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Consideration of reports on the work of the Standing Committee

Report of the sixty-eighth meeting of the Standing Committee (14-16 March 2017)

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I. Introduction

1. The first Vice-Chairperson of the Executive Committee, Her Excellency Ambassador Suraya Dalil (Afghanistan), opened the meeting. The Dominican Republic, Malta and Ukraine were admitted as observers.

II. Adoption of the agenda of the sixty-eighth meeting and the 2017 work programme

2. The Committee adopted the agenda for the meeting (EC/68/SC/CRP.1) and the 2017 work programme (EC/68/SC/CRP.2) as presented.

3. Before proceeding, the Deputy High Commissioner briefed¹ the Committee on various initiatives underway to make UNHCR more efficient, effective and responsive to the needs of persons of concern. This included reform of UNHCR's oversight functions, aimed at strengthening them and improving coordination among them. UNHCR was revising its internal resource allocation mechanisms to better align plans and budgets with organizational priorities and streamline the planning, review and approval processes. Internal decision-making was being simplified, guided by the principle of responsible delegation to managers in the field and at Headquarters. UNHCR had also initiated a review of its headquarters functions to ensure they were providing effective support to operations.

4. The Deputy High Commissioner drew attention to the funding situation. Despite strong support, the organization was entering a period of financial uncertainty and was unable to predict that it would receive the same level of funding as in recent years, at a time of heightened needs. This could compel UNHCR to adjust spending authorities, with significant consequences for people of concern and host communities. Looking to 2018, without adequate funding, UNHCR would be forced to focus on core protection and life-saving activities, to the detriment of longer-term assistance, and some operations would need to be scaled down. This could also impact the organization's ability to meet its commitments under the "grand bargain" and its capacity to engage in situations of internal displacement. Member States would be kept abreast of the situation.

III. Regional activities and global programmes

A. Regional updates

5. The Assistant High Commissioner (Operations) described the preoccupying global displacement landscape, marked by new or escalating conflicts in places such as Iraq and the Syrian Arab Republic, while Nigeria, Somalia, South Sudan and Yemen were on the brink of famine. He addressed key protection concerns and spoke about the Office's efforts to bring about solutions to protracted situations. Looking ahead, he underlined the importance of the New York Declaration for Refugees and Migrants² and the comprehensive refugee response framework (CRRF). He also noted that UNHCR's strategic directions would guide its work over the next five years. This included efforts to strengthen UNHCR's emergency preparedness and response capacity.

(a) Africa

¹ The presentations made by UNHCR are available from <http://www.unhcr.org/68th-meeting-of-the-standing-committee.html>.

² See <http://refugeesmigrants.un.org/declaration>.

6. The Director of the Africa Bureau reviewed UNHCR's operations in sub-Saharan Africa, noting that the scale of displacement had grown by almost two million people over the last year. Some of the major crises had worsened, particularly South Sudan, and a combination of prolonged conflict and drought had fuelled food insecurity and famine, sending even more people into displacement. Ten refugee operations experienced food ration cuts, in some cases by half, and there were reports of acute malnutrition and growing anaemia. With life-saving assistance and emergency response taking up to 70 per cent of UNHCR's resources for operations in the region, it was challenging to address solutions. Conversely, the Director highlighted the positive ways in which these crises were approached and managed by countries in the region. Commitments made by African countries at the Leaders' Summit on Refugees demonstrated continued generosity and solidarity. It was not a coincidence that most of the CRRF pilot situations were, at present, in Africa. However, these efforts would only succeed if they received sustained support.

7. The Committee expressed concern about the escalating crises in the Lake Chad region, the Horn of Africa and South Sudan, as well as the rising food insecurity. To address the current crises, UNHCR was urged to reinforce fundraising cooperation with the World Food Programme (WFP) and to strengthen protection, particularly efforts to prevent and respond to sexual and gender-based violence (SGBV). In the context of internal displacement, the work of the protection cluster, under UNHCR's lead, was crucial. While addressing emergencies, work to promote solutions should not be overlooked. Self-reliance strategies were also important as they helped avoid aid dependency and reduce the strain on host communities.

8. In South Sudan, UNHCR was encouraged to strengthen protection for internally displaced persons (IDPs), including in the "protection of civilians" sites, to ensure that the protection cluster had a strong operational focus and to adhere to the humanitarian country team's harmonized strategy on IDP returns and relocations. UNHCR was also urged to ensure that minimum protection standards were upheld with respect to refugees in the north, including outside formal refugee camps.

9. The Committee welcomed the appointment of the Special Envoy for the Somali refugee situation, Ambassador Affey. One delegation requested a briefing by Ambassador Affey, and another suggested that appointing a special envoy for other protracted refugee situations could be useful. The Special Summit of the Intergovernmental Authority of Development (IGAD) Assembly of Heads of State and Government on 25 March was considered an opportunity to make progress on solutions and galvanize regional and international commitments. The importance of integration projects and development assistance in Somalia, and skills training and education in the host countries, was highlighted. Several delegations cautioned against returns to areas experiencing food insecurity, while another suggested that cross-border operations could help deliver urgently needed assistance to those in need.

10. The recent Oslo Humanitarian Conference on Nigeria and the Lake Chad Region helped draw attention to the urgent humanitarian needs and mobilize a number of multiyear pledges for both humanitarian and development assistance. However, concern was expressed about any IDP return plan for Nigeria, which was considered premature; the principles of safe, dignified and sustainable return should apply to IDP returns as well. Several delegations highlighted the ongoing needs related to the Central African Republic situation, and UNHCR was encouraged to develop a strategy that covered the regional dimensions of the crisis.

11. The continued generosity of African countries, despite their own economic difficulties, was commended – as one delegation put it: without this, the humanitarian situation on the continent would be much worse. In this context, the importance of international solidarity and burden-sharing was emphasized, with some calling on the international donor community to "walk the talk" of the New York Declaration. There was broad support for the commitments made at the General Assembly summit for refugees and

migrants, and hope that the inclusive approach of the CRRF would contribute to enhanced protection for refugees and sustainable solutions, as well as a more equitable sharing of the responsibilities. Delegations welcomed the piloting of the CRRF in the region, while advocating alignment with existing mechanisms and regional humanitarian plans, as well as synchronization with the pledges made at the Leaders' Summit. Several countries outlined the efforts being made in fulfilling their commitments under the CRRF, though it was noted that success was dependent upon the efforts by other States and development actors. The World Bank's role was key in this regard.

12. Regarding food insecurity, the Assistant High Commissioner described the efforts being undertaken with WFP to address the situation, noting that the two organizations were finalizing joint "targeting guidelines" for food assistance. Given the instability of the food pipeline, this would allow for better targeting, rather than across-the-board ration cuts. Regarding the emphasis placed on solutions, he noted that success depended heavily on States in terms of addressing the factors that led to displacement and creating the conditions for people to return in a sustainable manner. He underscored the voluntary nature of returns facilitated by UNHCR, noting that – in the context of Somalia – UNHCR was providing return and reintegration assistance to those who wanted to return, when this could be done in a safe and sustainable manner.

(b) Middle East and North Africa

13. The Director of the Middle East and North Africa Bureau addressed the ongoing challenges in the region, characterizing the Syria conflict as the most pressing and complex crisis of our times, and drawing attention to under-reported situations, including Yemen.

14. The profound generosity of countries hosting large numbers of Syrian refugees was commended by the Committee. Despite efforts to provide Syrian refugees with access to employment opportunities and national health care and education systems, an increasing number were living below the poverty line, and international assistance was needed to strengthen livelihoods. Supporting Syrian refugees was characterized as a "collective responsibility". Several delegations regretted the uneven results of efforts to enhance international solidarity and urged concrete measures to move from "responsibility by proximity" to "responsibility by capacity", including in the context of the CRRF. Progress made under the "Regional refugee and resilience plan" (3RP) was welcomed, although it was important to ensure that non-Syrian refugees received equal access to services and assistance. UNHCR's focus on "protection through presence" was appreciated, and the organization was encouraged to strengthen cross-border operations, as well as to deepen partnerships and explore innovative approaches with the private sector and local actors.

15. The Committee was also concerned by the serious situation in Yemen, stressing the urgency of delivering humanitarian assistance and re-establishing essential services. With respect to Iraq, one delegation emphasized the need for better contingency planning for future displacement. UNHCR was urged to give due attention to IDPs throughout the region. Efforts by some North African States to address mixed movements in line with international standards were welcomed, while Egypt – which was both hosting Syrian refugees and receiving significant arrivals from sub-Saharan Africa – required more international support. Stronger efforts to end the arbitrary detention of asylum-seekers and migrants in Libya were advocated. The progress made by UNHCR in carrying out biometric registration was commended, as were SGBV prevention and response measures. One delegation underscored the need to begin registration for the refugee population in the camps near Tindouf, indicating this was in line with UNHCR's mandate and recent United Nations Security Council resolutions.

16. The Director reiterated that the principle of burden-sharing was central to UNHCR's efforts to advocate support for host countries. Acknowledging concerns regarding the reduced budget for 2018, he stated that UNHCR would continue to work closely with host countries to find solutions, while continuing donor advocacy. With respect to mixed movements across the Gulf of Aden to Yemen (despite the ongoing conflict), he noted that stronger efforts were needed to disrupt smuggler "business models" and drew attention to

UNHCR's mass information campaign, as well as to support for the voluntary evacuation of Somalis, together with the International Organization for Migration). The Director mentioned the measures taken by the Office to revitalize the programme for refugees who have been living in difficult conditions in the camps near Tindouf for 42 years, he reiterated the Secretary-General's call for funding and characterized current funding levels as unacceptable. The Director confirmed that preventing and responding to SGBV and addressing the specific needs of women and children were priorities. UNHCR was also streamlining activities for disabled refugees in planning and delivery. He welcomed the emphasis placed on efforts to increase birth registration, noting a significant reduction in the number of refugee children without documentation in the region.

(c) The Americas

17. The Director of the Americas Bureau provided an update on progress made under the Brazil Plan of Action in strengthening protection standards and seeking solutions for refugees in the region. She noted that several countries registered a record number of asylum claims, necessitating further support for national registration, asylum processing capacities and referral mechanisms. SGBV, child protection risks and persecution on the basis of sexual orientation and gender identity were among the main causes of displacement in the region.

18. Countries in the region reaffirmed their commitment to the protection of displaced and stateless people, and to promoting durable solutions. They welcomed the "quality asylum" programme, aimed at strengthening and harmonizing procedures in the region, and reiterated their support for the global humanitarian response to the Syria crisis, including through resettlement and humanitarian visa programmes. Support was pledged to contribute to the development of the global compact on refugees, and delegations welcomed the decision by Honduras to become a CRRF pilot country. The regional guidelines for the comprehensive protection of boys, girls and adolescents in the context of migration, as well as the guidelines on protection for persons moving across borders in the context of disasters, both of which were adopted by the gathering of the Regional Conference on Migration in San Pedro Sula, Honduras in November 2016, were highlighted as important examples of regional cooperation. Delegations welcomed the recently signed peace agreement in Colombia and reiterated the need for ongoing support from the international community to find solutions for millions of displaced people.

19. The Director thanked delegations for their support and commitment to UNHCR's work and highlighted that the region was fertile ground for innovative approaches and good practices.

(d) Asia and the Pacific

20. The Director of the Asia and Pacific Bureau underscored that the shift towards solutions was a defining feature of UNHCR's operations in the region. UNHCR's overarching priority was to ensure protection for persons of concern, including access to documentation, wherever they were. She described the developments in Afghanistan and Myanmar, which had resulted in further displacement. Ongoing conflict and limited humanitarian access were serious obstacles to an effective humanitarian response. In spite of worrying trends, such as fewer opportunities for third-country resettlement and limited financial resources, a number of milestones had been achieved in terms of refugee protection, including in the context of the Bali process and the New York Declaration.

21. The Committee expressed concern for the numerous challenges that UNHCR was facing in the region. On the Afghan situation, caution with respect to voluntary repatriation was urged, particularly in the context of enduring conflict and limited absorption capacity in Afghanistan. The need for safe, gradual and dignified returns was stressed, and UNHCR was urged to enhance communication with refugees to ensure an informed understanding of options available to them. The Committee underscored the importance of a reintegration assistance package that was both sustainable, from a donor perspective, and responsive to

the needs of refugees, as well as of the fulfilment of commitments made by the international community at the Brussels conference. It was noted that a lack of visibility and support for countries hosting large numbers of refugees could jeopardize the credibility of the international protection regime. The tripartite agreement signed by Afghanistan, Pakistan and UNHCR in February 2017 was welcomed, as was the extension of proof of registration cards in Pakistan. The importance of pursuing a regional approach and ensuring implementation of the “Solutions strategy for Afghan refugees to support voluntary repatriation, sustainable reintegration and assistance to host countries” was reiterated, in addition to strengthening UNHCR’s advocacy and efforts.

22. Regarding Myanmar, ongoing internal displacement, reports of human rights abuses and lack of humanitarian access were of concern. UNHCR was encouraged to address immediate needs by advocating unhindered access to vulnerable populations in conflict-affected areas, while addressing some of the root causes of displacement, including the lack of legal identity of some populations. More broadly, the Office was urged to expand legal pathways and promote protection-sensitive systems to support the management of mixed movements. In this regard, States expressed their commitment towards the Bali process. UNHCR’s efforts to support governments in the region to prevent and reduce statelessness and to pursue alternatives to detention were also commended.

23. The Director expressed appreciation for the Committee’s support and heard its call to strengthen efforts on both solutions and protection, including upholding the principle of non-refoulement. The Bali process remained important, particularly in establishing regional frameworks that addressed protection issues. Problems securing humanitarian access in Myanmar were regularly raised with the government, together with other UN agencies. Voluntary returns to south-eastern Myanmar had gone well and facilitated returns could be more regularly supported. On Afghanistan, she underscored the importance of development aid and advocated support for the Government’s reintegration plans, which were not necessarily covered by the Brussels commitments. Beyond the cash grant, returnees needed access to education, health services and livelihoods. She highlighted the many contributions that continued to be made by the countries hosting Afghan refugees, including providing access to education. In response to caution expressed about repatriation, she assured the Committee that returns would remain voluntary and noted that UNHCR would be launching an information campaign to ensure that refugees were kept fully informed of their options.

(e) Europe

24. Presenting the regional update, the Director of the Europe Bureau regretted the erosion of protection space in Europe, calling on States to demonstrate greater responsibility, solidarity and trust. He stated that the “emergency” in Europe was no longer in relation to the number of arrivals, but to the need for system-building. He expressed concern about ideas to transfer asylum processing to other countries and regions. He noted the lack of progress with respect to some protracted situations, as well as with the conflict in Ukraine, and urged States to do more to address statelessness.

25. Delegations welcomed efforts to reform the Common European Asylum System (CEAS), and European States were encouraged to expand resettlement opportunities and other legal avenues for admission, and to strengthen local integration programmes. While noting the reduction in the number of arrivals in Greece by some 98 per cent since the adoption of the “EU-Turkey statement” in March 2016, some expressed concern about the increase in numbers travelling through the central Mediterranean route. Emphasis was placed on improving reception conditions in Greece, and the “Regional refugee and migrant response plan for Europe” was welcomed. The continued generosity of Turkey was commended, as were efforts to provide access to education and the labour market for Syrian refugees.

26. Referring to the large number of children “on the move” in Europe, States were urged to prioritize registration and assistance, and to take into account the best interests of the child, regardless of migratory status. States were also urged to redouble their efforts to end detention, particularly of children. UNHCR was encouraged to continue to work with governments and regional organizations to address statelessness. With respect to the conflict in Ukraine, UNHCR was advised to support the development of adequate IDP legislation and to strengthen cluster leadership and partnerships with civil society. Lack of humanitarian access and freedom of movement remained concerns.

27. In his response, the Director confirmed that UNHCR would reduce its operational involvement in the regional housing programme in the western Balkans from 2018, and had informed all stakeholders. On Greece, the Director emphasized that UNHCR had continued to provide assistance in light of the exceptional situation, but that the organization would not manage reception systems in EU Member States over the medium term. The Deputy Director for southern Europe stated that UNHCR was providing multisectoral services to survivors of SGBV and seeking to strengthen child protection systems in Greece. She reiterated that the Office supported needs-based responses as appropriate, but cautioned that conflating refugees and migrants did not enhance the protection of either. With respect to asylum-seekers “stranded” in Serbia, the Director noted UNHCR’s efforts to manage expectations and to encourage individuals to apply for asylum in the country, stressing the complexity of the situation. He welcomed the Committee’s support for increased funding for local integration, noting the importance of involving a diversity of actors, including civil society.

B. Global programmes

28. Introducing conference room paper EC/68/SC/CRP.3, the Director of the Division of Programme Support and Management (DPSM) highlighted the contributions of the global programmes, including strengthening the technical quality and integrity of assistance provided through innovative approaches, and building more inclusive, sustainable and development-oriented responses to displacement.

29. Delegations commended the Office’s work on global programmes, emphasizing that promoting access to employment opportunities for refugees helped prepare them to take up future solutions. Host countries required international support in this regard, and the role of the private sector and development actors was noted, while UNHCR was requested to provide country updates on the implementation of its livelihood strategy and to continue cooperation with the World Bank. Delegations underscored the importance of education to “unlock futures”, of efforts to include refugees in national education systems and of finding innovative solutions for remote areas, although the significant gap with respect to secondary and tertiary education was noted.

30. While notable advances in public health were commended, there was concern about the high rates of malnutrition for refugee children in certain operations, and UNHCR was urged to undertake contingency planning to address rising food insecurity. Efforts to improve identity management and registration, including through global deployment of the biometric identity management system, were welcomed. With respect to cash-based interventions, UNHCR was encouraged to explore efficiencies and economies of scale through coordination with partners. The use of cash assistance was not considered an end in itself, and market assessments were required to ensure that it was appropriate in each context. UNHCR was requested to strengthen reporting on the positive effects of cash-based interventions for both refugees and local economies, and to develop a tool to identify potential protection risks. Security and privacy enhancements in UNHCR’s cash assistance programme were commended.

31. The Director took note of the request for information on infant immunization, referring also to UNHCR’s health information system, TWINE, and spoke about efforts to address mental health issues and HIV/AIDS. Regarding shelter, UNHCR had developed a physical site planning toolkit, and while the self-standing family tent would continue to be

used in emergencies, more durable and sustainable solutions were also being explored. UNHCR continued to work through country-level stakeholder consultations to implement its alternatives to camps policy. On cash-based interventions, the Director reiterated that all operations were able to make a choice between using cash or other forms of assistance, and agreed with delegations that a common cash facility should be the model for the way forward. He noted a request for UNHCR to share lessons learned in terms of coordination with national authorities and strengthening national systems. With respect to education, the Deputy Director of the Division of International Protection noted that over 9,000 refugees had participated in higher education programmes through direct scholarships and connected-learning opportunities. The emphasis placed on UNHCR's revised commitments to women and girls was welcomed, and a detailed update on progress would be provided to the Standing Committee in June. The Director also undertook to highlight gender considerations more explicitly in future conference room papers.

C. Resilience and self-reliance from a protection and solutions perspective

32. The Director of the Division of International Protection (DIP) introduced conference room paper EC/68/SC/CRP.4 on resilience and self-reliance from a protection and solutions perspective.

33. Delegations noted that, while refugee situations should be temporary, conflicts had become increasingly drawn out and complex. It was in recognition of this fact that some host countries had developed strategies to facilitate refugee access to employment, education, health care and other services. The importance of meeting the needs of refugees and their host communities, as well as avoiding parallel systems, was emphasized. The momentum generated by the self-reliance objectives contained in the New York Declaration was welcomed, as was UNHCR's cooperation with the World Bank to identify new financing facilities to support host countries. UNHCR's efforts, including in terms of the "graduation approach", value chain assessments, and mainstreaming refugees into national health and service delivery, were welcomed, and the Office was encouraged to build its own expertise on these issues.

34. At the same time, delegations emphasized two points. First, resilience and self-reliance approaches should not create more burdens for host countries, which could not be expected to support large refugee populations through their national systems alone. Accordingly, these strategies would be contingent on sufficient and predictable international support. Second, self-reliance and resilience measures were characterized as temporary ways to assist refugees and their host communities, which should lead to and be an integral part of the search for durable solutions. They should not be a substitute for these durable solutions, or divert attention from efforts to address the root causes of displacement. One delegation queried the applicability of the concepts of resilience and self-reliance to IDPs.

35. The Director of DPSM welcomed the interventions, which broadly supported further consideration of the links between self-reliance and resilience. The goal was to ensure the sustainability of humanitarian interventions. Resilience and self-reliance approaches must "do no harm": national systems should not be expected to support more people using the same resources, and temporary self-reliance measures, while welcome, should not distract from the goal of achieving durable solutions. He reiterated that self-reliance and resilience were not "code words" for local integration. It was UNHCR's experience that refugees with skills and independence were among the first to go home when possible, and were best equipped to ensure their return was sustainable. The Director advised that international support would be required to better align humanitarian and development assistance, recognizing the hosting of large numbers of refugees as a development challenge. The call by host countries for additional funding to facilitate self-reliance and resilience efforts was acknowledged. The CRRF and the global compact on refugees would provide an opportunity to coalesce around these objectives.

D. Emergency preparedness and response

36. The Director of the Division of Emergency, Security and Supply provided an update on emergency preparedness and response (EC/68/SC/CRP.5), highlighting the challenge of responding to multiple, simultaneous emergencies in increasingly insecure environments, and speaking about UNHCR's commitment to bolstering protection-oriented responses. He underscored the importance of standby agreements with partners to rapidly respond to emergencies and the provision of assistance through sound logistical planning. He also called for greater efforts to protect humanitarian workers and facilitate access to persons of concern.

37. The Committee commended the efforts to strengthen UNHCR's capacity to mobilize swiftly and effectively in response to emergencies, and underscored the need for preparedness to go beyond life-saving assistance to allow populations to gain access to services and live in dignified conditions. The need for laying the groundwork for solutions from the outset of an emergency was also emphasized. The revision of UNHCR's emergency response policy was welcomed, particularly the emphasis on protection and comprehensive responses, in line with the commitments made at the World Humanitarian Summit. The need to address SGBV in emergency preparedness and response plans was also emphasized. UNHCR was urged to strengthen the capacity of its partners, including those with standby arrangements.

38. The Director conveyed UNHCR's commitment to enhancing cooperation with partners and to helping build their emergency preparedness and response capacity. With respect to protection, he reassured the Committee that UNHCR's policy was to deploy skilled protection staff as part of the core emergency teams being sent to various field locations. These staff were experienced in registration, camp management and camp coordination, and in SGBV prevention and response. He reaffirmed UNHCR commitment to inter-agency coordination in emergency management, particularly in the context of IDP situations. The Deputy Director added that UNHCR was adopting joint approaches with development actors in the early stages of preparedness, and further explained that investments in preparedness helped reduce the overall cost of emergency response.

IV. Management, financial control, administrative oversight and human resources

A. Funding of after-service health insurance and repatriation benefit liabilities

39. The Controller and Director of the Division of Financial and Administrative Management (DFAM) provided an update on the status of UNHCR's funding strategy to manage after-service health insurance (ASHI) and repatriation benefit liabilities, and proposals to strengthen it, as presented in EC/68/SC/CRP.7. She recalled that in 2011, the Committee had approved the establishment of a reserve for funding ASHI liabilities, by applying a monthly payroll charge of 3 per cent to the net base salary of professional staff and other staff covered by the United Nations Staff Mutual Insurance Society (UNSMIS) plan. It did not, however, establish such a reserve for locally-recruited staff covered under the Medical Insurance Plan (MIP). Concurrently, it approved the establishment of a reserve for funding repatriation benefits, by allocating US\$2 million in staff costs savings, if available, on an annual basis.

40. Recognizing the recommendations of UNHCR's oversight bodies, the Committee acknowledged the financial risks that such liabilities posed and the need to address them sooner rather than later. At the same time, a conservative approach was sought with respect to the proposal to increase the payroll charge to 4 per cent for staff under UNSMIS and to establish a funding mechanism for staff under the MIP at the same rate, due to concern

about the financial impact on UNHCR's programmes. UNHCR was requested to examine measures for increasing efficiencies and containing costs to reduce ASHI liabilities, and to regularly report back to Committee, including on the outcome of the United Nations system-wide discussions. Such measures could include re-examining the ratio of staff-organization contributions towards ASHI, entitlements and the health insurance schemes. UNHCR was also advised to keep staff informed of the situation.

41. With this in mind, the Committee agreed to maintain the 3 per cent payroll charge for staff under UNSMIS and to establish a funding mechanism for staff under the MIP at the same rate. However, one delegation noted that it could have accepted UNHCR's original proposal of 4 per cent, given that, at 3 per cent, UNHCR was still not on a recovery path and that there was a need to start reducing the widening gap of the ASHI liability. With respect to the repatriation grant liability, the Committee agreed to increase the allocation from US\$2 million to US\$3 million in staff costs savings, if available. The Controller thanked the Committee for its advice and support, noting the importance of the system-wide discussions on this issue and underlining that, as part of the UN system, UNHCR did not act unilaterally when it came to entitlements and ratios of contributions.

42. The decision on the funding of end-of-service and post-retirement liabilities, as contained in annex I to the present document, was adopted.

B. Follow-up to the recommendations of the Board of Auditors on the financial statements for previous years

43. The Controller and Director of DFAM presented an overview of UNHCR's follow-up to the recommendations of the Board of Auditors on the financial statements for 2015 and previous years, as contained in EC/68/SC/CRP.6. The 2015 review had focused on the prioritization of resources; driving efficiencies; financial and governance matters; enterprise risk management; accuracy of population data; and durable solutions. Addressing the Board's recommendations was a management priority, and UNHCR was committed to improving procedures, systems and controls in order to mitigate the identified risks.

44. The Committee expressed appreciation for the progress made in addressing the recommendations in a timely manner and for the matrices provided, which were useful in terms of transparency as well as organizational accountability. UNHCR was encouraged to swiftly implement the outstanding recommendations, particularly in the areas of fraud prevention, human resources and implementing partner management.

45. Progress made in the area of risk management, including efforts to align the corporate and strategic risk registers was welcomed. In terms of the prevention of fraud and corruption, UNHCR was encouraged to make the e-learning course mandatory for all staff. On resource prioritization, UNHCR's efforts to simplify processes were appreciated, and the Office was encouraged to ensure transparency on prioritization and resource allocation, including at the country level. With some donors increasingly providing flexible, multiyear funding, efficiency dividends in the way UNHCR delivered assistance were expected. The Office was encouraged to measure and effectively communicate the impact of these efficiency savings on the organization and on the people it served.

46. In response, the Controller informed the Committee that the United Nations Office of Internal Oversight Services (OIOS) was working with UNHCR's enterprise risk management team on the harmonization of the two risk registers. However, she noted that there would always be some discord between the two in terms of those that were strictly relevant to the field and those that were only related to headquarters risks. With respect to the matrices, the Controller took note of a suggestion to include both initial and revised target dates for implementation. On the outstanding recommendations, she explained that some were high-level in nature and that UNHCR was working with the Board on transforming them into practical recommendations that could be more easily implemented.

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

47. The Inspector General focused on the ongoing reform of oversight functions in UNHCR. She updated the Committee on how UNHCR intended to address the recommendations contained in a recent report from an external consultant, including through the development of an implementation plan, and on the new terms of reference for the Inspector General's Office (IGO), which would be issued by year-end.

48. Delegations appreciated the ongoing strengthening and reform of UNHCR's oversight capacity, which was perceived as critical. Given that there were a number of changes expected in 2017, UNHCR was encouraged to regularly engage with Member States on the implementation process. Delegations highlighted the importance of accountability to affected populations, including the need to strengthen communication with persons of concern. Concern was expressed about the increase in allegations of sexual exploitation and abuse, though it was recognized that this could be due to higher reporting. UNHCR's efforts to address this were appreciated, however it was important to clarify the management responsibilities for such allegations, and Member States requested updates on this matter. The increase in investigations of staff misconduct was also raised, and UNHCR was encouraged to ensure there was a robust system in place for beneficiary feedback.

49. Regarding the consultant's report, the Inspector General assured the Committee that UNHCR and OIOS aimed to integrate the internal audit function in UNHCR, though it was important to ensure the independence of the function. On the transfer of the coordination role of internal audit from DFAM to the IGO, a careful mapping of existing activities was ongoing to determine what could be streamlined and improved. Regarding fraud, corruption and sexual exploitation and abuse, she noted a number of changes being put in place to address this, including the systematic issuance of management implication reports on investigations which indicated the control/risk mitigation measures that either failed, were weak or not present. This would enable UNHCR to provide feedback to management about the consequences of the investigation, the disciplinary measures that needed to be taken and the causes of the event. UNHCR also aimed to improve communication with its staff and persons of concern to ensure that they feel more comfortable and safe in reporting incidents.

V. Coordination

A. Strategic partnerships, including coordination

50. The Director, a.i. of the Division of External Relations presented the update on coordination (EC/68/SC/CRP.8), focusing on strengthened and diversifying partnerships to meet the commitments in the New York Declaration; follow-up to the World Humanitarian Summit and the General Assembly summit for refugees and migrants; and partnerships within the United Nations system, including implementation of the refugee coordination model.

51. The Committee stressed the importance of partnership and coordination to ensure an effective humanitarian response and welcomed that strengthening them was one of the Office's strategic directions for 2017-2021. UNHCR was urged to continue to improve the way it works and communicates with partners, including through the structured dialogue with NGOs. NGOs should be included in the CRRF in a meaningful manner. The update on implementation of UNHCR's "grand bargain" commitments was welcomed, particularly efforts that would help reduce management costs and increase efficiency, and UNHCR was encouraged to continue pursuing joint assessments. States were pleased at the progress made by UNHCR in expanding partnerships with international financial institutions and

development actors, as well as with the private sector, which were critical to the implementation of the CRRF and also to advancing innovative ways of working.

52. The Director reaffirmed UNHCR's commitment to channelling more funding through local partners and to fostering effective and complementary partnerships, which amplified the impact of humanitarian response. With respect to NGOs, she assured delegations that UNHCR did not intend to replace the structured dialogue but rather to see how it could best be strengthened. She also noted that a joint UNHCR-NGO-IFRC reference group on the CRRF had been established to ensure inclusion including in the context of the pilot operations. With respect to joint needs assessments, UNHCR had issued internal guidelines for the field and was participating in the "grand bargain" workstream co-led by the Office for the Coordination of Humanitarian Affairs (OCHA) and the European Commission.

B. Oral update on the comprehensive refugee response framework

53. The Director for Comprehensive Responses updated the Committee on progress made in the application of the CRRF and in developing the global compact on refugees. He highlighted the bi-monthly briefings for all United Nations Member States, as well as with international and non-governmental organizations, in particular through the NGO-IFRC-UNHCR reference group. He also provided an overview of the work being carried out in the pilot countries and stressed that this was a government-led, whole-of-society approach, with host governments taking the lead.

54. The Committee welcomed the progress made on the CRRF, with some countries indicating their willingness to support it financially. While Honduras was welcomed as a new pilot country, the need for more geographic diversity among the pilots, including developed countries, was underscored. Several delegations called for further and earlier engagement in the development of the global compact. The importance of establishing a dialogue on the political economy aspects of refugee protection with a view to achieving a reasonable and equitable burden and responsibility sharing system was also highlighted. One delegation requested UNHCR to map and present comparative data on burden and responsibility sharing. UNHCR was encouraged to deliver on its "grand bargain" commitments, including with respect to cash-based assistance. At this challenging time, when UNHCR was underfunded, business as usual was not an option. UNHCR was urged to foster partnerships with a broader range of actors that could deliver longer-term support, complementing humanitarian efforts.

55. The Director thanked delegations for their contributions and support. Reiterating the importance of burden and responsibility-sharing, he highlighted the need for support to host countries in the application of the CRRF. He agreed on the need for further diversification of the pilot situations and hoped countries from different regions would be added.

VI. International protection

A. Oral update on follow-up to the High Commissioner's Dialogues on Protection Challenges

56. The Special Advisor to the Assistant High Commissioner (Protection) provided a briefing on the protection dialogues that took place in 2014 (protection at sea), 2015 (understanding and addressing the root causes of displacement) and 2016 (children on the move), noting that the follow-up actions and recommendations would directly contribute to the development of the global compact on refugees. She informed the Committee that the 2017 dialogue would be dedicated to the CRRF, serving as a stocktaking exercise and an

opportunity to discuss lessons learned from the application of the framework in the pilot countries, which would then inform the global compact on refugees.

57. With regard to the 2016 dialogue, several delegations welcomed the creation of the youth advisory board and emphasized the important role that education played in protecting children on the move. Delegations also welcomed the topic of the 2017 dialogue.

B. Oral update on the ExCom conclusions

58. The ExCom Rapporteur outlined the progress made to date. An informal briefing was held in January to provide information on the two proposed themes, in line with the multiyear work plan adopted by the Executive Committee in 2015. During that meeting, States unanimously agreed to defer the conclusion on resilience and self-reliance from a protection and solutions perspective. While the importance of the topic was widely acknowledged, it was agreed that this could be more appropriately addressed in the future, after the adoption of the proposed “global compact on refugees”, which was foreseen for 2018. In the meantime, States expressed their readiness to focus their efforts in 2017 on the adoption of a conclusion on machine-readable travel documents (MRTDs). The main goal of this conclusion would be to encourage States to transition to the use of MRTDs, as well as to raise awareness of the importance of travel documents. The text was foreseen to be short, operational and to have positive, practical implications for people of concern. A detailed work plan would be provided in the coming weeks and formal negotiations would start in May.

59. Support was expressed for moving ahead with one conclusion this year, and it was agreed that postponing the conclusion on resilience and self-reliance would ensure that it was complementary with the global compact on refugees. On the latter, the time between now and the adoption of the global compact could be used to more thoroughly research the topic, including tapping into NGO expertise, identifying good practices and drawing on lessons learned from implementation of the CRRF.

60. Given that no objection was raised, the ExCom Rapporteur expressed appreciation for the support of the Standing Committee in moving forward with one conclusion this year, on MRTDs. With respect to the conclusion on resilience and self-reliance, she reassured the Committee that the proposal was not to abandon the topic but that the question was simply one of timing. There was no doubt that this was a topic on which there would be continuing need and scope for further work in the future and the paper presented by UNHCR was a good step in that direction.

VII. Programme budgets and funding

61. The Controller and Director of DFAM, and the Director, a.i. of the Division of External Relations (DER) jointly presented the update on programme budget and funding for 2016 and 2017 (EC/68/SC/CRP.9). The Controller provided an update on the preliminary financial figures for 2016 and the 2017 requirements, while the Director of DER described the impact that funding shortfalls had on persons of concern and reiterated that the impact could be minimized through predictable and early funding.

62. The Committee expressed concern for the decreasing levels of unearmarked funding, calling for a reversal of this trend, as well as for the inequality of funding for certain operations. UNHCR was encouraged to provide a breakdown of unearmarked donor contributions in its reports to draw more attention to the importance of this source of funding. Support was also conveyed for multiyear funding, to allow for greater predictability and flexibility. UNHCR was encouraged to include outcome-level results for multiyear funding into its results framework and to continue to communicate effectively with donors on results and on reform efforts towards strengthened organizational efficiencies. Concern was expressed about the adequacy of staffing levels to respond effectively to so many emergencies, given the budgetary pressures. UNHCR was also

urged to be transparent with partners in terms of how and what was being prioritized with regards to resource allocation. While commending UNHCR for increasing the relative share of contributions from the private sector and strengthening cooperation with development actors, delegations urged UNHCR to develop a more diverse donor base and to find innovative ways to deliver protection and assistance to persons of concern.

63. The Controller thanked delegations for their support for unearmarked funding. Regarding prioritization, she explained how unearmarked contributions, as well as the application of the seven per cent programme support component for earmarked contributions across all pillars, helped ensure flexibility to kick start emergencies and reach underfunded crises. The Director of DER explained in detail the prioritization process, which was guided by the global strategic priorities and dependent on several factors, including capacity to respond, access to persons of concern, potential impact and contributions of other actors. She also provided examples of the types of activities that were deprioritized when funding was limited. Regarding staffing, any reductions in 2018 would require UNHCR to take administrative measures in the current year and these would be difficult to reverse, even if contributions were subsequently made.

64. The decision on budgets and funding for 2016 and 2017 contained in annex II was adopted.

VIII. Any other business

65. The first Vice-Chairperson reminded the Committee of the practice of circulating the report of the meeting electronically for review and adoption. It was agreed that following the circulation of the draft report, amendments to language relating to the interventions of respective delegations would be incorporated, as appropriate, and the report would be subsequently recirculated and considered adopted.

66. The Committee examined the request received from the European Union regarding participation in private meetings of the Executive Committee in its capacity as an intergovernmental organization with observer status. As there were no objections, the Committee accepted the recommendation. In accordance with rule 38 of the Committee's rules of procedure (A/AC.96/187/Rev.8), the first Vice-Chairperson indicated that the Chairperson would write to the Committee for it to consider the decision on the European Union's participation in private meetings on asylum and refugee matters within its competence, which would be presented for adoption under silence procedure.

Annex I

Decision on the funding of end-of-service and post-retirement liabilities

The Standing Committee,

Recalling the approval granted for the funding of end-of-service and post-retirement liabilities at its fifty-first meeting in May 2011 (A/AC.96/1104),

Conscious of the recommendations of the United Nations Board of Auditors that UNHCR establish specific funding for its accrued end-of-service and post-retirement liabilities,

Having considered the various proposals for strengthening UNHCR's funding strategy, and taking into account best practices throughout the United Nations system,

1. *Acknowledges* that UNHCR needs to continue funding its liabilities for end-of service and post-retirement benefits in order to mitigate against related financial risks and to avoid an audit qualification;
2. *Recognizes* that UNHCR does not need to fully fund the liabilities at once, but may do so over a period of time at a level that is considered prudent, while taking into consideration the need to maintain an adequate level of funding to meet operational priorities;
3. *Recalls* that, in order to start building a reserve for funding after-service health insurance liabilities, approval was granted for UNHCR to apply a monthly payroll charge of 3 per cent to the net base salary of all professional staff and of relevant general service staff, with effect from 1 January 2012;
4. *Recalls* that, in order to start building a reserve for funding repatriation benefits, approval has been granted to allocate a maximum of US\$2 million in staff costs savings, if available, on an annual basis, with effect from 1 January 2012;
5. *Decides* that UNHCR should continue to build the reserve for funding the after-service health insurance liability through a charge of a fixed percentage to be applied to the net base salary of all staff funded from voluntary contributions, with effect from the date of the decision of the Standing Committee at its sixty-eighth meeting in March 2017. The charge remains at 3 per cent annually for all professional staff and relevant general service staff covered by the United Nations Staff Mutual Insurance Society. The charge is set at 3 per cent annually for all general service staff covered by the Medical Insurance Plan;
6. *Recognizes* that UNHCR's current approach for the reserve for funding repatriation benefits is appropriate, but that the current maximum funding level of US\$ 2 million annually does not contribute to a substantial reduction of the unfunded amount of the liability;
7. *Decides* that UNHCR should increase the maximum funding level provided for funding repatriation benefits from US\$ 2 million annually to US\$ 3 million annually;
8. *Requests* that UNHCR keep abreast of any relevant United Nations General Assembly discussions on funding after-service liabilities, report periodically on the use of the reserves and their replenishment needs and examine immediately specific measures for increasing efficiencies and containing costs to reduce after-service health insurance liabilities for UNHCR and report back to the Committee.

Annex II

Decision on budgets and funding for 2016 and 2017

The Standing Committee,

Recalling the Executive Committee's decisions, at its sixty-sixth and sixty-seventh sessions, on administrative, financial and programme matters (A/AC.96/1154, para. 13 (c) and A/AC.96/1165, para. 15 (3) respectively), as well as its discussions under the programme budgets and funding item at the sixty-seventh meeting of the Standing Committee in September 2016,

Reaffirming the importance of responsibility-sharing in solidarity with countries hosting refugees,

Recalls that the Executive Committee, at its sixty-sixth session, approved original programmes and budgets for regional programmes, global programmes and headquarters under UNHCR's 2016-2017 biennial programme budget, amounting to US\$ 6,546.3 million and US\$ 6,408.5 million for 2016 and 2017 respectively,

Recalls that the Executive Committee, at its sixty-seventh session, approved revised programmes and budgets for regional programmes, global programmes and headquarters under UNHCR's 2016-2017 biennial programme budget (revised), amounting to US\$ 7,184.7 million for 2016 and US\$ 7,309.7 million for 2017,

Notes that the 2016 supplementary budgets amounted to US\$ 1,006.8 million for programmes benefiting UNHCR's global refugee programme and projects for reintegration and for internally displaced persons,

Notes the budget reduction of US\$ 43.4 million in 2016,

Takes note of the increase in UNHCR's annual budget for 2016 to a final total of US\$ 7,509.7 million, representing the sum of the original budget of US\$ 6,546.3 million and the total supplementary budgets of US\$ 1,006.8 million, as well as a budget reduction of US\$ 43.4 million,

Notes that the 2017 supplementary budgets currently amount to US\$ 319.2 million for programmes benefiting UNHCR's global refugee programme and projects for reintegration and for internally displaced persons,

Notes the current budget reduction of US\$ 178.4 million in 2017,

Takes note of the increase in UNHCR's annual budget for 2017 to a current total of US\$ 7,450.6 million as of 31 January 2017, representing the sum of the revised budget of US\$ 7,309.7 million and the supplementary budgets of US\$ 319.2 million, as well as a budget reduction of US\$ 178.4 million,

Recognizes that emergencies and unforeseen activities unfolding in 2017 may result in the need for additional or expanded supplementary budgets and that additional resources, over and above those for existing budgets, would be needed to meet such needs, and

Urges Member States to continue to respond generously, in the spirit of solidarity and in a timely manner, to the High Commissioner's appeal for resources to meet in full the annual budget for 2017.