

2nd Meeting of the Expert Group on Resettlement Fraud (10-11 September 2008, Amman, Jordan)

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Thank you. It is my privilege to represent UNHCR's Resettlement Service at this meeting and to participate in these discussions. I convey an apology on behalf of Mr Vincent Cochetel, Deputy Director of the Division of International Protection Services and Head of Resettlement Service, who regrettably is unable to attend.

I have been asked to provide a few remarks on the role of the Expert Group, progress to date and the aims of this meeting.

Role of the Expert Working Group on Resettlement Fraud

The Terms of Reference (TOR) of the Expert Group was made available in advance of this meeting. A copy is also available in the documents tabled. The Expert Group was established to galvanise the inter-related nature of our mutual activities in the area of resettlement anti-fraud. It furthermore serves to reinforce our common objectives in furthering the Agenda for Protection and Multilateral Framework of Understandings on Resettlement.

State and UNHCR interests in addressing fraud coincide both in terms of *detection* (mapping the characteristics, trends and ways to identify fraud) and *prevention* (strategies and systems that mitigate the risk and make our work environment safe from abuse and exploitation). The objectives of the Expert Group are to strengthen global expertise and integrity in resettlement operations by mitigating fraud risks through collaboration with key stakeholders, principally: resettlement States, UNHCR and partners such as IOM, IGC and others as deemed necessary by the Expert Group. The TOR state 3 core objectives:

-  elevate the profile and awareness of anti-fraud with members;
-  develop and disseminate tools, techniques and best practices on resettlement anti-fraud;
-  promote and ensure better communication, collaboration and partnership in anti-fraud efforts between members at field, regional and capital levels with a view to better recognising, responding to and preventing resettlement fraud.

In furthering these objectives, I suggest we consider the root cause of different types of fraud, and see refugees as key partners in anti-fraud efforts and improving our understanding of the triggers; that is, we recognise that refugees are part of the solution. Indeed, refugees are among the best witnesses / informants in any number of fraud investigations by UNHCR's Office of the Inspector General. Of course, it is

our job to know what is going on, so it's important we work closely with refugees to understand the fraud dynamic and mitigate its impact.

One of the challenges of the Expert Group – as for our day-to-day activities in the area of resettlement – is to find effective and practical ways of collaboration. In the context of the Expert Group, the challenge is how to broaden participation whilst maintaining the focus and depth / quality of dialogue and information exchange – to build confidence in resettlement delivery – and to strike a balance between transparency and confidentiality. So too, we are duty-bound to uphold the highest standards of professional integrity, which includes respecting refugees and others we work with.

Historical context

The corruption scandal in Kenya in 2000-2001 revealed complex and extraordinary dynamics of internal and external fraud that affected many facets of resettlement and migration delivery. The fraud dynamic permeated the activities of UNHCR, NGOs, States, refugees' and non-refugee communities. The fraud risks should have been obvious. Nairobi was a major hub in terms of migration and resettlement. The demand for resettlement was high with limited available places. The opportunities for fraud were both visible and the environment conducive; compliance systems were lax (checks and balances were not in place), staffs were ill-equipped, offices were under-resourced. We should learn how to read the landscape. A simple risk assessment – or a meeting like this – would have revealed the gaps, risk and opportunities, likelihood and impact, and ways to mitigate these.

A simple risk assessment approach to the Kenya situation could have guided our work to focus on mitigating the likelihood and impact of risks. The lack of attention and vigilance in managing fraud risks in Nairobi – in those days – was a collective responsibility. The lesson is that we cannot afford to be complacent when it comes to resettlement fraud, especially when we consider the cost of fraud in terms of our organisational integrity and credibility, resources and indeed the lives of refugees who we serve to protect.

It's a fact that States have more capacity and expertise in anti-fraud and related investigations than UNHCR. It's a question of resources. States draw upon law enforcement agencies and security services, bilateral arrangements in sharing data, including intelligence on transnational crime, and exercise powers of interdiction, deportation and extradition etc. States also face legal hurdles that UNHCR does not normally have to deal with, which make the apparatus of States robust. Even so, States rely on UNHCR to have strong systems in place to mitigate fraud.

State and UNHCR fraud interests and expertise coincide both in terms of detection and prevention. States have been a key supporter of UNHCR's efforts to address resettlement fraud. The Reform Plan of Action, in the aftermath of the Kenya scandal, was largely funded by the United States. So too, a number of other projects designed to strengthen UNHCR's operational integrity have been supported by US funding, such as enhanced registration systems.

The scandal in Kenya was a watershed. A number of important initiatives came in its wake, each a catalyst toward an organisational culture of risk management. A few examples include:

- ✚ development of the first Standard Operating Procedures (SOPs) on Resettlement that prompted the development of global baseline SOPs on

- resettlement and SOPs in other areas of protection delivery, as well as organisational focus on standards and indicators and performance outcomes;
- ✚ strengthened role and function of the Office of the Inspector General;
- ✚ development of the UNHCR Code of Conduct that spurred the development of a joint NGO Code of Conduct, as was the case in Nairobi in 2003;
- ✚ development of the Anti-fraud Plan of Action (a recommendation of which was the establishment of an anti-fraud focal point at UNHCR headquarters to work closely with the IGO and resettlement States) and a number of initiatives to strengthen collaboration with States (including this Expert Group);
- ✚ In terms of staff development and training, a specific chapter on the management of the resettlement process, including addressing resettlement fraud, was added to the UNHCR Resettlement Handbook. New training tools have been developed to raise staff awareness and capacity to address fraud risks and emphasis has been placed on fraud mitigation and management;
- ✚ Funding support from the United States, via the Anti-fraud Plan of Action, allowed UNHCR to buy internet sites using the UNHCR name as well as approach cyber-squatters and initiate steps / and in some cases legal action to close-down certain rogue websites.

Perhaps the most significant development in recent years – in terms of fraud detection and prevention – has been the introduction of the new registration system called “proGres”, which implementation was largely funded [again] by the United States. This drives home a key and fundamental message about resettlement fraud: that effective anti-fraud efforts do not alone rest in the domain of resettlement, nor is resettlement alone the reason for fraud. The reasons for fraud are complex and may not directly relate to resettlement. Effective, early registration is recognised as a fundamental component of our anti-fraud plan, and we are beginning to see the impact already in many operations where proGres is used. Used properly, proGres is a powerful tool to identify and mitigate both internal and external fraud.

Some of you would be familiar with the heightened risk identification tool, which is a ‘profiling methodology’ to help field staff identify refugees who are in need of specific protection intervention. This tool is now being integrated into the next version of proGres – matching the specific needs codes in proGres and thereby allowing staff to better manage registration and mapping of needs. Forging links between identification systems and therefore expanding our ability to cross-reference data is another component of anti-fraud. Compatibility between databases and understanding or respective systems and information technologies – speaking the same language - will help us address the fraud dynamic.

Inconceivable 10 years ago, but now part of our toolkit to better manage and protect refugees is the use of biometric features in proGres – including iris scans and fingerprints and, somewhat more controversially (and therefore the subject of a specific UNHCR IOM/FOM), the use of DNA testing. High-risk locations are the test sites for the development of these tools.

But we have to be cautious not to be over-zealous in our quest to have checks and balances in place that we lose sight of our core mandate and responsibility to protect refugees and their family members – and for UNHCR and the international community the protection of refugees must remain a primary consideration in our efforts to ensure compliance and combat resettlement fraud.

Progress to date

The idea of establishing an Expert Group on Resettlement Fraud was discussed and agreed – at UNHCR's initiative - at the October 2007 Working Group on Resettlement, which was chaired by Canada. In February, the first meeting was convened (jointly Chaired by Australia and Canada) with interested resettlement States to develop the Terms of Reference. These were presented to the WGR and endorsed by consensus. This is the second meeting of the Expert Group, but the first thematic / population specific meeting. One of the aims of the Expert Group, in addition to the objectives set out in the TORs, includes the broadening of State participation in the Expert Group to reflect a broad spectrum of State expertise and exposure to the issues and development of practical outcomes. I leave it to you all to review the TORs in more detail.

Australia has taken the lead to convene this meeting. Australia's leadership and support to move the Expert Group forward is much appreciated by all WGR member States and UNHCR. The Head of Resettlement, and Deputy Director of DIPS, has asked that I express on his behalf UNHCR's appreciation of Australia's support. [I recall many occasions when Australian expertise in anti-fraud has been shared with UNHCR staff in the field in practical areas such as documentation fraud, photograph and fingerprinting recognition and interview techniques etc.]

Understanding the likelihood (high, medium and low) of a risk and the impact (high, medium or low) helps define more clearly the touch-points of fraud and the entry points where action can / should be taken to strengthen procedures and monitor compliance. These practical dividends can immeasurably enhance our mutual efforts to support refugee resettlement. And this is a key deliverable that we can strive to achieve from this meeting of the Expert Group.

The outcomes of this meeting will be carefully recorded for the benefit of our work in the region, which will remain significant over the coming years, and for the benefit of other regions where we expect to hold similar thematic / situation specific meetings.

We have a unique opportunity to focus on the dynamics of fraud within the context of Iraqi resettlement, under a number of cross-cutting themes. The resettlement of Iraqi refugees is among UNHCR's largest operations in terms of individualised case processing. For the sustainability of the programme and credibility of operations we need to work together. It will be very useful to record any trends within the larger population that can help direct us to ways of managing the impact and mitigating the risks. We also have an opportunity to look at the way we work together and the touch points between our respective activities and policies and the challenges this presents to the other. Is there something we can do better that at the end of the day will have a positive impact on the integrity and outcomes of resettlement?

Awareness raising is a key factor in our effort to address what makes fraud tick (including issues of corruption, exploitation and abuse). I urge all of us to exchange information openly and frankly, and to treat fraud issues realistically so the Expert Group can recognise what is working well and build on these practices for the future.

Thank you for your attention. We will have an opportunity to hear from a number of experts over the next two days and I look forward to participating in these discussions. The outcomes from this meeting will be used to shape our decisions at DIPS on resettlement and fraud-related concerns and I will report back to the WGR in October the salient points of these discussions.