

FUNDING UPDATE

FINANCIAL SITUATION

UNHCR started the year with USD 304.7 million, of which USD 237 million had been pledged at the Pledging Conference in New York in November 2000 or the subsequent launch of the Global Appeal in Geneva in December. Those pledges provided UNHCR with some 25 per cent of its requirements at the beginning of the year, as compared to 17 per cent available at the same time in 2000. This result justifies expectations that the formal transfer of the Pledging Conference to Geneva in 2001 will positively impact on early and substantial pledges. The funds available on 1 January included USD 67.7 million carried over from 2000 (a large portion of which was tightly earmarked) as compared to USD 93.7 million carried over from 1999 into 2000.

Initial funding projections for 2001 indicated a possible shortfall of over 20 per cent against initial requirements of USD 953.7 million. Although anticipated new contributions subsequently increased somewhat, secondary income was expected to be lower than anticipated.

In order to deal with this situation, the Office initially imposed a spending limit of 80 per cent of the approved budget. This was immediately followed by Action 1, 2 and 3, initiated by the High Commissioner, as described in the previous chapter. This resulted in a downward revision of the Annual Programme Budget to 752.8 million and a decrease of the Supplementary Programme Budget to USD 66.1 million. The total revised 2001 Budget at the end of June 2001 thus stood at USD 874.4 million (including the allocation from the UN Regular Budget – USD 19.2 million – and JPOs – USD 7 million). Details may be found in the relevant table in this Chapter.

As at 28 August 2001, three Supplementary Programmes had been added or increased

(fYROM, IDPs in Afghanistan, Human Security Commission) resulting in a current Budget of USD 882.1 million. At the same date, the total income from contributions stood at USD 579.1 million.

Nevertheless, year-end projections are showing a possible shortfall of some USD 60 million against the current Budget. This shortfall, if confirmed, will need to be managed by cautiously obligating funds in the fourth quarter according to income received and implementation rates.

The shortfall can also be reduced to the extent that the Operational Reserve remains unused. Allocations from the Reserve as at 30 June stood at USD 22.6 million. See table below for details. At the time of writing, the balance of the Operational Reserve stands at USD 48.5 million.

In the past months, UNHCR has been in close contact with governmental donors to promote early, flexible and predictable contributions. The High Commissioner wrote to the main governmental donors on several occasions, inter alia to appeal for “normative” levels of contributions. Fortunately, the call for early pledges was clearly heard and, contrary to 2000, liquidity levels remained sufficient up to the time of writing. Should, however, expected pledges be slow in being confirmed, UNHCR may have no choice but to resort once again to the Working Capital and Guarantee Fund in order to ensure that operations can proceed uninterrupted, pending confirmation of expected but not yet formalised pledges.

Donors continue to earmark contributions at various levels. At 30 June, totally unearmarked contributions stood at 27 per cent of total contributions. A positive development is that earmarkings at country level have decreased in favour of earmarkings at higher (regional and sub-regional) levels.

PRIVATE SECTOR FUND RAISING (PSFR)

In line with its strategy to increase the level of funding from the private sector, UNHCR convened a workshop in Geneva in March, which was attended by delegates from UNHCR National Associations and Branch Offices involved in private sector fund-raising activities. The workshop resulted in an agreement to give priority, in 2001, to the establishment of strong foundations for private sector activities, to focus resources on countries where a private sector fund-raising structure was in place and to start development work in only two additional countries (China-Hong Kong and Canada). The target for private sector fund-raising in 2001 was realistically reviewed at USD 15 million.

As at 1 September, some USD 5.5 million have been received while further contributions are in the pipeline as a result of fund raising activities by UNHCR and its National Associations. These funds were raised through special events, direct marketing, major donations, corporations and foundations. The newest National Associations, *Argentina con ACNUR*, Australia for UNHCR, *Action Réfugiés*, and Japan for UNHCR concentrated their efforts on strengthening their fund-raising capacity. The attached table summarises the main PSFR activities, as well as donations announced during the first half of the year. The remainder of 2001 will be devoted to the fine-tuning of mechanisms and tools to support private sector fund-raising programs: review of the co-operation

agreement with National Associations, creation of an emergency fund-raising kit, development of a tripartite planning methodology, definition of key performance indicators, training and handbooks. An on-line donation page will be launched with links to National Associations' websites, and a Knowledge Database Centre collecting successful fund-raising examples will be created and will be accessible to the network of fund-raising partners, Branch Offices and National Associations. A "share and compare" workshop is planned for October.

DEFINITIONS

The value date of all financial data presented in this report is 30 June 2001, unless otherwise indicated. The following financial terms have been used in this report:

- *Initial Budget*: Requirements presented in the Global Appeal 2001
- *Revised Budget*: Revised level of activities.
- *Total Funds Available*: Includes opening balance (carry-over), income from contributions made in the current year and internal adjustments
- *Total Funds Obligated*: The maximum spending authority for an operation. This amount is established in response to needs expressed by the operation, within the funds available for that operation.

Funds Available reported in financial tables are limited to country operations which were included in the 2001 Global Appeal.

Major PSFR Activities and Contributions

Situation as at 1 September

Donor	Major Activities	Income (USD)
<u>Argentina</u> <i>Argentina con ACNUR</i>	Free advertising for RESPECT Campaign, valued at ARS 1 m. Unearmarked	20,040
<u>Australia</u> Australia for UNHCR	Australian government granted the Australia for UNHCR Association tax-deductible status, valued at AUD 0.7 m. From Olympic Aid, for children	234,814
<u>Austria</u> Hennes & Mauritz	In-kind donations for IDPs and DRC refugees in Angola, valued at USD 0.4 m	
<u>France</u> SANOFI <i>Action Réfugiés</i>	In-kind donation of anti-malaria medicines, valued at USD 0.2 m. Unearmarked, Chechnya (Russian Federation), Sierra Leone and Armenia.	51,011
<u>Germany</u> <i>Deutsche Stiftung für UNO-Flüchtlingshilfe</i>	Afghan refugees in the Islamic Republic of Iran, Pakistan; Chechnya (Russian Federation).	175,358
<u>Greece</u>	World Refugee Day fund-raising concert in the Delphi theatre in Greece with star singer Theodorakis.	
<u>Italy</u> Branch Office Rome	Direct mailing, newsletters, corporate partnerships, including USD 440,000 from ENI/AGIP for shelter project for IDPs in Azerbaijan. Proceeds from benefit concert by Luciano Pavarotti for UNHCR, broadcast live on RAI Television to 9 million viewers.	1,621,013 2,310,545
<u>Japan</u> Regional Office Tokyo/ Japan for UNHCR <i>Soka Gakkai</i>	Active support from Japan for UNHCR, including donations from Mito Foundation for Art and Shin Nyo Foundation. Integration of Liberian Refugee Children in Côte d'Ivoire.	224,010 400,000
<u>Netherlands</u> <i>Stichting Vluchteling</i>	Assistance programmes related to health, education and vocational training benefiting refugees in Sierra Leone, Tanzania and Nepal.	303,831
<u>Norway</u> STATOIL	Unearmarked	108,342
<u>Spain</u> <i>España con ACNUR</i>	Uganda, Colombia, Eritrea, Mozambique	725,324
<u>United Kingdom</u> UK for UNHCR (RefAid)	Development of new contacts with the corporate sector, including meeting hosted by British Petroleum and supported by International Business Leaders Forum Unearmarked, Afghanistan, Islamic Republic of Iran	75,339
Parthenon Trust	Refugees from Myanmar	217,391
<u>United States of America</u> UN Foundation (Ted Turner) USA for UNHCR	Health-related programmes in Africa	855,750
Roe Foundation	Substantial part from individual donor for programmes in Sierra Leone and Tanzania; includes donation from Donner Foundation of USD 25,000 Assistance to separated Sierra Leonean returnee children	805,795 15,000

VOLUNTARY CONTRIBUTIONS (USD)

Donors	Income
Government of the United States of America	212,461,000
Government of Japan	84,631,517
European Commission	46,682,963
Government of Sweden	39,646,175
Government of the Netherlands	30,127,210
Government of Denmark	26,668,337
Government of Norway	25,339,148
Government of United Kingdom	18,224,685
Government of Germany	14,226,531
Government of Canada	12,857,656
Government of Switzerland	12,059,625
Government of Finland	10,220,673
Government of Italy	9,672,623
Government of Australia	9,535,914
Government of Ireland	4,156,243
Government of France	4,133,886
Pavarotti & Friends (ITA)	2,310,545
Government of Spain	2,002,804
IBRD (UNO)	1,700,000
Government of Luxembourg	1,380,725
UN Trust Fund for Human Security (JPN)	1,250,000
Government of Belgium	1,199,883
Private Donors Italy	1,181,013
Government of New Zealand	959,405
UN Foundation (Ted Turner) (USA)	855,750
USA for UNHCR (USA)	805,795
<i>España con ACNUR</i> (SPA)	725,324
ENI (Agip Azerbaijan) Italy	440,000
Soka Gakkai Youth Peace Conference (JPN)	400,000
Government of Austria	338,107
<i>Stichting Vluchteling</i> (NET)	303,831
Government of Greece	300,000
Government of South Africa	300,000
Government of China	250,000
Australia for UNHCR (AUL)	234,814
Parthenon Trust (UK)	217,391
Government of Portugal	200,000
OPEC Fund	200,000
<i>Deutsche Stiftung</i> (GFR)	175,358
Government of Turkey	150,000
Government of Saudi Arabia	127,695
Government of Iceland	126,872
Private Donors Japan	118,124
STATOIL (NOR)	108,342
Husain Afsar, Mr & Mrs (PA)	100,000
<i>Tbung Insaniah Kosovo</i>	98,089
Government of the Republic of Korea	92,557
Shin Nyo Foundation (JPN)	85,470

RefAid/UK for UNHCR (GBR)	75,339
Soroptimist International (JPN)	74,865
Government of the United Arab Emirates	54,000
<i>Action Réfugiés</i> (FRA)	51,011
Government of Algeria	50,000
Government of Morocco	50,000
Tanganyika Christian Refugee	50,000
Islamic Association of Bahrain	46,000
Private Donors Greece	42,063
Government of Nigeria	40,851
Government of Estonia	35,461
Government of Hungary	35,000
UNFPA (UNO)	33,781
Human Appeal International (UAE)	31,017
Government of Liechtenstein	30,488
Linz Corporation (JPN)	28,462
Qatar Charitable Society	26,655
Government of Colombia	25,000
<i>Jyodoshu</i> (JPN)	24,390
Mito Foundation for Art (JPN)	20,416
<i>Mainichi Shimbun</i> (JPN)	20,325
<i>Argentina con ACNUR</i> (ARG)	20,040
Government of the Holy See	20,000
Government of Malaysia	20,000
Government of the Slovak Republic	20,000
Federation of Electric Power Related Industry Worker's Unions (JPN)	17,391
UN Women's Guild, Vienna	16,289
Zakat House (KUW)	16,138
Roe Foundation (USA)	15,000
El-Eslah Society of Bahrain (BAH)	13,000
Government of the Czech Republic	12,530
Government of Costa Rica	10,179
Principality of Monaco	10,000
Government of Singapore	10,000
International Islamic Relief (SAU)	10,000
Government of India	8,637
Government of Sri Lanka	8,539
Government of Tunisia	8,253
Private Donors Switzerland	8,217
Nansen Environmental & Remote Sensing Center (NOR)	7,390
Red Crescent Society (UAE)	5,023
Government of Bermuda	5,000
Government of Ghana	5,000
Private Donors United States	3,878
Government of the Yemen Republic	2,160
Government of the Philippines	2,120
Private Donors Korea	2,060
Private Donors Austria	1,288
Private Donors Spain	1,105
Private Donors Canada	1,043
Government of Uganda	1,000
Private Donors Germany	780

Private Donors Sweden	314
Private Donors China	128
Private Donors Luxembourg	110
Private Donors France	109
TOTAL	580,509,925

Figures as end of August 2001

Excludes non-cash contributions to UNHCR from States hosting refugee populations

TRANSFERS FROM THE OPERATIONAL RESERVE

		USD
Operational Reserve approved by EXCOM in October 2000		79,309,359
Reduction (Action 2)		-8,232,159
Working level for the Operational Reserve		71,077,200
Transfers (by Sub-Region/Country/Programme)		
GREAT LAKES		
Congo, Rep.	Continued Protection/Assistance to Congolese (DRC) Refugees	2,410,000
		Sub-total 2,410,000
EAST AND HORN OF AFRICA		
Ethiopia	Repatriation of Pre-1991 Ethiopian Refugees from Sudan	650,100
Sudan	Repatriation of Pre-1991 Ethiopian Refugees from Sudan	99,900
		Sub-total 750,000
WEST AND CENTRAL AFRICA		
Côte d'Ivoire	Education Project in Côte d'Ivoire	1,047,100
Guinea	Creation of Additional Posts due to Emergency Situation	1,013,300
Sierra Leone	Creation of Additional Posts due to Emergency Situation	636,700
		Sub-total 2,697,100
SOUTHERN AFRICA		
Malawi	Assistance to Flood Victims	25,000
Mozambique	Assistance to Flood Victims	25,000
Mozambique	Support Costs to Cover New Influx in Mozambique	59,700
Namibia	Support Costs to Cover New Influx in Namibia	212,500
Zambia	Support Costs to Cover New Influx in Zambia	1,059,096
Zambia	Assistance to Angolans in Ukwimi	543,740
		Sub-total 1,925,036
SOUTH-WEST ASIA		
Afghanistan	Emergency Procurement/Handling of Tents for IDPs in Afghanistan	805,000
Pakistan	New Arrivals in NWFP	2,950,000
Pakistan	Screening Operation in Pakistan	684,535
		Sub-total 4,439,535
SOUTH ASIA		
India	Assistance to Earthquake Victims	25,000
Myanmar	Continuation of the Operation in Myanmar	1,100,000
		Sub-total 1,125,000
EAST ASIA AND THE PACIFIC		
China	Protection/Monitoring of North Korean Refugees	122,800
China	Protection/Assistance to Increased Number of Asylum-Seekers	276,000
Japan	Regional Emergency Training Centre	490,062
Philippines	Durable Solutions for Residual Vietnamese Caseload in Palawan	129,430
		Sub-total 1,018,292
EASTERN EUROPE		
Azerbaijan	Local Settlement of IDPs and Refugees in Azerbaijan	365,989
		Sub-total 365,989
AMERICAS		
Northern L.A.	Assistance to Earthquake Victims in El Salvador	30,000
		Sub-total 30,000

GLOBAL OPERATIONS

Investigation into Irregularities in the Resettlement Process in Kenya	300,000
Prevention and Response to Sexual and Gender-based Violence	180,000
Public Awareness Campaign	123,600
Learning Programme for Training in Staff Development	67,600
Enhancing Staff Security	1,115,630
Imagine Coexistence Project (Reintegration and Local Settlement Section)	809,372
Increase of Stock Levels in Central Emergency Stockpile	500,000
Promote & Develop Awareness of Nansen Refugee Award	100,000
Resettlement Activities	1,156,000
Strengthening of the Evaluation Function in UNHCR	520,000
Translation of the 2nd Edition of the Emergency Handbook	100,140
Additional Travel/Equipment Needs in the Emergency & Security Service	210,000
World Refugee Day Tool Kit and New Projection System for Visitor's Centre	110,000
Sub-total	5,292,342

HEADQUARTERS

Enhancing Staff Security	1,418,556
Enhancing Livelink/IRIMS Software	65,000
Imagine Coexistence Project	190,628
Refugee Education Trust	200,000
Management of Contributions from DFID/UK	149,059
Public Awareness Campaign	17,010
Working Group on Rotation	493,714
Sub-total	2,533,967

Total transferred **22,587,261**

Balance as at 30 June 2001 **48,489,939**

TOTAL REVISED REQUIREMENTS BY REGION

OPERATIONS	Annual Programme Budget				Supplementary Programme Budget			
	Initial Budget	Revised Budget	Total Funds Available ¹	Obligation Level	Initial Budget	Revised Budget	Total Funds Available ¹	Obligation Level
Great Lakes	91,907,502	86,139,259	50,505,624	37,932,630	0	0	0	0
East and Horn of Africa	98,150,918	85,351,340	43,318,916	40,378,214	24,685,500	22,965,877	12,874,017	9,875,877
West and Central Africa	71,610,674	68,444,730	35,041,120	31,527,913	18,990,339	18,990,339	14,201,816	10,500,000
Southern Africa	30,876,418	32,283,456	19,213,976	13,971,665	11,527,834	5,427,220	6,203,579	2,100,000
North Africa	7,801,207	6,953,059	6,373,520	3,901,700	0	0	0	0
The Middle East	19,659,246	17,021,815	8,845,769	8,006,055	0	0	0	0
South-West Asia	44,582,247	48,225,054	26,128,605	19,595,089	0	0	0	0
Central Asia	6,692,019	6,164,121	3,629,929	2,697,200	0	0	0	0
South Asia	22,102,741	23,586,376	17,362,841	12,602,885	0	0	0	0
East Asia and the Pacific	34,258,434	30,756,139	18,187,803	14,525,040	0	0	0	0
Eastern Europe	43,005,499	36,481,087	17,316,395	15,876,661	0	0	0	0
South-Eastern Europe	138,754,029	112,617,422	72,632,954	67,721,120	0	17,518,543	6,840,172	2,151,234
Central Europe and the Baltic States	15,776,131	13,077,599	6,061,929	5,732,777	0	0	0	0
Western Europe	18,706,398	15,354,459	6,713,919	6,461,985	0	0	0	0
North America	7,100,689	5,878,739	2,650,153	2,521,380	0	0	0	0
Central America	7,743,251	6,282,483	3,764,685	3,517,597	0	0	0	0
South America	10,557,856	10,356,866	5,896,618	4,340,690	0	0	0	0
Global Operations/Programmes	49,999,600	53,837,917	39,411,463	23,932,190	0	722,679	138,042	350,000
Headquarters ¹	92,933,400	93,988,560	39,704,871	38,447,500	0	494,762	3,668,871	0
Total	812,218,259	752,800,481	422,761,090	353,690,291	55,203,673	66,119,420	43,926,497	24,977,111
Operational Reserve	79,309,400	48,489,939	10,000,000	0	0	0	0	0
Junior Professional Officers	7,000,000	7,000,000	10,007,896	2,898,317	0	0	0	0
Grand Total	898,527,659	808,290,420	442,768,986	356,588,608	55,203,673	66,119,420	43,926,497	24,977,111

¹Includes allocations from the UN Regular Budget.