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EXECUTIVE COMMITTEE OF THE HIGH COMMISSIONER'S PROGRAMME

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REPORTS ON THE WORK OF THE STANDING COMMITTEE: PROGRAMME BUDGETS, MANAGEMENT, FINANCIAL CONTROL AND ADMINISTRATIVE OVERSIGHT

Report of the thirty-sixth meeting of the Standing Committee* (26-28 June 2006)

I. INTRODUCTION

1. The meeting was opened by the Chairman of the Executive Committee, His Excellency Ambassador Ichiro Fujisaki (Japan), who extended a special welcome to the delegations of Jordan and Portugal as new members of the Executive Committee, and to Chad and Latvia as new observers. Several items were chaired by His Excellency Ambassador Shigeru Endo on behalf of the Chairman.

II. ADOPTION OF THE AGENDA OF THE THIRTY-SIXTH MEETING

2. The agenda for the meeting (EC/57/SC/CRP.11 and its two corrigenda) was adopted.

* Late submission due to the adoption of the report during the 37th meeting of the Standing Committee of the High Commissioner's Programme on 20-21 September 2006.

III. ADOPTION OF THE DRAFT REPORT OF THE THIRTY-FIFTH MEETING

3. The report of the Committee's thirty-fifth meeting held from 7 to 9 March 2006 (EC/57/SC/CRP.10 and its corrigendum) was adopted.

IV. PROGRAMME BUDGETS AND FUNDING

A. Programme budgets and funding for 2006 and projections for 2007

4. Introducing document EC/57/SC/CRP.12, the Deputy High Commissioner recalled that for 2006, the Executive Committee had approved an Annual Programme Budget of \$1.1 billion. Income projections at the end of 2005 indicated a likely deficit of some \$220 million at the end of 2006, and by June 2006, the projected shortfall against the Executive Committee approved budget was still \$206.8 million. In response, the High Commissioner had taken several measures, including cuts in end-of-year procurement; the sale of assets in field offices; the establishment of incentive-based fund raising for field offices; and the capping of budgets at the 80 per cent level and of the Operational Reserve Category I, thereby reducing the overall budget by some \$160 million, leaving an expected deficit of some \$60 million. In the first half of 2006, the High Commissioner identified a further \$20 million in targeted cuts. While reflecting an 11.3 per cent reduction for the total Headquarters and Global Operations budgets, it represented only a 1.5 per cent reduction for the total field programmed activities. With more beneficial exchange rate fluctuations as well as expected contributions from the Central Emergency Response Fund, the projected deficit had dropped to an estimated \$20 million, and the Deputy High Commissioner appealed to donors to help meet the remaining \$20 million shortfall.

5. The Head of the Donor Relations and Resource Mobilization Service (DRRMS) provided an overview of the funding situation in 2006. Total voluntary contributions received by June 2006 against the \$1.4 billion requirements amounted to \$799.7 million. UNHCR was projecting an overall fresh income of just over \$1 billion in 2006 based on the assumption that donors would pledge the same amount of funds, in their own currencies, as they did in 2005. To mitigate the chronic under-funding of UNHCR's budget, a new resource mobilization strategy integrating governmental and private sector funding was being developed. UNHCR had also taken into account new funding mechanisms, including the Sudan Common Humanitarian Fund, the Democratic Republic of the Congo Pooled Fund and the renewed Central Emergency Response Fund (CERF). The CERF provided a way to ensure early availability of funds, and an improved, timely response in emergency situations, and could also be used to address under-funded emergencies in an equitable manner. It was, however, essential that these funds were provided as additional funds.

6. Private sector income received by mid-2006 amounted to \$10.6 million. UNHCR's 2006 target was \$28.7 million from the private sector. Field offices were being encouraged to apply to alternative funding sources and to generate additional income. Another new initiative was the "ninemillion.org" campaign, launched on World Refugee Day 2006, which constituted a new model of partnership, involving several members of UNHCR's Business Leaders Council. The campaign aimed to raise awareness and funds for education and sports projects for young refugees. In closing, the Head of DRRM thanked donors for their support and called for further efforts to help find the outstanding \$212 million for 2006.

7. Delegations commended the timely capping of the 2006 Annual Programme Budget, but requested more information on the impact of the budgetary reductions. Several expressed concern over the 2006 shortfall and hoped that painful reductions at the end of the year could be avoided. Concerning the proposed 2007 Annual Programme Budget, several delegations would have preferred to see a full needs-based rather than a resource-based budget. Several delegations expressed interest in discussing the mainstreaming criteria related to Supplementary Programmes, and one was opposed to having IDP programmes as Supplementary Budgets within the context of the Unified Budget. Several delegations highlighted the importance of cascading strategic objectives and the corporate strategic plan.

8. In his summing up, the Controller said that it was too early at that point to determine the impact of financial measures taken to reduce expenditure, but UNHCR's mid-year review would provide a more accurate picture. Updated information would be provided to the September meeting of the Standing Committee. In response to concerns that risks related to exchange rate fluctuations could be compounded in a biennial budgeting cycle, the Controller replied that, in 2006, UNHCR was expecting some \$15 million in exchange rate gains. The issue of risks associated with biennialization would be discussed at an informal consultative meeting. With regard to the effects of staff cost reductions, the Controller presented a chart showing the relationship between operational costs/budgets and administrative and staff costs/budgets which showed that in 2007 staff costs would go down. As a result, while services would be affected, the beneficiaries would receive more resources.

9. The Committee subsequently adopted the decision on overall programme budgets and funding for 2006 (Annex I).

B. Final evaluation of the 2-year pilot phase of Operational Reserve Category II

10. Introducing document EC/57/SC/CRP.13 (and Corr.1), the Controller recalled that the Operational Reserve Category II (OR II) mechanism had been introduced in 2004 on a pilot basis, on the understanding that contributions to the OR II would be additional to contributions foreseen for the Annual Programme Budget, and consistent with the mandate of the Office. The Executive Committee had called for two independent reviews of the pilot phase of OR II, the first covering 2004 and the second covering 2005. The independent consultant's report, issued in May 2006 following discussions with member States, showed that there was no evidence that the OR II mechanism had an adverse effect on overall resource flows to UNHCR. Furthermore, there was nothing to suggest that the contributions coming to UNHCR through the OR II would instead be made to the Annual Programme Budget should the OR II cease to exist. The consultant recommended that, if it was agreed to continue the OR II mechanism, a new budget category should be created outside the existing Operational Reserve and that UNHCR should develop improved guidelines on the management of the new proposed budget category so as to enhance clarity and transparency.

11. Delegations confirmed general support for the proposal, provided that clear criteria for the use of OR II were agreed upon and regular reporting was provided. The proposal to charge a seven per cent overhead also met with approval. The Controller agreed to provide the requested criteria to the next informal consultative meeting, and indicated that information on the OR II allocations was available on UNHCR's website.

12. The Committee then adopted the decision on the Operational Reserve Category II (Annex II).

C. Global Report on Activities in 2005

13. The Head of the Donor Relations and Resource Mobilization Service (DRRMS) introduced UNHCR's eighth Global Report which presented a narrative and financial account of operations worldwide as well as the policies and major events which had shaped the Office's humanitarian response in 2005.

14. Delegations praised the continuing efforts to improve the quality of the Global Report which was described by one speaker as a key public reference document. Nevertheless, there were calls for UNHCR to deliver more robust reporting, including analysis of results and information on how standards were being applied and indicators met. Two delegations suggested the inclusion of a specific chapter on resettlement in the next report.

15. The Head of DRRMS explained that standards and indicators references had not been included in the 2005 Report as there had been no major changes to comment on; however these would be included in future years. She also confirmed that a chapter on resettlement would appear in the 2006 Global Report. The Deputy High Commissioner described institutional moves towards developing reporting on results including the revision of instructions for the preparation of Country Operations Plans. The Chairman welcomed the intention of the Office to review and further improve future versions of the Global Report.

V. MANAGEMENT, FINANCIAL CONTROL, ADMINISTRATIVE OVERSIGHT AND HUMAN RESOURCES

A. Structural and management change process

16. The Director for Structural and Management Change reiterated the key reasons for undertaking the current change process: optimizing operational effectiveness, and reversing the upward trend in administrative costs. He described the aim of the process as being to align UNHCR's structures, processes and workforce management with current needs and challenges. Among the outputs expected were more resources for beneficiaries and a leaner Headquarters. He explained that the recently completed first phase of the process had focused on the lessons to be learnt from previous UNHCR initiatives and organizational reviews, as well as from other agencies, notably in relation to decentralization, outposting of administrative services, and workforce management. In addition, work had begun on refining and strengthening UNHCR's objective setting, which was central to results-based management, and on the resource allocation process. Adjustments to UNHCR's appointments and postings procedures were also being finalized to ensure their responsiveness to operational needs. A Reference Group of UNHCR Field Representatives had been established to ensure that the process was fully oriented towards the needs of the Field and mechanisms had been put in place for broader consultation with staff.

17. The Director described how the second phase was proceeding through a detailed review of all Headquarters functions with the aim of identifying duplications, redundancies and functions that could be moved closer to the point of delivery. Field operations were also being

reviewed through a number of situation-specific working groups with a view to identifying the most effective structures, levels of deployment and implementing arrangements. The Director expected to be in a position to put forward a framework plan and budget by the end of September 2006. He cautioned, however, that detailed implementation planning would need to continue in 2007.

18. The two delegations that took the floor commended the efforts undertaken by UNHCR in the change process. They welcomed the level of transparency with which the process was being conducted, and the consultations held, including with staff. Attention was drawn to the need for timely results and for the outcome of the process to be factored into the 2007 budget.

19. In concluding the discussion, the Chairman recalled the intention to put forward a framework plan and budget by September 2006, which would include an assessment of impact on beneficiaries and staff.

VI. INTERNATIONAL PROTECTION

A. Note on International Protection

20. The Assistant High Commissioner for Protection gave an update on progress in consolidating the new Assistant High Commissioner position within UNHCR's senior management structure and operations delivery, as well as of policy areas, such as the asylum-migration nexus and UNHCR's involvement with IDPs, to which she had been devoting attention during her first months in office. She thanked the Acting Director of the Division of International Protection Services (DIPS) for so ably performing during a complex transition period. The Acting Director introduced the Note on International Protection (EC/57/SC/CRP.14), which also provided a report on how UNHCR was implementing the Agenda for Protection in operations around the globe.

21. A number of delegations drew attention to the drop in the number of refugees to some 8.5 million, but also expressed concern at the continued rise in numbers of internally displaced persons (IDPs). Delegations welcomed UNHCR's new responsibilities within the cluster approach being implemented as part of an invigorated United Nations-wide response to IDP situations. They hoped that this would prevent gaps and shortcomings and lead to more decisive action on behalf of IDPs, especially women and children. Some speakers sought additional information on specific refugee and IDP operations, such as in Southern Sudan, west Sudan and Bangladesh. However, one delegation cautioned that, in a time of austerity measures, the organization should not only seek to be cost effective but also "protection effective". Delegations therefore urged UNHCR to ensure that protection needs could be addressed through its own core protection staffing.

22. Numerous delegations acknowledged UNHCR's progress in resolving some long-standing refugee situations, notably through organized voluntary repatriation. Many welcomed the Office's efforts to implement comprehensive approaches to durable solutions, including through making strategic use of resettlement. A number of delegations referred to the importance of tripartite agreements in facilitating voluntary repatriation. However, numerous delegations reminded the Committee that refugees (and returning displaced persons) needed

something to return home to, including adequate security conditions, in order for return to be sustainable. UNHCR was encouraged to sustain its efforts to resolve protracted refugee situations, by promoting comprehensive approaches wherever feasible. In this regard, numerous references were made to the 2004 Mexico Plan of Action. UNHCR was also invited to recognize the continued protection and cooperation in the search for solutions being provided by States that are not yet Parties to the 1951 Convention relating to the Status of Refugees and its 1967 Protocol.

23. A number of delegations provided information on implementation of the Agenda for Protection at national level, for example by describing efforts to maintain the integrity of asylum systems or to use the Agenda to spur broad-based national consultations. Some delegations described their support to capacity building and other initiatives in Africa aimed at strengthening the capacity of States to provide protection, including through UNHCR's Strengthening Protection Capacities Project. Speakers from a number of refugee-hosting countries observed that the quality of protection, particularly in protracted refugee situations, hinged on sustained support to UNHCR, in order to avoid the kinds of cuts in basic assistance and services that fuel sexual and gender-based violence (SGBV) and other protection risks, and to underpin durable solutions.

24. Many delegations encouraged UNHCR to contribute actively to the General Assembly's September 2006 High-Level Dialogue on International Migration and Development and welcomed its active participation in the Global Migration Group. Some speakers invited UNHCR to become actively involved in efforts to protect refugees in broader migratory movements. In this regard, a number of speakers referred to the importance of stemming irregular migration.

25. Numerous references were made, with appreciation, to new guidelines and policies issued by UNHCR, such as those on determining the best interests of the child; exclusion; urban refugees; and operational protection in camps and settlements. It was suggested that these should be matched with guidance on implementation directed to field offices. One delegation reiterated its request to another to facilitate a census of Sahraoui refugees. Two delegations observed that paragraph 37 of the Note should have indicated that the Joint Statement of the Co-Chairs of the Convention Plus Core Group on Irregular Secondary Movement had been issued in a personal capacity by them and had not been endorsed per se by Core Group members.

26. One delegation expressed some reservations about the link made in the Note on International Protection between international protection and the "responsibility to protect". Another delegation was concerned at fresh influxes from a country to which voluntary repatriation has almost been completed. It was also of the opinion that the Note could have more clearly informed the Committee that lack of resources had hampered the repatriation of another group which it had been hosting for many years.

27. Numerous speakers referred to the conclusions adopted annually by the Executive Committee. The majority expressed a preference for continuing to work on thematic conclusions – notably on women at risk and statelessness – but some questioned the value of a General Conclusion on International Protection. It was suggested that the merits of adopting a General Conclusion should be examined annually, on the basis of developments. One delegation,

supported by another, suggested that elements of the draft General Conclusion deemed to be of particular importance might instead be incorporated into the “omnibus resolution” on UNHCR that is adopted annually by the General Assembly. A number of delegations encouraged continued consultations on the “value added” of the protection conclusions.

28. The Assistant High Commissioner for Protection expressed disappointment that member States had questioned the value of the General Conclusion on International Protection. By failing to adopt one in 2006, the Committee would not only establish a precedent, but also lose the only opportunity to draw attention to global trends and concerns. The conclusions also had a particular value for UNHCR, especially where it confronted problems such as *refoulement*. She observed that it would be a retrograde step for the Committee not to review developments, not to acknowledge trends and not to encourage responses, but that UNHCR would be guided by the Committee and looked forward to continued consultations on this issue.

B. Resettlement

29. The Head of UNHCR’s newly created Resettlement Service introduced the progress report on resettlement (EC/57/SC/CRP.15) by observing that over 46,000 refugees had been submitted for resettlement in 2005, but the number of those actually leaving for resettlement had been affected by the unintended side effects of security-related measures. He also described the priorities and objectives of the Resettlement Service.

30. Many speakers welcomed UNHCR’s report on resettlement, praising its analytical nature. Most congratulated UNHCR for making strides in enhancing the use of resettlement as a protection tool and a durable solution, but observed that funding and in-house resettlement capacity still constituted constraints to be overcome. Many also welcomed the creation of the Resettlement Service within DIPS, and pledged to work closely with the new Head.

31. Delegations urged UNHCR to continue to build up its resettlement capacity and improve resettlement planning and predictability. The positive impact of innovations, such as the indications conference and group processing, was recognized, although UNHCR was also encouraged to draw lessons from its experience with group resettlement. Many speakers pledged to make strategic use of resettlement wherever possible, and encouraged UNHCR to pursue comprehensive initiatives implementing this concept. One delegation queried the effectiveness of regional resettlement hubs established in Africa, but other speakers felt that they had contributed to improving resettlement referral and processing in the regions they covered. The Head of the Resettlement Service noted that some of the difficulties encountered included the challenge of trying to implement resettlement in tandem with voluntary repatriation. The challenge was to manage refugee expectations. The importance of specific efforts to integrate resettled refugees was also highlighted.

32. Delegations encouraged traditional resettlement countries to support newly emerging resettlement countries, notably in Latin America, pursuant to the Solidarity Resettlement component of the 2004 Mexico Plan of Action and the Agenda for Protection. In this regard, UNHCR and a number of delegations encouraged States to follow up on offers of support made at a regional resettlement meeting held in Quito in February 2006, and later during the Annual Tripartite Consultations on resettlement. One speaker proposed the establishment of a regional

training centre (focusing on issues such as integration, support to income generation and services for the most vulnerable) in Brazil in order to service resettlement countries in Latin America, with the assistance of traditional resettlement countries. A number of speakers welcomed the proposed European Union resettlement scheme. Some speakers encouraged traditional resettlement countries to increase their resettlement quotas, as a sign of commitment to burden and responsibility sharing, and to limit use of restrictive criteria for resettlement.

33. A number of delegations recognized the valuable role in resettlement played by non-governmental organizations (NGOs) and encouraged UNHCR to explore closer cooperation with NGO partners, notably for identification and referral. Delegations thanked the outgoing Chief of the Resettlement Section for her tireless efforts to promote resettlement. The Head of the Resettlement Service made a number of observations. While no country used the “integration potential” criterion in a strict way, UNHCR understood that it was important for emerging resettlement countries to ensure that resettlement programmes worked well and successfully achieved the integration of resettled refugees, as a means of garnering public support. UNHCR was convinced that NGOs could play a more effective role in identification and case preparation, but expressed some reticence with regard to direct referrals due to the Office’s own accountability requirements. The Office wished to examine the issue on a tripartite basis. The Resettlement Service was sensitive to the need to quantify results and introduce results-based indicators, but hoped this would eventually translate into reduced bilateral reporting requirements.

VII. PROGRAMME/PROTECTION POLICY

A. Refugee Children: Five Global Policy issues

34. The Chief of the Community Development, Education, Gender Equality and Children’s Section introduced the report on the High Commissioner’s five global priority issues for refugee children (EC/57/SC/CRP.16).

35. Delegates welcomed the report and UNHCR’s contribution to the protection of refugee children. They expressed support for the five priorities of the High Commissioner addressed in the report, some elaborating on specific challenges related to refugee children, including: sexual exploitation; risk of trafficking; military recruitment of children, including out of camps; and disruption of education. NGOs highlighted in particular the risks associated with the family; displacement; social-cultural factors; the absence or breakdown of structures and services; discrimination and legal status; gender-related factors; and economic factors. They also noted that UNHCR’s financial situation had forced the discontinuation of certain programmes that might lead to increased problems in the future. One delegation expressed concern over disappearances of Unaccompanied and Separated Children during Refugee Status Determination (RSD) processing.

36. Several delegations welcomed the Age, Gender and Diversity Mainstreaming (AGDM) strategy and participatory assessment as well as SURGE capacities and increased deployment of protection officers, though some asked for more information on the measurable results of projects. Many delegations supported the enhancement of education as a way to address refugee

children protection issues, and one highlighted its efforts to encourage harmonization of refugee education policies across the continent. Another expressed support for the increased use of female teachers and also advocated that a Code of Conduct be introduced for all teachers.

37. Delegations welcomed the preparation of UNHCR's Best Interests of the Child determination guidelines and emphasized the need for guidance in the field of unaccompanied minors as well as the broad dissemination of guidelines. UNHCR's positive cooperation with NGO partners and other United Nations agencies at field level was welcomed.

38. Some delegations described their national efforts to enhance the situation of refugee children, and in particular on the situation of unaccompanied and separated children, for example, the assignment of a legal guardian.

39. One delegation noted that the concept of "harmful traditional practices" (paragraph 11 of the report) needed further discussion as it was vague in definition, referring also to the ongoing debate on "women at risk". The delegate called for the deletion of this term until further information could be provided.

40. In response to the idea of education being a "magnet for staying" and thereby hindering repatriation, UNHCR stressed that support for children should not be sacrificed lightly, and that repatriation was often more difficult for those who had not received adequate support services during their displacement.

41. Standards and Indicators had been introduced to help reporting and assist in prevention and response to SGBV; however it would be a couple of years before the impact of this could be seen. Project Profile was being used to monitor individual cases of SGBV. UNHCR looked to Standard Operating Procedures to ensure that uniform action was taken on these issues and that the AGDM accountability framework would make certain that at all levels there were actions to address and respond to SGBV. Increased reporting of SGBV could indicate that people were better aware of their rights and how to protect themselves.

42. Deployments had led to enhanced protection through strengthened partnerships, in particular with the United Nations Children's Fund (UNICEF) and Save the Children, allowing the Office to improve work for unaccompanied and separated children. The Chief of Service also outlined UNHCR's activities regarding Security Council Resolution 1612, including its participation in the Steering Committee and Task Force as well as in specific task forces and working groups in the Field. The Assistant High Commissioner for Protection and the Special Representative of the Secretary-General for Children and Armed Conflict had met and discussed UNHCR's role in implementing Resolution 1612.

43. The Committee adopted a decision encouraging UNHCR and its partners to pursue their efforts in strengthening the protection and care of refugee children and other children of concern to it (Annex III).

B. Nutrition

44. The Director of the Division of Operational Services introduced the report on nutrition (EC/57/SC/CRP.17), emphasizing that malnutrition was a core human rights concern, closely linked to UNHCR's protection mandate. The Office was very concerned that nutrition standards were not always being met in refugee situations and these concerns had been reflected in UNHCR's Global Strategic Objectives for current and future years. Efforts to broaden partnerships, principally with the World Food Programme (WFP), but also with others, were giving increasing focus to relevant joint initiatives to reinforce nutrition standards for refugees. Considering the multi-faceted causes of malnutrition, he recalled that available resources had to reach across many sectors including food security, adequate food rations, water and sanitation, health, and the environment.

45. Delegations were unanimous in echoing UNHCR's alarm that refugees, in particular those in protracted situations, were suffering from malnutrition. They strongly encouraged the pursuit of collaborative and systematic monitoring and analysis of nutrition standards, notably for refugee women and girl, as well as the consideration of similar needs amongst local hosting populations. Strong support was voiced for the proposed decision on ensuring adequate nutrition for refugees presented to the Committee for adoption, notably through integrated approaches such as the Ending Child Hunger and Undernutrition Initiative (ECHUI).

46. In summing up, the Director made reference to joint assessments being undertaken with the World Food Programme (WFP). Current work with the latter and with NGOs was already resulting in a decrease in the levels of malnutrition in many operations. The Senior Nutritionist reported that while nutritional surveys using standards and indicators as well as the existing health information system in the Field were now bringing in information, more work was required to improve the quality of analysis. She also pointed out that a variety of solutions were required in response to the multi-faceted causes of malnutrition. The Committee adopted a decision calling on UNHCR, Governments and other stakeholders to pursue efforts to ensure adequate nutrition for refugees (Annex IV).

C. UNHCR's expanded role in support of the inter-agency response to internal displacement situations

47. The Assistant High Commissioner for Operations presented conference room paper EC/57/SC/CRP.18 which provided an overview of UNHCR's initial involvement in the inter-agency cluster leadership approach to dealing with situations of internal displacement. Although evaluation was premature at that stage, she nevertheless felt that the cluster approach was yielding encouraging results, notably in forging closer strategic alliances; improving inter-agency collaboration with regard to needs assessments; strategizing and mobilizing resources; and assisting governments in finding solutions to protracted internal displacement situations. Above all, she drew attention to the greater predictability of humanitarian response to internal displacement situations and UNHCR's ability to be more assertive in its engagement with IDPs. Nevertheless, the new responsibilities placed added pressure on UNHCR. Although the Office had maintained a clear demarcation between funds destined for refugees and resources needed

for IDPs as far as possible, the Assistant High Commissioner for Operations foresaw the risk that in the future, IDP operations might have to be mainstreamed into regular programmes. She welcomed the Committee's views on this.

48. The cluster leadership approach was seen by delegations as a good opportunity to improve UNHCR's coordination with other partners, United Nations and other international organizations and NGOs. The Office was encouraged to help its staff, particularly in the Field, to understand the new nature of their responsibilities in this respect in order to reduce overlaps and gaps and build predictability and accountability. While noting the need to find additional financial resources for UNHCR's lead role responsibilities, several delegations called for risk mitigation strategies to protect refugee programmes. One delegation supported the mainstreaming of IDP supplementary programmes into the annual programme budget, but others cautioned against expanding involvement until it could be ascertained how useful the cluster approach was. There were a number of calls for the development of standards and indicators in support of a performance evaluation as well as for regular updates at each Standing Committee. Several delegations requested clarification on the concept of "provider of last resort" and on what lead responsibility entailed for each cluster, including how UNHCR's efforts were linked to early recovery.

49. In responding, the Assistant High Commissioner for Operations commented that there were differences between IDP and refugee situations, notably in camp management, and that operational standards and tools (databases) were being developed. On the question of the criteria used to trigger a cluster approach, she acknowledged that colleagues in the Field needed clear guidance on these new responsibilities and confirmed that a question and answer paper would shortly be circulated to all staff. In terms of broader advocacy, she encouraged delegations to engage in discussions at governing body meetings of other agencies. Efforts already under way to coordinate action in anticipation of early recovery included the opening of a joint office with the United Nations Development Programme (UNDP) in Lira, Uganda, and a joint message by the International Committee of the Red Cross (ICRC) and UNHCR to staff of both organizations on IDP protection collaboration. Overall, she believed that the cluster approach was helping to reduce chaos and to create better coordination and collaboration. Information on new developments in situations of internal displacement would be shared at an informal consultative meeting scheduled shortly before the September Standing Committee meeting.

VIII. COORDINATION

A. Targeting development assistance, including international cooperation for finding durable solutions for protracted situations

50. The Director of the Division of Operational Services introduced the report (EC/57/SC/CRP.19). He recalled a number of mechanisms now in use for the purposes of targeting development assistance and seeking solutions for protracted situations of displacement, notably under UNHCR's Framework for Durable Solutions. The "4Rs" concept of repatriation, reintegration, rehabilitation and reconstruction had been applied in several countries in support of integrated planning in relation to return, and it was hoped that experience and lessons learned from the early recovery cluster approach to IDP situations would in future help to close gaps in the transition from emergency relief to longer term recovery. Other efforts to support greater

self-reliance and durable solutions through Development Assistance for Refugees (DAR) and Development through Local Integration (DLI) had generated less support, despite offering opportunities to reduce burdens on host developing countries. With the launching of the Peace Building Commission, UNHCR was optimistic that new initiatives could be forthcoming with livelihood and post-conflict recovery partners.

51. Several delegations asked to be updated on progress in UNHCR's collaboration with UNDP and participation in the United Nations Development Group (UNDG). One delegation reiterated a request for the Office to advise which situations could benefit from a comprehensive plan of action, and offered to help advocate in support of this with other organizations. Another recalled the importance of collaboration in ensuring the sustainability of return. One delegation shared initial observations, prior to publication of an evaluation report, on experiences with a DLI initiative which had allowed refugees a degree of self-reliance, increased standards of living, and peaceful coexistence with local populations, in line with overall governmental development plans. He commented that an earlier evaluation could have prevented some of the shortcomings in management and implementation, and that a current shortage of funds was hampering the pursuit of the programme, but paid tribute to the donors and to UNHCR who had worked with the Government on this initiative to improve the quality of life for those involved. Later in the meeting under "Any other business" a delegation asked for more information on development aid for refugee-hosting areas generally and the "Zambia Initiative" more particularly. The delegation of Zambia offered to discuss the evaluation of the "Zambia Initiative" bilaterally but preferred to await the finalization and publication of the evaluation before drawing any conclusions.

52. The Director assured the Committee that UNHCR was developing good collaboration at headquarters and field levels both through the UNDG and bilaterally with UNDP. UNHCR was calling on other agencies to support the inclusion of refugees and repatriating refugees in country plans for development. The Head of the newly named Peacebuilding, Livelihoods and Partnership Section explained that the Division of International Protection Services was now working to seek solutions to protracted situations with the continuing support of the Division of Operational Services. Inter-divisional missions would go out to field situations to help find support for solutions, including at a political level. In response to a comment about the need to link vocational training to the situation in the respective refugees' country of origin, UNHCR was cooperating with the International Labour Organization (ILO) with the assistance of specific funding from one donor, but more funds were required to continue this work.

B. Elements for UNHCR's oral update to ECOSOC

53. The Assistant High Commissioner for Operations presented a brief summary of her upcoming oral update on the coordination aspects of the work of the Office to the Economic and Social Council (ECOSOC) in July 2006. She would be commenting on four main areas, namely: UNHCR's expanded role in the IASC efforts to protect and assist internally displaced persons; efforts by the Office to build more effective linkages with the development community to bring an end to protracted situations and ensure sustainability of returns; the need for UNHCR to ensure that the trend towards centralized funding upheld the highest possible common standards

among agencies to ensure that scarce funds reached the right targets in a timely manner; and the Office's involvement in the United Nations reform agenda, the High-Level Panel on System-wide Coherence and the Peace Building Commission.

IX. GOVERNANCE

54. The Chairman encouraged delegations to submit ideas for the High Commissioner's opening statement to the plenary session of the Executive Committee in writing to the Office by the end of July.

X. STATEMENT BY THE STAFF COUNCIL

55. The First Vice-Chairperson of the Staff Council presented a statement on behalf of the Council. The Staff Council wished to encourage the High Commissioner to continue to strengthen the Office's relations with all the different humanitarian actors and particularly with NGOs, whose experience and presence in the Field was the key to the success of UNHCR's operations. The Staff Council paid tribute to colleagues in the Field who were exposed on a daily basis to danger, and in particular to those who, despite numerous attacks, continued to maintain UNHCR's presence in the Field. In this regard, the Staff Council welcomed efforts made to strengthen staff security.

56. The Staff Council welcomed the dialogue it enjoyed with the High Commissioner's Executive Office and wished to encourage the High Commissioner to ensure that there was consultation with the Staff Council on matters which affected the rights of staff. There had been one occasion recently in which the Staff Council felt that it had not been adequately consulted. Further, while the Staff Council fully understood the challenges of the current financial situation and the need for structural reform, it did not wish to see this reform consist of a simple post-cutting exercise. The Staff Council would welcome any initiatives taken by the Committee to enhance a culture of accountability as well as to strengthen control mechanisms within the Office.

57. The Staff Council hoped the Office would not only respect the commitments of transparency and consultation made by the High Commissioner and the Director for Structural and Management Change, but would also be imaginative in seeking alternative solutions for those colleagues whose posts were cut. The Staff Council was at the Office's disposal to help find solutions.

XI. ANY OTHER BUSINESS

58. One delegation took the floor under this agenda item to express concern about a two-page policy note containing UNHCR's observations and recommendations for the High Level Dialogue provided at the back of the room. While the note had a number of positive elements, that delegation considered that some of the issues broached were more in the realm of migration than refugee protection. The delegation encouraged the Standing Committee to take up the issue of the asylum/migration nexus more formally, but wished in the meantime to reserve its position on the note. Two other delegations supported this delegation, referring to elements of concern to them in the UNHCR policy note.

59. The Chairman provided a recapitulation of the key points covered in the meeting and reminded the Committee of the forthcoming informal consultative meeting on issues relating to UNHCR's budget, including the review of the Financial Rules in relation to biennialization of the Programme Budget, criteria for mainstreaming Supplementary Programmes and the 2007 Budget outline. He also noted that he would be discussing how best to reform Executive Committee procedures further with the Bureau and the Office and would advise delegations further in due course. The Chairman then declared the 36th meeting of the Standing Committee closed.

DECISION ON OVERALL PROGRAMME BUDGETS
AND FUNDING FOR 2006

The Standing Committee,

Recalling the Executive Committee's decision at its fifty-sixth session on administrative, financial and programme matters (A/AC.96/1021, para. 23) as well as its discussions under the programme budgets and funding item at the thirty-fifth meeting of the Standing Committee,

Reaffirming the importance of international burden and responsibility sharing in reducing the burden on countries hosting refugees, especially developing ones,

1. *Notes* that UNHCR's needs under its Annual Programme Budget for 2006, based on currently known requirements, amount to \$1,136.8 million, as approved by the Executive Committee at its fifty-sixth session (which included \$32.9 million from the United Nations Regular Budget);
2. *Notes* that the 2006 Supplementary Programme Budgets currently amount to \$292.6 million, including \$55.9 million for programmes benefiting internally displaced persons;
3. *Recognizes* that emergencies and unforeseen activities unfolding in 2006 may result in the need for additional or expanded Supplementary Programmes and that additional resources, over and above those for existing budgets, would be needed to meet such need
4. *Notes with continuing concern* that projected income for the year 2006 reveals a possible shortfall of \$212.8 million under the Annual Programme Budget (excluding further contributions to Operational Reserve Category II), and that the High Commissioner has been compelled to reduce activities under the Annual Programme Budget in reaction to anticipated funding shortfalls; and
5. *Urges* Member States, in the light of the extensive needs to be addressed by the Office of the High Commissioner, to continue to respond generously and in a spirit of solidarity, and in a timely manner, to his appeal for resources to meet in full the approved 2006 Annual Programme Budget, as well as the requirements of the 2006 Supplementary Programme Budgets.

DECISION ON EVALUATION REVIEW OF OPERATIONAL RESERVE CATEGORY II

The Standing Committee,

Recalling the Executive Committee's decision (A/AC.96/1021, para 23 (f)) in which it requested a further independent evaluation of the Operational Reserve Category II,

1. *Notes* with appreciation the report of the independent evaluation;
2. *Decides* to recommend that the Executive Committee at its fifty-seventh annual plenary session take a decision to incorporate into the Annual Programme Budget a new budget category for New or Additional Activities that are "mandate-related" as defined in the evaluation report (para. 22);
3. *Authorizes* UNHCR to include in its draft Annual Programme Budget for 2007 such a budget category with an appropriation level up to \$50 million;
4. *Further asks* that UNHCR take steps to improve transparency in the operation of this new budget category along the lines recommended in the evaluation report (para. 23);
5. *Calls* on UNHCR to develop clearer criteria for the management of such a budget category that reflect the elements contained in paragraphs 20-22 of the evaluation report, and to share such criteria with the next meeting of the Standing Committee;
6. *Authorizes* UNHCR to charge an overhead charge of 7 per cent, effective as of the date of this decision, to be deducted from contributions to the proposed budget category.

DECISION ON THE FIVE GLOBAL PRIORITIES FOR REFUGEE CHILDREN

The Standing Committee,

Recalling the recommendations of the United Nations Study on the Impact of Conflict on Children (the Machel Study) and UNHCR's commitment to follow up on its recommendations by announcing five global priorities relating to refugee children in 1997, and

Reaffirming the importance of strengthening the protection and care of refugee children and other children of concern to UNHCR in general based on the principles of the UN Convention on the Rights of the Child and notably with regard to separation, sexual exploitation, abuse and violence, military recruitment, education, the specific concerns of adolescents, nutrition, health and participation in decisions affecting their lives,

1. *Takes note* of document EC/57/SC/CRP.16, which provides an update on UNHCR's efforts to address the five global priorities for refugee children;
2. *Acknowledges* UNHCR's progress in mainstreaming age, gender and diversity and the role it plays in strengthening the protection and participation of children; and *requests* UNHCR to ensure that this strategy remains an integral part of its programming and is further strengthened through the accountability framework;
3. *Notes* the important role that education plays in the protection of children, in adding to a sense of normality in everyday life and in providing skills and knowledge for the future; and *requests* UNHCR to pursue all efforts to budget adequate funds for quality basic education with gender parity, while providing a safe school environment in accordance with the Minimum Standards on Education in Emergencies;
4. *Notes* with appreciation the provisional release of the Guidelines for Formal Best Interests Determination and urges UNHCR and its partners to collaborate to ensure sufficient capacity to implement these guidelines in operations;
5. *Recognizes* that a systematic approach to the protection of refugee children is required; and *encourages* UNHCR to enhance its partnership with child protection agencies to build a common understanding of an effective child protection system and an implementation strategy to implement it in all operations.
6. *Encourages* UNHCR to participate and enhance cooperation with national governments, relevant United Nations agencies, in particular UNICEF, and civil society actors involved in child protection issues in support of the effective implementation of the Monitoring and Reporting Mechanism outlined in Security Council Resolution 1612. Also *encourages* UNHCR to promote the elements of Security Council Resolution 1325 on Women, Peace and Security, and 1674 and 1296 on the Protection of Civilians in Armed Conflict that are relevant to its mandate.

DECISION ON ENSURING ADEQUATE NUTRITION FOR REFUGEES

The Standing Committee,

Recalling article 24 of the United Nations Convention on the Rights of the Child which aimed to ensure the right of all children to the highest attainable standard of health, acknowledging the mother's right to appropriate pre- and post-natal service, as well as the right of women to full and unbiased access to information and education regarding child health and nutrition, the advantages of breastfeeding, hygiene and environmental sanitation; and *affirming that* refugee children, like all children, are entitled to all of the other rights granted under the Convention, including the rights to life and development, adequate nutrition and adequate healthcare,

Further recalling the International Covenant on Economic, Social and Cultural Rights (1966) according to which every human being has the right to be free from hunger and malnutrition, the right to adequate food, nutrition and clean, safe drinking water, including in emergency situations,

Also recalling the World Bank's Report on Repositioning Nutrition as Central to Development (2006) as well as UNICEF's Report Progress for Children – A Report Card on Nutrition (2006),

Reaffirming the recognition that adequate nutrition is essential to achieve the aims of the Millennium Development Goals (MDGs), the first of which calls for the eradication of extreme poverty and hunger by 2015,

1. *Takes note* of document EC/57/SC/CRP.17 on Nutrition which presents UNHCR's global strategy for an integrated approach to ensuring adequate nutrition for refugees, notably refugee children and refugee women;
2. *Requests* UNHCR to pursue its development of appropriate action plans to meet acceptable standards related to the nutrition and health status of refugees through effective service delivery and systematic monitoring;
3. *Calls on* Governments and other stakeholders where possible to provide for the access to and cultivation of land by refugees in order to supplement food sources and provide a degree of dietary diversification;
4. *Encourages* UNHCR to further pursue its close collaboration with WFP and other relevant partners to meet nutrition targets in a systematic fashion;
5. *Notes* that meeting nutrition targets will require resources and the support of all concerned governments whether as donors or as host countries, on all aspects relating to nutrition and related factors, i.e. food security, water and sanitation, and health; and

6. *Calls for* the support of concerned governments and other humanitarian partners in including all persons of concern to the Office, notably refugee children and women, in any relevant future national, regional and international initiatives that may be undertaken, notably the Ending Child Hunger and Undernutrition Initiative (ECHUI).

LIST OF POINTS
FOR FOLLOW-UP ACTION

1. Clear and precise information on funding and about the criteria for and impact of budget cuts to be provided at the September Standing Committee meeting.
2. Regular updates on UNHCR's expanded role with regard to situations of internal displacement.
3. Further consultations on the nature and future of ExCom Conclusions on international protection.