

**Criteria for the receipt, use and administration of contributions to the budgetary category:  
*New or Additional Activities: Mandate-related***

**Background Information:** Since 2004 UNHCR has included in its Annual Programme Budget, on a trial basis, a second category in the Operational Reserve (ORII). The Standing Committee, having considered the findings of an independent evaluation of this initiative (EC/57/SC/CRP.13 and its Corr. 1) at its 36<sup>th</sup> meeting (26-28 June 2006), decided to incorporate this budgetary category as a permanent feature, but determined that it should be a budgetary category distinct from the Operational Reserve. In accord with the Decision that approved this move, the following criteria have been drawn up for the respective use of donors and of UNHCR. The criteria set out below are complemented by internal administrative instructions relating to, for example: the recording of pledges, monitoring of expenditure etc.

**Criteria:**

(i) The new budgetary category is to be used exclusively for *new or additional activities* to those approved in the Annual Programme Budget (APB) and which are *consistent with the Mandate of the Office*; the proposals for these activities should originate *from donors* and be resourced by them through *additional contributions*.

(ii) Such activities are thus distinct from the *programmed* activities approved in an Annual Programme Budget (APB), and from those mainly *unprogrammed* activities covered by the Financial Rules governing the Operational Reserve (art 6.5), for new emergencies (art 6.5 (a)-(b)); certain specific activities relating to voluntary repatriation (art. 6.5 (c)-(e)); and supplementary activities related to those activities already approved and resourced in an APB (art. 6.5 (f)-(g)). This third category of *supplementary* activities (art 6.5 (f)-(g)) under the Operational Reserve needs to be carefully distinguished from the new or additional activities to be covered by the new budgetary category.

(iii) In proposing additional contributions for the new budgetary category, donors are asked to consider the relationship of the new or additional activities to those already approved under the APB (and therefore considered a priority), to ensure that these new activities will not detract from the pursuit of approved ones under the APB, especially those more directly related to the provision of international protection and the search for durable, protection-oriented solutions; for its part, UNHCR should explore with donors the best ways in which such resources might support the pursuit of the strategic orientation of the approved APB, and assure itself as to the additional nature of the proposed resources.

(iv) Particular attention needs to be given to proposals and resources coming from the private sector; in addition to assuring itself on a range of ethical considerations (e.g. source of funds), UNHCR needs to ensure that the proposed activities do not fragment the coherence or pursuit of the approved strategic budgetary objectives.

(v) UNHCR Representatives and Directors of Division/Bureaux also need to keep in mind the distinction between "Incentive-based Fundraising" where *the initiative lies with them* in pursuing resources for *programmed activities*, and the budget category for new or additional activities, and therefore *unprogrammed*, to be resourced at *the initiative of donors* through additional contributions.

(vi) These guidelines on criteria to be applied for the use of this budgetary category should be complemented by internal administrative guidelines to ensure regular, accurate and transparent reporting to donors; they should also focus on streamlining internal mechanisms for approval of transfers, and for ensuring accurate recording of related expenditures and balances to be carried forward.