

**Remarks for the 72nd meeting of the Standing Committee of the
Executive Committee of the High Commissioner's Programme
Kelly T. Clements, Deputy High Commissioner
Room XVII, Palais des Nations
19-21 June 2018**

Madam Chairperson,
Excellencies,

I was somewhat delayed in joining you at this Standing Committee Meeting as I was in New York participating in the Annual Grand Bargain meeting and the opening of the ECOSOC's Humanitarian Affairs Segment. I am happy to report that Kristalina Georgieva, the Grand Bargain's Eminent Person, injected much needed political leadership back into the process. This has allowed us to take stock of the unnecessarily bureaucratic nature of the process and agree to simplify it by merging interlinked work-streams, such as those on multi-year planning and funding, and earmarking. In addition to this, we will be working, together with other members of the Grand Bargain facilitation group, to develop simple, pragmatic indicators to measure the impact of the Grand Bargain.

The Controller and Director of the Division of Financial and Administrative Management, Mr. Baritt, and Director of the Division of External Relations, Ms. Pagliuchi-Lor, will update in detail on budgets and funding so I won't go into detail on this myself though do want to highlight some key figures and issues.

Our final budget for 2017 was US \$7.9 billion, comprising both the US \$7.3 billion approved revised budget and eight supplementary budgets totalling US \$832 million for new emergencies in a number of situations including the Myanmar, Democratic Republic of Congo and Central Mediterranean situations.

Funding available in that budget year amounted to US \$4.5 billion, up by 2 per cent on funding available in the 2016 budget year, though we remained with a substantial funding gap with 43 per cent of needs unmet.

Our budget for 2018 now stands at US \$8.2 billion comprising the ExCom approved budget of US \$7.5 billion and a further US \$766 supplementary budgets to meet previously unforeseen needs in six situations, including the Venezuela, Syria, and South Sudan situations. As of 30 April of this year, UNHCR had an estimated US\$2.3 billion funds available, leaving us with a close to six billion dollar funding gap, a serious situation indeed.

The size of this funding gap itself is a reason for real concern, one that has led us to severely limit the new allocations of spending authority to meet emerging needs in both field operations and headquarters entities. This is negatively impacting the response time, and delaying our ability to meet identified needs, by forcing us in some cases to delay the allocation of spending authority to the field. In Bangladesh, this has meant delaying our activities to move refugees away from areas at high risk of landslides, leaving refugees in precarious situations, and potentially facing higher costs to address the situation should it further deteriorate.

We thank profusely donors like Sweden, the Netherlands, Denmark, United Kingdom Norway, and Japan for providing precious unearmarked support, including Sweden's announcement this week of its contribution of US\$ 400 million over the next 4 years. We also thank others supporting with unrestricted and broadly earmarked support such as the United States of America and Germany. Australia, Germany, Sweden, Belgium, United Kingdom, European Union, and Denmark have also provided critical multi-year support, enabling a more predictable response in some contexts and different more sustainable outcomes.

However, I must raise that the delayed receipt of funds from a number of donors has caused consternation for us this year. We have seen, in 2018, donors delaying their contributions for a variety of internal reasons. While we fully understand donors' political and budgetary imperatives, our operations require a constant flow of money to meet the needs of displaced populations, both through UNHCR's direct implementation of activities and those of partners. Currently, we project cash coverage to meet commitments for the next three months, up to mid-September 2018. Our cash flow requires consistent monitoring and we urge donors to provide contributions as soon as possible to ensure the continuity of our life saving operations.

We have not yet reached the point at which we need to scale down activities and adjust spending authorities provided to field operations, but are increasingly having to take decisions that limit the scope of interventions targeting basic needs, leaving many in a vulnerable situation.

Madam Chairperson,
Excellencies,

Before I give the floor to my colleagues, I would like to give you a rapid update on changes afoot within UNHCR to ensure that the organisation adapts to meet the challenges brought about by our dynamic world.

I spoke at some degree of length in previous meetings of this Committee about our ongoing change process. In March, I informed you of the creation of the Division for Resilience and Solutions, reconfiguration of the Partner Service, and efforts to strengthen management systems, the integrity of our programmes and address the root causes of corruption and fraud through the "Risk Management 2.0" initiative.

Since then, we have continued our work to cement changes already initiated and launched additional reforms in support of the various work streams of our change process. We have created a new Integrated Programme Service which was established to centralise and strengthen UNHCR's programme management functions and will eventually regroup all programme management functions heretofore dispersed in a number of Divisions.

We have also used the 2019 Annual Programme Review to do an in depth review of headquarters Divisions supporting operations to strengthen internal coherence, streamline efforts towards greater field support and eventually rebalance accountabilities and authorities between Divisions and regional Bureaux.

Furthermore, as announced to this body in September 2017, we commissioned an external review of the services, systems and processes of the Division of Human Resources Management. This review was recently finalised and identified the need for the Division to focus more on both our national staff and affiliate workforce. It also recommends a shift from its current mainly reactive and transactional approach to human resources services to one that positions the Division as a strategic partner to operations, a partner able to identify and anticipate staffing needs. The High Commissioner has reviewed and endorsed the report and we have initiated actions to transform our Human Resources Division over the next three years. The report will be shared with you shortly for your information.

As these changes take place, we are working to address the significant issues identified through the Rapid Organisational Assessment with the current regionalisation model. This work aims to ensure that UNHCR is optimally placed to take on its role as a catalyst for solutions, and to build sustainable relationships with all relevant actors, at the regional, sub-regional and country levels.

The High Commissioner has, earlier this month, endorsed an initial design prototype for regionalisation and decentralisation which will consolidate our current array of regional entities under the comprehensive management of a Bureau Director, reducing layers of authority between operations and headquarters. Since this endorsement, we are working to sharpen the prototype into a design model to be implemented in 2019.

As you know, we embarked, a couple of years ago, in a review of UNHCR's results based management, or RBM, system. This has been a challenging task, especially as developments such as the Global Compact and the Comprehensive Refugee Response Framework were not foreseen when the project was initially launched. As a result, we recently took a pause to recalibrate and ensure that, as we enter the next phase of the change process, the direction of the RBM project was in concert with our emerging vision for the UNHCR of the future.

We recognize that RBM cannot be everything to everyone, and have decided to clearly prioritize the development of a system which is flexible and enables more country-specific planning, over one which is highly standardized. While we expect to maintain core global indicators linked to the Sustainable Development Goals, a move away from standardization may also require compromises on aggregation and inter-country comparisons, and investments in capacity building and data collection.

The priority must be to empower country operations to manage effectively to results by developing their own evidence-based plans and country-specific theories of change. This is not only the best course of direction for the RBM project, but is aligned with the next phase of the change process and its focus on how UNHCR can better support the management of field operations to ensure we collectively have the greatest impact on the lives of people of concern.

Finally, I am delighted to inform you that UNHCR is planning to join the community of publishers of the International Aid Transparency Initiative, or IATI, by the end 2018. You may recall our earlier feedback that our financial data was not conducive to IATI publishing. As a programme, rather than a project, based organisation which pre-finances its operations upfront and reallocates resources

repeatedly throughout the course of the implementation year, it was not immediately apparent how UNHCR's data could be meaningfully reflected in accordance with the IATI standard.

However, in an effort to stand by our Grand Bargain commitment on transparency, we undertook a feasibility study in 2017 with the help of a specialised consulting firm. This study mapped the way forward for UNHCR to publish IATI data and, based on this, an interdisciplinary team personnel is working to "translate" the data currently published in UNHCR's Global Focus into the IATI standard and make this available externally.

This first phase of manual data publication, in which we aim to publish historical data by the end of this year, will be followed by a second phase, starting in 2019, in which we aim for automated publishing on a monthly basis.

This achievement, I am particularly proud to say, was completed with existing staff and limited external support which we have been able to fund from within our existing resources. By publishing data in accordance with the IATI standard UNHCR will have met the first of the Grand Bargain transparency commitments. Work remains to be done within the context of the follow up to the Grand Bargain and UNHCR is committed to continue to work together with other Grand Bargain signatories and the people we serve towards these goals.

Thank you.