THE DEPUTY SECRETARY OF STATE WASHINGTON

MAY 2 4 2012

Dear Mr. Chairman:

I am writing to urge you to oppose Senator Kirk's proposed amendment to the Fiscal Year 2013 Department of State, Foreign Operations, and Related Programs Appropriations Bill concerning Palestinian refugees and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). The status of Palestinian refugees is one of the most sensitive final status issues confronting Israel and the Palestinians; it strikes a deep, emotional, chord among Palestinians and their supporters, including our regional allies. Indeed, the refugee issue is not confined to the Palestinian territories; it also directly and significantly impacts the politics and stability of allies, such as Jordan and Lebanon, which host large Palestinian refugee populations.

This proposed amendment would be viewed around the world as the United States acting to prejudge and determine the outcome of this sensitive issue. United States policy has been consistent for decades, in both Republican and Democratic administrations -- final status issues can and must only be resolved between Israelis and Palestinians in direct negotiations. The Department of State cannot support legislation which would force the United States to make a public judgment on the number and status of Palestinian refugees.

We continue to support the parties' current efforts to pursue bilateral discussions on the basis of their exchange of letters. This proposed amendment would run counter to this effort and force the United States to take a position that would make a judgment on who is a Palestinian refugee. This action would damage confidence between the parties at a particularly fragile time, undercut our ability to act as a mediator and peace facilitator, and generate very strong negative reaction from the Palestinians and our allies in the region, particularly Jordan.

The Honorable

Patrick J. Leahy, Chairman,
Subcommittee on State, Foreign Operations,
and Related Programs,
Committee on Appropriations,
United States Senate.

UNRWA's mandate, as approved by the UN General Assembly, is to provide assistance to Palestinian refugees as well as those displaced by the 1967 conflict in Jordan, Lebanon, Syria, Gaza, and the West Bank. UNRWA provides essential services for approximately five million refugees, including education for over 485,000 school children, primary health care in 138 clinics, and social services for the most vulnerable, particularly in Lebanon and Gaza. Through its mandate as a humanitarian organization, UNRWA is a force for stability in the region. UNRWA's institutions and programs serve as important counterweights to extremist organizations such as Hamas and Hezbollah, and any void left by UNRWA would be likely be filled by terrorist elements.

Decreasing U.S. funding to UNRWA or curtailing support for certain categories of Palestinian refugees, which may be the ultimate result of this legislation, would put at risk the humanitarian needs of this large, poor, and vulnerable refugee group; we also strongly doubt it would, ultimately, result in any savings in U.S. assistance funding. A cut in funding to UNRWA would be seen as a diminution of support for the Palestinian people and would raise serious host country concerns, including in Jordan, that international support for UNRWA is decreasing. While host governments in the region have been generous in hosting Palestinian refugees, these governments cannot bear this burden alone. Any cuts in our assistance to UNRWA are unlikely to result in any assistance cost savings to the United States if the cost of caring for these refugees is transferred to assistance-dependent allied host governments.

I am making this request in the context of our desire to work with Congress on key foreign policy issues which have significant funding components and consequences. This proposed amendment poses the serious risk of damaging a range of key United States interests in the region. It pushes the refugee issue to the fore at a particularly sensitive time. Forcing the United States to take a position on a permanent status issue would hurt our efforts to promote Middle East peace, prevent the Palestinians from returning to the pursuit of statehood via the United Nations, damage our ability to mediate between the parties, and risk a very negative and

potentially destabilizing impact on key allies, particularly Jordan, who host Palestinian refugee populations. I urge you to reconsider this proposed amendment.

Sincerely,

Thomas R. Nides