Israel backs UNRWA funding cut, but looking to minimize fallout

January 7, 2018

The Times of Israel

<https://www.timesofisrael.com/israel-backs-unrwa-funding-cut-but-looking-to-minimize-fallout/>

Israel is giving cautious support to an anticipated US funding cut to the UN’s Palestinians refugee agency, but is aiming to minimize possible damage to the Palestinians’ humanitarian situations from the move, according to reports Saturday.

Israel’s Channel 2 reported that Prime Minister Benjamin Netanyahu had suggested rerouting the money from the United Nations Relief and Works Agency to another UN body, with the funds still going to the aid Palestinian refugees.

Such a move would allow the US to back up its threat to cut funding, but also minimize any damage the funding cut could wreak in the Gaza Strip.

Israel has often criticized UNRWA, accusing it of sheltering terrorists and allowing Palestinians to remain as refugees, thus complicating a possible resolution to the Israeli-Palestinians conflict. On Saturday, intelligence minister Israel Katz told Channel 10 news the funding cut was “definitely correct.”

“UNRWA perpetuates the refugee [status] in Gaza,” he said.

Netanyahu has yet to publicly address the reports about possible slashed American funding to UNRWA, but there have been reports in Hebrew media that he is privately urging the US not to go through with the cuts, fearing it could worsen the humanitarian situation in Gaza.

An Israeli official told the Reuters news agency Saturday that Netanyahu backed only a “gradual” cut to UNRWA.

An Israeli security source told Channel 10 on Friday the funding cuts to UNRWA would make an already tense situation in Gaza “much worse.”

The Palestinians rely heavily on international aid, with many analysts, including Israelis, saying such assistance helps maintain stability in a volatile region.

The US is the largest donor to the refugee agency, which provides humanitarian assistance to some 5.3 million Palestinian refugees in the West Bank, Gaza Strip and throughout the Middle East.

Other refugees around the world receive aid through the UN Refugee Agency, run under the auspices of the UN High Commissioner for Refugees.

Over the weekend, Netanyahu’s office said he “supports President Trump’s critical attitude towards UNRWA and believes practical steps need to be taken in order to change the fact that UNRWA is being used to entrench the Palestinian refugee problem instead of solving it.”

Trump first threatened to cut off aid to the PA on Tuesday, asking why Washington should make “any of these massive future payments” when the Palestinians were “no longer willing to talk peace.”

“We pay the Palestinians HUNDRED OF MILLIONS OF DOLLARS a year and get no appreciation or respect,” Trump tweeted. “They don’t even want to negotiate a long overdue peace treaty with Israel. We have taken Jerusalem, the toughest part of the negotiation, off the table, but Israel, for that, would have had to pay more.”

It was not immediately clear whether Trump was threatening all of the budget, worth $319 million in 2016, according to US government figures.

Relations between Trump’s White House and the Palestinians have deteriorated since Trump’s December 6 announcement recognizing Jerusalem as the capital of Israel.

The declaration led Abbas to break off all contact with the Trump administration, and he has refused to meet with US officials regarding the peace process, including envoy Jason Greenblatt and Vice President Mike Pence, angering the administration.

On Friday, senior US officials denied reports that $125 million in aid to the UN’s Palestinian refugee agency had been frozen.

“Contrary to reports that we have halted funding to UNRWA, the decision is under review,” a State Department official told The Times of Israel. “There are still deliberations taking place, and we have missed no deadline.”

Earlier on Friday, [Channel 10 news reported](https://www.timesofisrael.com/us-said-to-freeze-125-million-aid-for-un-palestinian-refugee-agency/) that $125 million in US funding that should have been transferred to UNRWA by January 1 was being held up.

The TV report said that while that initial payment had been frozen, the administration was actually considering cutting altogether a total of some $180 million from its UNRWA payments — about half of the annual budget.

A White House official also responded to the TV report on Friday, confirming to The Times of Israel that no decision had been made on the issue.

“There is no existing schedule that obligates the United States to provide specific amounts of aid to UNWRA on specific dates,” the official said. “The decisions of when to provide aid in the fiscal year, and in what allocations, lie with the Secretary of State.”

“At this time, no such decisions have been made,” the official added.

A report by Foreign Policy magazine over the weekend suggested that US envoy to the UN Nikki Haley was clashing with representatives of the State and Defense Departments as well as the intelligence community over the funding cut.

[According to the report](http://foreignpolicy.com/2018/01/05/nikki-haleys-diplomacy-of-revenge-targets-u-n-relief-agency/), an aide to Haley faced pushback from representatives of the departments and agencies during a National Security Council meeting Friday. As no consensus was reached on the matter, a decision on whether to release the aid was reportedly pushed off.