

DRAFT REPORT OF THE THIRTY-SEVENTH MEETING
OF THE STANDING COMMITTEE
(20-21 September 2006)

I. INTRODUCTION

1. The meeting was opened by the Chairman of the Executive Committee, His Excellency Ambassador Ichiro Fujisaki (Japan) who chaired the meeting throughout.

II. ADOPTION OF THE AGENDA OF THE THIRTY-SEVENTH MEETING

2. The agenda for the meeting (EC/57/SC/CRP.21/Rev.1) was adopted.

III. ADOPTION OF THE DRAFT REPORT OF THE THIRTY-SIXTH MEETING

3. The draft report of the Committee's thirty-sixth meeting (EC/57/SC/CRP.20) was adopted.

IV. PROGRAMME BUDGETS AND FUNDING

4. The Deputy High Commissioner opened the item with a comprehensive introduction on various aspects of programme budgets and funding in 2006 and 2007. She noted that in the final quarter of 2006, UNHCR's financial situation was looking better than in 2005, when foreign exchange fluctuations had resulted in an unanticipated loss of US\$ 36 million. The prospects for managing the 2006 budget had been complicated due to the need to mainstream the supplementary programmes for Chad and Burundi, adding an additional \$110 million to the 2006 Annual Programme Budget. Since UNHCR would not be able to cover all of the budget requirements, the High Commissioner had taken a number of decisions to assure financial stability, including prioritization measures whereby managers were asked to identify the least important 20 per cent of activities for "capping". Efforts to minimize the impact on refugees were made by cutting back on non-essential travel and conferences, and postponing procurement wherever possible. A further \$20 million of budgetary reductions were subsequently achieved by targeting travel, temporary assistance and consultants, mostly at Headquarters. Furthermore, there was no net growth in Headquarters, and some posts had been discontinued.

5. On the income side, the foreign exchange market had played in UNHCR's favour, and a net exchange gain of some \$20 million was projected for 2006. The Office also expected some \$12 million income from the Central Emergency Response Fund (CERF). Thus the austerity measures, combined with increased income, should allow UNHCR to eliminate any shortfall

between income and expenditure provided all projected funding was received from governmental donors; the private sector fund raising target was reached; and the foreign exchange rate remained favourable for the rest of the year.

6. With regard to UNHCR's Annual Programme Budget for 2007, the Deputy High Commissioner stressed that this budget was designed to highlight three key principles: predictability, transparency, and fundability. The High Commissioner wished to minimize or eliminate capping as a tool for budget adjustments during 2007. To provide for this budget space while still maintaining more predictable planning targets for regular programmes, the proposed 2007 budget had expanded the Operational Reserve instrument to the maximum allowed (10 per cent of programmed activities). Further predictability would be achieved by making an investment in a treasury management system.

7. In order to increase transparency, the 2007 budget presentation had been simplified to make it more reader friendly. The Deputy High Commissioner commented on two specific areas where no reductions in funding had been applied: the PeopleSoft management systems renewal project (MSRP) and the development of Results-based Management (RBM) software compatible with MSRP. Both would be crucial for enabling the Office to process vital information and provide more effective reporting across a range of financial, budgetary, logistical and human resource issues.

8. In order to ensure fundability, the 2007 budget had been set at some \$100 million less than the 2006 budget approved by the Executive Committee (ExCom), which corresponded to a nine per cent reduction. Increased efforts were also being made to substantially increase support from private sources. Further austerity measures included the anticipated discontinuation of 132 professional posts and 480 general service posts, and the strict application of the policy of no growth at Headquarters. In summary, UNHCR had attained financial stability in the management of the 2006 budget and looked forward to a more secure and stable financial position in 2007.

A. Update on programme budgets and funding for 2006

9. In introducing document EC/57/SC/CRP.23, the Controller commented that the Annual Programme Budget for 2006 had amounted to \$1,146.8 million, which was more than \$150 million higher than the 2005 Budget of \$995.5 million. Earlier in 2006, UNHCR had projected significantly lower funding for the 2006 Annual Budget than the ExCom-approved budget; hence the application of capping and strict austerity measures. These actions had effectively brought the budget down towards an expected expenditure level of \$926 million.

10. Earlier projections had estimated that total 2006 income would be below \$900 million. Thanks to the anticipated foreign exchange gains (some \$20 million) and expected additional income from the CERF, income projections had recently been adjusted upwards. UNHCR currently projected that the total income available for the 2006 Annual Programme Budget would be \$923 million. The gap between projected funds available and expenditures therefore

stood at some \$3 million, and UNHCR expected to be able to close 2006 without a significant deficit. However, while there was cause for optimism that projected income and expenditures for 2006 would be adequately managed, the expected shortfall between the ExCom-approved budget and the funds available was still \$200 million.

11. The Director of the Division of External Relations expressed UNHCR's sincere appreciation for contributions received. He commented that although the situation appeared better than the previous year, new contributions were still insufficient to meet the revised budget. Against UNHCR's capped goal of \$825 million for the Annual Programme Budget, \$756.3 million had been received; but another \$68.7 million were still needed to reach the goal. The Director also thanked delegations for their support for UNHCR's programmes for internally displaced persons (IDPs), reflecting the international community's support for UNHCR as cluster lead in the three assigned areas of protection, emergency shelter, and camp coordination and management. The majority of the other Supplementary Programme Budgets were also relatively well funded, with the notable exception of the Return and Reintegration Programme of Refugees in southern Sudan.

12. In 2006, the new pooled funding mechanisms had become an important source of income. The Common Humanitarian Fund for Sudan and the Democratic Republic of the Congo Pooled Fund had provided significant funds for UNHCR's field operations in the respective countries. Since the launch of the upgraded CERF in March 2006, UNHCR had benefited from allocations for under-funded emergencies and under the Rapid Response window for new emergencies. The Office welcomed these allocations, and remained fully committed to collaborating within the Country Teams to ensure a smooth allocation and reporting process.

13. Despite UNHCR's continued focus on increasing income from private sources, income in 2006 would decrease from the high of 2005, which had seen a massive public response to the tsunami and South-Asia earthquake. The Director commented on new initiatives being launched with the private sector, as well as those with corporate partners such as the "ninemillion.org" campaign.

14. Several delegations commended UNHCR's prudent management decision to reduce the 2006 budget through capping. They noted that early decisions on capping enhanced predictability, and hoped that these measures would be sufficient to allow UNHCR to close the gap between expected income and the budget. A number of delegations urged UNHCR to continue its efforts to broaden the donor base.

15. While there was wide support for UNHCR's involvement in the IDP cluster approach, there were a number of calls for further consultations on the possible growth of these programmes, which should be gradual. Several delegations supported the mainstreaming of these programmes in 2008.

16. With regard to mainstreaming supplementary programmes, notably those for IDP situations, the Deputy High Commissioner recalled Members' repeated insistence that IDP operations should not detract from refugee programmes. The initial solution had been to firewall refugee operations and to fund IDP operations through Supplementary Programme Budgets. She agreed that there was a need for further consultations and the development of a funding mechanism for 2008/2009, either to continue with the current system or to have increased

mainstreaming. With regard to other (non-IDP) Supplementary Programme Budgets, it only made sense to mainstream them once a situation had stabilized. The Controller added that, at the July informal consultative meeting, UNHCR had proposed the two criteria of predictability and fundability.

B. UNHCR's Annual Programme Budget for 2007

17. The Controller introduced UNHCR's 2007 Annual Programme Budget (A/AC.96/1026) as well as the related report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (A/AC.96/1026/Add.1).

18. The ACABQ had welcomed the changes and improvements to the presentation of the 2007 budget document, particularly in terms of enhancing budgetary transparency and making the structure of the document more reader friendly. UNHCR would continue improving the presentation and conciseness of this document in the years to come. Both the Board of Auditors and the ACABQ had paid particular attention to the widening gap between budgets and funds available leading to, as the ACABQ report put it, "stagnating fund and reserve balances". It was precisely in order to reverse this trend that UNHCR was presenting a 2007 budget that was some \$100 million lower than the ExCom-approved budget for 2006. UNHCR hoped that this budget constituted a fundable budget which would allow the organization to avoid the imposition of caps on its operations and implementing partners, for whom these measures were particularly disruptive. However, a "fundable budget" meant a budget for programmed operational activities and funding the Operational Reserve which in 2007 constituted 10 per cent of programmed activities would still be a challenge.

19. Beyond the 600 posts being discontinued, other measures to ensure a healthier financial environment would be undertaken through the structural and management change process. UNHCR had not included any provisions in the 2007 budget for proposals resulting from this change process; however, should considerable funding be required for the reform, the budgetary space under the Operational Reserve could be used for that purpose and UNHCR would keep the Committee informed of developments.

20. On the issue of the mainstreaming of Supplementary Programme Budgets, UNHCR believed that if supplementary programmes dealing with refugee or refugee-related issues were looked at separately from those benefiting internally displaced persons, it should be possible to finalize the relevant criteria for their inclusion, or non-inclusion, into UNHCR's annual or biennial programme budget.

21. Delegations expressed appreciation for the quality of the 2007 budget document, notably the trend analysis and more reader-friendly presentation; however there were calls for greater clarity with regard to the 2007/2008 objectives and the resources required to achieve the related goals. Earlier discussions on the budget document were considered necessary, requiring the document to be made available by the end of August. Several delegations appreciated that the 2007 budget level was lower than 2006 and hoped that it was indeed fundable, but asked to receive information on which needs would not be met. Another delegation wished to know why budgets in the Americas were declining and also suggested that UNHCR prepare clearer

budgetary tables broken down at the sectoral level in future. While supporting the structural and management change process, several delegations asked how this would affect the budget, and called for discussions in this respect. Another delegation wished to know whether the information and communications technology and security costs were under control.

22. With regard to UNHCR's increased involvement with IDPs, UNHCR was requested to consult more with ExCom Members. On the question of mainstreaming or not of supplementary programmes, it was generally agreed that this needed further discussion, irrespective of how IDP operations were dealt with, and one delegation asked why no supplementary programme budgets were being mainstreamed in 2007.

23. In summing up, with regard to a query about increases in headquarters costs, the Deputy High Commissioner explained that the 2007 initial budget of \$154 million included increased amounts for budget lines such as private sector fund raising, voluntary separation costs and the new treasury management system. She recalled that the investments in the latter and in the RBM software were designed to enable UNHCR to achieve cost efficiencies through productivity gains. The Controller commented that while UNHCR believed that the programmed activities under the proposed 2007 budget should be fundable, this did not include the Operational Reserve of some \$90 million. He recalled moreover that the proposed budget did not include any provisions for reform initiatives, but also pointed out that possible outposting would reduce staff costs in 2007.

24. In response to several queries on why the 2007 budget for Africa was decreasing, the Deputy High Commissioner explained that the proposed 2007 budget of \$381 million did not yet include any possible supplementary programmes which could add another \$150 to \$200 million to the regional budget. She then addressed the question posed concerning the Americas region budget, noting that the revised regional annual programme budget for 2006 was \$29.5 million. In addition, there was a supplementary programme budget of \$4.4 million. For 2007, the proposed programme budget was \$26.2 million, and a supplementary programme budget of \$13.3 million was planned. Thus, there was an overall budgetary increase of \$5.6 million between 2006 and 2007.

25. In response to a query about UNHCR's private sector fund raising strategy, the Director of DER commented that the Office expected to see returns in 2008 and thereafter. Seventy per cent of private sector income came from individuals and UNHCR hoped to increase this. The Office was also helping its national associations to grow and become more innovative.

C. Proposed Strategic Framework for the Period 2008-2009

26. The Head of the Organizational Development and Management Service (ODMS) explained that conference room paper EC/57/SC/CRP.22 presented UNHCR's programme in the United Nations Proposed Strategic Framework for 2008–2009 for the information of the Standing Committee. UNHCR's programme reflected the key priorities of the High Commissioner and was consistent with the Office's Global Strategic Objectives for 2007–2009 as well as the 2007 Programme Budget. It had already been endorsed with minor modifications by the Committee for Programme and Coordination on 28 August 2006 in New York and would ultimately be presented for review and approval by the United Nations General Assembly in late 2006. He commented that UNHCR needed to participate actively in the United Nations

programming process and to work together with member States to increase the annual contribution from the United Nations Regular Budget which currently stood at some US\$ 34 million.

27. In response to questions from delegations, the Head of ODMS clarified that at the time UNHCR had needed to submit the draft Programme document to New York, the details regarding UNHCR's Structural and Management Change process were not yet known. He agreed that in future, the Office would make every effort possible to make the document available to the Standing Committee at an earlier stage.

28. The Committee then adopted a decision on UNHCR's Programme on International Protection, Durable Solutions, and Assistance to Refugees of the biennial programme plan of the United Nations Proposed strategic framework for the period 2008-2009 (Annex I).

D. Results-based management (RBM)

29. The Head of ODMS again took the floor to provide an oral update on RBM in UNHCR. New RBM software was being built to support the introduction of RBM and to develop an improved results framework, in line with efforts to build a culture of RBM throughout the organization. Examples of key achievements in RBM to date included the introduction of the multi-year Global Strategic Objectives (2007–2009); improved cascading of objectives from the corporate level down to the field level; as well as new planning and reporting formats for Country Operations Plans and Country Reports. UNHCR was now working to put in place a comprehensive results framework, which could effectively describe the results the organization intended to achieve at different levels and which would enable effective cascading of objectives.

30. The Head of ODMS illustrated the use of the RBM software by projecting screen shots from the prototype of the software, using examples from UNHCR's operation in the United Republic of Tanzania. The software would eventually allow UNHCR to indicate systematically how UNHCR's own inputs (staff and support costs) were linked to results; to enhance its accountability; to improve the quality of its management; and to facilitate and reduce the volume of reporting. UNHCR planned to pilot the RBM software in 2007 and roll it out globally in 2008.

31. Delegations taking the floor voiced strong support for the concrete efforts taken to institutionalize RBM within the organization. Questions were raised as to whether ExCom Members would in future have access to the software and whether the software would cover all UNHCR programmes comprehensively (including IDP operations), allowing for comparisons across programmes.

32. The Head of ODMS responded that access to the software would be limited to UNHCR and its partners in the immediate future, but at a later stage, wider access to information generated by the software, including for ExCom members, might be envisaged. In the meantime, ExCom Members would benefit from improved reporting, including comparisons across programmes.

33. The Deputy High Commissioner announced that UNHCR had decided, tentatively, to name the RBM software “Focus Software” but invited delegations to suggest an alternative name if they so wished.

V. MANAGEMENT, FINANCIAL CONTROL, ADMINISTRATIVE OVERSIGHT AND HUMAN RESOURCES

A. Finance

34. Introducing UNHCR’s accounts for the year 2005 (A/AC.96/1023 and its addendum), the Controller commented on the Office’s overall financial situation in 2005, which had benefited from a 14 per cent increase in voluntary contributions. The most challenging element in 2005 had been the net exchange loss of US\$ 36 million. Fund balances however had not significantly decreased and remained at \$133.3 million at the end of the year. An important development for the future financial health of UNHCR would be the implementation of the new International Public Sector Accounting Standards (IPSAS) which would be adopted by all United Nations system agencies as decided by the United Nations General Assembly in July 2006. Providing a set of best-practice accounting and reporting standards for public sector and not-for-profit organizations, IPSAS should have a positive impact on UNHCR’s financial reporting, and the Office had established a task force to oversee the implementation of these new standards by 1 January 2010, in coordination with other United Nations agencies. Briefings and consultations with member States and managers in UNHCR would be initiated in the coming months to report on progress and any financial impact.

B. Oversight

35. With regard to the Report of the Board of Auditors on UNHCR’s accounts for the year 2005 (A/AC.96/1025) and the measures taken or proposed in response to these recommendations (A/AC.96/1025/Add.1), the Controller noted that the accounts had received an unqualified opinion. He emphasized that risk management and risk-based audit were vital tools for improving internal control systems and for mitigating risks in a timely and effective way. With regard to the report of the Board of Auditors, UNHCR had agreed with almost all of the recommendations and had started to implement these, notably those on Treasury Management; lessons learned from the tsunami operation; procurement activities; and the monitoring and modalities of donor agreements and relations. Further details on ongoing follow-up to the audit recommendations for 2005 would be reported at the 38th meeting of the Standing Committee in March 2007.

36. The main concern raised by delegations was the need to give priority to ensuring the monitoring of the newly applied system of audit certification for implementing partners. There was also a request for an update on a fraud prevention plan, and the Office was encouraged to expand training of personnel on fraud issues organization-wide. Delegations underlined the importance of monitoring assets and procurement activities in the Field and with implementing partners, and some delegations expressed concern over the issue of individual donor agreements not in conformity with United Nations rules and regulations.

37. In his responses, the Controller noted that the system of audit certification was new and would need further enhancement to produce better results. In addition to an explanation on the number of cases of fraud, it was agreed that the Office would follow up on the request for more information on fraud prevention policy following the meeting. He confirmed that the Office was taking measures to address the concerns of the Board of Auditors and that a comprehensive “assets review” was under way as part of UNHCR’s preparations for implementation of the International Public Sector Accounting Standards (IPSAS). As for donor agreements, since UNHCR had to find a balance between donors’ needs and its own neutrality and impartiality, the Office envisaged establishing a common template for donor agreements in conformity with United Nations rules and regulations.

38. The Chief of UNHCR’s Audit Service introduced the report on internal audit in UNHCR for 2005-2006 (A/AC.96/1027). In selecting the audit assignments for the year in question, priority had been given to operations posing the highest risks to the effectiveness and efficiency of field operations. During the period, the Office of Internal Oversight Services (OIOS) had conducted a quality self-assessment for efficiency and evaluation purposes and independent validation confirmed that UNHCR’s Audit Service was in conformity with the International Internal Auditing Standards.

39. Delegations commended the work of OIOS in UNHCR and noted with satisfaction the improvement in implementation rates by the Office.

C. Management

40. The Director for Structural and Management Change reported on latest developments with regard to the Change Process. Progress had been achieved in objective setting and prioritization, resource allocation and appointments and postings. On the structural front, decisions to rationalize certain functions and proposals to relocate administrative services had been developed to maximize cost efficiency and strategically strengthen key management functions. With regard to the Field, working groups had reviewed the feasibility of adopting situational approaches, and examined issues such as field presence configuration, workforce composition and partnership agreements. The Division of Human Resources Management (DHRM) had developed a framework human resources policy to address the impact of restructuring on staff. A more rigorous management assessment approach was being established, and an annual Global Staff Survey would shortly be introduced, along with a policy on minimum living and working standards for UNHCR staff in the Field. Amongst the key outputs expected from the Change Process were: enhanced operational responsiveness, flexibility and effectiveness; a greater portion of the budget allocated to operations; a leaner Headquarters, with support functions closer to the point of delivery; and administrative services located where they can be the most cost effective and yield the greatest impact.

41. Delegations expressed strong support for the Change Process and looked forward to further consultations as the process progressed. It was hoped that the reform would lead to improvements in UNHCR’s operational activities, notably in terms of flexibility and efficiency in dealing with IDP situations, and one delegation proposed establishing a support group of member States. The moves to relocate support functions closer to the point of delivery and to establish new support hubs in the Field were welcomed; nevertheless, one delegation cautioned that the reform changes should match the requirements and challenges posed by the external

environment. There was also general encouragement for a sensitive approach to dealing with the impact the process would have on staff. With regard to Human Resources issues, several questions were put by delegations regarding staff-in-between-assignments; the abolition of seniority; and regional geographic staff distribution. Responses to these were shared by the Director for Structural and Management Change and the Director of DHRM under the next sub-item.

42. In summing up, the Director explained that there was a clear need to enhance UNHCR's effectiveness and responsiveness to ensure accountability not only to donors and ExCom Members but more importantly to the Office's beneficiaries in the Field. In response to one query, he clarified that there was no intention to completely abolish rules of seniority in appointments, but to increase flexibility by allowing staff to apply to posts either one grade higher or lower than their current grade. He reemphasized the need to maintain resettlement as a protection tool, and took note of the support given to the Hub initiative and moving operational support functions closer to the Field. While agreeing with the call for continued consultations, he pointed out that not all staff would be satisfied with the outcome of the Change Process. However the Change Team was endeavouring to make the process as transparent, consultative and humane as possible, and the proposal by one delegation to establish a support group of member States was welcomed.

43. With regard to the issue of staff-in-between-assignments (SIBAs), the Director warned that while policies had been put in place to reduce the number of SIBAs, further streamlining and rationalization of structures and processes might lead to a temporary increase in numbers of SIBAs. In response to questions regarding the cutting of posts, the Director reported that cuts in the Field constituted 80 per cent general service posts and 20 per cent international professional posts. Staff reductions in the Field were usually related to operational phases, but a particular effort had been made in the 2007 planning exercise to streamline and maximize efficiencies.

44. As to the cost implications of the Change Process, the Change Team could not yet provide a full articulation of the costs entailed, but would be able to do so once the feasibility studies had been conducted towards the end of the year. Finally, the Director reassured the Committee that consultations with ExCom Members and staff were ongoing. The process was moving towards more substantial consultations as proposals became sufficiently elaborate to be shared and commented on; however, ExCom Members would not be called upon to make any decisions at that stage. The Director concurred with other commentators that the Change Team should be cautious not to repeat mistakes made in past reform initiatives. It was agreed that an Informal Consultative Meeting should be convened in early November.

D. Human resources

45. The Director of the Division of Human Resources Management (DHRM) introduced the Update on Human Resources Issues: Workforce Strategy (EC/57/SC/CRP.25), focusing on three main areas of activities. Firstly, a number of changes with regard to the appointments, postings and promotions process were intended to give more flexibility to the system. Fast Track appointment procedures were being fine-tuned for a smooth and effective relay following emergency staff deployments, and preparations were under way to establish a roster of staff with appropriate skills to assume cluster leadership roles for internally displaced persons in the three areas of concern to UNHCR. The second area of activity was support for the Structural and

Management Change process to provide technical support on related human resources (HR) issues. A proposal for an HR policy framework had been circulated to all staff for comments, through the Staff Council, defining the conditions and support for staff affected by the restructuring. The third area of activity concerned implementation of measures aimed at reducing staff costs, notably a freeze on external recruitment with the exception of expert posts and some very specific profiles. A policy of zero growth at Headquarters was also being implemented with new policy on managing staff-in-between-assignments.

46. The Director also reported on progress achieved in other areas including the modified entry test for the International Professional Roster; the development of an integrated management Assessment Framework; the piloting of a new training for managers at the P-5 and D-1 levels, the Strategic Leadership Programme and the launching of the 360-degree feedback tool with senior managers. Mandatory reporting on Code of Conduct compliance had been instituted, a gender policy was being finalized and a policy paper on “Minimum Working and Living Standards for UNHCR Staff” had been endorsed by the Senior Management Committee. On 4 September, the new PeopleSoft HR system was rolled out at Headquarters and in 15 field offices.

47. Several delegations expressed appreciation for the update and supported the restructuring plans within the area of Human Resources. Points raised by delegations included the issue of staff-in-between-assignments, notably the concern that the numbers were still too high, and delegations requested a breakdown of these numbers as well as of gender figures by levels. There was also some concern about the abolition of seniority; the increase in the standard assignment length in some duty stations; and the underutilization of the Fast Track. There was support for a leaner Headquarters and requests for more details on discontinuation of field posts.

48. The Director responded that DHRM was taking an active role in the ongoing reform in view of the human and financial implications for the organization. The Director confirmed that most staff-in-between-assignments were working and policies regarding SIBAs were being reinforced. Regarding the request for a breakdown of figures, DHRM would provide these separately. In response to the query about abolition of seniority, the Director explained that staff members could henceforth apply for posts for which they were eligible at their own grade, one level higher or one level lower regardless of their accrued seniority at their personal level. However, managers would take into account the staff member’s seniority in their recommendations. The normal seniority requirements would continue to apply for promotion purposes.

VI. REGIONAL ACTIVITIES AND GLOBAL PROGRAMMES

Staff safety and security management

49. The Director of the Division of Operational Services (DOS) presented an update on staff safety and security management (EC/57/SC/CRP.24). He recalled that security in itself was not the objective, and that UNHCR had to strike a fine balance between continuing to work within the framework established by the United Nations Department of Safety and Security (UNDSS) and being able to effectively serve refugees and other persons of concern. Achievements in 2005/2006 included the provision of more security training for middle and senior level managers; security training for representatives of Implementing Partners; and the putting in place

of measures for MOSS compliance in all countries with Phase III and above conditions by the end of 2006. In 2006/2007, the Office was planning to organize more functional training and to enhance the links with staff welfare issues and with the Staff Council.

50. Delegates regretted the increase of incidents against humanitarian actors and that the funding shortfalls had also affected staffing and security. Several urged UNHCR to ensure that all staff, notably local staff, as well as implementing partners, have sufficient access to training, and that a guide on best practices is established. One delegation sought further information on security concerns specific to IDP situations. There was also a question on eCentre activities.

51. The Director confirmed that UNHCR's interventions, particularly in situations of internal displacement, were sometimes complicated by the positions and actions taken by States as well as non-State actors as well as there being no specifically binding legal instruments for IDPs. The Director also explained that DOS had built in a component on dealing with IDPs in the Workshop on Emergency Management, and was taking further steps to incorporate IDPs into planning tools and training programmes. The e-centre had originally been designed to deal with emergency and security issues, but was going to expand its role to deal with training for different humanitarian actors in Asia. In response to a query regarding the draft decision, the Director explained that any security risk management programme incorporated an element of training. Information relating to security was also shared with UNHCR's partners to ensure that they have similar information.

52. The Committee then adopted a decision on Staff Safety and Security (Annex II).

VII. COORDINATION

53. The Director of the Division of External Relations (DER) provided an update on coordination issues (EC/57/SC/CRP.26), stressing the Office's continuing commitment to reinforce its various partnerships, as well as its active engagement in support of the current United Nations reform initiatives, notably the High-Level Panel on System-wide Coherence, and the new Peace Building Commission and Peacebuilding Support Office. He made specific references to UNHCR's ongoing involvement in the Inter-Agency Standing Committee's (IASC's) work to improve the protection and assistance of internally displaced persons (IDPs).

54. The Director also highlighted the Office's efforts to reinforce its cooperation with other UNAIDS cosponsors to combat HIV/AIDS among refugees, IDPs and others of concern and its participation in the Global Migration Group (GMG) established in early 2006 with the aim of responding better to the challenges of international migration. In its work with NGOs, the Office was building more comprehensive collaboration at all stages, from assessment and planning through to implementation and evaluation. The Director paid tribute to the increased participation of NGOs in the work of ExCom, both through their comments on ExCom conclusions and decisions, and through NGO participation in the ExCom Chairperson's annual mission to the Field. In conclusion, he expressed UNHCR's gratitude for the support provided by partners, both physically and financially, and often in challenging situations, and underlined his commitment to strengthening UNHCR's partnership approach.

55. While expressing broad support for the Office's overall efforts to strengthen partnerships, several delegations called for closer association of partners in discussions on UNHCR's role through the cluster approach with regard to IDP situations to ensure transparency and accountability. One delegation cautioned that UNHCR should not rely too much on United Nations Volunteers where more experienced staff may be required. Another delegation called on UNHCR to coordinate with government agencies, particularly in its work in IDP situations. The forthcoming inter-agency mission to Colombia was flagged as a good opportunity to review the work of various agencies on the ground, and assess the effectiveness of the response to the needs of displaced persons.

56. In response, the Director of DER acknowledged delegations' useful comments and emphasized that UNHCR was keenly aware that effective coordination with partners was imperative. He confirmed that UNHCR would report back on the outcome of the inter-agency mission to Colombia in due course.

IX. STATEMENT BY THE STAFF COUNCIL

57. The Chairman of the Staff Council welcomed the opportunity to speak to the Committee and share staff concerns. He counted on the Committee to guide UNHCR's Management in the ongoing structural reform process, and cautioned against the repetition of shortcomings of previous reform initiatives. He appealed for a broad consultative process in order to obtain a collective review, and not just individual viewpoints. In due course, the Staff Council would share recommendations and comments provided through working groups constituted both in the Field and at Headquarters. Finally, with reference to the forthcoming feasibility study phase which would analyse the cost effectiveness or viability of reform proposals, the Chairman reiterated his call for the decision-making process to take into account the views of the staff in accordance with the Staff Rules and Regulations and relevant United Nations General Assembly resolutions.

X ANY OTHER BUSINESS

58. There being no other business, the Chairman declared the 37th meeting of the Standing Committee closed.

DRAFT DECISION

The Standing Committee,

Takes note of Programme 20: International Protection, Durable Solutions, and Assistance to Refugees of the biennial programme plan of the United Nations Proposed strategic framework for the period 2008-2009, contained in A/61/6 (prog.20).

DRAFT DECISION ON STAFF SAFETY AND SECURITY

The Standing Committee,

Recalling the Executive Committee's 2000 Decision on safety of staff of UNHCR and all other humanitarian personnel (A/AC.96/944, para. 25) which urged States to assume fully their responsibilities for safeguarding the physical security of United Nations personnel, as well as all other humanitarian personnel, and to ensure their safe and unhindered access in order to allow them to perform efficiently their task of assisting the affected civilian population, including refugees and internally displaced persons, and which also encouraged UNHCR to further develop and integrate appropriate security arrangements in its operations and to allocate adequate resources for the safety and security of its staff and the populations under its care, and

Recognizing the importance of ensuring that the management of safety and security within the humanitarian and UNHCR-specific context must encompass every facet of security and programme risk management, including the physical protection of persons of concern,

1. *Takes note* of document EC/57/SC/CRP.24 on Staff Safety and Security Management which provides an update on efforts to implement the recommendations of UNHCR's Security Policy and Policy Implementation Review as well as new initiatives in support of the strengthening of a UNHCR culture of security and other security-related activities;
2. *Encourages* UNHCR to plan, budget and monitor effective implementation of Minimum Operating Security Standards (MOSS) throughout the organization;
3. *Requests* UNHCR to engage with partners in the United Nations security management system to work towards a comprehensive approach that considers the physical protection needs of beneficiaries as well as the security implications for staff in all aspects of UNHCR's operational planning, and from the earliest stages;
4. *Endorses* UNHCR's moves to promote a culture of security risk management throughout the organization, and *recognizes* that this is a fundamental element underpinning all of the Office's operations;
5. *Notes* UNHCR's current annual financial contributions of some US\$ 6 million to the United Nations security management system and *further notes* UNHCR's position that funding for the United Nations security system should come from the United Nations Regular Budget.

LIST OF POINTS
FOR FOLLOW-UP ACTION

1. Further consultations to be arranged on UNHCR's expanded role in situations of internal displacement, in particular in relation to budgetary matters.
2. Further consultations to be arranged on the issue of mainstreaming or not supplementary programme budgets, in particular those for IDP situations.
3. Annual Programme Budget document for 2008 to be made available to delegations by the end of August 2007 for consultation in advance of the September Standing Committee.
4. Request for information on which needs could not be covered by the 2007 Budget due to efforts to ensure that it was at a "fundable" level.
5. Request for information on fraud prevention policy.
6. Increased consultative process with delegations on the Structural and Management Change process: an ICM to be convened in early November 2006.