

The year in review

While addressing the plight of refugees and the internally displaced, UNHCR has had to adapt to insecure working environments, mixed population flows and economic and environmental challenges. Complex and protracted conflicts have destabilized entire regions, hindering the search for permanent solutions to many displacement crises. Nonetheless, more predictable funding in 2007 allowed UNHCR to find innovative approaches to the delivery of protection and assistance, and the search for durable solutions.

During the year UNHCR strengthened protection capacity; improved registration and management systems; mainstreamed age, gender and diversity considerations into its work; and enhanced operational effectiveness. Programmes on health and sexual and gender-based violence (SGBV) were expanded. At the organizational level, the Office worked to improve performance through reform and restructuring; 2007 saw more decentralization and the relocation of some administrative functions to a central, cost-effective location.

The “Special Projects to Improve Health, Nutrition and SGBV Response,” initiated in 2007, allocated

USD 15.3 million to programmes in the 19 countries with the greatest needs. These projects have provided potable water, school uniforms, pre- and post-natal care, insecticide-treated bed nets, measles vaccinations, improved emergency obstetrical care and legal and psychosocial counselling, and have improved the lives of hundreds of thousands of refugees.

UNHCR was active in the UN’s humanitarian reform initiative, and participated in the cluster approach in situations of internal displacement. In 2007, the Office appointed a Senior Coordinator for IDP Operations to develop policy and ensure its implementation in 25 operations worldwide. The Senior Coordinator also liaised with external partners with the aim of strengthening the international community’s humanitarian emergency response capacity. The appointment signalled UNHCR’s commitment to mainstream its engagement with IDPs in 2008 and beyond.

UNHCR and its partners in the global protection, camp coordination and camp management, and emergency shelter clusters increased support to field IDP operations. UNHCR also contributed to the global water,



UNHCR/Phil Sands

Al Tanf refugee camp houses some 120 Iraqi Palestinians who fled Baghdad and are living in no-man’s land between Iraq and the Syrian Arab Republic.

sanitation and hygiene (WASH), health, logistics, nutrition, education, early recovery and emergency telecommunications clusters.

Progress towards solutions

The year 2007 saw some 2.8 million refugees and internally displaced persons return to their homes, many with UNHCR's assistance. The Office also made notable progress in the search for durable solutions in a number of protracted situations. Repatriation to Angola and Liberia was completed, and continued for Togolese refugees in Ghana and Benin. In northern Uganda, renewed security and development efforts allowed over one million displaced persons to begin the process of return and re-establishing their livelihoods. As the peace process took hold in Southern Sudan, some 214,000 people – Sudanese refugees from Kenya, Uganda and other surrounding countries, as well as those displaced to other parts of Sudan – returned to the region. Further south, UNHCR reached agreement with the Governments of Burundi and the United Republic of Tanzania on a package of solutions for long-staying Burundian refugees in the so-called Old Settlements in Tanzania. These settlements house refugees who arrived following ethnic conflict in Burundi in 1972. The processing of these refugees for repatriation or naturalization will begin in early 2008. Voluntary repatriation from Tanzanian camps, underway since 2002, continued with some 39,800 returns last year.

UNHCR continued to assist the repatriation of Afghan refugees from Pakistan and the Islamic Republic of Iran in 2007; 374,000 returned home during the course of the year. Meanwhile, many refugees in Nepal – some of whom have been in the country for almost 20 years – finally saw hopes for a solution to their plight. Following a census of the camp population in 2007, the Government of Nepal agreed to permit the resettlement of those refugees who wished to accept offers from third countries.

But despite the progress in these areas, war and repression continued to cause new displacement, increasing the number of refugees and IDPs in several countries in Africa, the Middle East and South Asia.

Challenges in the Central African Republic, Chad, Darfur, Democratic Republic of the Congo and Somalia

Insecurity in the Central African Republic (CAR), Chad and the Darfur region of Sudan have brought the overall

number of refugees and IDPs in these three places to almost three million people. Humanitarian access has become increasingly difficult in Darfur, where unabated violence has led to new internal displacement and refugee flows towards Chad and CAR. In Chad, cross-border raids have destroyed several villages and uprooted thousands of people. More than 20,000 Chadians fled into Darfur in 2007.

Similarly, violence in the eastern areas of the Democratic Republic of the Congo (DRC) displaced an additional 435,000 people internally in the North Kivu Province alone between November 2006 and December 2007.

In South and Central Somalia, insecure conditions hampered efforts to address the dire humanitarian needs of the displaced people. Fighting between forces of the Transitional Federal Government and the Union of the Islamic Courts brought the total number of IDPs in the country to one million. It also added some 30,000 Somali refugees to some 325,000 refugees already in neighbouring countries.

Addressing the needs of displaced Iraqis

Despite being the largest forced population movement in the region since 1948, the emerging humanitarian crisis in and around Iraq was going largely unnoticed by the international community until early 2007. Spurred by the deteriorating situation of some 2 million internally displaced persons in Iraq and 2.2 million refugees in neighbouring countries, and further to consultations with United Nations Secretary-General Ban Ki-moon, Iraqi authorities and interested States, High Commissioner António Guterres convened the *International Conference on Addressing the Humanitarian Needs of Refugees and Displaced Persons inside Iraq and in Neighbouring Countries* in Geneva in April 2007. Attended by more than 200 delegations from over 100 States, UN organizations, the International Red Cross and Red Crescent movement and some 60 non-governmental organizations (NGOs), the conference discussed ways the international community could meet the most pressing needs of displaced Iraqis and ease the burden borne by neighbouring States, particularly the Syrian Arab Republic and Jordan.

The conference agreed on the need to find solutions without delay for the particularly vulnerable, including the estimated 15,000 Palestinian refugees who had sought refuge in Iraq but were coming under attack from sectarian groups. The conference also galvanized international support for refugee-hosting countries, while encouraging them to continue to protect and assist Iraqis.

UNHCR's programmes for displaced Iraqis in 2007 thus focused on providing protection and assistance to refugees, as well as supporting the governments and communities hosting them. Reinforcement of UNHCR's presence and operational capacity allowed the Office to address the needs of the most vulnerable, particularly in the areas of education, health, food, shelter, community services, and counselling. As part of its overall protection strategy, UNHCR registered some 250,000 Iraqis and referred 20,000 for resettlement.

By the end of 2007, UNHCR had raised more than USD 151 million from over 25 donors for its programmes in Iraq and neighbouring countries, including USD 39 million for education and USD 23.4 million for health for Iraqi refugees.

High Commissioner's Dialogue on Protection Challenges

The first meeting of the High Commissioner's *Dialogue on Protection Challenges* was held in December in Geneva. The meeting, whose theme was "Refugee protection and durable solutions in the context of international migration," examined the challenges and dilemmas stemming from today's mixed movements of migrants and refugees.

The Dialogue brought together some 300 participants, comprising representatives of 80 States; 10 inter-governmental organizations, including the International Organization for Migration; 10 members of the International Red Cross and Red Crescent movement; 23 NGOs; and 10 academic experts in refugee and migration issues. A record of the proceedings and the decisions taken during the meeting is contained in a Chairman's Summary presented by the High Commissioner at the close of the meeting. The summary can be found on UNHCR's website at www.unhcr.org/hc-dialogue.

Participants in the Dialogue encouraged the High Commissioner to establish an informal working group of States and agencies with mandates related to international migration. The working group would examine gaps in the protection of those involved in mixed movements. It would focus especially on migrants deemed by State authorities to have moved in an "irregular" way, and who fall outside the international refugee protection framework but who are, nevertheless, in need of protection.

A series of follow-up field conferences will bring together States and other stakeholders interested in specific mixed-movement situations. These would cover the Gulf of Aden region, West Africa, Southern Africa, Asia and

Latin America. The first of these regional conferences will be held in Yemen, in May 2008. The High Commissioner will convene the *Dialogue on Protection Challenges* annually to focus on new or evolving protection issues.

Financial health and internal reform

In 2007, UNHCR received contributions totalling USD 1.27 billion and implemented 98 per cent of its budgeted programmes. Efficient financial planning and management allowed the Office to meet ambitious goals to aid, protect and find solutions for refugees and the internally displaced. Reforms aimed at reducing administrative costs translated into increased spending on operations, which was 20 per cent higher than in 2006.

UNHCR continued to strengthen the culture of results within the organization. These efforts have focused on Global Strategic Objectives and Performance Targets, improved planning and reporting formats, and the development of UNHCR's results-based management (RBM) software, *Focus*.

The *Focus* software, which was tested in eight operations during the year, is designed in line with a new budget structure which will come into effect for the 2010-2011 biennial budget. The new structure, which was devised following consultations with members of UNHCR's Executive Committee (ExCom), reflects the RBM Framework. This aims to provide a comprehensive description of UNHCR's achievements around the world.

Both *Focus* and the new budget structure are expected to strengthen UNHCR's ability to report its results. *Focus* will be used to prepare the 2009 Programme Budget for UNHCR in the new budget structure that will be presented to the Executive Committee in October 2008. It will also support planning for the 2010-2011 biennial budget, beginning in January 2009.

Other examples of innovation and improvement include the introduction of an accountability framework for age, gender and diversity mainstreaming. Furthermore, the introduction of a new methodology for participatory assessment has enabled UNHCR to involve populations of concern more closely in its planning. Significant work has also been done in the areas of standards and indicators. Further steps were taken to strengthen UNHCR's capacity for policy development and evaluation.

In the area of human resources, UNHCR has introduced reforms that will strengthen its management capacity,



UNHCRIP - Matteo

Sahrawi children in Tindouf camp.

staff development and performance management. These include expanded senior management training; revision of the competency framework, performance appraisal process and related software; and development of a performance-assessment model. The benefits of these efforts are expected to be felt over the next two years as the changes are introduced.

Structural and management change

The aim of the structural and management change process launched in February 2006 has been to improve UNHCR's responsiveness to the needs of its beneficiaries by channelling more of its resources into operations, reducing expenditures on administrative and Headquarter's costs, and locating staff and services where they are most effective. This has involved reviewing and realigning structures and processes as well as workforce and implementing arrangements. The aim is to maximize flexibility, effectiveness and overall performance.

In 2007, a number of important decisions were taken and initiatives launched within the context of UNHCR's internal reforms.

Structures

One of the goals of the reform process has been to create a more streamlined Headquarters, capable of providing overall direction and maximum support to the Field. To this end, the Office has rationalized and consolidated functions by moving support services to the Field and locating administrative functions where they are efficient and cost-effective.

Outposting

In June 2007, UNHCR decided to outpost a number of its administrative functions to Budapest, thereby freeing up resources for field operations and beneficiaries. The move followed detailed discussions with internal and external stakeholders and a feasibility study conducted by an external partner. The Government of Hungary has generously provided furnished premises in Budapest. Following the initial investment required to establish the new administrative centre in Budapest, the yearly savings from the move are expected to be in the range of USD 10 million per year.

In parallel with the outposting, UNHCR is strengthening its Supply Management Service (SMS), both at the new centre in Budapest as well as the global supply

platforms in Beijing, Dubai and Pretoria. The improvements will yield significant savings.

The decision on outposting was taken in a transparent manner. Management held frequent meetings with UNHCR's Staff Council, the staff of affected divisions, and all other employees. The Staff Task Force on Reform prepared two comprehensive reports. These were shared with the external partner conducting the feasibility report and reviewed by the High Commissioner, and led to modifications of the proposals put forward by management.

Measures to help the 93 Geneva-based general service staff whose posts would be discontinued as a result of the outposting included a voluntary separation package, priority consideration for other vacant posts in the general service category, facilitated entry into the international professional category, enhanced career guidance and assistance in the search for new jobs. At the time of reporting, these measures had helped find solutions for almost all the staff affected by the outposting.

Decentralization and regionalization

The terms of reference of the structural and management change process include a commitment to identify areas that would benefit from decentralization, and to review the configuration of UNHCR's field presence so as to determine the optimum balance between Headquarters, regional and country-level structures.

Following consultations, a High Level Task Force established to support the change process recommended that UNHCR proceed with decentralization by strengthening regional structures. In June 2007, the High Commissioner approved a framework on decentralization and regionalization. This set out models for regional structures, to be used flexibly in response to conditions on the ground, and established groups of countries that would be serviced by these structures by 2010. Key aims of regionalization are to bring decision-making and support as close as possible to the point of delivery, thereby increasing operational responsiveness; to strengthen subregional strategy formulation, situational management and solutions planning; and to enhance UNHCR's ability to engage with regionally-based partners, institutions and processes.

Field review

The Field review began in July 2006 and has proceeded through a number of phases involving research and analysis by multi-stakeholder working groups. The recommendations of these groups will

feed into the second and final phase of the Field Review in 2008. By surveying a representative sample of its operations, UNHCR aims to identify characteristics shared by different types of operations. This in turn would help it propose parameters for partnerships and implementing arrangements; the staffing profile of operations, giving particular attention to the ratio between national staff, international staff and any additional workforce; and workforce deployment between capital cities and field locations.

Processes

Besides working on structural reform, the Office will reduce bureaucracy, strengthen decision-making and ensure effective control and accountability.

Resource Allocation Framework

In response to concerns raised in a number of internal and external reviews, a *Revised Framework for Resource Allocation and Management* was issued by the High Commissioner in July 2007. The new framework clarifies the division of responsibilities between the Department of Operations and the Division of Financial and Administrative Management. The Framework allows representatives, bureau directors and the Assistant High Commissioner (Operations) to reallocate funds and staff in response to changing operational needs.

A new Budget Internal Control Framework ensures that UNHCR implements effective budgetary controls while applying the new Resource Allocation Framework. The Management Systems Renewal Project will support the procedural changes introduced by the two frameworks – a development which is expected to yield additional workforce economies over time. To ensure that the new, more decentralized resource management has the requisite degree of monitoring and control, a consolidated Programme Budget Service has been created within the Division of Financial and Administrative Management.

Global staff survey

The first annual Global Staff Survey was administered in November/December 2006, and its results shared with staff in 2007. The survey prompted the High Commissioner to call for better internal communications, more transparency in senior management, and improvements in the current system of appointments, postings and promotions. A second edition of the survey, to be administered in late 2008, will allow the Office to measure progress against the benchmarks established in 2006.