

Remarks for the 71<sup>st</sup> Standing Committee meeting  
Executive Committee of the High Commissioner's Programme  
Kelly T. Clements, Deputy High Commissioner  
Room XIX, Palais des Nations  
06-08 March 2018

Madam Chairperson,  
Excellencies,

First of all I would like to thank Assistant High Commissioner for Operations George Okoth-Obbo for having remained with you throughout the first day of proceedings of this Standing Committee meeting.

I am delayed in joining this meeting's proceedings as I was traveling to Mexico, Honduras and Guatemala to review our operations in these countries in response to the influx of refugees from the Northern Triangle of Central America where we are increasingly concerned about the rising number of people fleeing violence and in need of international protection. I stopped on the way back in Washington to take part, along with colleagues of our newly formed Division for Resilience and Solutions, in the opening of the World Bank's biannual Fragility forum with President Kim and CEO Georgieva.

During this meeting, I had the pleasure to take part in a high level panel discussion with key refugee host countries Ethiopia and Jordan as well as champion of solutions and important donor Denmark. This discussion centred on host country perspectives on managing forced displacement and provided an opportunity, as the Global Compact on Refugees takes shape, to discuss how the international community can better support efforts to address protracted refugee situations.

These conversations, learning from the experience gained by major refugee hosting countries, in some cases through decades of sustained response to displacement, are a critical element of our work to ensure a comprehensive response to large scale refugee movements. Only through such dialogue can we ensure that the collective knowledge and experience of the international community is fully utilised to ensure a humane, sensitive, compassionate and people-centred response to the multifaceted impact of forced displacement.

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Madam Chairperson,  
Excellencies,

Thousands of organisations working to provide humanitarian aid across the world are facing a turbulent period. We, together with partner agencies, work in high risk environments and the majority of UNHCR's 16,000 workforce serve in the field and are in direct contact with vulnerable populations. Our personnel is constituted of committed professionals who sometimes put their own lives at stake to help others. Nonetheless, we are not immune to fraud, corruption and abuse of power and, like others, have seen instances in which our own personnel or those of our more than 1,000 partners operating in the field, have used their positions of power to nefarious ends. These individuals' actions bring intolerable harm on their victims and their families, runs counter to the values for which UNHCR stands, and undermine the work of our organization.

More than anything, we in UNHCR are committed to ensuring that we improve existing systems, proactively work to address instances in which our personnel's behaviour or our organisational

response has fallen short of our high expectations, and learn from our mistakes,. This is an ongoing process which has seen UNHCR embark on a comprehensive set of reforms in 2006 to increase its efficiency, improve its delivery and ensure greater operational flexibility through a range of measures, including by increasing its implementation through NGO partners.

More recently, and as initially reported to this Standing Committee in September 2016, UNHCR embarked on a review of its oversight functions and subsequent reforms destined to strengthen individual functions and improve the coordination of these various functions. A substantial number of these reforms related to our Inspector General's Office and an update on these is included in the Oral Update to this session of the Standing Committee.

In late 2016, the High Commissioner also initiated a review of UNHCR's headquarters' entities to ensure maximum support to our field operations. The review of their design, structure and underlying processes made a compelling case for change, concluding that UNHCR needs to reinforce its agility and adapt more quickly to the external environment. This review led us to embark on a change process to ensure that UNHCR does at least three things: 1) adapts the way it works to engage the world in a more comprehensive and coherent manner, as envisioned by the New York Declaration; 2) engages with the broad spectrum of partners necessary to foster self-reliance and viable solutions for people of concern, and; 3) aligns itself with system-wide reforms in the United Nations and its development system to ensure maximum efficiency, transparency and accountability to affected populations.

This change process has already led to the creation of a Division for Resilience and Solutions, drawing in functions previously carried by a number of other Divisions and in-house entities and focussed on operationalisation and mainstreaming the Comprehensive Refugee Response Framework's approach and fostering development partnerships, strategy, advocacy and resource mobilisation. We have also reconfigured our Partnership Service with a view to strengthen and diversify partnerships towards common outcomes to protect, respond, include, empower, and solve.

Our transformation is also focussing on a number of other streams of reform including organisational cultural change; simplifying and bringing greater coherence to existing processes, and; enhancing the delegation of authority to the field to ensure an optimal balance in the design of headquarters and the field.

We also continue our work in vigorous pursuit of the various work-streams of the Grand Bargain. Results to date include the planned launch, in 2018, of a joint partner portal together with UNICEF and WFP to reduce the administrative burden on partners working with us, the expanded use of cash based interventions across UNHCR operations, with the organisation on track to doubling the use of cash in proportion to total assistance by 2020, and; the increase in the proportion of programme expenditure going to national partners which reached 21 per cent in 2017 and is on track to match the 25 per cent target by 2020. We have also commissioned an independent review by an IATI specialist to assess the requirements for UNHCR to become an IATI publisher with initial indications suggesting that UNHCR should be able to translate already published information into the format required by IATI.

In addition to these reforms designed to optimise UNHCR's design and its delivery to people of concern, we have mechanisms in place to prevent personnel misconduct through a code of conduct which, building on UN rules and regulations, contains specific provisions regarding the respectful treatment of people of concern and personnel. We have, in 2017, integrated an increased focus on behaviour and mind-set change through a major revision of our Code of Conduct refresher programme

to ensure that this is value based, empowers UNHCR personnel to play an active role in ethical decision-making and integrates ethical behaviour in our daily work.

We have introduced online training courses on the fundamentals of fraud and corruption awareness, have made training courses on the prevention of sexual exploitation and abuse and on the prevention of sexual harassment and abuse of authority mandatory for all personnel. We have instituted systematic reference checks to prevent the hiring of individuals against whom allegations of misconduct have been established in other organisations and under the Secretary General's leadership, look forward to participating in a system-wide approach to prevent the re-hiring of such individuals.

We have set up a range of reporting mechanisms, both formal and informal, through which the people we serve, staff and third parties can refer instances of misconduct or concerns related to the actions and behaviour of our personnel and have worked to strengthen the investigative capacity of our professionalised Inspector General's Office and related management functions. As you will hear from the Inspector General, UNHCR has seen a significant increase in complaints in 2017 as compared to 2016, an increase which is likely attributable in part to increased attention encouraging people to come forward, the growing confidence in the organisation's follow-up to allegations received as well as improved awareness of fraud-reporting mechanisms and outreach related to sexual exploitation and abuse and sexual harassment.

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The above efforts to prevent detect and respond to fraud, corruption and other forms of misconduct are only one part of our strategy. As announced by the High Commissioner at the Executive Committee meeting last October, we have launched the "Risk Management 2.0" initiative to strengthen management systems, the integrity of our programmes and address the root causes of corruption and fraud.

This initiative is designed to bring about durable positive change to the Organisation. We aim for strategic planning and decision making to be consistently informed by operational and management risks. Our ambition is that in complex operating environments - fraud, corruption, and sexual exploitation and abuse of the people we serve as well as inappropriate behaviour in the workplace and any use of funds for unauthorised purposes or contrary to United Nations values and rules are identified earlier and are stopped.

This will be achieved by embedding additional risk management capacity in select operations for a specific period of time to strengthen local managerial accountabilities and risk management processes to achieve the highest standards of delivery and accountability. This capacity was established in Kenya in 2017 and is now being rolled out to a number of other operations, starting with Uganda where this initiative is being implemented starting this very week. This additional capacity will help operations' management teams to anticipate emerging risks and opportunities and be agile in detecting, acknowledging and responding to changes in the operating environment, and work with external stakeholders to ensure that risk management is inclusive and transparent.

Concurrently, UNHCR's Enterprise Risk Management framework, tools, guidance and training materials will be further developed, to improve risk management at all levels of the organization.

Headquarters divisions will also analyse emerging risk trends to adapt internal regulatory frameworks to the evolving realities of field operations.

Let me reassure you that we are under no illusion that our prevention and response is perfect or that the measures I have outlined will render the risk of fraud, corruption or misconduct obsolete. Our large operational footprint and the high risk environments in which we operate mean that we will continue to face integrity concerns on an ongoing basis. What is essential in our view is the commitment to continually improve systems work proactively to address instances in which the behaviour of our personnel and partners falls short of expectations, and learn from our mistakes.

Madam Chairperson,  
Excellencies,

I will end with a few notes regarding the budget and resource mobilisation efforts which will be discussed later in the meeting under item 7.

First I would like to introduce, albeit in a somewhat anticipated manner, Mr. Hans Baritt, who joined us as Controller and Director of the Division of Financial and Administrative Management in February of this year. We are privileged to have Mr. Baritt join the UNHCR team from the UN office at Geneva and are grateful to Mr. Brendan Daly, for having taken on the role of acting controller for the last few months to bridge the gap until Mr. Baritt's arrival.

Mr. Baritt will provide you with details of our 2017 and 2018 budgets and Ms. Rossella Pagliuchi Lor, Director of the Division of External Relations, will present our resource mobilisation efforts. I will limit myself to noting that while our budget for 2017 stood just shy of \$8 billion, funding received for the year is estimated to \$4,5 billion, leaving us with a 43 per cent gap and significant negative programme impact as a result.

In my recent travels through North Central America and Niger last month, I was able to see the positive impact of our operations to respond to the needs of people on the move, and this in spite of a light footprint driven by substantial financial limitations. There is no doubt that, given additional resources to expand our presence and programmes in these countries, UNHCR would be able to greatly enhance support to displaced populations through activities conducted together with national partners and in support of host country systems.

Our budget for 2018 is again just short of \$8 billion. And while this includes the addition of five supplementary budgets (for the DRC, Myanmar, South Sudan, Syria and Venezuela situations) to the \$7,5 billion budget initially approved by ExCom at its 68th session in October, we are but two months into this year and see ongoing political instability in a number of regions which may lead to new or renewed situations of displacement.

The timeliness of funding to support our programmes is a particular concern in 2018 with a number of donors having delayed their contributions for a variety of internal reasons. We find ourselves concerned about cash flow to ensure continuity of operations and compelled to pre-finance some of our activities, with an immediate impact on our already scarce resources.

We thank the generosity of donors who provided record support to the organisation in 2017. However, we are compelled, with growing needs, to ask for more funding and urge donors to provide contributions as early as possible in the year, and with as little earmarking as possible. This will allow us to support life-sustaining aid and protection for the people we serve and who rely on us.

Thank you.