

December 27, 2024

UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA): Background and U.S. Funding Trends

Amid the ongoing conflict and humanitarian crisis in the Gaza Strip, developments related to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), which provides humanitarian assistance to Palestinian refugees, could have broad implications for its future resources and operations. After allegations surfaced connecting some UNRWA employees with the October 7, 2023, attacks against Israel led by Hamas (a U.S.-designated foreign terrorist organization), Congress enacted a March 2024 prohibition on U.S. funding to UNRWA (P.L. 118-47), which is set to last until March 25, 2025. Additionally, certain provisions of Israeli laws scheduled to take effect in late January 2025 could have far-reaching consequences for UNRWA's ability to operate in Gaza, the West Bank, and Jerusalem.

UNRWA Overview

Mandate and Activities. The UN General Assembly established UNRWA in 1949 with a temporary mandate to provide humanitarian assistance, protection, and education to registered Palestinian refugees (5.9 million as of 2024) living in the West Bank, Gaza, Jordan, Lebanon, and Syria—in coordination with host authorities. (UNRWA is distinct from the UN High Commissioner for Refugees (UNHCR); each operates under its own separate legal and organizational mandate.) With no political resolution on the refugees' status, the General Assembly has regularly extended UNRWA's mandate, which expires on June 20, 2026. UNRWA is the largest humanitarian organization in Gaza. Some 1.4 to 1.6 million of Gaza's roughly 1.9 to 2.1 million residents are registered Palestinian refugees, and many have relied on humanitarian assistance for decades. UNRWA provides a range of services and assistance, including operating temporary shelters for those displaced, running mobile health teams, and distributing food, water, and other necessities.

Budget and Funding. UNRWA is funded primarily through voluntary contributions from governments (95%) and also through the UN regular budget (5%). UNRWA's 2024 program budget was for \$880.2 million; in addition, emergency funding appeals, primarily for Gaza, totaled \$1.6 billion.

Humanitarian Situation in Gaza. Prior to the Hamas October 7, 2023 attacks, humanitarian conditions in Gaza were already deeply concerning to many. After over a year of war, the current conflict has dramatically exacerbated the humanitarian situation and resulted in massive population displacement and infrastructure damage, more than 44,000 deaths and 106,000 injuries among the Palestinian population (according to the Hamas-controlled Gaza health ministry), and famine-like conditions in some areas of northern Gaza. The intensity of the ongoing hostilities and

situation on the ground greatly constrain the ability of UNRWA and other humanitarian organizations to access areas in Gaza, assess conditions, and deliver lifesaving assistance. As of December 8, 2024, at least 254 UNRWA staff had been killed in the hostilities since October 7, 2023. UN Secretary-General (UNSG) António Guterres, with support from the humanitarian community, has appealed to governments to guarantee the continuity of UNRWA's operations. In addition to the flow of assistance and funding and in keeping with humanitarian principles of neutrality, impartiality and independence, the International Committee of the Red Cross and other organizations have emphasized the need for a ceasefire, for the parties to adhere to international humanitarian law in the conduct of hostilities, and for humanitarian access to be granted to the Israeli hostages and Palestinian detainees.

U.S. Funding and Oversight

Funding Trends. The United States has historically been the largest financial contributor to UNRWA, with total contributions reaching more than \$7.3 billion since 1950 (Table 1). In 2023, U.S. funding accounted for nearly 30% of UNRWA's donor contributions. Funding has been provided primarily through the Migration and Refugee Assistance (MRA) account in annual Department of State, Foreign Operations, and Related Programs (SFOPS) appropriations acts.

Table 1. U.S. Government Contributions to UNRWA
(in \$ millions, non-inflation adjusted)

Fiscal Year	Amount
1950-2014	4,955.2
2015	390.5
2016	359.5
2017	359.3
2018	65.0
2019	-0-
2020	-0-
2021	318.4
2022	364.0
2023	371.0
2024	121.0
TOTAL	7,303.9

Source: U.S. State Department and UNRWA.

Notes: All amounts are approximate. Congress does not usually specify a funding amount for UNRWA; it appropriates a lump sum to the MRA account, and the executive branch allocates funds based on humanitarian needs and U.S. foreign policy priorities. The Trump Administration suspended U.S. funding for UNRWA from August 2018 until the end of its term. The Biden Administration's January 2024 UNRWA funding pause prevented approximately \$300,000 in

unobligated FY2024 funds and \$2.5 million in obligated but unpaid FY2023 balances from being disbursed to UNRWA.

Oversight and Congressional Debate. U.S. contributions to UNRWA are subject to various legislative conditions and oversight measures. Section 301(c) of the 1961 Foreign Assistance Act (P.L. 87-195), as amended, states that the United States shall provide contributions only if UNRWA takes “all possible measures” to ensure that no contribution shall assist any refugee “who has engaged in any act of terrorism.”

Some Members of Congress have regularly raised concerns about UNRWA’s effectiveness and neutrality, and have supported legislation to increase oversight of UNRWA, limit U.S. funding and strengthen vetting procedures to prevent any diversion to terrorists, screen any educational materials for UNRWA-administered schools and summer camps that might generate anti-Semitic or other incitement, and examine the definition of Palestinian refugees and their “right of return.” Other Members, including some who have voiced concerns about some aspects of UNRWA, have argued that the organization’s activities are critical and advocated for continued or greater financial support. These debates have intensified since the October 7, 2023-related allegations surfaced (see below).

Donor Funding Pause and U.S. Funding Prohibition.

In light of allegations that 12 UNRWA employees were involved in the October 7 attacks, the Biden Administration temporarily “paused” all U.S. funding to UNRWA on January 26, 2024. Fifteen other UNRWA donors also paused their funding in January. Subsequently, all have reportedly resumed contributions, perhaps due to the urgent situation in Gaza, and also UNRWA’s reported assurances that it would strengthen its anti-terrorism vetting procedures following an April report by the independent “Colonna Group” (appointed by UNSG Guterres and chaired by former French Foreign Minister Catherine Colonna). The report acknowledged that UNRWA has many mechanisms in place to ensure compliance with humanitarian principles, including that of neutrality, while also identifying some gaps and offering recommendations to address them. In the March Consolidated Appropriations Act, 2024, (P.L. 118-47), Congress prohibited U.S. funding to UNRWA from (1) any amounts provided in prior fiscal years or in FY2024, or (2) amounts provided in FY2025, until March 25, 2025.

Other Responses to the Allegations. UNSG Guterres activated an immediate U.N. Office of Internal Oversight Services (OIOS) investigation in response to the allegations about UNRWA staff. OIOS later expanded its investigation from 12 to 19 persons. In August, OIOS completed the investigation, saying that nine staff members would have their employment terminated because evidence indicated they may have been involved in the October 7 attacks. In the other 10 cases, OIOS found no evidence of wrongdoing or insufficient evidence to support the staff members’ involvement. For those cases, OIOS stated that “appropriate measures” would “be taken in due course.”

While Israel accused UNRWA of employing hundreds of staff in Gaza (including some educators) linked to militant groups, and alleged that Hamas has accessed electricity from UNRWA facilities, UNRWA stated that it consistently shares information with Israel and takes other actions to prevent developments that could compromise UNRWA’s

neutrality. UNRWA also said that some employees have reported being “pressured by Israeli authorities” into false statements about the alleged actions and organizational links of UNRWA staff.

Israeli Legislation and U.S./International Response

The Israeli laws passed on October 28, 2024, and scheduled to take effect 90 days later, would ban all UNRWA activities and services on Israeli territory, and sever all contacts between Israeli government employees and UNRWA. Reportedly, one provision took effect immediately, annulling an 1967 Israel-UNRWA exchange of letters that facilitated UNRWA’s operations in the West Bank and Gaza. Depending on potential Israeli domestic legal challenges and how Israel’s government decides to implement the legislation, the bills could end UNRWA’s operations in East Jerusalem and severely hamper UNRWA’s ability to operate in the West Bank and Gaza. After the Knesset enacted the laws, Israeli Prime Minister Benjamin Netanyahu said that before and after they take effect, he is “ready to work with our international partners to ensure Israel continues to facilitate humanitarian aid to civilians in Gaza in a way that does not threaten Israel’s security.”

The Biden Administration said in October it was “deeply troubled” by the Israeli action, stating that the bills’ implementation would pose risks for “millions of Palestinians who rely on UNRWA,” and that “right now” UNRWA’s role in Gaza “cannot be filled by anyone else.” It also voiced support for lifting the U.S. prohibition on funding to UNRWA, while observing that UNRWA needs to undertake additional reforms.

In response to the laws’ passage, members of the UN Security Council warned against actions “to dismantle or diminish UNRWA’s operations and mandate,” recognizing that any interruption to its work could have “severe humanitarian consequences.”

Selected Congressional Considerations

Congress may consider:

- Whether to continue, lift, or alter the current prohibition on UNRWA funding through March 2025, and what reforms, if any, the United States might seek from UNRWA as part of the process;
- Whether and how to take steps, including in UN settings, aimed at influencing Israel’s actions regarding UNRWA; and
- How and if to address humanitarian needs and the broader Palestinian refugee situation in Gaza and elsewhere, including possible alternatives to UNRWA. Many humanitarian organizations and some observers assert that other entities cannot readily carry out UNRWA’s functions. While some analysts (including a former UNRWA official) argue that incrementally transitioning UNRWA’s functions to various other entities is possible.

Rhoda Margesson, Specialist in International Humanitarian Policy

Jim Zanotti, Specialist in Middle Eastern Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.