

Remarks for the 82nd Standing Committee meeting
Executive Committee of the High Commissioner's Programme
Kelly T. Clements, Deputy High Commissioner
15 & 16 September 2021

Madam Chair,
Excellencies,

The world is not becoming a more peaceful place. The last time in front of this body in July, I noted the doubling of the forcibly displaced population in the last decade to 82.4 million people who have not remained in their homes at the end of 2020.

Longstanding and recurrent crises in Somalia, Yemen and South Sudan have driven much of this displacement and the dramatic developments we have seen in Afghanistan in recent weeks suggest this trend will continue, and potentially accelerate in last quarter of 2021.

The High Commissioner is today in Pakistan, having just spent two days in Afghanistan, where we are firmly focused on the needs of Afghans who remain. There is a worsening of the humanitarian situation in Afghanistan with violence and insecurity resulting in 600,000 people newly displaced within the country since 1 January and 18.4 million Afghans, out of a population of 39 million, estimated to need life-saving aid.

The recent deterioration of the humanitarian situation in the country was foreseeable, and we had warned, in mid-July, of a looming humanitarian crisis. This while resources available to the humanitarian response remained in short supply and UNHCR's own appeal for the needs of Internally displaced Afghan and refugees in Pakistan and Iran remained a mere 43 per cent funded.

UNHCR, as other members of the humanitarian community, is adjusting to developments in the country and working to ensure continued support to Afghans in need of humanitarian aid and protection. We have adjusted our footprint in the country and are working to provide aid in critical sectors. As of today, UNHCR and partners can access all provinces and continue operations in two thirds of the country's districts. And while movements out of Afghanistan have so far remained limited, we are working to ensure necessary preparedness and contingency planning in neighbouring countries.

We are hopeful that a significant expansion of program activity in Afghanistan will be possible in coming weeks. At the same time, countries hosting significant numbers of Afghan refugees deserve all possible support. This includes Iran and Pakistan who, together, host 90 per cent of all Afghan refugees and have been generously doing so for over four decades. These countries need more humanitarian, development, and bilateral funding, they need more vaccines, and they need more options for resettlement for Afghan refugees who are already there. In this respect, we welcome the outcome of Monday's High Level Ministerial Meeting on the Humanitarian Situation in Afghanistan, and the \$1.2 billion pledged to meet the acute needs of the people of Afghanistan.

Distinguished delegates,

Afghanistan may have been the scene of one of the more dramatic shifts this year, but it is but one of several flashpoints. In Ethiopia, the situation in the northern parts of the country

remains a substantial concern with fighting in Tigray having spilled over into the neighbouring Afar and Amhara regions of the country, leading to increased displacement and affecting civilians in these regions – with some 400,000 people facing famine-like conditions.

In Tigray itself, the humanitarian situation remains deeply troubling. Civilians have endured ten months of conflict with extremely limited basic services and aid available, leading to a significant escalation in humanitarian needs with ongoing new displacements.

In Sudan, we are working with some thirty partners to protect and aid over 55,000 men, women and children who have crossed into the country fleeing fighting in Ethiopia.

As a result, we have ramped up our presence and activities in Ethiopia and Sudan through the deployment of a number of Emergency Response Teams and the recruitment of personnel under fast-track procedures. We launched an appeal for an additional \$164.5 million to meet the needs of some 96,000 Eritrean refugees, 650,000 IDPs in Ethiopia's Tigray region and up to 120,000 Ethiopian refugees in eastern Sudan.

Here, as in Afghanistan, we are meeting needs generated by a dynamic and changing conflict. And while our response is benefiting from financial support, with 65 per cent of our needs currently funded, a mere 18 per cent of the funds we have received are unearmarked or softly earmarked, limiting our ability to adapt our response to changing needs on the ground. These limitations on our funds are not unique, which Director Hyde will describe tomorrow.

Humanitarian needs remain dynamic, even where the conflict causing displacement remains unchanged. I travelled to Jordan and Lebanon week before last to support colleagues in those operations and witness the fortitude of countries hosting refugee populations not to mention the resilience of the refugees themselves through periods of protracted exile.

In Jordan's Zaatari camp, the government's most welcome efforts to vaccinate all eligible refugees against COVID-19 has allowed some resumption of normalcy and the vaccination centre remains a beehive of activity while the population awaits the lifting of residual COVID restrictions which have affected education and livelihoods opportunities.

In Lebanon, a country where I have spent some time over the years, the socio-economic situation in the country has deteriorated so fundamentally that only the wealthiest of the wealthy remain untouched. Hyperinflation has eaten into salaries and savings, forcing thousands into extreme poverty and causing unspeakable suffering across the country for Lebanese and refugees alike. As the crisis faced by the country continues to deepen, the situation is no longer about Syrian refugees and their Lebanese hosts, it is about the few 'haves' and the many 'have nots'.

We are working, together with all partners, to ensure that the Lebanon Crisis Response Plan, Lebanon's segment of the Syria regional Refugee and Resilience Plan or 3RP, is kept robust to meet the increasing needs of refugees and their hosts. But much more is required to meet the overwhelming needs of the Lebanese population and we will continue to work closely with all members of the UN family, the international community, and the Lebanese authorities themselves to support these efforts. The recent announcement of the formation

of a new government, the country's first since the August 2020 blast which destroyed Beirut's port and large swaths of the city, is a positive development which we all welcome.

None of the work UNHCR does to meet the needs of displaced populations would have been possible without the strength and dedication of our teams on the ground, who have remained steadfast in the last two years, despite risks related to the ongoing pandemic. And we have worked diligently to address these risks, putting in protective measures in our operations, shoring up local medical facilities available to personnel and their families where possible, securing medical evacuation options where necessary, and providing vaccination where this was not locally available to them. I remain awed by their courage and tenacity to serve millions in these challenging times. They continue to inspire us.

Today, with vaccination rates gradually increasing among our workforce, and with various countries gradually lifting restrictions, we are working to ensure the safe and gradual return of our workforce to office premises, based on the local epidemiological situation and guidance from host countries, while capitalising on the new ways of working which have facilitated our work over the last nearly two years.

As you know, the need to remain agile and adaptable in our response is a key driver of our transformation agenda.

We continue to engage with colleagues across the organisation to ensure the decentralised and regionalised organisational setup optimises the delivery of protection and aid to displaced and stateless populations.

Further efforts to simplify and streamline are necessary for these changes to achieve their full potential and, as I noted at the July Standing Committee, the Business Transformation Programme is a crucial step in completing these reforms. This programme's goal is to deliver greater agility and simplification to UNHCR operations, and it is expected that our personnel will be able to work better, smarter and maximise the time and resources they dedicate to the people we serve.

The successful launch of COMPASS, an integral part of our Business Transformation Programme, in January of this year is a major milestone for UNHCR. This furthers our shift towards multi-year planning and allows operations to develop longer-term protection and solutions strategies as well as aligning with the Global Compact on Refugees (GCR) and the Sustainable Development Goals (SDGs).

In those operations that have developed multi-year plans, we are already seeing the benefits of longer-term planning. For example, one operation facing massive internal displacement has built a multi-year plan to provide permanent shelters to IDPs, providing more sustainable housing solutions to the displaced and a positive legacy for host communities.

But not all changes need to be driven by programmes and key initiatives. Instead, change is part of a broader mindset: consistently looking at the ways we do business as something that could be improved on and made more efficient. It is this mindset that is driving the proposal before you to establish financial regulations for UNHCR. As we will discuss, this element of UNHCR's financial governance is challenging as it was designed for an organisation funded by assessed contributions 70 years ago when UNHCR is nearly 99 per cent funded by voluntary contributions now.

It is also this mindset that is driving our efforts to bring greater efficiencies to the way in which our organisation is managed and works to deliver results. You will hear about these initiatives during today's side event. In anticipation of this, I'll note that we remain committed to using a data driven approach to determine the way ahead.

One example of a new priority which is paying major dividends is innovative financing. This is an approach we have adopted in recent years to bring more sustainable, efficient, and effective resources for the benefit of refugees and host communities.

Our work on innovative financing involves exploring a range of instruments such as bonds, funds, and endowments to support UNHCR's activities. These efforts are led by a small team who have made impressive progress in recent months. A 'Green Financing Facility' for diesel-to-solar energy conversion in our Africa operations is among their most promising projects. This is being piloted in Uganda and Kenya thanks to a generous grant from the Swedish International Development Agency and is expected to generate carbon savings of up to 800 tons annually for each of our larger sub-offices, together with recurring annual financial savings of up to twenty-five per cent as compared to the cost of current diesel-powered generators.

Distinguished delegates,

We continue to collaborate closely with the UN Board of Auditors (BOA) and welcome their recommendations and guidance to improve UNHCR's control framework and the effectiveness of the organisation, particularly as we continue to change.

As you will have noted, the Board concluded, following its examination of financial statements prepared for the year, that these presented fairly, in all material respects, UNHCR's financial position and its financial performance and cash flows for the year. We value the insights provided by the Board, and the direction provided to address both pain-points and opportunities identified and will continue to work to address these recommendations in a timely manner.

Internal Audits provide another avenue to highlight for us the necessary improvements to our governance, risk management and control processes. OIOS' flexibility and ability to adjust its ways of working to the COVID pandemic in 2020 were remarkable and the recruitment of Anne Ochwo Rwego as Chief of UNHCR's Internal Audit Service in 2021 is most welcome.

Acknowledging the independence of OIOS, our Inspector General's Office is working together with Anne and her colleagues to ensure the internal audit function serves our common goal of an efficient and effective UNHCR. The fact that Ms. Fatoumata Ndiaye, Under-Secretary General for Internal Oversight Services, will be presenting this item is a testament to the positive engagement between our organisations.

We continue to have some work to do to improve on our follow up to issues identified through internal audits but are making some leeway in addressing recommendations in a timely manner. And while there are more critical recommendations past due date this year than last, we are working closely with OIOS to address the concerns identified and believe

we are in the final stretch before the closure of at least two of these critical recommendations.

We will discuss our budgets for 2021 and 2022, including supplementary budgets in support of activities to protect refugees and other persons of concern from the impact of the COVID-19 pandemic and in support of the Ethiopia and Venezuela situations, in detail under item 6. Given drafting to publishing time, the documents you have in front of you for these items of the agenda do not include our supplementary budget published in response to the latest events in Afghanistan, which Director Shroff will further explain.

Our current funding situation and outlook for the year is similar to that reported in past Standing Committees. Our latest estimates put us on track to have available some \$ 4.9 billion which will leave us with a funding gap of just under 50 per cent of the needs identified. But the fact that close to 70 per cent of our funding is earmarked means these funds are not equally distributed across operations and situations.

The COVID-19 response is our most underfunded situation this year, with only a third of the required \$924 million received and that hurts many in need. By the end of August, this most impacted our ability to provide cash assistance, where a \$74 million shortfall severely limited our ability to address the socio-economic impact of the pandemic on refugees, which remains severe.

The Iraq and Syria situations were similarly underfunded, leaving some 3.3 million people in need of critical assistance to help them prepare for the forthcoming winter: the 11th consecutive winter in displacement for some.

Director Hyde will elaborate on this in her presentation under item 6, and in the meantime, I'll extend sincere thanks to those donors who are stepping up to the challenge. In late 2020, the United States provided some \$100 million for situations in Africa in response to our calls for help for underfunded operations. In 2021, the 10 most underfunded situations received a total of \$180 million in unearmarked funding, with Norway and Sweden the leading government contributors.

Efforts to diversify our sources of funding form part of our strategy to meet these challenges. Thanks to a dynamic Private Sector Partnership team and our decentralized approach which is literally paying dividends, we have successfully increased funds raised from the private sector in recent years, reaching over half a billion dollars from the private sector in 2020. While our ambition may be curbed somewhat by the global economy, we are on track to continue to raise significant funds from the private sector in outyears.

We thank you most sincerely for your support.

Thank you.