The Year in Review

With development, security, sovereignty and military intervention continuing to feature centrally in national and international affairs, forced displacement is closely linked to some of the most elemental and thorny dilemmas confronting the world in the 21st century. UNHCR has been deeply involved in this process, as the international community works to strengthen its response to humanitarian crises and to address the plight of refugees and other people displaced by conflict; and all this, in a context in which increasing numbers of people are on the move for a wide variety of complex, and often inter-connected, reasons.

Against this backdrop, 2006 presented UNHCR with new challenges, but also with new opportunities to protect, assist and find solutions for a growing number of forcibly displaced people.

Some progress

During 2006, almost all continents saw at least some progress towards solutions to forced displacement. A total of 2.6 million refugees and internally displaced people returned to their homes, including almost 400,000 to Afghanistan, and around 1.4 million people in Africa, where the gradual consolidation of peace processes has continued to stimulate returns all across the continent – from Angola, Burundi, the Democratic Republic of the Congo (DRC) and Liberia to Southern Sudan.

Nevertheless, these peace processes remain fragile, and there is still a long way to go in terms of consolidating returnees' efforts to rebuild their lives. This is particularly true in impoverished locations such as eastern DRC, where sporadic fighting and violence continue despite successful elections, and Southern Sudan, where aid and development agencies have struggled to raise funds to produce a viable environment to support some 85,000 refugees and IDPs who went home in 2006.

In Latin America, UNHCR continued to support the local integration of refugees and to facilitate refugees' self-reliance in both urban and border areas. This was particularly relevant for the 500,000 people in need of international protection in the countries neighbouring Colombia. Furthermore, Uruguay and Paraguay developed new resettlement programmes, thus joining Brazil, Chile and Argentina in a regional effort to offer a long-term solution to refugees in need.

Despite positive developments in many areas (including, for example, encouraging examples of local integration in several West African counties), 2006 was far from positive overall, with a number of new, renewed, accelerating or entrenched crises producing millions of new refugees and IDPs, especially in the Middle East, Africa and Asia.

Millions displaced in the Middle East

For the first time since the turn of the century, the number of refugees increased in 2006 by 12 percent to almost ten million. This is largely a result of the crisis in Iraq.

The bombing of the Samarra Mosque in February 2006 led to a lethal hardening of Iraq's sectarian divide. As the year progressed, bombings, kidnappings, and individual and mass murders took a relentless toll, and the previously quiet but constant stream of people slipping across the country's western borders into the Syrian Arab Republic and Jordan swelled to an estimated 50,000 people a month. By the end of 2006, the cumulative total of displaced Iraqis inside and outside the country had reached a staggering 3.8 million.

Although Iraqis were the largest group of new asylum-seekers arriving in industrialized countries (amounting to 22,000 in all), this total was dwarfed by the number of refugees and displaced people inside the Syrian Arab Republic, Jordan and Iraq itself. By the end of December, the Syrian Arab Republic and Jordan were hosting more than 1.2 million Iraqis, and several hundred thousand more were believed to be in other countries, especially Egypt, the Islamic Republic of Iran, Lebanon and some of the Gulf States.

Iraq was not the only troubled country in the Middle East. Half-way through 2006, war erupted in Lebanon, and lasted 34 days. In all, around a million Lebanese were displaced. Many sought refuge inside their own country; others fled into the Syrian Arab Republic, triggering a major emergency operation on both sides of the border. The operation inside Lebanon provided an opportunity to examine the strengths and weaknesses of the inter-agency cluster approach within the context of a major emergency, with UNHCR providing shelter and other forms of assistance to some of the most vulnerable displaced people.

While the war was relatively short, and more than three-quarters of the displaced people returned home before the end of the year, the damage to Lebanon's infrastructure, economy, morale, and its delicate political environment is hard to measure.

Other setbacks

UNHCR also launched two emergency operations in Asia during the course of the year. In Timor-Leste, political instability culminated in violence that had, by mid-2006, displaced some 150,000 people. Although much of the displacement was relatively short-lived, it caused considerable disruption to a country where the deep wounds of an earlier civil war are still far from having healed. And at the end of the year, some 25,000 people remained in sites for the internally displaced.

After the breakdown of the peace process in Sri Lanka, some 200,000 people were forced to flee their homes. UNHCR has been involved with assisting and protecting internally displaced people in the northern part of the country since 1990. Given the Office's extensive experience with internal displacement in Sri Lanka, it is now leading a broad-based response by a range of international agencies.

History also showed signs of repeating itself thousands of miles away in Somalia, where a 15-year-old conflict re-ignited during the course of 2006. Thousands of Somalis spilled across the border into Kenya, where some 160,000 Somali refugees have been living in camps since the beginning of the 1990s.

Elsewhere in Africa, displacements were relatively small-scale and generally dwarfed by repatriations, except in the troubled belt stretching from Darfur in western Sudan to Chad and on to the Central African Republic.

The Darfur effect

In Darfur itself, where two million people were internally displaced by the end of 2006, a peace agreement signed seven months earlier in Abuja did not live up to expectations: indeed, as the year progressed, deteriorating security conditions, including direct attacks on humanitarian agencies, seriously compromised the efforts of more than 13,000 local and foreign aid workers to protect and assist the large affected population.

The impact of the Darfur crisis on neighbouring Chad took a sharp turn for the worse. A series of rebel uprisings and cross-border raids caused major disruptions to operations for the 222,000 Sudanese refugees living in camps in the east of the country, and boosted the number of people displaced inside Chad to 113,000 by the end of the year. Chad's south-western region was also affected by the expanding conflict in the Central African Republic.

Pressure on minorities

Minorities were under pressure in a number of places in 2006. In Colombia, where more than 200,000 displaced people were registered in 2006, the conflict disproportionately affected Afro-Colombian and indigenous communities.

Minorities were also under intense pressure in Iraq, where they were particularly vulnerable to kidnapping by criminal gangs, as well as by extremist sectarian groups. Perhaps the most heavily targeted of all were some 15,000 Palestinian refugees. Several hundred are believed killed, and many more were kidnapped for ransom or tortured.

Their predicament was made worse by the fact that they had nowhere to flee. There was no sanctuary inside Iraq, and no foreign country that would take them in. By the end of the year, hundreds of traumatized Palestinian refugees were gathered in camps in no-man's-land between Iraq and the Syrian Arab Republic, as well as in an older camp just inside Jordan. Hundreds more were stuck just inside Iraq. The fact that they were already recognized refugees, and thus entitled to international protection, should have meant that their situation was relatively easy to solve. The fact that no solution could be found made this one of the most abject situations in 2006.

More responsibility: the "cluster approach"

2006 was year of consolidation for the "cluster approach", which is geared to improving assistance and protection for almost 25 million internally displaced people (IDPs) around the world. Of this total, by the end of 2006 UNHCR was involved in the protection or assistance of some 14.2 million IDPs. This is almost double the number for 2005, and is the single biggest reason for the sharp increase in the overall number of people "of concern" to UNHCR from 21 million in 2005 to 34.4 million in 2006.

Almost half of the IDPs for whom UNHCR now shares responsibility are in Africa. The single largest population, however, is in Colombia, followed by Sudan, Iraq and Uganda.

An additional 1.9 million returning IDPs being helped by UNHCR are a further indication of the seismic shift that has taken place since the new United Nations approach to IDPs was agreed upon in 2005.

In 2006, UNHCR was involved in the protection or assistance of 14.2 million IDPs.

UNHCR/S. Schulman

A clearer picture of statelessness

Stateless people – people who do not have any nationality – are another group that have benefited from a more focused approach by UNHCR, in concert with host States and donors. Although long accepted as a group that falls under the UN refugee agency's mandate, relatively little was known about the many different stateless groups across the world – a large proportion of whom, unlike most other people of concern to UNHCR, have not left their homes, but exist, largely unseen, outside the margins of organized society.

As a result of an ambitious survey of States, launched in 2003, a more comprehensive view of the scale and complexity of this issue has been emerging. This has resulted in an unusual scenario in which a big increase in numbers may be a sign of improvement – rather than deterioration – in their situation. Recognition that stateless people exist is a vital first step towards finding a solution to their predicament. And, after years of slow progress, an increasing number of States have implemented, or are seriously contemplating, lasting solutions for some of the world's stateless people.

Difficult mix: asylum and migration

One situation that is not really reflected in UNHCR's annual statistics, but which continued to gain importance in 2006, is the huge increase in the number of people migrating by boat in the Gulf of Aden, the Caribbean, the Mediterranean, along Africa's Atlantic coast and, though fewer in number, between Indonesia and Australia. Hundreds – maybe more – died in 2006 making these crossings in overcrowded and ill-equipped vessels, in particular during the long journeys from West Africa to the Canary Islands, and from Somalia to Yemen. Although the majority were driven to migrate for economic reasons, a significant number of refugees are caught up in these flows. People crossing the Gulf of Aden to Yemen are a case in point. Yemen is now

hosting 92,000 recognized Somali refugees, almost all of whom arrived this way. The same goes for many people crossing land borders heading towards central and southern Europe and the United States. Yet, among the migrants there will inevitably sometimes be people in need of international protection, and the challenge for UNHCR and States is to ensure that they are identified and given the protection they are entitled to under international law. UNHCR made a number of important efforts to help States in this regard during 2006. These are described in more depth elsewhere in this report.

These "mixed migration flows" constitute one of the major cross-cutting issues affecting many countries in all continents which will continue to draw attention during 2007.

Financial health and reform

2006 was a difficult financial year for UNHCR, with total requirements amounting to USD 1.45 billion, the highest level ever. Initial funding predictions had indicated that there would not be enough funds to meet requirements. In this light, austerity measures were put in place to reduce expenditure and eliminate the expected shortfall between projected income and expenditure.

At the end of the year, these measures, together with strong financial support from donors, proved successful overall. Still, cutbacks in operations meant that some projects had to be delayed or suspended, and this had a negative effect on the well-being of refugees and others the organization cared for.

At the same time, conscious of this and in an effort to become more flexible, effective and results-oriented, UNHCR embarked on a process of internal reform, and in 2006 began reviewing its structures, systems, processes and staffing arrangements to ensure that the Office is in a better position to respond to the challenges ahead.

Global Strategic Objectives

UNHCR first formulated global objectives as a framework for action in 2003, and included them in its Global Appeal that year. In 2005, the organization evaluated its performance in the context of the implementation of a results-based management (RBM) framework. This evaluation, or "RBM Gap Analysis", found that UNHCR had to strengthen strategic planning if it was to show better results.

To do that, in 2005 the Global Strategic Objectives were incorporated in the 2006 annual planning exercise, and served as key parameters in the prioritization and resource-allocation process. The 2006 objectives were later complemented by a set of priority performance targets; these helped to ensure that the global objectives were reflected in detailed operational planning and reporting.

Still, much remains to be done. For 2007-2009, the Global Strategic Objectives have been developed further. Besides reflecting the organization's priorities of providing protection and durable solutions, they aim to improve planning and reporting through a more comprehensive set of measurable performance targets. As in the 2006 budget planning cycle, the objectives and their performance targets were key to resource allocation decisions in UNHCR's 2007 budget.

Furthermore, in 2008 UNHCR will introduce its new RBM software, *Focus*, which will facilitate clearer and more coherent reporting of results.

1. **Advocate for, and support governments in, the creation and maintenance of an international protection regime.**
   a. Improve policy and operational response to situations of mixed flows of asylum-seekers and migrants.
   b. Increase respect and tolerance for asylum seekers and refugees.
   c. Preserve asylum space.
   d. Enhance protection capacity in host countries.
   e. Address situations of statelessness more effectively.
   f. Improve the content and usage of ExCom conclusions.

2. **Ensure international standards of protection for girls, boys, women and men of concern to UNHCR are met.**
   a. Improve physical security and reduce incidents of violence, in particular prevent and respond to sexual and gender-based violence.
   b. Promote gender equality and women's empowerment.
   c. Increase and improve level and quality of registration of persons of concern.
   d. Prevent malnutrition.
   e. Reduce the prevalence and impact of HIV and AIDS.
   f. Safeguard the right to education.
   g. Ensure social and economic rights are secured and opportunities for self-reliance maximised.
   h. Integrate persons of concern to UNHCR in Millenium Development Goals programmes.

3. **Pursue voluntary repatriation and sustainable reintegration, resettlement or local integration for refugees, with a special focus on those in protracted refugee situations.**
   a. Support, facilitate or promote voluntary repatriation movements.
   b. Enhance resettlement as a protection tool and durable solution.
   c. Strengthen local integration as durable solution and promote refugee self-reliance in stabilized situations.
   d. Develop comprehensive strategies for refugees in protracted situations in which multiple durable solutions are required, in particular for Somali and Afghan refugees, and establish relevant partnerships for durable solutions for Africa programme.

4. **Pursue management reform to enhance the quality, effectiveness and efficiency of UNHCR's operations.**
   a. Strengthen UNHCR's operational protection capacity.
   b. Strengthen UNHCR's preparedness and response capacity.
   c. Strengthen UNHCR's support for collaborative efforts to comprehensively address situations of internal displacement and implement the agreed pilot projects.
   d. Strengthen partnership through improved branding, fund raising, communication and relationships with NGOs.
   e. Institutionalise results-based management as a fundamental accountability mechanism.
   f. Widen the use of standards and indicators for planning and measuring the impact of UNHCR's operations.
   g. Prepare and initiate implementation of a workforce management strategy aiming to increase the efficiency of the organization, the fulfilment of staff and gender balance.
   h. Streamline, rationalise reporting and financial and budgetary rules for resource allocation.
   i. Continue roll-out of MSRP and achieve efficiency and productivity gains.

Measurable Performance Targets for 2006

Operations (Protection and Assistance)

1. Procedures for channelling asylum claims, identifying needs and realizing proper responses and solutions will be developed by UNHCR in cooperation with States and other relevant actors in all regions receiving refugees within mixed flows.

2. The quality and consistency of UNHCR's mandate RSD processes will be strengthened in the 15 countries accounting for 90 per cent of UNHCR's global RSD operations through in-house capacity building activities including training and technical support.

3. 100 per cent of UNHCR operations will have integrated, from the outset, self-reliance and empowerment strategies for refugees in their assistance programmes.

4. Comprehensive durable solutions strategies, in which the strategic use of resettlement and local integration have their proper place, will be jointly developed by UNHCR and relevant actors in 100 per cent of operations with protracted refugee situations.

5. Offices in Myanmar, Romania, DRC and the CIS countries including Russia will integrate statelessness activities in their country operations plans and develop strategies for resolving situations of statelessness, and in Bangladesh, significant progress will be made towards ending the protracted statelessness situation of approximately 300,000 people (Biharis).

6. 100 per cent of UNHCR operations will have in place standard operating procedures to prevent and respond to sexual and gender-based violence.

7. A total of 94 countries will have participated in the launch of the age, gender and diversity mainstreaming and will reflect the outcomes in project submissions and country operations plan.

8. Ensure the provision of sanitary materials to all women and girls of reproductive age, in all assistance programmes.

9. "Project Profile" has been rolled out to all UNHCR operations registering refugees and others of concern, and continued registration support is provided by PGDS, DIP and DIST.

10. Tracing mechanisms will have been instituted for 100 per cent of unaccompanied and separated registered refugee children in collaboration with the responsible agencies.

11. In operations receiving food aid and recording high malnutrition rates, steps are taken in collaboration with WFP to reduce the acute malnutrition rate to less than 10 per cent (measured by z-score).

12. At least 75 per cent of refugees in camps have access to culturally appropriate HIV and AIDS information-education-communication materials.

13. At least 75 per cent refugees have access to antiretroviral therapy when it is available to surrounding local host populations.

14. School enrolment of refugee children in camps will be increased by 10 per cent at primary level with gender parity.

Management

1. Complete the first of two phases of the action plan to increase UNHCR's global emergency response capacity (including non-food relief items, vehicles, office accommodation, and staffing surge capability) so as to have in place a capacity to respond to an emergency of 500,000 people.

2. New fund-raising strategy agreed and implementation started with further delegation to field representatives, including country-specific strategies that take into account bilateral and other initiatives.

3. Results-based Management Framework and strategy for implementation developed, agreed and implementation underway in the areas of strategic and operations planning, and performance management.

4. An integrated workforce strategy is developed together with policies and procedures which enhance the speed and effectiveness of organizational response and better meet the needs of the organization and aspirations of staff.

5. Minimum standards guidelines for field living and working conditions are adopted and mechanisms are put in place for field offices to implement them.

6. Management Systems Renewal Project:
   a. Human Resources Modules, Labour Administration, Career Planning, Health & Safety, Absence Management, E-Performance developed by September 2006.
   b. Payroll module developed by October 2006.
   c. Change Management Process adopted including a mechanism for measuring impact of MSRP in terms of increased efficiency and productivity developed by February 2006.
   d. Supply Chain field roll-out completed in 90 sites in five regions.