

Item 4. Management, financial control, administrative oversight and human resources

Introductory remarks at the Standing Committee meeting  
of the Executive Committee of the High Commissioner's Programme  
Kelly T. Clements, Deputy High Commissioner

Room XIX, Palais des Nations  
15-17 March 2016

Mr. Chairman,  
Excellencies,

I would like to echo some of the comments made by the Directors of the Regional Bureaux yesterday and earlier today regarding the challenging environment which UNHCR is operating under.

The scope and scale of forced displacement today – with the number of forcibly displaced setting a new record month after month, the estimated duration of protracted refugee situations reaching on average 25 years, and large movements of refugees traversing seas and continents have seized international attention in ways not seen since the establishment of this Office.

Despite unprecedented generosity of humanitarian donors, the sheer magnitude of needs has resulted in the largest-ever gap between needs and resources.

This stark human reality has prompted deep reflection on the adequacy of the current humanitarian response and the prospect for peace, security, and sustainable development, when well over 60 million are now forcibly displaced. Fundamental questions such as the meaning and content of international responsibility sharing, and the impact of sustained, large-scale refugee movements upon low and middle-income host countries, are being discussed in more diverse fora and with a broader array of actors than ever before. We are seeing concrete interest in building the resilience of the refugees and host communities alike, for example through their inclusion in development plans, and stronger linkages between humanitarian and development finance, planning and programming. These developments are welcome.

Mr. Chairman,

Now, turning to agenda item 4(a), I would like to highlight some of the progress made in relation to the implementation of the Board of Auditors' 21 recommendations.

As you would recall from our presentation at the Standing Committee meeting in September last year, the Board issued an unqualified audit opinion, concluding that the financial statements presented fairly the financial position of the voluntary funds administered by UNHCR and the financial performance and cash flows for 2014, in accordance with International Public Sector Accounting Standards known as IPSAS.

The Board noted at the time that UNHCR had a strong overall financial position at the end of 2014, despite a net deficit for the year of US\$ 304.8 million.

The deficit was mostly due to adverse exchange rates combined with a reduction in pledges related to future year donations.

The need for greater certainty on the timing and earmarking of donations was identified as a key issue by the Board of Auditors. I am pleased to report that forecasting of donor contributions has been increasingly accurate over the last few years and we continue working closely with donors to ensure better funding predictability.

The Board also noted some good progress made in stewardship and accountability for the use of physical assets. It looked closely at the Global Fleet Management project and asked for specific data to demonstrate that the GFM strategy is delivering the anticipated benefits and savings. Further progress has been achieved on this as you will hear shortly from the Controller.

Much progress has also been achieved with regard to the implementation of the Fraud Prevention Project. We have now identified internal and external fraud risks which are most relevant to the organization, both in terms of direct implementation and implementation through partners. These risks are being assessed against the internal control framework to identify potential gaps in mitigation measures. In addition, UNHCR is developing an e-learning programme on fraud prevention and identification to be rolled out across the organization in the course of the year.

In the area of human resources management, the Board acknowledged the difficulties faced by UNHCR in long-term resource planning and suggested that senior management be given greater visibility over the workforce composition and the recruitments timelines, for an optimal use of workforce resources. UNHCR is moving forward with the reforms that are necessary to build UNHCR's workforce for the future. UNHCR's 2016-2021 People's Strategy sets out a vision to meet evolving human resources challenges over the next five years and beyond. This strategy will support UNHCR's efforts to adapt and innovate our approach to human resources management so that we can better serve the people that depend on us and also take better care of our colleagues who are the heart and soul of this organization.

Mr. Chairman,

The expert advice that the Board of Auditors, as well as other entities such as OIOS and the Independent Audit and Oversight Committee, provides to the High Commissioner and the Executive Committee in exercising their oversight responsibilities, is essential. As you will hear shortly, and in more detail, from the Controller, UNHCR remains fully committed to good governance, qualitative oversight, effective audit functions and to the establishment of a robust risk management system.

Thank you.