

Resourcing UNHCR's Work for the World's Refugees

On 1 January 2003 UNHCR will begin work on a USD 1 billion programme of life saving protection and assistance to the world's refugees with only a small fraction of this amount available. While being entrusted with a unique and vital mandate, UNHCR depends almost entirely on voluntary contributions and receives only USD 20 million from the UN regular budget. As a result, UNHCR launches this appeal for its Annual Programme Budget component of USD 837 million and will begin implementation of the 2003 programme, without the resources necessary to undertake the work described.

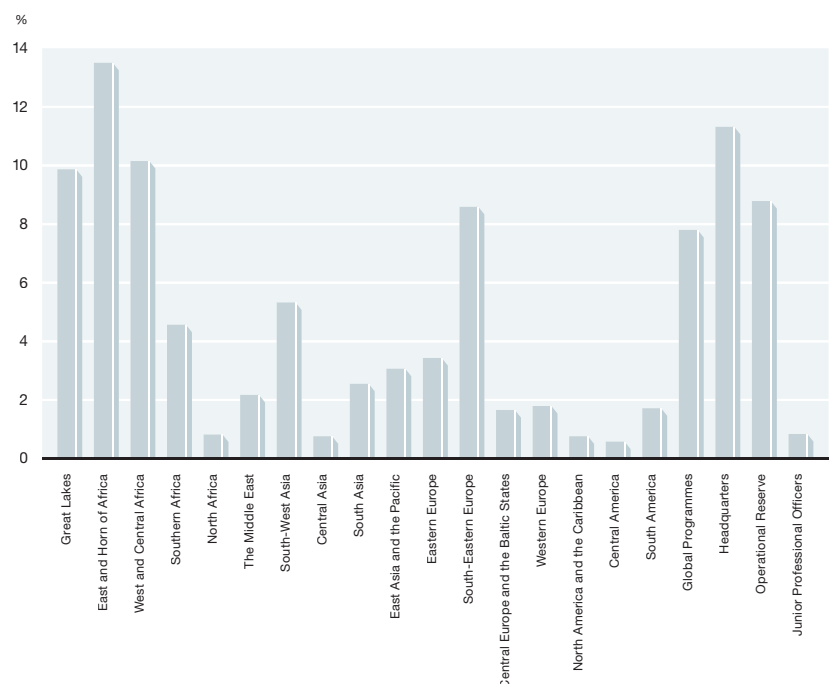
When viewed from the point of view of many governmental and private sector organisations where the word "budget" is an indication of resources already allocated, this situation appears highly anomalous. In making an appeal for voluntary contributions UNHCR can only present a "budget" indicating a costing of planned activities for the coming year. This is the amount for which UNHCR is appealing and the organisation will only be able to continue its work for the world's refugees to the extent to which donors respond to this appeal and any subsequent additional needs.

With the advent of satellite communications, the plight of refugees, particularly mass movements of refugees, is very much in the public consciousness and as a result UNHCR is able to appeal to, and receive funds from, a wide range of sources including governments, foundations, corporations and the public at large. Even so, the experience of the past few years is that the level of resources received has not been sufficient to allow the completion of the necessary activities planned, let alone do more and better.

It should also be noted that the UNHCR budget does not reflect the very significant contribution to the support of refugee communities that is made by hosting countries. This financial, social and political burden continues to be carried largely by those nations who can least afford it. Many nations who themselves are struggling with their own economic development are at the same time striving to meet their commitments as signatories of the Refugee Conventions. Contributions to UNHCR's assistance programmes for refugees provide a burden sharing mechanism to these generous nations.

This Global Appeal is for the needs of UNHCR in its Annual Programme Budget for 2003; an addendum will be issued in the coming weeks, covering the resources required for Supplementary Programmes. These two parts of the overall UNHCR programme are defined in the organisation's financial rules as follows:

Percentage of the 2003 Annual Programme Budget by Sub-Region and Activity



Annual Programme Budget (AB) means those activities which are approved annually by the Executive Committee, as well as the Operational Reserve.

Supplementary Programmes (SB) represent those activities that arise after the approval of the Annual Programme Budget and before the approval of the next Annual Programme Budget, and which cannot be fully met from the Operational Reserve. They will be funded through contributions in reply to special appeals.

In the process of planning the activities to be included in the 2003 budget, two factors have had to be taken into account. Firstly, the Office looked closely at the needs. These may be defined as the costing of programmes that UNHCR requires to undertake, in order to fulfil its responsibilities under its mandate, in a manner that meets internationally accepted standards. Secondly, however, it had to be accepted that the results of such a planning exercise were constrained by availability of resources i.e. the best estimate of funding that will be provided by the international community based on the experience of previous years. For 2003, as in previous years, the needs greatly exceeded the likely resources, and even after rigorous review and prioritisation UNHCR's budget seeks to expand the boundaries of resource availability and consequently runs the risk of funding shortfalls.

Three additional factors influence the effectiveness with which UNHCR is able to utilise the voluntary contributions received.

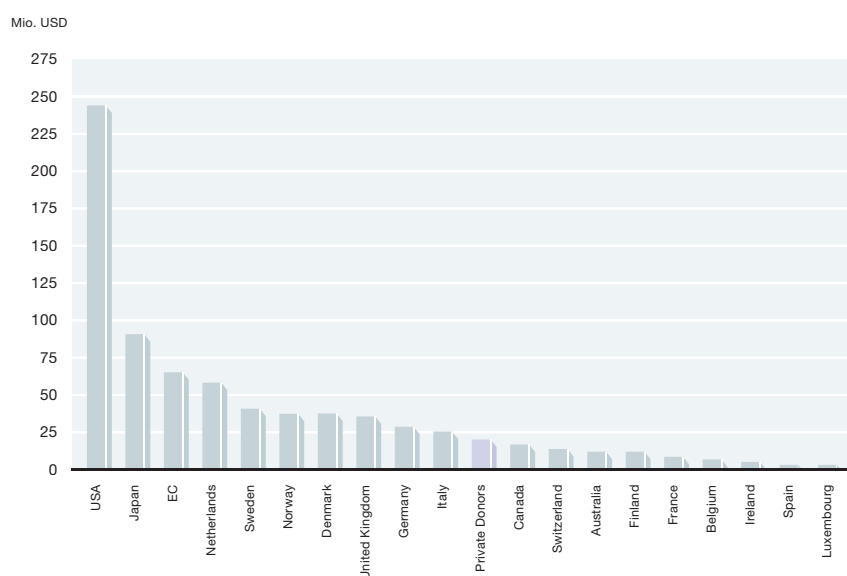
- Earmarking of contributions, which limits their use to a single country, or sector activity, restricts the organisation's ability to respond flexibly to unpredictable refugee situations, which by definition have an international dimension. More restrictive earmarking limits flexibility within a country operation and can lead to an uneven response in meeting basic needs.

UNHCR continuously encourages donors to make unearmarked or very broadly earmarked contributions so as to ensure the most complete implementation of its programmes.

- The timing of contributions is equally important. Contributions made early in the year ensure confidence in UNHCR's negotiations regarding operational agreements with host governments and implementing partners. Early contributions also ensure that the resources can be applied effectively during the year for which they are intended. This may prove difficult when contributions are received in the closing weeks of the year.
- Predictability of contributions allows the funds to be included in a process of projections, by which estimations of cash flow throughout the year are made. While contributions cannot be utilised until they are received, projected income allows the organisation to maintain the momentum of its programme implementation by more fully using resources that are currently available.

During 2003, UNHCR will be intensifying its search for new, additional sources of funding in both governmental and private sectors. This initiative is aimed at broadening the donor base available to fund UNHCR's operations and to help bridge the gap between the UNHCR budget and the resources available from traditional "humanitarian" sources. It will focus on funding the solution-oriented "4Rs" emphasis on Repatriation, Reintegra-

2001 Contributions to UNHCR – Top 20 Donors



tion, Rehabilitation and Reconstruction, a process in which UNHCR will take the lead in the first two components. These will form a bridge to longer-term developmental activities in partnership with organisations such as UNDP and the World Bank

At the time of writing the 2002 Global Appeal, UNHCR's efforts to tap resources from the private sector were rather limited. Since then considerable progress has been made in establishing capacity in both public awareness and private sector fund raising.

With the arrival of several new staff members, the Private Sector and Public Affairs Service is now fully equipped to play an important role in UNHCR's strategic move to diversify its sources of funding. The ultimate aim is to raise sustainable and predictable income from the private sector. One key way to achieve this goal is to implement concerted direct marketing campaigns, including regular monthly giving programmes, and a "major donor" initiative. Moreover, the service will be working toward securing a limited number of long-term corporate supporters in 2003, in line with its belief that companies have a unique role to play in fostering the self-reliance strategies that underpin efforts to find durable solutions for refugees. Financial and technical support from business will help bring new skills and opportunities to refugees and will contribute to regional stability and economic development. Both business and UNHCR stand to gain from new and innovative partnerships.

A new avenue for raising funds from the private sector will be developed through fundraising pages on the UNHCR website. They will serve both as fund raising as well as public awareness tools. PSPA will, in particular, ensure that its fundraising campaign tools are used in several countries, allowing extensive testing and economies of scale. In its efforts to sensitise youth to refugee issues, UNHCR has signed agreements with both the World Scout Movement and the World Association of Girl Guides and Girl Scouts to promote joint projects to help refugees.

World Refugee Day (WRD) will be celebrated for the third year on 20 June. It is expected that the number of participating countries will grow to over 100 (from 92 in 2002). International Goodwill

Ambassadors, Angelina Jolie, Barbara Hendricks, Giorgio Armani, as well as other regional Goodwill Ambassadors will engage in various high profile public events, media interviews, field missions, and public awareness and fund raising campaigns. UNHCR has been selected by Maestro Luciano Pavarotti as the beneficiary of the 10th anniversary edition of the Pavarotti and Friends concert in May 2003. This will be the fourth time that refugees are the beneficiaries of this concert which has generated several million dollars in private donations as well as extensive positive media coverage. In 2003, this televised event is expected to raise USD 2-3 million for refugees, and will be associated with "Refugee Youth", the theme of 2003 WRD.

Total Financial Requirements (USD)			
Operations / Activities	Annual Programme Budget	Supplementary Programme Budget	Total
Great Lakes	82,456,571	5,183,465	87,640,036
East and Horn Africa	112,854,851	0	112,854,851
West and Central Africa	84,851,503	0	84,851,503
Southern Africa	38,179,598	26,097,286	64,276,884
North Africa	6,784,717	0	6,784,717
The Middle East	18,096,209	0	18,096,209
South-West Asia	44,481,701	0	44,481,701
Central Asia	6,403,074	0	6,403,074
South Asia	21,420,767	7,997,214	29,417,981
East Asia and the Pacific	25,700,346	0	25,700,346
Eastern Europe	28,590,043	0	28,590,043
South-Eastern Europe	71,747,453	0	71,747,453
Central Europe and the Baltic States	13,827,222	0	13,827,222
Western Europe	14,900,845	0	14,900,845
North America and the Caribbean	6,368,578	0	6,368,578
Central America	4,980,892	0	4,980,892
South America	14,326,020	0	14,326,020
Global Programmes	65,174,072	0	65,174,072
Headquarters ¹	94,602,235	246,918	94,849,153
Total Programmed Activities	755,746,697	39,524,883	795,271,580
Operational Reserve	73,552,872	0	73,552,872
Junior Professional Officers	7,000,000	0	7,000,000
GRAND TOTAL	836,299,569	39,524,883	875,824,452

¹ Includes USD 20,217,976 allocated by the UN Regular Budget.

Definitions and Terminology

Information on Programme Support costs is given under that heading in the country budgets. Information on Management and Administration costs is given in the budget for Headquarters.

Management and Administration (Headquarters): covers the costs of organisational units whose primary function is the maintenance of the identity, direction and well-being of the Office. This includes functions such as executive direction, organisational policy and evaluation, external relations, information and administration.

Programme Support (Field and Headquarters): covers the costs of organisational units whose primary function is the development, formulation, delivery and evaluation of the Office's strategies and programmes. This includes units that provide technical, thematic, geographical, logistical and administrative support for programmes.

Protection, Monitoring and Co-ordination:

direct inputs needed to achieve the objectives of a specific project or programme. This may include UNHCR experts on protection, programme and field work, support personnel, supplies and equipment, sub-contracts, cash assistance and individual or group training.

UNHCR's operational projects are classified by type of assistance: Emergency, Care and Maintenance, Voluntary Repatriation, Local Settlement and Resettlement. Project budgets are broken down into four levels: Sector, Activity, Item and Sub-Item. In order to limit the length of this Global Appeal and to draw attention to the main themes of UNHCR's work, assistance is mostly described at the sector level.

The following is a brief description of the main activities covered under each sector of UNHCR's country budgets.

Community Services: services and activities (e.g. counselling, mental health and community services) for specified vulnerable groups (unaccompanied minors, children, women, single parents, elderly, disabled) and social workers for individuals and families.

Crop Production/Livestock/Fisheries/Forestry: these four sectors cover large-scale as well as peripheral or supplementary agricultural activities for refugees in rural areas, including: arable farming and small-scale gardening; animal husbandry; fishing and agriculture; reforestation and tree-planting.

Domestic Needs/Household Support: covers the cost of cooking, heating, lighting fuel (charcoal, wood, kerosene, etc.) and household goods (blankets, cloth, cooking pots and utensils, cooking stoves, mosquito nets and sleeping mats).

Education: covers the construction, running and maintenance costs of schools, classrooms, vocational training centres and related facilities for UNHCR-supported primary, secondary and post-secondary education, and the cost of relevant educational materials; also covers scholarships to attend local schools, and vocational/skills training.

Food: covers the procurement of food commodities not provided by WFP, and any related processing and testing.

Health/Nutrition: covers the construction, operation and maintenance of health/nutrition facilities and the costs of general health services (drugs, medical supplies and equipment, family planning etc.). Also covers support for national governmental or non-governmental health institutions serving refugees (e.g. equipment for a hospital or a grant-in-aid for a clinic) and various other health/nutrition activities (e.g. dental or physical rehabilitation services) and direct medical assistance to individual refugees and their families (e.g. medical referral, treatment costs or medical examination costs).

Income-Generation: covers employment and labour-insertion activities, such as the cost of placing refugees with local commercial concerns, including incentives to agencies or employers and small-

business assistance, and the provision of grants, equipment, supplies and materials, as well as technical advice for the setting up of refugee-owned businesses.

Legal Assistance: covers the costs of refugee registration, legal representation, refugee documentation, bio-data systems, tracing etc. in relation to providing protection and/or achieving durable solutions. Also covers costs related to the training/orientation of government officials and NGO staff to promote refugee law and its implementation on behalf of refugees and asylum-seekers.

Operational Support (to Agencies): covers implementing partners' administrative and management costs which overlap with more than one sector of a project.

Sanitation: covers human and solid/hospital waste and vector/pest control activities (i.e. the construction and maintenance of latrines and related facilities, spraying of human waste control areas, general and hospital garbage disposal etc.).

Shelter/Other Infrastructure: covers land and site preparation for shelters and infrastructure. Also covers the costs of tents, pre-fabricated buildings/structures and the construction of refugee housing, as well as direct assistance to individual refugees and their families (frequently urban beneficiaries) such as rental/housing allowances.

Transport/Logistics: covers in-country and international transport of refugees/returnees and of food and other items, as well as storage and distribution services, the construction, operation and maintenance of warehouses and mechanical workshops, in-country customs/harbour clearance, handling and temporary storage costs, and road construction (outside camps).

Water: covers the development and construction of all non-agricultural water supply systems and their running costs as well as any water trucking operations.