

NGO Statement

Agenda Item 5 (b): Programme Budgets, management, financial control and administrative oversight

This statement has been drafted in consultation with a number of NGOs.

Thank you, Mr. Chairman,

We are concerned about cuts in humanitarian assistance to many refugee situations around the world. Despite growing humanitarian needs – for refugees, IDPs, and others of concern to UNHCR – being addressed by NGOs and UN agencies, UNHCR's budget diminishes year after year, particularly with regards to protracted refugee situations.

We urge the Executive Committee to assist refugees on the basis of accurate assessments of needs and numbers of refugees. Although EXCOM members often strongly encourage UNHCR to budget based on needs, the reality, unfortunately, is that UNHCR must budget on the basis of resources. In addition, we note with concern the gap between the EXCOM approved budget for the past year and the total funds available. Unless there is a shift in approach by the EXCOM so that UNHCR can, in fact, budget on the basis of needs, we will continue to see inadequate assistance and protection being provided to persons of concern. NGO urge the EXCOM to ensure that the budget is funded according to prevailing needs on the ground.

We would like to acknowledge that over the past year NGOs have seen marked improvements in our working relationships with UNHCR regarding the management of sub-project agreements, especially at the field level. These improvements include more timely signing of agreements and more rational resource allocation for activities. Although budgets may be smaller, following austerity measures at the beginning of the year, the increased efficiency gained from more realistic planning of programmes is a welcome development.

There remain, however, concerns related to overheads, ceilings on expatriate salary costs, and the timely provision of UNHCR in-kind asset contributions. We appreciate the continued dialogue that UNHCR has maintained with NGOs and note both the openness and progress that has been made to date. A more flexible approach to addressing these concerns is needed. We look forward to continuing this discussion in the coming weeks in anticipation of mutually favourable results.

We would also like to address the issue of UNHCR funding to indigenous NGO partners in assisting them to develop their response capacity. UNHCR has both a role to move the capacity development process forward by investing directly in institutional (non-programme related) core costs of indigenous NGOs.

International NGOs coming from donor countries have much easier access to funding than indigenous NGOs. The result is that indigenous NGOs – even those that work in more than one country – find it more difficult to ensure that their core costs can be covered. Project funding alone – while important – is inadequate for sustainability. Donors must ensure that indigenous NGOs, which adhere to quality and accountability standards, have the same access to funding as other NGOs coming from donor countries. Without such equality in funding, the strengthening of local capacity will continue to be difficult.

The fact that indigenous NGOs do not have the same ability as international NGOs to recover overhead costs should be addressed, with recognition that funding of overheads can generate a return of investment. UNHCR must also accept that such costs translate into underwriting human resources, financing infrastructure, technical and material equipment, and related expenditures. To achieve such a change, UNHCR must move away from a narrow ‘project approach’ and recognise the significance of a flexible programme approach with non-earmarked institution-building grants and appropriate service charges when contracting externally.

In strengthening its relationships with NGO partners, UNHCR must become more resolute in addressing the financial capacity needs of its partners. NGOs may require assistance to enhance their internal capacity to respond to crises as they arise and to cover the real cost of implementing projects. NGOs believe that a mutually beneficial grants framework agreement between UNHCR and NGO partners could serve as a model for other UN specialised agencies in their partnerships with NGOs.

Turning to the protection role of UNHCR, we note with pleasure the adoption of the Conclusion on the Protection of Women and Girls at Risk. In order to ensure that the strong protection measures in the Conclusion are implemented and do not languish on the shelf as a symbolic, but unused tool, donors must allocate resources to an implementation strategy.

We also draw particular attention to the support needed for NGOs engaged in the implementation of the Mexico Plan of Action and specifically the development of regional resettlement programmes. Some of the commitments of support by donor States made at the Quito meeting in February 2006 are still not forthcoming with the result that capacity-building towards sustainable and successful resettlement programmes has been delayed. We urge UNHCR and its donors to ensure that supports are put in place as quickly as possible in order that NGO partners can work with States and UNHCR towards important regional solutions.

Ultimately, our partnership is not just about money; it is about ensuring that adequate resources are made available for humanitarian action in order to better serve the affected populations at the heart of our work. It is about the UNHCR’s often stated commitment to develop dynamic and forward looking partnerships with its partners. The donor community can play a critical role in this process by ensuring that sustained, multi-year, and predictable funding is provided.

Thank you.