

Opening Remarks for the 88th Standing Committee meeting
Executive Committee of the High Commissioner's Programme
Kelly T. Clements, Deputy High Commissioner
13 September 2023

Madam Chair,
Excellencies,

To start this morning, I would like to extend my condolences, on behalf of UNHCR, to the people of Morocco in the wake of last week's tragic earthquake. We stand ready to support Morocco in its hour of need.

It is a privilege to deliver a few brief remarks at the start of this 88th session of the Standing Committee. Let me thank you for being here once again, for standing with refugees, together with UNHCR and our many partners around the world, as they seek to rebuild their lives away from home. As they seek to find hope away from home. We certainly do not take your support for granted, especially at a time when hope appears to be in short supply. At a time when the humanitarian landscape is sobering, to say the least.

A record number of people forcibly displaced. Few prospects for peace in Ukraine, with a second winter already on the horizon. More than five million Sudanese people forced to leave their homes in search of safety, with one million of them refugees outside Sudan. And the obstacles seem endless. Political fatigue setting in, anti-refugee sentiment on the rise, shrinking options to seek asylum safely. As a result, families are pushed into dangerous journeys, often at the mercy of smugglers and criminal networks, through jungles, across deserts, or left to fend for themselves on the seas. All in the search of hope.

And while conflict, persecution, and violations of human rights remain primary drivers of displacement, they are increasingly difficult to separate from powerful external drivers such as economic disruptions and climate shocks. The 'climate breakdown' – in the words of the Secretary General – may well have begun but we have yet to fully grasp its impact on the forcibly displaced, on refugees.

What we do see is the clear trend towards more frequent and recurring displacement emergencies. In 2021 and 2022, over a two-year period, UNHCR declared 75 new emergencies in 44 different countries. Roughly one emergency every two weeks, with each declaration triggering a set of well-coordinated actions to ensure that UNHCR and partners are present on the ground from the first hours of a crisis to provide protection and lifesaving aid. And maybe even a glimmer of hope through early solutions.

As we speak, UNHCR has active emergency declarations in 20 countries, with a further 23 assessed as being as high risk. And that is without mentioning the silent emergencies, the protracted displacement crises in Iran, Colombia, or Kenya, where needs remain enormous, and yet year after year these countries, and many others, continue generously to host refugees and others in their communities. Continue to make it possible for refugee children to go to school. Continue to provide a safe and inclusive environment where refugees can not only seek to meet their own needs, even if only partially, but also give back to the communities that host them.

Distinguished delegates,

UNHCR's budgetary requirements are an expression of those needs. Our annual budget is based on a thorough and collaborative assessment, conducted for each country where UNHCR operates, of current and projected needs. The process is thorough, involving extensive reviews and revisions, including by UNHCR teams in regional bureaux and involving technical divisions in Headquarters. It involves a review by and a report from the Advisory Committee on Administrative and Budgetary Questions (ACABQ), with whom we meet every year in New York. These needs are then tallied into the global figure and proposed budget that we present to you during this Standing Committee, before its formal adoption during the plenary session of the Executive Committee in October each year.

For 2023, UNHCR's global budget currently stands close to \$11 billion dollars. This includes the initial \$10.2 billion approved by the Executive Committee last year, to which supplemental requests were added to account for unforeseen emergency needs tied to the responses in Pakistan, Turkiye and Syria, or indeed Sudan, to name a few. For 2024, UNHCR's budgetary requirements amount to \$10.6 billion – again reflecting the total needs anticipated for next year. With few reasons to be optimistic about a change in situation in Afghanistan, no end in sight to continued displacement in the East and Horn of Africa, and little optimism about the availability of solutions for displaced Syrians and Rohingya, it is difficult to foresee anything other than the continuation of current trends. We desperately need political solutions.

And yet, despite the immense needs that we see everywhere – needs that most of you know only too well for having hosted refugees for many years – the current funding situation is extremely challenging at this moment in time. As of a few days ago, UNHCR's budget for 2023 was only 38% funded. At the same time last year, our budget was 47% funded. There has been a 29% drop in contributions received this year compared to the same time in 2022. Although we do not yet have the full picture of what the final funding shortfall will be – the year is not over, and we continue to work on all fronts to raise resources for the lives at stake – we estimate that we will be several hundred million dollars below last year's operating level. And we anticipate that 2024 will prove to be even more challenging.

We should be clear-eyed about what this shortfall means. Fewer resources mean that UNHCR and our partners will simply be able to do less for refugees and others who depend on us. It means fewer children going to school, and an increase in families relying on negative coping strategies to survive. It means longer waits for fewer essential services like shelter and housing support. It means access to legal documentation will be more difficult. Less funding means more refugees in vulnerable situations. And from experience we know that more refugees in vulnerable positions invariably, sadly, entails more incidents of domestic violence, of sexual violence. It will mean fewer women able to benefit from gender-based violence prevention activities. Fewer displaced people will be able to benefit from direct cash programs. Fewer employment opportunities.

Less funding will mean increased pressure on host countries who will shoulder more of the responsibility. It will mean more xenophobia and political pressure, with some refugees choosing to either return prematurely to their countries of origin, or to move onwards in the hope of reaching other countries of asylum – dangerous journeys.

As I mentioned at the start of my remarks: sobering.

Distinguished delegates,

Despite this bleak picture, let me pause here to reiterate our gratitude and appreciation for your support and contributions – financial and otherwise – at a time when we recognize that resources are stretched across the entire humanitarian system. As I also mentioned at the beginning of my remarks – and it bears repeating – UNHCR does *not* take your support or your commitment for granted. Yes, when the needs that are so evident, UNHCR must ask you to do even more for the people we serve. Now is not the time to be timid. The stakes are too high.

And there is hope.

Even as we have been sounding the alarm about this exact scenario for months, we have been working overtime to make up some of the lost ground. And we believe that many of these efforts will bear fruit. First, through diversifying our sources of funding. Although still in its early stages, our Green Financing Facility – an innovative instrument – shows promise both in leveraging new financial resources while contributing to making UNHCR more environmentally responsible. Similarly, we hope to generate predictable and flexible resources in the coming months through Islamic philanthropy and the Global Islamic Fund for Refugees, set up in partnership with the Islamic Development Bank. We continue to work closely with private sector donors and supporters, including through UNHCR national associations and partners, to build on the record-breaking year we had in 2022.

But we cannot do without your support. Including for Chad, for Sudan, and for all our underfunded appeals. Together we can make a real difference. Together we can continue to nurture hope.

Distinguished delegates,

As the world changes around us, we have been hard at work making UNHCR more resilient, more adaptable.

The need to adapt is fundamentally why UNHCR embarked on its ambitious journey of transformation more than 5 years ago. To become more nimble, by moving our structures away from Headquarters and closer to refugees. To become more agile, as we revamp our systems and shift to evidence-based, real-time decision making, powered by cloud-based technology. And to become as efficient as possible in how we use and allocate resources.

In less than a week, our new cloud-based Enterprise Resource Planning solution will launch, capping months of intensive work and careful planning. UNHCR's Cloud ERP, and the Business Transformation Programme as a whole, represent precisely the types of investment that will enable us to become a leaner organization. Leaner in our processes. Leaner in our policy framework. And leaner in our operational footprint and structural configuration.

Being leaner and more agile has meant continuously assessing and evaluating UNHCR's transformation itself, even as we implement it. We did not wait until our decentralized structures fully matured to start assessing their effectiveness. For the last 18 months, we have been monitoring our cost and personnel structures in light of UNHCR's decentralization and regionalization, to ensure that the allocation of resources among UNHCR Headquarters, our seven regional bureaux, and our operations was balanced and coherent. Again, informed by the objective to use our resources – your contributions – as efficiently as possible and in line with broader UN reform objectives.

This analysis has resulted in the consideration of a number of short and medium-term measures. For instance, it has pushed us to rethink our service delivery model for how certain enabling functions, such as finance, supply, and human resources management, are carried out. These functions could all benefit from consolidation as they are location-independent. We have learned that a decentralized model of service delivery does not automatically imply greater efficiencies. In the same vein, by re-examining the relationship between UNHCR Headquarters and regional bureaux in light of updated roles and accountabilities, we are in the process of identifying unnecessary redundancy in the allocation of our resources and capacities, including allocation of personnel.

Finally, right-sizing our workforce has also emerged as a priority action in operations where there have been significant changes. While we have historically expanded our presence very quickly to respond to sudden emergencies, we have not always been as rigorous in reducing the size of our workforce when emergencies fade and situations stabilize.

As a result of these various measures, in the coming weeks, we will begin notifying members of our workforce of the planned discontinuation of positions, which will take effect in 2024 and 2025. As the financial situation becomes clearer in the next few months, we will reconsider the scope of the planned reduction in force where the discontinuation of positions is dictated by the funding shortfall rather than by demonstrated efficiency gains or by changes in operational contexts.

Distinguished delegates,

UNHCR has undergone and will continue to undergo tremendous change. What has not changed is our values. Our unshakable commitment to protecting all individuals, to include all those in need of international protection without exception.

It has come to our attention in the last days that some delegations are concerned with a change to language related to our accountabilities in the 2024 budget proposal to the people we serve including to ensure that factors such as age, gender and diversity inform planning and programming. In addition, the absence of language in the Human Resources conference room paper about our efforts to ensure we take an equitable approach to members of the UNHCR workforce for gender parity, racial equality, disability, and age, as well as sexual orientation and gender identity has raised questions.

On behalf of UNHCR, for the record we have never wavered from a rights-based approach enshrined in human rights and refugee law and prominent in our 70+ years of protection work around the world. It is quite simply not possible for us to do our work effectively if we do not account and include the specific protection needs of all individuals, including those for whom their gender or identity may pose particular protection risks. It would otherwise be an irresponsible, ineffective, and inefficient approach. And we have outlined this systematically in our policy, guidelines and reports before you, including the UNHCR Annual Report. And possibly – or frankly absolutely – more importantly, we have demonstrated this in operations in the way we engage with all individuals in need of protection and aid. It has not always been easy, but we have been steadfast in our commitment to this approach, and in fully carrying out our protection mandate on the ground, where the greatest impact is needed and felt.

Together with partners and in line with this approach, UNHCR also continues to voice deep concern about acts of racism, intolerance and discrimination against displaced and stateless populations, whether for racial, ethnic, religious or other reasons, and remains committed to fighting all forms of discrimination.

The same principles hold true for UNHCR's own workforce. Only when you feel safe at work can you provide the best support to those you are meant to protect and serve. Only with a diverse workforce can we better serve a diverse clientele. And the High Commissioner is about to adopt a new Framework on Diversity, Equity, and Inclusion.

UNHCR stands ready to continue the dialogue with Member States on any issue related to discrimination, including if necessary in the context of dedicated briefings.

Distinguished delegates,

Before closing, a few words on UNHCR's commitment to oversight and integrity.

UNHCR is grateful to the new Board of Auditors team for their sustained engagement, and we welcome their recommendations and guidance to improve UNHCR's control framework and the effectiveness of the organization. Following its examination of financial statements prepared for the year, the Board concluded that these presented fairly, in all material respects, UNHCR's financial position and its financial performance and cash flows for the year. We value the Board of Auditors' insights, especially in light of the challenging period ahead, and will continue to work to address its recommendations in a timely manner.

We are equally appreciative of other external oversight providers, including the Independent Audit and Oversight Committee, the UN Joint Inspection Unit, UNHCR's inspector general and the evaluation service. Their critical work is complemented by the UN's Office of Internal Oversight Services, OIOS, who serves as UNHCR's internal auditor, and exceptionally this year by an evaluation by the Multilateral Organization Performance Assessment Network, or MOPAN, that is assessing among other things UNHCR's decentralization and regionalization.

As there is a dedicated session on integrity tomorrow, when I will be joined by the Chief Risk Officer, Ethics, Ombuds, and from the senior team that works to prevent and address sexual misconduct, I will only mention here that UNHCR is resolutely committed to creating a safe and healthy working environment, free from abuse, discrimination, harassment and exploitation, underpinned by a strong diversity and inclusion approach.

In closing, these are tough times and I would like to recognize the tireless dedication of UNHCR teams and partners who do not waver in their commitment to forcibly displaced and stateless people, even in the face of uncertainty and adversity. We owe it to them, and most importantly the people we serve, to ensure UNHCR is run in a transparent, effective, and fiscally disciplined manner, which is our firm intention.

Thank you.