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Summary record of the 663rd meeting

Held at the Palais des Nations, Geneva, on Thursday, 4 October 2012, at 10 a.m.

Chairperson: Ms. Arango Olmos (Vice-Chairperson).....(Colombia)

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In the absence of Mr. Knutsson (Sweden), Ms. Arango Olmos (Colombia), Vice-Chairperson took, the Chair.

The meeting was called to order at 10.05 a.m.

Consideration of reports on the work of the Standing Committee (*continued*)

(a) International protection (*continued*) (A/AC.96/1110 and Add.1)

1. **Mr. Navarro Brin** (Observer for Panama) thanked UNHCR for assisting Panama in acceding to the Convention relating to the Status of Stateless Persons and the Convention on the Reduction of Statelessness and said that Panama was proud to be among those countries that had incorporated the provisions of those instruments into their domestic legislation. Referring to the pledge to protect stateless persons made by his Government at the 2011 Ministerial Meeting, he said that working groups had been established to help with the implementation of laws on statelessness in Panama. A workplan had furthermore been adopted and a bill was being drafted.

2. To allow persons benefiting from temporary humanitarian protection to apply for permanent residence status, a law had been adopted that would benefit some 900 Colombian refugees in legal limbo in Panama. A strategic planning and coordination group, was responsible for implementing the law, providing economic and integration assistance and issuing temporary protection cards to undocumented persons.

3. The Government had taken steps towards the fulfilment of its third pledge; it had promulgated Executive Decree No. 464, approving the National Plan against Trafficking in Persons which, provided for the establishment of a national commission on trafficking in persons that would define protection and assistance measures for victims and witnesses.

4. **Mr. Ngem** (Egypt) said that Egypt was doing its utmost to promote resettlement of refugees in that country and cooperate with all countries willing to receive them. The problem of trafficking and illegal migration via the Sinai was a complex issue, and Egypt had set up a committee comprising representatives of civil society and United Nations entities to combat trafficking. The international community should pool efforts to inform the authorities and the public of the dangers inherent in migration.

5. **Ms. Feller** (Assistant High Commissioner for Protection) said that Governments had evidently found it useful to use the 2011 Ministerial Meeting as a pledging forum. Pledges by member States could be found online, along with a tracking system that was updated as UNHCR received information regarding implementation. UNHCR looked forward to the early implementation by Denmark of European Union refugee resettlement policies and welcomed its efforts towards creating opportunities for asylum seekers to be able work. A meeting that had recently been held in Strasbourg had highlighted the need to address both the legal and practical issues that prevented asylum seekers from entering the labour market.

6. She commended the United Kingdom Government for exploring alternatives to detention of asylum seekers and said that other countries should draw on its experience. In response to the request for additional information on the workplan of the Global Protection Cluster, she said that the strategy for 2012–2014 defined seven priority areas, based on the principle of partnership: the development and dissemination of guidelines and tools for the coordination of protection responses; the establishment of a panel of experts to provide guidance for field operations on protection responses; improved and predictable rapid deployment of capacity for field operations; training and capacity-building for field operations; enhanced global advocacy efforts in support of field operations; the mainstreaming of protection in humanitarian responses; and the engagement of donors and partners.

7. UNHCR welcomed the call by the Republic of Korea for greater attention to be paid to the issues faced by displaced adolescents. Youths aged between 10 and 20 years reportedly made up more than 33 per cent of the world's displaced population yet were traditionally underserved, typically because they did not qualify for programmes for services provided under either children or adults. In that connection, UNHCR had identified the need for closer attention to be paid to access to post-primary education.

8. Responding to points raised, she said that building national institutions remained a priority for UNHCR and that since non-refoulement had found its way into international instruments on subjects unrelated to refugees, it had a broader application.

9. She thanked the delegation of Nigeria for its very forward-looking statement and echoed its concern about the plight of those in distress at sea. At an important meeting in Djibouti, participants had considered the particular challenges of maritime protection and had produced a set of recommendations which UNHCR intended to tailor to take account of different regional contexts.

10. She said that Kenya was entitled to expect the international community to show sensitivity to its particular problems and she commended Algeria for its work on confidence-building measures in the Western Sahara. She said she agreed that the Sinai was a complex issue and, although the matter exceeded the mandate of any one agency, UNHCR was considering what it could do to address it within its mandate.

11. Regarding enhanced security packages and Convention travel documents, she said that 41 of the 148 States parties to the Convention relating to the Status of Refugees and 16 of the 74 States parties to the instruments on statelessness had issued such documents. UNHCR recognized that there were a number of components to the process and did not underestimate the difficulties that States encountered in the run-up to the 2015 deadline. UNHCR and the International Civil Aviation Organization had together designed a handbook on machine-readable Convention travel documents.

12. She thanked the Government of Panama for its regional leadership on statelessness and welcomed the changes made to its asylum system. She assured NGOs that attention had been paid to their report and that UNHCR would be reviewing their thoughtful suggestions in the upcoming months.

(b) Programme budgets, management, financial control and administrative oversight (A/AC.96/1111 and Add.1; A/AC.96/1113; A/67/5/Add.5)

13. **Mr. Aleinikoff** (Deputy High Commissioner), replying to a question from the delegation of India regarding the percentage of the Programme Budget devoted to public information and media activities, said that, the item also included private sector fundraising.

14. Concerning the Transitional Solutions Initiative, UNHCR had launched a pilot project to explore various ways of moving forward. Several host countries had expressed an interest in taking part and UNHCR would examine the possibility of including them. The long-term goal remained to reduce humanitarian expenditures while shifting to broader development programmes.

15. Over the previous year, donor support had remained strong. That support, in conjunction with careful resource management on the part of UNHCR, had made it possible to channel US\$ 60 million of internal savings towards emergency relief. The organization had received an unqualified opinion from the Board of Auditors, which had affirmed its support for UNHCR efforts undertaken in response to earlier recommendations. The Independent Audit and Oversight Committee had been established and would begin to report in 2013, while UNHCR had begun to apply the International Public Sector Accounting Standards (IPSAS) on 1 January 2012.

16. Turning to the general reform process, he recalled that the focus in recent years had been on: reducing the number of staff at headquarters; introducing results-based management; launching the Global Focus website; implementing IPSAS; reforming human resources practices; increasing work with inter-agency partners; and establishing a unit to produce new policies on auditing, retaining and recruiting partners.

17. UNHCR had now entered a second stage of the reform process which focused on increased accountability, enhancement of the evaluation function, the appointment of additional finance control officers, the development of an enterprise risk management framework and the elaboration of rules on gross financial negligence. It hoped to finalize drafts of contracts to be used for staff in between assignments and a manager certification programme in 2013.

18. As to innovation, UNHCR was examining ways of harvesting the creativity of staff in the field and enlisting the private sector in its efforts to become a truly twenty-first century institution. Innovative projects currently under way included the creation of new emergency and transition shelters, the use of solar energy in refugee camps, the development of livelihoods projects and access to mobile technology for refugees. Lastly, UNHCR was making great strides in reducing reporting requirements in the field and would begin work on streamlining its performance and appraisal management system.

19. He recalled that 2011 had been the last year that accounts had been prepared under accounting standards used in the United Nations system. In 2011, there had been a 12 per cent increase in voluntary contributions over 2010 and the highest level of implementation in terms of total expenditure in UNHCR history. However, the funds available had amounted to only 63 per cent of the global needs-based budget. The Board of Auditors had made 33 recommendations, which the organization had accepted and had already made inroads in addressing. The Auditors deemed that eight of the recommendations made in 2010 had been fully implemented.

20. **Mr. Moeling** (United States of America) said that he applauded the fact that an unqualified opinion had been given by the Board of Auditors, but was disappointed to see ongoing weaknesses and inconsistencies in compliance with the verification framework. UNHCR needed to improve its ability to determine the impact of its implementing partners' activities through improved indicators tied to service quality and concrete outcomes. His delegation took it that the organization was developing a risk-based, monitoring approach and looked forward to receiving periodic progress reports.

21. He expressed concern that UNHCR had not yet established a systematic organization-wide approach to risk management and said that his Government would be closely monitoring the action that was to be taken to address that failing.

22. He welcomed the comprehensive consultations conducted by the Independent Audit and Oversight Committee in June and September 2012 and said that he would be glad to receive updates on the work of the Committee prior to the session of the Standing Committee in September 2013. He commended the efforts made to find cost savings at headquarters but noted also that UNHCR must continue to ensure quality control and consistency across regions, and ensure that adequate technical staff were available to support field operations, especially in the areas of child protection, age, gender and diversity mainstreaming and gender-based violence.

23. His delegation looked forward to receiving a matrix detailing the 2011 recommendations and ways in which the organization was following up on them. UNHCR should furthermore consider expanding the Policy Development and Evaluation Service. In that regard, he thanked Mr. Jeff Crisp for his work at the helm of the Service, and expressed a keen interest in knowing who would be replacing him.

24. Turning to budget issues, he said that, as the single largest donor to UNHCR, having contributed more than US\$ 775 million, the United States urged Executive Committee members and observer States to support the organization's work with flexible, robust and predictable contributions. Wherever possible, donors should attempt to limit tight earmarking of contributions, as that practice curtailed the organization's flexibility and undermined the involvement of donors and host Governments in international cooperation.

25. He expressed appreciation for the efforts made during recent informal consultations and in the Standing Committee to allow Executive Committee members time to share their concerns and understand budget decisions and encouraged UNHCR to make greater use of such informal meetings. He encouraged UNHCR to prioritize activities based on the level of need and vulnerability and to be more transparent with all stakeholders about how those decisions were made. Lastly, he urged UNHCR to consider making the budget for global programmes and headquarters needs-based as well. The delegation feared that UNHCR, originally established to cope with fewer and smaller emergencies, was approaching its capacity limits.

26. **Ms. Kim** Ha-young (Republic of Korea) said that she encouraged UNHCR to strengthen its overall monitoring and management of projects carried out by partners, as the organization's credibility was directly affected by their performance. An effective monitoring approach should not stop at the verification of financial accounts but also needed to include the quality of delivery of expected results and the effective and efficient use of resources. She encouraged UNHCR to draw on the lessons learned and best practices of other international organizations on implementation of IPSAS and welcomed the steps undertaken towards enterprise risk management. She agreed that the initial focus should be mainly on high-impact and high-probability risk and that it was vital to make enterprise risk management part of UNHCR corporate culture. Her Government looked forward to receiving a progress report at the next Executive Committee session.

27. **Ms. Norton** (Canada) said that, UNHCR must improve its ability to communicate results and improvements to effectiveness and efficiency. The Government of Canada hoped that UNHCR would continue to prioritize further enhancement of results-based management tools, the strengthening of its evaluation function, the maintenance of commitments linked to the internal reforms process and continued fostering of effective partnerships. Canada also encouraged UNHCR to continue to improve the Focus software tools, particularly in respect of gender-disaggregated data.

28. Her Government had been pleased to note that UNHCR continued to involve beneficiaries, as indicated in a recent evaluation by the Multilateral Organization Performance Assessment Network (MOPAN). It was concerned, though, at how difficult it seemed to be to meet the Office's growing evaluation needs. She encouraged UNHCR to allocate the necessary resources to evaluation.

29. In the light of the growth in budget levels, she underscored the importance of flexibility in planning to allow operations to be scaled down when needs declined, just as they must be scaled up when needs grew.

30. **Ms. Clifford** (Sweden) urged UNHCR to continue to work on its oversight functions. Such functions should not be impaired in times of fiscal constraint. On the contrary, they needed strengthening. In respect of enterprise risk management (ERM), she asked UNHCR to keep the Executive Committee updated on progress and challenges in fully implementing the recommendations of the Board of Auditors.

31. **Ms. Southern** (Australia) said that she had been encouraged to hear that UNHCR had accepted all 33 recommendations in the report of the Board of Auditors. She requested that an update on progress should be provided at the Standing Committee meeting in December 2012. Implementing partners played a vital role in operations on the ground.

Monitoring should include not only verification of accounts, but also evaluation of performance and of the delivery of expected results and the use of resources. Risk management was critical to the work of UNHCR. She recognized the complexity of implementing a systematic, organization-wide approach to ERM and urged that the concept paper should be disseminated as soon as possible.

32. **Mr. Minami** (Japan) said that the move to IPSAS was overdue. He would be interested to hear how the process was being implemented and managed. He hoped that the actions taken to implement ERM would bring tangible improvements in the area of risk management and that the measures envisaged to improve procurement procedures would bring about cost reductions.

33. **Mr. Musa** (Sudan) said that his delegation welcomed the Transitional Solutions Initiative being applied to protracted situations in the Sudan. Implementation was, however, being impeded by a lack of financial resources. He was grateful to the Government of Norway for its support in that regard and called on other donor countries to follow suit and provide resources. The project promoted self-sufficiency for refugees and enabled host communities to assist them. Failure would be frustrating to refugees, while success might pave the way for implementation in other regions.

34. **Ms. Finskas** (Finland) said that budgeting based on the Global Needs Assessment was better than budgeting based on expected voluntary funding. However, there would always be a gap between the plan and the reality and she wondered what mechanisms were to be used to determine priorities when funds fell short of the needs identified in the Global Needs Assessment. In respect of human resources reform, she asked for further information on the question of staff in between assignments (SIBA).

35. **Mr. Aleinikoff** (Deputy High Commissioner), replying to points raised, said that, as a matter of general principle, it was important that new procedures should not be counterproductive. They must improve accountability significantly yet not be so cumbersome as to hamper the work in the field.

36. On the question of monitoring the performance of implementing partners, he said that a new unit had been set up in the Controller's Office. Extensive consultations had taken place in the field with NGOs and he hoped that by the following year a policy on recruiting, retaining and monitoring implementing partners would have taken shape.

37. On implementation of ERM, he said that a robust schedule had been approved and significant steps had been taken already. Roll out was expected by 2013 in 10 field operations and some headquarters divisions. A risk register should be out by the end of 2012 and concrete results should be visible in 2013. With regard to evaluation, he said that the Office of Oversight Services (OIOS) was currently assessing the UNHCR evaluation function. In the end, the target was evidence-based programming to ensure that resources were used in the most effective way. He agreed with the representative of Japan that the benefits of IPSAS needed identifying; it was important to be sure that exercises such as counting assets in the field, which had taken a good deal of managers' time, were really made of use.

38. He said that a compliance and accountability committee had been set up to monitor compliance with the recommendations of the oversight bodies and to look at possible policy changes in response to — and, more proactively, in anticipation of — such recommendations. The follow-up matrices requested by member States would be submitted to the Standing Committee in 2013.

39. The Office was well aware of the gap between reality and the Global Needs Assessment. Prioritization was done through the High Commissioner's annual establishment of priorities and through the global strategic priorities exercise. There was

then a rigorous analytical process over the year. That work took place primarily in the Regional Bureaux but was also reviewed at the troika level and by the Deputy High Commissioner's office.

40. The number of staff in between assignments had been dramatically reduced. A draft policy recently circulated for comment would take further steps to improve the situation. Lastly, on the question of the Transitional Solutions Initiative mentioned by the Sudan, he pointed out that, in addition to Norway, Sweden, the United States and the IKEA Foundation had also contributed. Nevertheless he seconded the plea by the Sudan for further resources.

Consideration of reports relating to programme and administrative oversight and evaluation (A/AC.96/1114 and 1115)

41. **Mr. Kebede** (Inspector General), introducing the report on activities of the Inspector General's Office (A/AC.96/1114), said that his priority over the past 12 months had been to ensure that his office was fully involved in enhancing coordination with other oversight actors, in particular OIOS. In that context, a joint IGO/OIOS inspection and audit mission had been successfully trialled in Tunisia. In his view, an internal audit service would significantly strengthen oversight capacity by bringing the function closer to field operations and departments at headquarters. He therefore welcomed the Board of Auditors' recommendation that a comprehensive appraisal of the provision of internal audit services should be undertaken. That assessment was now under way.

42. The Inspection Service of his office had made considerable progress towards moving the focus of inspection work to more management-critical issues and improving the efficiency of compliance monitoring. Inspections conducted in 2012 had benefited from the use of a new inspection tool that linked inspection work to the Global Management Accountability Framework (GMAF) and served to speed up feedback to inspected offices and facilitate the drafting of inspection reports.

43. As to investigations, the large backlog of cases had been cleared. The "Guidelines on Conducting Investigations and Preparing Investigation Reports" had been updated, with account being taken of recent developments in the United Nations justice system.

44. Work was progressing well on the project "Strengthening UNHCR-NGO Cooperation on Third Party Investigation", which aimed at developing a framework for closer cooperation with, and capacity-building of, NGO partners in the field of investigations. However, while funds were available to launch the project, the necessary resources for all related activities were not. Furthermore, staffing of the Intake Unit, which was responsible for the registration and assessment of all complaints received by his office (some 1,700 per year), remained a serious challenge; the work continued to be performed by staff in between assignments. The Investigation Service's junior professional officer (JPO) position had remained vacant since March 2012, and he asked for members' support in increasing the resources available to his office, including for the JPO position.

45. **Mr. Chabi** (Morocco), referring to the possible creation of an internal audit service, said he would like to know in what way it would help to mitigate risk. He was pleased that the links between the Inspector General's Office and OIOS were being strengthened but he wondered just what that process would entail for both organizations in relation to their oversight functions. With regard to the cooperation between UNHCR and NGOs in investigations, he wondered in what way the work of the NGOs would be strengthened, whether in terms of capacity-building or their activities in the field.

46. **Ms. Clifford** (Sweden) welcomed the increased synergies between the audit and oversight bodies, including the new Independent Audit and Oversight Committee. Oversight and evaluation functions should not be cut back in times of budget restraint but

should be strengthened in order to correct misconduct and mismanagement and ensure that limited resources were spent in the most effective way. She therefore called on UNHCR to properly staff and resource the Inspector's Office and the evaluation unit. Her delegation was following with great interest the issue of where the internal audit function would be based.

47. **Mr. Kebede** (Inspector General), replying to points raised, said that a more coordinated approach was needed to ensure that the various oversight offices, including the proposed internal audit service, could work in tandem to enhance accountability and overall efficiency. As to NGOs and third party investigations, his office had met with all the major implementing partners of UNHCR and established an inventory of their respective capacities and shortcomings.

48. With regard to audit functions, his office was looking into the advantages and disadvantages of in-house and outsourced audit functions, and also options such as synergies with other United Nations agencies and enhanced cooperation with OIOS. The outcome of that study would be shared for comment.

49. **Mr. Crisp** (Head of the Policy Development and Evaluation Service), introducing the report on policy development and evaluation (A/AC.96/1115), said that the Policy Development and Evaluation Service (PDES) would be issuing a lessons-learned review of the UNHCR role in the Libya crisis, a retrospective evaluation of the UNHCR response to the Somali refugee influx in Ethiopia in 2011 and a real-time review of its current operation for Sudanese refugees in South Sudan.

50. The Service planned to make further contributions to the formulation and implementation of policy on urban refugees by completing a global survey on the implementation of the urban refugee policy, by establishing a web-based compilation of effective operational practices in urban areas and by undertaking a review of the UNHCR urban refugee programme in New Delhi. At the same time, it was looking more broadly at settlement options.

51. The Service was moving forward with its work on the age, gender and diversity strategy and was finalizing a global review of UNHCR engagement with refugee youth and adolescents.

52. On durable solutions, current projects included a review of the strategic use of resettlement, an evaluation of the UNHCR role in assisted voluntary return programmes and an examination of how refugees might gain better access to labour mobility opportunities. Another, relatively new, area of study was that of mental health and psychosocial support, both for persons of concern and for UNHCR staff members.

53. Pending the OIOS review of the Office's evaluation function and capacity, the Service had taken steps to enhance performance. New procedures would ensure the effective utilization of the Service's findings and recommendations – there the new Internal Compliance and Accountability Committee would have an important role to play. Findings and recommendations were being disseminated more widely and partnerships were being strengthened. Lastly, cost-free ways of reinforcing the capacity of the Service were being sought.

54. **Ms. Finskas** (Finland) suggested that, as a major beneficiary of the United Nations Central Emergency Response Fund, UNHCR should emulate the World Health Organization and the World Food Programme and carry out an evaluation of its use of those funds.

55. **Mr. Chabi** (Morocco) asked what role the Policy Development and Evaluation Service played with regard to partnerships. It would be interesting to know whether there were plans to set up more partnerships between UNHCR and academic institutions

worldwide. He said that the communication policy of UNHCR should be more integrated, reaching beyond the social media to involve the print media and a maximum number of other outlets. He suggested that UNHCR should consider establishing partnerships with the Department of Public Information and the Department of Peacekeeping Operations of the United Nations.

56. **Mr. Crisp** (Head of the Policy Development and Evaluation Service) said that senior management had approved the idea of an evaluation of the engagement of UNHCR with the Central Emergency Response Fund. That evaluation would be on the 2013 work programme. The mandate of his Service included assessments of the partnerships into which UNHCR entered, and the Service was undertaking a growing number of evaluations in conjunction with a range of partners.

57. UNHCR had traditionally had strong relationships with the academic world, but only in some selected universities in the West. Efforts to remedy that situation included the holding of meetings with representatives of the Faculty of World Studies at the University of Tehran and Makerere University in Kampala and establishment of contact with a university in Argentina.

58. While the Service had its own communication strategy, it acknowledged that ways of integrating UNHCR communications with communication departments in other parts of the United Nations system would be useful.

Consideration and adoption of the Biennial Programme Budget 2012–2013 (*revised*)
(A/AC.96/1112 and Add.1)

59. **The Chairperson** drew attention to the proposed Biennial Programme Budget 2012–2013 (*revised*) and the report of the Advisory Committee on Administrative and Budgetary Questions, as contained in documents A/AC.96/1112 and A/AC.96/1112/Add.1 respectively. The documents had been reviewed at an informal consultative meeting led by the Vice-Chairperson on 31 August 2012 and by the Standing Committee at its 55th meeting. Document A/AC.96/1112 also contained the draft general decision on administrative, financial and programme matters, which the Standing Committee had discussed at the meeting and informally.

60. **Mr. Aleinikoff** (Deputy High Commissioner) said that the 2012 budget presented in document A/AC.96/1112 had been accurate as at 30 June 2012. There had been significant revisions since then, owing to the emergency situations that had arisen. For example, an additional US\$ 159.9 million had been allocated for the situation in the Syrian Arab Republic.

61. The current proposal was to revise the initial 2012–2013 biennial budget approved by the Executive Committee in October 2011. In the formulation of the initial biennial budget, the figures for the second year of the biennium were usually preliminary. The budget continued to be based on the Global Needs Assessment, which was a unique feature of UNHCR. In formulating the UNHCR budget, due account was also taken of the capacity of the Office to implement programmes should funds become available. The proposed revised 2013 budget amounted to US\$ 3.924 million, representing an increase of 14.8 per cent over the initial 2013 budget but a decrease of 3 per cent over the current 2012 budget, not taking into account the budgetary revisions that had been made since 30 June 2012.

62. Pillar 1, accounted for 78 per cent of the budget. The budget under Pillar 2, accounted for 2 per cent of total revised requirements. Pillars 3 and 4 accounted for 7 per cent and 13 per cent respectively. The Africa region accounted for 50 per cent of programmed activities, followed by the Middle East and North Africa region, at 16 per cent, and Asia and the Pacific at 15 per cent. The remaining distribution of budgets across

regional programmes, global programmes and headquarters remained relatively stable in comparison to previous periods.

63. For 2013, the largest operations under Pillar 1 were for Kenya (over US\$ 250 million), Ethiopia (US\$ 192 million), South Sudan (US\$ 168 million), the Senegal Regional Office (US\$ 190 million) and Chad (US\$ 159 million). Those five operations accounted for almost one third of the total revised Pillar 1 budget for 2013. The largest operations under Pillar 4 were for Iraq, the Democratic Republic of the Congo, Somalia, the Sudan, Pakistan and the Syrian Arab Republic, together accounting for over 60 per cent of the total revised Pillar 4 budget.

64. The increase in global programmes was attributed primarily to the planned investment in private sector fundraising in 2013. The headquarters budget remained at the current 2012 level of US\$ 184 million.

65. Turning to staff requirements, he said that the total post requirements for 2013 had increased significantly, from 8,451 at the beginning of 2012 to a projected figure of 9,087 for 2013. That increase was mostly the result of the expansion of emergency operations in 2012 that would require continued UNHCR involvement in the forthcoming period. It also reflected selective strengthening in some areas of the workforce, notably in programmatic and financial management. While the level of implementation in UNHCR in terms of total expenditure had increased twofold over the previous five years, expenditure on staff had increased by only 25 per cent. In fact, the ratio of staff expenditure to total expenditure had declined from 41 per cent to 26 per cent. The share of total UNHCR expenditure represented by activities involving implementing partners had increased from 31 per cent in 2006 to 38 per cent in 2011.

66. As for the challenges ahead, he said that UNHCR would need to address critical needs in field operations; strengthen capacity in protection, technical sectors, financial and programme management, and supply management; establish a corporate risk register; continue to improve the management of implementing partnership arrangements; and address other key initiatives, as highlighted in Part III of the budget document.

67. **Ms. Andersen** (Norway) commended UNHCR for the significant improvements made in organizational performance and efficiency, the establishment of a results-based framework and structural and managerial reforms. She said that the increase in funding from key donors was a response to the needs of people of concern, but also an expression of trust in the ability of UNHCR to deliver.

68. While the gap between the budget and actual funding remained of great concern, funding had increased significantly since the introduction of the biennial budgets based on the Global Needs Assessment. That system enabled UNHCR to respond to an increasingly challenging environment in which new refugee situations emerged while protracted situations remained. UNHCR reform and the renewed trust from donors had been crucial in that regard.

69. The new budget methodology increased the requirement for transparency on needs assessments and subsequent funding decisions, however. Further clarity and regular updates on the budget status would be useful, particularly when funding resulted in reprioritization and changes in field operational budgets. She requested more information on the priorities and criteria that determined spending on regional and country offices.

70. Her delegation supported the focus on partnerships with civil society organizations. Without the growth of the budget channelled through NGOs, UNHCR would have failed to deliver. However, the way that NGOs were used should be sound and efficient and high levels of transparency and accountability in terms of selection, quality assurance and

financial control were needed. UNHCR should give higher priority to local NGOs as implementing partners, as that would help build local and national capacity in the long run.

71. In the light of growing impatience with protracted refugee situations, there was an urgent need to work closely with development actors in cooperation with host countries. It was necessary to make use of development funding. The Peacebuilding Fund was also a possible funding source under the Framework on Ending Displacement in the Aftermath of Conflict.

72. In 2012, Pillar 4 had received less funding as a percentage of the budget than had previously been the case. UNHCR should show its commitment to all people of concern in its spending. On the understanding that that would be the case, the majority of her country's contribution to UNHCR was un-earmarked funding.

73. **Mr. Trinidad** (Brazil) said that his delegation supported the adoption of the draft decision on administrative, financial and programme matters. While welcoming the efforts UNCHR had made to provide States with an assessment of the current needs of persons of concern, he said that it was equally important for host States to participate more in identifying priorities in their countries if funds became available. His delegation would welcome more detailed information on UNHCR field office expenditures to flesh out the summary provided in the annual Global Report. It would be useful to know how UNHCR calculated projected numbers of persons of concern. He urged UNHCR to consider using methods of recruitment that ensured a more balanced geographical representation in the composition of professional staff.

74. **Ms. Tolstoi** (France) said that her delegation would welcome additional information on how priorities were identified for budgetary purposes. The introduction of informal consultations on that issue would be welcome.

75. **Ms. Clifford** (Sweden) commended UNHCR for achieving the highest level of implementation in the history of the organization. While contributions had reached unprecedented levels, her delegation remained concerned about the growing gap between the Global Needs Assessment budget and the resources available for the Office to respond to those needs. UNHCR should strengthen its ability to scale down operations by working more with development actors to promote durable solutions. It should strengthen its partnerships within the United Nations system and with its implementing partners in the field. It should consolidate the internal reform process in order to maximize output in terms of efficiency gains and value-for-money. Sweden would increase its core contribution to UNHCR, and she called on more donors to offer flexible and predictable funding to enable UNHCR to respond to the multiple new as well as protracted refugee and IDP crises and to keep earmarking to a minimum.

76. **Mr. Minami** (Japan) said that, in 2012, the gap between the actual funding and the budget appeared to have widened to US\$ 1.7 million. He wondered whether UNHCR used the term "budget" in the same way as other international organizations, where the budget was based on assessed contributions, as opposed to voluntary contributions. He hoped that UNHCR would reprioritize its programmes in order to close the funding gap to the extent possible and that it would keep members updated about the status of the budgetary situation. His delegation welcomed the efforts that had been made to expand the donor base, identify emerging donors and strengthen cooperation with the private sector. He commended UNHCR staff and the High Commissioner on their success in securing private sector funding and urged them to continue in that endeavour.

77. **Ms. Southern** (Australia) said that UNHCR should provide a further explanation of how funding was prioritized and allocated across the different budget pillars. Her delegation would welcome better integration of results into the Biennial Programme Budget, particularly the results that allocated funding was expected to achieve. She

welcomed the allocation of funding to results-based management in the Biennial Programme Budget and requested a breakdown of funding for key initiatives within the global programmes and Headquarters components of the budget.

78. **Mr. Mohar Betancourt** (Mexico) said that Mexico supported the adoption of the draft decision on administrative, financial and programme matters. His delegation urged all international organizations to avoid excessive growth in bureaucracy and the duplication of mandates. To that end, UNHCR should ensure that its budget prioritized programmes for the protection of people of direct concern under its mandate. He urged UNHCR to increase the budget allocation for stateless persons and the most vulnerable groups in the Americas.

79. **Mr. Aleinikoff** (Deputy High Commissioner), responding to the points raised, said that the request to base the budget on the Global Needs Assessment had come from the Executive Committee. UNHCR supported that decision. In fact, some of the increase in the resources raised by UNHCR had been the result of the gravitational pull of the Global Needs Assessment budget, which showed where the gaps were between refugees' basic needs and the amount UNHCR was able to raise.

80. Responding to concerns expressed about the funding gap, he said that fully funding the Global Needs Assessment remained the goal. With increased emergencies and the global financial crisis that goal had been impossible to achieve in 2012. He agreed that durable solutions could lead to reduced humanitarian expenses, partnerships could help in sharing the burden, internal reforms could create efficiencies and the donor base could be further expanded. UNHCR welcomed the news that Sweden would increase its contribution and endorsed the call for additional un-earmarked funds, which enabled UNHCR to respond immediately to emergencies.

81. The Controller had made a commitment to work with the Executive Committee to provide greater transparency on prioritizing the use of the funds that UNHCR received. Host countries regularly participated in the prioritization process.

82. When Pillar 4 had first been created, the idea had been to support it with funds donated specifically for IDPs in order to ensure that funds given for the refugee programme were not allocated to the IDP programme. Since then, expenditures and contributions had increased significantly across all pillars, which had made some un-earmarked funds available for Pillar 4. In 2012, about half of the money that would be spent under Pillar 4 would be un-earmarked funds.

83. The number of JPOs had declined substantially over the previous four years. He called on the States that had been sponsoring JPOs to renew their commitment to the JPO programme. Both JPOs and United Nations Volunteers were treated as internal candidates in the hiring process, and the majority of the Volunteers came from States that did not send JPOs. The High Commissioner had decided to treat those two categories of candidates equally in the internal appointments process, as between them, they represented the vast majority of States represented in the Executive Committee.

84. The Division of Programme Support Management would be able to provide the Brazilian delegation with an explanation of how the projected numbers of persons of concern were calculated.

Draft general decision on administrative, financial and programme matters

85. **Ms. Hanlumuang** (Rapporteur) drew attention to the draft general decision on administrative, financial and programme matters. If the Committee adopted the draft decision, it would approve the total revised budget requirements for 2012, amounting to US\$ 4,052.6 million, and the programmes and budgets for the regional programmes, global programmes and headquarters under the revised 2012–2013 Biennial Budget, amounting to

US\$ 3,924.2 million for 2013. She drew the Committee's attention to paragraph (f) of the draft general decision, in which acknowledgement was given to the burden that continued to be shouldered by refugee-hosting countries, especially those that were developing and least-developed countries, and the valuable contribution to the protection of refugees by those countries was recognized.

86. **The Chairperson** said that, if she heard no objection, she would take it that the Executive Committee wished to adopt the draft decision.

87. *It was so decided.*

The meeting rose at 12.45 p.m.