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

Distr.: Restricted
9 November 2021
English
Original: English and French

**Standing Committee
82nd meeting**

**Report of the eighty-second meeting of the Standing
Committee (15-16 September 2021)****I. Introduction**

1. The meeting was chaired by the Vice-Chairpersons of the Executive Committee, Her Excellency Ms. Kadra Ahmed Hassan (Djibouti) on the first day and His Excellency Mr. Salim Baddoura (Lebanon) on the second day.
2. All documentation referenced in this report, together with presentations made by senior managers in the United Nations High Commissioner for Refugees (UNHCR), are available on the Standing Committee webpage.¹

II. Adoption of the agenda

3. The agenda for the meeting was adopted.

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

4. The Deputy High Commissioner briefed the Committee on the operational challenges facing the organization, including new and protracted emergencies. She expressed gratitude for the generous financial contributions towards these crises, though noted that only 18 per cent of the funds received were unearmarked or softly earmarked, limiting the ability of UNHCR to adapt the response to the changing needs on the ground. She provided an overview of the funding situation, noting that the appeal for the coronavirus disease (COVID-19) pandemic was the most underfunded one this year. The Deputy High Commissioner also briefed the Committee on key management initiatives, including the launch of COMPASS, the new planning, budgeting and monitoring system of UNHCR, which supported the organization's path towards multi-year planning.

A. Finance and oversight**(i) Report of the Board of Auditors**

5. UNHCR's financial statements for 2020, as contained in the report of the Board of Auditors (A/AC.96/1201 and A/76/5/Add.6), were presented by the Controller and Director of the Division of Financial and Administrative Management, and the Director of External Audit Germany of the United Nations Board of Auditors.

¹ See <https://www.unhcr.org/82nd-meeting-of-the-standing-committee>.

6. Noting that the Board had issued an unqualified audit opinion of UNHCR's financial statements for the year 2020, the Controller briefed the Committee on the main recommendations made and the key measures taken in response (A/AC.96/1212/Add.1), including to recommendations from previous years. The Director of External Audit Germany confirmed that the Board of Auditors had issued an unqualified audit opinion and that the financial statements presented fairly, in all material respects, the financial position of the voluntary funds administered by UNHCR and its financial performance and cash flows for the year, in accordance with the International Public Sector Accounting Standards. He highlighted the audit findings and key areas for improvement.

7. Delegations commended UNHCR for receiving an unqualified audit opinion and for having made progress in closing many recommendations. At the same time, they urged UNHCR to address the outstanding recommendations, particularly the long-outstanding ones, in a timely manner and to close them as soon as possible. Concern was expressed over recurrent areas of weakness in several priority areas, such as implementing partner management and cash-based interventions. The Board's recommendation on the decentralization and regionalization process was highlighted, with a call for UNHCR to adhere to the roadmap for this project. Attention was also drawn to the Board's recommendation that UNHCR ensure oversight and monitoring of the business transformation programme, which involved numerous external providers, and control costs during the upcoming planning and implementation phases. Regarding the Board's recommendations on implementing partner management, UNHCR was urged to provide enhanced instructions and training to programme and project control staff on the mitigation of risks related to partner personnel. Concern was also expressed over country operations that did not always make use of distribution plans for the COVID-19 response, and UNHCR was encouraged to continue to make improvements in this area.

8. The Controller discussed the progress that had been made in closing recommendations, while acknowledging that more work needed to be done. He provided examples of actions being taken to address the audit findings. In response to a comment regarding the decentralization and regionalization process, he noted that UNHCR was working on a revision of the roles of country operations, regional bureaux and headquarters divisions, which was nearly completed and which would inform the revision of accountabilities and authorities. The Director of External Audit Germany of the United Nations Board of Auditors thanked Member States for their strong support. He assured the Committee that the Board was hoping to resume onsite audits as soon as possible, noting that conducting remote audits was an exception.

(ii) Internal audit

9. The report on internal audit for the period from 1 July 2020 to 30 June 2021 (A/AC.96/1214) was presented by the Under-Secretary-General for Internal Oversight Services, who confirmed that the audit was conducted with sufficient resources and with no interference that would have impeded its independence. She highlighted audit priority areas, noting that the Office of Internal Oversight Services had adapted its workplan as a result of COVID-19 and focused on emerging higher-risk areas.

10. Delegations expressed appreciation for the efforts made by UNHCR to implement the internal audit recommendations, though enquired what obstacles were preventing the prompt implementation of those outstanding for more than 12 months and what UNHCR was doing to address this. Particular attention was drawn to the recommendations on implementing partner management, the need for stronger monitoring and control systems in field operations, efforts to prevent and respond to sexual and gender-based violence, the provision of cash-based assistance and results-based management. UNHCR was encouraged to implement the report's recommendations that address streamlining the rollout of the new results-based management system, as well as risk management processes. The Office of Internal Oversight Services was urged to coordinate closely with UNHCR on risk management, and the need to develop a risk appetite statement was highlighted.

11. The Under-Secretary-General for Internal Oversight indicated that the intention was to resume audits in the field. At the same time, she stressed that remote auditing, which had intensified during the COVID-pandemic, would continue. In response to a question about the selection of risk areas to audit, she noted that the Office of Internal Oversight Services followed the enterprise risk management system of UNHCR, which served as a foundation of its audit

work, and that it strived to cover all high-risk areas. She also clarified that recurring recommendations were not an indication that UNHCR was not doing its work, but rather a reflection of the complex and fluid operational environment, where there would always be certain types of risks. The Chief of the UNHCR Audit Service of the Office of Internal Oversight Services spoke about some of the challenges involved in implementing the recommendations, some of which took time. She noted that the Office of Internal Oversight Services was in continuous dialogue with UNHCR and was working closely with the enterprise risk management team and the Inspector General's Office, particularly on recurring recommendations and how they could be addressed.

12. The Deputy High Commissioner addressed the issue of the number of open recommendations, noting the downward trendline – a trajectory that UNHCR intended to continue. She outlined specific steps that UNHCR was taking to address critical recommendations, particularly with respect to implementing partner management.

(iii) Report of the Independent Audit and Oversight Committee

13. The Chairperson of the Independent Audit and Oversight Committee presented the Committee's annual report for 2020–2021. She noted the excellent cooperation between the Independent Audit and Oversight Committee and UNHCR's senior management and informed the Standing Committee that it had proposed a revision of its terms of reference to UNHCR.

14. Delegations expressed appreciation for the comprehensive annual report of the Independent Audit and Oversight Committee and welcomed its affirmation of UNHCR's strategic leadership in addressing oversight challenges during the pandemic. Some delegations noted the need to pay close attention to the business transformation programme and concurred with the need for internal and external audit involvement and a comprehensive risk assessment. The tracking of follow-up on open recommendations was encouraged. Agreement with the recommendation to streamline the handling of misconduct complaints and create a "one-stop-shop" mechanism for reporting was conveyed. One delegation noted that any revision to the terms of reference of the Independent Audit and Oversight Committee should be submitted to the Standing Committee for approval. Another highlighted the emphasis in the report on cyber security considerations and asked how UNHCR was handling these challenges, on practical and policy levels.

15. The Chairperson of the Independent Audit and Oversight Committee thanked delegations for their feedback and noted that many of the topics raised were under ongoing discussion with UNHCR senior management, including the need for a risk appetite statement. The Deputy High Commissioner expressed appreciation for the work of the Independent Audit and Oversight Committee and thanked the Chairperson for sharing her valuable experience on cybersecurity. She noted that the proposed revisions to the terms of reference were currently being reviewed and would be presented to the Standing Committee in March 2022.

(iv) Proposal to establish financial regulations for UNHCR

16. The Controller presented the proposal to establish financial regulations for UNHCR, highlighting the current limitations derived from UNHCR being subject to the United Nations Financial Regulations. The Controller explained the rationale and potential benefits of this change and emphasized that the proposal entailed a two-step approach. The first was to obtain the approval of the United Nations General Assembly for UNHCR to have the authority to prepare its own regulations, and the second was to develop the regulations and submit them for endorsement to the Executive Committee. The Controller also clarified the envisaged timelines corresponding to each phase of the process leading to the adoption of UNHCR financial regulations.

17. Numerous delegations welcomed the proposal and expressed general support for the decision of UNHCR to establish its own financial regulations. The importance of rationalizing the existing regulations to bring further simplification and increased efficiency of processes within UNHCR operations was acknowledged. Nonetheless, concern was expressed over the short notice given to examine the proposal and some delegations noted they would have preferred to see an initial draft of such regulations. UNHCR was encouraged to engage with Member States through discussions and consultations throughout the process.

18. In response, the Controller expressed appreciation for the support received and offered reassurance that Member States would be diligently consulted. He stressed, however, that the timeline to complete the process was tight and that further delays could affect the organization's ability to fully benefit from the opportunities presented by the business transformation programme. The Controller proposed that an expanded analysis of the United Nations Financial Regulations be compiled by UNHCR in the coming days and presented to Member States for consideration, with a view to a decision by the Executive Committee at its upcoming seventy-second plenary session in October 2021. The draft decision on the establishment of UNHCR financial regulation was deferred. A revised draft decision was subsequently shared with the Committee under a silence procedure expiring on 27 September 2021 and considered adopted (annex II).

B. Oral update on integrity

19. The Deputy High Commissioner presented the oral update on integrity and affirmed the resolve of UNHCR to prevent all forms of misconduct, fraud and corruption. She acknowledged that despite the organization's determination to eliminate sexual misconduct, more work was needed. She stressed that UNHCR was on the right track, with strengthened oversight and internal controls, and ongoing work to build an inclusive and safe workplace. Increased reporting was highlighted as proof of growing trust in the system, and the Deputy High Commissioner underscored the synergies between the Ethics Office, Enterprise Risk Management Service, Office of the Senior Coordinator for Protection against Sexual Exploitation and Abuse and Sexual Harassment, and the Ombudsman's Office in this respect.

20. The Committee welcomed the steady focus and commitment of UNHCR to matters of integrity. Efforts to increase transparency and action regarding integrity-related issues over the years were applauded. Particular appreciation was expressed for the efforts of UNHCR to tackle sexual exploitation and abuse, including the adoption of a victim-centred approach and development of a risk management tool. The Committee welcomed the leadership of the Deputy High Commissioner on strengthening a healthy workplace culture where staff members felt safe, including through the establishment of different fora for dialogue on a range of issues. Support was expressed for the five-year risk management strategy developed by UNHCR, with decentralization described as an opportunity to reinforce risk management.

21. The Deputy High Commissioner thanked the Committee for its support as UNHCR faced both challenges and opportunities in its operations across the globe. Regarding the risk management tool on tackling sexual exploitation and abuse, she noted its importance in terms of providing guidance and support to operations in addressing these issues. It also helped address challenges with partners. She spoke about the organization's victim-centred approach to sexual exploitation and abuse, and noted that UNHCR was encouraging other organizations within the inter-agency context to adopt similar policies. The Deputy High Commissioner spoke about the function of the Victim Care Officer, who was charged with supporting victims, and noted that this initiative had become a good practice within the United Nations system.

22. The Chief Risk Officer, the Senior Coordinator for Protection against Sexual Exploitation and Abuse and Sexual Harassment, the Ombudsman and the Chief Ethics Officer also spoke about initiatives in their areas of work. Responding to a number of specific comments on risk management, the Chief Risk Officer noted that the five-year risk management strategy included work on risk appetite. She spoke about other risk management tools developed to date, including on procurement, implementing partner management and resettlement, adding that a fraud prevention tool was in the pipeline and that the COVID-19 risk register had been streamlined in the regular risk management process.

C. Human resources, including staff welfare

23. The Director of the Division of Human Resources presented the paper on human resources, including staff welfare. She outlined the ongoing human resources transformation and emphasized the people-centric approach taken by the organization, including in the context of the organization's response to the COVID-19 pandemic.

24. The Committee commended the UNHCR workforce for its dedication and for “staying and delivering” in challenging circumstances. Organizational measures to support the workforce during the pandemic, especially the focus on mental health, well-being and good people management, were applauded. Many delegations highlighted the efforts of UNHCR towards increasing diversity and inclusion within its workforce and welcomed the review of race equality and equity in the organization. Nonetheless, the Committee encouraged further effort in ensuring balanced gender and geographical representation, highlighting the lack of female representation from developing and refugee-hosting countries at senior management level. UNHCR was encouraged to strengthen outreach to candidates from under-represented countries and requested to provide a progress report on diversity and gender parity measures next year. The Committee expressed interest in learning more about the impact of the new administrative instruction for the affiliate workforce, highlighting the need to ensure a unified and positive employee experience, regardless of contractual status.

25. The Director thanked the Committee for its support, outlined a number of initiatives related to race, diversity and inclusion, and addressed the issue of gender and geographical representation in UNHCR. On the race equality and equity review, she informed delegations that external consultants were expected to finalize their report by the fourth quarter of 2021, and UNHCR was receiving regular updates on their progress. The Director stressed that although UNHCR continued to make progress on diversity and inclusion, it was not yet enough. In this regard, she noted the importance of a number of employee resource groups, such as Women for Change, Men for Change, Disability Inclusion, Stronger Together and the Inclusion, Diversity, Equity/Equality Advisory group. Regarding the workforce, efforts had been made to attract and recruit diverse talent, but most positions continued to be filled through internal assignment, in line with the rotation policy of UNHCR. A gender parity action plan was being developed, and temporary recruitment and assignment measures were in place for the achievement of gender parity and geographical diversity. Increasing female representation in hardship duty stations remained a challenge but the administrative instruction in support of colleagues in high-risk duty stations, introduced a few years ago, allowed for a more progressive approach to assignments in hardship locations. Additional efforts included the introduction of a mentoring programme for women and targeted outreach for assignments.

26. Regarding employee satisfaction and well-being, a survey on the impact of COVID-19 on personnel had been conducted. More broadly, UNHCR was looking into changing the way staff surveys were conducted and moving towards more modern and engaging practices. From October 2021, UNHCR would be introducing more frequent pulse surveys to gauge employee sentiment and morale, with the aim of providing management with insights on how to course correct. She also provided an update on COVID-19 vaccinations for staff.

IV. Progress made towards implementing the grand bargain commitments

27. The Head of the Donor Relations and Resource Mobilization Service briefed the Committee on progress towards the implementation of the Grand Bargain commitments, presenting examples to demonstrate UNHCR’s key achievements over the past five years in the different workstreams, including localization, management costs, joint needs assessments and quality funding. He noted that UNHCR would serve as a member of the facilitation group for the Grand Bargain 2.0 framework in its continued commitment to this important initiative.

28. UNHCR was commended for its efforts to simplify partnership agreements and for surpassing the target to transfer 25 per cent of its programme expenditures to local and national responders. Highlighting the increasing demands on local and national actors and their crucial role in providing humanitarian assistance, delegations emphasized the need for strengthening local capacity and reinforcing community engagement. Moreover, UNHCR was encouraged to expand partnerships with women and refugee-led organizations. Appreciation was expressed for the organization’s leadership in improving accountability to affected populations including through its work in the Inter-Agency Standing Committee. Delegations appreciated UNHCR’s enhanced collaboration with multilateral development banks, noting that this would help improve socioeconomic outcomes for displaced populations and affected host communities, and strengthen the humanitarian-development nexus. The rollout of the new results-based

management system was welcomed, and hope was expressed that it would facilitate multi-year partnerships with donors and promote flexible funding. The organization's efforts to improve reporting on unearmarked and softly earmarked funding, and to increase the visibility of donors which contribute flexible funding, was applauded.

29. The organization's use of biometrics for refugee registration and efforts through the United Nations Business Innovation Group to harmonize business practices, which were aimed at reducing duplication and management costs, were commended. UNHCR was encouraged to further strengthen collaboration with partners in the United Nations system, particularly on data protection. While efforts to strengthen the participation of displaced women in decision-making and leadership were appreciated, concern was expressed over setbacks on gender equality due to the COVID-19 pandemic, particularly with the rise in gender-based violence. Regarding Grand Bargain 2.0, it was noted that making further progress on the implementation of the commitments required concerted efforts from both donors and implementing partners to achieve the transformational change envisioned by the initiative.

30. The Head of the Donor Relations and Resource Mobilization Service thanked delegations for their continued support and ongoing engagement in the Grand Bargain process. Addressing questions about the Grand Bargain 2.0 initiative, he stated that UNHCR agreed with narrowing the focus of the original commitments, which would help yield better results. He highlighted some of the challenges moving forward, noting that UNHCR looked to the leadership of the Eminent Person of the Grand Bargain in addressing them and continuing to drive meaningful change. Responding to a question about engagement with development actors, he admitted that tracking development support was challenging. Nonetheless, he assured the Committee that funding from development actors, including international financial institutions and banks had steadily increased, and UNHCR was making concerted efforts to enhance this support including through the engagement of development advisors in its operations. Regarding the amount of funding reaching beneficiaries directly, he explained that UNHCR was tracking this through multiple means, including the new results-based management system – COMPASS – and expressed hope that the data would help the organization advocate for more flexible funding.

V. Oral update on the ExCom conclusion process

31. The Executive Committee Rapporteur briefed the Committee on the progress made in the negotiations of a conclusion on international protection focused on durable solutions in the context of a public health emergency, the first topic on the work programme adopted at the seventy-first plenary session of the Executive Committee. He noted that the majority of the text of the conclusion had been agreed upon and only a few issues remained to be negotiated. He thanked delegations for their constructive engagement in the process, particularly those who had helped achieve agreement on certain paragraphs. Encouraging cooperation in the spirit of solidarity and compromise, he urged delegations to refrain from opening agreed paragraphs in the next round of negotiations and focus on obtaining agreement on the outstanding points. The Senior Legal Coordinator of the Division of International Protection reiterated the importance of an Executive Committee conclusion on this topic considering the challenges that persons of concern, host communities, governments and UNHCR operations have faced due to the COVID-19 pandemic. She affirmed that UNHCR stood ready to support Member States to reach agreement on the remaining issues.

32. Delegations thanked the Executive Committee Rapporteur for leading a transparent and inclusive negotiation process for the conclusion. Support was expressed for the negotiated text as it was considered to strike the right balance between protection and solutions, while recognizing the need for international support to States receiving and hosting large numbers of refugees, in line with the global compact on refugees. The forward-looking approach of the conclusion and the references made therein to inclusive policies and services for displaced people and access to vaccines were appreciated. The importance of maintaining the humanitarian nature of the conclusion process and for protection to remain at the core of negotiations were underscored. The emphasis in the conclusion on burden- and responsibility-sharing was also considered as a key element. Given the disproportionate impact of the COVID-19 pandemic on women and girls, it was considered important for the conclusion to stipulate access to healthcare

services without discrimination on the basis of age, gender and diversity. Hope was expressed that Executive Committee Member States would reach consensus on the conclusion.

33. The Executive Committee Rapporteur highlighted the need to ensure that the Executive Committee's approach to the conclusion remained within the mandate of UNHCR, with a view to developing targeted guidelines for ensuring international protection in the context of a public health emergency and avoiding duplication with efforts in other fora.

VI. Oral update on the preparations for the high-level officials meeting

34. The Head of the Global Compact on Refugees Coordination Team briefed the Committee on preparations for the high-level officials meeting, which would take place in December 2021. She thanked delegations for their contributions to the stocktaking events that had taken place to date and encouraged all stakeholders to submit updates on the implementation of pledges before the end of October 2021, with a view to further informing discussions at the high-level officials meeting. Outlining the remaining steps in the preparatory process for the high-level officials meeting, she noted that an informal briefing would be held in October focusing on the proposed programme and that roundtables in November would address some of the key issues related to the priorities of the high-level officials meeting.

35. Delegations commended UNHCR for its efforts to prepare the first high-level officials meeting. The inclusion of burden- and responsibility-sharing as one of the key themes for discussion at the roundtables and the high-level officials meeting was appreciated. It was noted that the growing level of forced displacement worldwide further demonstrated the critical importance of realizing the principles of the global compact on refugees and advancing implementation of the commitments. Despite heightened challenges due to the COVID-19 pandemic, the global compact on refugees had helped increase coordination among different stakeholders, strengthen accountability, improve data collection and advance the inclusion of refugees in national systems for health and education. Delegations reiterated their support for the first high-level officials meeting and expressed their commitment to working with all relevant stakeholders to ensure its success.

36. In response to a question about the clean energy challenge, the Head of the Global Compact on Refugees Coordination Team noted that a spotlight session would be held on the margins of the high-level officials meeting to present the progress made under the initiative and examine the role of the global compact on refugees in advancing climate action more broadly. Regarding the work of the Asylum Capacity Support Group, she noted that several matches between commitments made by host countries and donors had been facilitated, which provided a good model of how the matching of commitments could work in other areas. Addressing a question about the expected outcomes of the high-level officials meeting, she expressed hope that the discussions at the meeting, underpinned by the results of the indicator report and the outcomes of the stocktaking exercises, would generate a series of concrete recommendations for the next Global Refugee Forum in 2023.

VII. Programme budgets and funding

A. Update on budgets and funding

37. The Director of the Division of Strategic Planning and Results provided an update on the budget for 2021. She informed the Committee that three supplementary budgets, totaling \$552.5 million, had been established: one to support activities to protect persons of concern from the impact of the COVID-19 pandemic and two to address the displacement situations related to Ethiopia and the Bolivarian Republic of Venezuela respectively. This brought the current 2021 budget to a total of \$9.2 billion. The Director of the Division of External Relations informed the Committee of the latest funding developments, including the new supplementary appeal for Afghanistan, which had been established in August but was not reflected in the conference room paper on budgets and funding. She noted that the budget was currently only 50 per cent funded.

38. Delegations thanked both Directors for their presentations and reiterated the importance of the work of UNHCR, while the number of persons of concern continued to grow. Concern was expressed over the debilitating impact of the COVID-19 pandemic on developing countries, which had reduced development gains with high unemployment, poverty and hunger. In this regard, UNHCR's efforts in mobilizing international support to mitigate the impact of the pandemic on persons of concern were commended. There was also a call for the international community to provide adequate and urgent humanitarian assistance to Afghanistan and major refugee-hosting countries, including with regard to the allocation of COVID-19 vaccines to expedite the inoculation of Afghan refugees against the disease. In light of the significant funding gap, delegations urged UNHCR to continue the diversification of its donor base and creation of innovative financing solutions. Appreciation was expressed for UNHCR's resource mobilization efforts, from both traditional and non-traditional donors, to meet the growing needs. Numerous delegations highlighted the importance of unearmarked funding, which enabled the organization to respond swiftly. Donor countries were urged to respond generously to address the needs of the current 2021 budget and provide more flexible and unearmarked funding. The principle of equitable, sustainable and predictable burden- and responsibility-sharing, in solidarity with host countries, as also underscored by many delegations.

39. Responding to a question about the budget for the business transformation programme, the Director of the Division of Strategic Planning and Results noted that it covered a range of different activities that did not involve additional human resources. She further explained that the total programme would be difficult to cost because it combined a number of ongoing efforts. On the funding compact, she explained that UNHCR was actively working with partner organizations in the United Nations on the harmonization of cost categories, stressing that these efforts were still at the preliminary stages with the development of a conceptual framework. The Director of the Division of External Relations expressed appreciation for the support of donor and host countries alike, and particularly for the generous response to the Afghanistan appeal. She welcomed comments on UNHCR's work with national and local actors, reiterating the importance of this collaboration during the pandemic to be able to effectively deliver on the ground.

40. The Deputy High Commissioner responded to comments on the high-level event on internally displaced persons and the upcoming report, noting that UNHCR had been heavily engaged in the process and looked forward to reviewing the recommendations to the Secretary-General. She also spoke about prioritization, the Afghanistan and Ethiopia situations as examples. She explained that the organization's approach to prioritization was dynamic, situation specific and dependent on the needs of the operations.

41. The decision on the update on budgets and funding for 2021 contained in annex I was adopted.

B. Programme budget for 2022 of the Office of the United Nations High Commissioner for Refugees and the report of the Advisory Committee on Administrative and Budgetary Questions

42. The Director of the Division of Strategic Planning and Results presented the programme budget for 2022 (A/AC.96/1213) and provided a summary of the comments contained in the report of the ACABQ (A/AC.96/1213/Add.1). She described the planning process adopted for 2022 and presented displacement and budget trends.

43. Delegations were broadly supportive of the new format of the annual budget and valued the link to the results framework and sustainable development goals. They took note that the new budget format was expected to contribute to the better utilization of funds and resources, that it would allow for a better understanding of what percentage of the budget was allocated to each impact and outcome area and that it would contribute to enhanced visibility on the use of funds. UNHCR was asked whether lessons learned from the process could be shared. UNHCR was also requested to provide information on the financial implications of the various reforms that have been implemented. Delegations appreciated the key initiatives highlighted in the budget document, including on climate action and engagement in the United Nations development reform. Concern was raised about the allocation of additional resources for

capacity-building projects for certain groups of people, and UNHCR was urged to avoid such specification.² Regret was expressed over the late receipt of the report of the Advisory Committee on Administrative and Budgetary Questions, and UNHCR was urged to make efforts to streamline internal processes with those of the Advisory Committee to ensure timely delivery next year.

44. Regarding the 2020 budget, they noted with appreciation that, despite the COVID-19 pandemic, the implementation rate was still high, at 90 per cent. UNHCR was commended for its efforts in planning and implementing the budget in a situation of constantly changing needs and with challenging cash flows. Several delegations were pleased by the positive impact of the decentralization process, which enabled UNHCR to “stay and deliver” during challenging times.

45. The protracted situation in the Sahrawi refugee camps near Tindouf, Algeria and the need to achieve durable solutions were highlighted. One delegation called on UNHCR to redouble its efforts to meet the real needs of the Sahrawi refugees, noting the increase in this population and recalling that registration was an integral part of the United Nations peace plan for Western Sahara. Another delegation renewed its call for UNHCR to proceed with the registration of this population, which is a key protection tool, in line with its mandate and relevant United Nations Security Council resolutions, noting that registration improves the integrity of the operation.

46. Concern was expressed about the technical criteria and specific methodology used by UNHCR to create a separate category of persons of concern called, “Venezuelans displaced abroad,” which was different from the already established category, “others of concern”.

47. In response to comments on the new budget structure, the Director responded that it was too early to provide full reflection on the benefits and advantages. At the same time UNHCR was already seeing that the quality of plans had improved, which was supported by greater delegation of authority to the regional bureaux. Regarding requests for further financial information, she noted that UNHCR would work with Member States to ensure the adequacy of what was provided. Regarding supplementary budgets and why they were not included in the budget document, she explained that the planning process took place between February and April and that, at that time, it was not possible to anticipate the needs of new and evolving situations.

C. Private sector fundraising and partnerships

48. The Director of the Division of External Relation and the Head of the Private Sector Partnerships Service presented the update on private sector fundraising and partnerships. The Committee was informed, that in the last 10 years, UNHCR had successfully diversified its income streams and, in 2020 alone, had raised over half a billion dollars from the private sector.

49. The Committee recognized the impressive increase of UNHCR’s private sector income and diversified funding base, including in 2020 in the challenging context of COVID-19. Although seen as ambitious, delegations encouraged UNHCR’s efforts to reach the target of \$1 billion by 2025 and asked how States and other partners could help the organization achieve this goal. Raising private sector contributions and diversifying income streams were stressed as increasingly important, with continuously increasing numbers of persons of concern and corresponding humanitarian needs. In this respect, the Committee supported further development of innovative financing and looked forward to more comprehensive briefings on the matter.

50. Many delegations commended UNHCR for its work in supporting the refugee athletes at the 2021 Tokyo Olympic Games, which drew attention to the refugee issue and motivated donors. The Committee expressed interest in learning more about its strategy to expand its individual donor base and other private sector partnerships. The organization was also asked how it would ensure that these efforts lead to long-term and sustainable support from the private sector beyond 2025. National partners were also seen as playing an important role in fundraising, and UNHCR was asked about the possibility of increasing the number of national partners in the future. It was also suggested that the high-level officials meeting in December could serve as a platform to facilitate initiatives with private companies.

² With respect to paragraph 90 of the programme budget for 2022, it was noted that the second bullet point did not reflect the views of all Member States.

51. The Director of the Division of External Relations spoke about the various ways in which Member States could support UNHCR with its outreach to the private sector. She expressed appreciation to Japan for having supported UNHCR and the refugee athletes at the Olympic Games. In terms of national partners, she informed the Committee that the number had recently increased, with two more national partners joining UNHCR last year. There were currently no plans to add more national partners, and efforts would rather focus on solidifying partnerships with the existing ones. She also informed delegations about the mini-innovation hub in the Private Sector Partnerships Service, which was continually looking at trends and how to adapt resource mobilization and UNHCR's fundraising strategy accordingly.

52. The Head of Private Sector Partnerships Service noted that the \$1 billion target had been very ambitious from the very beginning, but that UNHCR believed that it was important for the fundraising team and global network to have a very clear and common goal. He reiterated that the support of governments was needed in identifying more partnerships in the private sector, both, in the context of innovative financing and also with respect to outreach. This work was also being facilitated through decentralization, with the delegation of responsibility to UNHCR Representatives. UNHCR was also looking at ways to increase collaboration and undertake joint fundraising campaigns with other United Nations organizations. He noted that digital fundraising was providing great income growth, and that there was a need to further explore the digitalization of resource mobilization.

VIII. Any other business

53. In line with the practice of adopting the reports of the Standing Committee meetings through an electronic circulation process, it was noted that the report on the eighty-second meeting would be prepared by the Secretariat and circulated for comments by 24 September. Following a one-week review period, any comments or corrections from Member States in relation to their interventions would be incorporated as appropriate and the report would be subsequently recirculated and considered adopted.

Annex I

Decision on budgets and funding for 2021

The Standing Committee,

Recalling the Executive Committee's decision, at its seventy-first session on administrative, financial and programme matters (A/AC.96/1209, para. 12 (b)), as well as its discussions under the programme budgets and funding item at the eighty-first meeting of the Standing Committee in July 2021,

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

Takes note of the increase in UNHCR's annual budget for 2021 as at 31 July 2021 to a current total of \$9,168.3 million, representing the sum of the revised budget of \$ 8,615.8 million and the supplementary budgets of \$552.5 million,

Recognizes that emergencies and unforeseen activities unfolding in 2021 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 the spirit of solidarity and in a timely manner, to the High Commissioner's appeal for resources to meet in full the annual budget for 2021.

Annex II

Decision requesting UNHCR to develop its own financial regulations

The Standing Committee,

Having considered the proposal to establish financial regulations for the funds administered by the High Commissioner for Refugees, as set out in the relevant conference room paper³,

Requests the High Commissioner to submit to the seventy-second session of the Executive Committee for endorsement the Committee's Decision to recommend that the General Assembly authorize the High Commissioner to promulgate, after approval by the Executive Committee, the financial regulations for the use of all funds received by the High Commissioner, addressing the specific needs of UNHCR and in accordance with the mandate of the Office of the High Commissioner; also *requests* the High Commissioner to present a proposal for financial regulations for consideration and approval by the Executive Committee, following such approval by the General Assembly; and *requests* the High Commissioner to prepare a draft for promulgation of UNHCR financial rules complementing the draft financial regulations for the use of all funds received by UNHCR and appropriate to its needs;

Requests the High Commissioner to ensure that a consultative process takes place with Member States in the drafting of the new UNHCR Financial Regulations; also *requests* the High Commissioner to make the best efforts to incorporate in the drafting process preliminary views expressed by Member States;

Acknowledges that until such time as these financial regulations and rules are established, Paragraph 8 of General Assembly resolution 1166 shall continue to apply, including any financial rules issued thereunder;

Further requests the High Commissioner to obtain comments from the Advisory Committee on Administrative and Budgetary Questions on these proposed financial regulations and rules prior to submission to the Executive Committee.

³ Available from <https://www.unhcr.org/6142cbff4>.