

Headquarters

This chapter describes changes in UNHCR Headquarters' structure during 2001, as well as policies and procedures aimed at improving management and overall effectiveness. The chapter also includes progress in areas not necessarily supported by budgets dedicated to operational activities.

EXECUTIVE DIRECTION AND MANAGEMENT

The **Emergency and Security Service (ESS)** was established in January 2001 in order to improve UNHCR's emergency response capacity and to enhance staff safety. Created in response to lessons learned from the Kosovo refugee crisis of 1999 and as a consequence of the tragic deaths of four UNHCR staff members in West Timor and Guinea in 2000, ESS brings together the Emergency and Preparedness and Response Section and the Field Safety Section. Its main objective is to encourage a more comprehensive and integrated approach to emergency and security management within UNHCR. ESS is situated in the Executive Office and reports through the Assistant High Commissioner to the High Commissioner.

In addition to strengthening UNHCR's emergency and security management capacity, ESS is responsible for supporting and building capacities related to the safety and security of refugees and returnees. The Service promotes effective coordination with the military as well as the strengthening of UNHCR's overall partnerships with external agencies in the areas of emergency and security management. ESS also serves as the focal point at Headquarters for issues related to mines and small arms. More information on ESS

activities and priorities in 2001, as well as on the budget is included in the chapter on Global Programmes.

The **Inspector General's Office (IGO)** is responsible for inspection and investigation activities within UNHCR. The office is comprised of the Inspector General, four inspectors, one co-ordinator for investigations, and two support staff. Two additional posts to support increased investigation activity were made available to IGO from September 2001.

Inspections provide the High Commissioner, senior managers and UNHCR field offices with independent and objective assessments of UNHCR's performance. They are an internal management over-



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sight review of all aspects of field representation with emphasis on overall representation, strategies, external relations, as well as operational (protection and programme) and administrative management. Inspection reports include recommendations for improvements and to overcome constraints. These often draw on lessons learned and best practices observed during other inspections. The inspection

cycle includes a compliance component whereby inspected field offices must report within three months-on measures taken, following the recommendations of the inspection.

In May 2001, a new Inspector General was appointed following the retirement of the previous incumbent. In the course of 2001, IGO undertook inspections of country operations in Armenia, Azerbaijan, Botswana, Djibouti, Eritrea, India, Lebanon, Namibia, South Africa, Yemen and Zambia.

Investigations: The Inspector General is the focal person for investigation of alleged or suspected staff misconduct within UNHCR, whether it is the misuse of funds, resources or facilities, abuse of authority and harassment, mistreatment of refugees or any improper conduct involving UNHCR staff or assets. If the assessment of the complaints or information of wrongdoing suggests that misconduct occurred, the Inspector General may either conduct an investigation or refer the case to the Investigation Division of Office of Internal Oversight Services (OIOS). Subject-matter experts may also participate in investigations. The outcome of each investigation is either an internal referral to initiate disciplinary action or closure of the case if the allegations prove to be unfounded.

In 2001, the Office received 31 complaints of alleged wrongdoing and conducted nine preliminary investigations concerning 16 staff members. These related to allegations of harassment, fraud, corruption with respect to resettlement as well as misuse of UNHCR assets and facilities. IGO recommended that disciplinary measures be taken against 12 staff members, which led to sanctions against eight of them and a decision is pending against four others. Four staff members were cleared of the allegations against them. Two preliminary investigations initiated in 2001 are ongoing. One of them was referred to the Investigation Division of OIOS and is jointly being conducted by IGO. The preliminary investigation into corruption in UNHCR Nairobi's resettlement activities referred to OIOS in 2000, was concluded during 2001 and a report was presented to the General Assembly. In December 2001, IGO embarked, together with OIOS, on the preliminary investigation into allegations of sexual exploitation of refugee girls in West Africa.

Other Activities

Inquiries: In September 2001, the Inspector General oversaw the conduct of one inquiry into the violent death of a staff member in the Democratic Republic of the Congo.

Joint Inspection Unit: Throughout the year, IGO continued to cooperate with the UN Joint Inspection Unit (JIU) by facilitating the provision of relevant UNHCR-specific information and access to relevant officials.

Oversight Committee: IGO provides the secretariat of UNHCR's Oversight Committee.

UNHCR's internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Office's operations. It reviews the reliability and integrity of information, compliance with policies and regulations, the safeguarding of assets, the economical and efficient use of resources, and established operational goals and objectives.

The UNHCR Audit Service of the **Office of Internal Oversight Services (OIOS)** assumes the internal audit function for UNHCR on the basis of a Memorandum of Understanding of 24 July 2001. The OIOS annual audit plan is developed in close consultation with UNHCR management and the Inspector General and in co-ordination with the UN Board of Auditors. It includes periodic reviews of UNHCR country operations, aiming at achieving a regular audit cycle with the frequency of the review determined by a risk-based approach. It also includes in-depth reviews of certain Headquarters programmes, systems and functional areas, which are conducted to assess operational effectiveness and suitability of policies and procedures. Moreover, to enhance OIOS' understanding of UNHCR's major partners, a number of reviews at their headquarters are undertaken to assess their systems and procedures.

In accordance with the 2001 Internal Audit Plan, OIOS conducted 41 audits. Thirty-seven Audit Reports were submitted to senior management at Headquarters and numerous Audit Observations were addressed to UNHCR managers in the field.

The audits conducted included the following UNHCR country operations:

- Republic of the Congo, Chad, Central African Republic, Gabon, Kenya, Namibia, Uganda, Zambia, the Regional Directorates in Abidjan, Addis Ababa, Ethiopia and Pretoria, South Africa and the Regional Service Centre in Nairobi, Kenya;
- Algeria, Egypt, and Lebanon;
- Australia, Cambodia, Nepal, Thailand and East Timor;
- The Baltic States, Bosnia and Herzegovina, Croatia, Czech Republic, Georgia, Hungary, Kosovo, Russian Federation, Slovakia and Turkey;
- USA (Regional Office Washington).

For country operation audits, OIOS focused on project-monitoring and verification of financial reports by UNHCR. This was an area of weaknesses highlighted by the Board of Auditors in its report for the year ended 31 December 2000. It was reported that the Office's project-monitoring of implementing partners by Field offices was inadequate and needed to be significantly improved. OIOS' reviews recommended ways of improving the present procedures adopted, and encouraged field offices to develop a proper project monitoring strategy. Further, OIOS assisted in providing clearer guidance on the concept of monitoring and verification.

A recurring issue found in many country operations was the charge of Value Added Tax on goods and services procured with UNHCR funds for humanitarian purposes. Large sums are being 'lost' for programme purposes as a result of certain governments' practices in this matter. Since efforts made by UNHCR field offices to resolve this issue have not always been successful, it continues to be an area of concern.

At Headquarters, OIOS reviewed UNHCR Asset Management procedures and policies, which included an assessment of the new AssetTrak system. The use of Project Staff by UNHCR, the DAFI Programme and the UNCHR 50th Anniversary activities.

- OIOS assessed the new AssetTrak system and found that it was a useful tool to monitor and

manage assets. However, further efforts are required to have a fully functional and reliable tracking system for UNHCR assets worldwide. It was also found that procedures for the deployment and disposal of assets were cumbersome and lengthy and therefore, OIOS recommended that they be streamlined.

- The review of the use of non-UNHCR 'Project Staff' determined that there were more than 900 such staff. Generally, another employer recruited them, even though UNHCR normally selected, fully funded and directly controlled and supervised them. The audit resulted in a decision by senior management to phase out Project Staff in favour of either creating the necessary regular posts or by genuine implementing partner arrangements.
- The DAFI Programme was well managed by UNHCR, at Headquarters. However, it was difficult to assess the impact of the programme and measure its effectiveness against the achievement of opportunities and employment of graduates. In view of increasing funding constraints and to enable more students to benefit from the programme, OIOS recommended concentrating the programme on study subjects with a high probability for future employment, limiting the duration of study, and discontinuing financial support for post-graduate studies and studies in high-cost education institutions. In response to the audit, UNHCR has revised the programme guidelines and selection criteria.
- UNHCR's 50th Anniversary celebrations, which culminated in the central event on 14 December 2000, were assessed as successful by OIOS and met the expectations of raising awareness of the refugee situation.

OIOS continued its review of UNHCR major international implementing partners. Reviews were conducted in Australia, Norway, Switzerland and USA. The main purpose of these reviews was to obtain an understanding of the partners' financial and management procedures as well as to assess systems and policies to determine whether they are suitable for implementing UNHCR projects.

In an advisory capacity, OIOS was involved in the revision and development of policies and procedures, particularly in the area of procurement, asset management and programme management.

The **Information Technology and Telecommunications Service** (ITTS) provides specialist technical services to UNHCR. The Service's activities can be divided into three areas:

- Maintaining existing production systems;
- Responding to emergencies;
- New and one-off initiatives.

ITTS's main objective is to maintain the existing production systems and ensure that they continue to provide uninterrupted service. The services include financial support, procurement, technical support and maintenance of the e-mail systems. These systems are vital to the daily work in UNHCR and consume most of the available resources.

At the end of 2001, a significant effort was put into dealing with the Afghanistan emergency. Several millions of dollars worth of equipment was purchased. Most of it was communication equipment to support operations.

New and one-off activities included the upgrading of over 25 per cent of old desktop computers in UNHCR, and the training of over 400 staff in the use of the new Electronic Document Management System.

DEPARTMENT OF INTERNATIONAL PROTECTION

The **Department of International Protection** has as its primary focus the development and promotion of protection standards and norms, ensuring that they are then consistently incorporated into UNHCR's operations, as well as playing an important advisory role in the formulation of strategic and operations policies. The Department also works to reinvigorate States' support for and compliance with the international refugee protection regime as well as towards increased accessions to the 1951 Convention relating to the Status of Refugees and its 1967 Protocol, as well as to the international conventions on the reduction of Statelessness. The Department was restructured in August 2001 and comprises the Director's Office, the Protection Policy and Legal Advice Section, the Protection Capacity Section, the Protection

Operations Support Section, Protection Information Section and the Resettlement Section.

The Director has direct authority from and is directly accountable to the High Commissioner for the proper discharge of the responsibilities attached to the post.

The **Protection Operations Support Section** (POS) is responsible for providing support to UNHCR's field operations, including by identifying and disseminating best practices, through activities which engage the Section in the conduct of workshops and the production of guidelines and tools, selective reviews of protection operations, the preparation of improved methods for monitoring and reporting on protection activities.

The **Protection Policy and Legal Advice Section** (PPLA) is responsible for monitoring, interpreting and developing law and protection policy in the area of forced displacement. In the exercise of these responsibilities, the Section monitors and influences positively the development of international and national law relevant to persons of concern to UNHCR, such as refugees, asylum-seekers and returnees.

The **Protection Capacity Section** (PCS) is responsible for the promotion and dissemination of the principles of refugee law and international protection. Through the support it provides to Field Offices and Regional Bureaux, it promotes accessions to international instruments relating to refugees.

The **Resettlement Section** (RS) is primarily responsible for developing resettlement policies, setting standards for resettlement work and disseminating them, and monitoring their consistent application, including the compilation of worldwide statistics, providing guidance and training in resettlement policies and procedures to UNHCR staff as well as to NGO and Government partners.

The **Protection Information Section** (P.I.S.) will support UNHCR's protection role and assist governments by providing country analysis and refugee-related reference material to assist policy formulation and decisions related to refugee status determination and durable solutions. In this con-

nection, it will enhance the content and authority of UNHCR's legal information sources and ensure wide dissemination to interested parties.

DIVISION OF COMMUNICATION AND INFORMATION

The **Media Relations and Public Information Service** is responsible for promoting public understanding of the situation of refugees and the work of UNHCR, to generate political, moral and financial support for the cause of refugees. The long-term aim of strengthening the public information and mass information capacity at Headquarters was given a major boost when the Media Unit was finally brought up to full-staffing strength in July 2001. This, for example, allowed a much swifter, more effective and flexible response to the Afghanistan emergency, than had been the case during the Kosovo crisis in 1999. While PI officers were deployed to the region, sufficient headquarters capacity was retained to be able to continue disseminating information about other refugee crises around the world, preventing them from being entirely eclipsed by the Afghan crisis. During the course of the year, special attention was paid to asylum issues and the increasingly hostile and manipulated political debate in some industrialised countries, and to the Global Consultations on International Protection.

In mid-2001, the launch of UNHCR's newly-designed website (www.unhcr.org) marked a major turning point in the organisation's external relations. The new site was the result of many months of technical development, a complete navigational overhaul and visual redesign, and represented a major advancement in communications strategy. For the first time, the site became fully "active," carrying a vastly expanded number of items including the REFworld database with more than 100,000 fully searchable documents, breaking news stories, statistics, various issue-specific pages with user-friendly introductory sections designed to appeal to as wide an audience as possible, a comprehensive partnership site and photographic histories of refugees' experiences. Managing the new site, and keeping it updated on a daily basis, has added enormously to the workload of the Media Relations and Public Information Service, and would not

have been possible with the limited human resources available at the end of the 1990s. However, the importance of this new tool was clearly illustrated with the number of daily visitors to the site rising three-fold during the course of 2001. The Service also began implementing UNHCR's new corporate visibility policy, by using the new "The UN Refugee Agency" logo and developing a range of visibility items. Information on activities undertaken in 2001 is included in the chapter on Global Programmes.

The **Private Sector and Public Affairs Service** (PSPA) co-ordinates and implements public awareness in over forty countries working with a network of PI Officers and fund raising activities through a network of seven National Associations and eight UNHCR country offices. Since the arrival of the new Head of PSPA in early 2001, the goals and objectives of the Service have been established. New staff were recruited to focus on specific strategies for increasing funding from Foundations (September) and Corporations (December). The Nansen Award co-ordinator and Refugee Voices organiser were integrated into PSPA with subsequent restructuring and re-orientating of these activities, respectively. Two new officers also joined the Public Affairs team while two additional posts were approved late in the year. In December 2001, as a result of the restructuring of the Center for Documentation and Research (CDR), the functions of the Library were integrated into the PSPA Service. The UNHCR logo policy was adopted as a key element toward developing a one-brand, one-voice, one-name, one-web organisation. UNHCR collected in total some USD 20 million, placing combined private sector income 11th on the UNHCR donor list. Information on the activities undertaken by this service is included in the chapters on Global Programmes and Funding UNHCR's Programmes.

The **Secretariat and Inter-Organisation Service** (SIOS) supports the work of UNHCR's Executive Committee and acts as a focal point for UNHCR's relations with UN agencies, inter-governmental organisations and other international organisations.

In 2001, UNHCR continued to strengthen its inter-agency co-operation around the two major themes: partnerships and co-ordination. The High Commissioner emphasised the Office's commit-

ment to revising and strengthening current partnerships and in this connection, a Task Force on Partnerships was established in the latter part of 2001. It was divided into two sub-working groups to examine the status of existing partnerships with UN agencies, international organisations, and with NGOs. Strategic areas for improvement, cross-cutting issues and other potential collaborations were identified by the working groups. Discussions based on the recommendations made by the Task Force will continue during 2002 and a concrete plan of action will be implemented focusing on strengthening the identified priority areas.

Following from the 2000 review of the existing Memorandum of Understandings (MOUs) signed by UNHCR, many were amended in 2001. The 1997 MOU with WFP was reviewed with the aim to enhance co-operation and further clarify the operational roles of each agency. The MOU with the OAU, originally signed in 1969, was also amended in 2001. The revised MOU set the framework for co-operation between the two organisations in the provision of protection and material assistance to refugees, IDPs and other persons of concern to the office, the promotion of refugee law, emergency preparedness and public awareness of refugees' rights. UNHCR signed an MOU with ECOWAS in November 2001, to ensure protection of refugees, promotion of refugee law, post-conflict recovery, organised and spontaneous voluntary repatriation, rehabilitation and reintegration activities, local settlement and resettlement within ECOWAS countries.

Co-ordination with key partners, namely IOM, ICRC, WFP, UNICEF and UNDP continued throughout 2001. In particular, UNHCR held consultations with IOM on developing a partnership in the area of refugee protection and migration control. An Action Group on Asylum and Migration (AGAMI) was formed and the terms of reference were defined in its first meeting in November 2001. Furthering the understanding of the nexus between migration and asylum, reviewing substantive policy issues, and exploring ways of co-operation between IOM and UNHCR were the recommended areas of co-operation. IOM and UNHCR also jointly prepared a paper "Asylum and Migration – the imperative of interaction and cooperation" which will be published in "The World Migration Report" by IOM during 2002.

Co-operation with the ICRC continued in the form of the regular annual high-level meetings, focusing on issues related to the respective mandates and activities, the security of refugees and staff, and the separation of armed elements.

As part of the Brookings process initiated in 1999, a local task force was set up in Rwanda in February 2001, chaired by the Government of Rwanda and included UNHCR and UNDP. The Task Force produced a report on "Land and Human Settlement", which was distributed and discussed in a national workshop attended by 150 government, donor, UN and NGO representatives.

In order to ensure co-ordination, UNHCR actively participated in: the existing UN mechanisms, notably the Chief Executives Board (CEB, former ACC) and its subsidiary bodies, the High-Level Committee on Programme (HLCP) and the High-Level Committee on Management (HLCM); the plenary sessions of the IASC and its working group. Discussions were held on the review of the Military and Civil Defence Unit; the Draft Guidelines for the use of Military and Civil Defence Assets in complex emergencies. Similarly, beneficial discussions were held with the United Nations Disaster Assessment and Co-ordination (UNDAC); OCHA on the review and strengthening of the CAP; binding guidelines for the use of military assets for humanitarian convoys were formulated and guidelines for Field Security Collaboration between UN and non-UN agencies and inter-agency contingency planning were developed.

During 2001, UNHCR also participated in contributing to the Resident Co-ordinator System and the UN Country Team, including the Common Country Assessment/United Nations Development Assistance Framework (CCA/UNDAF) process. UNHCR co-operated with OCHA and participated in the Resident/Humanitarian Co-ordinators Retreat to discuss topics such as IDPs, the CAP, security issues within the system, the gap between relief and development, natural disasters as well as the OCHA change process. At the end of 2001, UNHCR seconded a senior staff-member to the Internal Displacement Unit within OCHA. UNHCR remains engaged in the IDP Network in an advisory capacity.

UNHCR contributed to the work of the Security Council's Counter Terrorism Committee (CTC) with a paper entitled "Ten refugee protection concerns in the aftermath of September 11", addressing security concerns without undermining refugee protection. UNHCR also participated in the meetings of the Executive Committee on Peace and Security (ECPS), the UN focal point on terrorism nominated by the Secretary-General in September 2001.

UNHCR also played an active role in the Executive Committee on Humanitarian Affairs (ECHA), which was tasked with developing an integrated UN strategy for the humanitarian response, post-conflict rehabilitation and development, during the first months of the Afghan crisis. In addition, the Office was represented at the meetings of the United Nations Development Group (UNDG) Working Group on Afghanistan, as close linkages exist between post-conflict rehabilitation and the search for durable solutions for persons of concern to UNHCR. The Office's participation in inter-agency bodies on Afghanistan provided a unique opportunity to place humanitarian, refugee and IDP issues on the agenda of the military and of UN bodies responsible for key political negotiations.

Since 1986, the **Centre for Documentation and Research** (CDR) provided services within UNHCR and outside the Office to governments, researchers, legal professionals and the public at large. During the prioritisation exercise undertaken in 2001, an analysis of the Centre's activities revealed that a better alignment of its functions could be achieved by retaining CDR's communication priorities within the Division of Communication and Information (DCI) and redeploying its other functions to the Department of International Protection (DIP) and the Emergency and Security Service (ESS). Electronic publishing was handled by the Electronic Publishing Unit (EPU), in the Media Relations and Public Information Service (PI). The library services were moved to the Private Sector and Public Affairs Service (PSPA). The country research and legal information functions were transferred to the Protection Information Section within DIP. This took effect on 1 December 2001.

UNHCR best meets the challenges in the protection of refugees and displaced persons by involving NGOs, both as implementing and operational partners. In this spirit, the **NGO Liaison Unit** promotes and co-ordinates information exchange and dialogue between UNHCR and NGOs on issues that are central to refugee protection. A key aim of the Unit is to promote more effective and predictable operational co-operation with over 500 NGOs involved in the broad spectrum of UNHCR's activities worldwide. UNHCR and the NGO community laid the foundations for such collaboration in the 1994 Oslo Declaration and Plan of Action, which continue to underpin UNHCR and NGO collaboration.

The recognition by the Office that UNHCR cannot continue "business as usual" in a crowded humanitarian space with diverse actors and limited funds underscores the need for sound co-operation with NGOs. The flexibility, responsiveness and professionalism of the Office's international and national NGO partners are a precondition for UNHCR to achieve its mandate. Often, the contribution NGOs make in providing information on the conditions for refugees and people of concern to UNHCR makes the difference between success and failure. More and more humanitarian organisations and UNHCR partners are involved in advocacy for the rights of refugees and asylum-seekers. Following the events of 11 September, the importance of the role NGOs play in raising public awareness of such rights cannot be ignored. Information on activities undertaken by the NGO Unit in 2001 is included in the chapter on Global Programmes.

The **Records and Archives Section** is responsible for the management, preservation and use of UNHCR's current and historical records, in paper, electronic and audio-visual formats. The Section also reproduces UNHCR documents and manages all staff communications. In 2001, the Records and Archives Section started the implementation of an Electronic Documents Management System at Headquarters, that will be finished by the end of May 2002. It also responded to the requests for information from researchers and provided guidelines to field offices on best practices for filing paper and electronic documents.

DEPARTMENT OF OPERATIONS

In 2001, UNHCR continued to implement its plan of action for the development and devolution of the evaluation function. The purpose of this plan of action is to ensure that UNHCR's planning, programming and policymaking processes are effectively informed by the systematic analysis and assessment of the organisation's operational activities.

During the year, a variety of different steps were taken to achieve this objective. The **Evaluation and Policy Analysis Unit (EPAU)** was strengthened in terms of human and financial resources. The unit continued to test new evaluation methods, including joint evaluations with governments and other actors, 'real-time' evaluations of emergency operations, and 'beneficiary-based' evaluations, intended to solicit the views of refugees and other persons of concern to UNHCR. EPAU also provided UNHCR staff with basic training in evaluation objectives and methods, and made funding available to field operations wishing to undertake or commission reviews of their programmes. Consultations on the content of UNHCR's new evaluation policy, which commits the organisation to certain levels, types and standards of evaluation, continued throughout the year.

The **Division of Operational Support** is responsible for:

- The provision of support for the management of programmes, in particular in relation to programme design and technical support;
- The development and support for mainstreaming of programme policies, standards, guidelines and operational arrangements; in particular, those related to refugee women/gender equality, refugee children/adolescents, older refugees and the environment.

Since the presentation of the Global Appeal 2001, the Division has undergone a restructuring. It is now made up of the following Sections/Units:

- Director's Office (including the Senior Co-ordinator for Refugee Women/Gender Equality; Senior Co-ordinator for Refugee Children/Adolescents);

- Programme Co-ordination and Operations Support Section;
- Population and Geographic Data Section;
- Health and Community Development Section;
- Reintegration and Local Settlement Section;
- Engineering and Environmental Services Section.

The challenges, which were identified as objectives and achievements for 2001 for the Division are covered in different chapters of this Report (Operations Management System (OMS); Project PROFILE, Registration and Statistics; Refugee Women/Gender Equality; Refugee Children/Adolescents; Environment; and Global Information and Mapping).

DIVISION OF RESOURCE MANAGEMENT

The **Division of Resource Management (DRM)** ensures that UNHCR makes optimal use of the financial, human, and material assets at its disposal. The Director of this Division also serves as UNHCR's Controller. In 2001, DRM's overall objective was to ensure that substantial progress is made on the systems renewal initiative for functions falling within the Division. In addition, priorities will be pursued within the Division as follows:

In 2001, the **Organisational Development and Management Section (ODMS)** provided senior management in UNHCR with information, analysis and advice on structural and managerial issues. This addressed the strategic changes needed in UNHCR to ensure high performance and efficiency. The Section also ensured the planning, implementation and administration of UNHCR's job classification procedures and represented UNHCR in joint meetings with other UN agencies involved in the development and testing of common system classification standards. As a result of Action 2, the Section reviewed the "non-UNHCR personnel" who are hired by the organisation to meet administrative and operational needs, and took measures towards ensuring a more comprehensive human resource strategy, better linked with operational needs and improved performance. Throughout the year, ODMS updated the library of generic job descriptions to better meet the operational needs of the organisation. The Section also proposed cost-effective technical solutions to provide UNHCR

staff at Headquarters and in the field with access to all job descriptions and related competency requirements. It is intended that full access to the job descriptions and related competencies will assist all staff and operations to adjust jobs to meet the changing needs of operations and accordingly, better manage vacancies and human resources.

In 2001, the **Financial Resources Service** (FRS) refined the policy for the management and control of finances, including budgeting, financial monitoring and reporting. FRS, through the Budget Section, played a major role in Action 2, in better clarifying procedural aspects related to the Unified Budget process and the Operational Reserve which contributed to the improvement of the organisation's overall management of the funding gap.

The Integrated Systems Project (ISP) was suspended in June 2001, but the Service continued to plan activities for the improvement of the financial systems, namely the definition of detailed user requirements. In connection with the introduction of the ISP, FRS also updated and issued the chapter "Financial Management" to be included in the manual on financial management, which incorporated procedural changes in financial management since 1995. The manual will be revised again in 2002, depending on the status of the ISP project.

FRS has also been responsible for regular follow-ups on audit reports through the Oversight Committee mechanism, which created better awareness on the improvements which need to be made in financial management and control, and raised attention to the need for better compliance with reporting requirements.

The **Human Resources Service** (HRS) was affected by changes in the management structure of the Service, the Division, and UNHCR as a whole, in 2001. In response to Actions 1 and 2, HRS was tasked with the conceptualisation and implementation of measures (the design and the implementation of an accelerated postings procedure and an early retirement and voluntary separation programme (ERP/VSP)) to meet the organisation's right-sizing targets.

Throughout the year, HRS led and managed the development, implementation and consolidation of

all HR management policies and conditions of service to facilitate the improved management and performance of the entire organisation's workforce in accordance with the Career Management System (CMS). The Service undertook monitoring, training and coaching missions and regularly updated appropriate manuals and tools. The Service also reviewed emerging HR management trends and participated in the Consultative Committee on Administrative Questions (CCAQ), the International Civil Service Commission (ICSC), UN Reform groups and inter-agency working groups, which led to discussions on relevant human resource issues and a review of pay and benefits for UNHCR staff. Effective January 2001, other UN field-based agencies also introduced UNHCR's approach to service in non-family duty stations, offering options in the placement of family members. This has encouraged the mobility of staff members.

In 2001, a number of changes were made through joint staff and management consultations to the postings policy. These aimed to improve speed and efficiency: the replacement of the mandatory interview by an optional process; the creation of a working group to review UNHCR's rotation policy (instituted under the auspices of the High Commissioner); and the implementation of an accelerated postings process over a limited two-month period aimed to reduce the number of professional staff in between assignments, address the delays in matching staff with posts, and providing a starting point for addressing the next steps in the review of the postings process.

During 2001, in the **Career and Staff Support Service** (CSSS), the integration of the Post Classification Unit within the Performance and Career Planning Section (PCPS) was designed to strengthen the link between job classifications, competencies and human resources planning. This will allow the organisation to match the right qualifications, experience and skills for posts within the organisation. The Service formulated and implemented standards for promotions for all staff at Headquarters, internationally recruited staff and National Professional Officers in the field. A "Jobs on the Net" project was also launched which gave UNHCR staff direct access to all job descriptions worldwide.

CSSS ensured that the Career Management System (CMS) was applied fairly, objectively and openly, so that all concerned understood its key elements: performance management, career planning and development, training and staff support. Seven Performance Appraisal Report (PAR) training sessions were delivered to more than 70 PAR administrators from Headquarters and the field. Performance and people management sessions were also undertaken to ensure the dual staff-management responsibility in the appraisal and development process.

In addition, during the periods of organisational retrenchment in 2001, the Service trained its human resource and administration staff on techniques to provide support to UNHCR staff during career transitions and developed career transition tool kits for managers and staff. To further support career development, a Staff Career-Oriented Planning (SCOP) tool was also developed for staff and a coaching guide for managers was distributed.

Security incidents and emergencies in 2001 continued to highlight the need to support staff, particularly field staff. CSSS provided staff and their dependants with adequate individual counselling and advice, traumatic stress interventions, and health care. Missions were undertaken by Staff Welfare Officers to the Central African Republic, Eritrea, Guinea, Kenya and Macedonia to meet the personal, social, psychological needs of UNHCR staff.

Throughout the year, the **Supplies and Transport Section** (STS) provided appropriate, timely and cost-effective services to UNHCR's operations. UNHCR advanced towards the establishment of a Supply Chain, incorporating the functions of procurement, transport and logistics, field support, and asset management. A separate Contracts Unit was established to assist in the acquisition of services and related contracts. Another Unit is dedicated to the establishment of delivery systems and the training of staff in the Supply Chain at Headquarters and in the field. The management of UNHCR's buildings in Geneva was carried out by a Unit which also provided advice to field offices on the identification and rental of office premises.

Throughout the year, "frame agreements" for the procurement of frequently purchased items and services were increasingly used to make goods and

services available at the shortest possible notice and at the best available price. Such agreements are now in use for the procurement of light vehicles, medicines, blankets, kitchen sets, plastic sheets, jerky cans, registration materials, office supplies and equipment, generators, air transport and related logistics from Europe to operational areas, electronic data processing, and telecommunications equipment. Some 55 to 60 per cent of all procurement at Headquarters is effected under such agreements, which hold suppliers liable to make goods available from stock or at short notice at agreed prices.

The various supply functions were set to benefit greatly from the establishment of an Integrated Systems Project (ISP), which would facilitate procurement, commodity tracking and asset management. Due to the suspension of the ISP project, intermediate alternative solutions were developed, and a comprehensive revision of the largely outdated Supply and Food Aid Handbook of 1989 was undertaken.

In 2001, procurement by Headquarters amounted to USD 79 million, of which USD 74 million came from the countries from which goods or services originated. Procurement by regional offices accounted for an additional USD 18 million. Procurement figures remained lower than in the late nineties, reflecting general developments in UNHCR's activities and the availability of funds. UNHCR field offices and implementing partners continued to handle a large share of UNHCR's overall procurement activities. Figures for 2001 were not yet available at the time of writing. In 2000, procurement by Implementing Partners amounted to USD 198 million and procurement by UNHCR field offices amounted to USD 91 million.

Vehicles, tents, plastic sheeting, air charters, kitchen sets, blankets, medical items, mats, EDP and telecommunication equipment, as well as freight charges and corporate services made up 83 per cent or USD 66 million of all procurement at Headquarters in 2001.

Asset Management

Responsibility for the Asset Management function was turned over to STS in April. A Supply Officer

was appointed in October, making it possible for needed reforms to be undertaken towards a comprehensive asset management system. During the year, a complete review of existing procedures exposed the need for some major revisions, particularly with regard to procedures covering the disposal of assets and the role of the Asset Management Boards. As a result, further delegation to the field was foreseen, but this needs to be accompanied by equivalent improvements in the monitoring and quality control performed at Headquarters. Some relatively minor enhancements to systems and procedures were developed, with the aim of completion in early 2002. In addition, new written procedures in relation to asset management were developed for Headquarters and the field offices, for publication and use early 2002.

By December, only four offices had not yet complied with the installation of the new version of Asset Trak, while 65 per cent of field offices had submitted their updated database, a drop from 82 per cent in December 2000. The number of assets recorded rose to some 50,000 in December 2001. Conversely, the value of these assets had dropped from USD 54 million in December 2000 to USD 44 million in December 2001. Overall, 51 per cent of country offices had convened at least one Local Asset Management Board meeting

during the course of the year. A total of some USD 7 million depreciated value of assets was disposed of during the year.

The Division covered costs related to the **Office of Internal Oversight Services (OIOS-Internal Audit)**, **ICC Services**, the **Joint Medical Service**, outsourced services provided by the **United Nations Office in Geneva (UNOG)**, running costs for UNHCR Headquarters buildings and **Staff Council** activities.

Voluntary Contributions – Restricted (USD)					
Donor	Earmarking ¹	Annual Programme Budget and Trust Funds		Supplementary Programme Budget and Trust Funds	
		Income	Contribution	Income	Contribution
Australia	Forum Secretariat on Afghanistan	0	0	80,000	80,000
	RSD Deployment in Nauru	19,100	19,100	0	0
Canada	Canadian Management Trust Fund Activities	316,456	316,456	0	0
Japan	Forum on Afghanistan	0	0	100,000	0
	HQs	4,789,006	4,789,006	0	0
Netherlands	“UNHCR 2004” Project	58,414	58,414	0	0
Sweden	HQs	2,729,166	2,729,166	0	0
	“UNHCR 2004” Project	94,607	94,607	0	0
UNF/UNFIP (Ted Turner) (USA)	HQs/Administrative Support to Reproductive Health Services	40,750	40,750	0	0
United Kingdom	HQs/DRRM	147,059	147,059	0	0
United States of America	HQs	9,550,000	9,550,000	0	0
	Resettlement Section and Field Support	398,000	398,000	0	0
TOTAL²		18,142,558	18,142,558	180,000	80,000

¹ For more information on the various earmarkings, please refer to the Donor Profiles.

² Total funds available for obligation in the region also included unrestricted voluntary contributions, lightly restricted contributions, opening balances and adjustments.

Budget and Expenditure (USD)						
Programme	Revised Budget			Expenditure		
	Annual Programme Budget and Trust Funds	Supplementary Programme Budget and Trust Funds	Total	Annual Programme Budget and Trust Funds	Supplementary Programme Budget and Trust Funds	Total
Executive Direction & Management (EDM)						
Executive Office and Other Sections	3,825,854	140,000	3,965,854	3,678,064	128,638	3,806,702
Office of the Inspector General	1,176,800	0	1,176,800	1,301,022	0	1,301,022
Information Technology & Telecommunication Service	10,702,381	0	10,702,381	9,005,059	0	9,005,059
Sub-total EDM	15,705,035	140,000	15,845,035	13,984,145	128,638	14,112,783
Department of International Protection (DIP)						
Director's Office	1,303,539	170,000	1,473,539	1,290,212	163,002	1,453,214
Specialised Sections	4,267,709	251,982	4,519,691	4,266,456	134,720	4,401,176
Sub-total DIP	5,571,248	421,982	5,993,230	5,556,668	297,722	5,854,390
Division of Communication and Information (DCI)						
Director's Office	954,115	0	954,115	867,213	0	867,213
Donor Relations and Resource Mobilisation Service	3,019,156	0	3,019,156	2,758,750	0	2,758,750
Media Relations and Public Information Service	2,747,554	0	2,747,554	2,385,833	0	2,385,833
Private Sector and Public Affairs Service	1,996,467	0	1,996,467	1,758,371	0	1,758,371
Secretariat and Inter-Organisation Service	1,319,393	0	1,319,393	1,200,063	0	1,200,063
Centre for Documentation and Research	770,684	0	770,684	631,004	0	631,004
NGO Unit	412,186	0	412,186	388,275	0	388,275
Records and Archives Section	1,827,413	0	1,827,413	1,291,069	0	1,291,069
Sub-total DCI	13,046,968	0	13,046,968	11,280,578	0	11,280,578

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Department of Operations (DOS)

Evaluation & Policy Analysis Unit	473,796	0	473,796	477,005	0	477,005
Director's Office for Africa	1,374,759	0	1,374,759	1,373,828	0	1,373,828
Director of Division of Operational Support	1,797,855	0	1,797,855	1,719,135	0	1,719,135
Division of Operational Support	5,103,806	0	5,103,806	4,983,668	0	4,983,668
Bureaux and Liaison Units at Headquarters						
– West and Central Africa Liaison Unit	780,100	0	780,100	735,054	0	735,054
– East and Horn of Africa Liaison Unit	753,638	0	753,638	742,857	0	742,857
– Great Lakes Liaison Unit	466,291	0	466,291	433,281	0	433,281
– Southern Africa Liaison Unit	1,495,134	72,780	1,567,914	1,486,363	48,213	1,534,576
– Bureau for Central Asia, South-West Asia, North Africa and the Middle East	3,219,160	751,646	3,970,806	2,769,015	327,133	3,096,148
– Bureau for Asia and the Pacific	2,488,177	0	2,488,177	2,446,227	0	2,446,227
– Bureau for Europe (incl. South-Eastern Europe)	4,522,678	0	4,522,678	4,480,743	0	4,480,743
– Bureau for the Americas	1,516,731	0	1,516,731	1,506,861	0	1,506,861
Sub-total Bureaux and Liaison Units	15,241,909	824,426	16,066,335	14,600,401	375,346	14,975,747
Sub-total DOS	23,992,125	824,426	24,816,551	23,154,037	375,346	23,529,383

Division of Resource Management (DRM)

Office of the Controller and Director & ODMS	1,942,031	0	1,942,031	1,136,352	0	1,136,352
Financial Resources Service	6,644,416	0	6,644,416	5,588,440	0	5,588,440
Human Resources Service	8,193,427	0	8,193,427	7,673,550	0	7,673,550
Career and Staff Support Service	3,450,265	0	3,450,265	2,819,785	0	2,819,785
Supply Service	3,436,916	0	3,436,916	3,395,640	0	3,395,640
Audit	1,640,400	0	1,640,400	1,594,907	0	1,594,907
ICC Services	1,056,326	0	1,056,326	1,000,272	0	1,000,272
Joint Medical Service	833,900	0	833,900	766,221	0	766,221
UNOG Services	2,900,000	0	2,900,000	2,897,834	0	2,897,834
Headquarters Running Costs	6,122,518	0	6,122,518	5,888,185	0	5,888,185
Staff Council	208,100	0	208,100	193,565	0	193,565
Sub-total DRM	36,428,299	0	36,428,299	32,954,751	0	32,954,751
TOTAL	94,743,675	1,386,408	96,130,083	86,930,179	801,706	87,731,885