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High Commissioner's Programme
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Item 7 of the provisional agenda
**Consideration and adoption of the
biennial programme budget 2014-2015**

Biennial programme budget 2014-2015 of the Office of the United Nations High Commissioner for Refugees

**Follow-up to the observations of the Advisory Committee on
Administrative and Budgetary Questions**

I. Introduction

1. This paper responds to a recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), contained Committee's report¹ on Biennial programme budget 2014-2015 of the Office of the United Nations High Commissioner for Refugees. Paragraph 11 of the Committee's report notes the challenges associated with the Global Needs Assessment (GNA) methodology and recommends that "UNHCR provide additional information on the methodology used to derive the budget figures from the estimated numbers of persons of concern to UNHCR to the Executive Committee during its consideration of the biennial programme budget 2014-2015." This paper addresses the request for additional information, while other recommendations of the Committee will be reported on in the budget document in 2014.

¹ A/AC.96/1125/Add.1

II. Additional information on the budget methodology

2. The UNHCR programme budget is nearly entirely funded from voluntary contributions. In formulating its budget, UNHCR uses a GNA methodology.

3. In order to understand the applicability of the GNA budget methodology, it is important to recognise key features of UNHCR's mandate and funding mechanism, including the following:

- UNHCR's budget is supported from resources voluntarily contributed by Member States, United Nations pooled funds, other agencies and other donors, including from the private sector. The amounts, the timing of pledges and details related to earmarking are unknown at the time of the approval of the programme budget by the Executive Committee.
- UNHCR is mandated to provide protection and assistance to refugees and other persons of concern. Assistance must be delivered throughout the year, including in unanticipated emergency situations.
- Unlike technical cooperation provided by some United Nations organisations, any delay in implementation has an immediate and direct impact on lives and well-being of persons of concern, and can be life threatening. The GNA allows UNHCR to understand the totality of needs from the outset, and thus to make informed decisions concerning resource allocation as it implements its programmes.

4. In brief, the formulation process of the Global Needs Assessment-based budgeting incorporates the following four fundamental elements:

(i) The 'needs' of UNHCR's persons of concern

Under its mandate, UNHCR addresses the needs of the persons of concern. In order to do so, UNHCR identifies the following:

- who and how many persons of concerns;
- what their needs are;
- where they are located; and
- when intervention is required.

(ii) Activities required

Based on the assessment of needs, and guided by both the Global Strategic Priorities and the Strategic Framework, UNHCR's mandate to address the needs of persons of concern is translated into a set of activities that are measurable through key performance/impact indicators. The activities or deliverables are grouped into:

- outputs
- objectives
- rights group

The above form an integral part of the results-based management framework of UNHCR. Resource requirements are quantified at the level of these elements and are determined based on the needs identified, taking into account UNHCR's ability to implement.

(iii) The resources required to do so

UNHCR's GNA budget is the expression of the total resource needs, resulting from the combination of the above three points.

5. Currently UNHCR has operations in 126 countries and 442 locations. Each operation formulates its programme and budget proposals taking into account the elements outlined in paragraph 4 (i)-(iii) above. Operations also indicate the expected impact of the activities they plan, specifying the extent to which those activities will address needs and remedy gaps for each population of concern.

6. Planning starts with a thorough assessment of the needs that must be addressed for the year. Information is gathered by multifunctional teams, in consultation with all relevant parties, including beneficiaries, representatives of host communities, government officials, NGOs, other UN agencies and donors. The overall assessment builds upon sectoral assessments and surveys, as well as gaps identified through the on-going implementation of programmes. In response to the needs identified through joint analysis, an overall operations plan is developed by UNHCR field teams in consultation with its partners. The plan outlines the objectives and key outputs as well as the resource requirements necessary to address identified needs. Targets for impact and performance indicators are also established in order to measure progress towards implementation of the plan.

7. Differences in the nature of UNHCR's mandate in relation to various population groups (i.e., refugees and asylum-seekers, stateless, returned refugees and internally displaced people) affect the scope of UNHCR's planned activities. For example, in situations of internal displacement UNHCR's operational engagement is defined both by the primary role of the government and the broader inter-agency framework for a coordinated response; this, in turn, will affect budget requirements. Differences in operational context also have a bearing, for example, through varying cost factors for populations in diverse settings, such as camp, out-of-camp, rural and urban. The phase of the operation is also an important element, with budgets for the same population changing over time. Certain situations, such as the initial emergency response and establishment of an on-going operation, may require one-time capital investments. At the same time, budget increases can be required in stable situations where operations are moving toward solutions and require investment in livelihoods and self-reliance programming or to facilitate voluntary repatriation. Finally, the number of persons of concern is a critical element influencing the GNA budget.

8. Once each operation costs its objectives and outputs, the operational plans at the country level are then consolidated to regional levels. The Regional Bureaux at headquarters review the plans and budgets for their regions and provide feedback. Cross-cutting and thematic reviews are also conducted at headquarters prior to final consolidation of the budget

9. The table below shows the projected number of persons of concern to UNHCR for each region at the end of 2014. Africa has the largest number of persons of concern, followed closely by the Middle East and North Africa, Asia and the Pacific, the Americas and Europe.

Projected number of persons of concern by region, end 2014

Persons of Concern	Africa	Middle East and North Africa	Asia and the Pacific	Europe	Americas	Total
Refugees	3,017,870	4,155,220	2,974,310	2,649,630	390,040	13,187,070
Persons in refugee-like situations	29,900	75,540	225,500	610	312,070	643,620
Asylum-seekers (pending cases)	475,330	91,970	84,740	313,220	46,920	1,012,180
Returnee arrivals (during year)	202,580	48,000	181,000	750	150	432,480
Persons - UNHCR's statelessness mandate	214,120	384,260	1,594,230	632,220	250,020	3,074,850
IDPs	5,177,860	5,460,000	1,820,790	1,216,000	4,488,390	18,163,040
Returned IDPs (during year)	1,130,000	317,430	473,400	1,950	0	1,922,780
Others of Concern	580,130	15,000	1,077,060	100,610	11,830	1,784,630
Total	10,937,790	10,747,420	8,603,030	4,914,990	5,895,220	41,098,450

10. Implementation of UNHCR's activities as planned to address the needs of persons of concern depends heavily upon the following factors: funding (amount, timing and earmarking); access to the population (political, geographical, security, and other factors); new emergencies; significant and rapid changes in needs; and capacity (staff, logistics and implementing partners).

11. In conclusion, the aggregation of needs assessment incorporating organisational strategy (Global Strategic Priorities), the strategic framework, and thematic prioritisation such as prevention and response to sexual and gender-based violence provides the basis for planning and budgeting at the detailed level, fully aligning specified requirements with the needs of the persons of concern to UNHCR. UNHCR's response and execution of mandated activities are based upon the needs identified for its persons of concern.