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EXECUTIVE COMMITTEE OF THE HIGH COMMISSIONER'S PROGRAMME

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Item 5 of the provisional agenda
Reports on the work of the Standing Committee

Report of the forty-first meeting of the Standing Committee (4-6 March 2008)

Report by the Standing Committee*

I. INTRODUCTION

1. The Chairman of the Executive Committee, His Excellency Ambassador Boudewijn Van Eenennaam (Netherlands), opened the meeting, by welcoming the Islamic Republic of Afghanistan, Benin, Djibouti, the Dominican Republic, the Republic of Latvia, Nepal, the Republic of Panama and the Republic of Slovenia as new observers. Later in the meeting, the Republic of El Salvador was also granted observer status. The second half of the morning meeting on Wednesday 6 March was chaired by the Vice-Chairperson, Her Excellency Ambassador Laura Thompson Chacón (Costa Rica).

* Report adopted by the Standing Committee at its resumed meeting on 7 October 2008.

II. ADOPTION OF THE AGENDA OF THE FORTY-FIRST MEETING AND OF THE 2008 WORK PROGRAMME

2. The agenda for the meeting (EC/59/SC/CRP.1/Rev.1) was adopted. The Standing Committee's work programme for 2008 (EC/59/SC/CRP.2/Rev.1), as approved at the Planning Meeting held on 13 December 2007, was also adopted, following the inclusion of the topic of "Delivering as One" under the agenda item on Coordination at the 43rd Meeting of the Standing Committee in September 2008.

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

A. Update on the structural and management change process: progress report on outposting, regionalization and field review

3. The Deputy High Commissioner emphasized the achievements of UNHCR's internal reform process, including the establishment of a service centre in Budapest. He acknowledged the considerable work still ahead, particularly with regard to the longstanding challenge of staff in between assignments (SIBAs) and the completion of the transition to results-based management. He assured the Standing Committee that structural and management change would remain a priority in the foreseeable future.

4. The Director for Structural and Management Change gave a detailed presentation on developments in the reform process since the Standing Committee meeting in September, highlighting outposting, decentralization and regionalization, the field review, resource allocation and the proposed new budget structure.

5. Delegations were supportive of UNHCR's outposting decision. The Government of Hungary received recognition for its generous contribution to the Centre and the Standing Committee expressed interest in receiving further analysis of the costs and related savings. Delegations supported UNHCR's approach to decentralization through a strengthening of regional structures. Several delegations stressed the importance of putting in place effective systems of accountability and oversight. Questions were raised on how the location of regional offices was decided; what impact regionalization had on the essential functions of Headquarters; and the extent to which regionalization introduced an additional layer of management.

6. Delegations were awaiting the results of the Field Review with keen interest. Some would like to see UNHCR increase its implementation performance through partnerships, the placement of more senior staff in field locations and greater use of qualified national staff. Several delegations requested further clarification on the proposed budget structure, including on the notion of flexibility and reallocation of unearmarked resources; the reintegration pillar; technical motivations; the firewalling of refugee/ IDP programmes; and the importance of emphasis on repatriation/ return. Several other delegations welcomed the proposal and urged the Committee to reach a decision in the course of the 41st meeting.

7. The Director assured the Committee that UNHCR would update the financial information provided once the outposting exercise had been completed. Since only a limited number of contributions had been received, most of the costs had been covered under the Operational Reserve. The Director reiterated UNHCR's commitment to put in place effective mechanisms and tools, such as the accountability framework, in order to support regionalization. Headquarters would, for example, maintain overall authority and responsibility for policy, but would gradually depend on regional structures for strategic planning and managing regional resources. At the same time, since regionalization had not been conceived as a cost-cutting exercise, but as an effort to enhance UNHCR's overall flexibility and effectiveness, it should remain cost neutral. With regard to the Field Review, a more comprehensive briefing would be given at the 42nd meeting of the Standing Committee in June.

B. Follow-up to the recommendations of the Board of Auditors on the accounts for 2006 and previous years

8. The Controller presented document EC/59/SC/CRP.4. The Board of Auditors' 2003 report on the 2002 accounts had been closed and he made reference to ongoing work to achieve closure on outstanding recommendations with regard to the 2004, 2005 and 2006 reports, implementation of which currently stood at 90, 87 and 52 per cent respectively. For the 2007 report on the 2006 accounts, he recalled the three higher risk areas jointly identified by the Board of Auditors and UNHCR for particular focus in the Office's reporting: implementing partner audit certification; asset management; and policy on staff in between assignments (SIBAs), and updated the Committee on action being taken and progress to date.

9. Commenting on the issue of audit certification for implementing partners, several delegations acknowledged the challenges faced and encouraged the Office to pursue its work to improve the process. One delegation confirmed that programme reporting tools provided the primary means of validation of implementing partner expenditure, and others asked for an update on how the Management Systems Renewal Project (MSRP) was supporting this process. Other comments reiterated the Committee's concern that security arrangements for all UNHCR offices be compliant with Minimum Operating Safety Standards (MOSS); that the Office's accounting procedures be brought in line with the International Public Sector Accounting Standards (IPSAS); and that efforts to address the SIBA issue be pursued.

10. The Controller confirmed that MSRP was helping UNHCR to examine audit certification compliance from a statistical point of view; however, further access to enable in-depth review of each report for follow-up action was also required. As to the length of the reporting period, the reduction from six to three months was already showing a positive trend towards compliance and UNHCR continued to seek further improvements. On the issue of IPSAS, UNHCR was working to overcome some implementation problems in order to meet the schedule. The Deputy High Commissioner closed the discussion by confirming that ongoing work on ensuring full MOSS compliance in all Phase III locations was taking into account lessons learned from the Algiers bombing. On the issue of SIBAs, UNHCR intended to undertake a comparative review of post placement for international staff.

C. Oral update on the work of the Inspector General's Office

11. The Inspector General presented an update on forthcoming changes in his senior management team, and on recently conducted inspections and investigations. He identified a number of specific areas of focus for ongoing improvements in his office's strategy and working methods. There were no questions from the floor.

IV. INTERNATIONAL PROTECTION

12. The Director of the Division of International Protection Services briefed the Standing Committee on the first meeting of the High Commissioner's Dialogue on Protection Challenges, which had been held on 11 and 12 December 2007, on the theme of: Refugee protection, durable solutions and international migration. The Director announced that the next meeting of the High Commissioner's Dialogue would focus on protracted situations.

13. Delegations welcomed the High Commissioner's initiative. Several delegations stressed the importance of establishing a legal distinction between refugees and asylum-seekers, and migrants. The importance of the 10-Point Plan of Action¹ was reiterated and delegations expressed general support for the regional follow-up approach. A number of delegations welcomed the choice of theme for the 2008 Dialogue, however one recalled that a policy on urban refugees also needed to be finalized. Several delegations, including the non-governmental organizations (NGOs) called for work to be pursued on issues related to rescue at sea/disembarkation.

V. REGIONAL ACTIVITIES AND GLOBAL PROGRAMMES

14. The Assistant High Commissioner for Operations gave a broad overview of current challenges and operational priorities for UNHCR, drawing attention in particular to the Office's new emergency resource allocation system and strategic adjustments to a number of key field operations, such as in the Democratic Republic of the Congo, in Sudan, in Chad and in Cameroon. She also provided brief updates on the situations in Kenya and in Sri Lanka, as well as on developments related to UNHCR's responses to the Iraq situation. With regard to durable solutions, she highlighted some of the challenges with return and reintegration, such as those encountered in Afghanistan, Burundi and Southern Sudan, and looked forward to further debate on this topic later in the meeting. Local integration was re-emerging as a welcome means to resolving some longstanding refugee situations, and she cited some important examples of this. Resettlement numbers had risen, which was another encouraging sign.

15. On a less positive note, the Assistant High Commissioner expressed deep concern about the significant challenges related to staff security, and the vulnerability of the United Nations to attacks, despite earlier efforts which had already made over 90 per cent of UNHCR's field offices worldwide compliant with the United Nations minimum operational safety standards. She made reference to United Nations reform developments aimed at building system-wide coherence, partnerships and pooled resources; reiterated UNHCR's commitment to its cluster approach responsibilities; and announced that the Office's Special Advisor to the High Commissioner on Delivering as One was working on a policy framework to guide UNHCR's engagement in this initiative.

¹ 10-Point Plan of Action on Refugee Protection and Mixed Migration (UNHCR, June 2006)

A. Africa

16. The Director highlighted progress towards the achievement of durable solutions for refugees in protracted situations of displacement. Repatriation to Burundi, the Democratic Republic of the Congo and Southern Sudan would be important operations in 2008, in spite of challenges related to security and logistical constraints. The Director drew attention to new arrangements for the local integration and naturalization of Burundian refugees residing in the old settlements since 1972 in the United Republic of Tanzania, paving the way for a resolution of one of the most protracted refugee situations in Africa.

17. The Director referred to some of the most critical ongoing situations, notably those of refugees from Darfur and internally displaced persons (IDPs) in Eastern Chad; Somali refugees in Kenya; IDPs in Somalia; and Eritrean refugees in Ethiopia and Eastern Sudan. She underlined the negative impact of volatile security on the lives of displaced populations in Chad, Darfur and Somalia, which had caused further movements internally and across borders. The Director stressed the need for greater resources to respond adequately to these evolving situations and reiterated UNHCR's commitment to strengthen the capacity of governments to fully assume their responsibility for the protection of refugees, particularly in countries where UNHCR would progressively scale down its involvement.

18. Several delegations applauded UNHCR's emergency response in recent crises in the Central African Republic, Chad and Kenya and expressed concern about insecurity and the risks involved for humanitarian workers. Several delegations acknowledged the need to support the consolidation of peace and the sustainability of returns through adequate reintegration activities. Some insisted that environmental rehabilitation of refugee-hosting areas should be a priority for UNHCR. Delegations stressed the importance of addressing root causes of displacement. Others voiced concern about the incidence of sexual and gender-based violence (SGBV) in the Democratic Republic of the Congo and stressed the need to strengthen the Office's presence in the eastern part of the country to improve protection. Some delegations expressed concern about harmonizing assistance to refugees and IDPs, particularly in complex operations where these populations coexist.

19. The Director recognized that assistance to refugees and IDPs was subject to different standards. She believed that this was often because the protection of refugees was entirely under UNHCR's mandate, with specific standards and indicators, while the responsibility for IDP operations was shared with various partners. She expressed the hope that United Nations country teams would be able to agree on harmonized standards of assistance. With regard to concerns related to the East and Horn of Africa, Chad and Sudan, the Deputy Director for this area welcomed the deployment of peacekeeping forces in Chad and Darfur. In response to the concerns raised about sustainable returns and reintegration, he acknowledged that challenges persisted in all return operations and that UNHCR was doing its utmost to engage development actors. Access to funds was an additional challenge because of the difficulties faced by most countries in meeting bilateral aid conditions set by donors.

20. The Deputy Director for West, Central Africa and the Great Lakes region acknowledged the challenge of properly addressing SGBV in the Democratic Republic of the Congo and recalled the initiatives which UNHCR had undertaken, in the context of the cluster approach, to

prevent and respond to sexual violence. Restructuring would enable the Office to increase its presence and improve its protection capacity, while assuming a stronger role in the coordination of repatriation operations to the Democratic Republic of the Congo.

B. Asia and the Pacific

21. The Director of the Regional Bureau for Asia and the Pacific focused on the broader challenges UNHCR faces in the region: how to maintain protection space with increasing mixed flows of migrants and asylum-seekers, and how to seek solutions for people in protracted situations where there were no prospects for sustainable returns. In countries where comprehensive solutions were not yet feasible, she challenged both the refugee hosting countries and the donors to suggest what could be done to promote interim solutions to allow refugees and asylum-seekers to live decent and dignified lives. The Director encouraged all stakeholders to have a frank discussion about what was required to accomplish these vital goals. She cautioned in particular about the potential dangers of ignoring refugee issues because of more security-oriented approaches, noting that excluding categories of people from the socio-economic fabric of hosting societies can leave them prey to extremist groups and criminal elements and eventually increase security concerns. The Director concluded with a call for all concerned stakeholders to work more closely together to find mutually acceptable means of protecting people of concern across the region.

22. Delegations expressed appreciation for the work of the Office in the region, in particular for the efforts to cooperate closely with stakeholders in searching for solutions to protracted refugee situations. Some delegations expressed concern about the shrinking asylum space across the region, and noted that UNHCR would have to continue to exert all efforts to prevent incidents of *refoulement*. Refugee-hosting countries expressed concern about the lack of solutions for protracted situations, citing the difficulty of offering local integration or the right to work for refugees and asylum-seekers, given their own economic and developmental problems. Delegations appreciated UNHCR's timely strategic review of the Afghan situation, with several countries pledging their continued support to the Office's activities in Afghanistan and hosting countries. One delegation suggested that the cluster approach be rolled out in Afghanistan as soon as possible, with UNHCR as the lead for the protection cluster.

23. The Director thanked the delegations for their continued commitment to UNHCR's work in the region. She appreciated the *de facto* local integration of 300,000 Indo-Chinese refugees in China, and the prospect of Japan becoming a resettlement country. She also thanked the numerous countries that have allowed North Koreans to transit their territory, urging them to continue such policies, and commended the proactive approach of the Republic of Korea. Regarding the Afghan situation, she acknowledged concerns about security and absorption capacity in Afghanistan, affecting continued repatriation, and stressed that UNHCR would continue to work closely with the Governments of the Islamic Republics of Iran and Pakistan to identify means of supporting Afghans there. With regard to Sri Lanka, the Director reiterated the necessity of maintaining access to affected populations for humanitarian action and of ensuring the safety of humanitarian workers. Referring to IDPs in Myanmar, she noted that while securing access to communities affected by displacement had been difficult, it was important to continue to find ways to assist them.

C. Europe

24. The Director presented the strategic update for the region, highlighting four main strategic objectives. A recently added fifth objective was to improve the overall management of offices in the context of regionalization.

25. Delegations expressed appreciation for UNHCR's work in Europe, in particular its efforts to strengthen local asylum systems. However, concerns were voiced about several residual caseloads in the Balkans, notably the need to solve the problems of tenancy/property rights; to improve living conditions of many displaced persons (mainly in Montenegro); and to find durable solutions. Delegations welcomed the regional contingency planning and urged UNHCR to continue to monitor the situation. The issue of statelessness was raised and several delegates expressed interest in the Montenegro Conference on Citizenship issues.

26. In response to concerns expressed over the effects of the strengthening of controls at the external borders of the European Union and the role of FRONTEX, the Director explained that UNHCR was working with FRONTEX to ensure protection-sensitive entry systems.

D. The Americas

27. On the occasion of the third anniversary of the Mexico Plan of Action, the acting Director outlined progress achieved, including improved asylum legislation and further ownership of refugee programmes by Governments. In Colombia, the Government and UNHCR were working together to bridge the gap between the comprehensive legal and institutional framework and the effective protection of IDPs. In neighbouring countries, priority was being given to extending effective protection to undocumented Colombians in need of international protection. The Acting Director noted that significant progress had been made in the regional resettlement programme, including for refugees from other regions. He also reported on positive legislative developments in North America and commended Canada on surpassing its resettlement target.

28. Delegations from Latin America reiterated their commitment to the Mexico Plan of Action. They nevertheless noted outstanding challenges at the implementation level and called for more international support, in particular for the resettlement component. There were questions on the regionalization process and coordination structures; the Office's protection activities in the Caribbean; and on activities to reduce SGBV against people of concern, mainly in Colombia.

29. The Assistant High Commissioner (Operations) stressed that regionalization was still work-in-progress in the Americas region and that different options were under consideration. SGBV activities would be mainstreamed in 2008 and UNHCR was assessing the impact of its presence in the Caribbean.

E. The Middle East and North Africa (MENA)

30. The Director gave a summary of positive developments in the region, including the start of the voluntary repatriation of Mauritanian refugees from Senegal, and an update on two major situations, namely Yemen and Iraq. He stressed that, in spite of an increase in the Office's budget to help the Yemeni Government with the growing influx of asylum-seekers, refugees and migrants, more needed to be done.

31. The Director briefed the Standing Committee on the recent mission by the High Commissioner to Iraq, Jordan and the Syrian Arab Republic. He noted the improvement of the protection environment in the latter two countries, as well as the expansion of UNHCR's assistance programmes, the solid partnership with national and international NGOs and the achievement of the resettlement submission targets. In Iraq, two key issues had emerged. First, with the security situation improving, particularly in Baghdad, there was a window of opportunity to start working on returns. UNHCR had proposed an assessment mission to review what needed to be done to prepare for sustainable return. The High Commissioner had decided to place his Representative in Baghdad and to enhance UNHCR's international presence there to work closely with the Iraqi authorities. The second key issue concerned the need for the Government of Iraq to maintain the link with and provide assistance to Iraqi refugees in neighbouring countries, as well as to the hosting communities, as part of the efforts to prepare for return once the necessary conditions were in place.

32. The Director commented on the bomb attack on the United Nations premises in Algiers, which had prompted a thorough review of UNHCR security arrangements.

33. Delegations expressed appreciation for the hosting of Iraqi refugees by neighbouring countries and urged donors to support UNHCR's supplementary appeal. Several delegations wished to be informed about the results of the joint assessment mission on the conditions for return in Iraq, and some were concerned about the challenges of addressing the humanitarian problems of some 2.4 million IDPs in Iraq, as well as the situation of Palestinian refugees in Iraq. The Director responded that the resettlement of Palestinians stranded in the border area was progressing gradually, with Brazil, Chile and the Netherlands having accepted several hundred persons.

34. One delegation reiterated its request for a census and registration of the populations in the Tindouf camps, recalling that UNHCR and WFP had established their number at 90,000. It took note of the call by Algeria for UNHCR to undertake an evaluation of the real numbers through an actual census in the camps, which would enable an adequation of the assistance required.

35. One delegation expressed concern about the precarious living conditions of the Sahrawi refugees in the Tindouf camps and the inadequacy of the food rations in relation to the number of refugees. The registration of these refugees is indissociable from the mandate of MINURSO and should not serve as a pretext for avoiding a humanitarian obligation.

36. The Director underlined that the issue of registration of refugees in Tindouf had been raised on many occasions; UNHCR would continue to report any development to the Executive Committee. He indicated that assistance to the refugees in Algeria had increased by USD 700,000 in the current year. Within the framework of the High Commissioner's Special

Projects, an additional USD 350,000 had been allocated for the camps in Tindouf essentially for the distribution of fresh food, such as vegetables and meat, to partially reduce anemia and malnutrition among the camp population.

F. Global programmes and partnerships

37. The Director of the Division of Operational Services briefed the Standing Committee on the Office's capacity to manage population data; reporting against standards and indicators; the improvement of public health interventions; the prevention of and the fight against SGBV; and the efforts to increase post-secondary and tertiary education for refugees. Protection and assistance activities for IDPs would be mainstreamed in 2008. Following completion of the roll out of the age, gender and diversity mainstreaming (AGDM) strategy in 2007, an evaluation would be carried out. Further emphasis was being placed on forging partnerships, in particular in transition and post-conflict situations. UNHCR was pursuing opportunities for cooperation through the "UN Delivering as One" initiative which was expected to benefit reintegration, rehabilitation and asylum capacity activities.

38. Delegations expressed appreciation for UNHCR's AGDM efforts, noting that it was vital to have senior staff in the Field. One delegation urged the Office to pay more attention to the situation of unaccompanied minors, and to ask for additional resources if necessary.

G. Oral update on emergency response and preparedness

39. The Director confirmed that UNHCR had been able to complete its central emergency stockpiles of non-food items for 500,000 beneficiaries. The Office had some 320 staff members available for deployment and agreements with several partners on deployment of staff and other support during an emergency. Four workshops on emergency management had been held in 2007 to increase UNHCR's capacity to respond to emergencies involving IDPs, and another four were scheduled in 2008. UNHCR had strengthened its early warning tool, and participated in Inter-Agency Standing Committee working groups on emergency preparedness.

VI. PROGRAMME/PROTECTION POLICY

A. UNHCR's role in support of the return and reintegration of displaced populations:
Policy framework and implementation strategy

40. The Assistant High Commissioner for Operations presented UNHCR's revised policy framework and implementation strategy relating to return and reintegration. This was followed by a statement by the Deputy Director of the United Nations Development Programme's (UNDP) Bureau for Crisis Prevention and Recovery, highlighting the critical importance of ensuring that displaced populations are given opportunities to rebuild their lives as productive members of the communities to which they return. He underlined the cooperation between UNDP and UNHCR in early recovery projects and the need to take advantage of opportunities for joint programming and strengthening the response capacity of local actors.

41. Delegations expressed their appreciation for the revitalized policy framework to promote the sustainability of repatriation. The dangers of the “gap” between initial humanitarian assistance and longer-term development activities were stressed and UNHCR was encouraged to engage other actors in the early stages of a refugee crisis. Equally, development actors were encouraged to become involved at an earlier stage in the reintegration process. The significance of an effective partnership between UNHCR and development agencies was stressed in this regard, and States were called upon to promote this collaboration in the governance fora of development organizations. The International Labour Organization (ILO) welcomed the close cooperation that had been achieved with UNHCR on reintegration initiatives and stressed the importance of building capacities for livelihoods.

42. Emphasis was placed on the need for community or area-based approaches that included local populations and which were integrated into the development strategy of States. Delegations also underscored the great potential of the new policy framework in the context of a coordinated United Nations approach, especially in respect to “Delivering as One” and new pooled funding opportunities. It was suggested that measured disengagement should be the guiding principle, with a need for flexibility and well-established exit criteria when phasing out UNHCR’s involvement in reintegration activities.

43. The Assistant High Commissioner responded to specific operational queries and clarified UNHCR’s “comparative advantage” as being its proximity to, and experience with, refugees and IDPs. UNHCR would begin putting the new policy framework and implementation strategy into practice and would report back to a future meeting of the Standing Committee on progress achieved.

B. Oral update on protracted situations which would benefit from international support

44. This agenda item was deferred for consideration at a later date.

VII. PROGRAMME BUDGETS AND FUNDING

45. The Deputy High Commissioner gave a brief update on the financial situation of the Office and then went on to describe the plans and current measures being undertaken to inform the Committee of the true extent of unmet needs of populations of concern and the corresponding additional support which would be required to enable UNHCR to fully meet its mandated responsibilities.

46. Sound management measures in 2007, together with full funding of the budget, had resulted in a healthy financial year with a small carry-over into 2008, part of which had been set aside as a buffer against foreign exchange fluctuations. For the current year, in light of the unforeseeable impact of global changes on several fronts, the Deputy High Commissioner forewarned that the 2008 budget would probably need to be increased, which could also affect budgetary estimates for 2009. In 2009, other main developments anticipated would concern the proposed introduction of a new budget structure and more thorough assessment of total unmet needs.

47. Recalling UNHCR’s previous habit of preparing its programme budgets based on expected availability of income from donors, he gave an example of the considerable differences which could arise between budgets based on anticipated funds and real needs. Against a

USD 261 million budget for Iraqi refugees in 2008, a total of USD 498 million had been calculated as the actual amount which would be required for UNHCR and its partners to respond in a responsible way to the needs identified. For 2009, the Office was therefore working on gaps assessment in eight countries to provide a better informed programming and budgeting process, and aimed to extend this to the rest of the world in 2010. The Deputy High Commissioner would report further on this to the Committee at the June Standing Committee.

48. The Controller then commented on the information presented in the conference room paper EC/59/SC/CRP.6 which provided preliminary estimates of the 2007 carry-over figures, amounting to some USD 117.3 million, and an indication of the annual and supplementary budget trends in 2008. Picking up on the Deputy High Commissioner's announcement, he confirmed that with the depletion of the Reserves due to the continuing depreciation of the US dollar, a revision to the 2008 budget would be presented to the Standing Committee for approval in June.

49. The Director of the Division of External Relations welcomed the record levels of contributions received in 2007 and the positive prospects for 2008 based on indications from the Pledging Conference in December 2007, as well as a projected increase in private sector fund raising. He cautioned, however, that the current healthy outlook was due in large part to exchange rate fluctuations which had inflated dollar figures. The Director also recalled the importance of early and predictable funding and appealed to donors to reduce earmarking and accept the Global Report as the principal vehicle of accountability. For its part, UNHCR was working on strengthening its resource mobilization operations, and the Director called on donors to work with the Office to make the case with their respective governments to remedy the current limitations with regard to UNHCR's base of funding support.

50. The Director for Structural and Management Change referred to the reformulation of the proposed new budget structure put forward in August 2007 and underlined some of the key benefits that the new structure aimed to bring, notably the safeguarding of funding for refugee programmes; flexibility in longer term reintegration work; and greater transparency and governance oversight for the Executive Committee. A recently prepared Addendum to the September 2007 conference room paper EC/58/SC/CRP.25 had been circulated in response to requests for clarification on various aspects of the new budget structure.

51. In the ensuing debate, delegations expressed satisfaction with the financial stability achieved with the 2007 budget reflecting greater donor confidence in the Office. The role of refugee hosting countries was also recognized with appreciation. Several delegations urged donors to support the Good Humanitarian Donorship approach with regard to reducing earmarking and the need for extra reporting. Support for pooled funding mechanisms was expressed, but the risk of fragmentation was also acknowledged. One delegation requested that the Office update the Standing Committee on progress with the resource mobilization strategy in 2008, and another called for more regular information on the evolving financial situation so that donors could respond more flexibly, and also asked whether there was a mechanism for prioritizing the use of unearmarked contributions.

52. Delegations awaited the preliminary estimates of the initial total needs assessment exercises with great interest and one delegation recalled that, based on the understanding that a needs-based budget would be much larger than present budgets, States would need to take responsibility for funding the additional needs identified.

53. With a large majority of members being in favour of approving the proposed new budget structure, one delegation proposed additional text for inclusion in the draft decision on programme budgets and funding in 2008 contained in conference room paper EC/59/SC/CRP.6 (Annex VIII). A lengthy debate on the question ensued, with some delegates continuing to express reluctance to go ahead at that point while their governments still had outstanding points for clarification. Finally, however, at the instigation of another delegation, following incorporation of amended text, the decision was adopted by consensus (see Annex I).

VIII. ANY OTHER BUSINESS

54. Time having run out, the Chairman was obliged to defer consideration of agenda item VI B. to a later date, and then closed the meeting.

Annex I

DECISION ON PROGRAMME BUDGETS AND FUNDING IN 2008

The Standing Committee,

Recalling the Executive Committee's decision at its fifty-eighth session on administrative, financial and programme matters (A/AC.96/1048, para. 16), as well as its discussions under the programme budgets and funding item at the fortieth meeting of the Standing Committee;

Reaffirming the importance of international burden and responsibility sharing in reducing the burden of host countries, especially developing ones;

1. *Notes* that UNHCR's overall needs under its Annual Programme for 2008, based on currently known requirements, amount to \$1,096.1 million, as approved by the Executive Committee at its fifty-eighth session (which included \$34.8 million from the United Nations Regular Budget and \$10.0 million for Junior Professional Officers);
2. *Notes* that 2008 Supplementary Programme Budgets currently amount to \$504.5 million, including \$97.0 million for programmes benefiting internally displaced persons;
3. *Recognizes* that emergencies and unforeseen activities unfolding during 2008 may result in the need for additional or expanded Supplementary Programmes and that additional resources, over and above those for existing budgets, would be needed to meet such needs;
4. *Urges* Member States, in light of the extensive needs to be addressed by the Office of the High Commissioner, to respond generously and in a spirit of solidarity, and in a timely manner, to his appeal for resources to meet in full the approved 2008 Annual Programme Budget, as well as the requirements of the 2008 Supplementary Programme Budgets;
5. *Recalls* the decision of the Standing Committee, at its 39th meeting, which called for further consultations on the proposed new budget structure for UNHCR; *notes* the related comments of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the General decision on administrative and financial and programme matters adopted by the Executive Committee at its 58th session; and *approves* the adoption, by UNHCR, of a revised budget structure, with effect from the 2010-2011 biennium, consisting of four distinct components, i.e. (a) Global Refugee Programme, (b) Global Stateless Programme, (c) Global Reintegration Projects; and (d) Global IDP Projects, as mentioned in EC/58/SC/CRP.25 and Add.1; and *calls upon* UNHCR to have further consultations for developing a common understanding of the full scope of these four components; and
6. *Requests* the High Commissioner to present to the 43rd meeting of the Standing Committee in September 2008 an outline of the 2009 Annual Programme Budget, as well as any 2009 Supplementary Programme Budgets known at the time, in a format representing the new budget structure, with a view to incorporating any adjustments or modifications to the structure as may be recommended by the Committee.

Annex II

LIST OF POINTS FOR FOLLOW-UP ACTION

1. Presentation to the September Standing Committee of an outline of the 2009 Annual Programme Budget and any 2009 Supplementary Programme Budgets known at the time, in a format representing the new budget structure, as requested in draft decision (Annex I, para.6).
2. ICM on protracted situations to be held before the June Standing Committee to replace deferred discussion on agenda item VI.B. (Action taken on 21 April).
3. Presentation of the results of the Field Review (Action taken: Briefing session held on 14 May, to be followed by an update at the June Standing Committee).
4. Request for comparative data on the cost of the reform process, including the outposting exercise.
5. Request for UNHCR to keep the Committee informed on work in progress on the revised competency framework/ management assessment.
6. Request for information on the joint assessment mission on the conditions of return in Iraq.
7. Request for information on policies on urban refugees.
8. Request for the Committee to receive an update on resource mobilization strategy in 2008.
9. Request for regular information on funding status throughout year.

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