

# UNHCR's 2019 Financial Requirements

UNHCR's biennial programme budget presents the consolidated budgetary requirements based on a global needs assessment of people of concern. This update to the 2018-2019 Global Appeal presents the budget for 2019, which stands at \$8.591 billion based on needs assessed in the first quarter of 2018, as well as a summary of the current budget for 2018 (\$8.275 billion, as at 30 June 2018).

This chapter provides an update of the overview of the planning process used to identify needs UNHCR foresees for refugees, returnees, stateless persons,

IDPs, and others of concern. It also offers an update on the financial resources UNHCR will require in 2019 in order to provide them with protection, assistance and solutions.

More detailed information on UNHCR's 2019 programmes and priorities are available in the regional and thematic chapters in this publication, and at the sub-regional and country levels on the [Global Focus website](#), UNHCR's main operational reporting platform for donors.



To adapt to new dynamics and the opportunities of today, the Office needs sufficient, predictable, flexible and multi-year funding. Grounded in the core elements of the Strategic Directions—to protect, respond, include, empower and solve—UNHCR needs this funding to:

- Be an effective custodian of international standards preserving human dignity and rights for refugees, including access to asylum.
- Respond quickly, reliably and effectively in emergencies, laying the ground for solutions from early on.

- Foster the same reflexes in situations of internal displacement as those for refugees.
- Galvanize the transformation of responses to refugees that are more inclusive and empower them to contribute to their new communities and secure their own futures.
- Pursue a constellation of solutions for people of concern, including boldly following through on its commitment to end statelessness.

TABLE 1 | UNHCR's FINANCIAL REQUIREMENTS 2019 | USD

REGION AND SUB-REGIONS	ALL PILLARS	PILLAR 1	PILLAR 2	PILLAR 3	PILLAR 4	TOTAL
	2018 Current budget	2019 Refugee programmes	2019 Stateless programmes	2019 Reintegration projects	2019 IDP projects	
<b>AFRICA</b>						
Central Africa and the Great Lakes	608,012,994	472,261,532	2,797,860	21,378,030	65,099,245	561,536,667
East and Horn of Africa	1,786,517,971	1,499,302,942	5,788,161	137,010,483	98,303,230	1,740,404,816
Southern Africa	124,314,175	121,446,924	1,488,290	-	-	122,935,214
West Africa	293,525,936	150,542,057	13,348,857	38,224,511	49,141,435	251,256,860
<b>SUBTOTAL AFRICA</b>	<b>2,812,371,075</b>	<b>2,243,553,455</b>	<b>23,423,168</b>	<b>196,613,025</b>	<b>212,543,910</b>	<b>2,676,133,558</b>
<b>THE AMERICAS</b>						
North America and the Caribbean	35,757,493	30,924,909	8,415,010	-	-	39,339,919
Latin America	160,843,538	155,782,158	981,548	-	16,963,267	173,726,972
<b>SUBTOTAL THE AMERICAS</b>	<b>196,601,031</b>	<b>186,707,066</b>	<b>9,396,558</b>	<b>-</b>	<b>16,963,267</b>	<b>213,066,891</b>
<b>ASIA AND THE PACIFIC</b>						
Central Asia	8,615,999	6,185,054	2,491,094	-	-	8,676,147
East Asia and the Pacific	14,267,114	16,308,866	340,292	-	-	16,649,158
South Asia	27,683,367	25,110,127	660,869	-	-	25,770,996
South-East Asia	326,588,056	365,616,263	25,684,380	-	12,388,301	403,688,943
South-West Asia	323,792,426	201,088,924	558,163	96,856,958	21,320,010	319,824,055
<b>SUBTOTAL ASIA AND THE PACIFIC</b>	<b>700,946,962</b>	<b>614,309,233</b>	<b>29,734,798</b>	<b>96,856,958</b>	<b>33,708,311</b>	<b>774,609,300</b>
<b>EUROPE</b>						
Eastern Europe	491,461,911	423,208,992	2,484,926	-	26,492,668	452,186,586
Northern, Western, Central and Southern Europe	339,179,776	338,275,234	2,913,325	255,925	-	341,444,483
South-Eastern Europe	45,029,501	34,920,930	4,769,808	-	-	39,690,738
<b>SUBTOTAL EUROPE</b>	<b>875,671,189</b>	<b>796,405,156</b>	<b>10,168,059</b>	<b>255,925</b>	<b>26,492,668</b>	<b>833,321,807</b>
<b>MIDDLE EAST AND NORTH AFRICA</b>						
Middle East	2,236,998,371	1,353,548,662	1,483,544	259,382,854	867,487,265	2,481,902,325
North Africa	244,564,051	248,781,451	-	-	26,968,830	275,750,281
<b>SUBTOTAL MIDDLE EAST AND NORTH AFRICA</b>	<b>2,481,562,422</b>	<b>1,602,330,113</b>	<b>1,483,544</b>	<b>259,382,854</b>	<b>894,456,095</b>	<b>2,757,652,606</b>
<b>SUBTOTAL FIELD</b>	<b>7,067,152,679</b>	<b>5,443,305,023</b>	<b>74,206,127</b>	<b>553,108,761</b>	<b>1,184,164,251</b>	<b>7,254,784,162</b>
Global programmes	451,806,883	457,775,437	-	-	-	457,775,437
Headquarters <sup>1</sup>	226,606,472	226,394,435	-	-	-	226,394,435
<b>SUBTOTAL PROGRAMMED ACTIVITIES</b>	<b>7,745,566,034</b>	<b>6,127,474,895</b>	<b>74,206,127</b>	<b>553,108,761</b>	<b>1,184,164,251</b>	<b>7,938,954,034</b>
Operational Reserve	497,756,755	620,168,102	-	-	-	620,168,102
"New or additional activities - mandate-related" Reserve	20,000,000	20,000,000	-	-	-	20,000,000
Junior Professional Officers	12,000,000	12,000,000	-	-	-	12,000,000
<b>TOTAL</b>	<b>8,275,322,789</b>	<b>6,779,642,998</b>	<b>74,206,127</b>	<b>553,108,761</b>	<b>1,184,164,251</b>	<b>8,591,122,136</b>

<sup>1</sup> The Annual Programme Budget includes allocations from the UN Regular Budget as follows: \$42.9 million for 2018, \$43.3 million for 2019. All values are provisional, subject to approval of final United Nations Programme Budget and subsequent recosting. Note: subtotal for the Americas does not include supplementary requirements of \$72 million for the Venezuela situation, requested after ExCom approval of the 2019 budget.

## “Donors have been generous, but funding and resettlement places are insufficient, and I am worried by signals of declining support.”

—Filippo Grandi, High Commissioner for Refugees, at the 69<sup>th</sup> session of the UNHCR Executive Committee

The requirements in the 2019 budget are to respond to the needs of a projected 78.7 million people of concern (see [Table 2](#)). While the figures for 2017 reflect verified statistics, those for 2018 and 2019 are projections based on the anticipated evolution of situations during the planning year. The projections also take into account the current population size, the average population growth, any expected movements, as well as changes in the status of people of concern to UNHCR.

When compared to 2017, the number of people of concern is expected to increase by approximately 8.4 million people (12%), by the end of 2018. The main increases are expected in relation to IDPs (approximately 2.9 million, mainly in Africa) and IDP returnees (approximately 2.8 million, mainly in Africa as well). From 2018 to 2019, an overall decrease of approximately 1 million people of concern (1%), is projected, driven by the projected decrease in the number of IDPs in the Middle East and North Africa region.

TABLE 2 | PROJECTED NUMBERS OF PEOPLE OF CONCERN 2017-2019

	(in thousands)		
	2017	2018	2019
	Actual	Projection	Projection
<b>PEOPLE OF CONCERN</b>			
Refugees <sup>1</sup>	19,941	21,453	21,316
Asylum-seekers (pending cases)	3,091	2,626	2,715
Returnees (arrival during the year)	667	659	972
People under UNHCR statelessness mandate <sup>2</sup>	2,796	3,154	3,040
Internally displaced people (IDPs) <sup>3</sup>	39,119	41,993	40,495
Returned IDPs (during the year)	4,229	7,037	6,885
Others of concern	1,596	2,909	3,350
<b>TOTAL</b>	<b>71,440</b>	<b>79,831</b>	<b>78,774</b>

<sup>1</sup> Includes people in refugee-like situations.  
<sup>2</sup> In addition to 2,796,180 persons under UNHCR's statelessness mandate in 2017, 932,200 stateless refugees in Bangladesh and 125,600 stateless IDPs in Myanmar are already accounted for under the lines "refugees" and "IDPs" respectively.  
<sup>3</sup> Includes people in IDP-like situations.

### Overview on 2018 budget and funds available

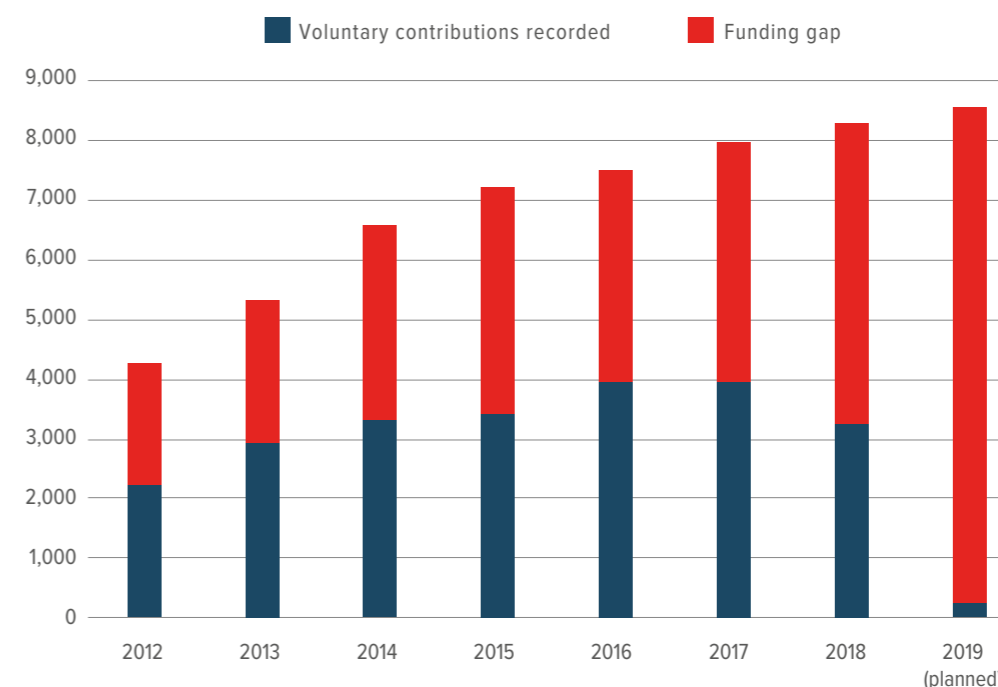
At its 68<sup>th</sup> session in October 2017, the Executive Committee approved the original programme budget for 2018 of \$7.50 billion. The High Commissioner established six supplementary budgets for a total of \$766.9 million to address unforeseen needs in the Central Mediterranean, Congolese, Myanmar, South Sudan, Syria and Venezuela situations. These adjustments led to a revised 2018 budget of \$8.275 billion, an increase of 10%.

Regarding funds available, at the 73<sup>rd</sup> session of the UNHCR Standing Committee in September 2018, UNHCR

reported estimated total funds available for the year of \$4.526 billion. This included \$3.212 billion in recorded voluntary contributions, projected voluntary contributions of \$794 million, carry over from 2017 of \$427 million, the United Nations Regular Budget contribution of \$43 million, and other estimated income and adjustments of \$50 million.

The six supplementary budgets were established for emergencies that occurred or deteriorated in the course of 2018 and, in some cases, after the needs for the 2019 proposed budget were assessed in early 2018. Thus, their financial implications are not entirely reflected in the proposed budget tables.

FIGURE 1 | UNHCR'S ANNUAL REQUIREMENTS vs VOLUNTARY CONTRIBUTIONS 2012-2019 | USD millions



\*Recorded contributions as of 24 September 2018.

Up-to-date details of the contributions of UNHCR's donors can always be found on the Global Focus website



### UNHCR's budget structure and methodology

UNHCR's updated programme budget for the 2018-2019 biennium continues to be driven by extensive planning and formulated on the basis of comprehensive needs identified through a global needs assessment (GNA). Requirements are assessed through a participatory approach with people of concern and in consultation with various stakeholders in the field, and budgets are prepared to respond to the full range of needs identified. A thorough global review process also ensures that UNHCR's comprehensive plans adopt a realistic and coherent approach that aligns with the Global Strategic Priorities (GSPs) and the High Commissioner's 2017-2021 Strategic Directions.

The Strategic Directions set out five core directions on which UNHCR will focus for the next five years: ensuring protection; effectively responding to emergencies; promoting inclusion and self-reliance, including through the engagement of development actors; empowering people of concern to UNHCR; and pursuing solutions.

The GSPs serve to steer planning in UNHCR's operations worldwide. They are designed as part of the Office's commitment to results-based management and to facilitate reporting on aggregated global results. The GSPs also align with UNHCR's commitments made under the 2030 Agenda for Sustainable Development, the World Humanitarian Summit, and the Grand Bargain. (For more information on these, see the chapter on the *Global Strategic Priorities 2018-2019*.)

The operational plans that constitute the GNA present a portfolio of responses intended to allow people of concern to not just survive, but to be able to contribute to their community, whether it be a host community pending realization of a durable solution or the community in which people of concern find themselves with the realization of a durable solution. It is calculated on the projection of 78.7 million people of concern to UNHCR in 2019, and gives due consideration to six main aspects:

- UNHCR's estimated capacity to implement the planned programmes with available resources.
- The presence and degree of involvement of other actors.

- The specific political and environmental context.
- Capital investments or requirements needed in infrastructure.
- The most cost-effective way of achieving the intended results.
- UNHCR's level of engagement and responsibilities in IDP operations within an inter-agency response.

Programmed activities are defined as field, global programmes and Headquarters activities, excluding reserves and the Junior Professional Officer (JPO) programme.

- Field operations – operational activities budgeted by region and carried out in operations around the world.
- Global programmes – technical activities undertaken by substantive divisions at UNHCR Headquarters but that are of direct benefit to field operations globally.
- Headquarters – work carried out by divisions and bureaux located in Geneva, Budapest, Copenhagen and New York, which provide leadership and management, policy guidance, administrative support, and managerial and programmatic assistance to field operations.

The programme budget is also presented under the pillar structure, which represents the needs of particular population groups:

- Pillar 1: Global refugee programme.
- Pillar 2: Global stateless programme.
- Pillar 3: Global reintegration projects.
- Pillar 4: Global IDP projects.

As the budget can only be implemented to the extent that resources are made available during the implementation period, UNHCR maintains a phased approach and continuously reprioritizes and adjusts its programmes accordingly. Dynamic spending ceilings regulate the level of expenditure authorized, based on funding availability. UNHCR is also heavily bound by the way the funds are allocated to it. In order to address evolving operational requirements, UNHCR regularly reviews its financial situation, projected income and underfunded situations for real time allocation of resources, while respecting donors' earmarking.

### 2019 BUDGET BREAKDOWN AND OPERATIONAL FOCUS

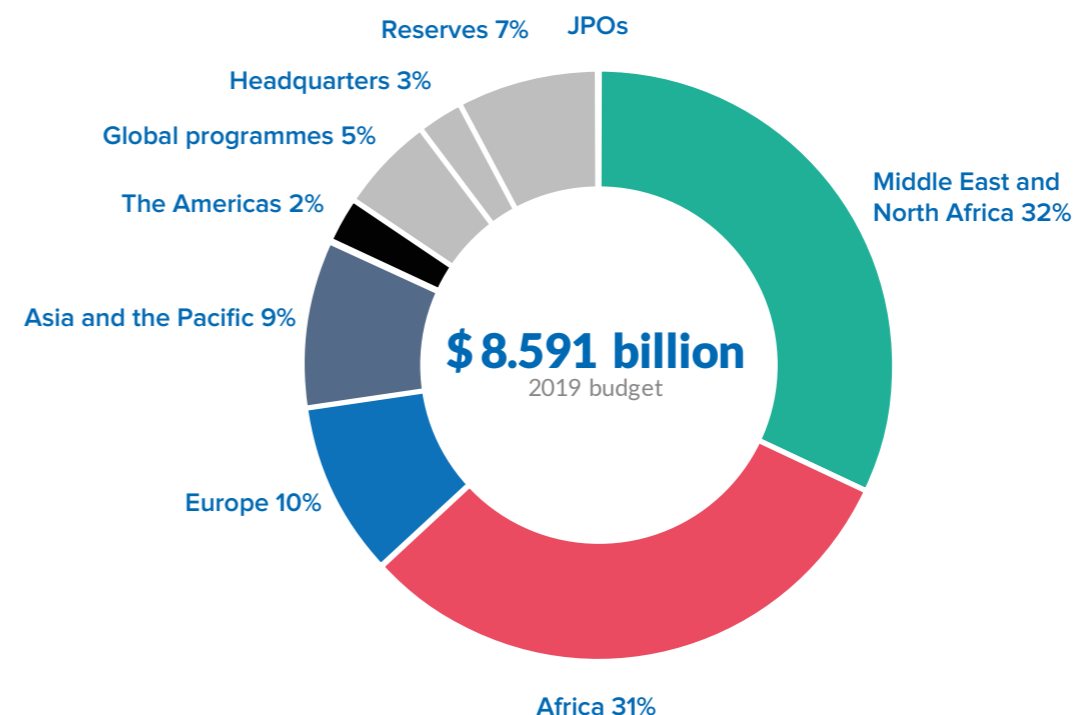
The proposed revised budget for 2019 is \$8.591 billion, a 4% increase compared to the 2018 current budget. This increase derives from some notable budget changes at the regional level. Both the Asia and the Pacific and the Middle East and North Africa regions have each increased requirements by 11%, with the Americas increasing 8%. These increases, in part, are offset by Africa and Europe, both of which decreased by nearly 5%. The Middle East

and North Africa region now surpasses Africa as the largest, comprising 32% with total requirements. Requirements for global programmes and Headquarters remain stable at 5% and 3% respectively.

UNHCR's programme budget is presented in more details below along three main lines of analysis: by region, by pillar, and by rights group.

Figure 2 provides a visual presentation of the percentage breakdown of the proportion of the budget allocated to each of the five geographical regions, as well as to global programmes, Headquarters, JPOs and the reserves.

FIGURE 2 | 2019 BUDGET BY REGION | Percentage



\*JPOs: \$12 millions

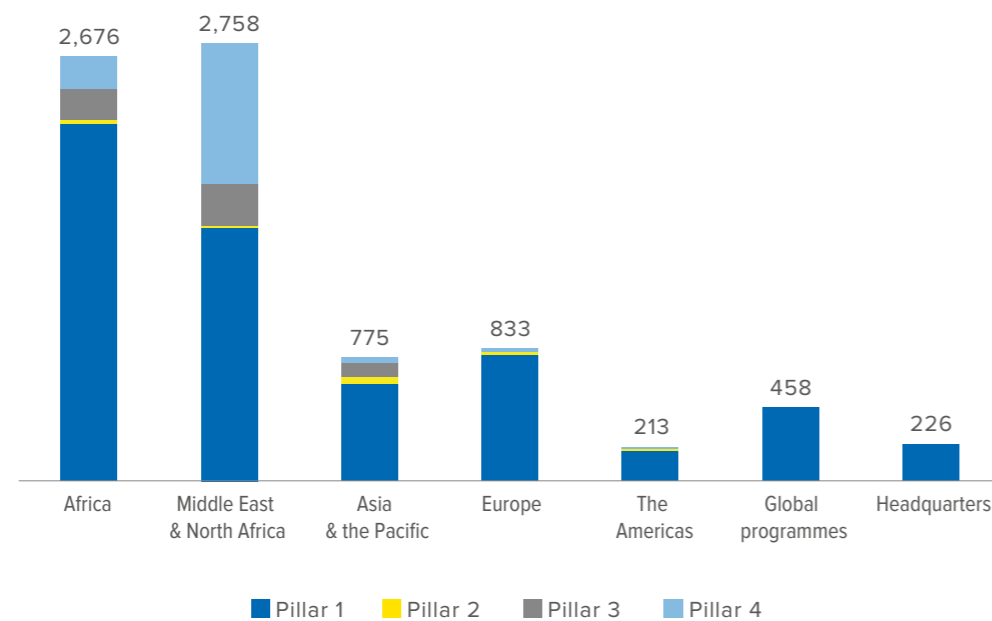
Figure 3 displays the budgets by pillar, showing the portion that has been allocated regionally. Pillar 1's requirements of \$6.779 billion for the global refugee programme—which also includes requirements for the global programmes, Headquarters, reserves and JPOs—constitute 79% of the total requirements of the four pillars. Geographically, 57% of UNHCR's Pillar I budget will be assigned to Africa and the Middle East and North Africa. The region with the highest percentage of Pillar I planned expenditure as a proportion of the overall regional budget will be Europe at 95%.

Pillar 4 continues to represent the second largest budgeted pillar with requirements budgeted at \$1.184 billion, or 14%. Pillars 2 and 3 represent respectively 1% and 6% of the total budget. The region to receive the highest regional percentage under Pillar 4's budget will be the Middle East and North Africa, at 76%. For Pillar 2 the highest percentage of budgets will be spent in Africa and Asia and the Pacific, and in Africa and the Middle East and North Africa for Pillar 3.

Figure 4 presents the consolidated field budgets by rights group, which are thematic groupings of objectives with a similar theme used for planning and budgeting, the total requirements for which come to \$7.254 billion. Of that total, \$3.927 billion—54%—is for providing basic needs and essential services such as shelter, health, water and sanitation, and food. It also will include the priority of assisting people of concern through cash-based interventions where this is the most appropriate modality, in line with UNHCR's Grand Bargain commitments.

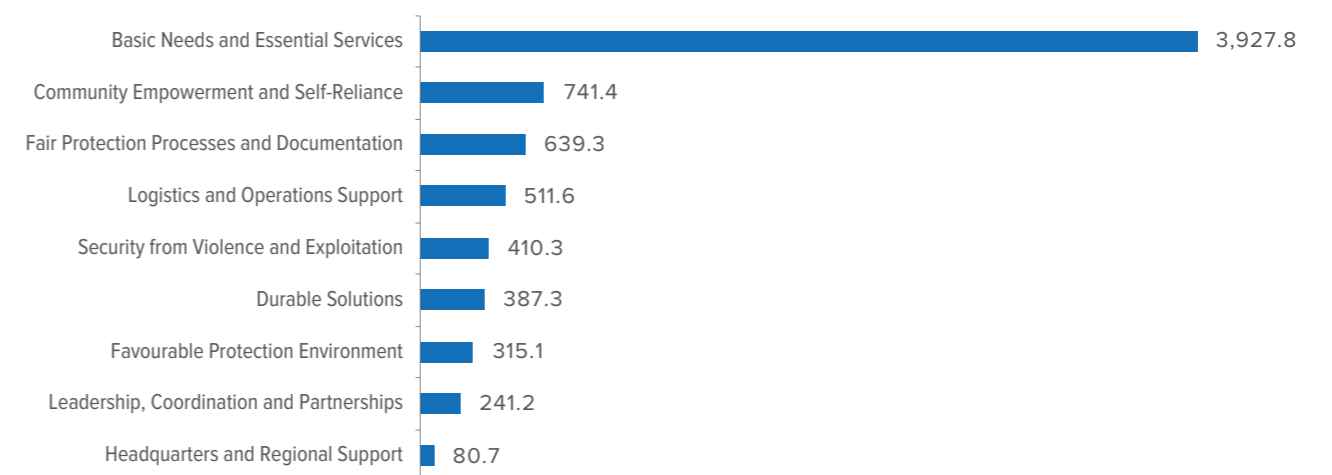
Assistance, including case support to meet basic needs and thereby ensure survival, is a key protection intervention and often a critical step to ensuring long-term protection. The provision of assistance where national social protection capacity is insufficient or not possible is also a key element in supporting protection interventions. The requirements for basic needs and services are slightly up on what was requested in 2018 and, given the focus on narrowing the humanitarian–development divide, expectations should be managed regarding decreases in what is required to provide people of concern with the basics for their survival and dignity.

FIGURE 3 | 2019 BUDGETS BY REGION AND PILLAR | USD millions



Note: The chart does not include budgets for Operational Reserve, "New or additional activities - mandate-related" Reserve, and Junior Professional Officers.

FIGURE 4 | FIELD BUDGET BY RIGHTS GROUP | USD millions





# Resource mobilization in 2019

Internal and external changes require a deliberate and joined-up resource mobilization effort by UNHCR to adapt and thrive. UNHCR’s fundraising goal is to secure sufficient, predictable, flexible, and multi-year funding to enable it to protect, respond, include, empower and solve. As an agency almost entirely dependent on voluntary contributions, this is not an easy task.

UNHCR is not alone in facing difficulties in raising sufficient resources in a competitive funding environment. This environment is one of finite resources from a limited number of committed donors, but with a multitude of actors and needs—both humanitarian and development—far outpacing contributions. With the 2030 Agenda, needs have moved from the billions to the trillions. Donors’ accountability to tax payers and boards is another central defining feature of this competitive funding environment.

## BROADENING THE DONOR BASE

UNHCR depends heavily on a small number of donors. In 2017 the top three donors—the United States, Germany, and the European Union—provided 61% of total contributions, with the next seven public donors raising this to 78%.

UNHCR strives to broaden this base. Central to this aim is raising funds from the private sector. The percentage of funding received from this sector has been consistently increasing, reaching 10% of total contributions in 2017. In the public sphere, UNHCR aspires to increase the number of public donors contributing \$20 million or more.

### Key indicators for funding

- Quantity: the amount of funding received.
- Quality: whether the funding is earmarked or unearmarked, which determines in large part the flexibility of the funding.
- Timeliness: how early in the year funding is received.
- Predictability: how reliable or firm are the indications that funding will be received.
- Diversification: how wide is the range of donors from which funding is sought and secured.

### Quantity, timeliness & quality of funds

Since adopting the GNA, UNHCR has never been fully funded. UNHCR has grappled with a funding gap which, excluding 2018, has averaged 43% since 2012. (Figure 1 above). Related to the amount of funding, timing is also a critical factor. UNHCR started 2018 with a record amount of \$857.1 million pledged by donors at the December 2017 pledging conference. Despite that, by mid-year only 26% of the total budget had been received. UNHCR estimates that 18% of total contributions will be recorded in the last quarter of the year, some of which will need to be implemented in the last few months.

### Multi-year funding

In the context of partial funding and increased earmarking, UNHCR has a narrow margin to address the longer-term protection and solution work that is being advanced through the gradual expansion and institutionalization of multi-year, multi-partner (MYMP) strategies.

Moving out of the confines of annual programming requires a greater amount of more predictable and flexible funding. However, UNHCR receives limited amounts of multi-year funding, defined as funding which is contributed predictably over a two-year period or more. For 2018, only some 2% of contributions recorded to date are multi-year compared to 16% in 2017. Moreover, these funds are invariably earmarked. The vast majority of the 22 operations engaged in the institutionalization of MYMP strategies have not benefited from these multi-year funds.

To enable UNHCR to properly implement this reform, the Office is proposing a donor pact, called the Solutions Capital. The pact aims to mobilize additional support to enable a select group of operations to fully implement their MYMP protection and solution strategies. Additional funding would also position the Office to reinforce processes, tools and guidance for MYMP strategies and the reform of the results-based management system (see as well the chapter on *Strengthening the collective response*).

Solutions Capital pact available here.



### The importance of flexible funding for UNHCR's "situations"

Crises are pushing people of concern to UNHCR into multiple locations, over greater and greater distances. For cases when an emergency has repercussions that go beyond the borders of the country in which it originated, UNHCR uses the term "situation" for its advocacy, planning, budgeting and fundraising. Situations are interlinked, one crisis generating impacts in another, or with the impacts felt far away. Crossing borders and sometimes continents, situations reflect the operational complexity of today's displacement crises, and the concomitant difficulties UNHCR and its partners have in planning and responding. In 2019, UNHCR will begin the year with 16 situations, in all five of its regions, with the majority of them occurring in Africa. All together, these situations will involve 72 operations, and account for some \$7 billion of UNHCR's budget

A significant challenge to UNHCR in responding to such situations is the continued trend of increasing earmarking. While 2018 data is not final, around 70% of contributions to date is tightly earmarked (country level or below). The combined share of flexible funding (unearmarked and softly earmarked) has declined from 35% in 2017 to around 30% in 2018, and from 52% in 2012.

Earmarking has both operational and efficiency costs, often resulting in complex and additional reporting requirements that add expense and challenge to UNHCR's financial and operational systems. Unearmarked funding, on the other hand, greatly facilitates UNHCR in kick-starting an emergency response, bolstering forgotten or under-resourced crises, and enabling the fullest possible implementation of programmes.

In 2017, UNHCR received \$588.7 million in unearmarked contributions, of which 68% was allocated to the field. In allocating unearmarked funding, UNHCR employs a cautious, meticulous balancing act that factors in earmarking contributions, funding gaps and the arrival of funding throughout the year against UNHCR's programme budget. Unearmarked allocations help to ensure that UNHCR's activities align with the needs identified through the GNA, which form the basis of UNHCR's programme.

Unlike flexible funding, earmarked funds restrict UNHCR's ability to be a needs based actor. If the proportion of flexible—especially unearmarked—funding continue to decrease and donor preferences do not align with UNHCR's own prioritization, the capacity to respond to identified needs also decreases. As partial funding necessitates prioritization, this scenario creates extra challenges for UNHCR to pursue a programme approach.

## UNHCR'S RESOURCE MOBILISATION STRATEGY

The challenge of securing sufficient, timely and flexible funding is not a new phenomenon. Addressing these decade-long trends while adapting the Office to the present dynamics and opportunities is key to UNHCR's resource mobilisation strategy.

Resource mobilization is and will remain a corporate responsibility. Pursuing comprehensive approaches, UNHCR's change processes and regionalization will make involvement of the field in fundraising even more crucial. The main services with resource mobilization as their core responsibility—Donor Relations and Resource Mobilization, and Private Sector Partnerships—will work in close collaboration with all relevant stakeholders to demonstrate UNHCR's value for money, effectiveness, and impact. Transparency and accountability to donors and affected populations will remain at the forefront of all efforts.

UNHCR will focus on maintaining the support of a solid donor base while dedicating resources to broaden it and tap new and additional sources of funding among private and public donors, vertical funds such as Gavi, the Vaccine Alliance, or the Global Fund, or the range of UN pooled funds. These efforts will seek to leverage private and public funds to maximize their impact: the aim is to

mobilize additional funds for UNHCR as well as partners. The refugee response plans (RRPs) will remain the primary vehicle for coordinating and mobilizing resources for comprehensive inter-agency responses to refugee emergencies (see the chapter on *Strengthening the collective response*).

For 2019, UNHCR will coordinate six regional plans. Two of those (the 3RP and the RRP for Nigeria) are co-led with UNDP and a third (the "Regional Refugee and Migrant Response Plan for Refugees and Migrants from Venezuela") with IOM. Where appropriate, these appeals are an integrated yet distinct part of the inter-agency humanitarian response plans. By way of comparison, in 2018, some \$8 billion were appealed for through RRP, of which 34% funding has been received for UNHCR and partners.

Another area that is evolving, but is still in its infancy, is the inclusion of people of concern into national budgets and development programmes. Bilateral development partners are adapting their programming and development funding to be more inclusive of people of concern. The partnership with the World Bank continues to flourish, offering new financing and funding opportunities to refugee hosting governments. New opportunities related to resource mobilization are also emerging with regional banks, with private sector actors and OECD, as well with the reform of the UN Development System.

UNHCR will continue building partnerships and its advocacy efforts for greater inclusion and more financing for refugee programming, and is hopeful these efforts will allow it to decrease engagement in some current areas of programming which, in turn, will allow UNHCR to focus on underfunded gaps. As development programming is of a much longer nature with an aim to be sustainable, it will take time before the impact of its inclusion on UNHCR's budget can be clearly measured. Attention is already being given to putting in place mechanisms to measure the impacts this inclusion might have on UNHCR's budget alongside existing analysis of budgets, expenditures and funding levels. This internal effort is further complemented by efforts to monitor funding levels for refugee programming beyond UNHCR.

### Raising funds from the public sector

The majority of UNHCR's funding—approximately 90% in 2017—comes from public sector donors, and the Office's focus will therefore be on adapting and realigning its government fundraising efforts. UNHCR's objective is to create, strengthen and elevate relationships with public sector donors using a targeted and proactive approach in order to maximize flexible support for the priorities of the Office. Central to this relationship-building will be effectively marketing UNHCR's core functions, as well as its enhanced convening and catalytic role in the

context of the global compact and CRRF, and presenting UNHCR as an essential, responsive, collaborative and high-performing organization.

This will be achieved by:

- Strengthening dialogue between UNHCR and donors to better align programmatic interests, demonstrate the efficient and transparent use of funds, and enhance donor visibility.
- Enhancing synergies internally—between services with resource mobilization as their core responsibility, bureaux, support divisions and colleagues in donor capitals as well as central field operations—to develop substantive country-level fundraising strategies with host governments, donors and key stakeholders, taking into account the host government's ability and interests alongside those of donors and other key stakeholders.
- Increasing communications that convey the effectiveness of UNHCR and partners' work and its impact on people of concern and, by extension, the value of supporting that work. These communications will be heavily data-driven, including information from a revised results-based management system.
- Boosting collaboration with partners to jointly mobilize resources for people of concern through RRP's and other joint fundraising platforms and donor outreach.

### Raising funds from the private sector

UNHCR's objective is, by 2025, to raise \$1 billion annually from the private sector. This is an avowedly ambitious goal, and reflects the appreciation of the growing role of the private sector within the organisation, and the great commitment shown by private individuals and partners who have chosen to engage with UNHCR in support of refugees and other people of concern.

The majority of this projected funding (\$700 million) is expected to come from small donations from up to 5 million individual donors worldwide, most of which will be unearmarked. This will represent UNHCR's largest source of such funding. To build on this platform of support, UNHCR plans to reach out widely with thematic campaigns to engage with up to 25 million supporters by 2025.

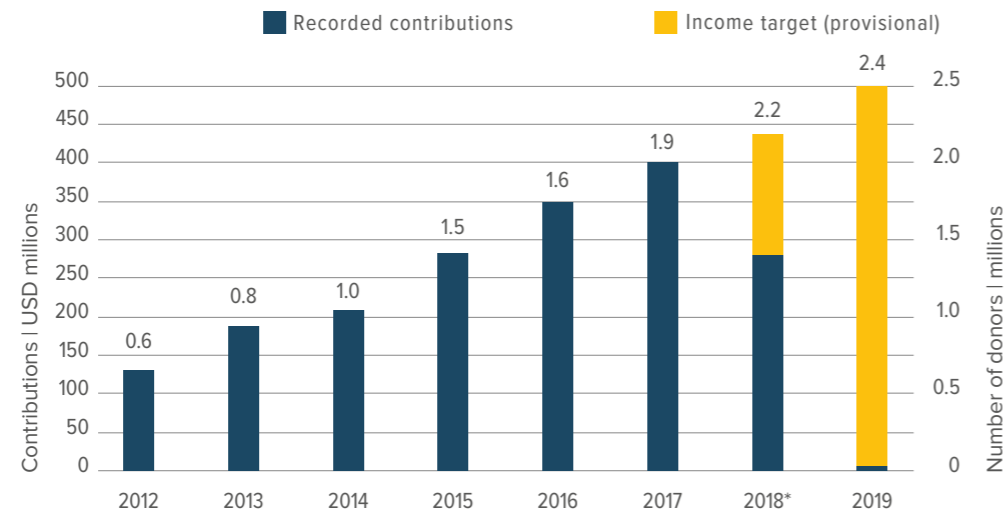
The remainder (\$300 million) is expected to come from companies, private philanthropists and foundations. The philanthropic relationship is evolving to strategic partnerships bringing together financial and operational support as lead actors seek new ways to engage with UNHCR to leverage their expertise and make a significant impact.

In 2019, UNHCR aims to raise \$500 million from the private sector: \$355 million from private individuals and \$145 million from partners. More than half of the funds (\$260 million) will be unearmarked. This will be achieved through:

- Close collaboration with seven national partners which, collectively, raise more than half of UNHCR's income from the private sector: *Argentina con ACNUR*, Australia for UNHCR, *España con ACNUR* (Spain), Japan for UNHCR, *Sverige för UNHCR* (Sweden), *UNO Flüchtlingshilfe* (Germany), and United States of America for UNHCR.
- Through dedicated offices in more than twenty national fundraising operations around the world.
- In partnership with global companies, foundations and philanthropists such as the the Bill and Melinda Gates Foundation, Educate A Child, IKEA Foundation, Qatar Charity and UNIQLO.
- Through global digital outreach via English, Arabic, French and Spanish language hubs.

UNHCR welcomes Argentina con ACNUR as its seventh national partner in 2019.

FIGURE 5 | CONTRIBUTIONS AND NUMBER OF DONORS FROM THE PRIVATE SECTOR



Figures for 2018-2019 are estimates based on current trends and data.

With UNHCR's new campaign, people will be encouraged to join a global movement in solidarity with families forced to flee their homes.



There are three areas of special focus in 2019.

**Core countries** – UNHCR will be prioritizing fundraising investments in 15 countries and regions where there is a fundraising operation in place, and where significant potential for UNHCR to grow private sector income has been identified. These are Australia, Canada, France, Germany, Hong Kong SAR China, Italy, Japan, the Netherlands, the Republic of Korea, Spain, Sweden, Switzerland, the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Middle East and North Africa region.

**Campaigns** – the first global campaign, *Nobody Left Outside*, concludes at the end of 2019 having raised over \$20 million in 17 countries and achieved a significant, positive impact for refugees. The focus in 2019 will be to raise funds for the Refugee Housing Units. Absorbing the lessons

learnt from *Nobody Left Outside*, UNHCR's new campaign—called *Two billion kilometres to safety*—will aim to mobilize at least 1.5 million people in 25 countries. Additionally, UNHCR will continue to innovate and grow its annual Ramadan campaign, and launch a campaign to raise funds for cash-based interventions.

**Partnerships** – UNHCR has a long history in working with companies, foundations and philanthropists. However, its share of the overall market is relatively small in comparison with other humanitarian organisations working with refugees. This will be addressed with a strategy to broaden our collaboration and engagement with the sector in key countries, focusing on partnering with wealthy individuals, private foundations and corporations to draw on their expertise, financial resources and networks to provide solutions for refugees.

## CONCLUSION

2019 holds great potential for UNHCR, however, the Office's means to fully seize historical opportunities offered by the global compact on refugees and adapt to the evolving operational context will greatly depend on financial support. What follows summarises preferences for income in 2019 against the quality and quantities of income received in 2018. UNHCR will strive

in 2019 to bring these two columns into better alignment as called for in the global compact for refugees, the World Humanitarian Summit, and the Grand Bargain, all of which advance critical funding reforms such as:

- Increasing multi-year planning and funding.
- Reductions in earmarking.
- Harmonizing and simplifying reporting requirements.

Preferences for income in 2019 would be as follows

In 2018, UNHCR received\*

**Unearmarked funding is the priority for resource mobilisation.** Contributed without restrictions on its use, unearmarked funding allows UNHCR the critical flexibility in how best to reach refugees and other populations of concern in the greatest need and at the greatest risk.

15% in unearmarked funding, or \$482.8 million

Secondly, funding which is **softly earmarked at the situational or regional level**: meaning, funding that can be used across the range of countries and activities in a given region or situation in accordance with the priorities and activities identified by UNHCR.

16% in softly earmarked funding, or \$502.1 million

Thirdly, funding which is **earmarked at the country level**. Funding of this type allows UNHCR to allocate funding to its planned activities within a country in a context-specific manner.

47% in earmarked funding, or \$1.511 billion

Fourthly, funding which is **earmarked to the sectoral or thematic level within a country**. This is the most restrictive level of funding.

16% in tightly earmarked funding, or \$529.4 million

For all types of funding, **multi-year funding is most desirable**, without unduly burdensome reporting requirements.

Around 2% of the \$3.212 billion in voluntary contributions came from multi-year funding so far in 2018. In 2017, the percentage was 12%. The quantity is not only low, these funds are heavily earmarked.

Ideally, **all funds raised should be flexible in their implementation period**; meaning, UNHCR should be able to carry funds to the following year. This will enable the smooth continuation of activities, make operations more predictable, and avoid situations of UNHCR receiving funds it may not be able to spend within the calendar year.

\* Funding data as of 24 September 2018.