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EXECUTIVE COMMITTEE OF THE PROGRAMME OF THE UNITED NATIONS  
HIGH COMMISSIONER FOR REFUGEES

Fifty-ninth session

SUMMARY RECORD OF THE 624th MEETING

Held at the Palais des Nations, Geneva,  
on Thursday, 9 October 2008, at 10 a.m.

Chairman: Ms. THOMPSON (Costa Rica)  
(Vice-Chairman)

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CONSIDERATION AND ADOPTION OF THE BIENNIAL PROGRAMME  
BUDGET 2008-2009 (REVISED)

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In the absence of Mr. Van Eenennaam (Netherlands), Ms. Thompson (Costa Rica),  
Vice-Chairman, took the Chair.

The meeting was called to order at 10.15 a.m.

REPORTS ON THE WORK OF THE STANDING COMMITTEE (agenda item 5)

(b) PROGRAMME BUDGETS, MANAGEMENT, FINANCIAL CONTROL AND  
ADMINISTRATIVE OVERSIGHT (A/AC.96/1051, 1054 and Add.1, and 1056)

1. The CHAIRMAN recalled that administrative, financial and audit matters had been on the agenda of each of the Standing Committee's previous three meetings and drew the Committee's attention to the report of the 43rd meeting of the Standing Committee (A/AC.96/1061).
2. Mr. JOHNSTONE (Deputy High Commissioner for Refugees), introducing the agenda item, said that the Office's current budget and reform activities and the steps taken to comply with audit recommendations were designed to serve its beneficiaries in the best and most efficient way. The Office had revised its 2008 budget to \$1,178 million in June, with some minor adjustments to take into account exchange rate fluctuations and new programme activities. It currently had \$1,162 million on which it could count with some certainty, and was confident that it would receive the shortfall. He urged those who had made commitments to make sure that they could honour them. The sooner they could do so, the better.
3. The 2008 "new or additional activities-mandate related" (NAM) reserve had been approved at \$75 million, \$62 million of which had been spent. He sought the membership's approval to increase the current figure of \$50 million for 2009 to \$75 million. The Office had deployed \$136.3 million of the operational reserve and had \$19.6 million in pending requests, which would leave a balance of \$13.2 million for the last quarter of the year. He had not yet used the \$19.6 million, because he needed to ensure that the Office had the necessary funds at the end of the year to meet all its budgetary commitments. Although the shortfalls were relatively small in proportion to the overall annual budget, they were very important, as the funds went directly to the beneficiaries. He therefore called on members to contribute more to enable the Office to complete the year successfully.
4. There were a number of supplementary programme budgets with projected shortfalls totalling about \$90 million, as measured against the relevant appeals, including approximately \$10 million for the Democratic Republic of the Congo and a shortfall for internally displaced persons in Pakistan. In the light of the growing number of such persons in Pakistan, a request for an increase in the level of appeal was possible, although one had not yet been made. Of course, the Office had not requested enough to be able to meet all the needs of its beneficiaries and could make good use of additional funding for programmes such as its water and sanitation projects. Nevertheless, it was in a sound financial position compared with other humanitarian organizations which depended on donor contributions in the course of a year.
5. UNHCR had embarked on a large number of administrative and management reforms. Indeed, he was currently feeling some pressure from the donor community to reduce the pace of

those reforms. There was no cause for concern, as the results presented at the end of the year would show that the reforms constituted a holistic programme. A move from restructuring and reform to continuous improvement would be necessary in 2009. Meanwhile, the first stage of outposting to Budapest had been an unqualified success.

6. A review of the Division of International Protection Services and Department of Operations was currently under way to identify possible overlaps or gaps. It was not a matter of downsizing but rather ensuring that the Office was the right size. The Office of Organizational Development and Management was also undertaking a comprehensive headquarters review.

7. UNHCR had put in place the Management Systems Renewal Project and was training persons who were new to the system on it. It had created a new budget structure and cast the 2009 budget into it to show the Committee members how it would unfold in 2010 and 2011. In the meantime, it was still running under the old budget structure. It had also embarked on an ambitious programme which would be in compliance with International Public Sector Accounting Standards (IPSAS).

8. With respect to oversight, the Office had instituted a whistle-blower policy to protect persons who brought mismanagement or fraud to the attention of the organization. It had substantially transformed the Ethics Office, which now reported directly to the High Commissioner. In addition, it had put into effect an accountability structure in order to address potential fraud.

9. Supply chain management had been revamped, since the High Commissioner and he had frequently come across situations in the field where goods had been ordered but not received. Quite clearly, there was insufficient accountability. The Supply Chain Management Service needed to be expanded substantially in order to be able to function effectively and, ultimately, help to reduce costs. An evaluation of the increase in supply chain management staff had been commissioned, and he looked forward to receiving the results.

10. UNHCR had begun comprehensive reform of its human resource policies, and had considered the option of separation from the Office in cases of redundant functions or non-performance. Separation was extremely difficult, however, given the bureaucratic situation and the very stringent United Nations rules. Nevertheless, the Office was moving ahead dynamically on that and other issues. It would continue to consult with the Staff Council, and hoped to have full implementation of badly needed internal reform by the first half of 2009. One particular issue requiring urgent attention was the policy on staff in between assignments. There would be no such staff by mid-2009, as the organization could not afford to pay people who stayed at home. It should be borne in mind, however, that 80 per cent of current staff in between assignments did in fact work for UNHCR. Nevertheless, there were people who stayed at home and refused to take on assignments. That practice must end. The Office had taken the first step by moving towards a policy of leave without pay.

11. UNHCR had taken steps towards regionalization in the Americas and Europe, including by establishing a senior-level post in Panama and making plans to move the Europe Bureau to Brussels. It was putting into place a field accountability framework and had made a dramatic

change by giving field offices the entire budget allocation at the beginning of the year so that they could establish programmes with partners on a yearly rather than quarterly basis. It had also given them the authority to change programme priorities during the year without recourse to headquarters. Such bold change would help to make UNHCR much more responsive to its beneficiaries.

12. Turning to results-based management, he said that the new Focus software system could be used to substitute for many reports currently required in the field, thus reducing fieldwork. The software would also facilitate the kind of global prioritization which had not been possible in the past. UNHCR must move towards a system where those in the field assessed the true needs of beneficiaries based on very clear criteria, set specific priorities to meet overall needs and avoided overspending in the first part of the year.

13. He fully supported the recommendations put forward in the report of the Board of Auditors to the General Assembly as contained in document A/AC.96/1054/Add.1, and he agreed with the internal auditors that internal control systems remained inadequate. The Board had cited the issue of staff in between assignments as a matter of concern. Another major concern was after-service liabilities, including health and other benefits. Like many Governments, the United Nations had been funding those benefits on a pay-as-you-go basis, which it had considered adequate to date. The issue was still being debated in the General Assembly. He noted that any funds that the Office might have to set aside for future payment would not be available for UNHCR beneficiaries. He was aware of the need to comply with modern accounting standards; meeting such standards came at a price, however.

14. The Office did not properly account for the capital goods which it had under its control. It had tended in the past not to use the kind of capital controls which might be expected of a private sector company, for example. It was working with auditors and others to bring its practices into line with modern standards, as it made efforts to comply with IPSAS. Every standard adopted by the Office and every decision taken must ultimately be measured against the consequences for the beneficiaries.

15. The CHAIRMAN said that she echoed the Deputy High Commissioner's appeal to donors who had pledged funds to make good on their promises and for others to make additional contributions to the organization. She also echoed his comments on the importance of decentralization and controls.

16. Mr. HIMANEN (Finland), speaking on behalf of Denmark, Norway, Sweden and his own delegation, said that the Nordic countries strongly supported the ongoing UNHCR reforms and efforts to improve the internal management system and strengthen the skills of staff. He urged the High Commissioner to report to the Committee on the progress made, including the impact of reforms on outputs for beneficiaries.

17. His delegation commended the Global Needs Assessment initiative and supported results-based management at UNHCR. The Nordic countries supported the broader humanitarian reform process and welcomed the Office's lead role in three of the clusters. They urged UNHCR

to provide continued support to the Emergency Relief Coordinator and the humanitarian coordinators in the field, and welcomed the Office's increased responsibilities for internally displaced persons.

18. His delegation welcomed the new budget structure and expressed its appreciation to the Office of Internal Oversight Services (OIOS) for carrying out an assessment of the high-risk areas in UNHCR activities. As the concerns raised in the reports of the Board of Auditors (A/AC.96/1054 and Add.1) and of OIOS (A/AC.96/1056) and the weaknesses in the internal control environment needed to be addressed, he welcomed the comprehensive response of UNHCR to the recommendations of the Board of Auditors, and urged UNHCR to implement the recommendations in both reports. He also urged the High Commissioner to keep the Committee informed of further progress in implementing the recommendations.

19. With regard to coordination, sustainable solutions for refugees could not be attained by UNHCR alone. He therefore welcomed the Office's participation in the "Delivering as One" initiative. The Nordic countries were in favour of pooled funds, which they regarded as an important element of humanitarian reform. They appealed to UNHCR to find ways to reconcile its own programming and budgeting procedures to ensure access to pooled funds.

20. The Nordic countries were among a handful of countries that provided the lion's share of the voluntary contributions to UNHCR. More countries could and should do more, not least to ease the burden of many poor host countries. His delegation expressed its gratitude to host States for their invaluable contribution to easing the plight of refugees and also to UNHCR staff, who often worked in extremely dangerous conditions. In that regard, the well-being and security of UNHCR staff must be safeguarded as the reforms proceeded.

21. Lastly, the Nordic countries welcomed the progress made in mainstreaming age, gender and diversity into both management and operations. They reiterated their appeal to UNHCR to address the gender imbalance in staffing.

22. Mr. CARVELL (Canada) commended UNHCR on the progress made with its internal reform, which he hoped would continue. He said that he looked forward to a clear time frame for completion of the process. He acknowledged the work undertaken on the Field Review, and encouraged UNHCR to develop a more detailed plan, including specific benchmarks for addressing the challenges identified, in order to ensure that the organization had the necessary staffing and structure to respond to operational and policy challenges.

23. He expressed support for the move to a biennial budget, which was an important tool for longer-term strategic planning and would be useful in the process of prioritization. He encouraged UNHCR to consider possible future trends when preparing the budget for the 2010-2011 biennium in order to ensure that potential operational and financial challenges were planned for as best as possible. He appreciated the realistic funding forecasts contained in the budget and also the development of the Global Needs Assessment methodology. He looked forward to participating in the further development of that tool. He welcomed efforts to introduce a culture of results-based management, including the development of the Focus software, for

which training and maintenance should continue to be funded. UNHCR partners should be encouraged to adopt, in turn, a results-based management approach in their work. UNHCR should furthermore strengthen its evaluation function.

24. Mr. BECK (Germany) commended UNHCR for its commitment to full budgetary transparency. In view of the increased needs of refugees and existing structural factors, it would be a challenge to fund the budget fully. He was concerned, therefore, by the projected shortfall of \$10.6 million under the 2008 Annual Programme Budget. Appropriate prioritization mechanisms were required in the context of the Global Needs Assessment, particularly in view of the current global financial crisis, and he welcomed the assurance given that stakeholders would be closely consulted.

25. With regard to oversight, he urged UNHCR to implement the audit recommendations as soon as possible. It was important to deal with the problem of staff in between assignments expeditiously; in that regard he looked forward to the external evaluation of human resources and supply management functions by the Global Service Centre in Budapest. In addition, it was necessary to address internal controls as a matter of urgency.

26. Ms. POLLACK (United States of America) welcomed the launch of the Global Needs Assessment, marking a step towards results-based management in which beneficiaries' needs were paramount. The Global Needs Assessment required a standardized approach and common criteria; the difficulty of prioritizing needs should be weighted properly, to account for differences in context, and beneficiaries' needs.

27. Expressing concern at the overall shortfall of \$103.9 million in the 2008 budget, she urged donors to support the work of the Office and to limit tightly earmarked contributions, which reduced flexibility and undermined responsibility-sharing by donor and host Governments. Refugee Supplementary Programmes should be incorporated into the Global Refugee Programme pillar of the Biennial Programme Budget as soon as possible. In that regard, she hoped that the proposed new budget structure would address the criteria for mainstreaming supplementary programme budgets.

28. She would welcome continued feedback on the positive impact of UNHCR reform on the lives of refugees, the stateless, and internally displaced persons and would be closely following the performance management process, with particular regard to budgetary implications. She would also welcome information on the level of detail in the new budget structure to be presented in 2009 and whether it would be possible to differentiate between populations of concern, and staff time, which cut across two or more pillars. She encouraged continued consultation with Executive Committee members as final details were decided. The new budget structure should help to improve the resource allocation framework and establish a strong global accountability framework which was critical for the Office's success.

29. Ms. SATO (Japan) commended UNHCR for its effort to streamline administrative costs and in particular for reducing Headquarters and staff costs, which would release more resources for beneficiaries. She furthermore expressed her appreciation for the steps being taken to resolve the issue of staff in between assignments.

30. The Global Needs Assessment was a useful process, and a crucial step towards results-based management; she looked forward to continued dialogue with UNHCR on that issue. She furthermore welcomed the clarity provided by the new budget structure and would appreciate greater efforts being made in disseminating budget documents as soon as possible.
31. Mr. JOHNSTONE (Deputy High Commissioner for Refugees) said that the reform process was an extraordinarily difficult one and that donor support had been crucial and highly appreciated. He thanked the representative of Finland for supporting the integrity of the UNHCR mandate, which sometimes came under attack. He looked forward to bilateral discussions on some of the issues that had been raised.
32. Responding to the representative of Canada, he said that he expected the reform process to be completed by the end of June 2009. The volatility of the currency markets had naturally had an impact on the budget, making prioritization all the more important. While the financial crisis would put all budgets under increasing pressure, it would also generate additional needs. Therefore, it was important that levels of donor commitment should be sustained, and hopefully increased.
33. With regard to increased participation by partners in the Global Needs Assessment, he said that discussions were already under way, particularly with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), to maximize inter-agency coordination. In response to the calls for greater internal controls, he pledged to resolve the remaining issues, building on the initial steps already taken.
34. He expressed his appreciation to the United States representative for her Government's high level of funding of the Supplementary Programme for the Iraq Situation, and suggested that other actors involved in the Iraq Situation might follow suit. The appropriate level of detail for the budget structure had yet to be decided; a balance must be struck between detail and clarity, and he looked forward to dialogue with host and donor countries on that matter.
35. He said that any breakdown of how staff time would be distributed over the budget's four pillars would be very approximate; Headquarters costs, on the other hand, would continue to come under the first pillar. He looked forward to continuing the dialogue and consultation called for by the representative of Japan. The task of prioritization was an extremely complex one, requiring input from the various stakeholders. Intensified consultations would be carried out to produce, by the end of 2008, a number of preliminary guidelines for prioritization for the 2010-2011 biennium. Final decisions on prioritization would not be made until the spring of 2009.
36. Ms. CHENG-HOPKINS (Assistant High Commissioner for Operations) said that, in the past year, the emergency response capacity of UNHCR had been tested by many humanitarian crises, including in Georgia, Sri Lanka, China, Myanmar, Kenya, southern Africa and Chad. As demands grew, that capacity would need to be sustained. Lessons learned from the Lebanon crisis in 2006 had prompted the organization to strive for greater efficacy, while the Georgia crisis had tested its ability to: deploy emergency teams within 72 hours; maintain a standby

capacity of some 100 internal active staff for emergency deployment and 200 on a secondary roster; have sufficient stocks to respond to an emergency involving up to 500,000 persons; and allocate funds quickly through delegation of authority.

37. The ongoing review of the Supply Management Service was expected to lead to further improvements in procurement, logistics and stockpiling capacities. Additional capacity had been added to the Service, focusing on areas that needed to be strengthened. Stronger supply chain delivery mechanisms, especially for field operations, would be matched by greater accountability and empowerment on procurement and logistics issues. With regard to field security, 95 per cent compliance with Minimum Operating Security Standards had been achieved in UNHCR field operations.

38. Turning to operations for internally displaced persons, she said that when the cluster approach had been launched, UNHCR had been involved in 21 IDP operations, involving approximately 13 million internally displaced persons and a total budget of approximately \$144 million. It now worked on 23 operations, involving 14 million internally displaced persons and a budget of some \$240 million. Donors strongly supported the Office's leadership role in the cluster approach, which had not diverted funds from refugee operations. Since the cluster approach entailed a greater number of processes and coordination meetings, however, it was perhaps time to streamline it in order to build on its advantages and eliminate redundancy. The second phase of the cluster approach evaluation should aim for that goal.

39. Operations were being reviewed to allow UNHCR to be more assertive in its engagement in early recovery programmes. An excellent example of the new reintegration policy was the case of Lofa County in Liberia, where almost every other person was a returnee. An office had been established there, bringing together seven United Nations agencies in addition to UNHCR, in order to maximize synergies for sustainable reintegration and eventual development. UNHCR had extended its presence in Lofa County to the end of 2009 in order to capitalize on that initiative and support critical long-term projects prior to phasing down of its operations. It was a test case for effecting a seamless transition from humanitarian relief to early recovery and eventually development.

40. In 2008, 75,000 Burundian refugees had been repatriated from the United Republic of Tanzania. In Burundi UNHCR focused on the reintegration of those refugees, while the Danish Government had funded the expansion of the "peace village" project. Development actors, including the World Bank, had begun investing in agriculture and other livelihood projects, demonstrating that if tangible, demand-driven projects for beneficiaries were well implemented, others would join in.

41. UNHCR was actively involved in the Early Recovery Cluster and had embarked on developing a reintegration information management system. Reintegration programmes being pursued in several operations were starting to demonstrate the advantages of the new early recovery policy, and UNHCR would continue to promote similar approaches in other operations and engage with development actors in the pursuit of sustainable reintegration.



REPORTS RELATING TO PROGRAMME AND ADMINISTRATIVE OVERSIGHT AND EVALUATION (agenda item 6)

42. Mr. ASOMANI (Inspector General), introducing the report on activities of the Inspector General's Office (A/AC.96/1057), said that the change process under way at UNHCR inevitably affected the way that his office conducted its activities. The Inspector General's Office itself was in transition, with the establishment of an Inspection and Investigation Service, and of a Director of Ethics position to perform a task formerly dealt with by his office. Those changes would be incorporated into a revised set of administrative provisions on the mandate of his office. Meanwhile, a peer review of the office was currently being carried out by the European Anti-Fraud Office, and he hoped that it would help to make the office more efficient and effective.
43. In the past year, his office had completed nine standard inspections and one compliance mission. One additional compliance mission and four inspections were scheduled for the coming months. A summary of the findings of 55 inspection missions in the past four years was provided in the report. The inspections had revealed the need for the adoption as a matter of priority of a mandatory set of minimum acceptable standards for living and working conditions in the field, following the pattern of the Minimum Operating Security Standards.
44. With regard to follow-up on inspection recommendations, periodic implementation reports were prepared and, whenever necessary, compliance missions were undertaken. The results showed that the compliance rate stood at over 90 per cent. Compliance should nevertheless be viewed as a shared management responsibility. In that connection, he was pleased to note the expanding role in compliance of the UNHCR Oversight Committee. In July 2008, his office had referred three serious non-compliance cases to the Committee, which had all since been resolved.
45. With regard to investigations, a total of 117 reports of possible staff misconduct had been registered during the reporting period. Nearly 20 per cent of all allegations concerned refugee status determination and resettlement fraud. Another 8 per cent related to sexual exploitation and abuse, the investigation of which was accorded high priority.
46. His office closely monitored cases of workplace harassment, sexual harassment and abuse of authority. Over half of the more than 20 such complaints received in the past year involved senior staff members. Although the number of allegations of workplace harassment had remained constant over the past three years, such misconduct cost the organization dear in terms of low staff morale, absenteeism and prolonged sick leave. A review of those costs would consequently be undertaken in order to remedy the situation.
47. In the past year, his office had conducted two inquiries into major incidents: the first, into the relationship between the UNHCR operation in Chad and the NGO L'Arche de Zoé; and the second, into the circumstances surrounding the bombing of the United Nations offices in Algiers on 11 December 2007.
48. Although UNHCR had made considerable strides in strengthening its overall management and accountability standards, there was no room for complacency. Management shortcomings that were not promptly addressed created serious problems for the organization, and strengthened sanctions mechanisms were therefore needed to address managerial failures.

49. Ms. POLLACK (United States of America) said that better oversight and evaluation functions were an essential component of the Office's management change process, protection mandate and effectiveness. It was also crucial to attract the best human resources and place the right people in the right jobs.
50. Her delegation was gratified by the 91-per-cent compliance rate in the implementation of inspection recommendations and hoped that the remaining reports would be completed to bring that figure up to 100 per cent. She welcomed the initiative to standardize working and living conditions for field staff, and looked forward to more detailed information on that issue.
51. The United States welcomed the active participation of UNHCR in the Inter-Agency Task Force on Protection from Sexual Abuse and Exploitation in Humanitarian Crises and the high priority given to cases of sexual exploitation and abuse. UNHCR should establish transparent and accessible complaints mechanisms for both staff and beneficiaries. It should also publish inspection reports and consider publishing periodic field updates on implementation of the report's recommendations. The United States looked forward to learning the outcome of the review of the Inspector General's Office.
52. Her Government encouraged UNHCR to implement fully the recommendations contained in the report of the Board of Auditors (A/AC.96/1054/Add.1), in order to ensure that the organization was fully accountable to its donors and beneficiaries. It could not be emphasized enough that accountability was a necessary ingredient for effective protection.
53. UNHCR should continue efforts to improve its indicators and global strategic objectives to measure achievements more accurately. It was worrying that the results of numerous projects could not be quantified or measured. It was also a matter of concern that the report of the Board of Auditors had again highlighted the inadequacy of internal control systems. Attention must be paid to the underlying causes - attitudes, insufficient awareness and inaction of management and staff - especially in the context of decentralization and regionalization process.
54. Gender issues had not been adequately addressed in recent audit, oversight and human resources reports. UNHCR should place greater emphasis on gender equality; it had a policy on the issue already and several in-house gender experts. Her Government requested an update from the UNHCR Gender Task Force in the coming year to gauge the commitment of staff and senior management and ensure a higher degree of accountability with regard to the Task Force's work.
55. UNHCR should continue to take NGO input into account in the change process and to improve its working relationship with NGO partners in managing sub-project agreements, including through rationalization of resource allocation and the right kinds of regionalization and decentralization. Greater standardization and consistency in the application of rules and regulations and stronger accountability were needed as the number of UNHCR partners increased.
56. With regard to the Policy Development and Evaluation Service, she requested information on how the Service's reports on the role of UNHCR in return and reintegration and the cluster approach fitted into the redesigned budget structure and broader United Nations reform.

57. UNHCR should continue to strengthen and integrate its policy development and evaluation and disseminate and utilize evaluation findings and recommendations. UNHCR might wish periodically to update the Committee members on specific follow-up to the recommendations made of the Policy Development and Evaluation Service, thus improving transparency and accountability.

58. Mr. MAHAMAT NOUR (Observer for Chad) said that the recommendations and decisions emanating from the inspection mission in Chad would be taken seriously and implemented. Chad had a heavy burden to bear in hosting some 300,000 refugees from Somalia and some 50,000 from the Central African Republic, while coping with approximately 2,000 displaced persons. His delegation wished to thank the High Commissioner for his support in condemning the actions of the NGO L'Arche de Zoé. His Government welcomed NGO partners but they must respect the boundaries of their mandate.

59. Mr. VERSCHUUR (Netherlands) asked whether 18 months was a standard deadline in other organizations for the completion of the implementation of recommendations. He wished to know how the 91-per-cent compliance rate had been calculated; the inclusion of implementation efforts still in progress, for example, might artificially inflate that rate.

60. Mr. RASMUSSEN (Denmark) said that Denmark welcomed efforts to strengthen the UNHCR evaluation function, as well as the central role of UNHCR in the second phase of the inter-agency evaluation of the cluster approach. The respective heads of evaluation units in the Danish, Canadian and United Kingdom development agencies were planning to undertake a common evaluation of UNHCR. His Government looked forward to learning the results of that exercise.

61. Mr. ASOMANI (Inspector General) thanked the United States representative for supporting his office, particularly its efforts to standardize working and living conditions for field staff. The office would pursue action to combat sexual exploitation and abuse, which was an important part of its work that was linked to its role in providing training on the UNHCR Code of Conduct. Steps were being taken to remedy the late submission of inspection reports, and he looked forward to seeing the recommendations of the review team, which had examined that problem in depth.

62. The report on the inspection mission to Chad was being finalized, and he hoped that its recommendations would help to improve conditions for beneficiaries in Chad. The 91-per-cent compliance rate referred to recommendations that had already been implemented. The 18-month period for implementing recommendations was a standard time frame.

63. Mr. CRISP (Head of the Policy Development and Evaluation Service), introducing the report on evaluation and policy development (A/AC.96/1058), said that the Service had endeavoured, over the past year, to improve the effectiveness and efficiency of UNHCR operations and ensure that policies were coherent and consistent.

64. With regard to protection, the evaluation of the role of UNHCR in relation to trafficking had been completed, and the Steering Committee set up for the evaluation would ensure the effective utilization of the review's findings and recommendations. A position paper on

displacement prompted by climate change and natural disasters had been drafted and would soon be completed. Follow-up action would be overseen by the Climate Change Task Force, which the Service had set up and chaired.

65. The lessons learned from evaluations of UNHCR reintegration programmes in Angola and Southern Sudan and of the use of cash grants in voluntary repatriation programmes had been incorporated into the UNHCR revised reintegration policy, which had been issued in September 2008. His office would continue to test and refine the reintegration policy by undertaking further evaluations of reintegration programmes, and would also monitor the implementation of the specific recommendations for Angola and the Sudan.

66. An evaluation of the role of UNHCR in preventing and responding to sexual and gender-based violence had been undertaken by an independent consultancy team, and a draft version of the evaluation report was available on the UNHCR website. The next priority was to publish the final report and to ensure that the recommendations of the review were used to formulate a three-year strategy on sexual and gender-based violence. The Service was furthermore preparing a paper on protracted refugee situations for the next meeting of the High Commissioner's Dialogue on Protection Challenges. Any input from members and observers would be welcome.

67. In recent weeks, the Service had been working closely with the High Commissioner and the Executive Office on policy issues, including the Humanitarian Reform process, the cluster approach and the "Delivering as One" initiative. It would also be turning its attention to the question of integrated United Nations missions and the protection of humanitarian space.

68. His office had recently cooperated in the preparation of reports on the role of UNHCR and the cluster approach in the emergency operation for internally displaced persons in Kenya, and had provided an analysis of "remote management" operations in Iraq and other countries where UNHCR had had little direct access to its beneficiaries. The immediate priority for the Service was to complete the UNHCR revised evaluation policy, which incorporated a firm commitment to the Standards for Evaluation in the United Nations System. That task was of particular importance given the new emphasis on joint and inter-agency evaluations.

69. There were four new evaluation projects at various stages of planning and implementation: an independent review of the supply management function; a participatory evaluation of age, gender and diversity mainstreaming in UNHCR operations; a rapid appraisal of the impact of the High Commissioner's special projects on sexual and gender-based violence; and a review of the UNHCR programme for Iraqi refugees in Jordan and the Syrian Arab Republic.

70. He invited the Committee members to submit proposals for future projects, and engage more fully in the Service's programme of work. Projects were carefully identified, designed and implemented to maximize the impact of the Service's work. In that connection, the findings and recommendations of evaluations must be utilized effectively and regarded as the collective responsibility of UNHCR. An independent review of the Service would be commissioned and the results would be shared at the 2009 Executive Committee meeting.

71. He invited the Executive Committee to provide feedback on the work of the Service and to hold it accountable for its stated objectives: aligning its work programme with UNHCR global strategic objectives; basing its activities on independence, transparency, integrity and consultation; and providing comprehensible reports and papers. Meetings were planned with Committee members to discuss progress in the Service's work.

72. Mr. FELTEN (Germany) said that strengthening evaluation capacity was crucial to providing clear information to donors on achievements accomplished with contributions. Donors were accountable to their parliaments and needed reliable information to decide on the optimal allocation of funds. In addition, beneficiaries had the right to know whether their needs had been met in the most effective manner. Evaluation was also a useful assessment and management tool. His country appreciated the work done by the Service but had the impression that evaluation was still not viewed as an integral part of a comprehensive learning environment at UNHCR.

73. Leadership and resources were necessary for efficient evaluation and effective follow-up. Results-based management was key to UNHCR evaluation policy, and should be supported by the Focus software. He encouraged UNHCR to continue to develop different evaluation approaches, in particular real-time evaluations.

74. Mr. VERSCHUUR (Netherlands) said that a well-functioning policy development and evaluation system would benefit both UNHCR and its beneficiaries. His country was pleased to learn that the Policy Development and Evaluation Service was now fully staffed with specialized personnel and would like to know if the budget was sufficient and, also, why the revised evaluation policy had not been issued. As the Service was the focal point for inter-agency evaluation of the cluster approach and the "Delivering as One" initiative, he would welcome information from it on the work accomplished to date.

75. Ms. GAERTNER (United States of America) said that her delegation had found its involvement in the steering committee for evaluation of UNHCR efforts to deal with sexual and gender-based violence in situations of forced displacement a challenging but positive experience and looked forward to the three-year strategy that would be developed on the basis of the findings.

76. Mr. CRISP (Policy Development and Evaluation Service) said he was pleased that the efforts to strengthen evaluation capacity were appreciated. UNHCR evaluation functions were significantly stronger than in the early 1990s, and staffing and budgets had also improved. He was aware that many members wished for quantitative data on impact; the consolidation of results-based management and the Focus software would help the Service to provide them. The Service would continue to innovate with regard to different evaluation methods. As for the evaluation budget, it had increased in recent years and was sufficient for the Service's needs. He referred the Committee to the Service's report on UNHCR engagement in the "Delivering as One" pilots (PDES/2008/01) and would report to the Committee in 2008 on its evaluation of UNHCR involvement in the cluster approach.

77. Mr. JOHNSTONE (Deputy High Commissioner), speaking as Chairman of the Oversight Committee, said that the Policy Development and Evaluation Service had led the efforts to

review the work of various units and offices and identify gaps in the evaluation process. Although the current process involved regional and sectoral evaluations, it was not standardized and left room for discrepancies. The revised evaluation policy had not yet been issued because the matter remained under consideration in the context of the Headquarters Review. It was important to develop an evaluation capability that ensured that country programmes were implemented in keeping with organizational objectives.

**CONSIDERATION AND ADOPTION OF THE BIENNIAL PROGRAMME  
BUDGET 2008-2009 (REVISED) (agenda item 7) (A/AC.96/1055 and Add.1)**

78. The CHAIRMAN said that the Committee had before it the revised Biennial Programme Budget, for 2008-2009 as contained in document A/AC.96/1055, and the Report of the Advisory Committee on Budgetary Questions, which was contained in document A/AC.96/1055/Add.1. The Standing Committee had reviewed the documents at its 43rd meeting. The Committee also had before it the draft general decision on administrative, financial and programme matters, which had been discussed at the Standing Committee meeting and in informal consultations. She invited the Deputy High Commissioner to introduce the item.

79. Mr. JOHNSTONE (Deputy High Commissioner) said that changes had been made to the 2009 budget to reflect changes in external circumstances since the document had been drafted. In addition to the amount previously approved by the Committee, an additional \$167 million was needed in 2009. Having considered all budget requests on a zero-base basis, bearing in mind the need to conserve donors' money and benefits for beneficiaries, the net changes, including exchange rate differentials, amounted to \$50.3 million. That sum included \$18.3 million for childhood anaemia and water and sanitation programmes and some \$15 million for voluntary separations. Ten per cent of the budget, or \$12.9 million, was automatically assigned to the Operational Reserve. Based on 2008 expenditure from the new or additional mandated-activities related (NAM) reserve, UNHCR would need \$75 million for 2009.

80. A sum of \$63.5 million was needed for the Global Needs Assessment in eight pilot countries. That sum had been calculated based on the needs for which UNHCR was responsible and the funds that could be expended in the coming year. Should the request for additional funding be recalculated in the current circumstances, the figures for voluntary separations and the situation in Georgia would be very different. The fact was that the constantly evolving requirements of beneficiaries affected the ways in which UNHCR and donor States conducted their business.

81. Mr. HUGHES (Australia) said that the inclusion of the Global Needs Assessment in the Biennial Programme Budget would have a profound impact on future budgets and funding requests. He was pleased that the Deputy High Commissioner intended to devise a methodology for developing priorities, activities and budgets and managing expectations within the Global Needs Assessment framework. There was a need for credible and realistic budgets and careful prioritization, as beneficiaries' needs varied according to country context.

82. His delegation congratulated UNHCR on its efforts to become more flexible, effective and results-based, in particular by building a stronger field presence and streamlining Headquarters

functions. It furthermore supported the commitment to transmit savings directly to beneficiaries, and encouraged UNHCR to provide feedback on the relevance of the reforms for beneficiaries. It was time to take stock of reform and to quantify the benefits for beneficiaries.

83. Mr. JOHNSTONE (Deputy High Commissioner) said that he looked forward to providing a quantitative and qualitative assessment of the UNHCR reforms.

Draft decision on administrative, financial and programme matters

84. The CHAIRMAN drew attention to the draft decision on administrative, financial and programme matters. If the Committee adopted the draft decision, it would approve the total budget requirements for 2009, amounting to US\$ 1,275,460,600, and the total revised budget requirements for 2008, amounting to US\$ 1,750,370,700. If she heard no objection, she would take it that the Executive Committee wished to adopt the draft decision.

85. It was so decided.

The meeting rose at 12.55 p.m.