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**Executive Committee of the  
High Commissioner's Programme  
Seventy-ninth session**  
Geneva, 5-9 October 2020  
Item 4 of the provisional agenda  
**Consideration of reports on the work of the Standing Committee**

## **Report of the seventy-ninth meeting of the Standing Committee (16-17 September 2020)\***

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## **I. Introduction**

1. The Chairperson of the Executive Committee, His Excellency Ambassador Marc Pecsteen de Buytsverve (Belgium), opened the meeting.

## **II. Adoption of the agenda**

2. The agenda for the meeting (EC/71/SC/CRP.16) was adopted.

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

3. The Deputy High Commissioner briefed the Committee about the challenges facing the organization against the backdrop of the COVID-19 pandemic and its impact on refugees and others of concern to the Office, as well as on UNHCR personnel. Noting that the pandemic had not distracted UNHCR from continuing its organizational transformation, she provided an overview of key management initiatives. These included realignment of headquarters entities to complement UNHCR's decentralization; release of an updated resource allocation framework; measures to strengthen integrity and to prevent and respond to sexual exploitation and abuse (SEA) and sexual harassment (SH); and initiatives pursued in the context of the system-wide Business Innovation Group (BIG), which leveraged new technologies. In response to the global debate around cultural and race discrimination and inequality, UNHCR was also looking at these issues and how they affect the organization internally. The Deputy High Commissioner highlighted UNHCR's continued commitment to the "grand bargain" and the 2030 Agenda for Sustainable Development.

### **A. Finance and oversight**

#### **(i) Report of the Board of Auditors**

4. UNHCR's financial statements for 2019, as contained in the report of the Board of Auditors (A/AC.96/1201 and A/75/5/Add.6), were presented by the Controller and Director of the Division of Financial and Administrative Management, and the Deputy Director of External Audit Germany of the United Nations Board of Auditors.
5. Noting the Board's confirmation that UNHCR's financial position remained sound, with sufficient assets to meet the liabilities, the Controller briefed the Committee on the main recommendations made by the Board of Auditors and the key measures taken in response (A/AC.96/1201/Add.1), including to recommendations from previous years.
6. The Deputy Director of External Audit Germany confirmed that the Board of Auditors had issued an unqualified audit opinion of UNHCR's financial statements for the year 2019. While acknowledging the difficult situation UNHCR faced in the context of COVID-19, the Board had made 55 new recommendations. Most concerned finance and internal controls, while the others were related to: i) reform initiatives; ii) cash assistance to beneficiaries; iii) implementing partners; iv) global fleet management; v) the use of contractors and consultants; vi) information technology and data protection; vii) the sustainable development goals; viii) fraud and corruption prevention; and ix) accessibility and travel. He also briefed the Committee on outstanding recommendations from previous years, all of which were either fully implemented or currently under implementation.
7. UNHCR was congratulated on the unqualified audit opinion and encouraged to follow up in a timely matter on the recommendations, including those from previous years. The Committee encouraged UNHCR to continue its fight against fraud and corruption. In the context of reform initiatives, numerous delegations emphasized the importance of UNHCR carrying out an evaluation of the impact of the decentralization and regionalization process, noting that it was important to clearly define roles and responsibilities, and to measure, track and evaluate costs and intended results. Support was expressed for better implementing partner management, controls and audits, and UNHCR was encouraged to address the weaknesses identified by the Board.

8. In response to a question about UNHCR's new enterprise resource planning system, the Controller noted that the organization was still in the design phase and that there were various components that remained to be explored before a release date could be announced. He took note of concern expressed about the inventory process, confirming that the inaccuracies noted by the auditors were not the result of a failure of the system and that they could be addressed through improved monitoring processes. Regarding fraud and corruption, he assured the Committee that this was something that UNHCR took very seriously and that it was committed to relentless improvement, outlining some of the recent initiatives undertaken to strengthen the internal control framework and to intensify training. On decentralization and regionalization, the Controller noted that UNHCR had developed a roadmap to track key achievements. He also provided clarifications regarding after-service health insurance (ASHI) liabilities, the United Nations Partner Portal, and cash-based initiatives (CBIs).

9. The Deputy Director of External Audit Germany of the Board of Auditors thanked delegations for their support. He emphasized that UNHCR's implementation rate of past recommendations stood at 50 per cent, but that, even though some outstanding recommendations had been closed, there was room for improvement. Concerning regionalization and decentralization, he noted that the Board would continue to assess this issue in the future. He also stressed that implementing partner management was a key issue for the organization, which is why the Board had flagged it.

**(ii) Internal audit**

10. 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 2019 to 30 June 2020 (A/AC.96/1203), 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. Noting delays caused by the COVID-19 pandemic, the OIOS repurposed its audit workplan in April 2020, following discussion with UNHCR, to focus on emerging higher-risk areas.

11. Delegations thanked the OIOS UNHCR Audit Service for this overview and expressed appreciation for it repurposing its workplan in the context of the COVID-19 pandemic. UNHCR was commended for addressing identified weaknesses and past recommendations, as well as for its transparency. Considering the impact of the pandemic, UNHCR's flexibility was appreciated by partners. Delegations asked UNHCR for an update on previous issues identified in the operation in Uganda, and also how it planned to address recurrent systemic problems. Further information was requested on anti-fraud and accountability measures, and UNHCR was asked when the monitoring system for partners will be completed. One delegation appreciated the review of recruitment mechanisms for international professional staff and noted that the governance of information and communications technology (ICT) needed strengthening. Details were requested on the status of audit reports and on the revision of the OIOS definition of 'important' or 'critical' recommendations. UNHCR was urged to implement the health programme recommendation and to address audit recommendations in a timely manner. Committee members expressed appreciation with regard to the savings and cost recoveries.

12. In response, the Officer-in-Charge of the UNHCR Audit Service noted that UNHCR had made significant progress in the Uganda operation and continued to work on closing the two 'critical' recommendations and one 'important' recommendation still open. He assured the Committee that the health recommendations were well-advanced and a separate audit of staff health and well-being would be opened in 2020, to be completed in 2021. While no audit reports had been issued by the end of July 2020, two were recently finalized and eight more would be published by December. With regard to CBI, he mentioned the significant increase and high risk involved, resulting in its inclusion in any operation audit. Moreover, a thematic audit of CBI in the context of the COVID 19 situation in Africa was conducted, and an advisory will be shared. Procurement and ICT were also receiving due attention. It was further noted that OIOS revised the definitions of 'critical' and 'important' and that the former now refers to risks requiring immediate attention and where failure to act could have a significant impact on the organization. Consequently, two previous recommendations were downgraded to 'important'. On the staff accommodation recommendation, all gaps were being addressed before closing it.

13. The Deputy High Commissioner underscored the close collaboration between UNHCR and OIOS to minimize risks and prevent fraud and corruption. Finalizing the new system for implementing partners was expected to take approximately one year. She noted that, with respect to COVID-19, UNHCR aimed to be as flexible as possible with its partners. The recommendation on living conditions was nearly closed and the Deputy High Commissioner said that UNHCR would use the United Nations system approach on occupational health and safety, and that relevant administrative instructions should be issued by December. Concerning the operation in Uganda, eight out of nine arbitrations regarding water trucking have been concluded with no financial loss and the remaining one was in proceedings. The independent accountability investigation should soon be completed and followed by a performance accountability. With regard to the new enterprise resource planning framework, UNHCR continued to work with United Nations agencies and the Secretariat on a solution, including a cloud-based one. The Deputy High Commissioner commended delegations for their national advocacy efforts on flexible funding, noting that the Division of External Relations (DER) could further assist.

**(iii) Report of the Independent Audit and Oversight Committee**

14. The Chairperson of the Independent Audit and Oversight Committee (IAOC) joined the meeting remotely and was accompanied by the Vice-Chairperson in the room. He presented the Committee's eighth annual report, from 1 July 2019 to 30 June 2020 (EC/71/SC/CRP.17). He gave a brief overview of UNHCR's oversight regime and the IAOC's role therein to review the organization's oversight mechanisms in line with the "three lines of defence" model.

15. Delegations thanked the IAOC for assisting the High Commissioner and the Executive Committee in fulfilling their oversight responsibilities. The IAOC's positive opinion on the resilience and agility of UNHCR's business continuity plans and crisis management during the COVID-19 pandemic was welcomed. Appreciation was expressed to UNHCR's senior management team for their strategic leadership during the COVID-19 crisis and for staying the course on reforms despite the challenging period. UNHCR was commended for its commitment to strengthen its risk management system and procedures. Nevertheless, delegations concurred with the IAOC that UNHCR must remain vigilant to the heightened risk of fraud and corruption arising from the expansion of cash-based assistance and remote monitoring due to COVID-19. UNHCR was encouraged to ensure the allocation of adequate resources and staff to oversight functions and to employ innovative measures for a robust management of risks.

16. The Committee echoed the IAOC's concern over the suspension of investigations of misconduct where alleged victims chose not to pursue a formal complaint and encouraged UNHCR to explore alternative ways of addressing such cases. Concern was also voiced over the rise in complaints related to SEA/SH against personnel of implementing partners. Delegations expressed support for a joint approach with other United Nations entities to strengthen the capacity of implementing partners to investigate allegations of misconduct. It was hoped that with the High Commissioner assuming the role of the Inter-Agency Standing Committee (IASC) Champion on Protection from Sexual Exploitation and Abuse and Sexual Harassment, UNHCR would advance inter-agency efforts in this regard. The Committee concurred with the observation that the next step in the evaluation of UNHCR's decentralization and regionalization process should focus on its impact on persons of concern. One delegation proposed that the IAOC hold information briefings for the Committee to allow discussions on issues related to the oversight process.

17. In responding to concerns over suspended investigations of misconduct, the Chairperson of the IAOC noted that several recommendations had been made to UNHCR, including on a collaborative effort with United Nations partners to develop specific modalities for addressing such cases. With respect to holding information briefings, he stated that the IAOC had proposed to meet with the Chairperson of the Executive Committee during its formal sessions throughout the year, which could be extended to other interested members of the Committee. In addressing remarks about risk management, the Vice-Chairperson affirmed that UNHCR had acted on the recommendations of the Joint Inspection Unit's [report](#) on fraud prevention, detection and response in a prompt and effective manner.

18. The Deputy High Commissioner assured the Committee that UNHCR was leading system-wide efforts through the IASC aimed at developing an online training on investigations into SEA/SH. This would be made available to the IASC membership with the possibility of a broader distribution to other implementing partners at a later date. She added that all processes related to

sexual misconduct allegations were guided by a victim-centered approach and that UNHCR was developing a separate approach to protect and support witnesses. She also affirmed that under the High Commissioner's IASC Championship, UNHCR was contributing a number of tools and learning packages to the United Nations system, including a communications package for all IASC Principals to help foster an organizational dialogue on this subject.

19. Regarding concerns over the rise in complaints, the Deputy High Commissioner indicated that work was underway to strengthen the first- and second-line management functions to allow the Inspector General's Office to focus on addressing more complex cases. The Head of the Investigation Service asserted that UNHCR had been working since 2013 to build the institutional capacity of its implementing partners regarding investigations of misconduct, including through regional workshops; it would continue its capacity-building work. In response to concerns over suspended investigations, he explained that complaint procedures at UNHCR were in line with the United Nations internal justice system which required the presentation of clear and convincing evidence in a case for the High Commissioner to take disciplinary action against perpetrators. The continuation of investigations where the victims withdrew their complaint was considered challenging as they played an instrumental role in the gathering of evidence. He added that pursuing a victim-centered approach in such processes meant that UNHCR was required to respect the choices that victims made. He confirmed that UNHCR's investigation service had the necessary resources and competencies to address the diverse types of complaints.

## **B. Oral update on integrity in UNHCR, including efforts to prevent and respond to sexual exploitation and abuse, and sexual harassment**

20. The Deputy High Commissioner presented an oral update on integrity in UNHCR, including efforts to prevent and respond to SEA/SH. She also outlined UNHCR's work in three other key areas: the Ethics Office; the work of the Ombudsperson; and risk management. She highlighted UNHCR's recently issued strategy and action plan to tackle SEA/SH for 2020 to 2022 and encouraged the Committee to review it. Emphasizing the linkages and complementarity among the integrity-related functions, she noted UNHCR's efforts centred around annual planning exercises, including with advice from the Inspector General. She also emphasized the importance of a culture shift, bolstered by collective action, to improve how UNHCR's integrity-related functions connect with the broader effort of protecting displaced people.

21. The Committee expressed its appreciation for UNHCR's integrity-related work, particularly its efforts to prevent and respond to SEA/SH. Delegations welcomed the new strategy and action plan and requested regular updates on their implementation. UNHCR was urged to ensure that sufficient capacity was made available in the Inspector General's Office to address these matters. UNHCR was commended for its inter-agency and wider partnership efforts, including its investments in implementing partners, and for the High Commissioner's IASC Championship. One delegation queried the number of sexual misconduct complaints received within UNHCR and the measures taken to address them. With regard to the Ethics Office and the Ombudsperson, delegations appreciated their fundamental work towards a principled, fair and value-based framework for UNHCR. On the subject of risk management, delegations expressed interest in UNHCR's strategy beyond the Risk Management 2.0 initiative and welcomed the integration of risk management into its results-based management (RBM) approach. UNHCR was asked about particular risks identified in relation to COVID-19 and was encouraged to develop a global risk register to monitor the potential impact of the pandemic on UNHCR's objectives and operations.

22. The Senior Coordinator for the Prevention of and Response to SEA/SH reiterated the centrality of partnerships to UNHCR's efforts in the context of the new strategy. She noted that, in addition to the High Commissioner's IASC Championship, the Deputy High Commissioner was the interim Chair of the Chief Executive Board's task force on addressing sexual harassment. She stressed that building the capacity of partners to prevent and identify sexual misconduct was an important area of focus for UNHCR. She further noted that the United Nations protocol for implementing partners on protection from SEA had been incorporated into UNHCR's partnership agreements and that a common implementing partner assessment tool was being developed. With regard to questions on the Inter-agency Community Outreach and Communications Fund launched with the International Council of Voluntary Agencies (ICVA) to support smaller local partners, delegations were informed that further information regarding the various projects would soon be

available. The Senior Coordinator explained how UNHCR is working with partners to address COVID-19-related challenges, including providing joint technical guidance and supporting humanitarian coordinators. In response to questions with regard to SEA/SH focal points and Senior Risk Advisers, delegations were assured that the prevention of sexual exploitation and abuse was well-integrated in UNHCR's risk management work.

23. The Inspector General noted that UNHCR continued to report in line with the SEA tracker and would continue to do so, primarily through quarterly integrity briefings. UNHCR would keep member States briefed on key risk issues, particularly those related to reputational risk. In response to a question on reputational risk criteria regarding the assessment of cases, the Inspector General assured the Committee that SEA/SH-related complaints were prioritized. He noted ongoing challenges to investigate these cases and noted that UNHCR was looking into how this could be addressed. The Head of the Investigation Service noted that the number of allegations of SEA/SH had not dropped during the pandemic.

24. The Chief Risk Officer noted that the Risk Management 2.0 initiative was coming to an end this year and that UNHCR's efforts towards an advanced level of risk maturity would be guiding its strategy, combined with specific efforts linked to the broader culture change. Regarding a COVID-19-related risk register on fraud and corruption, the Chief Risk Officer detailed several mitigation measures that UNHCR has taken. She noted the development of risk management toolkits on high risk areas for managers to enable a more holistic analysis, as well as the close collaboration with the DER to build specific risk management and crisis communications training for senior managers. The Committee was informed that Senior Risk Advisers were in place in all regional bureaux, and one of their key roles was to support country operations and ensure quality risk review. The Chief Risk Officer emphasized the critical linkage between risk management and RBM.

25. With regard to disciplinary measures, the Deputy High Commissioner informed the Committee that to date, in 2020, the High Commissioner had dismissed four UNHCR personnel for sexual misconduct; one for sexual exploitation and abuse and three for sexual harassment. These measures will be published in an annual disciplinary digest which is distributed to UNHCR's workforce.

### **C. Human resources, including staff welfare, safety, and security**

26. The Director of the Division of Human Resources (DHR) and the Director of the Division of Emergency, Security and Supply (DESS) presented the paper on human resources, including staff welfare, safety and security (EC/71/SC/CRP.18). With regard to human resources, the Director outlined the impact of the ongoing transformation in the context of UNHCR's response to the COVID-19 pandemic in the first critical months. The Director of DESS provided an update on UNHCR's efforts with respect to the safety and security of its workforce. She outlined the current security environment, including in the context of the pandemic, and the work of UNHCR's field security.

27. The Committee commended UNHCR staff for their exceptional commitment to "stay and deliver", especially during the unprecedented challenges of the COVID-19 pandemic. Delegations appreciated UNHCR's continued emphasis on staff safety and well-being in this context, noting the increased need for psychosocial and mental health support. UNHCR was asked about the longer-term impacts of COVID-19 on staff health and well-being, as well as about lessons learned to enhance a positive employee experience. Progress towards achieving gender equality, diversity and inclusion of its workforce was appreciated. Some delegations, however, noted with concern regional imbalances among international staff and gender disparity of personnel from developing and refugee-hosting countries, particularly at the senior management level. UNHCR was urged to take measures to ensure a balanced geographical representation and gender parity across the regions and throughout the organization, both in the field and at Headquarters, and for senior management. Delegations also queried the impact of regionalization and decentralization on staff well-being, overall capacity, evaluation and gender balance. They requested a cost-benefit analysis following the first year of operation of the new structure. Delegations welcomed UNHCR's active role in the Taskforce on the Future of the United Nations System Workforce and encouraged joint action towards a strategic human resources framework. UNHCR's leadership in the High-Level

Committee on Management was praised and it was queried whether partnerships with other United Nations agencies could achieve further cost efficiencies.

28. The Director of DHR thanked the Committee for its continued support of UNHCR's work in this area. She acknowledged geographical imbalances and noted the need for consistency and perseverance to remedy this. UNHCR has strengthened its outreach to attract talent from less-represented countries and strives to bring in more talent from UNHCR's affiliate workforce and national colleagues. Responding to questions on staff with dual nationality, the Director explained that UNHCR applied the consistent practice throughout the United Nations of the nationality with which the staff member is most closely associated. On gender parity, UNHCR was close to reaching parity in the international workforce, except at the D1 level which might take longer. Nearly half of the regional bureau Directors are women and 52 per cent of all international positions in the bureaux were filled by women, or 50 per cent when looking at P5 levels and above. Concerning COVID-19, the Director noted its significant impact on the stress levels of UNHCR's staff and the importance of occupational health and safety. Responding to how the Global Compact on Refugees will shift the skills of UNHCR's workforce in the future, the Director confirmed that non-traditional skills would be required and that UNHCR would look into training and inter-agency mobility. On cost sharing and efficiency gains, UNHCR was exploring where inter-agency collaboration could bring about efficiencies and better services for employees. The Director provided examples of successful inter-agency collaborations, such as identifying a new human resources digital solution. Responding to a question on lessons learned from the strategic dialogues, she noted that investment in people management directly related to the organization's success in delivering to people of concern.

29. In response to a query on UNHCR's plans to strengthen security for local staff following attacks in Niger, the Director of DESS elaborated on the inter-agency security mechanism in the field, including a security management team supported by a security cell of professionals who identify daily security threats and needs. UNHCR also conducts regular security steering committee meetings chaired by the Assistant High Commissioner (Operations). Furthermore, efforts with operations in high-risk countries, together with relevant bureaux and divisions, ensured that security-related issues were collectively reviewed and analysed. While the database of security incidents was not publicly available, she noted that UNHCR was open to sharing information bilaterally as appropriate and referred to the publicly available Aid Worker Security Database on security incidents. With regard to questions on the security of lesbian, gay, bisexual, transgender and intersex colleagues, the Director referred to UNHCR's gender policy on security management that required security managers to address risks for all personnel, including because of gender or sexual orientation.

#### **IV. Emergency preparedness and response**

30. The Director of DESS presented the paper on emergency preparedness and response (EC/71/SC/CRP.19). She highlighted key achievements since 2019 with regard to responding to emergencies, strengthening emergency preparedness and UNHCR's supply chain, and supporting the regional bureaux and operations during the COVID-19 pandemic. The Director concluded with a brief assessment of future priorities, including the strengthening of partnerships with other United Nations entities and non-governmental organizations (NGOs) in emergency preparedness and response efforts.

31. Delegations welcomed UNHCR's efforts to enhance the quality and effectiveness of its emergency preparedness and response, especially in the face of the COVID-19 pandemic. The revision of its "Policy on emergency preparedness and response" in alignment with the IASC protocols was met with approval, as was its active engagement in coordination with other agencies in emergencies. Further information was requested on how United Nations agencies share resources, data, and/or expertise in the field. Concerning situations affecting internally displaced persons (IDPs), numerous delegations welcomed the "Preparedness package for IDP emergencies" and looked forward to future updates on UNHCR's improved response as a result of this tool. UNHCR was encouraged to continue its efforts with regard to inter-agency coordination and to contribute to the work of the United Nations Secretary-General's High-Level Panel on Internal Displacement.

32. Delegations highlighted the needs of host communities and countries during a displacement emergency, including resources for reception centres. Training of emergency personnel, as well as standby capacity and emergency deployments, were noted as being of vital importance. UNHCR was asked how gender equality and inclusion have been mainstreamed into its training and operational guidance and tools. Interest was also expressed with regard to UNHCR's High Alert List for Emergency Preparedness (HALEP) tool, including how it was used, reported on, and the types of emergencies it covered.

33. The Director thanked the Committee for its support of UNHCR's emergency preparedness and response work. With regard to the Office's engagement in IDP emergencies, she explained that the online preparedness package provided guidance to field operations and was available to all staff. UNHCR has started webinars, especially on cluster coordination functions, to provide staff with further guidance. In the context of UNHCR learning, the Director noted that there was a new emphasis on inter-agency coordination and that senior-level colleagues who had successfully completed the programme would be placed on the roster for emergencies. She said that the HALEP tool was used for countries determined to be at high risk, including to identify the level of preparedness and gaps or needs for further action. The tool covers emergencies related to internal displacement and conflict; however, UNHCR was looking at how it could support preparedness for and response to natural disasters. UNHCR does not issue an annual HALEP report, but would welcome separate conversations with delegations which wish further details. In response to questions on standby capacity and emergency deployments in the context of UNHCR's transformation, the Director said that the organization's emergency deployment capacity would remain global and centralized, as would the supply of global regional stockpiles. With regard to internal or external deployments, she explained that UNHCR has an emergency standby roster with a variety of profiles, but depending on the needs, scope and expertise required, may resort to the support of standby partners, such as in the case of shelter and technical expertise. She noted that the organization had 18 external emergency standby partners. The Director affirmed that capacity-building would remain a vital component for the Office and highlighted the importance of supporting local capacity and exploring local partnerships. On the subject of its COVID-19 response, the Director confirmed that UNHCR currently has a sufficient stock of personal protective equipment. However, she expressed the continued need for flexible funding to be able to respond effectively to changing contexts.

## **V. Progress toward implementing the grand bargain commitments**

34. The Head of the Donor Relations and Resource Mobilization Service presented the paper on progress toward implementing the "grand bargain" commitments (EC/71/SC/CRP.20), underscoring UNHCR's key achievements in the workstreams and providing examples related to COVID-19. Highlighting the collective efforts of this endeavour, he noted that the "grand bargain" had created a common vision for the humanitarian community, including with joint needs assessments, localization, procurement and increased cash-based assistance, all central to the COVID-19 response as well. He affirmed that UNHCR would continue to meet its commitments and aim for even greater efficiencies.

35. UNHCR was commended for its transparency and the use of the humanitarian data portal, as well as for meeting the target to transfer 25 per cent of its programme expenditures to local and national responders. The use of the harmonized reporting template with partners was applauded and UNHCR was encouraged to share its experience with other United Nations agencies. Increased visibility, particularly for flexible funding, was welcomed. More engagement with development actors, including the World Bank, was appreciated, and the importance of the nexus approach underlined. In the spirit of the Global Compact on Refugees, more grants to host countries under the World Bank's International Development Association funding were encouraged. The doubling of cash-based interventions and the use of the United Nations common cash system, along with the increase in multi-year agreements and expansion of the partner portal were noted as important achievements. Delegations encouraged UNHCR to prioritize humanitarian response plans and continue reform efforts. The need to ensure good partnership practices, gender balance, downstream reporting, and reductions in assessments was highlighted. Further information was requested with regard to: i) multi-year funding and COVID-19 allocations to local responders, national NGOs and

governments; ii) the tracking of funds; iii) efforts to increase the participation of women and girls in decision-making; and iv) the provision of support to women-led organizations. One of the co-conveners of the workstream to reduce management costs noted that an independent report by the Global Public Policy Institute would soon be made available and could facilitate discussions on reducing individual assessments.

36. The Head of the Donor Relations and Resource Mobilization Service thanked the Committee for its ongoing engagement. He noted the important role of joint needs assessments in the collaboration of United Nations entities, particularly in the COVID-19 response. On visibility, UNHCR remained committed to highlighting the value of donor support, especially for flexible funding. He indicated that UNHCR had made significant progress in directing funding to local partners, and the outcomes of the upcoming NGO consultations will be shared at the upcoming plenary session of the Executive Committee. Concerning a question on the overall impact of the “grand bargain”, he affirmed that progress in each workstream has improved the overall humanitarian response, noting the simplification of reporting as a particular success. With regard to requests for further information, he informed the Committee that separate updates would be provided.

## **VI. Oral update on the ExCom conclusion(s) process**

37. The Executive Committee (ExCom) Rapporteur briefed the Committee on developments on the ExCom conclusion(s) process, including on the outcomes of several informal consultations. She noted that agreement was emerging on two topics in the proposed workplan, namely: i) international protection in the context of a public health emergency; and ii) mental health and psychosocial support. UNHCR had been requested to prepare two technical papers on: iii) recognition of educational qualifications of persons of concern to UNHCR; and iv) issuance by UNHCR of single-voyage travel documents. The Rapporteur encouraged member States to exercise flexibility so that an agreement could be reached on a draft multi-year work plan.

38. The Committee thanked the Rapporteur for her work and guidance and welcomed the reintroduction of the conclusions process. The importance of a multi-year work plan was underscored by member States with strong support for the first two topics. The importance of adopting a workplan that ensured a balance between protection and solutions was also highlighted. One delegation underlined the need to include sustainable solutions in the workplan and suggested UNHCR propose additional topics in relation to voluntary repatriation and resettlement. Regarding the recognition of educational qualifications of persons of concern to UNHCR, delegations expressed reservations and noted that more time would be required to consult at the national level. Several delegations noted that the topic of the issuance by UNHCR of single-voyage travel documents did not enjoy consensus.

39. The Rapporteur expressed her appreciation for the constructive engagement of the Committee throughout the process and noted that consultations would continue. The Deputy Director of the Division of International Protection thanked delegations for their work on the workplan, noting that ExCom conclusions help guide UNHCR in its dual mandate of protection and seeking solutions for persons of concern. UNHCR appreciated delegations’ focus on the need to maintain a balance between protection and solutions, indicating that modification to the background paper on the topics would include an additional focus on solutions.

## **VII. Programme budgets and funding**

### **A. Update on budgets and funding (2020-2021)**

40. The Director of the Division of Strategic Planning and Results (DSPR) provided an update on UNHCR’s budget for 2020 - 2021 (EC/71/SC/CRP.21), including the establishment of two supplementary budgets totalling \$463.7 million, one to support activities to protect persons of concern from the impact of COVID 19 and the other in support of the displaced in the Sahel region. This brought the current 2020 budget to a total of \$9.1 billion. The Director of DER informed the Committee of the latest funding developments.

41. Delegations thanked both Directors for their presentations and expressed concern about the gap between requirements and funding, despite an increase in the level of contributions. UNHCR was commended for its efforts to ensure that available resources were used efficiently and effectively. The Office was encouraged to conduct its prioritization in a transparent manner. Delegations highlighted the importance of predictable and equitable burden- and responsibility-sharing. UNHCR was commended for scaling up the response to mitigate the impact of the COVID-19 pandemic on persons of concern, in particular in low- and middle-income countries. Delegations also expressed concern about the long-term socioeconomic impact of the pandemic on displaced people and host communities. One delegation noted that the global economic downturn could lead to a decrease in humanitarian funding and advised humanitarian agencies to prioritize activities further and develop new modalities to reach more people in need.

42. In response to questions about further planning for COVID-19-related interventions, the Director of DSPR said that UNHCR continued to monitor the fast-evolving impact on populations of concern and that an additional supplementary budget might be necessary. More information would be made available in November. In response to a question on how to determine budgetary allocation by region, she noted that the number of persons of concern were an important element in such a decision. Other factors, such as the possibilities for durable solutions, were also taken into account, however. Regarding the resource allocation framework in the context of decentralization, the Director informed the Committee that delegated authorities have been exercised for seven months. While the results have been successful so far, UNHCR will review and reflect on these authorities in about a year's time, including in relation to the results-based management system. With regard to prioritization, she noted that UNHCR made decisions based on needs and the flexibility of available funding.

43. The draft decision on the update on budgets and funding for 2020 to 2021 (EC/71/SC/CRP.21) was adopted.

## **B. UNHCR's new planning, budgeting and monitoring system: proposed revision of UNHCR's financial rules concerning the programme budget**

44. The Director of DSPR provided an update on how UNHCR was renewing its approach to planning, budget and reporting and outlined the proposed revisions of the financial rules concerning the programme budget (EC/71/SC/CRP.22).

45. Delegations expressed support for UNHCR's efforts to transform its planning, budgeting, monitoring and reporting system. In particular, the move to multi-year planning and the multi-partner approach was welcomed and delegations noted that moving to an annual budget was in line with the current process underway at the United Nations. Hope was expressed that improved planning would lead to directing more resources to improve the lives of people of concern to UNHCR. The Office was commended for its work to strengthen its focus on impact as well as its capacity to plan for and report on the use of multi-year funding. UNHCR was requested to provide further clarifications on how it would reconcile the old budget structure, based on population group pillars, and the new one, built around impact areas. Concern was expressed that this might affect the quality and transparency of reporting. Two delegations expressed support for the process that UNHCR had embarked upon but proposed to wait with revising the financial rules. They proposed to introduce a trial period so that member States of the Executive Committee could assess results, in line with the approach undertaken by the General Assembly in 2017 when it adopted a resolution to transition to an annual budget. One delegation suggested that necessary expertise could be provided by the United Nations Advisory Committee for Administrative and Budgetary questions (ACABQ) and the Board of Auditors.

46. In response to questions on quality and transparency, the Director said that the new system would improve UNHCR's ability to report, as it would be more streamlined. This would strengthen the Office's administrative efficiency. She confirmed that UNHCR would continue to report on populations of concern. On questions as to when operations would have multi-year strategies, the Director informed the Committee that for 2022, 27 operations have decided to embark on multi-year strategies and an extensive training plan for staff was being rolled out.

47. The Deputy High Commissioner noted that the last structural change to UNHCR's budget structure took place more than a decade ago. Forced displacement has changed since then and the Committee had requested for UNHCR to adapt, modernize, and be more efficient and transparent. The proposed reform also takes into account changed requirements, including more flexibility, related to the Global Compact on Refugees, the sustainable development goals, and UNHCR's new approach to partnerships. She also noted that UNHCR is in close consultations with the ACABQ and the Board of Auditors, but that there were no special provisions for them regarding UNHCR's financial rules. She reassured the Committee that UNHCR would continue to report on its efforts in this context. However, with regard to piloting the proposed reform, she noted that while course correction would always be possible, it would be difficult to embark upon a structural change and then go back to the old system.

48. The Chair concluded that while there was a lot of support for the draft decision, some further consultation was still required. Adoption of the draft decision on the revision 11 of the financial rules for the voluntary fund administered by the High Commissioner for Refugees was deferred. An amended decision was adopted under silence procedure.

### **C. Biennial programme budget 2020-2021 (revised) of the Office of the United Nations High Commissioner for Refugees and the Report of the Advisory Committee on Administrative and Budgetary Questions**

49. The Director of DSPR presented the revised biennial programme budget for 2020-2021 (A/AC.96/1202) and provided a summary of the comments contained in the report of the ACABQ (A/AC.96/1202/Add.1). She described the planning process adopted for 2021 and presented displacement and budget trends, noting the possibility of a supplementary budget for COVID-19 in 2021.

50. Delegations commended UNHCR for its effective planning and programme implementation, despite the setbacks brought about by the COVID-19 pandemic and the ongoing budget deficit. UNHCR was encouraged to remain consistent in reporting transparently on the effects of the pandemic on the budget. A number of delegations stressed the need for a broader donor base and a reduction in earmarking, to reduce UNHCR's dependence on a few donors. Support was expressed for the efforts to improve efficiency, especially in terms of targeting as well as improving the quality of assistance provided. One delegation welcomed the progress made towards renewing the RBM and looked forward to improvements in programme delivery and greater flexibility in the allocation of resources. The multi-year, multi-partner (MYMP) approach was lauded for its capacity to enhance the ownership of programmes at the country level, and more information on the estimated costs of MYMP initiatives was requested. Regarding the ACABQ report, one delegation encouraged UNHCR to implement the recommendations related to the RBM tool and risk management; decentralization and regionalization; the Business Innovation Group; and in relation to individual contractors.

51. Concern was expressed about the protracted situation in the camps near Tindouf, Algeria. One delegation re-emphasized its continued commitment to providing refugees with protection and assistance, including with the objective of addressing the impact of the COVID-19 pandemic. It called on UNHCR to redouble its efforts to remedy the funding gaps for this operation and meet the real needs of the Saharawi refugees, taking into account the rise in the population and the integrity of the operation. It also stressed the right of refugees to voluntary return and recalled that their registration was an integral part of the United Nations peace plan. Another delegation took note of the slight decrease (-0.8 per cent) in the budgetary requirements for the population in the Tindouf camps and called on UNHCR and donors to guarantee the transparency of the operation and to undertake serious and credible measures in that regard. It also 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 the operation by reducing the risk of fraud and misappropriation.

52. In response to queries about the direction of future planning and budgeting, as well as strategic considerations in the context the COVID-19 pandemic, the Director explained that the operational reserve (OR) was used to provide funding for emergencies. She noted that the OR enabled contingency planning to take place, and the Assistant High Commissioner (Operations) and

Regional Bureau Directors were able to draw on funds set aside for emergency response. The Director addressed questions relating to UNHCR's ability to adapt its delivery mechanism and ways of working to the COVID-19 emergency, citing internal solutions such as support for teleworking, as well as the monitoring of protection-related and socioeconomic impacts of the pandemic on persons of concern to UNHCR. The Director further explained that the results of these monitoring efforts were not only informing programming but also advocacy with development partners, donors and national governments, resulting in expanded inclusion into national systems, social protection and economic stimulus packages. With regard to RBM, the Director clarified that the system was designed to elicit information to help advocacy for greater financial support and provide accurate indications of progress made in the different impact areas. On returnee numbers, she stressed the need to distinguish planning figures from actual statistics, reminding delegations of the necessity of using projections to support the planning process.

53. The Deputy High Commissioner briefly described the inception of, and progress made by the Business Innovation Group, reminding delegations of the group's phasing out and replacement by the United Nations Sustainable Development Group, led by the United Nations Children's Fund and the United Nations Population Fund. In recalling the objectives of the initiative, the Deputy High Commissioner insisted on collaboration as a means of cost-saving through common premises, as well as fleet management. She noted the role that UNHCR and the World Food Programme should play, as two of the largest United Nations system entities, in developing their ability to act as service providers for other agencies. In this vein, she added that additional service management and delivery solutions were being discussed at United Nations headquarters.

## **VIII. Any other business**

54. In line with the practice of adopting the reports of the Standing Committee meetings through an electronic circulation process, the Chairperson indicated that the report on the seventy-ninth meeting would be prepared by the Secretariat and circulated for comments by 25 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 2020-2021

*The Standing Committee,*

*Recalling* the Executive Committee's decision, at its seventieth session on administrative, financial and programme matters (A/AC.96/1198, para. 13 (c)), as well as its discussions under the programme budgets and funding item at the seventy-eighth meeting of the Standing Committee in July 2020,

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

*Takes note* of the increase in UNHCR's annual budget for 2020 as at 31 July 2020 to a current total of \$9,131.3 million, representing the sum of the original budget of \$8,667.7 million and the supplementary budgets of \$463.7 million,

*Takes note* of UNHCR's annual budget for 2021 as at 31 July 2020, at the current total of \$8,615.8 million, which has remained unchanged from the amount originally approved by the Executive Committee,

*Recognizes* that emergencies and unforeseen activities unfolding in 2020 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 2020.

## Annex II

### Decision on a proposed revision of the financial rules

*The Standing Committee,*

*Having considered* the proposed revision of the financial rules for voluntary funds administered by the High Commissioner for Refugees (A/AC.96/503/Rev.10), as set out in annex I of conference room paper EC/71/SC.CRP.22;

*Acknowledges* the replacement of the pillars structure with impact areas for the budget structure, to enhance the organization's capacity to report and demonstrate how its programmes make a difference in the lives of displaced populations;

*Acknowledges* the introduction of the budget period in lieu of the biennial budget and the flexibility it affords UNHCR to more swiftly respond to new and emerging humanitarian needs;

*Having considered* the proposed financial rule 2.2 whereby the budget period shall be agreed with the Executive Committee, endorses an annual budget period duration of 12 months corresponding to the calendar year starting with the budget for 2022;

*Endorses* a review on the impact of these changes to budgetary structure and periods on management efficiencies and UNHCR's ability to deliver on its mandate, with a view to any revisions if needed, to be presented to the Executive Committee no later than 2025, with preliminary reviews as needed;

*Requests* the High Commissioner to ensure that the quality of the budgetary information, reporting and the practice of reviewing it at the Executive Committee are duly maintained;

*Requests* the High Commissioner to submit a final draft of the revised financial rules (A/AC.96/503/Rev.11) to the seventy-first session of the Executive Committee for endorsement, and for subsequent promulgation by the High Commissioner with effect from 1 January 2022; and

*Requests* the High Commissioner to submit to the seventy-first session of the Executive Committee for endorsement the above draft decision.