

EXECUTIVE COMMITTEE OF THE  
HIGH COMMISSIONER'S PROGRAMME  
67th Session  
October 2016

**NGO Programme Statement  
(Programme budgets, management, financial control, and administrative oversight)**

**Agenda Item 4b**

**Preamble**

Thank you Mister/Madam Chair.

This statement is delivered on behalf of a wide range of non-governmental organizations. It has been drafted in consultation with, and aims to reflect the diverse views of the NGO community. A written version of this statement will be posted at [www.icvanetwork.org](http://www.icvanetwork.org).

In the March meeting of this body the Deputy High Commissioner called for an urgent rethinking of the way the world approached humanitarian financing, most especially because of UNHCR's lack of resources to meet minimum requirement of core protection, life-saving assistance and the preservation of dignity.<sup>1</sup> A number of efforts have taken place in UNHCR programmes and management this year to adjust systems, which have—in our opinion—met with varying degrees of success.

**World Humanitarian Summit Commitments<sup>2</sup>**

In May partners welcomed UNHCR's commitment to harmonise and simplify reporting requirements in the World Humanitarian Summit and Grand Bargain. We note efforts already underway in coordinating with other UN agencies, including a shared e-platform with UNICEF and World Food Programme (WFP). We look forward to concrete outcomes from this commitment and encourage the involvement of NGOs to inform programmatic aspects.

We welcome UNHCR's commitment to transfer at least 25 percent of its programme expenditures to national first responders by the end of 2020. In implementing this we encourage:

- Clear definitions of 'national first responders' be used, such as those outlined in the 2016 Global Humanitarian Assistance Report
- A clear explanation is given in terms of the calculation of UNHCR's baseline
- Targets be balanced against best-fit partnership for the needs of affected populations<sup>3</sup>

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1 UNHCR, 'A/AC.95/1156 Report of the sixty-fifth meeting of the Standing Committee (15-17 March 2016),' VIII,59.

2 UNHCR, 'UNHCR Commitments at the World Humanitarian Summit.' May 2016 [http://www.unhcr.org/rw/wp-content/uploads/sites/4/2016/06/unhcr\\_commitments\\_at\\_the\\_world\\_humanitarian\\_summit.pdf](http://www.unhcr.org/rw/wp-content/uploads/sites/4/2016/06/unhcr_commitments_at_the_world_humanitarian_summit.pdf)

3 The HIAS survey is a voluntary, annual self-assessment effort on the quality and productivity of UNHCR/NGO partnerships, the results of which are shared at the Annual Partners Consultation. Full results of the 2016 survey can be found both on the UNHCR partner portal and at: <https://icvanetwork.org/system/files/versions/HIAS%20UNHCR%20NGO%20Survey%20Report%20June%202016%20FINAL.pdf>

Thirty-nine percent of UNHCR staff responding to the HIAS survey indicated they would currently meet the target by simply reducing funding to international NGOs or UNHCR direct implementation.

- Time and financial resources are prioritised for capacity strengthening of national first responders.<sup>4</sup> In this regard, we look forward to the finalisation of UNHCR's forthcoming guidance note on capacity strengthening, and follow-up to the September Structured Dialogue capacity strengthening workshop in Bangkok.

We support the WHS commitment made by UNHCR to multi-year programming<sup>5</sup> and ask that capacity strengthening of UNHCR staff and partners on the 2+2 partnership framework continue in 2017.<sup>6</sup>

We also welcome UNHCR's on-going commitment to reduce duplication in management costs. Transitioning to the electronic Partner Portal was one of these commitments. However, 53 percent of HIAS survey respondents indicated that the existing portal was not yet used for concept note submission in 2016.<sup>7</sup> We ask that UNHCR stand by its commitment to use one common process wherever feasible in this critical partnership transaction.

### ***Structured Dialogues***

Since last October InterAction, ICVA, and UNHCR conducted three country-level missions in Chad, Lebanon, and Myanmar to raise awareness of the Structure Dialogue on UNHCR-IFRC-NGO Partnership. Across the missions, key findings included the need for:

- further improvements in inclusive, transparent joint planning;
- systematization and institutionalization of information sharing and communication;
- systematic capacity strengthening
- and clarity on the centralization/decentralization of decision-making authority and advocacy within country operations.

Participants in these workshops expressed appreciation for an inclusive, neutral space for candid discussion of partnership and joint action planning. We welcome continued investment from the High Commissioner in the Structured Dialogue and strategic engagement through the next phase of this initiative.

### ***Country Operations Planning***

Sixty-five percent of HIAS respondents indicated they were invited to Country Operations Planning (COP), a 10 percent increase over 2015. In addition to participation in the COP planning nearly 44 percent of HIAS respondents indicated that UNHCR contributed to the NGO's own planning process. In a year of tight budgets this demonstrated strong effort to proactively engage at the local level. We encourage this work to continue and that it especially that it take into consideration joint planning with new partners.

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4 Fifteen percent of UNHCR HIAS respondents did not believe national NGOs can assume more responsibility and management of larger amounts without additional capacity building, beyond that which is funded by current budget

5 Multi-year partnerships was a central request of the 2015 NGO statement on budgets

6 The 2+2 approach represents a possible 4-year, performance-based retention of partners. Most UNHCR country teams and NGO partners have completed 50 percent or less of the retention cycle to date, so on-going support remains necessary.

7This challenge was mentioned almost equally across regions, it is not specific to one bureau as was the case in 2016.

### **Project Agreements**

Challenges continued in the finalisation of project agreements. HIAS respondents indicated that in 61 percent of cases where project agreements were not finalised by the proposed project start date, UNHCR was either the primary or contributing source of the delays. Interaction's NGO Review Series on Partnership in Iraq and South Sudan as well as anecdotal evidence from elsewhere indicates that budget renegotiation was a key issue in these delays. This underscores the practical challenges with a 62 percent gap<sup>8</sup> between budget and received contributions, especially when much of the budget is received later in the fiscal year. We thank member states for their earlier remittance of funds in 2016 and ask that this be done again in 2017 to minimise the negative impacts on operations.

We note the High Commissioner's comments earlier this week on simplification of processes and note a certain policy fatigue on all sides related to the outstanding guidance notes for the Enhanced Framework for Implementing With Partners.<sup>9</sup> We affirm the need for a meaningful, consultative process for this—including the note on capacity strengthening—but encourage simplification of the Framework guidance where possible.

### **Partner Personnel Costs**

NGOs have also been in consultation with UNHCR for an extended period to update UNHCR's policy pertaining to contributions to partners personnel costs (NGO staff salaries). We understand that updating this policy will have budgetary implications for UNHCR, but request a clear and time sensitive path forward to address this important issue.

### **Procurement**

Significant negotiation between UNHCR and partners took place in 2016 on the UNHCR guidance on procurement after the terms of the guidance note introduced in November 2014 proved challenging to implement. We welcome the adoption of a more principles-focus approach and look forward to the release of the final document to confirm issues such as very low procurement thresholds have been solved. We encourage UNHCR to continue outreach through relevant partner networks and platforms during guidance note implementation, especially ensuring proper understanding of the process following the end of the current grace period.<sup>10</sup>

### **Budgets**

Historically high level of funds (\$2.2 billion by June 2016) were received towards UNHCR's 2016 budget, but needs still significantly outpaced giving. This resulted in a number of tangible consequences on the ground:

- 127 students in a single classroom, and no funds for school paper, pencils or ambulance service in portions of the Burundi response

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<sup>8</sup> As of June 2016

<sup>9</sup> As of the time of writing, 19 September 2016.

<sup>10</sup> In 2016, when it became apparent that there were significant challenges pre-qualifying partners under the 2014 guidance note, a grace period was extended to PPA holders. This permitted critical operations at field-level to continue while the guidance note was negotiated.

- Providing full food rations to vulnerable, newly arrived South Sudanese in Uganda by cutting the rations of their peers who arrived in July or August as well as providing only 5.6L of water per person per day in Bidibidi, Uganda

As urgent rethinking of how limited budgets are applied to 2017 programmes continues, here are some situations where the status quo cannot, in our opinions, persist.

- Inability to rapidly meet needs when new influxes of persons of concern are added to already underfunded protracted crises. This includes truly being able to deliver funding for on-the-ground action within 72 hours of crisis inception and embedding a context-driven crisis review mechanism to better meet rapidly-changing needs
- Support for internal displaced people is set to decrease to 15 percent of the 2017 Pillars Budget, but IDPs represent 62 percent of persons of concern. More must be done to meet life-saving needs and to proactively address situations causing displacement<sup>11</sup>
- Youth were identified through 2016 consultations as key actors supporting stability and durable solutions, but how 2017 programmes and budgets will engage and meet the underserved needs of this population is still unclear.

## **Conclusion**

The need for partnership at this time of significant need is greater than ever and using limited resources well requires a holistic, comprehensive approach to partnership. Let us together, with our unique skills and mandates as Member States, UNHCR, and NGOs use 21<sup>st</sup> century tools and approaches to pave the way for improved outcomes for what matters most—better service to populations of concern in 2017.

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<sup>11</sup> UNHCR, 'A/AC.965/1156 nBiennial programme budget 2016-2017 (revised),' September 2016. <http://www.unhcr.org/en-us/57c574ab7>