

**Executive Committee of the
High Commissioner's Programme**

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**Standing Committee
76th meeting**

**Report of the seventy-sixth meeting of the
Standing Committee (18-19 September 2019)**

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I. Introduction

1. The Chairperson of the Executive Committee, His Excellency Ambassador Boudjemâa Delmi (Algeria), opened the meeting.

II. Adoption of the agenda

2. The agenda for the meeting (EC/70/SC/CRP.17) was adopted.

III. Management, financial control, administrative oversight and human resources

3. The Deputy High Commissioner provided an overview of key issues related to the management of the organization, including UNHCR's human resources transformation, the ongoing decentralization and regionalization process, risk management, data collection and other far-reaching reforms, each of which were aimed at delivering better protection and solutions for persons of concern to UNHCR. With respect to regionalization, the objectives of the Global Compact on Refugees were very much in mind when the new way of working was designed. In terms of internal oversight, the Deputy High Commissioner noted the efforts that had been made to improve the interface between UNHCR's management and the various oversight bodies. She also spoke about the proactive ways in which UNHCR was working to address the recommendations from internal audits, which allowed the Office to improve its effectiveness. Among other issues highlighted by the Deputy High Commissioner were UNHCR's response to sexual exploitation and abuse, continued commitment to the "grand bargain" and the funding situation.

A. Finance and oversight

(i) Report of the Board of Auditors

4. UNHCR's financial statements for 2018, as contained in the report of the Board of Auditors (A/AC.96/1190 and A/74/5/Add.6), were presented jointly by UNHCR's Controller and Director of the Division of Financial and Administrative Management, and the Deputy Director of External Audit, Germany from the United Nations Board of Auditors.

5. The Deputy Director of External Audit Germany noted that this was the second time that UNHCR's external auditor briefed the Committee directly and stated how important this was. He mentioned the difficult working environment in which UNHCR was working and that this was taken into account in the audit. He assured donors that UNHCR's accounting was in good shape, the Office having received an unqualified audit opinion, which showed it was a strong organization. With this in mind, the Board had made 64 new recommendations. Most of them concerned finance and internal controls, while the others were related to: 1) reform initiatives, 2) cash assistance to beneficiaries, 3) implementing partners, 4) global fleet management, and 5) the use of contractors, information technology/cybersecurity and data protection. He also briefed the Committee on outstanding recommendations from previous years, all of which were either fully implemented or currently under implementation.

6. Noting the unqualified audit opinion and the Board's confirmation that UNHCR's financial position remained strong with sufficient assets to meet the liabilities, the Controller briefed the Committee on the main recommendations made and the key measures taken in response (A/AC.96/1190/Add.1), including to recommendations from previous years.

7. UNHCR was commended for its strong financial position, as concluded by the Board of Auditors, and for the work undertaken to implement the recommendations. Nevertheless, it was noted with concern that 48 per cent of the recommendations from

previous years remained open, and UNHCR was urged to address these and all new recommendations in a timely manner. The Office was also encouraged to carefully consider the recommendations related to accountability and monitoring in the context of the reform process. With respect to the reform, delegations agreed with the need for a consistent, organization-wide approach and expressed an interest in better understanding how the effectiveness of the new structures would be measured as they were being implemented.

8. Support was expressed for the Board's recommendation that UNHCR continue to explore ways to work more cost-effectively, simplify processes, increase transparency on management decisions and create a culture of integrity and accountability. UNHCR was encouraged to further its efforts in this regard. Hope was also expressed that the reform process would make significant gains in these areas, on which UNHCR could report in future Standing Committee meetings. The Committee took note of the Board's assessment that there was room for continued strengthening of internal controls. Managing implementing partners, which presented significant risk, was key in this regard. Numerous delegations expressed concern regarding the high level of earmarking of contributions and the corresponding impact this had on UNHCR's response. Other issues on which delegations echoed concern included the hiring of individual contractors and information technology and data protection.

9. In relation to the new regional structures, the Controller acknowledged that there were potential risks to be addressed, as pointed out by the Board. However, the new structures, with seven regional Controllers, in addition to budget, finance and project control positions embedded in each bureau, would help the organization better manage risk. Regional project control capacity would, for example, help manage risks in relation to implementing partner management. With respect to the latter, the Controller suggested that, while the focus on implementing partner management was on financial risk, it was also important to ensure quality delivery. Spot checks before funds were released could help. On cost efficiency, he mentioned that UNHCR was liaising with other agencies on good practices.

10. In response to a question about whether country appeals compel donors to provide more tightly geographically-focused funding, the Deputy High Commissioner noted that UNHCR had moved towards situational appeals in order to allow for more flexibility. However, the impact in terms of generating more unearmarked funding was only modest. She thanked those governments that continued to provide unearmarked contributions and appreciated the importance of continuing to make the case about the value and impact of flexible funding. In terms of whether, in the context of the Global Compact on Refugees, the deficit in needs would be offset by development funding, through the World Bank and other partners, it was anticipated that there could be a small impact on the budget. This funding should, rather, be additional to humanitarian funding so as to strengthen what the international community could collectively do to support both the displaced and host countries. The Deputy High Commissioner also updated delegations on the revision of UNHCR's resource allocation framework and the connection to multi-year planning.

(ii) Internal audit

11. The Officer-in-Charge of the UNHCR Audit Service of the Office of Internal Oversight Services (OIOS) presented the report on internal audit for the period from 1 July 2018 to 30 June 2019 (A/AC.96/1192), noting that the audit was conducted with sufficient resources and with no interference that would have impeded its independence. He highlighted the close and regular cooperation with UNHCR senior management and the Inspector General's Office (IGO). During the reporting period, OIOS conducted 24 audits and issued 146 recommendations, 22 recommendations (15 per cent) of which were critical. There were also a number of recommendations that remained open from previous years, and OIOS had undertaken a review of issues related to programme monitoring raised in past reports. In addition, OIOS had conducted two advisory engagements and a number of thematic audits, including on warehouse management in field operations, arrangements for reporting on the use of donor funds, arrangements for cash-based interventions in the Syria emergency and emergency preparedness.

12 Delegations commended UNHCR for effectively addressing weaknesses identified by the internal audit and for measures taken to strengthen the organization. Efforts in the areas of risk management, cash-based interventions, donor engagement and communications were in particular mentioned as positive developments. The Committee encouraged UNHCR to address the recommendations in a timely manner, share best practices among offices on recurring issues and ensure integration into the ongoing reform processes. Compliance by field offices was key in this regard. The Committee was pleased to see cost savings as a result of OIOS recommendations and noted its interest in observing trends over time. Concern was expressed that a number of audit recommendations remained open for more than one year, and that management action would be needed to close recommendations more quickly in the future. Delegations encouraged the organization to provide sufficient staffing and resources for internal audit activities, in order to safeguard the efficiency and integrity of UNHCR's operations.

13. Responding to the concerns about recurring issues, the Chief of the UNHCR Audit Service noted that when audits showed systematic control weaknesses, OIOS proceeded to conduct thematic reviews of those issues. He concurred with the view that it was important for OIOS to increase its coverage of protection systems. The Chief of the UNHCR Audit Service reported that since the issuance of the report on 30 June 2019, out of 145 open recommendations, 18 had been closed. In terms of 32 recommendations open for more than two years, OIOS had closed five. This was highlighted as significant and positive action taken by UNHCR to address the recommendations.

14. The Deputy High Commissioner described the various levels of collaboration and follow-up to implement the different recommendations. She acknowledged that there were recurring issues, often in the areas of partnerships and procurement, and outlined the different ways in which the organization was addressing them. The Deputy High Commissioner also noted that recent audits were complex and resource-intensive, which meant the workload for OIOS and UNHCR field operations was greater. With regard to open recommendations, she explained that OIOS had issued more recommendations and looked into more high-risk contexts, which explained the increased number of critical recommendations. At the same time, she pointed out that there had been a number of recent occasions where Representatives had taken early action on recommendations, even before the reports had been published.

(iii) Report of the Independent Audit and Oversight Committee

15. The Chairperson of the Independent Audit and Oversight Committee (IAOC), accompanied by the Vice-Chairperson who would take up his functions as Chairperson of the IAOC in October 2019, presented the Committee's seventh annual report, covering the period 1 July 2018 to 30 June 2019 (EC/70/SC/CRP.18). The IAOC Chairperson expressed full support for UNHCR's transformation process, calling it essential and ambitious. She outlined the IAOC's review and recommendations on a wide range of topics, from the internal and external audit findings to UNHCR's external relations functions and information systems and telecommunications.

16. Delegations thanked the IAOC for the comprehensive overview of the state of UNHCR's different oversight mechanisms. Many welcomed the reorganization of the Inspector General's Office, including the increase in investigation capacity and the external recruitment of the Inspector General. Some queried whether additional resources would be required. Several delegations welcomed the IAOC's constructive feedback on UNHCR's reform process, including on communication, and UNHCR was asked about its plans to train and reskill staff after the completion of the regionalization process. Several delegations concurred with the IAOC's observation that the management response to internal audit recommendation had improved, and there continued to be a critical need for UNHCR to address audit recommendations promptly. One delegation noted its agreement with the IAOC recommendation that these responses should refer back to the Office's priorities.

17. In response to a question on how to sustain the acceptance of risk related to frontline decision-making, the IAOC Chairperson clarified that, in her view, the decentralization and regionalization process would require a culture change in the organization. She described

the current culture as risk-averse, with an avoidance of decision-making and the need to seek approval from Headquarters. In this context she noted that training and performance management would be key.

18. The Deputy High Commissioner noted that UNHCR had the advantage of having a Global Learning and Development Centre for the training of staff. With respect to the Global Compact on Refugees for example, there were already training programmes for staff to learn how to engage and work with development actors and programmes. With regard to decentralization and regionalization, she confirmed that staff had been appointed to nearly all key positions in the regions and that the seven regional bureaux would be up and running by 1 January 2020. The Office was also looking at the configuration of Headquarters to ensure consistency across the organization. She reiterated the commitment that this phase of the process would be cost neutral, as costs would be offset by the disappearance of regional representations.

B. Management

(i) Risk management in UNHCR

19. UNHCR's Chief Risk Officer presented the paper on risk management (EC/70/SC/CRP.19), updating the Committee on progress made in rolling out the risk management 2.0 (RM2.0) initiative. She outlined the preliminary findings from the ongoing external assessment of UNHCR's risk maturity, based on a model developed by the United Nations High-level Committee on Management (HLCM) in 2019. The findings were encouraging and indicative of an advanced level of risk maturity, underpinned by effective high-level institutional support. Notwithstanding, the need for potentially re-evaluating the RM2.0 completion deadline arose. Suggested improvements included further embedding and institutionalizing risk management in key processes and as a staff competency. The Chief Risk Officer presented the work plan for 2019 and 2020, focusing on improving communication and training through the risk management network and integrating risk management into the ongoing decentralization and regionalization process, including through increased staff deployments.

20. Delegations welcomed UNHCR's continued work on the RM2.0 initiative, including the development of the reporting framework and risk registers as decision-making tools as well as the external evaluation of UNHCR's risk maturity. One delegation asked whether UNHCR had considered and calculated the cost-to-benefit ratio of the RM2.0 implementation in the interest of more efficient programming. Appreciation was expressed for the deployment of Senior Risk Advisors (SRAs) and risk focal points to the regional bureaux and key operations. In parallel, improvements in staff training through online platforms, increased outreach and integrity briefings were seen as key to strengthening accountability and mitigating risk, and therefore positively influencing UNHCR's risk culture. Referring to the 2019 risk review, UNHCR was asked how high-risk areas were determined, if these were consistent with previous years and how they were addressed.

21. The Chief Risk Officer thanked delegations for their demonstrated interest. She proposed to organize a separate briefing and issue a written update on risk management to complement the discussion. With regard to enterprise risk management (ERM) e-learning, she explained that despite it not being mandatory, in light of high demand, the preparation of a second ERM training module was underway and that risk management had been embedded into a number of priority learning programmes. She noted, however, the difficulty in assessing the impact of such training on prevention. In relation to cyber risk, the Chief Risk Officer announced that the target implementation date for the digital risk framework was set for June 2020. Answering questions about the link between risks, operational objectives and resource allocation, she said that 2019 had marked a turning point in the extent to which the annual programme review and resource allocation process had been informed by the country operation plans, budget proposals and risk registers. She added that this exercise had proven very useful and would be taken into account in the development of the new results-based management (RBM) framework. In terms of capacity-building under the RM2.0 initiative, she noted that while most efforts had been directed towards UNHCR personnel to date, more needed to be done to work with

implementing partners. Regarding the link between the corporate and strategic risk registers, the Chief Risk Officer explained that while the strategic risk register remained the same in 2019, mitigation measures and their degree of functionality were being examined and developed. On the topic of staffing, she explained the modalities for deploying SRAs, noting the yearly change in the list of approved countries for SRA deployment.

(ii) Efforts to prevent and respond to sexual exploitation and abuse and sexual harassment

22. The Senior Coordinator for the Prevention of and Response to Sexual Exploitation and Abuse and Sexual Harassment provided an update on efforts by the Office in this area (EC/70/SC/CRP.20), including field-based efforts, inter-agency measures efforts and internal work to transform UNHCR's institutional culture. She underscored UNHCR's commitment to placing survivors at the centre of the response, including through quality programming, effective feedback mechanisms and multisectoral assistance to victims. She also underlined the importance of the recent independent evaluative review of UNHCR's policies and procedures on sexual exploitation and abuse in informing UNHCR's work. Key among the recommendations of this review was the need to capitalize on partnerships, with areas of engagement spanning from the creation of joint vetting and reference checking mechanisms to the establishment of a fund to support partners to develop outreach and communications. Complementing these efforts was the High Commissioner's role as Inter-Agency Standing Committee (IASC) Champion on the Prevention of Sexual Exploitation and Abuse and Sexual Harassment. The Senior Coordinator then touched on internal processes aimed at inducing cultural and behavioural change throughout the organization in order to tackle power imbalances and gender inequalities, through formal and informal dialogue, involving colleagues at all levels.

23. The Committee welcomed UNHCR's engagement and the progress achieved so far, including its efforts to ensure a system-wide approach to the issue. Furthermore, delegations appreciated the incorporation of this topic in the Standing Committee's work programme and called for its regularization. The need to make the prevention of sexual exploitation and abuse and sexual harassment a priority, both within UNHCR and across the United Nations system and humanitarian sector as a whole, was stressed. The sharing of best practices and accountability to persons of concern were key in this regard. Delegations welcomed UNHCR's commitment to improving its reporting and response mechanisms and urged the organization to ensure that information on and access to these tools was readily available. Furthermore, UNHCR was encouraged to build the capacity of its partners in responding to sexual exploitation and abuse and sexual harassment as well as to tighten its own recruitment procedures by carrying out pre-recruitment clearances and additional reference checks. Regarding the role of managers, appreciation was expressed for the changes currently underway to integrate prevention measures in job descriptions.

24. The Senior Coordinator thanked the Committee for its support, including with respect to the shift underpinning UNHCR's updated policy towards a victim-centred approach. Regarding the evaluative review, she referred to a number of recommendations that were currently being implemented, namely those fostering strong leadership, encouraging honest dialogue and promoting the creation of safe spaces. She also pointed to recommendations emphasizing the programmatic importance of integrating prevention across all sectors. In response to questions related to partnerships, the Senior Coordinator explained that the United Nations protocol for implementing partners on preventing sexual exploitation and abuse and sexual harassment was being reviewed and that a common implementing partner assessment tool was being developed. She welcomed the recommendations of the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee and Multilateral Organization Performance Assessment Network (MOPAN), pointing to the upcoming release of a benchmarking tool. In response to queries about the scope of the survey driven by the Department of International Protection on preferred means of communication, the Senior Coordinator explained that it had been rolled out across all operations and that the 41 responses had been received, mostly from the Africa and Middle East and North Africa regions. On the link between the Secretary-General's Special Coordinator's Office and UNHCR, she clarified that UNHCR actively contributed to the work of the Special Coordinator's

Office's work and participated in its meetings. UNHCR's engagement in the rollout of the incident reporting form and in the development of a manual on prevention and response and the victim's assistance protocol were mentioned as examples of this engagement. Responding to queries on vetting and recruitment, the Principal Legal Advisor and Head of the Legal Affairs Service pointed to positive results with the ClearCheck database and increased collaboration with other databases, while at the same time respecting the right to privacy.

(iii) Update on UNHCR reform

25. The Deputy High Commissioner presented the paper on UNHCR reform (EC/70/SC/CRP.22), providing an overview of decentralization and regionalization while highlighting developments related to the other workstreams that comprised the broader transformation. She briefed the Committee on the recently endorsed data transformation strategy, the upcoming inauguration of the World Bank-UNHCR Joint Data Center on Forced Displacement and the creation of a new division bringing together programme, budget, programme partnership and results-based management. The Committee was also updated on the establishment of a change governance board that was responsible for tracking progress across the workstreams, facilitating decision-making and effecting course corrections when necessary.

26. Delegations welcomed the update on the various strands of UNHCR reform, with particular commendation and support for the Office's decentralization and regionalization efforts. The Committee stressed the importance of the change governance board in overseeing each of the workstreams and looked forward to receiving regular updates on progress, challenges, risks, impact and costs savings. With regard to decentralization and regionalization, UNHCR was urged to maintain a strong strategic vision and global coherence at the headquarters level and to remain vigilant in respect of its mandate. The Committee queried how UNHCR had applied lessons learned from previous reform efforts, including those undertaken by other United Nations agencies, in designing the decentralization and regionalization process as well as the broader reforms. Delegations sought assurance that communication and engagement between Headquarters, the regional bureaux and the permanent missions would be maintained. With the devolution of operational decision-making to the field, the Committee was keenly interested in how UNHCR would build the capacity of staff, ensure performance oversight and facilitate strong and inclusive country planning operations involving host countries, partners, donors and persons of concern. With regard to the Global Compact on Refugees, the importance of working with a broad range of actors (including implementing partners, non-governmental organizations (NGOs) and development actors) at the local and regional levels was emphasized. UNHCR was asked how it had ensured the welfare of affected staff with regard to the transformation. The Committee welcomed UNHCR's active engagement in the United Nations reform agenda, including its continued leadership in the Business Innovations Group. Regarding data and digitalization, UNHCR was asked for an update on the World Bank-UNHCR Joint Data Center (including with respect to the management structure and operationalization timelines), and the Office was encouraged to prioritize guidance for country offices on data protection. The Committee commended UNHCR's efforts to improve its results-based management system and requested a more comprehensive update on its progress and timeline.

27. The Deputy High Commissioner assured the Committee that regular updates would be provided on the various reform workstreams, including cost efficiencies. Regarding decentralization and regionalization, she clarified that improving the effectiveness of UNHCR's programme delivery was the main driver, rather than cutting costs; however, the Office was on track in terms of aiming for cost neutrality in its initial phase. She affirmed the responsibility of senior management to ensure overall policy coherence and effective decision-making at the country, regional and headquarters levels. Regarding the relationship between Headquarters and the permanent missions, the Deputy High Commissioner clarified that engagement would increase both at the strategic and operational levels. Investment in strengthening country operations would remain a priority, as would ensuring the seamless flow of information between Headquarters and the field to facilitate decision-making. She concurred with the comment regarding the importance of

sufficient resourcing of the organization in order for decentralization and regionalization to be successful, including resources for operations. She also assured delegations that a number of measures had been taken to ensure staff welfare in the context of organizational change. Regarding the design of the transformation, the Director of Change Management informed the Committee that a thorough analysis, as well as lessons learned from previous reform efforts, were taken into account. With respect to the World Bank-UNHCR Joint Data Center, delegations were provided with further details on inputs to the strategic advisory council and the rollout. The Deputy High Commissioner acknowledged the importance of partnerships, in line with the Global Compact on Refugees, and provided details about the new Partnership Service. She noted that a separate, detailed brief would be held to address questions on the results-based management system, which is aimed to be fully functioning by 2022.

C. Human resources

28. The Director of the Division of Human Resources presented the paper on human resources, including staff welfare (EC/70/SC/CRP.21). She provided an overview of UNHCR's current workforce and briefed the Committee on the human resources transformation and support for decentralization and regionalization. Partnership, people management and leadership development were clear areas of focus for UNHCR. The Director affirmed the importance of fostering a diverse and inclusive culture, including with respect to age, gender and persons with disabilities.

29. The Committee welcomed the update on human resources developments, commending UNHCR's efforts toward creating a diverse and gender-balanced workforce. To achieve gender parity at senior levels and in hardship duty stations, UNHCR was urged to continue addressing cultural and structural barriers and was requested to provide further information on the concrete steps being taken in this regard. Reference was also made to large geographical imbalances between regions and countries, in particular in the international professional category. UNHCR was encouraged to take urgent steps to build an inclusive workforce, including by increasing representation from refugee-hosting countries, particularly women, and for people with disabilities. The Committee expressed concern with respect to nearly 400 staff members who had their positions discontinued due to decentralization and regionalization, and asked for elaboration on the specific support measures taken. The number of people who opted for the voluntary separation programme was also requested. In relation to the United Nations development system reform, delegations inquired how UNHCR was preparing staff for the Resident Coordinator system. The duty of care to staff in high-risk duty stations was recognized as vitally important to the success of operations, and UNHCR was encouraged to expand its efforts to support more staff.

30. The Director of the Division of Human Resources elaborated on the impact of decentralization and regionalization on UNHCR's workforce, including the main concerns of affected staff and specific examples of support measures taken to empower them with respect to their careers. She provided an update on the number of staff who partook in the voluntary separation programme, with a breakdown by general services and international professional staff categories, as well as the main criteria considered for each. To prepare staff for the Resident Coordinator system and to be UNHCR's leaders for the future, the Director explained that mid- to senior-level training programmes were made available, in addition to mentoring, human resources support and early coaching opportunities in collaboration with other agencies. In response to questions regarding fair and appropriate hiring of regional human resources staff, she spoke about the Joint Review Board, which remained at Headquarters. Further details on the duties of the new 'people analytics' section were also provided. With regard to duty of care, the Director referenced the new administrative instruction on this matter and described the various mechanisms for providing information to staff and affiliate workforce, including via a learning programme for senior management. On gender parity, the Committee was informed that UNHCR was proactively encouraging women to apply to a humanitarian leadership programme specifically for women, and that regionalization provided an opportunity to appoint more

women in senior positions. The Director also informed delegations of outreach efforts and strengthened regional representation to achieve more geographic diversity. The inclusion of people with disabilities was highlighted as an area in need of a system-wide “rethink”.

IV. Programme budgets and funding

31. The Controller and Director of the Division of Financial and Administrative Management, and the Director of the Division of External Relations jointly presented the update on budgets and funding for 2019 (EC/70/SC/CRP.24). The Controller noted that the figure of \$8.6 billion remained the same since the last meeting. It represented the sum of the original budget for 2019 of \$7.4 billion, which was approved by the Executive Committee in October 2017, and the supplementary budgets cumulatively established up to the end of April 2019, in the amount of \$107.4 million for the Venezuela and Cameroon situations; and a reduction in the budget of \$62.6 million for Uganda. The budget reduction resulted from the revision of population planning figures in relation to Burundi, the Democratic Republic of the Congo and the South Sudan situations.

32. The Director of the Division of External Relations further described the funding situation, noting that the current funding level stood at \$3.8 billion, or 45 per cent, as of August. She warned that although the income situation was better than the same time last year, UNHCR’s budget was also higher and the funding gap possibly larger, in both absolute and percentage terms. There was a high level of uncertainty due to the timing of contributions as the contributions by some of UNHCR’s biggest donors had yet to materialize. Funding received by the Central Emergency Response Fund (CERF) had also decreased. The Director concluded by thanking donors for their generosity and stressed that flexible funding was key to responding to emergencies and chronically underfunded situations, particularly in Africa.

33. The Controller presented the biennial programme budget for 2020-2021 (A/AC.96/1191) and highlighted the key recommendations in the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ)¹. He noted that the ACABQ had delayed its session by two weeks, which meant that the report was not yet available and that UNHCR was only able to provide the Committee with an informal summary of the hearing the day before the Standing Committee meeting. As soon as the ACABQ report would be published, UNHCR would inform the Committee. The Controller provided an outline of the budget figures by region and pillar, as well as in relation to global programmes and headquarters; decentralization and regionalization, and the operational reserve.

34. UNHCR was commended for its efforts to secure funding from more diverse sources, such as the private sector, but it was stressed that more needed to be done to counter the dependency on a small number of donors. Delegations called on donors to provide unearmarked funding in order for UNHCR to be able to respond in a swift and flexible manner as emergencies arose. The Committee highlighted the importance of prioritization, effective programming, cost saving measures and risk management. The large funding gap continued to be a concern, with the African region in particular suffering the consequences.

35. Delegations called for donor governments to contribute generously to the humanitarian efforts, including underfunded operations, in the spirit of equitable burden- and responsibility-sharing and the commitments under the Global Compact on Refugees. The regionalization process was mentioned as a way to reduce the gap between the programme budget and available resources. Delegations noted that an increase in efficiency and effectiveness, as well as the establishment of a realistic budget, in line with operational capacity, were key for this to materialize. Concern was expressed that contribution levels may have reached their maximum.

¹ The report of the ACABQ would be issued in due course as A/AC.96/1190/Add.1.

36. Delegations stressed the importance of obtaining correct data and numbers to ensure that the needs were not inflated. A number of delegations flagged their concerns with regard to the composition of the steering committee of the World Bank-UNHCR Joint Data Center, noting that the lack of representation of refugee-host countries in decision- and policy-making was problematic. In addition, more information was requested with respect to the protection of data and access to it by third parties.

37. The Committee expressed appreciation for the consultations that had taken place on the biennial programme budget 2020-2021 and for the recent briefing on prioritization. Delegations welcomed that regional bureaux were now included under the field component and expressed the hope that this would enhance service delivery and international protection for persons of concern. The organization was encouraged to ensure that planning scenarios were carefully monitored and adjusted appropriately to reflect the needs on the ground.

38. The proposed increase of 13 per cent for global reintegration projects was welcomed, and UNHCR was encouraged to support conditions in countries of origin that were conducive to voluntary returns, in accordance with the Global Compact on Refugees. The Committee noted the slight increase of 3 per cent in the budget for management and administration, and expressed its expectation that UNHCR be as frugal as possible in its headquarters spending.

39. One delegation renewed its concern about the continuous underfunding of the programme for Sahrawi refugees living in camps near Tindouf, Algeria, despite the rise in the population in those camps, while noting some recent increases in earmarked funding for this programme. Another delegation renewed its call for UNHCR to proceed with the registration of this population, in accordance with its mandate and in line with relevant Security Council resolutions, taking into account that registration improves the integrity of UNHCR's interventions by reducing the risk of fraud and misappropriation.

40. The Controller welcomed the Committee's support for flexible funding. He thanked delegations for the comments about cost savings and efficiencies, as well as collaboration on innovation with the private sector. He confirmed that UNHCR was reaching out to the private sector to learn more about back-office management and to see what lessons learned could be applied within the United Nations.

41. The Director of External Relations welcomed questions on communications initiatives and suggested an informal briefing for interested delegations on the subject. Responding to a question on the reduction of CERF funding, the Director noted that UNHCR had received \$30.6 million in 2019, compared to \$60 million in 2018. There was still about \$10 million in the pipeline and more was expected for Niger. However, CERF funding this year would at the most reach \$40 million, which amounted to a substantive decrease. She explained that more funds were going to natural disasters rather than conflict-induced displacement, leading to a decrease in funding for UNHCR. She informed the Committee that the organization was in continuous dialogue with the CERF Secretariat on the matter.

42. The Head of Donor Relations and Resource Management spoke about ways to make unearmarked funding more attractive to donors, acknowledging that there was an inherent tension between providing flexibility and the need to know how resources were being used. UNHCR had tried to address this issue through platforms such as Global Focus and bilateral discussions.

43. In response to the many questions on the agreement between the World Bank and UNHCR on the Joint Data Center, the Deputy High Commissioner assured the Committee that nothing in the agreement infringed on State sovereignty or national laws. The agreement was established to comply with the operating procedures and fiduciary requirements of both agencies. She stressed that the World Bank and UNHCR act in accordance with national laws and practices, whether on data or any other subject. Information on data that would be shared with member States, while data would be anonymized to protect individuals, in line with UNHCR's standard practice and operating procedures on core data protection. She further explained that the management committee of the Joint Data Center was a technical and fiduciary mechanism. Delegations were

invited to a policy discussion on 30 September, where questions could be raised and suggestions made. In the context of a question on integrity briefings, the Deputy High Commissioner noted that UNHCR had received a large number of bilateral requests for specifics on audit findings. Informal briefings were being organized to provide details requested by those member States.

44. The Committee adopted the decision on budgets and funding for 2019 as contained in the annex to the present document.

V. Oral update on the Global Compact on Refugees and on preparations for the first Global Refugee Forum

45. The Director of the Global Refugee Forum briefed the Committee on the implementation of the Global Compact on Refugees and the preparations for the Forum. Significant progress had been made towards the development of pledges and contributions as well as the identification of good practices under the different areas of focus for the Forum. Two support platforms were established, one in Central America and Mexico, and another one in the Horn of Africa. The support platforms would help enhance regional cooperation in addressing refugee situations and advance comprehensive responses in these respective regions. The Director highlighted that nearly 140 stakeholders, including 28 States had joined the co-sponsorship groups for the six focus areas of the Forum. In particular, he welcomed the engagement of host countries in the co-sponsorship groups, noting this was essential for the formulation of pledges and contributions under the different areas of focus. The Director thanked delegations for their comprehensive feedback on the indicators framework for the Global Compact on Refugees and noted that the final version had been made available online. The need for high-level representation from member States at the Forum was emphasized in order to demonstrate political commitment for the process, and delegations were encouraged to help advocate this through their respective bilateral and multilateral engagements.

46. Delegations expressed appreciation for the preparatory measures that UNHCR had carried out to date. The significance of the Global Refugee Forum as a platform for realizing the commitments of the Global Compact on Refugees was reiterated. The success of the Forum would be measured by the progress made towards creating a solid foundation for operationalizing the principle of burden- and responsibility-sharing. A number of States announced their co-sponsorship of specific areas of focus and provided an indication of their pledges and contributions towards the Forum. Delegations welcomed the participation of a wide range of stakeholders in the co-sponsorship groups and, in the spirit of solidarity, called for increased engagement of States that had been less involved in protecting and assisting refugees. Efforts of UNHCR and other stakeholders to ensure the meaningful participation of refugees in the process were also commended, and the importance of sustaining such efforts to ensure continued engagement of refugees in the follow-up and review process was emphasized. A number of delegations raised concern over the use of divisive language in the pledging guidelines developed within the co-sponsorship groups and encouraged UNHCR to undertake measures to ensure the humanitarian nature of the process would be maintained. The completion of the indicators framework for the Global Compact on Refugees was welcomed, and UNHCR was asked to provide more information on the approach used to address the concerns raised during the consultation process. The need for a tracking tool was underscored as essential for the effective follow-up and monitoring of the pledges and contributions made towards the Forum. Delegations expressed continued commitment to making the event a success and ensuring that it would lead to concrete and impactful outcomes for refugees and host communities.

47. The Director of the Global Refugee Forum extended his appreciation to delegations for their constructive feedback. Responding to concerns expressed about the language in the pledging guidelines of the co-sponsorship groups, he assured the Committee that UNHCR would look closely at the issue. The Director reiterated that the guidelines simply aim to offer support with the formulation of pledges and contributions and the final decisions in this regard rest with States and other stakeholders. In response to a question about the participation of private companies in co-sponsorship groups, he indicated that

UNHCR had established a procedure for engagement with private sector actors that could be used to facilitate the involvement of such companies in the process as co-sponsors. In addressing remarks about addressing age, gender and diversity (AGD) considerations, the Head of the Global Refugee Forum Coordination Team highlighted some of the measures that UNHCR and other stakeholders had undertaken to help ensure such considerations, including disability issues, would be taken into account in the development of the pledges and contributions. She added that space would be allocated at the Forum to showcase good practices with regard to the effective mainstreaming of the AGD approach. In relation to engagement with refugees in the process, it was noted that refugee co-sponsors had been confirmed for the different focus areas who would be contributing to the co-sponsorship groups. Refugee representatives were also being engaged in the regional UNHCR consultations with non-governmental organizations and a significant number of refugees would participate at the Forum to represent their communities in different events and activities.

VI. Progress toward implementing the “grand bargain” commitments

48. The Director of the Division of External Relations presented the paper on progress towards implementing the “grand bargain” commitments (EC/70/SC/CRP.23), highlighting UNHCR’s key achievements in each of the 10 workstreams. She touched upon UNHCR’s collective work with the Government of Japan as co-convenor of the workstream to reduce management costs. The Director reiterated that UNHCR remained fully engaged on this joint endeavour between donors and humanitarian organizations, with the ultimate goal of improving protection and assistance for persons of concern.

49. The Committee welcomed the update on UNHCR’s progress on the grand bargain commitments. With respect to increasing the use and coordination of cash assistance, delegations were interested in hearing more about the rollout of the common cash system, cooperation with other United Nations agencies on cash assistance and the link between cash and protection. Further information was requested about UNHCR’s cooperation with other United Nations agencies and implementing partners towards reducing duplication and management costs. The increased involvement of the World Bank and donors to bridge the financial gap was seen as a positive step forward; however, the Committee emphasized the importance of maintaining a clear division of humanitarian aid and development assistance. With regard to providing increased support and funding tools to local and national responders, a more detailed assessment would have been appreciated in relation to the funding allocation and the measures taken to ensure that the work was aligned and did not overlap with country response needs. UNHCR was asked whether it was confident about its commitment to transfer 25 per cent of its programme expenditure to local and national responders by 2020. Delegations also asked for a more detailed update on multi-year, multi-partner strategies, and queried why multi-year funding sources decreased in 2018. The Committee emphasized that collaboration on the grand bargain workstreams at the global level would need to be better integrated at the country level to achieve the most impact.

50. The Director of the Division of External Relations acknowledged the point made on the involvement of partners in bridging the finance gap and, in particular, the separation of humanitarian aid and development assistance. Regarding the commitment to transfer 25 per cent of programme expenditure to local and national responders by 2020, the Director expressed confidence that UNHCR was headed in the right direction and noted that the Office was investing in partnerships to build the capacity of local partners. The Director suggested that separate updates would be provided to the Committee on questions regarding cash assistance and management costs.

VII. Any other business

51. In line with previous practice, the Chairperson indicated that the draft report of the seventy-sixth meeting of the Standing Committee would be circulated electronically by 25 September. Any comments or corrections from member States in relation to their interventions should be submitted by 2 October. They would then be incorporated, as appropriate, and the report would be subsequently recirculated and considered adopted.

Annex

Decision on budgets and funding for 2019

The Standing Committee,

Recalling the Executive Committee's decisions on administrative, financial and programme matters at its sixty-eighth and sixty-ninth sessions (A/AC.96/1176 para 14, and A/AC.96/1187, para.13), as well as its discussions under the programme budgets and funding item at the seventy fifth meeting of the Standing Committee in June 2019,

Reaffirming the importance of responsibility-sharing in solidarity with countries hosting refugees,

Takes note of the current total budget for 2019 of \$8,635.9 million as at 31 July 2019 for the UNHCR annual budget, which has remained unchanged from the decision on budgets and funding for 2018 and 2019 made at the seventy-fifth meeting of the Standing Committee²,

Recognizes that emergencies and unforeseen activities unfolding in 2019 may result in the need for additional or expanded supplementary budgets, and that additional resources, over and above those for existing budgets, would be needed to meet such needs, and

Urges Member States to continue to respond generously, in a spirit of solidarity and in a timely manner, to the High Commissioner's appeal for resources to meet in full the annual budget for 2019.

² See report of the seventy-fifth session of the Standing Committee (EC/70/SCCRP.16).