

Proactive Release of United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) Documents

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Comment from the Ombudsman

In relation to the *Informal Note — United Nations Relief and Works Agency for Palestine Refugees in the Near East*, the Office of the Ombudsman has provided a supplementary comment in relation to a 2022 investigation related to the Ministry's funding of UNRWA.

Original Ministry comment (page 4):

Following a complaint from IINZ, the Ombudsman conducted an investigation in 2022 into whether the Ministry had acted reasonably in 2021 when it funded UNRWA knowing problematic material had been found in Palestinian Authority textbooks used by UNRWA schools. His final opinion was that the Ministry had not acted unreasonably.

Office of the Ombudsman supplement:

*Following a complaint from IINZ, the Ombudsman conducted an investigation in 2022 into whether the Ministry had acted reasonably in 2021 when it funded UNRWA knowing problematic material had been found in Palestinian Authority textbooks used by UNRWA schools. His final opinion was that the Ministry had not acted unreasonably **when it decided to release the final payment—of three payments over three years—under an existing funding arrangement, after the Ministry took what the Ombudsman considered to be appropriate steps to satisfy itself that certain assurances could be relied on.***

Informal Note — United Nations Relief and Works Agency for Palestine Refugees in the Near East

Purpose

- To provide background on the United Nations Relief and Works Agency for Palestine Refugees (UNRWA), New Zealand's support for the Agency (including planned next steps) and domestic views on UNRWA and its work.

Overview of UNRWA

- When UNRWA began operations in 1950, it was responding to the needs of about 750,000 refugees. Today, some 5.9 million refugees are eligible for UNRWA services across Jordan, Lebanon, Syria and the occupied Palestinian territories (oPt) – as the Agency's mandate extends to descendants of Palestinian refugees (the transfer of refugee status to descendants is derived from international law).
- UNRWA remains the primary service provider for millions of Palestinians, particularly in the oPt. UNRWA's core services across its five areas of operation include:
 - **Education:** UNRWA educates approximately 540,000 children at 714 schools, and provides vocational training and higher education to 10,000 refugees.
 - **Health:** UNRWA delivers primary healthcare to 1.9 million refugees across 140 facilities, and supports refugees to access secondary and tertiary healthcare.
 - **Protection:** UNRWA works to safeguard and advance the rights of refugees under international law amidst conflict and displacement.
 - **Relief & social services:** UNRWA supports particularly vulnerable refugees – especially women, children, people with disabilities, and the elderly – through relief and social services, such as food and cash-based assistance.
 - **Microfinance:** UNRWA provides income-generation opportunities by extending credit and financial services to households and entrepreneurs.
 - **Infrastructure & refugee camp improvement:** 58 recognised refugee camps have evolved into some of the most densely populated urban environments in the world, characterized by poverty, extreme overcrowding and substandard conditions. UNRWA supports sewerage systems, waste removal, rodent control, electrical services, roads, and footpath networks in the camps.
 - **Emergency response:** UNRWA provides assistance such as shelter, water, sanitation and electricity during times of conflict or following natural disasters.
- UNRWA has faced significant challenges in meeting demand for services due to the combination of a growing refugee population facing increasing vulnerability and poverty, frequent crises and ongoing hostilities and chronic underfunding.

New Zealand's support for UNRWA

- New Zealand has supported UNRWA since its establishment, including through engagement on its mandate and regular financial contributions. Since 2004, New Zealand has contributed approximately NZ\$27 million to UNRWA (a combination of core funding and support to emergency appeals). New Zealand is currently committed to provide the Agency with NZ\$1 million in core funding annually between 2021/22 and 2023/24 (an amount that has remained consistent since 2006).
- In the absence of a two-state solution between Israel and Palestine, it has been the Ministry's longstanding view that UNRWA plays a unique and essential role in ensuring the humanitarian, development, and protection needs of Palestinian refugees are met in Jordan, Lebanon, Syria and the oPt.
- UNRWA is an important stabilising force for peace in the region and New Zealand's support for the Agency is an extension of our support for the Middle East Peace Process. Operating not only in the oPt but also Lebanon, Jordan, and Syria, a region with significant humanitarian need, UNRWA ensures that over 5 million people can access basic services like healthcare, emergency relief, and social support where they otherwise may not be able to. UNRWA's provision of essential services is key to helping mitigate the impact of volatile political and socio-economic circumstances. UNRWA also ensures that the international community remains engaged with those who are most impacted by the unresolved issues of the Middle East.
- UNRWA is financially supported by a wide range of countries including Five Eyes partners, and Belgium, Denmark, Estonia, France, Germany, Iceland, Ireland, Japan, Jordan, Norway, Oman, Portugal, and Republic of Korea. s6(a)

- s6(a)

As the occupying power, Israel would otherwise be required to ensure the provision of services. s6(a)

- s6(a)

- New Zealand has contributed \$10 million in humanitarian assistance to the Israel-Gaza crisis response through the International Committee of the Red Cross and the World Food Programme. Officials assess that New Zealand's humanitarian contributions remain credible at this time, including relative to likeminded partners. We are starting to consider advice to ministers on potential future humanitarian contributions with a view to providing advice on this in early 2024, unless changes on the ground necessitate consideration sooner. A potential contribution to UNRWA will be considered as part of this advice.

Further background

Role of UNRWA in the current Gaza response

- UNRWA has been a critical humanitarian actor on the ground in Gaza collaborating with other international humanitarian agencies (i.e. the World Food Programme whose efforts are also critical in meeting needs). UNRWA's 155 facilities are currently sheltering nearly 1.3 million people. The Agency continues to provide health care assistance and distribute supplies to the extent it can. Prior to the conflict, UNRWA supported 1.4 million refugees in Gaza, operated 22 primary health facilities, ran 183 schools, and supported 8 refugee camps. The Agency has 13,000 Gazan staff, the majority are UNRWA-eligible refugees themselves. At least 135 UNRWA staff have died in the current conflict.

Issues and controversy in relation to UNRWA

- UNRWA's mandate and operations face intense scrutiny due to the highly political context in which it operates. s6(a)

In recent years, UNRWA has been subject to regular, concerted allegations that it has breached UN values and principles (focusing mainly on the Agency's education programme). Generally, the other essential services that UNRWA provides have not been the subject of criticism.

- UNRWA has been clear that it takes all allegations of neutrality and other breaches seriously, investigates these fully and takes appropriate actions based on the outcomes of investigations (including disciplining staff up to termination). New Zealand has also taken allegations seriously and has raised them with UNRWA directly on several occasions. UNRWA has assured New Zealand (and other donors) repeatedly that the Agency adopts a zero-tolerance approach to hate speech, incitement to violence and discrimination. However, it has also made clear that in the complex and politicised context that it operates in, zero tolerance does not equate to zero risk.
- **We have seen nothing to suggest there are systematic or widespread issues with UNRWA's 33,000 staff, nor its education programme.** The Ministry is satisfied with UNRWA's responses to allegations to date. We continue to assess that UNRWA's systems for ensuring that its services are delivered in line with UN values and principles are satisfactory. We follow UNRWA's responses to allegations, investigation outcomes and continue to engage on neutrality issues with the Agency and other donors.
- s6(a)

The allegations usually involve assertions of UNRWA:

- **Staff glorifying or inciting hate and violence, including online:** A small amount of these cases have been substantiated, some of which were grievous. UNRWA advises that the number of staff subject to *UN Watch* allegations since 2017 is less than 0.1% of its 33,000 employees. In response UNRWA has taken a number of actions to ensure staff adherence to values and principles including neutrality courses, vetting and due diligence measures.

- **Non-neutral education material:** In accordance with best practice in refugee settings, UNRWA uses education materials produced by its host authorities. A small amount of Palestinian Authority education materials have been found to not be aligned with UN values (2.2% of assessed pages in 2023, down from 4% of assessed pages in 2021). In response, UNRWA does not teach the very concerning content and for other problematic material adopts a 'teacher-centred approach' where it provides detailed guidance to teachers on how to address other problematic content in a way that adheres to UN values.
- **Breaches of neutrality at UNRWA facilities:** UNRWA's 1,300 facilities (schools, health centres and administration offices) are neutral and inviolable at all times. Breaches at facilities occasionally occur, s6(a)

When facility breaches occur, UNRWA notifies donors and relevant authorities, and reminds parties of their obligations under international law.

Domestic interest and criticism

- s9(2)(g)(i)
- In mid-2023, former Member of Parliament Simon O'Connor accepted a petition from IINZ calling on the New Zealand Government to stop funding UNRWA. The petition remains at the Select Committee stage following the dissolution of the 53rd Parliament, and pending the reestablishment of Select Committees for the 54th Parliament.
- s9(2)(g)(i) the Ombudsman conducted an investigation in 2022 into whether the Ministry had acted reasonably in 2021 when it funded UNRWA knowing problematic material had been found in Palestinian Authority textbooks used by UNRWA schools. His final opinion was that the Ministry had not acted unreasonably.
- s9(2)(g)(i) the New Zealand Human Rights Commission engaged the Ministry in 2021 on New Zealand's funding for UNRWA, focused on its education programme. In mid-2022 the Commission acknowledged the vital life-saving work UNRWA does for extremely disadvantaged Palestinian children and provided recommendations as to how the Ministry could continue to engage on these issues from a human rights perspective. The Ministry is taking up these recommendations.

Ministry of Foreign Affairs and Trade
14 December 2023

Meeting Brief: UNRWA Deputy Commissioner General Natalie Boucly

Time and date: 0800 Amman // 1800 Wellington Monday 4 March

Key objectives

- To seek an update on UNRWA's response to serious allegations against staff and assurances for the future, including to inform advice to MFA on New Zealand's planned 2023/24 payment of \$1 million.
- In red are particularly important points we are wanting to register, and key assurances we are seeking which UNRWA has been given a heads-up on.

Discussion points

Opening Remarks

- Express condolences and deep concern for UNRWA staff, especially those in Gaza. We recognise this is an immensely challenging time for UNRWA staff for a range of reasons.
- Note Boucly's recent visit to Gaza last week and her first-hand experience of the humanitarian situation.
- Reassure that we continue to advocate strongly for an end to the conflict and improved humanitarian access at all levels, including directly with Israel.
- New Zealand has supported UNRWA since its establishment, including on its mandate and through financial contributions. Acknowledge significance of its response in Rafah, and support for Palestinian refugees across the region.
- Thank UNRWA for meeting at short notice (call was sought Thursday 29 February). Keen to discuss today UNRWA's response to the serious allegations against staff and seek some assurances for the future, can start with update from our side.

Update from New Zealand

- New Zealand has not paused funding for UNRWA. We are in the final year of our three-year grant funding arrangement, with a \$1 million payment planned for the 2023/24 financial year which ends on 30 June 2024.
- s6(a)

UNRWA response to allegations against staff

- We note UNRWA's response has been swift, and we are grateful for your detailed donor updates. We are digesting these carefully and do not need to canvass the details today. Is there any new information you can share since your update of 29 February?
- Can I confirm UNRWA is not aware of any other serious allegations of neutrality breaches (beyond those previously briefed to donors)?

- Is UNRWA able to commit to act on outcomes of the OIOS investigation and the recommendations to be made by Catherine Colonna in her forthcoming report?
- I am aware the Secretary General has publicly asked the UNRWA Commissioner General to ensure that any UNRWA employee shown to have participated in the terror attacks be referred for potential criminal prosecution. Acknowledging that UNRWA has dismissed the 12 staff alleged to have taken part, **we are seeking a commitment from UNRWA that it will take any additional steps it reasonably can to ensure any staff found to have participated in the 7 October attacks are held to account.**

Assurances for the future

- **Seek an assurance that UNRWA remains committed to upholding humanitarian principles such as neutrality, and UN values including tolerance and non-discrimination, and mitigating risks of breaches.**
- New Zealand acknowledges the circumstances surrounding these allegations are complex. s6(a)
- **Can UNRWA commit to provide donors with advance notice of any future allegations of neutrality breaches and provide a follow-up briefing for donors?**
- We recognise that zero-tolerance does not mean zero-risk and that in the complex and politicised environment UNRWA operations in further allegations are likely. **We would like an assurance from UNRWA that it will act promptly on further allegations.**
- We are conscious UNRWA has several internal investigations under way into other allegations, s6(a)

New Zealand wishes to hear the outcomes of these investigations and subsequent action taken by UNRWA.

 - Are you able to share any updates
 - s6(a)
- s6(a)

If asked about the future of our funding for UNRWA

- Our Embassy in Cairo will be in touch on the future of our core funding partnership later this year.
- As for New Zealand's response to the humanitarian crisis resulting from the Israel-Hamas conflict, we continue to monitor the situation closely and consider how New Zealand can best support the response.

s9(2)(g)(ii) Meeting with UNRWA Deputy Commissioner General,
Natalie Boucly

Time and date: 0800 Amman // 1800 Wellington Monday 4 March

Attendees:

New Zealand

s9(2)(g)(ii)

UNRWA

Natalie Boucly, Deputy Commissioner General
s6(a)

Meeting summary:

- s9(2)(g)(ii) thanked the DCG for accepting the request to meet at short notice. Expressed NZ's deep concern for the dire humanitarian crisis in Gaza. Acknowledged the critical role of UNRWA in the region, and especially in the Gaza response. He advised the Ministry would be providing our Minister with advice on our planned payment in light of the serious and concerning allegations against UNRWA staff, including on assurances received. Today's discussion was important for informing that advice. The 7 October 2023 terror attacks were of political and public interest in NZ, and the subsequent investigation, independent review and response was being followed closely. s9(2)(g)(ii) clarified New Zealand's funding position s6(a)
- DCG advised she had just returned from Gaza. She said UNRWA was equally appalled at the allegations and that is why the Commissioner General took immediate action to end employment of some accused staff. s6(b)(i)
- DCG outlined the OIOS investigation and the independent review. She said UNRWA would fully cooperate with both. Pointed to the UNSG's recent statement where he said that if the allegations were substantiated, then the UN would cooperate with an competent authority to prosecute. s6(b)(i)
- DCG provided an update on the situation in Gaza, including reflecting on her visit. She pointed to increasing criminal activity and looting in the north, saying it was very dire there and UNRWA was strongly pushing for access to support 300,000 people there. Khan Yunis was under active bombardment. She said sanitation for displaced people was particularly bad, with women disproportionately affected. Not

a dignified way of living. Between 1.4-1.6 million people were displaced in Rafah, 1 million of which were sheltering in UNRWA facilities.

- The DCG reported that she had visited an UNRWA school sheltering 30,000. People were angry as there was insufficient assistance. There was no electricity and people were dying of diseases (noted no medical imagery or blood test services). Mental health of internally displaced peoples was badly affected.
- s6(b)(i)

- s9(2)(g)(ii) indicated New Zealand would s6(a) continue calling for an immediate humanitarian ceasefire to provide conditions for an improved humanitarian response. We also continue to advocate for unimpeded access, and a pathway for a more permanent solution to the crisis.
- s6(b)(i)

- s9(2)(g)(ii) sought the DCG's views on the very serious allegations that UNRWA staff had participated in the 7 October terror attacks, he also asked whether UNRWA had any sense of further possible involvement. s6(b)(i)

- s6(b)(i)

- The DCG outlined the steps the UN was taking in response to allegations against staff, including the OIOS investigation, the Independent Review by Catherine

Colonna and the work of the internal UNRWA working group. s6(b)(i)

- s6(b)(i)
- s6(b)(i)
- In response to a request from s9(2)(g)(ii), the DCG confirmed that UNRWA would act on the outcomes of the OIOS report – including referring personnel for full criminal prosecution. And, that UNRWA would integrate all Colonna's recommendations into its action plan. UNRWA's commitment to implementing these recommendations was unwavering, though she noted UNRWA may need funding to do so. UNRWA expected to share a comprehensive response doc in mid-April once the review was completed.
- s9(2)(g)(ii) sought an assurance from UNRWA of their commitment to UN values and humanitarian principles. The DCG said that UNRWA's commitment to UN values and principles was more important than ever. s6(b)(i)
UNRWA are deeply committed to values and principles. She did note, however, that zero tolerance did not equate to zero risk.
- s9(2)(g)(ii) sought an assurance that donors would continue to receive advance warning of allegations as had previously occurred. The DGC said absolutely this would continue to occur. UNRWA would also follow their standard processes to refer allegations for investigation and take appropriate steps in response. Donors would be briefed. She reiterated UNRWA takes all allegations very seriously.
- The DCG said that UNRWA was not aware of other allegations that had not already been advised to donors.
- s9(2)(g)(ii) said the Ministry would stay in touch, and hoped they would have the opportunity to meet face to face.



28 May 2024

Minister of Foreign Affairs

For approval by

11 June 2024

UNRWA: 2023/24 Core Contribution

BRIEFING	Decision Submission
PURPOSE	To provide an update on the United Nations' response to allegations against staff in the "United Nations Relief and Works Agency for Palestine Refugees in the Near East" (UNRWA) following the Hamas 7 October 2023 terrorist attacks, and to advise on options for New Zealand contributions to UNRWA.

Recommended referrals

Prime Minister

For information by

25 June 2024

Contact details

NAME	ROLE	DIVISION	WORK PHONE
s9(2)(g)(ii)		Partnerships, Humanitarian, and Multilateral Middle East and Africa	s9(2)(a)

Minister's Office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Noted	<input type="checkbox"/> Referred
<input type="checkbox"/> Needs amendment	<input type="checkbox"/> Declined	<input type="checkbox"/> Withdrawn
<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	

Comments

UNRWA: 2023/24 Core Contribution

Key points

- In January 2024 Israel alleged that 12 UNRWA staff participated in the October 2023 Hamas terror attacks. You and the Prime Minister made it clear that these were serious allegations, that New Zealand would await the outcomes of the investigation into the allegations and seek assurances for the future. New Zealand did not, however, pause funding.
- The UN's response to the allegations was swift and significant:
 - An investigation by the UN's Office of Internal Oversight Services (OIOS) was immediately activated and is ongoing. Progress updates have been provided.
 - The UN Secretary-General (UNSG) commissioned an external review by former French Foreign Minister Catherine Colonna. The review assessed UNRWA's adherence to neutrality, identifying strengths and areas for improvement.
 - UNRWA terminated the contracts of staff subject to the initial allegations and is taking steps to strengthen accountability and oversight.
- The UN has provided assurances, including some to you directly, that it will: implement Colonna's recommendations; act on the OIOS investigation findings; refer staff for prosecution if allegations are substantiated; and uphold UN values and humanitarian principles.
- At this juncture, there are **two options** for our 2023/24 \$1 million core contribution:
 - **Disburse the funding now.** The Ministry recommends this course of action based on our assessment of the UN's appropriate and credible response to the allegations, as well as assurances received. In addition, the Ministry would write to UNRWA at Deputy-Secretary level to reaffirm our expectations and confirm these assurances.
 - As the funding is due to be disbursed by 30 June 2024, **a decision on disbursement could be deferred until Tuesday 25 June** (the latest opportunity that the payment could be processed before our position would equate to a pause of funding). A deferral would allow more time to await the conclusion of the OIOS investigation (it is unknown when the investigation will conclude, and the final report will be confidential – we expect to be provided with a summary of its findings).
- In the event that you choose to defer a decision, and the OIOS investigation is not complete by late-June, we would revert with options, noting that actioning deferral of disbursement beyond 30 June 2024 would be a pause and a change in New Zealand's position.
- New Zealand would be in good company if it disbursed its contribution now. At present, more likeminded donors actively support UNRWA (including Australia, Austria, Belgium, Canada, Denmark, EU, France, Germany, Ireland, Italy, Japan, Norway, Sweden and others), than remain paused **s6(a)**
The US has suspended support out to March 2025, **s6(a)**
- UNRWA's zero tolerance for breaches of neutrality or UN values does not equate to zero risk. Further allegations of neutrality breaches will continue to arise due to the highly complex and politicised environment in which UNRWA operates, amplified by the current

UNRWA: 2023/24 Core Contribution

conflict. s6(a)

- s6(a)

- Funding for UNRWA is a topic of international and domestic interest. Once a decision is taken on New Zealand's 2023/24 core funding we would recommend a public update is provided, and would propose to work with your Office on this.

s9(2)(g)(ii)

for Acting Secretary of Foreign Affairs and Trade

Proactively Released
by the Ministry of Foreign Affairs and Trade

UNRWA: 2023/24 Core Contribution Recommendations

It is recommended that you:

1 Approve one of the following two options:

1a **agree** that MFAT should disburse New Zealand's 2023/24 NZ\$1 million core contribution to UNRWA now (**recommended**); **Yes / No**

or;

1b **defer** a decision on UNRWA with officials to revert with updated advice should the OIOS investigation not be completed by late June 2024; **Yes / No**

2 s6(a)

3 **Refer** a copy of this submission to the Prime Minister, Rt Hon Christopher Luxon for his information. **Yes / No**

Rt Hon Winston Peters
Minister of Foreign Affairs
Date: / /

UNRWA: 2023/24 Core Contribution Report

1. New Zealand has supported UNRWA since its establishment 75 years ago. It has been a long-held view of the New Zealand Government and partners that, in the absence of a two-state solution between Israel and Palestine, UNRWA plays a unique and essential role in ensuring the humanitarian and development needs of Palestinian refugees are met. As well as its work supporting refugees in Gaza and the West Bank, UNRWA also operates in Jordan, Lebanon and Syria supporting 5.9 million people in total. In doing so, it contributes to stability and security in the region, and New Zealand's support for it is an extension of our support for the Middle East Peace Process and the broader multilateral system.
2. In 2022 New Zealand entered a three-year (2021/22-2023/24) arrangement to provide UNRWA with NZ\$1 million in core funding annually to support its provision of essential assistance to Palestinian refugees.

The UN's response to allegations against UNRWA staff is credible

3. We set out below the UN's response to allegations made public on 26 January 2024 that 12 UNRWA staff participated in the 7 October 2023 Hamas terror attacks.
4. **A comprehensive investigation** to determine the facts is well underway by the UN Office of Internal Oversight Services (OIOS). The OIOS is operationally independent in the UN system, its investigations are impartial, respect the due process rights of those involved and are victim-centred. OIOS investigation reports are therefore confidential and are not made public, although we expect the final outcomes to be publicly communicated alongside the decisions the UNSG takes in response. In the context of its operating parameters, officials accept the UN's level of transparency on the investigation, and are satisfied with the updates provided to date.
 - 4.1. The UN has provided periodic updates on the investigation. The latest update advised that following receipt of additional information from Israel, OIOS has been investigating 19 UNRWA staff in total (12 subject to the original allegations and 7 new cases). Of these 19 staff, 14 remain under active investigation. Five cases have been closed or suspended so far due to insufficient evidence. Officials cannot rule out that staff subject to the allegations had some association with the 7 October 2023 terror attacks but expect the OIOS to thoroughly investigate this.
5. **The UN has committed to hold staff accountable.** UNRWA immediately terminated the contracts of the 12 staff implicated in the original allegations (an unprecedented decision ahead of an investigation and driven by the need to ensure the Agency could continue to deliver critical assistance). The UNSG has stated that any employee found to have participated in terrorism would be held accountable, including through referral for criminal prosecution to a competent authority with jurisdiction to prosecute.
6. **The UN is committed to neutrality and measures to guard against future risk.** The UNSG commissioned Catherine Colonna (former French Foreign Minister) to undertake an external review of UNRWA's adherence to neutrality. The Ministry considers the report to be well informed and balanced. The Review concluded that UNRWA had a "robust framework" for neutrality, and systems to address allegations of breaches. However, it found a range of neutrality issues persist "stemming from the operational, political and security environment in which [UNRWA] operates". The Review has identified strengths and areas for improvement in the form of 50 recommendations. Concurrently, UNRWA has an internal process underway to examine and identify ways to strengthen accountability and oversight.

UNRWA: 2023/24 Core Contribution

UNRWA has provided donors with an initial draft action plan to take forward neutrality strengthening work, including implementation of the 50 Colonna Review recommendations. The action plan will be a living document and the initial iteration focuses on those recommendations that can be implemented quickly.

7. The UN has **assured New Zealand of its commitments** to: implement Colonna's Review recommendations (an assurance also provided to you directly by the UNSG); to act on the outcomes of the OIOS investigation; and to uphold UN values and humanitarian principles.

Other donors

8. The majority of key UNRWA donors have reaffirmed their commitment to the Agency since the January allegations and following subsequent investigations and assurances. These include: Australia, Austria, Belgium, Canada, Denmark, EU, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Norway, Portugal, Spain, Saudi Arabia, and Sweden.
9. Fewer than half the donors that paused funding remain so **s6(a)**
Some will remain paused pending the conclusion of the OIOS investigation, **s6(a)** The US has suspended support out to March 2025 **s6(a)**

Options for New Zealand's funding to UNRWA

10. The Ministry has carefully assessed options for New Zealand's \$1 million 2023/24 core contribution, and recommends we disburse the funds to UNRWA now. This is based on the UN's credible and appropriate response to allegations, and assurances received from UNRWA and the UNSG. New Zealand would be in good company with other likeminded donors that have reaffirmed support for UNRWA.
11. Alternatively, as New Zealand's funding is due by 30 June, a decision on disbursing New Zealand's core contribution could be deferred until late June. It is possible, but not guaranteed, that the OIOS investigation may conclude in the coming weeks. The investigation process is confidential so we are unable to confirm timings for its conclusion. Should you wish to defer a decision, and the OIOS final outcome is not available by late June, officials will revert with updated advice and options by 25 June (the latest opportunity that the payment could be processed before our position would equate to a pause of funding).

12. **s6(a)**

Risks

13. UNRWA's zero tolerance for breaches of neutrality or UN values does not equate to zero risk. Further allegations of neutrality breaches will continue to arise due to the highly complex and politicised environment in which UNRWA operates, amplified by the current conflict. **s6(a)**

UNRWA has reiterated publicly and directly to the Ministry its commitment to

UNRWA: 2023/24 Core Contribution

neutrality and UN values, and to further strengthening its systems to investigate and respond to any such allegations, including by implementation of Colonna's recommendations. Colonna's Review found that between 2022 and 2024 UNRWA had reviewed all external allegations of breaches of neutrality and opened investigations where it has found prima facie evidence of misconduct.

14. s6(a)

s6(a)

15. s6(a)

16. s6(a)

Financial and other considerations

17. **Funding** for New Zealand's core payment and the proposed neutrality contribution would be sourced from within existing baselines, drawn from the non-departmental International Development Cooperation Appropriation within Vote Foreign Affairs.
18. New Zealand **designated Hamas** as a terrorist entity in its entirety under the Terrorism Suppression Act (TSA) on 29 February 2024. Under the TSA, making property or material support available to a designated entity without lawful justification or reasonable excuse is a criminal offence. Under our existing Grant Funding Arrangement, UNRWA has made undertakings to ensure New Zealand funding is not used to support organisations or individuals associated with terrorism. s9(2)(h)

Future Core Funding

19. This 2023/24 NZ\$1 million contribution is the last under our three-year arrangement. The Ministry will provide advice later in 2024 on the option of future core funding support for UNRWA.

10 June 2024

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Philippe Lazzarini
Commissioner-General
United Nations Relief and Works Agency for Palestine Refugees in the Near
East
Sheikh Jarrah
PO Box 19149
EAST JERUSALEM

Dear Commissioner-General Philippe Lazzarini

New Zealand has been a longstanding supporter of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), including through engagement on its mandate and financial contributions. This support reflects the critical role UNRWA has played in helping to meet the humanitarian and development needs of Palestinian refugees in Gaza, the West Bank, Jordan, Lebanon and Syria.

New Zealand acknowledges the essential lifesaving assistance that UNRWA is providing presently in Gaza, under the most challenging circumstances. I extend my condolences to you for the loss of over 190 of your staff since the start of the current conflict. This is a tragic and unacceptable loss. New Zealand will continue to use all opportunities to advocate for safe, rapid, and unimpeded humanitarian access, including directly with Israel.

New Zealand condemned the brutal Hamas-led terrorist attacks of 7 October 2023 in the strongest possible terms. We continue to call for the immediate release of all hostages seized during these attacks. As such, and as well as you, we were shocked by the allegations implicating UNRWA staff members in Hamas' terrorist attacks, and we consider these allegations extremely serious.

I am writing to reaffirm assurances provided by the UN Secretary-General, António Guterres in his engagements with New Zealand's Minister of Foreign Affairs; yourself (including in your letter of 1 May 2024 to the Minister); and your staff in my direct engagements with them. I also set out our expectations of UNRWA.

Though New Zealand acknowledges the complex environment in which UNRWA operates, it is essential to us that UNRWA and its staff uphold humanitarian principles including neutrality, and UN values such as respect for human rights, tolerance, and non-discrimination. UNRWA must maintain a zero-tolerance for breaches of neutrality, as well as

for hatred, violence and antisemitism. We expect UNRWA to respond promptly and appropriately to any allegations of breaches that occur.

We acknowledge UNRWA's swift response to the allegations made regarding the 7 October 2023 attacks, as well as the clear commitment in your letter of 1 May that UNRWA will implement all the recommendations of the external review led by Catherine Colonna. Additionally, we have noted the assurance that UNRWA will act on the outcomes of the current Office of Internal Oversight Services investigation. The Ministry will continue to follow UNRWA's progress in these areas.

We ask UNRWA to keep us informed of responses to further significant, credible and evidence-based allegations. It is very important to New Zealand that UNRWA communicates transparently and frankly with us on these matters. This assists the New Zealand Government in its engagement with the public (including those who are strongly critical of UNRWA) to provide assurances that New Zealand taxpayer funds are being used in a way that is consistent with New Zealand values.

New Zealand will shortly disburse our 2023/24 core funding commitment to UNRWA.

Yours sincerely

s9(2)(g)(ii)

New Zealand Ministry of Foreign Affairs and Trade

Informal Note - Catherine Colonna Independent Review of UNRWA

Purpose

- To provide an update on the independent review of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and the UN's response.

Key points

- An independent review group led by former French Foreign Minister Catherine Colonna has concluded its review into UNRWA. The review was commissioned by the UN Secretary-General (UNSG) in February 2024 to "assess whether UNRWA is doing everything within its power to ensure neutrality and respond to allegations of serious neutrality breaches when they are made".
- A final report was provided to the UNSG on 20 April 2024 and made public shortly thereafter. The review is distinct from the UN's Office of Internal Oversight Services (OIOS) ongoing investigation into allegations that UNRWA staff participated in the 7 October 2023 terror attack. The full detail of the OIOS investigation findings, when completed, may not be made publicly available including due to privacy, confidentiality, and due process reasons.
- The review concludes that UNRWA has a "robust framework" for neutrality, and systems to address allegations of breaches. It found UNRWA "possesses a more developed approach to neutrality than other similar UN or NGO entities". It also confirms that between 2022 and 2024 UNRWA reviewed all external allegations of neutrality breaches and opened investigations when it found prima facie evidence of misconduct.
- However, the review found a range of neutrality issues persist "stemming from the operational, political and security environment in which [UNRWA] operates". It makes 50 recommendations "to help UNRWA address its neutrality challenges". Annex one provides further detail on the review's findings and recommendations.
- In briefings following the report's release, Colonna emphasised that UNRWA plays an "indispensable and irreplaceable" role and that no other agency has the capacity to deliver services to those in need.

Responses to the review

- The UNSG and UNRWA have committed to implementing the review's recommendations. An implementation action plan is expected to be made available by mid-May. The UNSG has said he counts on the cooperation of member states, host authorities¹ and UNRWA staff. UNRWA will need to seek donor support as several recommendations require additional financial and human resources. The UNSG appealed for active support for UNRWA as a "lifeline for Palestine refugees".
- s6(a)

¹ s6(a)

- s6(a)

The Ministry's initial assessment

- The Ministry sees the report as well informed and well balanced. The review has been able to thoroughly and independently assess UNRWA's adherence to the humanitarian principle of neutrality, and identify strengths and areas for improvement.
- We are encouraged that the UNSG and UNRWA have committed to implement the recommendations, which we assess to be relevant and implementable. s6(a)

- s6(a)

- Overall the review and the UN's response provides the Ministry with confidence that UNRWA's already extensive neutrality systems will be strengthened.
- Regardless of actions taken by the UN, UNRWA will continue to operate in a highly challenging context and we expect criticism of UNRWA from politically motivated anti-UNRWA groups to continue.

Next steps

- The Ministry will continue to follow and engage with UNRWA, donors, and relevant authorities on outcomes from the Colonna review (including UNRWA's action plan).
- With New Zealand's NZ\$1 million core payment due by 30 June 2024, we intend to provide you with substantive advice on UNRWA funding in advance of this (probably by the end of May). We will provide advice on whether the payment should be made as scheduled, and the reasons for our recommendation.
- The timeframe for the finalisation of the OIOS investigation remains uncertain. It is possible the investigation findings will not be available before we finalise our advice on New Zealand's payment. In a recent update, the UN advised that following additional information from Israel the number of UNRWA staff being investigated by the OIOS had expanded from 12 to 19. Of the 19 cases, 14 remain under investigation and 5 have been either closed or suspended due to no or insufficient evidence. OIOS investigators are undertaking a further visit to Israel in May.

Annex one: Summary of review themes and recommendations

- **Engagement with donors:** The review noted some donors had expressed significant concerns over UNRWA's donor communications. It recommends more frequent and strengthened donor engagement - especially in the areas of finance and neutrality.
- **Governance:** Unlike similar UN agencies, UNRWA does not have an Executive Board and instead has an Advisory Commission without executive authority. The Commission comprises non-rotational donor and host country representatives. The review finds the Commission's scope is limited to sharing information and providing advice to UNRWA (while avoiding sensitive issues), rather than providing oversight or direction. The review report recommends strengthening the Commission and exploring additional governance arrangements to provide strategic direction to UNRWA. *(Note: New Zealand is not a member of the Commission as our annual contributions do not meet a threshold of more than US\$5 million per annum over a minimum of three years).*
- **Management and oversight mechanisms:** This was a significant focus of the review and resulted in 14 recommendations. The review found UNRWA has important procedures in place, however significant capacity constraints were identified. Recommendations include strengthening internal oversight capacity, increased training on neutrality, changes to modes of management (including risk management) and placing more international staff and women in senior field level roles.
- **Neutrality of staff:** The report notes that the responsibility of management to ensure their teams fully understood what was expected of them with respect to neutrality was neither articulated nor enforced. UNRWA's Ethics Office is deeply understaffed with only three employees covering 32,000 staff. The report details the arrangements in place for screening staff and concluded these did not allow for sufficient verification. The report recommends reforming prevention and monitoring strategies, and putting in place standard operating procedures for dealing with allegations. It also recommends enhancing staff screening and staff welfare provisions (including because neutrality breaches by UNRWA staff often take the form of social media posts, particularly following incidents of violence affecting colleagues or relatives).
- **Neutrality of installations:** The review found that security and capacity challenges hampered implementation of due diligence mechanisms to prevent breaches at UNRWA's over 1000 facilities. It also considers quarterly inspections insufficient to ensure neutrality. UNRWA's limited investigative capabilities, including lacking capabilities that would usually rest with police or military, to detect critical breaches^{s6(b)(i)} limits their discovery. The report recommends increased training, community awareness and screening. As well as strengthened collaboration with host countries and Israel, and enhanced donor reporting.
- **Education:** The report identifies UNRWA's education system as crucial. It confirms that, notwithstanding recent improvements, non-neutral content (approximately 3.85% of overall content) continues to be found in host authority textbooks (which UNRWA uses in line with best practice for refugee settings) and described such content as "a grave violation of neutrality" even if marginal. The review assessed that UNRWA has been responsive to allegations and had initiated a range of steps to ensure neutrality. However, more work needed to be undertaken between UNRWA and the Palestinian Authority "to pursue the replacement of problematic content, and to avoid the promotion

of discrimination and incitement to hatred and violence, and the spreading of antisemitic views". It recommends enhancing content reviews, increasing transparency and monitoring, and ceasing using problematic material. *(Note: UNRWA's current approach involves teachers teaching problematic material using a critical thinking approach, and the most concerning materials not being taught at all.)*

- **Staff unions:** UNRWA staff unions have a significant role in the relations between management and staff, and the review found there are frequent tensions with unions at all levels. The report notes there are long-standing concerns over the politicisation of unions and links with Palestinian political factions, with a direct impact on UNRWA's neutrality. Intimidation tactics and threats from unions have forced numerous UNRWA staff to be transferred for their own security. The report recommends UNRWA urgently modernise the union statute and operational structures, ensure workforce representativity in staff unions and revise pay negotiation processes.
- **Partnerships with UN agencies:** The review found UNRWA has a long history of partnerships but these are sensitive as some stakeholders view substantive involvement of other organisations in UNRWA's activities as an attempt to weaken UNRWA's mandate. The report recommends an internal cultural shift to redefine UNRWA's relationship with the system.

Partnerships, Humanitarian and Multilateral; Middle East and Africa Divisions
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