, lack of transparency, and politicisation of resources have led several key contributors to reconsider their support. For instance:

- In addition to the US withdrawal, other major donors, such as Switzerland and the Netherlands, have temporarily suspended funding in response to allegations of corruption within UNRWA's senior leadership.
- A 2019 internal investigation by the UN revealed "management dysfunction" and "abuse of authority," further damaging the agency's credibility.²⁴

Implications of Institutional Inertia

The combination of bureaucratic inefficiency and funding instability has profound implications for UNRWA's effectiveness:

- **Diminished Service Quality:** Refugee communities bear the brunt of reduced resources and inconsistent programme delivery, perpetuating cycles of poverty and dependency.
- **Missed Opportunities for Reform:** A focus on short-term survival prevents UNRWA from implementing meaningful changes to its operational framework or investing in innovative solutions.

²⁴ Al Jazeera, "Ethics Report Accuses UNRWA Leadership of Abuse of Power," *Al Jazeera*, July 29, 2019, <https://www.aljazeera.com/news/2019/7/29/ethics-report-accuses-unrwa-leadership-of-abuse-of-power>.



- **Undermined Credibility:** Persistent inefficiencies weaken UNRWA's standing as a legitimate humanitarian organisation, reducing its influence and ability to advocate for Palestinian Palestinians on the global stage.

UNRWA's institutional inertia and bureaucratic expansion represent significant barriers to its ability to fulfil its mandate. High administrative costs, compounded by funding volatility, have entrenched inefficiency and diverted resources from the Palestinians it was established to support.

Israel's prohibition on UNRWA operating within its jurisdiction creates a new logistical challenge: the agency can no longer deliver aid in critical areas unless it aligns with Israel's legal framework. This further exacerbates the agency's long-standing inefficiencies, making its operational model untenable in key regions.

1.5 Consequences of Failing to Meet the Mandate

The cumulative effect of UNRWA's shortcomings is a humanitarian agency that has not only failed to fulfil its mandate but has also contributed to the entrenchment of the very challenges it was created to address. Palestinian Palestinians remain among the most vulnerable populations in the world, with limited access to sustainable livelihoods, social mobility, or political agency. This reality is not simply a consequence of external pressures or funding shortages but a reflection of systemic failures within UNRWA's operational and strategic framework.

Perpetuation of Vulnerability

Despite receiving billions in international aid, Palestinian Palestinians continue to face widespread poverty, unemployment, and socio-economic stagnation. UNRWA's reliance on short-term relief mechanisms has failed to provide pathways to self-reliance or meaningful opportunities for upward mobility. Palestinians remain trapped in cycles of dependency, with limited prospects for building independent futures.

- **Economic Stagnation:** UNRWA's inability to align its programmes with labour market demands has left generations of Palestinian Palestinians ill-equipped to secure meaningful employment. This mismatch not only exacerbates economic vulnerabilities but also reinforces a reliance on international aid.
- **Educational Deficiencies:** The agency's outdated educational programmes, combined with the politicisation of curricula, have failed to equip students with the skills needed for modern economies. Graduates face limited opportunities for further education or meaningful employment, perpetuating cycles of socio-economic disadvantage.



Broader Implications for Regional Stability

UNRWA's failures extend beyond the refugee communities it serves, with significant consequences for regional stability. By perpetuating dependency and neglecting long-term development, the agency has created an environment that extremist groups can exploit. These groups often capitalise on the frustration and disillusionment of unemployed youth, turning socio-economic grievances into recruitment opportunities.

- **Exploitation by Extremists:** High unemployment and lack of opportunities create fertile ground for extremist ideologies. The failure to address these root causes undermines efforts to foster peace and stability in the region.²⁵
- **Erosion of Trust in Humanitarian Efforts:** UNRWA's inefficiencies and politicisation have eroded trust among donor nations and host countries. This scepticism undermines the credibility of international humanitarian efforts, reducing the willingness of stakeholders to engage in collaborative solutions.

A Systemic Failure Demanding Reform

UNRWA's inability to fulfil its mandate is not merely a matter of operational inefficiency but a systemic failure that demands urgent and comprehensive reform. The agency's entrenched model of dependency must be replaced with a framework that prioritises empowerment, transparency, and accountability.

- **Empowerment Over Dependency:** A reimagined aid mechanism must focus on vocational training, microfinance initiatives, and community-driven development to equip Palestinians with the tools needed for self-sufficiency.
- **Transparent and Accountable Structures:** By implementing independent oversight and leveraging technological innovations, such as blockchain and GPS tracking, a modern framework can ensure the efficient allocation of resources and rebuild donor confidence.
- **Alignment with 21st-Century Needs:** The new framework must address the socio-economic realities of Palestinian Palestinians, aligning humanitarian efforts with market demands and fostering long-term stability.

The consequences of UNRWA's systemic failures are profound, affecting not only the welfare of Palestinian Palestinians but also the broader dynamics of regional peace and stability. Addressing these challenges requires more than incremental changes; it demands a fundamental restructuring of how humanitarian aid is conceived and

²⁵ State of Israel, "UNRWA: Overview and Issues," *Government of Israel*, accessed January 23, 2025, https://govextra.gov.il/unrwa/unrwa/?gad_source=1&gbraid=0AAAAA9xqM_TS6lIQqlrj9L_2_WhjXEIQ&gclid=CjwKCAiAkC28BhB0EiwAM001TathloPuuhpnM0av27wO-_TdE8bfw8Jqlso_gJ42vsVqlRtCE1CTjhoCwtkQAvD_BwE.



delivered. As this briefing will explore, replacing UNRWA with a modern, transparent, and accountable aid mechanism is essential to breaking cycles of dependency, empowering Palestinians, and fostering sustainable development in one of the world's most volatile regions.

2. Politicisation and Security Risks

UNRWA's reputation and effectiveness have been significantly compromised by repeated accusations of politicisation and security lapses. These issues have undermined its neutrality, raised serious questions about its accountability, and jeopardised its ability to fulfil its humanitarian mandate. The misuse of UNRWA facilities by extremist groups and the failure to adequately vet its personnel are among the most pressing concerns, with profound implications for the agency's credibility and the safety of those it serves.

2.1 Complicity in Extremism

Numerous investigations have documented instances in which UNRWA facilities were exploited by extremist groups, particularly in Gaza, where Hamas maintains de facto control. These incidents reveal a troubling pattern of complicity or, at the very least, negligence, which undermines the agency's neutrality and poses significant security risks.

Weaponisation of UNRWA Facilities

During conflicts in Gaza, facilities such as schools and hospitals operated by UNRWA have been used for the storage of weapons and as staging grounds for militant activities. For example, a 2014 investigation by the United Nations Board of Inquiry found that rockets were stored in at least three UNRWA schools and were likely fired from nearby locations. Such actions contravene international humanitarian law and violate the principles of neutrality and protection under which UNRWA is mandated to operate.

- **Violation of International Humanitarian Law:** The storage of weapons in civilian facilities not only breaches the Fourth Geneva Convention but also places these sites at risk of being considered legitimate military targets. This misuse compromises their protected status and endangers innocent civilians who rely on these facilities for shelter and essential services.
- **Repercussions for Refugee Safety:** Civilians, including children, are placed in grave danger when such facilities are weaponised. The presence of weapons in schools or hospitals transforms them into high-risk locations, exposing them to



potential military retaliation and escalating conflict in already volatile environments.

Endangering Civilians

The misuse of UNRWA facilities as operational bases for extremist groups undermines their intended purpose as safe havens. These actions compromise the safety of Palestinians and staff alike, turning schools, clinics, and shelters into potential targets. For example:

- **Loss of Neutrality:** The involvement of extremist actors in UNRWA operations erodes trust in the agency as a neutral humanitarian actor. Palestinians and host communities alike may question the agency's ability to provide impartial support.
- **Escalation of Conflict:** The dual use of civilian facilities for militant purposes creates a dangerous precedent, further complicating the enforcement of international humanitarian norms and escalating the intensity of conflicts.

Erosion of Donor Confidence

Incidents of complicity in extremism have had a profound impact on donor confidence. As many donor nations provide the majority of UNRWA's funding, these security breaches have led to heightened scrutiny and, in some cases, reductions in financial support. Examples include:

- **United States Funding Suspension:** The U.S. government's decision to withdraw funding in 2025 was partly based on concerns over mismanagement and ties to extremist groups.
- **Global Repercussions:** Similar concerns have been raised by other donor nations, such as Switzerland and the Netherlands, which temporarily suspended funding in response to allegations of corruption and the misuse of facilities.²⁶

The erosion of donor confidence not only exacerbates UNRWA's funding challenges but also undermines its capacity to deliver essential services. Without robust measures to ensure the integrity of its operations, the agency risks further alienating its donor base and jeopardising its ability to fulfil its mandate.

UNRWA's complicity in extremism—whether through negligence or a lack of robust oversight—represents a critical failure with far-reaching consequences. Addressing this issue is essential to restoring the agency's credibility, safeguarding the welfare of Palestinians, and ensuring the neutrality of humanitarian efforts. A reimagined

²⁶ Jewish News Syndicate, "Swiss Parliamentarians Vote to Stop UNRWA Funding," *JNS*, December 2022, <https://www.jns.org/swiss-parliamentarians-vote-to-stop-unrwa-funding/>.



framework that prioritises transparency, accountability, and rigorous monitoring is crucial to mitigating these risks and rebuilding trust in international aid mechanisms.

The Israeli government's decision to ban UNRWA stems largely from security concerns, including documented cases of UNRWA facilities being used by militant groups. Investigations into UNRWA's role in past conflicts revealed instances of weapons being stored in its schools and premises, further justifying Israel's legislative decision.

2.2 Politicised Staffing Practices

Beyond the misuse of facilities, UNRWA's staffing practices have also come under scrutiny for their politicisation and lack of adequate oversight.

Staff Ties to Extremist Ideologies

- A 2025 report by UN Watch documented instances where UNRWA staff members publicly expressed support for extremist ideologies on social media platforms, including praise for acts of violence against civilians.²⁷
- Such behaviour is a direct violation of the agency's code of conduct, which requires staff to maintain neutrality and uphold the values of the United Nations. These revelations raise serious concerns about the efficacy of UNRWA's vetting and monitoring processes.

Inadequate Accountability Mechanisms

- Despite repeated allegations of misconduct, there is little evidence that UNRWA has implemented robust mechanisms to address these issues. Investigations into staff behaviour are often slow and lack transparency, undermining trust among donor states and stakeholders.
- The absence of clear accountability measures not only allows these issues to persist but also emboldens individuals and groups that seek to exploit the agency's resources for political or ideological purposes.

Impact on Humanitarian Operations

- The politicisation of staffing has broader implications for UNRWA's humanitarian operations. Staff members who are openly aligned with extremist ideologies

²⁷ UN Watch, "New Investigation Exposes UN Agency's Shocking Ties to Terror Groups," *UN Watch*, accessed January 23, 2025, <https://unwatch.org/new-investigation-exposes-un-agencys-shocking-ties-to-terror-groups/>.



compromise the delivery of impartial aid, exacerbating tensions and undermining the ability to operate effectively in conflict zones.

- Furthermore, these issues tarnished the credibility of UNRWA's broader mission, reducing its ability to advocate for the rights and needs of Palestinian Palestinians on the global stage. The replacement framework must not repeat these mistakes.

The politicisation of UNRWA and its complicity in extremism represent fundamental breaches of its mandate to provide neutral and impartial humanitarian assistance. The misuse of facilities and the failure to vet and monitor staff not only endanger the lives of those it serves but also undermine its credibility and the trust of its donors.

Addressing these issues requires immediate and systemic reform. Any replacement framework must implement rigorous oversight mechanisms to ensure that its facilities and staff adhere to the highest standards of neutrality and accountability. Failure to do so risks perpetuating cycles of conflict and dependency, eroding the very principles upon which the agency was founded.

3. Lack of Transparency and Accountability

Transparency and accountability are fundamental to the credibility and effectiveness of any international humanitarian organisation. Yet, UNRWA has consistently fallen short in these areas, with widespread allegations of financial mismanagement and a lack of robust oversight mechanisms. These shortcomings have eroded donor confidence and raised serious questions about the agency's ability to allocate resources effectively and ethically.

3.1 Financial Mismanagement

UNRWA's operations have been marred by reports of mismanagement and allegations of corruption, undermining its ability to deliver on its mandate and maintain the trust of its stakeholders.

Management Dysfunction and Abuse of Authority

In 2019, an internal United Nations investigation uncovered "management dysfunction" and "abuse of authority" among senior UNRWA leadership. The report detailed instances of nepotism, misuse of funds, and other unethical practices, leading to the resignation of the agency's commissioner-general.



- **Nepotism and Cronyism:** The investigation highlighted cases where leadership positions were awarded based on personal connections rather than merit, undermining organisational integrity.
- **Misuse of Funds:** Allegations included inappropriate expenditures on travel, personal benefits for senior officials, and inflated contracts. These expenditures diverted critical resources away from humanitarian priorities and eroded trust in the agency's governance.

The exposure of these practices revealed a culture of impunity within UNRWA's leadership, exacerbating concerns about the agency's accountability and effectiveness.

Impact on Programme Delivery

Mismanagement at the highest levels has cascading effects on UNRWA's operational capacity. When financial resources are misused or misallocated, it reduces the funding available for essential services such as education, healthcare, and food aid. Palestinians, who rely heavily on these programmes, bear the brunt of these inefficiencies.

The Path Forward

To restore confidence and ensure effective use of resources, the new system must implement robust reforms focused on transparency and accountability. Key recommendations include:

- **Independent Auditing Mechanisms:** Establish external oversight bodies to conduct regular, transparent audits of financial transactions and programme outcomes.
- **Leadership Accountability:** Introduce performance-based evaluations for senior staff and enforce strict anti-corruption measures to prevent misuse of funds.
- **Transparent Reporting:** Develop publicly accessible platforms to report on budget allocations, programme impacts, and operational challenges, fostering greater trust among stakeholders.

Tackling the systemic failures of financial mismanagement is not just a necessity for accountability—it is a decisive argument for UNRWA's replacement. The agency has proven incapable of upholding its humanitarian mandate, entrenching inefficiencies that undermine the very welfare of Palestinian Palestinians. Only by dismantling this broken structure and establishing a new framework—one that truly honours its commitments—can real progress be achieved.



As UNRWA is now barred from operating within Israel's jurisdiction, any future aid mechanism must ensure legal compliance with host governments. A restructured framework should integrate with Israel's governance structures where necessary to facilitate aid delivery without compromising security or transparency.

3.2 Absence of Independent Auditing

A cornerstone of financial accountability is independent auditing, which ensures that resources are used transparently and efficiently. However, UNRWA has consistently resisted calls for external audits, leaving significant gaps in oversight and accountability.

Lack of Transparency in Budget Allocation

UNRWA's multi-billion-dollar budget is primarily funded by voluntary contributions from donor states. Yet, the agency provides limited public disclosure of how these funds are allocated and spent. This opacity has fueled suspicions of mismanagement and inefficiency.

- **Opaque Financial Reporting:** Donor nations and stakeholders have repeatedly highlighted the absence of detailed, publicly accessible financial reports. This lack of transparency makes it nearly impossible to evaluate the efficiency and impact of the agency's operations.
- **Impact on Donor Confidence:** The inability to track how funds are spent has undermined trust among key donors. This has contributed to funding volatility, as major contributors question whether their financial support is being used effectively.

Resistance to External Oversight

Despite repeated calls from donor nations and international organisations, UNRWA has resisted independent audits of its financial practices. Instead, the agency relies on internal auditing processes, which lack the impartiality and rigour required to identify and address systemic issues.

- **Concerns Over Concealment:** The agency's resistance to external audits has raised concerns about what it might be seeking to hide. This reluctance creates an environment where inefficiencies, mismanagement, and potential misconduct can persist unchecked.
- **Lack of Impartiality:** Internal audits, while necessary, do not offer the same level of accountability as independent reviews. Without impartial scrutiny, systemic flaws remain unaddressed, further eroding the agency's credibility.



Missed Opportunities for Reform

Independent auditing is not merely a tool for detecting malfeasance; it is also an opportunity to identify inefficiencies and improve organisational effectiveness. By resisting external audits, UNRWA has forfeited critical opportunities to:

- **Enhance Operational Efficiency:** External audits could help pinpoint areas where resources are being wasted, enabling the agency to redirect funds toward more impactful programmes.
- **Rebuild Donor Trust:** Transparent and rigorous auditing processes would reassure donor nations that their contributions are being used responsibly, potentially stabilising funding streams.
- **Strengthen Institutional Accountability:** Regular external audits would signal a commitment to accountability, setting a precedent for ethical and efficient governance within humanitarian organisations.

Implications of Inadequate Oversight

The lack of transparency and accountability within UNRWA had far-reaching consequences for its effectiveness and credibility:

- **Perpetuation of Inefficiencies:** Without independent oversight, inefficiencies and mismanagement persist, reducing the resources available for critical services such as education and healthcare.
- **Erosion of Stakeholder Confidence:** Donors and beneficiaries alike lose faith in the agency's ability to fulfil its mandate, jeopardising future funding and support.
- **Missed Opportunities for Innovation:** The absence of external audits stifles opportunities for reform and the adoption of innovative practices that could enhance service delivery.

Path Forward

UNRWA has lost the confidence of its stakeholders and has failed its humanitarian mandate. The only path forward is to dismantle this dysfunctional agency and replace it with a transparent, accountable structure that truly serves those in need. Key priorities for this transition include:

- **Establishment of Independent Oversight Mechanisms:** Create external bodies comprising representatives from donor nations, international organisations, and third-party auditors to conduct regular, transparent reviews of financial practices.
- **Mandatory Independent Audits:** Require annual independent audits to assess budget allocation, operational efficiency, and the impact of programmes.



- **Public Disclosure of Financial Reports:** Develop publicly accessible platforms to share detailed financial reports and programme outcomes, fostering transparency and accountability.

The endemic problems at UNRWA necessitates more than just reform—it requires fundamental replacement. The agency has repeatedly failed to uphold ethical governance, squandered donor trust, and misdirected resources meant for those in need. Without dismantling this flawed institution and establishing a transparent, accountable alternative, credibility will remain elusive, funding will dwindle, and the millions of Palestinians who rely on humanitarian aid will continue to suffer.

4. Proposed Framework for Reform

To address the systemic issues undermining the efficacy and credibility of UNRWA, this briefing proposes dismantling the agency and replacing it with a modernised, transparent, and accountable aid mechanism. By leveraging innovative technology, independent oversight, and a focus on long-term self-reliance, this framework aims to rebuild trust, ensure effective aid delivery, and empower Palestinian communities.

4.1 Independent Oversight and Monitoring

A cornerstone of the new framework is the establishment of an independent oversight body tasked with governing aid delivery through transparency, impartiality, and accountability. This body will consist of representatives from donor nations, international organisations, local Palestinian stakeholders, and neutral third-party auditors. By broadening representation, the oversight body will ensure inclusivity and enhance legitimacy in its operations.

Key Functions:

- **Real-Time Monitoring:** Supervise the flow of aid from donor countries to beneficiaries using advanced tracking technologies, ensuring all resources reach their intended recipients without diversion or misuse. Integrate user-friendly digital platforms to make data accessible to stakeholders, including the public, fostering greater trust and transparency.
- **Regular Audits:** Conduct frequent, independent financial and operational audits to uncover inefficiencies, detect corruption, and identify opportunities for improvement. Publicly release audit findings to enhance accountability and maintain donor confidence.
- **Policy Accountability:** Establish robust mechanisms to ensure that aid delivery adheres to international humanitarian standards and is free from political or



ideological interference. Develop clear consequences for any violations, including suspension of funding and mandatory corrective actions.

- **Public Reporting:** Publish regular, multilingual reports detailing financial performance, operational outcomes, and compliance with set benchmarks. These reports will be accessible to donors, beneficiaries, and the general public.
- **Sanction Mechanisms:** Introduce enforceable sanctions for corruption or non-compliance, ranging from financial penalties to operational restructuring. This ensures that violations are addressed swiftly and transparently.

Broader Representation and Local Engagement:

- Include Palestinian community representatives and local NGOs in the oversight process to provide ground-level insights and ensure cultural and contextual relevance.
- Engage host country governments where appropriate, ensuring their cooperation while advocating for structural reforms that enhance Palestinians' economic and social inclusion.

Expected Benefits:

- **Rebuilding Donor Confidence:** The oversight body's commitment to transparency and accountability will address long-standing donor concerns, attracting sustained funding and encouraging new contributions.
- **Safeguarding Refugee Interests:** By prioritising operational integrity, the body will ensure that aid effectively supports Palestinian Palestinians' immediate needs and long-term aspirations.
- **Enhanced Trust:** Inclusive representation and public reporting will foster trust between donors, implementing organisations, and beneficiaries.

This independent oversight body will act as a guarantor of integrity, ensuring that aid delivery is efficient, equitable, and aligned with the principles of humanitarianism. By integrating technological tools, local expertise, and stringent accountability measures, it will transform aid governance into a model of transparency and fairness, safeguarding both donor contributions and the dignity of Palestinian Palestinians.

4.2 Aid and Education Watch Platforms

To ensure transparency and accountability in aid distribution, the framework proposes the establishment of publicly accessible platforms, such as the **AID Tracker Initiative**. This digital tool will monitor and report on aid distribution in real time, integrating advanced technology and community engagement to enhance trust and efficiency in aid



delivery. Drawing from recommendations in the proposal, the AID Tracker Initiative will prioritise accessibility, accuracy, and accountability.

Features of the AID Tracker Initiative

- **Real-Time Updates:**
 - Aid shipments will be tracked using GPS technology, with location updates available online for public viewing.
 - Live-streaming cameras installed on lorries, warehouses, and distribution centres will provide continuous visual monitoring to deter tampering or diversion.
 - Beneficiaries will receive SMS or app notifications regarding scheduled aid deliveries, empowering them to verify receipt.
- **Detailed Records:**
 - Comprehensive cataloguing of aid shipments, including item descriptions, quantities, and destinations, will be maintained.
 - Cross-verification of shipment contents at departure and arrival points will be conducted to ensure accuracy and prevent discrepancies.
 - Historical data will be archived for audits and evaluations, providing a transparent record of aid flows over time.
- **Public Accountability:**
 - The platform will allow donors, beneficiaries, and the general public to view the status of aid deliveries and distribution in real time.
 - Users will have access to interactive dashboards showing shipment routes, delivery timelines, and completion rates.
 - A feedback mechanism will enable beneficiaries to report delivery issues or discrepancies, creating a two-way communication channel.

Enhancements to the AID Tracker Initiative

- **Multilingual Accessibility:** The platform will be available in multiple languages, including Arabic and English, to ensure inclusivity for all stakeholders.
- **Data Privacy and Security:** Measures will be implemented to protect sensitive information while maintaining public transparency. Data will be encrypted and comply with international data protection standards.
- **Mobile-Friendly Interface:** The platform will be optimised for smartphones, enabling beneficiaries and stakeholders in remote areas to access updates easily.

Benefits of the AID Tracker Initiative



- **Transparency:** Public visibility into aid operations will counter allegations of diversion, corruption, and mismanagement. Real-time data ensures that stakeholders can independently verify the integrity of aid delivery.
- **Accountability:** Continuous monitoring and detailed records will minimise opportunities for corruption, with discrepancies flagged immediately for investigation. The system's built-in reporting tools will hold responsible parties accountable.
- **Efficiency:** Data collected through the platform will inform resource allocation decisions, optimising aid delivery routes, reducing delays, and ensuring that resources are directed where they are most needed.
- **Trust Building:** Public access to accurate, real-time information fosters trust between donors, implementing organisations, and refugee communities, strengthening the credibility of the aid delivery process.

Integration with Education Monitoring

As part of its broader vision, the framework will expand the AID Tracker Initiative to include **Education Watch Platforms**, ensuring accountability in educational aid. This component will:

- Monitor the distribution of educational resources, such as textbooks and school supplies.
- Track attendance and enrolment in educational programmes, particularly vocational and STEM training initiatives.
- Provide insights into the effectiveness of educational interventions, ensuring alignment with local needs and market demands.

Expected Outcomes

- **Increased Trust:** Transparent operations will rebuild donor confidence and foster goodwill among refugee communities.
- **Improved Resource Allocation:** Data-driven insights will enable targeted, efficient aid delivery and resource distribution.
- **Enhanced Community Engagement:** The platform's feedback mechanism will empower Palestinians to participate in aid monitoring, fostering a sense of agency and accountability.

By leveraging cutting-edge technology and fostering public engagement, the AID Tracker Initiative represents a transformative step toward transparent, efficient, and accountable aid delivery. This platform will not only ensure that resources reach those who need them most but also set a new standard for integrity and collaboration in humanitarian efforts.



4.3 Leveraging Technology for Accountability

Modern technology will be a cornerstone of this framework, enabling an unbroken chain of accountability in aid operations. By integrating cutting-edge tools such as blockchain and GPS tracking, the framework ensures transparency, security, and efficiency throughout the aid delivery process. These innovations will address persistent concerns about corruption, inefficiency, and resource diversion, restoring confidence among donors and stakeholders.

Blockchain Technology

- **Immutable Transaction Records:** Blockchain technology will be implemented to create tamper-proof records of aid transactions, from donor contributions to the final disbursement of funds. Each transaction will be recorded in a decentralised ledger, ensuring transparency and preventing manipulation.
- **Full Transparency:** Donors and stakeholders will have access to real-time information about how their contributions are allocated and utilised, minimising the risk of financial misappropriation.
- **Fraud Prevention:** By providing a verifiable, auditable record of every transaction, blockchain will eliminate opportunities for financial misconduct, ensuring that aid reaches its intended beneficiaries.

GPS Tracking

- **Real-Time Shipment Monitoring:** GPS-enabled tools will be used to track the movement of aid shipments in real time. Stakeholders will be able to monitor the progress of deliveries from departure points to final destinations.
- **Tamper Detection:** GPS tracking systems will include geofencing alerts, notifying administrators if shipments deviate from their approved routes or encounter unexpected delays.
- **Delivery Assurance:** Real-time tracking ensures that resources are delivered to the correct locations without interference or diversion.

Additional Enhancements

- **Integrated Data Systems:** Combine blockchain and GPS tracking with the AID Tracker Initiative for a seamless, holistic accountability system. This integration will provide stakeholders with a comprehensive overview of financial flows, resource distribution, and delivery progress.



- **AI-Driven Analytics:** Use artificial intelligence to analyse data from blockchain and GPS systems, identifying inefficiencies, predicting delivery bottlenecks, and optimising resource allocation.
- **Stakeholder Dashboards:** Develop user-friendly dashboards that display real-time data on shipments, financial transactions, and performance metrics. These dashboards will be accessible to donors, beneficiaries, and implementing partners.

Expected Benefits

- **Enhanced Transparency:** The combination of blockchain and GPS technology creates a fully transparent aid delivery system, reducing doubts and increasing trust among donors and stakeholders.
- **Improved Efficiency:** Data collected through these technologies will identify inefficiencies and enable faster, more reliable delivery of resources.
- **Stronger Accountability:** Immutable blockchain records and real-time GPS tracking will deter corruption and ensure that all parties are held accountable for their roles in aid delivery.
- **Increased Donor Confidence:** The use of advanced, verifiable technologies will reassure donors that their contributions are being used effectively and responsibly.

Long-Term Impact

- **Global Standard for Aid Accountability:** By integrating blockchain and GPS tracking, the framework can set a precedent for transparency and integrity in humanitarian operations worldwide.
- **Empowering Local Stakeholders:** Make technology accessible to local administrators and community leaders, equipping them with tools to monitor and manage aid delivery independently.
- **Scalability:** These technological solutions can be expanded to monitor other critical areas, such as educational resources, healthcare supplies, and vocational training programmes.

The integration of blockchain and GPS tracking will revolutionise aid delivery, addressing long-standing challenges of inefficiency and corruption. By leveraging these technologies, the framework ensures that resources are used effectively, beneficiaries are supported equitably, and stakeholders have the confidence needed to invest in long-term solutions.

4.4 Focus on Self-Reliance



The ultimate goal of the proposed framework is to transition Palestinian communities from aid dependency to sustainable self-reliance. By investing in long-term development initiatives, this approach aims to empower Palestinians with the skills, tools, and opportunities necessary to build a more resilient future.

Key Initiatives

- **Vocational Training Programmes:**
 - Design skill-building programmes aligned with regional and international market demands, focusing on high-growth industries such as construction, technology, renewable energy, and healthcare.
 - Partner with local and international businesses to create internship and job placement opportunities, ensuring that training directly translates to employment.
 - Incorporate STEM (science, technology, engineering, and mathematics) education into existing programmes to equip youth with skills critical to thriving in modern economies.
- **Microfinance Schemes:**
 - Offer small loans, grants, and business training to promote entrepreneurship within refugee communities.
 - Establish mentorship programmes to support aspiring entrepreneurs and ensure the sustainability of new ventures.
 - Create cooperative business models to encourage collective economic activity and shared resources.
- **Educational Investments:**
 - Expand educational opportunities by introducing leadership training and life skills development.
 - Enhance access to digital learning platforms to bridge the technological gap and improve educational outcomes.

Expected Outcomes

- **Reduced Aid Dependency:** Vocational training and microfinance schemes will empower Palestinians to generate their own income, decreasing reliance on international aid.
- **Improved Employment Prospects:** By equipping Palestinian youth and adults with relevant skills, the framework will significantly increase job opportunities within local and regional economies.
- **Socio-Economic Integration:** Empowered individuals will contribute to stronger, more resilient communities, fostering economic integration and reducing poverty.



- **Economic Resilience:** Entrepreneurship and small businesses will create self-sustaining cycles of growth, insulating communities from the volatility of external aid.

Pilot Programme: A Phased Approach

To ensure effective implementation, the framework will follow a phased strategy, beginning with targeted pilot programmes in key locations.

Steps for Implementation:

1. **Initial Pilot:**
 - Launch vocational training initiatives and microfinance schemes in strategically selected areas such as Gaza, Kerem Shalom, or host-country urban centres with significant refugee populations.
 - Test the integration of vocational programmes with local industries, measuring employment outcomes and skill relevance.
2. **Stakeholder Engagement:**
 - Partner with international donors, private sector leaders, and local NGOs to collaboratively design and implement these pilot initiatives.
 - Host community forums to engage Palestinians and ensure the programmes address their specific needs and aspirations.
3. **Evaluation and Scaling:**
 - Use data-driven evaluations to assess the pilot programme's effectiveness in job placement, income generation, and community engagement.
 - Incorporate lessons learned to refine the model and scale the programme to other refugee populations and regions.

Additional Recommendations

- **Focus on Women and Youth:** Target vocational training and microfinance opportunities to women and young adults, who often face greater barriers to economic participation.
- **Partnership with Host Countries:** Collaborate with host governments to advocate for policy changes that enable Palestinians to access more sectors of the economy.
- **Sustainability Metrics:** Develop measurable indicators of progress, such as the percentage of participants securing employment or establishing businesses within six months of completing the programmes.

This framework represents a transformative shift in how aid is delivered to Palestinian Palestinians, moving beyond UNRWA's outdated and politicised systems to a model



rooted in empowerment, accountability, and sustainability. By prioritising self-reliance, this approach not only addresses immediate needs but also equips Palestinians with the tools to secure a brighter future.

A future rooted in dignity, opportunity, and resilience is possible—but only if we reimagine aid systems to empower the people they are meant to serve.

Conclusion

The evidence is clear: UNRWA's inability to fulfil its mandate, compounded by its politicisation, lack of transparency, and outdated operational framework, has rendered it ineffective as a mechanism for supporting Palestinian Palestinians. A 2019 internal investigation by the United Nations revealed instances of "management dysfunction" and "abuse of authority," highlighting systemic inefficiencies within the agency (UN Report, 2019). Decades of inefficiency and mismanagement have not only failed to address the root causes of dependency but have also exacerbated the challenges faced by refugee communities. The call for reform is no longer an option—it is an imperative.

Recent legislative action by Israel, which formally bans UNRWA from operating within its jurisdiction, further underscores the necessity for a comprehensive overhaul of the aid framework. By legally barring the agency from functioning in East Jerusalem and other Israeli-controlled territories, the new legislation renders UNRWA's operational model increasingly untenable. Humanitarian aid must function within the legal frameworks of host nations; UNRWA's exclusion highlights its diminishing legitimacy and reinforces the urgent need for a replacement mechanism that aligns with modern standards of governance, efficiency, and accountability.

Replacing UNRWA is not simply a response to its failings; it is an opportunity to reimagine humanitarian aid for Palestinian Palestinians in a way that ensures transparency, neutrality, and long-term impact. A new framework would address historical inefficiencies, such as the failure to align vocational training with market demands, and create a pathway to self-reliance and dignity for the millions who depend on international aid (World Bank, 2020).

This proposed framework, grounded in technological innovation and rigorous oversight, would ensure that every aid dollar is accounted for and directed where it is most needed. It would prioritise vocational training, entrepreneurship, and community-driven development to empower Palestinian Palestinians to build sustainable futures. Most importantly, it would restore trust in the international humanitarian system by embodying the principles of fairness, impartiality, and genuine humanitarianism.



For donor nations, transparency is the cornerstone of effective aid. A restructured framework, with independent oversight bodies and publicly accessible tracking platforms, would reassure stakeholders that their contributions are being used efficiently and ethically. By incorporating tools like blockchain for financial accountability—which provides immutable records of transactions—and GPS tracking for real-time monitoring of aid deliveries, this system would set a new standard for integrity in humanitarian operations (Transparency International, 2021).

Moreover, a focus on neutrality and depoliticisation would mitigate the risks of extremism and ensure that aid reaches those in need without being co-opted for political agendas. Such measures are not just practical—they are essential for restoring the credibility of humanitarian efforts in one of the world's most politically sensitive regions.

At the heart of this transformation lies a commitment to self-reliance. By redirecting resources toward vocational training, such as IT and renewable energy skills, microfinance initiatives, and market-aligned education programmes, the new framework would equip Palestinian Palestinians with the tools they need to thrive independently (ILO Report, 2022). This is not just about providing aid; it is about fostering resilience, dignity, and opportunity.

This approach also recognises the interconnected nature of humanitarian aid and regional stability. Empowered communities are less vulnerable to exploitation by extremist groups and more likely to contribute positively to their host societies and the broader region. By addressing the root causes of dependency, this framework would promote long-term stability and prosperity.

A Call to Action

This policy briefing calls for decisive action to dismantle UNRWA and replace it with a modern, effective aid structure that prioritises transparency, accountability, and empowerment. The path forward will require bold leadership, international cooperation, and a willingness to challenge entrenched systems.

The stakes could not be higher. The status quo has failed Palestinian Palestinians, eroded trust in the international humanitarian system, and perpetuated cycles of dependency. In contrast, a reimagined framework offers the promise of dignity, sustainability, and stability.

Now is the time for the global community to act. Immediate steps include convening a coalition of donor nations to oversee the transition process and initiating pilot programmes to test the proposed technological and oversight measures (Chatham House, 2023). By embracing innovation and accountability, we can rebuild a system that



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not only meets the immediate needs of Palestinian Palestinians but also lays the foundation for their future success. With Israel's legal exclusion of UNRWA, the transition to a more effective, law-abiding humanitarian system is no longer just a policy debate—it is a necessity for fostering peace, governance, and progress in the Middle East.