



# PARTNERSHIP:

AN OPERATIONS MANAGEMENT HANDBOOK  
FOR UNHCR's PARTNERS

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**UNHCR**

United Nations High Commissioner for Refugees  
Haut Commissariat des Nations Unies pour les réfugiés



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AN OPERATIONS MANAGEMENT HANDBOOK  
FOR UNHCR'S PARTNERS

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**UNHCR**  
Revised Edition  
February 2003

PARTNERSHIP:

*An Operations Management Handbook for UNHCR's Partners*

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## FOREWORD

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**T**his second revised edition of UNHCR's handbook, *Partnership: A Programme Management Handbook for UNHCR's Partners*, should be read in the broader context of the Office's current efforts to renew a culture of partnership throughout the organization and with its collaborators serving the cause of refugees. Partnership is not an end in itself, but rather its value should be measured in terms of impact on the well being of the refugees. This Handbook, in a sense, only represents one part of the picture: the expectations of UNHCR. In setting out these expectations, UNHCR is also conscious of its responsibilities vis-à-vis its partners. This new edition of *Partnership: A Programme Management Handbook for UNHCR's Partners*, that replaces the first edition (March 1996), is intended to provide all the necessary information to ensure an effective and efficient working partnership with UNHCR.

UNHCR is continuing the process of refining and implementing its Operations Management System (OMS), which is progressively replacing the former Programme Management System (PMS). The OMS aims to ensure a more results-oriented, integrated, effective and comprehensive approach to operations management. The OMS process recognizes and incorporates the vital role of operational and implementing partners in protecting and assisting refugees. The new planning methodology and implementation procedures stress the need for implementing partners to actively participate throughout UNHCR's programme cycle: from planning through to hand over and/or phase out.

As importantly, and in the spirit of partnership, UNHCR looks to those who work with the Office to address the needs of refugees and others of concern, to share its vision and broad objectives related to international protection. In particular, it expects of its own staff standards of conduct commensurate with their role of providing protection: these have been set out in a UNHCR Code of Conduct (see Appendix A2). UNHCR's partners, be they operational partners or implementing partners, are asked to espouse the *Core Values and Guiding Principles* underlining the Code of Conduct, as well as those set out in the Framework Agreement for Operational Partnership (see Appendix A1). More specifically, partners are asked to "prevent, oppose and combat all exploitation and abuse of refugees and other persons of concern". In this context, the six Principles elaborated by the Inter Agency Standing Committee, and which, in turn, are reflected in the codes of conduct of different agencies, and the related Bulletin of the Secretary-General, are fundamental. These expectations as to professional behaviour on the part of staff of those agencies signing implementation Agreements with UNHCR have been reflected in the Sub-Project Agreement at Article 4.04.1 (Appendix C1) and Appendix 2 to the Sub-Project Agreement.

In response to feedback from partners and UNHCR programme staff, an effort has been made to present programme procedures in a practical and easy to follow format, with appropriate checklists and guidelines. Throughout this Handbook, an attempt has been made to use existing materials, especially those already available on UNHCR's website ([www.unhcr.ch](http://www.unhcr.ch)). This revision also highlights recent related recommendations made by UNHCR's auditors. UNHCR remains committed to

ensuring the most efficient and cost-effective use of limited resources, so that UNHCR and its partners provide the best possible protection and assistance to refugees.

All end users of this Handbook are encouraged to continue to share any comments or suggestions with the Division of Operational Support and/or NGO Unit at UNHCR Headquarters. To the extent possible, these will be reflected in the next update to the Partnership Handbook.

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## CHAPTER 1 UNHCR: THE MANDATE AND THE ORGANIZATION

### Chapter Overview

**T**his chapter provides information about UNHCR's mandate from the United Nations, to protect and assist refugees and to find durable solutions to their plight through voluntary repatriation, local integration or resettlement. The term "refugee" is defined, with a brief description of the various sub-groups protected and assisted by UNHCR and its operational partners. There is an overview of the organization of UNHCR, and an explanation of the associated terminology. The chapter concludes with a description of UNHCR's operational role, programme implementation options and the criteria for selecting implementing partners.

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## Section 1.1 UNHCR's MANDATE

1. Historical Background
2. UNHCR's Evolving Responsibilities

UNHCR's Statute (UN General Assembly resolution 428(V) of 14 December 1950):

"The United Nations High Commissioner for Refugees, acting under the authority of the General Assembly, shall assume the function of providing international protection, under the auspices of the United Nations, to refugees who fall within the scope of the present Statute and of seeking permanent solutions for the problem of refugees by assisting governments and, subject to the approval of the governments concerned, private organizations to facilitate the voluntary repatriation of such refugees, or their assimilation within new national communities."

### 1. HISTORICAL BACKGROUND

1.1 UNHCR is the Office of the United Nations High Commissioner for Refugees. The Office was created in December 1950 by Resolution 428(V) of the United Nations General Assembly, and began its operations on 1 January 1951. UNHCR is a humanitarian and strictly non-political organization devoted to protecting and assisting refugees.

1.2 Refugees are people who have been forced to sever links with their home country. They cannot rely on their own governments for legal protection; it is this, which distinguishes refugees from other migrants, however desperate, and other people in need of humanitarian assistance. Because refugees do not have access to the legal and social protection that a properly functioning government is supposed to extend to its citizens, the international community has had to make special arrangements to respond to their particular plight.

1.3 The conviction that the international community – rather than individual governments or charitable organizations – has a duty to provide refugees with protection and find

solutions to their problems dates from the time of the League of Nations, established in 1920. Fridtjof Nansen, a renowned Arctic explorer from Norway, believed that the League of Nations provided an unprecedented opportunity to establish peace and promote reconstruction in post-war Europe. In 1921, to provide a focal point for coordination of relief efforts, the League of Nations appointed Nansen as the first High Commissioner for Refugees – a role he performed tirelessly until his death in 1930.

1.4 One of the fundamental problems facing refugees and displaced people was their lack of internationally recognized identity papers. The new High Commissioner introduced the "Nansen passport", the forerunner of today's Convention Travel Document for Refugees. It enabled thousands to return home or settle in other countries, and represented the first in a long and still evolving series of international legal measures designed to protect refugees.

1.5 Over the following years, the League of Nations set up a succession of organizations and agreements to deal with new refugee situations as they emerged. The League defined refugees in terms of specific groups who were judged to be

in danger if they were returned to their home countries. Starting with the problem of identity papers and travel documents, measures to protect refugees became more comprehensive as time went on, covering a wide range of matters of vital importance to their daily lives, such as the regularization of their personal status, access to employment and protection against expulsion.

1.6 When the United Nations replaced the League of Nations in 1945, it recognized from the outset that the task of caring for refugees was a matter of international concern and that, in keeping with its Charter, the community of States should assume collective responsibility for those fleeing persecution. In 1946, at its first session, the General Assembly adopted a resolution that laid the foundations for United Nations activities in favour of refugees. The resolution stressed that no refugee or displaced person who had expressed valid objections to returning to his country of origin should be compelled to do so.

1.7 The United Nations also established the International Refugee Organization (IRO), whose mandate was to protect those refugee groups that had been recognized by the League of Nations, and one new category – the 21 million or so refugees scattered throughout Europe following World War II. Initially, the IRO's main objective was repatriation. But the political build-up to the Cold War tilted the balance instead towards resettlement of those who had valid objections to returning home. The IRO was replaced by the Office of the High Commissioner for Refugees (UNHCR) in 1951.

## 2. UNHCR's EVOLVING RESPONSIBILITIES

2.1 UNHCR's founding Statute entrusts UNHCR with two main and closely related functions – to protect refugees and to promote durable solutions to their problems.

2.2 When UNHCR was first established, material aspects of refugee relief were seen to be the

responsibility of the government which had granted asylum. Activities mainly concerned the resettlement of refugees in the aftermath of World War II, whose needs were largely met by the countries directly involved and by non-governmental organizations. However, as many of the world's more recent major refugee flows have occurred in less developed countries, UNHCR has acquired the additional role of coordinating material assistance for refugees, returnees and, in specific instances, displaced persons. Although not mentioned in the organization's Statute, this has become one of UNHCR's principal functions, alongside protection and the promotion of durable solutions.

2.3 In 1952, the General Assembly recognized the need for UNHCR to extend some form of material assistance to refugees, and authorized the High Commissioner to seek funds for emergency aid. In 1954, the High Commissioner was authorized to establish the United Nations Refugee Fund (UNREF). Its purpose was to achieve durable solutions (through voluntary repatriation, local integration and resettlement) and to continue emergency assistance to the most needy cases. In 1957, the General Assembly authorized the High Commissioner to put into effect an annual assistance programme, to be submitted for approval to the Executive Committee (EXCOM). The High Commissioner was also authorized to establish an emergency fund. This was the beginning of what later became UNHCR's General Programmes. More recently, starting with the budget for 2000, these General Programmes and another category called Special Programmes (see below) were merged into a unified Annual Programme Budget (see Section 2.2, UNHCR's Budget and Funding).

2.4 Toward the end of the 1950s and throughout the 1960s, the focus of UNHCR's activities turned from Europe towards developing countries. This shift was prompted by the refugee crisis resulting from the process of decolonization, primarily in Africa. During this period, the General Assembly authorized the High Commissioner to lend his/her good offices



in seeking appropriate solutions to the problems of specific groups. These mainly comprised persons in situations similar to those of refugees but who, for various reasons, were not considered to be within the High Commissioner's mandate. The needs of these groups were, in general, temporary, and voluntary repatriation was frequently a feasible solution.

2.5 This trend changed in the late 1960s and early 1970s. As the process of decolonization abated, new types of conflicts emerged, many of them regional, giving rise to large-scale movements of refugees. This was also the period when UNHCR was called on to provide assistance under "Special Programmes", in accordance with resolutions adopted by the General Assembly and the Economic and Social Council (ECOSOC). This category of programmes has since been discontinued, but the realities they addressed are still covered under UNHCR's unified Annual Programme Budget or Supplementary Programmes (see Section 2.2, UNHCR's Budget and Funding).

2.6 The refugee problems of the 1980s, 1990s and those currently facing the Office, bear little resemblance to those of the early years which followed the adoption of UNHCR's Statute. Difficulties are often compounded by development problems, and solutions to the underlying conflicts can be elusive, leading to stagnating refugee situations. Moreover, in recent years, the General Assembly and the United Nations Secretary-General have called upon UNHCR with increasing frequency to protect or assist particular groups of internally displaced persons who have not crossed an international border but are in a refugee-like situation inside their country of origin. For example, in 1991, the Secretary-General asked UNHCR to assume the role of lead United Nations agency for humanitarian assistance to the victims of the conflict in the former Yugoslavia. By 2002, UNHCR was assisting some five million internally displaced persons in Africa, the Balkans, the former Soviet Union, Colombia, Sri Lanka, East Timor, Afghanistan and other locations.

2.7 These conditions have led the High Commissioner to undertake preventive initiatives in countries, which currently produce refugees or may do so in the future. In undertaking such initiatives, UNHCR is careful to ensure that such activities are complementary to its international protection responsibilities, and consistent with the principles of international human rights and humanitarian law; in particular, UNHCR must ensure that the institution of asylum is not undermined. These preventive activities are carried out both before and during refugee crises. In the latter case, they frequently take place in the broader context of United Nations peace-keeping or peace-making efforts.

2.8 UNHCR's assistance programmes have inevitably grown substantially, both in magnitude and complexity, and differ radically from those introduced in the early days of its existence. In situations such as those described above, where political solutions to conflicts are hard to find, ongoing protection and assistance programmes, accompanied by efforts to make refugees more self-reliant, are often the only alternative. The resources required for these programmes are considerable.

2.9 In terms of financial resources, UNHCR is almost entirely dependent on voluntary contributions. Only part of UNHCR's administrative expenditures is met from assessed contributions, i.e. from the United Nations Regular Budget (which, in 2002, amounted to less than two per cent of UNHCR's overall resource requirements).

2.10 The underlying goal of UNHCR's assistance remains the facilitation of protection and durable solutions. As programmes have become larger and more complex, and in order to improve their planning and management, a more impact- and results-oriented Operations Management System (OMS) has been developed and is gradually being introduced to replace the earlier Programme Management System (PMS). This first revision to the Handbook reflects the changes that have been introduced so far.

2.11 As UNHCR enters the 21st century, its framework for action and that of its partners is to be found in the *Agenda for Protection*. This Agenda was the main product of the *Global Consultations on International Protection*, that UNHCR launched in December 2000. Their purpose was to provoke and to equip States, UNHCR and its other partners better to address the numerous challenges confronting refugee protection. The resulting Agenda for Protection reflects a wide cross-section of concerns and recommendations of States, intergovernmental organizations, non-governmental organizations (NGOs), as well as refugees themselves.

2.12 The Agenda for Protection focuses on suggested activities which would strengthen international protection of asylum seekers and refugees and improve implementation of the 1951 Convention and its 1967 Protocol. These activities flow from the Declaration adopted unanimously by States Parties to the 1951 Convention and/or its 1967 Protocol at the Ministerial Meeting of State Parties, organized jointly by Switzerland and UNHCR on 12-13 December 2001, to commemorate the Convention's 50th anniversary. For further information on the Global Consultations, the Report of the Ministerial Meeting, and the Agenda for Protection, please consult UNHCR's website.

### Further Resources

UNHCR's website: [www.unhcr.ch](http://www.unhcr.ch) contains a range of additional information on the mandate and history of UNHCR:

- ***The State of the World's Refugees 2000. Fifty Years of Humanitarian Action.*** (Oxford University Press, 2000)  
Chapter 1: The early years  
Chapter 11: The changing dynamics of displacement
- ***UNHCR. A Pictorial History***
- ***Helping Refugees. An Introduction to UNHCR***
- ***Global Consultations***

## Section 1.2 PROTECTION, ASSISTANCE AND DURABLE SOLUTIONS

- 
1. International Protection
  2. Refugee Status
  3. Protection and Assistance
  4. Durable Solutions
  5. Preventing Refugee Crises
  6. Statelessness
- 

### 1. INTERNATIONAL PROTECTION

The protection of refugees is UNHCR's *raison d'être*. Protection lies at the heart of the Office's efforts to find durable solutions to the plight of refugees, and provides the context in which UNHCR carries out its relief activities.

### 2. REFUGEE STATUS

2.1 The 1951 Convention relating to the Status of Refugees was drawn up in parallel with the creation of UNHCR. It is a legally binding treaty and a milestone in international refugee law. While the scope of the 1951 Convention (see below) was confined to people who became

refugees prior to 1 January 1951, UNHCR, through its Statute, was given a general competence to deal with refugee problems wherever they might arise, irrespective of date or location, as long as those concerned had a well-founded fear of persecution.

2.2 Subsequent decades demonstrated that refugee movements were by no means a phenomenon confined to World War II and its aftermath. As new refugee groups emerged, it became increasingly necessary to adapt the Convention to make it applicable to new refugee situations. The 1967 Protocol was introduced to make the Convention truly universal and not limited in time.

#### 1951 Convention relating to the Status of Refugees

- Contains a general definition of the term "refugee" that no longer ties it to specific national groups, but to the reasons (or causes) for flight.
- Establishes the principle of *non-refoulement*; that is, the not-removing a person to a territory where he/she would be at risk of being persecuted, or of being moved to another territory where he/she would face persecution.
- Sets standards for the treatment of refugees, including their legal status, employment and welfare.
- Scope limited to people who became refugees as a result of events that took place before January 1, 1951, with signatory States given the option to limit its geographical application to Europe.

#### 1967 Protocol

- Abolished the geographical limitation and the 1951 deadline, making the Convention universal.

## Regional Initiatives

2.3 While the 1951 Convention definition of a refugee, with its emphasis on individual persecution, still forms the core of UNHCR's mandate, additional criteria have been progressively introduced to accommodate the evolving nature of refugee flows in recent decades.

2.4 Regional initiatives have extended the definition of a refugee as follows:

- a. To take into account the special characteristics of the situation in Africa, the Organization of African Unity (OAU) formulated the 1969 Convention Governing the Specific Aspects of Refugee Problems in Africa, which expands the definition of a refugee to include persons who were compelled to leave their country not only as a result of persecution, but also "owing to external aggression, occupation, foreign domination or events seriously disturbing public order in either part or the whole of his country of origin or nationality".
- b. In 1984, the Cartagena Declaration on Refugees was adopted for the Central American region, adding the criterion "massive violation of human rights". Although not formally binding, the Cartagena Declaration has become the basis of refugee policy throughout Latin America, and has been incorporated in the national legislation of a number of States.

2.5 The extended refugee definitions of the OAU Convention and the Cartagena Declaration have brought international protection to a large number of people who may not be covered by the 1951 Convention and the 1967 Protocol, but are forced to move for a complex range of reasons including persecution, widespread human rights abuses, armed conflict and generalized violence.

2.6 Broadening of the refugee definition in response to regional considerations has provided much needed flexibility to international action on behalf of people forced to flee their countries. However, it has also introduced a new complexity because a person recognized as a refugee in one region may not necessarily be considered one elsewhere.

### Definition of a Refugee

According to the 1951 Convention Relating to the Status of Refugees, the term "refugee" applies to any person who:

"owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it."

### Returnees

2.7 The General Assembly has also called upon the High Commissioner to provide assistance to returnees, as well as to monitor their safety and well-being on return (General Assembly Resolution 40/118). The situation of returnees needs to be monitored to ensure that amnesties or guarantees offered by the government of the country of origin are fulfilled and that returnees enjoy the same human rights and fundamental freedoms as their fellow citizens.

### “Persons of Concern”

2.8 On an *ad hoc* basis, the UN General Assembly and Secretary-General have frequently asked UNHCR to take care of groups of people – usually referred to as “persons of concern” – who are not covered by the 1951 Convention or even by the extended refugee definitions. For example, some groups of internally displaced people, such as the Kurds in northern Iraq and civilians in parts of Bosnia and Herzegovina, need international protection.

## 3. PROTECTION AND ASSISTANCE

3.1 To promote and safeguard the rights of refugees, UNHCR tries particularly to:

- a. Encourage accessions by States to the basic international instruments relating to refugees, and ensure their implementation.
- b. Ensure that refugees are treated in accordance with recognized international standards, receive an appropriate legal status, and enjoy economic and social rights that are comparable to those of the nationals of their country of asylum.
- c. Protect refugees and persons applying for refugee status from forcible return (*refoulement*) to a country where they have reason to fear persecution, and ensure that their applications for asylum are examined within the appropriate framework.
- d. Help ensure the personal security of refugees and asylum-seekers.
- e. Promote the reunification of separated family members.

3.2 These measures are fundamental to protect the rights of asylum-seekers and persons recognized as refugees. They may, however, be

futile if the person’s basic material needs are neglected. The reverse is also true: there is little purpose in having funds to feed refugees if they are not protected from *refoulement*. Particularly where governments are concerned about the well-being of local populations where resources are threatened by the presence of a large number of asylum-seekers, the supply of material assistance may be a means of preventing *refoulement*.

3.3 Other examples of the links between protection and assistance are:

- a. The site chosen for a local settlement must take into account the security of those who will be accommodated there – proximity to a border may be a source of danger.
- b. The construction of dwellings and camp buildings must ensure privacy and security for women, who may otherwise become victims of sexual assault.
- c. Assistance towards repatriation must have as a first principle the voluntary nature of the return.
- d. Resettlement assistance can ensure the physical safety of refugees, and can also help individuals to be reunited with other members of their families.
- e. Assistance to individuals or refugee families, particularly in urban areas, may include legal assistance or counselling.

## 4. DURABLE SOLUTIONS

4.1 The task of promoting durable solutions to refugee problems is embodied in UNHCR’s Statute (see Section 1.1, UNHCR’s Mandate). The Statute defines durable solutions under two distinct headings: voluntary repatriation, and assimilation into new national communities which may involve local settlement in the country of first asylum or resettlement in a third country, as shown below:

### DURABLE SOLUTIONS

1. Voluntary repatriation
2. Local settlement
3. Resettlement

4.2 In seeking durable solutions to refugees' problems, UNHCR attempts to help those who wish to go home. Where repatriation is not feasible, it helps to integrate refugees in countries of asylum or, failing that, to resettle them in other countries.

4.3 Durable solutions are vital for refugees, to release them from a sense of dependency and help restore their self-respect. Durable solutions prevent the development of a dependency syndrome, and provide opportunities for refugees to make a new start following the trauma that has accompanied the act of seeking refuge outside their homeland. Durable solutions also reduce the burden on the international community, and relieve the burden on local communities when refugees who join them become economically independent and socially integrated.

4.4 UNHCR assigns a two-letter code to identify each type of durable solution:

- RP voluntary repatriation
- LS local settlement
- RE resettlement

#### Voluntary Repatriation (RP)

4.5 Voluntary repatriation, when feasible, has long been considered the preferred solution to refugee problems. It allows refugees to resume normal life in their home country, and restores cultural and ethnic bonds within that country. Three vital conditions must be fulfilled to implement voluntary repatriation in conditions of safety and dignity:

- a. The return must be voluntary; no refugee should be returned to his/her country of origin or habitual residence against his or her will.
- b. There must be clear and unequivocal agreement between the country of asylum and the country of origin, both on the modalities of the movement and the conditions of reception; wherever possible, Tripartite Commissions should be formed involving the countries of origin and asylum, and UNHCR.
- c. As far as possible, returnees should be allowed to return to their place of former residence.

4.6 Where voluntary repatriation is organized or facilitated by UNHCR, the Office attempts, wherever possible, to ensure that a legal framework is set up to protect the returnees' rights and interests. Steps taken include negotiating amnesties and guarantees of non-recrimination against returnees.

4.7 Assistance measures in the country of asylum include preparations for departure and help in organizing the journey home, by the most appropriate means of transport. Transit centres in the country of asylum are sometimes required. In some cases, reception facilities have to be organized within the country of origin.

4.8 Assistance may be provided in the initial phase of reintegration into their country of origin, to meet basic needs and help the rehabilitation of the returnees. Such assistance is provided by UNHCR, and sometimes may be part of an overall United Nations programme of rehabilitation and reconstruction. Its purpose is to assist the returnees to integrate, as rapidly as possible, into the economic and social life of their country of origin, which will once again assume responsibility for their protection. UNHCR may maintain a monitoring role for a limited, transitional period. UNHCR also aims to enlist the support of development agencies in rebuilding the economic and social life in the communities of return.

4.9 A spontaneous cross-border return of a voluntary nature may also take place, involving, at times, large numbers of refugees. While the movements themselves may occur without international assistance, UNHCR assistance may subsequently be required at a later stage to facilitate the process of reintegration.

### Local Settlement (LS)

4.10 In cases where voluntary repatriation is unlikely to take place in the foreseeable future, the best solution is often to settle refugees in their country of asylum, or host country. This can only be done, however, with the agreement of the government of the host country concerned.

4.11 In industrialized countries, government welfare systems and non-governmental organizations provide the bulk of the resources necessary to integrate refugees. Elsewhere, UNHCR furnishes varying degrees of support for local settlement projects in both urban and rural settings.

4.12 Refugees may benefit from assistance towards self-sufficiency and integration into the economic and social life of the local community. This assistance takes many forms, depending upon factors such as the situation of the refugees, their background, their location and the situation of the host country. For example:

a. **Spontaneous Local Settlement:** refugees may settle spontaneously amid the local population, sharing the resources and infrastructure available. This frequently occurs in Africa, especially when the refugees belong to the same ethnic group as the population living in the area of influx. When large numbers are involved, UNHCR may provide support to the authorities of the host country, through limited reinforcement of the local infrastructure.

b. **(Planned) Local Settlement of Refugees in Rural Areas:** most

frequently implemented for the benefit of refugees of rural background, rural settlements assisted by UNHCR are planned in cooperation with the host government, and implemented by governmental agencies and/or non-governmental organizations. The refugees themselves are encouraged to contribute progressively to the efforts towards self-sufficiency. Assistance measures are diverse, and UNHCR's financial assistance is phased out as the settlement becomes self-supporting and the basic social infrastructure is restored. Such assistance measures may include:

- planning and construction of the settlement;
- providing food during the initial period of settlement;
- supplying household and other basic items;
- organizing agricultural and other income-generating activities;
- taking measures with respect to nutrition, water, sanitation, health and education; and
- promoting community development.

c. **Local Settlement of Refugees in Urban Areas:** assistance to these refugees is also aimed at self-reliance. Measures range from providing subsistence allowances, counselling, and education grants, to undertaking income-generating projects of various kinds. The right to work is particularly important when promoting durable solutions for urban refugees.

In all cases, however, steps must be taken to ensure the legal integration of these former refugees, that is, they need to have a migratory

status that will allow them to legally reside in the country and to access basic social services.

### Resettlement (RE)

4.13 Resettlement is the third durable solution for refugees, when neither voluntary repatriation nor local integration are possible. While the number of refugees resettled by UNHCR since the late 1980s has declined dramatically, resettlement still remains an important instrument of international protection and a durable solution for refugees when no other option is available.

4.14 Refugees requiring resettlement may be facing serious protection problems in their country of first asylum, in many cases related to *refoulement*, expulsion, undue detention or a threat to their physical safety. Resettlement to a safe third country would therefore be the only solution. However, resettlement, unlike voluntary repatriation or seeking asylum, is not a right. Refugees are submitted for resettlement using carefully defined criteria. Indeed, resettlement should obviously not be pursued because a refugee has become a burden or because of his/her behaviour.

4.15 Resettlement may also be sought for reasons of family reunification, or for those refugees deemed vulnerable within UNHCR's criteria, and for whom resettlement offers the only durable solution. This group may include refugees with medical problems, women at risk, etc. As it is recognized that the uprooting of refugees identified as requiring special attention may not always be in their best interest, it is imperative that every effort should be made in the first instance to examine whether their needs can be met in a local or regional context.

4.16 Ideally, resettlement opportunities should always be explored within the region of first asylum so as to enable the refugee to remain, if possible, near to his/her country of origin, so that return may be considered when circumstances permit. Furthermore, if the

refugee's culture and customs are compatible with those of the regional host country, integration, if permitted, may occur more readily.

4.17 Extra-regional resettlement involves moving the refugee away from the geographical region, but may be the only realistic solution. A limited number of resettlement countries offer annual quotas. While the numbers offered in these quotas are generous, the need for places is still greater. UNHCR is committed to continue the process of dialogue with interested governments and NGOs in order to expand and strengthen its resettlement activities.

## 5. PREVENTING REFUGEE CRISES

5.1 In the 1990s, UNHCR has increasingly undertaken preventive initiatives in countries which currently produce refugees or which may do so in the future. It is incumbent on the international community to seek ways and means to avert involuntary displacements. The Executive Committee has called on the High Commissioner to actively explore new options for preventive strategies which are consistent with protection principles (UNHCR Executive Committee, Conclusion No. 62(XLI) – 1990).

5.2 In situations where economically motivated migrants may seek to take advantage of refugee channels, mass information programmes have been launched to provide a clearer understanding of refugee status. These programmes aim to discourage people who may seek to use asylum channels for economic reasons, while keeping them open for those who flee persecution.

5.3 Where civil strife and refugee crises have already erupted, UNHCR has become more directly involved with internally displaced and other local populations. UNHCR has increasingly undertaken humanitarian action, not only to provide relief but also to avert further internal displacement and to reduce the need for people to take refuge abroad. Humanitarian assistance can stabilize population movements and



eventually create conditions favourable to the return of refugees.

5.4 In responding to refugee crises, UNHCR attempts, wherever possible, to link prevention of further displacement to the promotion of durable solutions.

## 6. STATELESSNESS

A “stateless person” is a person who is not considered as a national by any country. The Universal Declaration of Human Rights states that everyone has a right to a nationality and no one should be arbitrarily deprived of his/her nationality or of the right to change his/her nationality. In 1996, the UN General Assembly called on UNHCR to promote accessions to the 1954 and 1961 Conventions on Statelessness. To be stateless means, *inter alia*, that a person can not obtain a passport, have access to a judicial system, etc. There are strong links between displacement and statelessness:

- Displacement can cause statelessness (when, for example, a person’s displacement is followed or accompanied by a redrawing of territorial boundaries).
- Displacement can be a consequence of statelessness (when stateless or denationalised populations are forced to leave their usual place of residence).
- Statelessness can be an obstacle to the resolution of refugee problems (when, for example, countries refuse to readmit former refugees on grounds of statelessness).

Statelessness is a problem that States should resolve. UNHCR works with governments to address the problem of statelessness, by providing, *inter alia*, technical and legal advice on their nationality legislation.

### Further Resources

#### **UNHCR Website:**

[www.unhcr.ch](http://www.unhcr.ch)

#### **Protecting Refugees**

- Legal Protection
- Global Consultations
- Women
- Children
- Resettlement
- Statelessness

#### **Our Partners**

- ***Protecting Refugees: A Field Guide for NGOs.*** Produced jointly by UNHCR and its NGO Partners (September 1999).

## Section 1.3 WHO ARE THE REFUGEES, RETURNEES AND INTERNALLY DISPLACED?

- 
1. The Challenge
  2. Refugee Women and Gender Equality
  3. Refugee Children including Adolescents
  4. Refugees with Special Needs
  5. Urban Refugees
  6. Returnees
- 

### 1. THE CHALLENGE

1.1 Today's refugees are fleeing combinations of persecution, conflict and widespread violations of human rights, both inside and outside their countries of origin. To ensure that our efforts to protect and assist the refugees are effective, we have to know who the refugees are, and the particular needs of specific individuals and groups of refugees.

1.2 Refugee populations are not homogeneous. Cultural and religious differences abound. As in any large group of people, there are numerous sub-groups within a given population or community. UNHCR's mandate of providing protection to refugees and seeking durable solutions to their problems, brings with it specific obligations regarding the various categories of refugees.

1.3 The diverse strengths, roles and needs of different individuals and sub-groups of refugees must be addressed when planning, implementing and reporting on protection and assistance projects.

### 2. REFUGEE WOMEN AND GENDER EQUALITY

2.1 In recent years, UNHCR's EXCOM has recognized the importance of devoting special attention to the needs of refugee women. This

awareness reflects a more general concern for the conditions of refugee women, as expressed in other United Nations fora, including the Economic and Social Council (ECOSOC) and the United Nations Commission on the Status of Women.

2.2 The *UNHCR Policy on Refugee Women* (1990) is premised on the recognition that becoming a refugee affects men and women differently and that effective programming must recognize these differences. Furthermore, to understand fully the protection needs and assistance resources of the refugee population, and encourage dignity and self-sufficiency, refugee women themselves must participate in planning and implementation projects. UNHCR's Policy on Refugee Women clearly underlines that it is the responsibility of every staff member to ensure that the integration of the resources and needs of refugee women in all aspects of UNHCR work takes place within his or her area of competence. The Policy describes a range of objectives (both policy and operational) to support the overall organizational goals and provide the basis for the development of appropriate activities and work plans to enhance the implementation of UNHCR's Policy on Refugee Women. UNHCR looks to its partners to help achieve the objectives of the Policy.

2.3 The *Guidelines on the Protection of Refugee Women* deal with issues ranging from assessment and planning to the addressing of protection

## REFUGEE WOMEN

### Watch for:

- Adolescents
- Single female heads of households

### Physical Safety

- Camp design and layout
- Water and firewood collection
- Attitudes of local and refugee populations

### Access to Services

- Food distribution
- Health services
- Education/skills training

needs through assistance, including topics such as camp design and layout, access to food, education and skills training. They also include guidance on legal procedures, criteria for the determination of refugee status and physical security. *Guidelines for Prevention and Response to Sexual and Gender-based Violence against Refugees, Returnees and Internally Displaced Persons* focus on the need to prevent incidents of sexual violence from occurring, and include suggested strategies and action that can be taken by UNHCR, NGOs, host governments and the refugees themselves; they provide practical advice on how to respond to incidents of sexual violence, covering the fields of medical treatment, psychological support and legal intervention.

2.4 The general principles concerning UNHCR's work in protecting and assisting refugee women may be summarized as follows:

- a. Refugee women are likely to be affected differently than men by their condition as refugees. Because they are women, they may be at special risk, both during flight and within the country of asylum. This gives rise to specific needs in terms both of protection and assistance, of which an awareness is essential.

- b. It is essential to secure the active participation of refugee women in planning and implementing activities, of which they are the main beneficiaries. This will not only help them to retain their personal dignity and self-respect, but will also increase programming efficiency through the use of skills which are critical for the community's economy and life. Such participation can also be an important factor in accelerating progress towards achieving self-sufficiency for themselves and their families.

- c. Measures to assist and protect women should be integrated into UNHCR's activities, rather than being regarded as separate issues in programme planning and implementation.

2.5 The following practical measures concern procedures to be applied within the context of programme and project management:

- a. The assessment of needs and resources specific to women must be an integral part of the needs and resources assessment process (see Section 3.2).

- b. Use of the People Oriented Planning framework (see Section 3.1), as part of the planning process, will help highlight the respective roles, responsibilities and needs of refugee men and women; statistics (broken down by sex and age groups) and gender-specific data should be an integral part of planning documentation.
- c. Specific mention of the impact of protection and assistance programmes on women is required when completing Part 2 of Sub-Project Monitoring Reports (see Section 5.2).

### People Oriented Planning (POP)

UNHCR's planning approach starts with the recognition that all refugee groups are not homogeneous. Therefore, it is important to find out specific information about the composition and profile of various refugee groups in order to ensure efficient, cost-effective and humane protection and assistance programmes; one needs to be aware also that gender roles vary in different societies and that these determine who has access to, and has control over resources; good programming must reflect such roles and seek to redress inequalities.

2.6 UNHCR's Senior Coordinator for Refugee Women and Gender Equality is attached to the Director's Office, Division of Operational Support at UNHCR Headquarters. The Senior Coordinator provides guidance, feedback and shares good practices and experience with staff in the field. She is supported by field-based Regional Advisers for Refugee Women and

Gender Equality, who monitor the integration of refugee women and gender equality into all protection and assistance activities. Through the office of the Senior Coordinator, UNHCR undertakes a wide range of activities in support of refugee women and gender equality, such as:

- training, especially through support for income-generating activities and skills development;
- funding the participation of refugee women's groups in regional and national peace networks;
- participating in inter-agency initiatives aimed at strengthening refugee women's leadership and negotiating skills.

2.7 UNHCR is also in the process of developing "gender networks" comprising UNHCR and partner staff. Network participants, with different technical backgrounds, will be trained in gender equality analysis and issues of concern to women to enable them to promote gender sensitivity, especially in their respective areas of activity.

### Further Resources

**UNHCR Website:**  
[www.unhcr.ch/women](http://www.unhcr.ch/women)

- UNHCR Policy on Refugee Women;
- UNHCR Good Practices;
- Gender and Humanitarian Assistance Resource Kit.

### 3. REFUGEE CHILDREN, INCLUDING ADOLESCENTS

3.1 Refugee children, including adolescents under the age of 18, make up some 40 per cent of the world's refugees and have special needs that require specific action in terms of both protection and assistance. Refugee children are a policy priority for UNHCR.

3.2 UNHCR's reference documents (see Box, page 19) with regard to refugee children are:

- UNHCR's *Policy on Refugee Children* (1993);
- UNHCR's *Refugee Children: Guidelines on Protection and Care* (1994);
- *Progress Report on Refugee Children and Adolescents, including UNHCR's Strategy for Follow-up to the Report on the Impact of Armed Conflict on Children* (UNHCR, EC/47/SC/CRP.19, of 9 April 1997);
- *Refugee Children and Adolescents: A Progress Report* (UNHCR, EC/50/SC/CRP.7, of 7 February 2000);
- *Summary Note on UNHCR's Strategy and Activities Concerning Refugee Children* (UNHCR, Refugee Children Coordination Unit, May 2002).

3.3 The 1951 Refugee Convention and the 1967 Protocol apply to children in the same way as to adults. However, the human rights of children are most fully articulated in the 1989 Convention on the Rights of the Child (CRC). The CRC has been ratified by every country in the world, except two. Thus in States that are not party to any refugee treaty, the CRC can be used as a basis for protecting refugee children. The CRC is a universally agreed set of non-negotiable standards and obligations. It spells out the basic human rights that children everywhere – including refugee children – have: the right to survival; to develop to the fullest; to protection from harmful influences, abuse and exploitation;

and to participate fully in family, cultural and social life. The CRC protects children's rights by setting standards in health care, education and legal, civil and social services. Two additional Optional Protocols, on the involvement of children in armed conflict and on the sale of children, child prostitution and child pornography, entered into force in 2002.

3.4 All actions taken on behalf of refugee children should be guided by four fundamental and universally recognized principles:

- **The best interests of the child:** in each and every decision affecting the child, the various possible solutions must be considered and due weight given to the child's best interests. This means that legislative bodies must consider whether laws being adopted benefit children in the best possible way. Courts and others settling conflicts of interest should base their decisions on what is best for the child. In the allocation of budgets, special attention should be given to children's policies and to the impact the policies will have on children's lives.
- **Non-discrimination:** every child within a State's jurisdiction is entitled to all the rights of the CRC, independent of immigration status. This includes refugee children, asylum seekers and rejected asylum seekers.
- **Participation:** the participation of children, especially adolescents, in decision making not only ensures identification of their needs in programme design, but also meets their developmental needs as they learn e.g. decision-making skills and gain self-confidence to use those skills.
- **Right to life, survival and development:** appropriate measures to safeguard life must be taken. These include measures to increase life expectancy and to lower infant and child mortality. Identifying numbers of disadvantaged children and

assessing their situation is essential. Establishing an effective birth registration is instrumental.

3.5 Providing protection and care through assistance to refugee children is an integral part of planning, formulating, implementing and evaluating UNHCR's projects. Partnerships with other UN agencies and NGOs, in particular those specialising in child-focused programming, are essential. NGOs should evaluate their own refugee projects in the light of the Policy and the Guidelines on Refugee Children. Progress achieved in providing assistance to refugee children should be reported in Sub-Project Monitoring Reports (see Section 5.2).

3.6 Special attention should be paid to the following issues in designing programmes for refugee children:

- **Separation:** unaccompanied and separated children face an increased risk of military recruitment, sexual exploitation, abuse and violence and forced labour. (Separated children are defined as children under 18 years of age who are separated from both parents, or from their previous legal or customary primary caregiver; they can be accompanied or unaccompanied.) These children need immediate protection and assistance; concrete measures are listed in detail in the 1994 Guidelines (see also: *UNHCR Guidelines on Policies and Procedures in Dealing with Unaccompanied Children Seeking Asylum*, 1997; *Inter-Agency Guiding Principles on Unaccompanied and Separated Children*, 2002). The most important steps are identification; immediate registration (see Chapter 11 of the *UNHCR Handbook for Emergencies* for a registration form) and documentation; tracing of and reunification with their family (IDTR) – if in the child's best interest. These steps should be accompanied by the appointment of a guardian and temporary placement in a foster family, where the child's well-being is monitored.
- **Education:** the importance of education for the protection and development of refugee children is increasingly being recognised. Education can serve as a vital tool for e.g. the prevention of recruitment into forced labour, military activities and sexual exploitation, and imparts life saving knowledge and skills (e.g. HIV/AIDS, education for peace and conflict resolution). UNHCR endeavours to ensure access to primary education for all refugee children, with particular emphasis on girls. Programming initiatives should also give particular attention to adolescents and school drop-outs by opening up possibilities for access to secondary education and non-formal educational opportunities.
- **Sexual exploitation, abuse and violence:** in most refugee and returnee situations, refugee children face an increased risk of sexual exploitation, abuse and violence. Both boys and girls are at risk, but girls are the principal targets, with separated girls, including those living in foster care, or heading a household, being at particular risk. Preventive measures include, *inter alia*, awareness raising (including among males), enrolment in education and programmes to combat harmful traditional practices, as well as camp lay-out. Response measures include health and psycho-social services for survivors, counselling and treatment of STDIs (see *Guidelines for Prevention and Response to Sexual and Gender-based Violence against Refugees, Returnees and Internally Displaced Persons* (UNHCR, 2003); these Guidelines, as their title suggests, focus both on prevention and response.
- **Military recruitment:** military recruitment is conducted by State and Non-State agents, with boys often being used in combat and other military activities, whereas girls are frequently used for sexual slavery and forced labour. UNHCR advocates against military recruitment of

children in all circumstances. Preventive and rehabilitation/reintegration measures include: enrolment in formal and non-formal and vocational education and income generating activities, as well as family-reunification and psycho-social services.

- **Specific needs of adolescents:** older children, who are mid-way between childhood and full maturity, have specific needs that are often overlooked. In

addition to specific health and nutritional needs, adolescents often lack educational/skills training opportunities beyond primary education, as well as meaningful non-formal activities which make them even more prone to military recruitment and sexual exploitation.

There may be additional and/or other regional priority issues such birth registration, detention and harmful traditional practices that need to be addressed.

### Further Resources

Further useful information and resource material that can be accessed through the UNHCR public website:

- *UNHCR documents* listed in 3.2 above.
- *UNHCR Handbook for Emergencies* (UNHCR 2000).
- *UNHCR Guidelines on Policies and Procedures in Dealing with Unaccompanied Children Seeking Asylum* (1997).
- *Convention on the Rights of the Child (CRC)*.
- *Inter-Agency Guiding Principles on Unaccompanied and Separated Children* (2002).
- *Action for the Rights of Children (ARC)* is a child based training and capacity building programme, which was initiated by UNHCR and the International Save the Children Alliance and is widely used as a training initiative within UNHCR and with partners. The programme engages staff in identifying and addressing critical issues affecting children and encourages dialogue, including with children themselves, and aims to be a catalyst for effective prevention and response.
- *"Meeting the rights and protection needs of refugee children – an independent evaluation of UNHCR's activities"* undertaken by VALID International, Oxford, UK; published by UNHCR, May 2002 (EPAU/2001/ 02). The executive summary provides an overview of issues and recommendations for improved programming.
- *Separated Children in Europe Programme (SCEP)*: this website ([www.sce.gla.ac.uk](http://www.sce.gla.ac.uk)) provides recommendations and a statement of good practice with regard to separated children.
- *UNICEF website* ([www.unicef.org](http://www.unicef.org)): documents, background material, statistics, etc.

#### 4. REFUGEES WITH SPECIAL NEEDS

4.1 Refugees with special needs include the following:

- unaccompanied children (see above);
- disabled persons;
- unaccompanied elderly;
- single parent families;
- victims of violence and torture;
- minority groups;
- unaccompanied or isolated women;
- persons suffering from serious or chronic illness (including mental disturbance);
- handicapped; and
- refugees with HIV/AIDS.

4.2 Refugees in any of these categories are likely to require special care, especially if they lack support from a family or the community. UNHCR's response should be based on the following principles:

- a. The refugee's own participation should be encouraged in finding the most appropriate solution.
- b. The most effective help is likely to come from the refugee community itself.
- c. Institutionalization of relief measures, leading to long-term dependency, must be avoided; this requires close monitoring of the assistance provided.
- d. Wherever feasible, and to prevent social problems, measures such as facilitating family reunion and re-establishing traditional coping mechanisms, should be given priority.

4.3 Effective assistance to refugees with special needs begins with the assessment of their needs and resources. The refugee community, notably elders (men and women), school teachers, health workers and others can assist in this task.

4.4 Other relevant policies and procedures relating to refugees with special needs are found in the following references:

- a. *UNHCR Handbook for Social Services (1984)*, including an Assessment Form for a person who is disabled or chronically ill.
- b. *Older Refugees – a resource for the Refugee Community*. UNHCR Policy on Older Refugees (UNHCR, 2000).
- c. *Training Disabled People in the Community* (World Health Organization, Geneva).

#### Medical Care for Disabled Refugees

4.5 Refugees should normally be treated locally in public health facilities accessible to nationals. In exceptional cases, where adequate facilities are not available locally, a refugee may be evacuated to a neighbouring country within the region (or abroad) for necessary medical treatment and/or surgical intervention. All local possibilities must, however, first be explored before any referral is considered.

4.6 Normally, specialized medical care may only be provided if such care is also available to the local population. In the case of severely disabled refugees for whom treatment costs exceed UNHCR's financial resources, every effort must be made to secure assistance free-of-charge in specialized institutions in certain countries.

#### 5. URBAN REFUGEES

5.1 Refugees residing in urban areas, often referred to as 'urban refugees', are of diverse origins and backgrounds. They may be city dwellers who arrive in an urban area directly from their country of origin. They may be



refugees who have moved out of rural camps and taken up residence in a city. They may be refugees who have moved on from a country of first asylum, often because they cannot find the protection or solutions they need in that country. Contrary to common opinion, urban refugees are not exclusively or even predominantly young males; such populations normally include a substantial number of children, adolescents and women.

5.2 Providing protection and solutions to refugees in urban areas is often hindered by the fact that they have no legal status, residence rights or work permit. In many countries, the labour market is highly competitive, and so the opportunities for employment in urban areas are also very scarce. As a result, and if they find jobs at all, refugees may have no choice but to accept the most arduous, dangerous and insecure forms of employment.

5.3 Efforts to assist refugees in urban areas have generally proved problematic. It is difficult to keep track of large numbers of refugees who are scattered throughout a large city. Urban refugees frequently find it difficult to gain equitable access to public services such as education and health. Providing regular subsistence payments to refugees in urban areas is expensive and difficult to administer. It may also require means-testing, a process that often leads to tensions between the refugees and the agency responsible for this task.

5.4 The following objectives should be used when planning and implementing assistance for urban refugees:

- a. Increase their capacity to solve their own problems, taking into account their initial needs to overcome the impact of abrupt change, isolation, trauma, cultural shock, and dependence.
- b. Encourage self-help measures directed at durable solutions, avoiding prolonged dependence on subsistence allowances.

- c. Promote community self-help activities, such as community centres, language classes and income-generating projects.
- d. Give priority to assisting refugees with special needs, such as the disabled, elderly, single parents, isolated women without support, and unaccompanied children, based wherever feasible on self-help; such priority should also be directed towards reducing inequalities in the services received by different groups, such as between male and female refugees.
- e. Use local expertise, where available, to perform market surveys, create employment opportunities (including those outside urban areas) and identify educational options; locally-based agencies are often UNHCR's best partners for such activities.

5.5 The administration of large numbers of individual cases requires the application of a systematic, case management approach, including the following steps:

- a. Promote the granting of appropriate legal status, to the extent this is inadequate, to allow refugees to have access to employment and educational facilities.
- b. Conduct a thorough assessment of each urban refugee individual or family (noting that there may be differences for women and men), to determine:
  - what assistance is required, for how long; and
  - how the individual refugee or family can contribute towards self-sufficiency.
- c. Draw up a plan between counsellor and refugee, summarizing the agreed path to self-sufficiency. Review the plan periodically, to measure progress against the objective.

- d. Carry out a regular case-load analysis.

5.6 Assistance most frequently provided to urban refugees involves:

- a. Care and maintenance, through the provision of daily subsistence allowances (normally not exceeding six months), giving priority to refugees with special needs.
- b. Voluntary repatriation (whenever feasible).
- c. Local settlement assistance, including:
- counselling, as part of case management;
  - educational assistance, giving priority to primary education and vocational training;
  - income-generating schemes (including grants or loans and co-operative schemes); or
- d. Resettlement (rarely applicable).

5.7 Further Resource

*Evaluation of the Implementation of UNHCR's Policy on Refugees in Urban Areas* (by Naoko Obi and Jeff Crisp, EPAU/2001/10, December 2001).

## 6. RETURNEES

6.1 Refugees who have returned to their country of origin, normally in the context of voluntary repatriation, are referred to as "returnees". The term is also applied to displaced persons within a country who have returned to their places of former residence.

6.2 In legal terms, refugees who return voluntarily to their country of origin cease to be refugees and, therefore, cease to be of concern to the High Commissioner. UNHCR has, however, been called upon by the UN General Assembly to

assist returnees, within the context of voluntary repatriation operations. There is often a particular need to facilitate the reintegration of refugees and displaced persons returning to their homes which have suffered large-scale devastation from long years of conflict.

### Protection of Returnees

6.3 In principle, UNHCR's protection responsibilities cease from the moment that the country of origin assumes responsibility for its returning nationals. In practice, however, UNHCR may be called upon to assume a monitoring role for a limited period, in close consultation with the parties concerned. UNHCR requires, for this purpose, direct and unhindered access to returnees to monitor the fulfilment of the amnesties, guarantees or assurances on the basis of which the refugees have returned.

6.4 Assistance to returnees within the context of a voluntary repatriation programme is intended to ensure the durability of the voluntary repatriation. It entails a range of measures that vary according to local circumstances and needs. These measures fall into four categories:

- a. **Pre-Departure Arrangements:** may include registration, completion of a *Declaration of Voluntary Repatriation*, medical screening and vaccination, sharing of information with those departing and logistical preparations. Special attention should be paid to the needs of vulnerable persons, in particular the elderly, pregnant women, disabled persons, unaccompanied children, and others who cannot cope with the demands of self-care;
- b. **Transportation:** involves the transport of returnees and their belongings and associated requirements (transit centres, food, etc.) to move the returnees from the country of asylum, or zone of displacement, to their home areas;

- c. **Relief Measures:** may include the distribution of food rations, household items, shelter materials, simple agricultural tools, seeds, etc. The duration of this assistance is normally limited to three to six months for each individual returnee (the operation itself may last longer, depending upon the number of returnees involved). The distribution of relief items should be limited to a one-time distribution. Food assistance may, however, be required for a 12-18 month period, covering a planting and harvest cycle. The World Food Programme (WFP) is normally responsible for providing basic food items; and
- d. **Rehabilitation:** of a short-term nature, designed to assist the returnees to attain a standard of living comparable to that of the local population. Assistance is normally provided to individuals but, where necessary, can involve limited support to help improve the basic infrastructure of communities with a concentration of returnees. UNHCR's direct involvement in this form of assistance is of limited scope and duration. As regards broader development initiatives in the areas of return, UNHCR's role is principally that of a catalyst, to encourage the national government to include areas of return in national development plans, and to support the involvement of international development organizations (including other UN agencies), in support of the national government, in areas of return (Section 3.1.5). The needs of vulnerable persons should be assessed and specially addressed.

**6.5 Imagine Coexistence:** the Imagine Coexistence Project was initiated by Mrs. Ogata, the United Nations High Commissioner for Refugees (1990-2000), as a way of addressing UNHCR's responsibilities in situations of repatriation to and reintegration into divided

communities. It included projects in Bosnia-Herzegovina and Rwanda and a substantial research component implemented by the Fletcher School of Law and Diplomacy, Tufts University.

6.6 The initiative sought to demonstrate the possibilities for promoting coexistence among members of deeply divided communities, including returning refugees and displaced persons. It began with the recognition that reconciliation is, at best, a distant goal, but coexistence is a crucial shorter-term objective that leads towards reconciliation and forgiveness. The project focused on joint activities for members of conflicting groups to build/rebuild relationships with a view to overcoming deeply rooted mistrust and promoting cooperation, which would help them to be prepared for future development processes in a post-conflict environment.

6.7 The report by the research team from Fletcher School of Law and Diplomacy, Tufts University presented important lessons learned from the project, and provided major findings especially as regards the refinement of the concept of coexistence, the role of implementing partners, the context analysis, development of a strategy for the launching of community efforts, implementation and evaluation of activities and the role of UNHCR.

6.8 More information on the results of the project and the lessons learned may be obtained from RLSS (Reintegration and Local Settlement Section) in the Division of Operational Support (UNHCR).

## Section 1.4 ORGANIZATION AND ROLE OF UNHCR

- 
1. UNHCR and the UN System
  2. UN High Commissioner for Refugees
  3. UNHCR Executive Committee (EXCOM)
  4. Headquarters Organization
  5. Field Operations
- 

### 1. UNHCR AND THE UN SYSTEM

1.1 UNHCR is one of a number of subsidiary organizations, specialized agencies and commissions established by the United Nations to further the purposes of its Charter. Other organizations within the UN System with which UNHCR works most frequently include the World Food Programme (WFP), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the United Nations Development Programme (UNDP), and the International Bank for Reconstruction and Development (IBRD).

1.2 The **General Assembly** is the UN's main deliberative body which examines issues coming within the scope of the UN Charter. The General Assembly is composed of representatives from all member States, each State having one vote. Its regular annual session, held in New York, begins in mid-September and continues until mid-December. Special sessions may also be convened on specific topics. The results of its deliberations are communicated as resolutions.

1.3 The work of the General Assembly takes place in committees and in plenary sessions. Its Main Committees are as follows:

#### The purposes of the United Nations as embodied in its Charter are:

- to maintain international peace and security;
- to develop friendly relations among nations, based on respect for the principle of equal rights and self-determination of peoples;
- to cooperate in solving international problems of an economic, social, cultural or humanitarian character, and promoting respect for human rights and fundamental freedoms for all; and
- to be a centre for harmonizing the actions of nations in attaining their common ends.

- First Committee  
*Disarmament and International Security*
- Second Committee  
*Economic and Financial*
- Third Committee  
*Social, Humanitarian and Cultural*
- Fifth Committee  
*Administrative and Budgetary*
- Sixth Committee  
*Legal*

Of the Main Committees, those of special importance to UNHCR are the Third and Fifth Committees.

1.4 In addition, there are a number of other committees and bodies established under the General Assembly's rules of procedure: procedural committees; standing committees; and subsidiary bodies. In addition, a number of Treaty Bodies established by the Human Rights Conventions report to the General Assembly on their activities.

1.5 Of the standing committees, one of particular relevance to the work of UNHCR is the **Advisory Committee on Administrative and Budgetary Questions (ACABQ)**. As the name suggests, the ACABQ reviews all issues of a budgetary or administrative nature that come before the Fifth Committee of the United Nations General Assembly. Set up by the General Assembly at its first session (GA Res.14A (I) (1946)), it has 16 members each appointed for a period of 3 years. Members are eligible for reappointment; they retire by rotation. UNHCR appears before the Committee normally once a year in September, prior to the Executive Committee, to discuss the Annual Programme Budget to be presented to EXCOM. On occasion, UNHCR has appeared at its own request before the Committee to discuss and obtain ACABQ's views on a particular proposal to be considered by EXCOM. All issues of budgetary significance to be considered by EXCOM (e.g. creation of

positions of D II and above, changes to Financial Rules, proposals on budget structure, new office for Headquarters, etc.) normally have to be accompanied by the views of the ACABQ on the issue. The EXCOM has shown itself, in the past, singularly reluctant to take decisions of a budgetary/administrative nature without first having the opinion of the ACABQ.

1.6 In accord with article 24 of the UN Charter, the members of the UN have entrusted the **Security Council** with the primary responsibility for the maintenance of international peace and security. The Security Council is made up of five permanent members (China, France, Russian Federation, UK, USA) and 10 non-permanent members, five of whom are elected each year by the General Assembly for a period of two years. Given the increased appreciation of the links of forced displacement to security, the High Commissioner is invited, from time to time, to brief the Council on particular refugee situations.

1.7 In the social and economic fields, the UN is charged, according to its Charter, with promoting:

- higher standards of living, full employment, and conditions of economic and social progress and development;
- solutions of international economic, social, health and related problems, and international cultural and educational co-operation; and
- universal respect for and observance of human rights and fundamental freedoms for all without distinction as to race, sex, language or religion.

Responsibility for discharging these functions is vested in the Assembly and, under its authority, in the **Economic and Social Council (ECOSOC)**.

1.8 Each year the High Commissioner prepares a report on the activities of the Office that is presented through ECOSOC to the General

Assembly (Section 2.3). The Report of the annual UNHCR Executive Committee Meeting is added to the ECOSOC Report as an addendum, to make the UNHCR Annual Report to the General Assembly. For the text of these Annual Reports (since 1951) and ECOSOC Reports (since 1995), see UNHCR's website ([www.unhcr.ch](http://www.unhcr.ch)): **Executive Committee.**

#### Printed Resource

*United Nations Handbook* (New Zealand Ministry of Foreign Affairs and Trade).

## 2. UN HIGH COMMISSIONER FOR REFUGEES

2.1 UNHCR's Statute specifies that the High Commissioner be elected by the General Assembly, on the nomination of the Secretary-General. The High Commissioner is responsible to the General Assembly for the discharge of the Office's Mandate; he/she is responsible to the Secretary-General for the administration of the Office.

2.2 A biographical note on each of the High Commissioners is found on UNHCR's website ([www.unhcr.ch](http://www.unhcr.ch)): see Administration (Ruud Lubbers) and The State of the World's Refugees 2000 (Annex 11; UN High Commissioners for Refugees 1951-2000). Selected speeches of the High Commissioners may also be found on the UNHCR website.

## 3. UNHCR EXECUTIVE COMMITTEE (EXCOM)

3.1 The Executive Committee (EXCOM) was established by the General Assembly in November 1957 [GA Res.1166 (XII)] to oversee

the work of UNHCR, and met for the first time in early 1959. Prior to EXCOM, there existed an Advisory Committee on Refugees (1951-1954) and then the UNREF Executive Committee (1955-1958). Currently (2003) there are 64 members of the Executive Committee.

3.2 The EXCOM meets annually (October) in Geneva, Switzerland. The work of the EXCOM is facilitated by a Standing Committee which meets 3-4 times a year. The Standing Committee came into existence in 1996; it subsumed the work of the two previous sub-committees of the whole, namely the Sub-Committee of the Whole on International Protection (SCIP), and the Sub-Committee on Administrative and Financial Matters (SCAF).

3.3 EXCOM is, strictly speaking, not a governing body, but it does fulfil a number of essential oversight/advisory functions, such as:

- a. Approves the High Commissioner's assistance programmes in an Annual Programme Budget.
- b. Scrutinizes all financial and administrative aspects of the Office's work.
- c. Advises the High Commissioner on the discharge of his/her protection function.

#### Convention Plus

"Convention Plus" is a generic term for a range of new protection tools in the form of multilateral "special agreements" intended to complement the 1951 Convention. The process of consultations leading to the elaboration of such agreements is called the **Forum**.

## 4. HEADQUARTERS ORGANIZATION

4.1 The Headquarters of UNHCR is located in Geneva. It has an Office at the UN Headquarters in New York, as well as representations/ offices in a large number of countries.

4.2 The organization of UNHCR's Headquarters provides coherent overall direction for international protection, effective management of field activities, and the necessary financial, technical and administrative support. The mixture of substantive, geographical and functional responsibilities inherent in UNHCR's activities requires direct accountability to the High Commissioner, through a minimum of supervisory layers, and strong functional controls which ensure that activities comply with established policies and procedures which are applied consistently among the regions, and that resources are used to best effect for refugees.

4.3 Currently, the Headquarters organization consists of the Executive Office, the Department of International Protection, the Department of Operations (made up of five regional Bureaux, the Division of Operational Support (DOS) and the Evaluation and Policy Analysis Unit (EPAU)), the Division of Communication and Information (DCI), the Division of Financial and Supply Management (DFSM) and the Division of Human Resources Management (DHRM). In addition, and reporting directly to the Executive Office, are a number of units, including the Office of UNHCR's Inspector General, and the Emergency and Security Service (ESS). For a current organigramme of UNHCR's Headquarters structure, see UNHCR's public website ([www.unhcr.ch](http://www.unhcr.ch)): *Administration*.

4.4 Each of the five regional Bureaux is responsible for a specific geographic area. A Bureau is made up of the Office of the Director and a number of Desks, each with a Head of Desk responsible for a country or a group of countries. Exceptionally, a Special Operations Unit may be created to coordinate a particular refugee situation, either within or as a separate

entity to a Regional Bureau. The five Bureaux are as follows:

- Bureau for Africa;
- Bureau for The Americas;
- Bureau for Asia and Pacific;
- Bureau for CASWANAME (Central Asia, South-West Asia, North Africa and the Middle East);
- Bureau for Europe.

## 5. FIELD OPERATIONS

5.1 Within each country where UNHCR has operations, the official in charge is generally called the *Representative* (i.e. of the Office of the High Commissioner for Refugees); the country office, in turn, is designated as the *UNHCR Representation in country X*. In those instances where it is a question of a regional office, the UNHCR presence is referred to as the *UNHCR Regional Representation in X region*; correspondingly, the High Commissioner's representative is referred to as the *Regional Representative*. In a given country, the UNHCR presence, under the overall authority of the Representative, may be distributed among the Country/Branch Office in the capital, and, depending on the size of the operation, Sub-Office(s) and Field Office(s).

5.2 The UNHCR Representative acts on behalf of the High Commissioner in all aspects of UNHCR's activities in the country(ies) to which he/she is accredited. The UNHCR Representative's responsibilities, are, *inter alia*, to promote UNHCR objectives and maintain relations with the government, diplomatic missions, UN agencies, other inter-governmental organizations, non-governmental organizations and the media; to ensure the protection of persons of concern to UNHCR through the government's observance of the universally recognized principles of asylum; and to promote accession to and, where applicable, compliance with the relevant international refugee instruments.

## Section 1.5 UNHCR's OPERATIONAL ROLE AND OPERATIONAL PARTNERS

- 
1. Operational Role
  2. Implementation Options
  3. Coordination
- 

### 1. OPERATIONAL ROLE

UNHCR's operational role, defined by its mandate (see Section 1.1), encompasses full responsibility and accountability to the international community and the refugees for all aspects of the complete life-cycle of a refugee situation – from early warning and contingency planning, to the protection of and assistance to refugees, to the achievement of durable solutions to the plight of the refugees and other persons of concern to the High Commissioner, including returnees and internally displaced persons.

### 2. IMPLEMENTATION OPTIONS

2.1 UNHCR performs its operational role, whether it is implementing through implementing partners (Section 1.6), implementing directly, or cooperating closely with operational non-governmental and other organizations which are self-funded or have sources of funding other than UNHCR. UNHCR's mandated functions include the provision of humanitarian aid to those in need, emergency relief, assistance with voluntary repatriation, local integration and resettlement, education, counselling, rehabilitation and legal assistance.

2.2 UNHCR is operational through its responsibility and accountability for the effective planning and design of UNHCR-funded projects, and their overall supervision, monitoring, control and evaluation. This ensures that the required assistance is received by the intended beneficiaries and is consistent with the approved project description, budget and clauses of the

implementing instrument, according to an established plan.

2.3 In some instances, UNHCR has no option but to provide direct assistance, i.e. to implement refugee assistance itself. This happens most frequently in the initial stages of an emergency involving a sudden influx of refugees, or in a repatriation operation, where it is not possible to mobilize other agencies fast enough to respond to the needs of the refugees. Sometimes, the host government specifically requests UNHCR to implement directly, or a suitable implementing partner cannot be readily identified. Protection or security concerns may require the direct operational involvement of UNHCR. UNHCR has also become increasingly operational for international procurement purposes, because many of the commodities required for refugee programmes are not readily available locally.

2.4 UNHCR sometimes defines operational partnerships with international and inter-governmental organizations, based on their respective mandates, on a global basis and formalizes this partnership in a Memorandum of Understanding (MOU). A good example is UNHCR's MOU with WFP (2002). Such MOUs clarify the respective roles and responsibilities of UNHCR and the operational partner in refugee and returnee situations; on the basis of the global MOU, more situation-specific MOUs are entered into, from time to time.

2.5 Operational partnerships with non-governmental organizations (NGO) may be formalized through the Framework Agreement for Ope-



rational Partnership (Appendix A) which aims to build an active operational partnership through a common commitment to understanding each other's roles and responsibilities, thus leading to better coordination and service to refugees; it also sets out standards of conduct, both professional and personal.

### 3. COORDINATION

3.1 The successful delivery of refugee assistance programmes requires close coordination throughout the entire programming cycle, including the needs assessment, planning and budgeting stages, and consultation with local authorities in the concerned area. Parameters should be agreed from the outset on the medium and long-term objectives, the type and the level of the response, and the limits of the partners' respective authority and responsibilities.

3.2 UNHCR is recognized as the appropriate lead agency in refugee and returnee situations or in others where it has been designated the "lead agency", to bring together concerned bodies for needs assessments, and the formulation of objectives, programmes, reporting systems and policy guidelines. In such situations, UNHCR retains overall responsibility to ensure that an appropriate durable solution is implemented, while respecting the independence of its partners who have been selected for their professional expertise and to whom authority has been delegated accordingly.

3.3 Thus, UNHCR's operational role in refugee and returnee situations always includes a coordinating function, regardless of whether UNHCR is providing the funding. Together with the government(s) concerned, UNHCR coordinates all protection and assistance to refugees, attempting to:

- a. Ensure that assistance is timely, appropriate and cost-effective.
- b. Establish appropriate standards and ensure their application.

- c. Identify complementarities and synergy among those involved in providing assistance.
- d. Avoid duplication of assistance activities.
- e. Facilitate communication and joint planning among the organizations involved.
- f. Encourage effective management practice at all stages of programmes, from emergency preparedness and response to consolidation of durable solutions and phase out.

#### **Framework Agreement for Operational Partnership**

The Framework Agreement for Operational Partnership (FAOP) between UNHCR and NGOs grew out of the PARinAC Process (1994). Using the PARinAC Oslo Agreement and Plan of Action as its basis, the FAOP addresses the need for a common approach towards the provision of protection and assistance to refugees by UNHCR and its NGO partners.

***See Appendix A1  
to this Handbook***

## Section 1.6 UNHCR'S IMPLEMENTING PARTNERS

- 
1. UNHCR Delegation of Implementation Responsibilities
  2. Choice of an Implementing Partner
  3. Building Partnership
- 

### 1. UNHCR DELEGATION OF IMPLEMENTATION RESPONSIBILITIES

1.1 The implementation of UNHCR's assistance projects is normally entrusted to an implementing partner, in accordance with the Statute of the Office. Implementing partners are usually specialized government departments or agencies, other members of the United Nations system, non-governmental and inter-governmental organizations and, in some instances, private firms.

1.2 From the outset, UNHCR's work was intended to be undertaken jointly with other members of the international community. As its activities have expanded and diversified, UNHCR's relations with its implementing partners have become increasingly important. UNHCR draws on the expertise of other UN organizations in matters such as food supply (WFP) and food production (FAO), health measures (WHO), education (UNESCO), child welfare (UNICEF), vocational training (ILO) and development assistance (UNDP). Over the decades, non-governmental organizations have continued to provide the most sustained and devoted service to the cause of refugees, returnees and other persons of concern. They not only provide substantial aid from their own resources, but frequently carry out specific UNHCR projects.

1.3 The delegation of the implementation of an assistance project is embodied in an implementing agreement, which is a document signed by UNHCR and the implementing partner, and which is legally binding. The implementing

agreement defines the conditions governing the implementation of a project and provides authority for the obligation of funds (see Section 4.1).

1.4 For implementing partners, implementation can only begin *after* the implementing agreement has been formulated, issued and signed.

### 2. CHOICE OF AN IMPLEMENTING PARTNER

2.1 The choice of an implementing partner for project implementation is determined by several factors, including the scale, nature and location of the project under which assistance is to be provided. In many instances, a government department will implement a component of the project (sub-project). Non-governmental organizations (NGOs) may also be selected to implement a sub-project.

**Operational Partner:** governmental, inter-governmental and non-governmental organizations and UN agencies that work in partnership with UNHCR to protect and assist refugees, leading to the achievement of durable solutions.

**Implementing Partner:** operational partner that signs an implementing agreement and receives funding from UNHCR.

2.2 As concerns non-governmental organizations (NGOs) in particular, they must meet four basic conditions in order to be considered by UNHCR as an implementing partner:

- a. They must be legally registered at the location of their Headquarters and/or in the country where they are operating;
- b. They must have the authority to operate a bank account in the country of implementation and the ability to maintain separate accounts and/or accounting records for any expenditures incurred on behalf of UNHCR;
- c. They must be able to demonstrate financial reliability through the production of official annually audited financial statements; and
- d. They must be willing to adhere to the rules and procedures of UNHCR for project implementation, to follow UNHCR's established policies, and to comply with the laws and policies of the country in which they operate.

2.3 Because each refugee situation is unique, the responsible UNHCR Representative will take a number of additional criteria into consideration when selecting appropriate implementing partners. The following list provides an indication of these criteria, but UNHCR must maintain flexibility in its selection criteria to assure the desired effectiveness, efficiency and quality of services to the refugees:

- a. **Quality of service:** an implementing partner will be selected to meet a defined need. The partner should be able to demonstrate a previous ability to deliver such assistance effectively, either in the same country or elsewhere.
- b. **Rapid response:** since most refugee situations, by their very nature, occur or change suddenly, the implementing

partner should be able to respond to emergencies at short notice. The implementation of a programme of assistance will be greatly improved if the partner can be involved at the planning stage.

- c. **Local experience:** given the lead time taken to get established in a new country, UNHCR prefers to select a partner who already has an ongoing programme in the country and for whom an expansion of work would not be administratively difficult.
- d. **Contribution of resources:** the support base of implementing partners, particularly NGOs, varies considerably. However, it would normally be expected that a partner, particularly an NGO, would be able to make a contribution of resources to the programme in cash or kind (e.g. staff and administrative support). In any case, NGO and UNHCR fund-raising efforts for programmes should be complementary, in recognition of the partnership principle.
- e. **Continuity of staff:** the ability of an implementing partner to maintain staff for sustained periods of time will contribute to the continuity and stability of the programme, and the cumulative knowledge of those involved in a programme will enhance its benefits to the refugees.
- f. **UNHCR experience:** given the time required to become acquainted with the reporting and other UNHCR procedures, it may be preferable to select an implementing partner with previous experience working with UNHCR. This should not, however, exclude new partners whose other qualities make them suitable for the implementation of refugee programmes.

- g. **International or national/local organizations:** it may be preferable to select a national or local NGO, or an international NGO with a local affiliate, since they may be better acquainted with the local situation. For a refugee programme, they can provide elements such as cultural awareness, knowledge of local conditions, ability to work effectively at the grass roots level, language skills, recognition and cooperation from local authorities, and so on. On the other hand, they may lack expertise, international connections and funding sources. It should also be borne in mind that, in certain sensitive refugee situations, the presence of international staff from an international NGO can be beneficial to the refugees;
- h. **Single NGO or consortium:** in some situations, a consortium of NGOs who pool their resources to provide a coordinated response to refugee needs can be advantageous; and
- i. **Phase-out potential:** the implementing partner should be able to plan for a phase-out or phase-down of their involvement through, *inter alia*, the recruitment and training of refugees, local staff and/or local communities.

2.4 When the choice of an implementing partner has been made, the UNHCR Office establishes an ongoing dialogue, with a view to undertaking joint assessments of local situations and involving the implementing partner's staff in the planning process.

### 3. BUILDING PARTNERSHIP

3.1 UNHCR field operations range from large scale, complex emergencies for the benefit of hundreds of thousands of refugees to minimal assistance to limited numbers of individual refugees in towns and cities. UNHCR's financial contribution to its partners ranges from no

contribution at all, to a small percentage of a partner's overall budget or to representing the major source of a partner's funding. Many partners are full creative partners with UNHCR at all stages of the planning and implementation process, while others depend on UNHCR to determine the nature and scope of their involvement. Given this range of relationships, it is difficult to precisely define the factors that ensure effective working relations between UNHCR and its operational and implementing partners. One point, however, is clear: building effective partnerships with its operational partners (referred to here as both operational and implementing partners) is one of UNHCR's main priorities in every operation.

3.2 While each operation has its unique characteristics, the lesson that UNHCR and its partners have learned repeatedly is that effective partnership is no accident. The pressure to respond quickly, the potential for misunderstanding, and the difficulty in maintaining good communication, all create conditions that can result in ineffective and inefficient decision-making and delivery of assistance. The challenge for UNHCR and its partners is thus one of making their partnership succeed. This requires a deliberate effort on the part of all staff members: UNHCR's and those of the operational partners.

3.3 Recent consultations by UNHCR with partners to reinvigorate a culture of partnership, various collaborative processes, programme evaluations and programme management training workshops with UNHCR and operational partners have all provided opportunities for staff members to reflect on what is needed to create and sustain effective partnership. These can be illustrated as a series of UNHCR-operational partner "Best Practice" principles which should guide decision-making and action in all operations.

3.4 "Best Practice" in this context refers to the way, based on experience and lessons learned, that UNHCR and its partners should carry out the essential tasks of an operation. In other words, it is doing the right things the right way.

UNHCR-operational partner best practice for building effective partnerships can be expressed as a series of principles. These are described in the paragraphs that follow.

3.5 In order to build effective partnerships, UNHCR and its operational partners should strive to **understand each other's point of view**. In many instances, conflicts can be avoided or resolved if both parties make an effort to understand each other's position prior to taking action or entering into negotiations.

3.6 From the beginning of each operation, UNHCR and its partners should seek opportunities to **learn from each other**. All partners within an operation will bring expertise and learn lessons which will be of benefit to all the parties involved. The key is to create opportunities for sharing of expertise.

3.7 All partners in an operation should **commit jointly to excellence and improvement**. The making of such a commitment fosters attitudes of striving for continuous improvement and encourages open discussion of problems and weaknesses in implementation.

3.8 For the partnership to be effective, all the partners should **commit to transparency and information-sharing**. Not only will this facilitate decision-making, but it will help prevent misunderstanding and frustration.

3.9 In all aspects of an operation, the partners should **look for synergy**. Synergy, simply put, is the recognition that the whole is greater than the sum of its parts. Operational partners looking for synergy are cooperating creatively in order to get the most out of their resources.

3.10 Operational partners should **think win-win in their interactions with each other**. Rather than seeking individual advantage, partners should seek ways of working with each other so that all parties benefit.

3.11 For communication in an operation to be effective, partners in an operation should

endeavour to **communicate in all directions. Information needs to flow not only up and down, but sideways**. In this way information will be available when it is needed by those who need it. It also ensures problems are raised and policy decisions taken in a timely manner.

3.12 Effective planning is a critical factor in an operation's success. Moreover, problems and issues will inevitably arise in every operation, regardless of the quality of the planning. To ensure maximum effectiveness and efficiency, **operational partners should plan and solve operational problems together**. Not only does joint planning and problem solving help ensure timely and appropriate implementation, but it also builds teams which will support each other in times of difficulty.

3.13 UNHCR and its operational partners inevitably experience resource constraints at all stages of an operation. Consequently, UNHCR and its partners must establish coordinating mechanisms and processes which facilitate **continuous prioritization** so that issues and concerns are assessed in terms of their urgency and importance and timely action is taken.

3.14 It is also essential that both UNHCR and its partners **respect each other's expertise**. Each partner will bring expertise to the operation which, if harmoniously and wisely combined, will strengthen overall implementation capacity. Unhealthy competition will result in duplication of effort and inefficient delivery of assistance.

3.15 From the earliest stages of any operation, it is important that UNHCR and its partners together **define roles, standards and limits and agree to respect them**. Failure to do so will lead to uneven delivery and inefficient use of resources. Consistency in this area will lead to projects of the right quality, delivered in a timely manner, and at the right cost.

3.16 No matter how well planned an operation may be, situations and issues will arise which will require policy decisions. It is essential that UNHCR and its partners work together at all

stages of the implementation process to **identify policy gaps, set policy, and share the policy with all concerned**. The failure of programme managers to take timely policy decisions leads to indecision and ambiguity at working levels. Timely decisions that are well communicated help to ensure that protection and assistance activities will have the desired impact.

3.17 There are inevitably going to be gaps in the knowledge and skills of both UNHCR and operational partner staff members. Thus, UNHCR and its partners should **commit to training from the earliest stage of any operation**. How much time and effort to be devoted to training, both formal and informal, is a planning issue which should be addressed early. Moreover, the link between training activities and operational objectives should be clear.

3.18 Putting these principles into practice is not easy. Using these principles as a basis for decision-making requires taking the time to discuss the process for carrying out essential tasks and agreeing on processes and deadlines. Initial investment in such discussions early in an operation will pay off in efficiency and smooth working relations in subsequent stages of implementation. UNHCR and operational partner experience has shown that working relationships built on these principles are a fundamental means for ensuring that refugee needs are addressed in the most effective and efficient way possible.

Under the Framework Agreement for Operational Partnership (FAOP) between UNHCR and NGOs (see Annex A to this Handbook for complete text), it is agreed that the partners to the Agreement will be guided by the principles set down in the Code of Conduct of the International Red Cross and Red Crescent Movement and Non-Governmental Organizations which includes, *inter alia*, the following commitments:

- to ensure that the humanitarian imperative comes first;
- to give aid regardless of the race, creed or nationality of the recipients and without adverse distinction of any kind; and to determine aid priorities on the basis of need alone;
- to ensure that aid will not be used to further a particular political or religious standpoint;
- to not act as instruments of government policy.

For related standards of conduct aimed at ensuring protection from sexual exploitation and abuses, based on the IASC six principles, see Appendix C1.

## Chapter 2 UNHCR's OPERATIONS

### Chapter Overview

**T**his chapter explains UNHCR's management of operations, in particular the move towards a more results-oriented Operations Management System (OMS). It also introduces the programme terminology in use in UNHCR, including the difference between a programme, project and sub-project. It describes the five basic forms of protection and assistance. The new Annual Programme Budget is also described, as well as the planning and reporting calendar.

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## Section 2.1 UNHCR's OPERATIONS MANAGEMENT SYSTEM

1. UNHCR's Operations Management Model
2. Projects and Sub-Projects
3. Types of Protection/Assistance
4. Financial Management Information System (FMIS)

### 1. UNHCR's OPERATIONS MANAGEMENT MODEL



On the basis of experience gained and lessons learned, UNHCR has developed a management framework for planning, organizing and controlling its protection and assistance activities for refugees and other groups of beneficiaries. This framework, which was initially known as the Programme Management System (PMS), is gradually being redesigned into a new and more results-oriented Operations Management System (OMS). This system is the means whereby UNHCR ensures that all aspects of its operations (the provision of international protection, assistance and the search for solutions) are appropriate, consistent and effective. At the heart of this new framework is the basic

Operations Management Model, illustrated on this page, which allows planners to conceptualize UNHCR's assistance programmes. The model includes the core management functions and implies an operations management cycle through which projects normally progress. While the timing and nature of assessment, planning, implementation, monitoring and coordination processes might vary depending on the unique circumstances and constraints of a particular operation, all stages of the cycle are of equal relevance whether dealing in a complex emergency, a stable repatriation programme or any other type of operation.

### 2. PROJECTS/SUB-PROJECTS

2.1 While UNHCR's programmes within a region or country is now based on a situational approach organized around beneficiary populations and themes, the basic unit for organizing activities (embracing both international protection and material assistance) within UNHCR remains a project. There will generally be one project per beneficiary population and per type of assistance. A project may cover a Sector such as legal assistance/protection, water or education or may be multi-sectoral and cover a range of assistance activities including food, transport, shelter, sanitation, health, education, water and many others. The other part of the overall assistance programme will be the activities UNHCR carries out directly, such as international protection, external relations, and the promotion of durable solutions for refugees.

2.2 The UNHCR Operations Management System provides standardized formats for project submissions, and procedures and schedules for the submission, review, and approval of projects in which UNHCR will participate and may fund. It also prescribes the method for delegating authority from UNHCR Headquarters in Geneva to a UNHCR Representative in a Field Office (or the Head of a UNHCR Headquarters unit, for Headquarters-administered projects) to implement projects directly and/or to enter into agreements with partner organizations for project implementation. The Operations Management System states the basic requirements for monitoring and reporting of projects. While the new system will require a number of other changes, including a new programme management software, the Financial Management Information System (FMIS) will continue to be used during the transition period and until a new software is developed to replace it.

2.3 Within UNHCR, a project is defined by the type of assistance (see part 3 below), the source of funding, the geographic location and the specific refugee group for whom assistance is provided. The part of a UNHCR project undertaken by a particular implementing partner is called a **sub-project**, which also involves only one currency. In a large UNHCR project, there are likely to be many sub-projects (i.e. many implementing partners). In a small UNHCR project, there may be only a few, or even one, sub-project(s). Large refugee operations may involve numerous UNHCR projects, with a combination of UNHCR-implemented sub-projects and sub-projects implemented by a range of partners, including governmental and non-governmental organizations.

2.4 When UNHCR requests an implementing partner to implement a sub-project on its behalf, the UNHCR Field Office or Headquarters organizational unit and the implementing partner enter into sub-projects agreement. Please refer to Section 3.1 for additional information.

**Programme**, within OMS, consists of the totality of protection and assistance activities undertaken for one distinct beneficiary population or theme. The set of programmes in a country makes up the country operation.

**Project** is a single component of an assistance programme. It is established for each of the goals (type of operation), and normally includes all the assistance of the same type, and from the same UNHCR fund, provided to a *specific population of beneficiaries*, for a given period of time.

**Sub-project** is that part of a project which is undertaken by a single implementing partner (or UNHCR organizational unit) in a *single currency*.

### 3. TYPES OF PROTECTION/ASSISTANCE

While the categorization of types of assistance eventually will be changed to more accurately reflect the diverse character of UNHCR's work, the existing categorization into five types will be maintained during a period of transition:

- a. **Emergency (EM):** covers activities following an influx of refugees or persons of concern to the High Commissioner, aimed at meeting basic/survival needs quickly. This type of assistance will normally not last more than one year, and will essentially focus on life-saving/life-sustaining measures.
- b. **Care and Maintenance (CM):** covers activities for refugees in relatively stable situations, where survival is no longer threatened, but where the future

of the refugee group in terms of a durable solution has not yet been determined. This may include the provision of food, transportation, household utensils and clothing, water, sanitation, health services, shelter and basic education. When feasible, it may also include vocational training or small income-generating activities to prepare refugees for a more productive life and to promote limited self-reliance. This assistance should not exceed a period of two years; however, in many countries these projects have lasted much longer because the refugees were granted temporary asylum only, and the attainment of a durable solution has proven impossible.

- c. **Voluntary Repatriation (RP):** covers activities linked to the return home of a refugee group, this being the most desirable solution, as long as the voluntary nature of the repatriation is safe-guarded. Assistance in this category is designed to help refugees overcome practical difficulties in repatriating to their home country. In the country of asylum, it includes preparations for departure and measures to help organize the journey home. Often, tripartite commissions are formed, involving the countries of origin and asylum along with UNHCR. Reception facilities may have to be organized in the home country, as well as assistance in the initial phase of reintegration, e.g. the provision of basic needs and measures for rehabilitation.
- d. **Local Settlement (LS):** where voluntary repatriation is not yet possible, and refugees have the opportunity to legally reside in the host country and to enjoy civil and economic rights comparable to the local population, activities in this category help refugees become self-supporting in the country of first asylum, and to integrate into the

economic and social life of the new community. It requires the full participation of the refugees themselves, and the agreement of the host country. Measures to meet the refugees' needs must also take into account the living standards of the local population.

- e. **Resettlement (RE):** where no other durable solution is feasible, activities in this category enable refugees to resettle in a new country. This is usually applied when refugees are admitted only temporarily to a country of asylum, on condition of permanent resettlement elsewhere. It may also be the only answer if local integration is impossible for ethnic, political or economic reasons, or in cases where the security of the refugees is at risk. Family reunion is another major reason for resettlement. Assistance may include measures to secure places, and arrangements for both travel and prior to departure – exit formalities, medical screening, counselling, language training and other measures designed to facilitate integration in the new country of asylum.

#### 4. FINANCIAL MANAGEMENT INFORMATION SYSTEM (FMIS)

4.1 The FMIS is a software which was designed in the late 80s to provide timely, accurate and meaningful information to assist UNHCR managers in Field Offices and at Headquarters with decision-making on financial matters. The system is based on the classification of budgetary inputs, i.e. the organization and tracking of the use of financial resources. With the introduction of the OMS, the focus has shifted towards more results-oriented planning with clearer definition of objectives and outputs as well as measuring results against set indicators. This shift requires the development of a new financial management software which is

able also to budget and measure results in financial terms against the results framework (results-based budgeting). However, pending the development and introduction of such new software, UNHCR and its partners will continue to make use of the FMIS. This will naturally pose some challenges and UNHCR has issued specific guidance to advise its staff and implementing partners on how best to make use of FMIS within the context of the new OMS (*see Project Planning in UNHCR – A Practical Guide on the Use of Objectives, Outputs and Indicators*, March 2002; see UNHCR's public website: [Our Partners](#)).

4.2 The FMIS uses both mainframe and microcomputer applications to record and report financial and related non-financial information between, UNHCR Headquarters and the Field Offices.

4.3 Microcomputer software, primarily for Field Offices and known as FMIS/Field, provides the following facilities:

- a. automated reporting of monthly financial transactions;
- b. budgetary control and related narrative text on planned and actual performance; and
- c. budget calculation worksheets.

4.4 Mainframe software at Headquarters, known as FMIS/HQ, serves to:

- a. integrate all financial and budgetary information received from the Field Offices with data from relevant Headquarters sub-systems; and
- b. provide on-line access to basic information, consolidated data and comparisons across projects.

4.5 For project management, the systems are made up of the following levels:

- a. **Project:** the project code identifies the fund, assistance type and assisted refugee population.
- b. **Sub-Project:** a separate code uniquely identifies each combination of implementing partner (or UNHCR unit) and currency of implementation.
- c. **Site:** budgets (and other information) for larger projects can be sub-divided according to the location (site) of the refugees.
- d. **Sector-Activity:** activities are summarized into the 16 Sectors of the budget structure (see Appendix B3).
- e. **Item/Sub-Item:** detailed inputs, objects of expenditure (Sub-Items), are grouped by category (Item).
- f. **Detailed calculation level:** the calculations for a budget occurs at this level, incorporating a number of variable factors (such as number of units required, population figures) to establish budgetary amounts at the Item/Sub-Item level.

### Protection and Assistance

In its operational activities, UNHCR seeks to integrate protection and assistance. Assistance is one aspect of international protection and is a means of facilitating it. It is rooted in and grows out of the protective nature of the work of the Office of the United Nations High Commissioner for Refugees

UN Medium Term Plan  
2002 - 2005

## Section 2.2 UNHCR's BUDGET AND FUNDING

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### 1. Background

### 2. Annual Programme Budget

### 3. Supplementary Programmes

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#### 1. BACKGROUND

1.1 In 1957, the General Assembly authorized UNHCR to create an annual assistance programme, to be submitted to UNHCR's Executive Committee (EXCOM) for approval. Up until 1999, UNHCR Programmes were divided into two broad categories of General Programmes and Special Programmes. Effective from 1 January 2000, all programmes have been consolidated into a unified Annual Programme Budget.

1.2 The aim of the unified budget is to provide governments and others interested in UNHCR's work with a transparent and comprehensive picture of the totality of its operations in terms of protection and assistance, while at the same time give some increased flexibility for UNHCR in the management of its financial resources. In other words, the new budget structure was intended, within the limits imposed by pledges which " earmark " contributions for particular programmes, a more equitable distribution of resources between all programmes. This flexibility in distributing " unearmarked " or restricted resources has allowed the High Commissioner to fund those operations less attractive to donors and which are faced with anticipated budgetary shortfalls. But such flexibility is contingent on having enough " unearmarked " resources. Resource trends of late, as well as " earmarking " of contributions by donors, have made the management of the Annual Programme Budget more and more difficult.

1.3 At the time of adopting a unified budget, there was little illusion that a unified budget structure, in spite of its advantages such as

greater transparency, would in itself turn around dwindling resource trends. But the move to the unified budget was not accompanied by any hard decisions as to whether the approved budget level should reflect realistic, already prioritised *needs*, or be based on sound estimates of likely *income*. *De facto*, the Executive Committee opted for a needs-based budget, on the implicit understanding that if resources did not meet approved budgetary levels, further prioritization exercises would be undertaken in the course of the year to bridge the gap. The pattern of a " disconnect " between a budget approved at one level and insufficient resources to meet the approved budget has continued, with all its attendant disadvantages, especially for the refugees. Having to live within the level of anticipated resources, whose level and timing are uncertain, UNHCR has been forced to resort to prioritization exercises in the course of a programme year. These are time-consuming, disruptive and do not make for a smooth relationship with implementing partners.

#### 2. ANNUAL PROGRAMME BUDGET

2.1 The Annual Programme Budget is made up of the following elements:

- Regional Programmes (Africa, CASWANAME, Asia and the Pacific, Europe, The Americas);
- Global Programmes (e.g. initiatives to promote policy priorities such as refugee women, refugee children/adolescents, the environmental impact of refugee flows);
- Headquarters.

These three elements constitute the total **Programmed Activities** for a given year. On the basis of the level of Programmed Activities, an **Operational Reserve** (see below) is established, normally at a level equivalent to 10 per cent of the total Programmed Activities. The budgeted Programmed Activities and the Operational Reserve together constitute the Annual Programme Budget. In addition to these budgetary requirements, there are others related to certain administrative costs covered by a grant from the UN Regular Budget and costs related to Junior Professional Officers (JPOs) covered by Trust Funds. In the budget submitted to the Executive Committee for approval these various components are identified. For example, the Executive Committee in relation to the 2003 Annual Programme Budget took the following decision:

*Approves the programmes and budgets for Regional Programmes, Global Programmes and Headquarters under the 2003 Annual Programme Budget amounting to \$809,081,600, including an Operational Reserve of \$73,552,900 (representing 10 per cent of programmed activities); which together with the United Nations Regular Budget contribution of \$20,218,000 and provisions for Junior Professional Officers (\$7.0 million) bring total requirements in 2003 to \$836,299,600; and authorizes the High Commissioner within this total appropriation, to effect adjustments in Regional Programmes, Global Programmes and the Headquarters budgets.*

Included in the same decision was the following provision:

*Requests the High Commissioner, within the resources available, to respond flexibly and efficiently to the needs currently indicated under the Annual Programme Budget for the year 2003, and authorizes him, in the case of additional new emergency needs that cannot be met fully from the Operational Reserve, to create Supplementary Programmes and issue Special Appeals.*

The nature of Supplementary Programmes/Budgets is discussed below.

## Programmes and Support

2.2 In presenting UNHCR's budget estimates (or expenditure), a distinction is made between **Programmes** and **Support**. The Programme Budget covers both operations and related programme posts. The Support Budget is broken down into the categories of Management and Administration (MA) and Programme Support (PS) costs, which were introduced, for the first time, in the *Annual Programme Budget 2000*.

2.3 Definitions of these support categories, as they relate to various functions in the organization (UNHCR), are as follows:

Management and Administration (MA) of Organization: Organizational units whose primary function is the maintenance of the identity, direction and well-being of an organization. This will typically include units that carry out the functions of executive direction, organizational policy and evaluation, external relations, information and administration.

Programme Support (PS): Organizational units whose primary function is the development, formulation, delivery and evaluation of an organization's programmes. This will typically include units that provide backstopping of programmes either on a technical, thematic, geographic, logistical or administrative basis.

2.4 Other budgetary sub-categories include the following:

- Staff costs cover salaries and common staff costs such as dependency allowances, education grants, medical examinations, etc.
- Non-staff costs cover travel, contractual services, operating expenses, supplies and materials, etc. Contractual services include language training, external translation and interpretation contracts, external printing and binding, public information and production costs, etc. Operating expenses refer to items such as rental and maintenance, utilities (water, electricity, etc.), telephones and stationery.

Non-staff costs for both Field and Headquarters locations are allocated on a *pro rata* basis between Programme Support or Management and Administration.

### Posts

2.5 Within UNHCR's budget, there are three categories of posts, namely Management and Administration (MA), Programme Support (PS) and Programme (P) posts. Management and Administration posts are found only at Headquarters; Programme Support posts at both Headquarters and in the Field; and Programme posts only in the Field. Of the Management and Administration posts at Headquarters, some 220 are currently funded through the United Nations Regular Budget contribution.

### Operational Reserve

2.6 An Operational Reserve exists within the Annual Programme Budget. This is a budgetary and appropriation mechanism, and is not a fully funded Reserve as in other organizations. The current Operational Reserve, introduced with the unified budget, replaced what was previously known as the Programme Reserve, the Emergency Fund and the Voluntary Repatriation Fund. The Operational Reserve is constituted at an amount equivalent to 10 percent of the proposed programmed activities in the Annual Programme Budget submitted for approval by the Executive Committee. The purposes of the Operational Reserve, and the rules governing its use, are set out in articles 6.5-6.9 of UNHCR's Financial Rules.

### Financial Rules

2.7 The majority of UNHCR's programmes are financed by voluntary contributions, and their administration is subject to the **Financial Rules for Voluntary Funds Administered by the High Commissioner for Refugees**. These Rules are revised from time to time. The edition

current at the time of publication of this Handbook is dated 7 October 1999 (reference number: A/AC.96/503/Rev.7). The most current edition may be found on UNHCR's public website under the rubric: *Administration*.

### 3. SUPPLEMENTARY PROGRAMMES

Supplementary Programmes represent those activities that arise after the approval of the Annual Programme Budget and before the approval of the next Annual Programme Budget, and which cannot be fully met from the Operational Reserve. Such Supplementary Programmes are normally incorporated into the subsequent Annual Programme Budget. The distinctive feature of Supplementary Programmes is thus their timing, namely when they came on line.

#### Budget

When viewed from the point of view of many governmental and private sector organizations where the word "budget" is an indication of resources already allocated, the situation in UNHCR appears highly anomalous.

In making an appeal for voluntary contributions, UNHCR can only present a "budget" indicating a costing of planned activities for the coming year.

This is the amount for which UNHCR is appealing and the organization will only be able to continue its work for the world's refugees to the extent to which donors respond to this appeal and any subsequent additional needs.

Global Appeal 2003

## Section 2.3 PLANNING AND REPORTING CYCLE

- 
1. Overview
  2. Planning and Reporting Calendar
- 

### 1. OVERVIEW

1.1 UNHCR's planning cycle spans three years; the *prior year*, the *current year*, and the *planning year*. It requires compliance with a number of planning procedures and reporting requirements, which all take place in a specific sequence known as the planning and reporting cycle. UNHCR reports to the Executive Committee (or its Standing Committee) on each of these phases of its programme cycle:

- At the Plenary Session of the Executive Committee (EXCOM) in October of each year, it presents its proposed Annual Programme Budget for approval for the *planning year*. Once approved, the budget becomes the basis for the preparation of UNHCR's *Global Appeal* document.
- In June of each year, UNHCR presents its *Global Report* on its achievements in the *previous year*; this Report is considered by the Standing Committee at its June meeting.
- In early September, UNHCR presents a *Mid-Year Progress Report* covering activities in the period 1 January to 30 June of the *current year*; this Report is considered by the Standing committee in its third session held immediately prior to the Plenary Session of the Executive Committee (October).

The various Reports of the High Commissioner on the work of the Office to the Economic and Social Council (ECOSOC) and the General Assembly are treated in Section 1.4.

1.2 To meet these various reporting requirements of the Planning and Reporting Calendar, a calendar has been established which is described below.

#### Reports on the UNHCR Website

Copies of the most recent reports, namely the *Global Appeal* and *Global Report* may be found on the UNHCR website: [www.unhcr.ch](http://www.unhcr.ch)

### 2. PLANNING AND REPORTING CALENDAR

#### Prior Year

**December:** The Operations Review Board (ORB) issues *programmatic and financial parameters* according to global priorities and the level of anticipated resources for the new *planning year* (beginning 13 months hence). This information guides Bureaux, Offices in the Field, and Headquarters' Units prior to the preparation of Country Operations Plans (COP) and Headquarters' Plans. This is followed by the issuance of *instructions on planning and reporting*, including policy guidelines to Offices in the Field prior to the preparation of the new *planning year's* Country Operations Plans (COP).

#### Current Year

**January:** The Field prepares reports on *prior year's* statistics and activities (annual reports on statistics, resettlement, protection, and operations i.e. the "Country Report"). Units at Head-



quarters work on the annual "Headquarters Report".

**February-March:** In the Field, a substantive and participatory *operational planning exercise* is carried out. It is designed to provide a comprehensive presentation to Headquarters of anticipated requirements for the *planning year* by combining into one cohesive package – i.e. the Country Operations Plan (COP) – the summarized programme, project, administrative and staffing requirements of Offices in the Field within clearly stated objectives. This key exercise is by nature participatory, involving the host government, implementing and operational partners and representatives of the refugees themselves. The COP is due at Headquarters at the end of March; by the same date, Units at Headquarters will have prepared their submissions for the planning year.

**March:** Sub-Project Monitoring Reports (Final SPMRs) are forwarded to Headquarters; these cover the period 1 January to 31 December of the prior year. The preparation of the *Report of the United Nations High Commissioner for Refugees to the Economic and Social Council* (ECOSOC) begins (see Section 1.4). Submissions are made for the *Global Report*.

**April-May:** The Country Operations Plans and Headquarters Plans for the planning year are submitted to a Programme Review. Subsequently, the Operations Review Board (ORB) meets to consider the recommendations of the Programme Review and approve the Country Operations Plans and related budgets, as well as the plans and projects administered by Headquarters. Resource allocation is based on the priorities, overall strategies and budgetary parameters determined by the High Commissioner. The Board also determines, for the approval of the High Commissioner, the Annual Programme Budget target to be submitted to the Executive Committee (EXCOM).

**June-September:** On the basis of the decisions taken by the Operations Review Board, Offices in the Field and Headquarters units

revise and update plans for the *planning year*, as required.

**June-July:** The Field and Headquarters prepare submissions for the *Mid-Year Progress Report* for the *current year* (1 January-30 June).

**October:** The Annual Programme Budget for the *planning year* is submitted to the Executive Committee for approval.

**November:** In the Field, in preparation for the Planning Year, detailed project planning is finalized between UNHCR and Implementing Partners; these projects are based on the proposals in the Country Operations Plans.

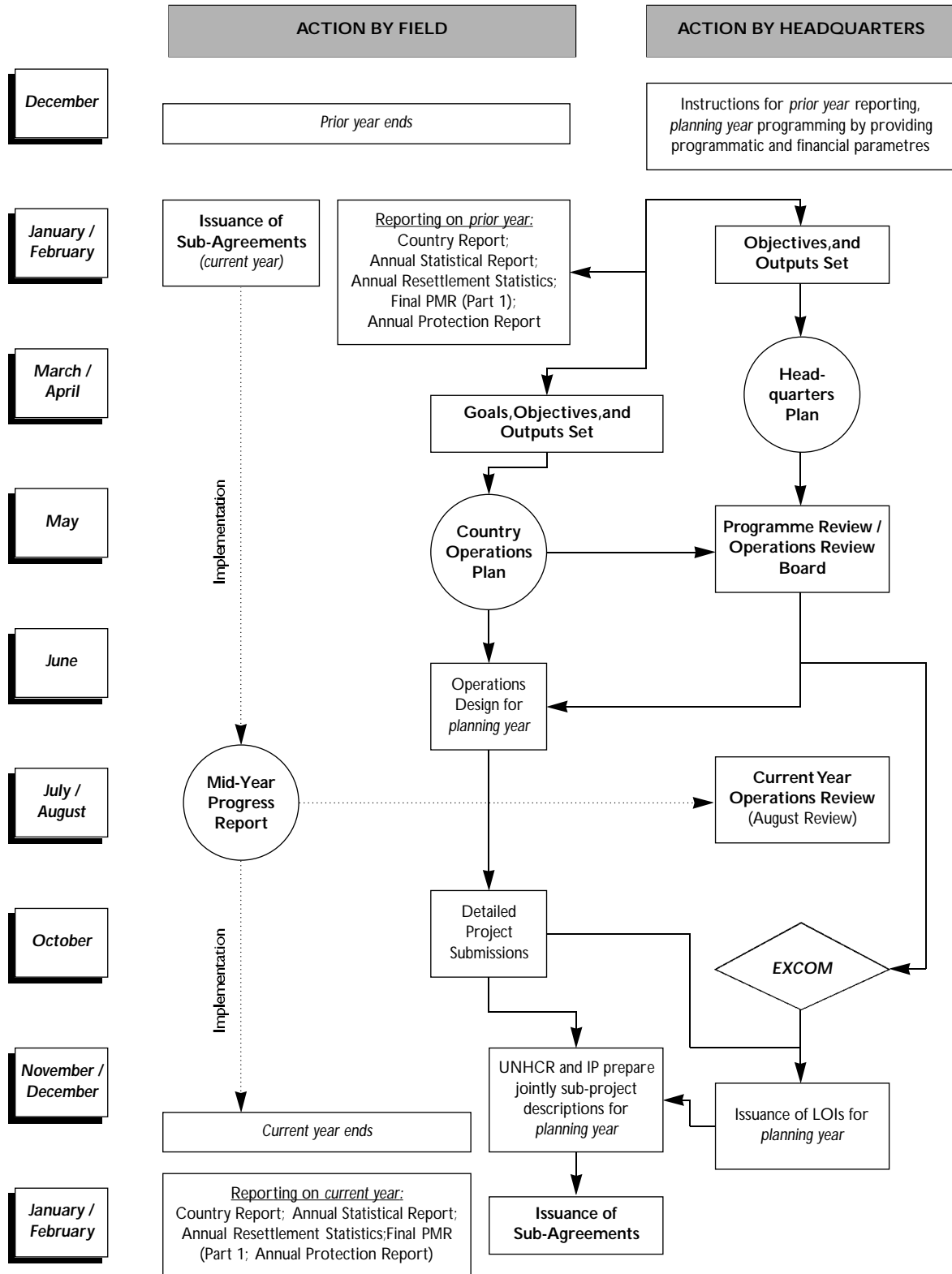
**November/December:** Headquarters issues Letters of Instructions (LOIs).

### **Planning Year**

**January:** The Field issues implementing instruments for the planning year i.e. sub-agreements with implementing partners, on the basis of Letters of Instruction received from Headquarters.

Project implementation begins in January, following the preparation and signing of the implementing agreements. Consistent with UNHCR's role and programme management model (see Section 2.1), UNHCR Field Offices monitor, control and report all programme, project and sub-project activities.

THE UNHCR PLANNING AND REPORTING CALENDAR



## Chapter 3 PLANNING

### Chapter Overview

**T**his chapter describes the planning process for UNHCR projects and sub-projects, beginning with UNHCR's programming themes which planners should consider as they develop their plans. It will be recalled that key issues related to of refugee/returnee programmes were described in Section 1.3, namely, refugee women and gender equality; refugee children and adolescents; refugees with special needs, urban refugees and returnees. This chapter focuses more on the planning related to addressing the needs of these categories, especially through people-oriented planning and refugee participation. Other programmatic themes are also discussed: environmental concerns, refugee aid and development, linking relief and development, and building partnerships. Requirements for needs and resources assessments are explained, followed by sections on setting objectives, workplanning and budgeting.

The chapter concludes by bringing all of these planning elements together in project/sub-project document submissions. The primary elements of these submissions, namely Sub-Project Description, Budget and Workplan are discussed. A Sub-Project Review Checklist to help planners verify that they have considered and included all the necessary details in their proposed sub-project, is also included.

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## Section 3.1 UNHCR PROGRAMMING AND PLANNING

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1. Introduction
  2. Who are the Refugees?
  3. Refugee Participation
  4. Environmental Concerns
  5. Refugee Aid and Development/Linking Relief and Development
  6. Partnership and Planning with Bilateral Donors
  7. Planning
- 

### 1. INTRODUCTION

1.1 Planning is an essential phase in preparing a programme of protection and assistance to refugees. Planning is the process undertaken to design all aspects of a programme, involving all parties concerned in the determination of objectives and the decision on courses of action which aim to fulfil those objectives.

1.2 In UNHCR, planning is important to ensure that organizational goals are achieved. To provide effective and efficient support to the beneficiaries, UNHCR has identified a number of programming themes and guidelines for UNHCR and implementing partner planners to consider when developing their plans. This section discusses these themes, and then outlines a framework for planning a sub-project.

### 2. WHO ARE THE REFUGEES?

2.1 To plan and successfully implement programmes, we need reliable information about the populations we are trying to assist. The challenge for planners is to find the balance between the need for information and analysis, and the need for action and response. We will never have all the information we need, nor will we have the time to do all the research and analysis required. This means that we must make assumptions about the trends and developments within populations, as well as about the popu-

lation itself. Developing links with development actors at this stage could provide useful social and economic information on the refugee hosting area communities and their development level, which will be important to add to any data gathered on the profile of refugees; this information will also have an impact on future programmes.

2.2 UNHCR considers that it has a particular obligation towards recognizing the needs of specific individuals and sub-groups of beneficiaries, each with its own characteristics and needs: refugee women, refugee children, refugees with special needs (HIV/AIDS) and returnees (see Section 1.3). We also need to:

- Understand the impact of the changes in circumstances that the refugees are facing.
- Know if traditional roles and responsibilities have changed, and if so, how.
- Know what dynamics of change may be at work within the refugee communities.

### People-Oriented Planning

2.3 Every society assigns certain roles and responsibilities to men and others to women. Almost everywhere, women are primarily responsible for caring for and raising children, and for household duties, such as food preparation, cleaning, family health care, etc. (although men may, in some places, share these roles).

2.4 In other areas of work, however, some societies are organized quite differently. For example, sometimes men are responsible for agricultural production while women carry out marketing and trading activities. In other societies, the reverse may be true. In some places, women are expected to perform only those tasks which can be done in the safety of their homes or nearby communities, and only men work and travel outside the home sphere. Knowing who does what is essential to targeting projects appropriately.

2.5 Experience shows that when organizations undertake programme initiatives, as when UNHCR and its partners work with refugees, these efforts are more often successful when the differences in the roles of men and women are recognized and incorporated into the plan. Experience also shows that a failure to do so not only reduces overall programme/project efficiency and effectiveness but that such failure often results in disadvantaging women and girls relative to men and boys, and, in some cases, can result in their marginalization and increased vulnerability.

2.6 It is therefore imperative that differences in the roles, responsibilities and resources of men and women are recognized, and that proposed plans take these differences into account. There are three questions that planners should answer before or in the process of designing any intervention:

- What are the important economic and social or political activities which people in this group do, and who (men, women, boys or girls) do which? Because activities take different amounts of time (which may vary in different settings) and they occur in different places, one should think about where, when and how long each activity takes.
- What resources do people (men, women, boys and girls) depend on to do their activities and how has becoming a refugee changed access to, and use of, resources by males/females? For example: If women

have collected water and fuel previously, which are available in the refugee camp and can be obtained with less effort, they may have more time (a new “resource”) available for other camp activities or for self-improvement.

- What factors explain the distribution of roles, responsibilities and resources among this group of refugees, and how should the project take these into account? For example: If a refugee population is composed primarily of women and children, roles formerly performed by men will either not be done, or will have to be assumed by women (or older children).

2.7 UNHCR and its implementing partners should always examine the differences in the roles, responsibilities and resources of refugee men and women, and how these have been changed by the refugee situation. This information will help planners to design and implement projects which accurately reflect refugee needs and resources and which promote, to the greatest extent possible, refugee participation and the possibilities for self-reliance.

2.8 To help planners develop a profile of the beneficiaries and use the information to design and implement effective assistance programmes, UNHCR has published a handbook called *People-Oriented Planning at Work Using POP to Improve UNHCR Programming* and *A Framework for People Oriented Planning in Refugee Situations taking account of Women, Men and Children*, available from UNHCR in Geneva.

### 3. REFUGEE PARTICIPATION

3.1 Refugee participation allows refugees to assume responsibility for managing their own lives and the life of their communities, rather than becoming dependent on outside help. It also ensures that the objectives of the programme from which they may benefit are more easily attained, and makes maximum use of refugee

resources. Refugee participation should be an integral and systematic part of all proposed programmes, and should involve both men and women refugees, beginning with the assessment and planning stages, and continuing throughout implementation and evaluation. Early participation and ownership by refugees will also contribute to the promotion of socio-economic empowerment, thus leading to maximum self-reliance in preparation for durable solutions.

3.2 Examples of refugee participation include:

- participation in water-sanitation and reproductive health committees;
- establishment of a women's cooperative;
- older refugees passing on traditional knowledge and skills through participation in school activities;
- involving refugee women in the distribution of relief items; or
- invite refugee leaders to participate as active partners in planning meetings.

3.3 Plans should include a number of activities (e.g. labour in constructing refugee houses and latrines, unloading food from trucks, garbage collection) which are programmed but *not* budgeted. The budgeting of all needs will ultimately lead to dependency. Working through refugee committees and involving the refugees themselves are ways to ensure that the refugees recognize they have a contribution to make in maintaining their families and their communities. Particular efforts should be made to ensure the equal participation of women.

3.4 The attitude of the providers of the support is essential in determining the degree to which refugee participation is maximized in any planned programme. When you have UNHCR staff members, government officials and implementing partners' staff who believe that refugee participation is beneficial (including appropriate self-management), effective and efficient, then refugee participation becomes a reality. When the perception is that the refugees are helpless, the refugee participation is usually nothing more than refugee labour.

3.5 Interaction between refugees and nationals should be pursued by the various actors (UNHCR/local authorities, refugees/local population) to encourage ownership by both communities, mutual understanding and peace building. This will facilitate possible socio-economic interactions, building the self-reliance of both communities and therefore local development. This would imply that efforts should be made to include refugees/returnees into local development plans and programmes at an early stage. It would require an active participation of the local authorities, civil society and of development actors, in addition to that of communities.

### Refugees' Willingness to Participate

3.6 Having recognized the advantages of refugee participation, planners may still find it difficult to get the refugees to play a major role in the programming of proposed activities. As a result of their displacement and their new circumstances, the normal social structure of their community has probably broken down and a new social order may be evolving. This may have a direct effect on the refugees' abilities to provide for themselves. Taking this factor into consideration, planners must determine if steps are necessary to support community development which, in time, will allow the refugees to assume a greater degree of self-management. It should never be forgotten that the refugees may also be traumatized by their recent experiences; this may have a direct impact on their ability to respond.

### Local Government Concerns

3.7 Encouraging refugee participation must involve local government authorities who may be reluctant initially to allow the refugees too much freedom to make their own decisions. The government may be unhappy about the presence of the refugees on its territory. It may resist

allowing the refugees to work in the camp or settlement, preferring the employment of nationals which will have short-term financial benefits for the local community.

3.8 There may also be a fear that, if the refugees participate actively in providing for themselves, their self-sufficiency will negatively influence their willingness to return home when circumstances permit. However, UNHCR's experience clearly indicates that the advantages of refugee participation in all aspects of a refugee programme far outweigh any negative aspects. Refugee participation is not an obstacle to durable solutions – in fact, the opposite is true. It should be actively promoted.

3.9 Refugees can also be active contributors to the development of the local economy. UNHCR can play a catalytic role in encouraging development actors and governments to place refugee-hosting areas on their development agenda. By helping to bring together humanitarian and development actors, the government might then see the advantages in taking an area development approach, allowing both refugee/returnee and local communities to develop their potentials. This should also have a positive impact on local peace building and security.

### Concerns of Implementing Partners

3.10 In some instances, implementing partners have been reluctant to support more active refugee participation in the assistance/protection activities from which they are benefiting. This usually occurs when an effort is made to introduce the concept of refugee participation after the emergency phase is over and the programme has stabilized. Resistance tends to be tied to loss of jobs and responsibility. To avoid these concerns, refugees must participate from the earliest stages of a refugee emergency (see Chapter 6), because it will become much more difficult to introduce their participation at a later stage.

### Opportunities for Refugee Participation

3.11 From the earliest stages of an emergency to the phase out of a programme, the providers of support will make decisions about what assistance is needed and how it is to be delivered. The following simple questions can help guide this process and ensure that opportunities for refugee participation are maximized:

- Have the refugees been consulted about what problems they are having and what assistance is needed? If so, were they given the opportunity to propose solutions?
- Have age and gender considerations been taken into account, to maximize participation from all segments of the beneficiary population, especially women and children?
- Is a refugee leadership structure in place, and is it working effectively?
- If the refugee leadership is not developed, can it be? If it is not effective, how can it be made so?
- To what extent can the activities which are being planned be carried out by the refugees themselves?

#### Key Areas for Refugee Participation

- needs and resources assessments (see Section 3.2);
- refugee input into decision-making;
- establish refugee management groups (with representation of all community groups);
- support to traditional leadership and coping mechanisms;
- hire refugee staff;
- structure refugee feedback mechanisms.



## 4. ENVIRONMENTAL CONCERNS

4.1 In a refugee situation, excessive damage to the environment or competition with local populations over scarce resources can be a source of friction with host communities and ultimately even influence a country's decision to provide asylum.

UNHCR's environmental policy covers refugee-related environmental problems during:

- a) the emergency phase;
- b) the care and maintenance phase; and
- c) the durable solutions phase, including:
  - ways to address environmental rehabilitation of the asylum country's territory after repatriation;
  - environmental concerns related to local integration of refugees in the host country; and
  - environmental concerns related to re-integration of returnees in their home country.

### Emergency phase

4.2 UNHCR's operations during the emergency phase must take environmental factors into account. Environmental considerations during the emergency phase are particularly important because:

- Damage to the environment can be most effectively prevented during this phase through, among others, sound decisions on major aspects of camp operations.
- Initial-stage responses are the most cost-effective.
- A sense of responsibility for the local environment will be created amongst refugees through initial-stage environmental activities.

A sudden influx of thousands of people or the establishment of long-term camps can have a serious impact on the local ecology, as well as on the welfare of nearby communities.

### Care and maintenance phase

4.3 Sound environmental management must be introduced and maintained in this phase. Action-oriented environmental planning should be initiated so that the most appropriate set of environmental measures is identified, taking into account different local situations, both environmental as well as socio-economic. Proper environmental planning and project implementation should be undertaken with participation from refugees and local populations, to the extent possible. Involving refugees and local populations will result in sound and culturally appropriate environmental management practices being addressed from the outset of operations.

### Durable Solutions phase

4.3 The environmental damage left by refugees must be addressed as much as possible. For effective rehabilitation of the areas concerned, appropriate planning should be undertaken involving all the major actors. In cases where damage is extensive, future development plans and activities in the areas concerned should be taken into account. A mechanism should be set up to sustain rehabilitation activities on a long-term basis.

4.4 In the case of local integration of refugees and re-integration of returnees in their home country, assistance projects need to be developed which incorporate environmental concerns in a manner that ensures livelihood and environmental sustainability.

UNHCR's Basic Environmental Principles are in accord with the Rio Declaration on the Environment and Development (Earth Summit, Rio de Janeiro, 1992).

The four principles are:

- promoting an integrated approach;
- prevention before cure;
- cost effectiveness;
- local participation.

### Integrated approach

4.5 Environmental actions constitute an integral part of refugee assistance operations, and thus should not be considered in isolation. Environmental issues should be considered at all levels and in all sectors of UNHCR's activities. To do this, the decision-making processes should be modified to achieve and institutionalize progressive integration of environmental factors.

### Prevention before cure

4.6 Preventive measures should be the norm rather than the exception. Some environmental impacts, such as those upon health and biodiversity, are irreversible. Once environmental damage has happened, it is difficult, costly and time-consuming to address – sometimes it cannot be reversed. Furthermore, preventive measures are usually less expensive and more effective than curative ones. The preventive approach requires more emphasis on environmentally sound planning and measures in the early stages of refugee assistance operations. Prevention can, in most cases, be said to be better than cure. Preventing environmental degradation protects the environment, benefits the refugees and local people, and costs less.

### Cost-effectiveness and overall benefit maximization

4.7 An approach based on cost-effectiveness is essential to maximize the use of whatever resources are available for addressing environmental problems in the field. The extent to which environmental measures should be introduced in the field is to be determined in such a way as to maximize the net benefit of the projects to all concerned parties. In this analysis, environmental costs and benefits have to be quantified as accurately as possible so that environmental values are properly taken into account. Natural resources must not become a "free for all".

Potential conflicts with resident populations must be taken into account – the welfare of local communities being of equal importance to that of refugees.

### Local participation

4.8 Environmental problems are best handled with the participation of all actors concerned. For field operations, participation of the beneficiaries, as well as of the local populations, in setting objectives, planning, and implementing activities is considered crucial to making environmental measures sustainable. Particular attention has to be given to poor and vulnerable persons, refugee women and refugee children, who suffer disproportionately from refugee-related environmental problems.

### Role of actors concerned

4.9 The role of actors in addressing environmental concerns specific to refugee situations should be defined according to their relationship

to environmental problems linked to refugees, and to resources they may contribute to those problems.

4.10 Host governments and UNHCR should take leading roles; refugees and local populations, as well as local government officials and local NGOs, should be involved in environmental planning and projects; coordination with and assistance from other United Nations agencies and international NGOs should be promoted; and, in cases where environmental damage is extensive, both multilateral and bilateral development agencies should be involved.

For further information, please refer to UNHCR's related publications:

- *Environmental Guidelines;*
- *Environmental Management within Refugee Operations – Selected Lessons Learned;*
- a range of environmental related-guidelines and handbooks, e.g agriculture and domestic energy;
- [www.unhcr.ch/environment](http://www.unhcr.ch/environment).

## 5. LINKING RELIEF AND DEVELOPMENT

5.1 The High Commissioner recently launched a number of related initiatives aimed at forging a closer link between relief and development initiatives; one initiative focuses on promoting greater self reliance of refugees, and, where possible, their local integration, through development initiatives in favour of refugee-hosting areas; the other focus is on engaging development actors in the reintegration of refugees in

their country of origin. The latter, commonly referred to as the 4 Rs, aims at bridging repatriation, reintegration, rehabilitation and reconstruction processes to promote durable solutions for refugees.

5.2 These initiatives are designed to benefit both refugees/returnees and the local population, and, at the same time, contribute to the overall development of the area where the refugees are, or to which they have returned. As such, they should be consistent with, and ideally be part of, the respective national development plans. Especially in the case of reintegration programmes, the arguments are particularly persuasive that initiatives in favour of returnees and the area where they will be reintegrated be included in the national development plan. A key ingredient for the success of both types of initiatives is integrated planning processes by the UN Country Teams.

5.3 Underlying this strategy are the following convictions:

- The primary responsibility for responding to needs posed by mass displacements of persons rests with the host government, as does the right to determine the nature and extent of external assistance, be it of a humanitarian or a developmental nature.
- Relevant UN organizations, together with other organizations (intergovernmental, governmental, non-governmental), should assist governments to address the problem of refugees, returnees and displaced persons as part of a holistic area development approach, including all populations in the targeted areas.
- The economic and social problems posed by mass movements involving refugees, returnees and displaced persons are invariably multi-sectoral and multi-faceted, and their solution would benefit from a UN system-wide contribution and, in particular, from a development-based approach.

5.4 In terms of procedures at the country level, the following should apply:

- UN Country Teams should act in a collaborative and fully participatory spirit and approach in assisting governments to achieve their humanitarian and development goals. This approach should reflect the responsibilities entrusted to the UN Resident Coordinator, as well as the primacy of the mandate of UNHCR in providing international protection and assistance to refugees and in seeking durable solutions to their problems.
- Through the CCA/UNDAF process, contributing to support national development plans, the UN Resident Coordinator and country-level partners must bear in mind the impact on such plans of any significant presence of refugees, returnees or displaced persons, and, when appropriate, encourage the inclusion of uprooted persons in programme components or in cross-programme strategies. The needs of uprooted persons should, where possible, be addressed through the central planning ministries and sectoral ministries.
- In making its contribution, the UN team should identify sectors, programme components and cross-programme strategies where inter-agency cooperation would be the most appropriate way to address the needs of uprooted persons.
- UN Resident Coordinators and their partners should assist governments upon request, with advice and assistance to mobilize resources and to integrate assistance from other donors more effectively, especially through the establishment of appropriate linkages and complementarities with other relevant programmes.

### Micro-finance

5.5 One particular way of linking relief to development is through micro-finance. UNHCR

can promote durable solutions for refugees through their socio-economic empowerment. Under certain conditions and as part of other interventions, micro-finance can contribute to achieving this objective by enhancing the capacity of refugees and hosting population to generate income. Micro-finance aims at offering continuous access to financial services for micro-entrepreneurs and low income people who can be economically active. It offers a variety of products such as credit and savings.

5.6 However, micro-finance requires certain conditions to operate, such as minimum stability, a functional cash economy, a demand for financial services and sufficient economic activities. A pre-requisite for the implementation of micro-finance is the presence of an organization with proven skills and expertise in that field and a **clear separation** from social welfare activities. In situations where the conditions are not conducive to promoting micro-finance and where no expertise is available, UNHCR and partners should focus on other interventions promoting the generation of income and preparing the ground for micro-finance.

5.7 More detailed information on micro-finance may be found in the UNHCR/ILO Manual: *Introduction to Micro-finance in Conflict-related Communities* (August 2002).

## 6. PARTNERSHIP AND PLANNING WITH BILATERAL DONORS

6.1 Bilateral aid is an expression of partnership between a donor government and a recipient government in addressing the development needs of the latter. Official Development Assistance (ODA) is distributed according to the development priorities of a given recipient country as detailed in its Poverty Reduction Strategy Paper, supported by the World Bank, as well as the foreign aid policies and objectives of the donor. This broad policy framework invariably includes the reduction of poverty, and

refugees are increasingly perceived by the development community in this broader context. The financial resources provided through bilateral assistance are in the form of loans, grants or in-kind donations. The end product can be a material investment, a contribution to running costs, technical assistance or technical cooperation (e.g. capacity-building through assignments of experts to ministries).

6.2 For UNHCR to have effective partnerships with bilateral development partners and to identify potential resources and opportunities, it is important to understand the policies of each, and their thematic and geographic areas of particular interest. The determining factors remain, however, the interests and priorities of the government hosting the refugees and their willingness to include refugee-affected areas in their national development plans. This is largely dependent on the perception as to whether the proposed initiatives represent some form of additionality.

6.3 Partnerships with bilateral development agencies are normally part of a larger pattern of partnerships that includes multilateral agencies, especially United Nations development bodies working in support of the host government's development plans. The principal expression of the UN effort to ensure a coordinated approach is the United Nations Common Country Assessment and Development Assistance Framework (CCA/UNDAF) process.

6.4 In its efforts to involve bilateral development agencies, UNHCR faces a number of challenges, notably that of gaining the support of the concerned government to extend the work of bilateral development agencies to refugee-hosting areas. Advantages of such an approach include the following:

- The "burden" of the host government in assisting displaced populations would be shared more broadly – too often, refugees are regarded as UNHCR's "problem" and responsibility.

- Additional services would be brought to refugee-hosting communities, often located in remote and neglected areas, thus enhancing their coping mechanisms.
- The disparities between refugees and hosting communities would be reduced, minimizing frictions, and ensuring greater security at regional and possibly national level.
- The inclusion of refugees in national development priorities as set out in the national Poverty Reduction Strategy Papers could open avenues to host governments for additional funding.
- Area development programmes could be developed through collaborative action, programming and funding.

6.5 From the perspective of the bilateral development partners themselves, this collaboration serves:

- to build on their commitment to the Millennium Development Goals, which include poverty reduction and peace-building;
- to help create conditions in which refugees may become productive members of their host communities, leading to social integration, peace, security and stability in the region.

6.6 From UNHCR's own view point, working with bilateral partners presents the following advantages:

- Refugees can be included in framework agreements between national governments and bilateral development agencies, thereby linking self-reliance activities to area development programmes which take into account the needs of refugees as well as host/recipient communities.
- Through the technical expertise of development partners, UNHCR can more easily

lay the foundations for longer-term sustainable programmes rather than maintaining costly and protracted care and maintenance situations. This, in turn, assists UNHCR in meeting its obligations to protect refugees and improve the conditions under which they live, while paving the way for durable solutions.

- The potential of refugees as agents of peace and development could be recognized.
- UNHCR could share its experiences on displacement situations, contributing to the collaborative effort for planning, programming and funding.

6.7 UNHCR's role in promoting refugee/returnee aid and development components in national development plans is primarily catalytic, by identifying suitable components and seeking the cooperation of development-oriented organizations to fund and implement such components.

## 7. PLANNING

7.1 There are many types of planning undertaken in UNHCR at various levels: global, regional, "situation", country, site, project, sub-project, work unit and individual. The main written outputs of these various planning processes are the Country Operations Plan (COP), project documents (LOIs) and sub-project agreements. When planning is carried out in a participatory manner, these planning documents will reflect the consensus opinion of key partners as regards operational priorities, planning assumptions and scenarios, analytical considerations, operational goals and objectives.

### Participatory planning

7.2 Proper planning requires in-depth knowledge of many aspects of an operation. Such knowledge is not within the domain of any one group or agency but is jointly held by all actors involved in an operation. First and foremost, it is

the refugees themselves who are normally most aware of operational problems, community resources, what needs to be done and how. Implementing and operational partners also hold important knowledge, especially owing to their particular areas of specialized expertise and the daily contact they enjoy with broad segments of the refugee community. Local authorities and the central government also bring unique contributions to the planning process.

7.3 Owing to the diffusion of knowledge and expertise across an operation, it is not possible for UNHCR to plan in isolation. Plans must be jointly developed with key stakeholders (groups and agencies able to affect or be affected by operational activities) who should be afforded the opportunity to contribute their analysis, and help set operational priorities and objectives. A well-structured, inclusive planning process will ensure that the cumulative knowledge of all concerned parties is utilized and that plans reflect a common vision and provide a strategic direction for all agencies involved in the operation.

7.4 Key stakeholders in UNHCR operations are typically understood to include refugee (and other people of concern) representatives, implementing partners, operational partners, donor and local government counterparts. In a participatory planning process, all of these stakeholders are considered active partners in situation assessment and analysis, and are encouraged to directly contribute to the development of operational goals and objectives. The organization of participatory planning workshops has proven to be a useful means to facilitate the input and active participation of stakeholders in operations planning (for more detailed guidance on participatory planning see *Participatory Planning in UNHCR: A Practical Guide*, PCOS/DOS, March 2002 on UNHCR's website: [www.unhcr.ch](http://www.unhcr.ch)).

### When to plan

7.5 There are two major "planning windows" related to UNHCR's annual programme cycle (see flow chart in Section 2.3). The first, focused

at the country level, is a major planning exercise typically involving a planning retreat over several days, sometime during the first quarter of the year and which culminates in the production of the Country Operations Plan (COP) submitted to UNHCR Headquarters. The second major planning window is in last part of the year. During this period, operational goals and sector objectives formulated in the COP during the first quarter of the year are reviewed and adjusted in light of altered circumstances and revised planning assumptions, and the detailed review, updating and finalization of project submissions (due at UNHCR Headquarters early November) takes place. Implementing partners will typically be requested to provide detailed inputs to the planning process during this period (such as sub-project proposals) and should be fully engaged as active partners in the planning process both at the country and project levels.

### Steps in the planning process

7.6 The following steps, present in summary form, a comprehensive breakdown of the planning cycle.

#### 7.6.1 Situation analysis

To plan effectively, participants need reliable information on populations of concern. Planners will never have all the information they would ideally like to have at their disposal, nor will they have the time to carry out all the research and analysis ideally required. In practice, planners must make assumptions about trends and developments, as well as about populations of concern. The following data, which should be consolidated for each distinct caseload is considered a minimum requisite for effective planning:

- total number;
- nationality;
- ethnicity;
- major locations;
- sex/age breakdown (M/F for 0-4, 5-17, 18-59, 60+);

- categories and indicative numbers of vulnerable groups;
- last date of census or registration;
- arrivals and departures data (e.g. influx rates, voluntary repatriation or resettlement departure numbers).

Ideally, detailed data on skills, a thorough POP assessment and basic indicator data on the protection, nutrition, health and educational status of each population group should also be gathered. If baseline data is not readily available, the collection of the above information will require a significant time commitment on the part of agencies participating in the planning process. Once gathered, however, such data will prove invaluable, especially as it will allow for analysis of trends, beneficiary profiles, core problems and their causes and other such analytical information required to have a common understanding of the operational environment, salient demographic characteristics and core problems to be addressed.

#### 7.6.2 Strategic vision development

Objective setting at the project, sub-project and sector levels should be informed by a high-level strategic vision for the entire operation. Duplication of effort and of resources, lack of clarity as to institutional roles and responsibilities and inter-agency conflict are bound to result where a common understanding of strategic direction and purpose has not been achieved. A process through which concerned actors are able to jointly review operational scenarios, problems and planning assumptions is central to this process. Most importantly, the development of a common strategic vision requires agreement on the high-level goals of the operation. Development of a joint "mission statement" by key operational actors can be a useful technique to help build agreement on the strategic operational goals to be pursued.

#### 7.6.3 Development of the hierarchy of objectives

The central element of the planning process is the development of a hierarchy of objectives.

This involves cascading the high-level strategic goals into more detailed statements of desired result (objectives) for each sector, and the formulation of specific deliverables (outputs) the various projects are intended to produce. Section 3.3 provides detailed information on developing the hierarchy of objectives.

#### 7.6.4 The implementation strategy

The fourth step of the planning process involves taking decisions as to which agencies are to assume responsibility for the implementation of particular segments or “management shares” of the plan. This is often done along sector lines (i.e. responsibility for implementation is assumed by different agencies according to their particular area of expertise in a given sector) or according to geographic considerations. Sections 1.5 and 1.6 provide detailed information on implementation options, delegation of responsibility for implementation and the selection of implementing partners.

#### 7.6.5 Workplanning

Once objectives and outputs have been established and the implementation strategy defined, workplans should be developed. Workplans are important in that they set detailed project activities within established timeframes. Workplans therefore provide a framework for action, establish a timetable for implementation and facilitate progress monitoring. Work plans, which can be prepared in narrative, tabular or Gantt chart formats, should be annexed to and considered an integral component of sub-project agreements. Section 3.4.1 provides more detailed guidance on work-planning.

#### 7.6.6 Budgeting

Budgeting in UNHCR is based on a bottom-up, “line-item” approach in which the costing of project activities begins with the identification of required objects of expenditure and the calculation of unit quantities and costs. The UNHCR financial and management information system (FMIS) provides a detailed coding structure used

for financial planning, budgeting and reporting (see Section 2.1). The UNHCR budget structure relies on common accounting formats to present standard objects of expenditure in a hierarchical structure. More information on budgeting is found in Section 3.3 and 3.4 below.

### Results-based Management

In recent years, UNHCR has embarked on a process aimed at placing greater emphasis on assuring positive results from programmes, including the quality of protection and assistance provided, as distinct from an emphasis on financial controls and programme “inputs”. Results-based management (RBM) is the term used to describe the process where gaining greater control over the *result* of the action is at least as important as the control of “inputs” (financial, material and human resources). The four key components of RBM are participatory stakeholder analysis, core problem analysis, hierarchy of objectives and objective setting, and performance monitoring.



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## Section 3.2 NEEDS AND RESOURCES ASSESSMENT

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1. Bridging the Gap
  2. Who Should Participate?
  3. Assessment Methodology
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### 1. BRIDGING THE GAP

1.1 Given the size, frequency and complexity of today's refugee movements, a timely and comprehensive needs and resources assessment, including analysis of technical, economic and financial viability, is an essential pre-condition for an effective refugee operation. UNHCR normally conducts a needs and resources assessment when providing assistance to:

- a. existing or new refugee camps, rural settlements and spontaneous settlements;
- b. urban refugee individuals and families; and
- c. repatriation operations.

1.2 A needs and resources assessment bridges the gap between the refugees' current situation and the project design. Within the project cycle, needs and resources assessments figure early, in the form of:

- a. Preliminary or initial assessments, generally carried out by UNHCR Field Offices with local technical inputs; and
- b. More thorough technical and operational assessments, jointly performed by field personnel and UNHCR technical specialists from Headquarters.

### 2. WHO SHOULD PARTICIPATE?

2.1 UNHCR encourages the participation of its implementing partners, as well as the intended beneficiaries. Fundamental to a proper needs and resources assessment is the involvement, from the outset, of appropriate technical and local expertise, and the refugee community.

2.2 The involvement of the refugees themselves in assessing their resources and their needs is a prerequisite to a realistic and self-sustaining project. Areas in which to involve them include:

- a. the selection of a representative group within the refugee community (comprising both women and men for genuine representation of the actual composition of the refugee population) to assist with the overall assessment, planning and implementation of the project;
- b. identification and use of the refugees' professional, technical and practical skills and resources during project implementation;
- c. identification and development of self-help and community-based activities; and
- d. development of plans of action and specific solutions for vulnerable refugee groups with special needs, such as single heads of households, children, the disabled and the elderly.

### Technical Assessments

2.3 Technical input at the earliest stage is crucial for any potential project activities under sectors such as Water, Sanitation, Health/Nutrition, Shelter/Other Infrastructure, Education, Crop Production, Livestock/Animal Husbandry, Fisheries, Forestry or Income Generation.

2.4 The relevant technical sectors in the Division of Operational Support (DOS) at Headquarters complement UNHCR field staff and field-based technical experts from the host government, other United Nations agencies and non-governmental organizations in conducting needs and resources assessments. Programme/project complexity and the availability of local expertise (agencies, consultants) are among the factors determining the nature and source(s) of technical expertise.

#### Common Problems Associated with Assessments

1. Failure to involve the refugees, especially women refugees.
2. Lack of an experienced and trained assessment team.
3. Lack of a multi-agency approach to assessment (government, UN, NGOs, refugees).
4. Lack of agreement on how to conduct an assessment (method, format, target population).
5. Poor assessment timing-too late.
6. Failure to obtain the most critical data.
7. Tendency to gather too much (useless) information.
8. Incorrect interpretation of the information collected.
9. Failure to disseminate the interpreted results.
10. Failure to use the results to adapt activities.

### 3. ASSESSMENT METHODOLOGY

3.1 Needs and resources assessments are an ongoing process – not something you do once or twice. To conduct a needs and resources assessment:

- a. assess the situation and identify available resources;
- b. examine problems and constraints from a variety of perspectives;
- c. identify immediate and long-term needs to address problems, and set objectives (see Section 3.3);
- d. determine the means for achieving objectives (inputs, activities, outputs);
- e. establish required inputs (financial, material, technical, human); and
- f. formulate the project, with defined implementation arrangements and budgetary requirements (see Section 3.4).

3.2 To identify needs and available resources:

- a. conduct an overall assessment of the camp, settlement, spontaneous settlement, urban area or returnee area (for both identified needs and available resources);
- b. collect and analyze information on government policies and standards regarding refugees, as well as potential technical sectors;
- c. assess traditional practices of the refugees and host communities in all sectors (e.g. food, water, health, sanitation, shelter);
- d. conduct socio-economic studies and collect basic data about the refugees and the settlement area (including demographic data disaggregated by

- gender, social group characteristics, previous and present occupation, educational and skills background, economic opportunities, refugees with special needs, available resources and potential in the project area);
- e. analyze the social infrastructure in the refugee area, such as health, education and other community facilities;
- f. analyze the physical resources and facilities in the host area, both actual and potential (e.g. soil, water, site space);
- g. identify problem areas, constraints and alternatives (e.g. transforming camps into settlements);
- h. identify and appraise potential project resources, including specialist expertise in various sectors and capacity to be involved at all stages of the project cycle (government, UN agencies, non-governmental organizations, local nationals, and men and women refugees); and
- i. identify additional requirements for technical input (for feasibility studies, surveys, etc.).

<p><b>OVERALL PICTURE OF REFUGEE SITUATION</b></p> <p>(Do the analysis, based on a methodology comparable to the <i>People-Oriented Planning</i>, for the situation in the country of origin, current refugee situation and planned situation.)</p>	
<p><b>Refugee Profile</b></p> <p>Who are the refugees?                      Location(s)?                      Gender/age statistics?                      Families/single heads/individuals?                      Unaccompanied minors? Disabled?                      General health status? HIV/AIDS issues?</p>	<p><b>Context</b></p> <p>Religion?                      Ethnicity/language?                      Vocational/educational background?                      Community/political power structures?                      Economic situation (country of origin &amp; asylum)?                      Political situation (country of origin &amp; asylum)?                      National and local attitudes towards refugees?                      Refugee attitudes towards nationals?                      Physical environment/situation?</p>
<p><b>Analysis of Refugee Activities</b> (by gender and age)</p> <p>What did people do?                      Who did what? (women, men)                      When and for how long/how often did they do it?</p>	<p><b>Analysis of Refugee Use/ Control of Resources</b></p> <p>What resources were lost/brought?                      Who had/has the resources?                      Who controlled/controls the resources?</p>

3.3 Information gathering activities may include on-site inspection, surveys (checklists, questionnaires, other means of data collection) of individuals or households (random house sample or random cluster sample), and interviews with the refugee leaders and/or the whole population.

3.4 In conducting a needs and resources assessment, address the programming themes outlined in Sections 1.3 and 3.1. Pay close attention to related Guidelines which identify essential parameters to develop sectoral plans of action as part of an overall UNHCR project.

3.5 Please refer to Section 3.3 and Section 3.4 to help you plan for success in meeting the refugees' needs.

### Need for Technical Inputs

Often UNHCR's field assistance programmes comprise multiple activities in various sectors. In order to ensure complete needs and resources assessment, careful analysis, and appropriate design of the activities planned under sectors where technical soundness is critical, UNHCR Field Offices and implementing partners must seek the support of technical specialists in the planning process. The planning and contractual documents, such as submissions and (sub-) project descriptions, should be explicit on how the quantity and quality aspects of the technical activities are to be controlled and monitored during implementation.

*Project Planning in UNHCR  
March 2002*

### Further Resources

- *UNHCR Handbook for Emergencies*, 2nd edition, August 1999.
- *Initial Assessment in Emergency Situations – a Practical Guide for Field Staff*, UNHCR 1998.
- *A Framework for People-Oriented Planning in Refugee Situations*, UNHCR 1992.

*See Sections 1.3 and 3.1  
for other resources*

## Section 3.3 SETTING OBJECTIVES

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1. Introduction
  2. Hierarchy of UNHCR Objectives
  3. Developing a Hierarchy of Objectives
  4. Indicators as Tools for Monitoring and Reporting
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### 1. INTRODUCTION

1.1 The setting of objectives is vital to provide direction for UNHCR operations. Knowing where we want to go helps everyone involved to achieve the desired result. As with all aspects of the planning process, the setting of objectives should be a participatory exercise involving all partners in an operation. This includes governments, NGOs, other United Nations agencies, and, as appropriate, the beneficiaries. Agreeing on objectives at an early stage facilitates planning and helps to create a shared commitment to the operation's success.

1.2 Following a needs and resources assessment to determine the current refugee situation and available resources (see Section 3.2), planners must establish their objectives to define the changes to be implemented. Explaining our objectives at the outset enables us to rationalize the activities necessary to reach the stated goal and to demonstrate in the end that we have achieved that which we set out to accomplish. Clear objectives will also help to phase out an assistance programme (because it will be possible to determine if we have accomplished what we set out to do), and to interface more easily with other longer-term assistance and development programmes.

1.3 In recent years, UNHCR has embarked on a process to place greater emphasis on assuring positive results and the quality of assistance as distinct from financial control alone. Results-based management (RBM) is the term used to describe the process where gaining greater

control over the *result* of the action is at least as important as the control of 'inputs' (financial, materials and human resources). To support a more results-based orientation, UNHCR has introduced the Operations Management System (OMS) Hierarchy of Objectives consisting of three levels: Goals, Objectives, and Outputs. Formats for the Country Operations Plan, Project and Sub-Project descriptions have also been revised accordingly.

### 2. HIERARCHY OF UNHCR OBJECTIVES

2.1 The OMS Hierarchy of Objectives has been defined to indicate the levels at which programme and project planning occurs, and to show the interdependent relationship of these levels. The rationale for the distinctions between the levels is that the achievement of outputs contribute to the achievement of objectives. At the same time, the goals and objectives provide guidance in determining whether planned outputs and required resources will result in the appropriate impact. From the outset of a project, the establishment of this hierarchy sets out the framework for ongoing assessment of how effectively an operation is meeting stated programme goal(s) and how implementing partners are contributing to the attainment of sector objectives. The hierarchy also aids in verification of whether the planned outputs have been produced by taking into account timeliness, cost-effectiveness, environmental impact, beneficiary needs, and similar guiding factors.

2.2 UNHCR's new operations management system (OMS) which reflects the principles and processes of RBM, defines the basic terms of goal, objective, output, and indicators as follows:

### **Goal**

Within a country operation, goal expresses the desired overall result to be achieved through UNHCR's involvement with a beneficiary population or theme.

### **Objective**

Within a country operation, objective(s) are formulated at the FMIS-sector level for each of the programme goals. They are statements of desired result(s) and impact, which contribute towards the achievement of the programme goal(s). They usually express a change we plan to achieve in the situation or behaviour of beneficiaries, or in government policies and practices.

### **Output**

An output is a specific result delivered by the activities needed to accomplish the objective. Its delivery must be within the control of UNHCR or an implementing partner, it should contribute towards the achievement of an objective, and it is an element for which the implementer can be held fully accountable.

### **Indicator**

An indicator is a unit to measure signs of change towards the achievement of results. Two types of indicators are employed in the OMS: *impact indicators* and *performance indicators*. Indicators should be disaggregated by sex and age as appropriate.

### **Impact Indicators**

These are signs of behavioural change in conditions or institutional practice that affect beneficiaries and their welfare. They are set at the *Objective* level.

### **Performance Indicators**

These are measures of performance towards the achievement of planned outputs that can be quantified and/or graded in terms of quality and

readily revisited within a foreseen timeframe. They are set at the *Output* level.

It is important to note that these definitions are specific to UNHCR operations, i.e. protection and assistance. In other organisations, these terms might be defined and used in a different manner.

2.3 During the UNHCR Programming and Reporting Cycle, goals, objectives, outputs, and indicators are initially formulated during the preparation of the Country Operations Plan (COP). These are then further elaborated on and used in the following documents:

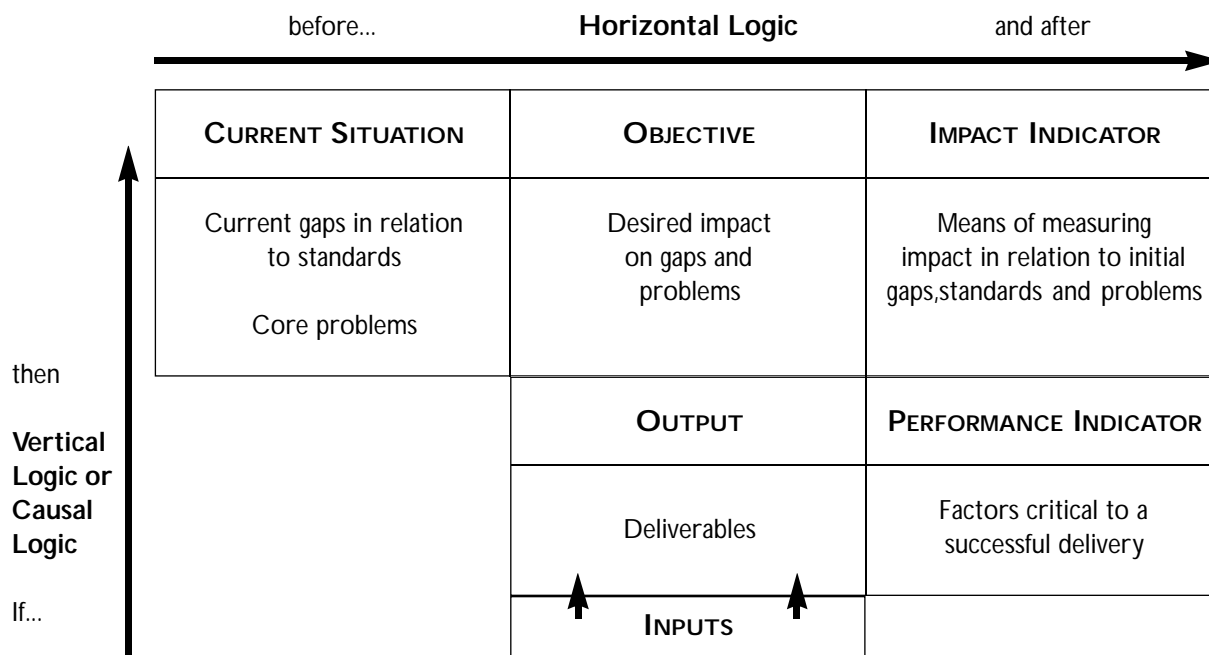
- project submissions, including Project Descriptions;
- authorisations, such as Letters of Instruction, here in particular the Project Description; and
- Sub-Project Agreements and Descriptions.

The formats for these documents support results-based management and promote the concept of the Hierarchy of Objectives. All formats are available as electronic templates and all Offices and implementing partners are advised to make use of them.

2.4 A Project Description or Sub-Project Description can achieve clarity and conciseness by exploring the relationships between the various sections of the project design format as follows:

The relationship between *Current Situation*, *Objective*, and *Impact Indicators* should describe the situation of the beneficiaries '**before** and **after**' the project intervention. For example, the camp is currently littered with refuse, with a high incidence of vector-borne disease (before project = *Current Situation*). The impact of the project (*Objective*) will be that 'the population live in more sanitary conditions', and the means of measuring this impact will be 'orderly disposal of refuse by refugees' and 'reduction in incidence of vector-borne disease' (after project). The relationship of *Outputs* to *Objectives* they help bring about is a causal, or

### CURRENT SITUATION, OBJECTIVE AND IMPACT INDICATORS



**'if...then'** relationship. If refuse pits are dug, spraying campaigns conducted and an awareness program organized (*Outputs*), then the population will live in more sanitary conditions. When a project is well designed, both of these types of relationship are clear and tight.

### 3. DEVELOPING A HIERARCHY OF OBJECTIVES

The setting of objectives in any UNHCR programme is a crucial step in ensuring that the assistance/protection provided is appropriate, timely and cost-effective. The challenge of providing meaningful and effective assistance and protection to beneficiaries in camps or communities in countries that are suffering from deep-rooted poverty, inadequate institutional

capacity or an overall lack of resources, demands that the objective-setting process is carried out in a deliberate and consistent manner. The development of the OMS Hierarchy of Objectives in the context of a UNHCR country operation should be the result of regular assessment and participatory planning processes that include the following steps:

**Step One** (see chart above)

Establish the **goal(s)** of the programme. *What is the desired overall result with regard to the beneficiary population or theme?*

**Step Two**

Describe the **current situation** of the beneficiaries in terms of gaps in relation to standards and core problems that need to be addressed as a priority.

**Step Three**

Choose specific (sectoral) **objectives** in line with the overall goal. *What positive change in the condition of the beneficiaries needs to come about in order for the intended goal to be reached?*

**Step Four**

Identify the combination of **outputs** necessary to achieve the impact of the objectives. *Exactly what is to be done?*

**Step Five**

Check that the causal relationship of the outputs to their objectives is not based on unreasonable assumptions, that various possible alternative means, including any with lower costs, have been considered, and that the risks of the proposed course of actions are manageable or known.

**Step Six**

Design meaningful impact and performance **indicators** that will help in measuring outputs and attainment of objectives.

**Step Seven**

Check the horizontal and vertical logic of the hierarchy of objectives (see chart).

**Step Eight**

Calculate the **inputs** necessary to achieve the planned outputs and attainment of objectives (draw up an FMIS budget together).

#### 4. INDICATORS AS TOOLS FOR MONITORING AND REPORTING

4.1 Results-based management requires monitoring and reporting in order to be meaningful. Indicators that cannot be or are not monitored are meaningless. Therefore, the choice of indicators is important, as well as how they are quantified. For example, indicators should be time-bound. It is obvious that certain aspects of health have to be monitored at regular and short intervals since the onset-time for epidemics can be short. On the other hand, most socio-economic indicators (income levels,

school enrolment, nutritional status, etc.) must be tracked over longer periods to establish reliable and meaningful trends. Since UNHCR sub-project agreements are normally concluded for the duration of a calendar year, indicators should be chosen that correspond to this timeframe. They could be supported, if need be, by milestones or checkpoints, i.e. an earlier review. In this respect there should be an agreement between UNHCR and the partners on the times at which indicators will be reviewed.

4.2 This raises the question of Workplans (see Section 3.4). To enhance focus on project results and strengthen project-level monitoring and control, all UNHCR Offices are required to make use of Workplans at the sub-project level. UNHCR Programme Officers will meet with implementing partner counterparts to come to agreement on realistic timeframes for the delivery of key Outputs.

4.3 In drawing up Workplans, the setting of “milestones” and/or “checkpoints” is often used to support the measurement of progress toward an objective. A milestone is a marker signifying that an important interim phase has been completed or a decision point reached. Checkpoints are like milestones, but are pauses inserted into a Workplan to ensure that managers take stock of accomplishments up to that point and check whether the prerequisites for the next steps are in place.

4.4 In this context, Performance Indicators (see Table on previous page) are tools to measure progress towards the Output and to highlight those aspects to be closely monitored during implementation to ensure that the output is realised. At the end of the project, they also provide assurance that the output has been achieved as planned. Performance Indicators are central to the dialogue between UNHCR and partners during project development and implementation. Together with the Outputs, Performance Indicators should be the main focus of partner reporting – both in the SPMR narrative and in monthly updates, for example at co-ordination meetings.



## WORKED EXAMPLE IN UNHCR PROJECT DESCRIPTION FORMAT

### Description of Objectives and Outputs (by Sector/and Sector-Activity)

FMIS Sector Code: I	FMIS Sector Name: EDUCATION	
<i>Current Situation</i>	<i>Sector Objective(s)</i>	<i>Impact Indicators</i>
<ul style="list-style-type: none"> <li>● There are some 15,500 refugee children who are of school going age (6 to 18 yr.), of whom only 20% attend school due to: a) lack of enough class rooms/teachers and b) girl children not sent by the parents to school</li> <li>● Out of the total 3,100 children attending school regularly, only 620 are girls</li> </ul>	<ol style="list-style-type: none"> <li>1. A higher proportion of school-age children attend school, acquire basic knowledge and complete primary education</li> </ol>	<ul style="list-style-type: none"> <li>● Primary school attendance increased from 20% (3100) to 40% (6200) by the end of the year</li> <li>● Attendance ratio of girls and boys increased from current 1:4 (620 girls: 2480 boys) to 1:2 (2100 girls: 4200 boys)</li> </ul>
<ul style="list-style-type: none"> <li>● Adult refugee population is around 16,000. Current literacy rate among refugees is only 30%. Moreover there is a substantial difference between male and female i.e. 45% male (3,600) but only 15% female (1,200) are literate</li> </ul>	<ol style="list-style-type: none"> <li>2. A higher proportion of adults in the camps learn how to read and write</li> </ol>	<ul style="list-style-type: none"> <li>● Adult refugee literacy rate increased from 30% (4,800) to 40% (6,400)</li> <li>● Female literacy rate increased from 15% (1,200) to 30% (2,400)</li> </ul>

<b>FMIS Sector-Activity Code: 1.21</b>	<b>FMIS Sector-Activity Name: General Primary Education</b>
<i>Expected Outputs (Sector Objective 1)</i>	<i>Performance Indicators</i>
Additional classrooms constructed	Six classrooms in 3 schools with number of pupils per classroom being reduced from 60 to 40
Teachers recruited and trained	Five male and 15 female teachers recruited and trained within first three months
Campaign to increase attendance of girls undertaken	Three campaigns targeting the parents conducted to promote girls attendance and gender sensitivity in education
<b>FMIS Sector-Activity Code: 1.30</b>	<b>FMIS Sector-Activity Name: Literacy Training</b>
<i>Expected Outputs (Sector Objective 2)</i>	<i>Performance Indicators</i>
Refugees women trained in business-related literacy and numeracy	Three classes of two months each with 40 women per class conducted five times in a year
	Six hundred women trained in numeracy and literacy

(Extract from *Project Planning in UNHCR – A Practical Guide on the use of Objectives, Outputs and Indicators*, UNHCR 2nd edition, March 2002).

## Section 3.4 WORKPLANNING AND BUDGETING

- 
1. Workplanning
  2. Single vs Multi-Year Planning
  3. UNHCR Budget Structure
  4. Sub-Project Budgets
  5. Policy on Support Costs and Operational Costs
- 

### 1. WORKPLANNING

1.1 In planning, it is not enough to know where you want to go – your objective. You must also determine how and when you expect to get there, and the resources (human, material and financial) necessary – your workplan, which:

- a. provides a framework for action;
- b. sets a timetable for implementation; and
- c. becomes a useful monitoring tool.

1.2 The first step in workplanning is to list all the activities necessary to achieve your planned objective. Where appropriate, tie each activity to the Sector-Activity guidelines in Appendix B. If necessary, activities can be broken down into tasks, to help you formulate the requirements more accurately.

1.3 Next, consider who will be responsible for completing each activity, how long it will take, and whether the activities can be undertaken concurrently or must be completed sequentially. Also identify what materials must be supplied to complete the activities, and when, and define related responsibilities assigned to organizations with whom you will be collaborating. Be sure to examine all the resources required to fulfil your objective, and their possible sources.

1.4 On completion of this analysis of requirements, the activities can be aggregated into a workplan which specifies their sequence and

timing, associated responsibilities, all resource inputs (human, material and financial), and implementation procedures.

1.5 A UNHCR Workplan (see next page) provides an implementation schedule and establishes target dates which can be used to monitor progress. A workplan must, therefore, contain the following elements:

- a. the activities or tasks to be accomplished for all Outputs listed in the Sub-Project Description (see Section 3.5). See also Appendix B2.
- b. the timeframe for each Activity, i.e. which months of the year, or which year; and
- c. designation of who is responsible for carrying out the activity/task.

### Workplanning Considerations

1.6 In formulating workplans, ensure that implementation procedures are flexible, realistic and take into account local constraints. They should allow:

- a. adequate lead time at the beginning to ensure smooth implementation, and adequate time to accomplish all the activities; and
- b. compliance with UNHCR's reporting requirements, focusing on results rather than on inputs.

1.7 Depending on the nature and size of the project, implementation should be planned on a single or multi-year basis, with a budget for each calendar year (see below).

1.8 All those to whom responsibilities will be assigned in the project, including the beneficiaries, should be involved in the workplanning and all other phases of the project. Their agreement with the objectives, implementing strategy and workplan should be secured before the project is initiated so as to assure the long-term sustainability of the project.

### Phase-Out

1.9 Particularly in local settlement and reintegration projects, a viable phase-out must be planned from the start, with a clearly stated hand-over strategy which answers the following questions:

- a. What will happen at the end of the project?
- b. Who will cover operation and maintenance costs?
- c. Will funds be generated locally, provided by local authorities, or through continuing external assistance?
- d. Which organizations do we expect to become engaged in the long-term development strategies and responses?

1.10 Establish the involvement of the refugee community from the beginning, through income-generating projects or in-kind contributions (crop production, livestock, etc.), ensuring that refugee women are involved. Government line ministries, local non-governmental organizations and UN agencies should also be involved from the beginning, and post-handover responsibilities made clear.

### Workplan: the practical issues

1.11 *Who does the workplan?* It is the responsibility of the UNHCR Office submitting a project description, or signing a sub-agreement,

to ensure that a workplan is attached wherever appropriate. However, either a partner or the UNHCR Office can initiate the discussion or propose a workplan to be agreed by the other. It is in the interest of both parties to do so.

1.12 *When should the workplan be done?* The workplan is prepared as part of the design work, before project implementation begins. To ensure that the work planning discussion has taken place to the satisfaction of both parties, UNHCR managers should check that the workplan is attached to the sub-agreement at the time of signature. However, revising the workplan during implementation is also a good way to help ensure that the project stays on track.

1.13 In checking the workplan before signing the sub-agreement, both UNHCR and the implementing agency should hold a meeting to study the project description and budget, and think about the aspects of the project where timing is going to be critical. When are the Outputs expected to be completed? Are there some which need to be completed before others, or before others can begin? If an Output has to be completed by a certain date, what does this mean in terms of when funds, staff and supplies have to be in place? Discuss and agree who needs to do what when. These elements should be reflected in the workplan.

### Workplan Format

1.14 There are three basic ways to present a workplan for a UNHCR project or sub-project – the choice is yours:

1. as a narrative description;
2. in tabular format;
3. as a graphic or ‘Gantt chart’.

The first two of these are illustrated in the box on the opposite page.

It will be noted that the example chosen reflects that given at the end of Section 3.3 (at the output level).

**A Workplan can be presented as a narrative description:**

**In tabular format:**

**SECTOR I: EDUCATION**

**6 additional classrooms constructed in 3 schools:**

3-phase construction will begin in February. A single contractor will work on one school at a time, complete the two classrooms and then move onto the next school without interruption. Each school will take three months. There will be a month's break in August. The three schools will be completed by end of November. The first instalment needs to include 30% of the total cost of the schools, to allow for an advance to the contractor for bulk purchase of materials. The first completed school will be reviewed through a joint 'checkpoint' visit of UNHCR and the IP at end of April.

**5 male and 15 female teachers recruited and trained within first three months:**

The IP Education Co-ordinator and the IP Administrative Officer will work together with head-teachers to interview applicants for the posts. The training officer will organize two initial training courses, each for 10 participants and for 2 weeks' duration, the first in February and the second in March. Two follow-up courses, each of 4 days' duration, will be organized in June and September, for each of the new teacher groups. The IP Education Co-ordinator and the UNHCR Education Officer will jointly review the training curriculum by end of January.

**3 campaigns conducted to promote girls' attendance and gender sensitivity:**

In January, May and August the IP Community Development Officer will organize assemblies of elders and parents in each camp to encourage them to send or continue to send girls to school in the following term. Campaigns have to be completed a week before the start of term to allow time for registration. School books and materials will be provided at the start of term, and uniforms after four weeks. The results and preliminary impact of the campaign and schoolbooks/materials distribution will be jointly reviewed by UNHCR and the IP at the end of January.

SECTOR I: EDUCATION	RESPONSIBILITY	TIMEFRAME
<b>Output:6 additional classrooms constructed:</b>		
Activities:		
1. Advance of 30 % of contract value	UNHCR	By end Jan
2. Phase 1 (2 classrooms,school A)	Contractor A	Feb to Apr
3. Checkpoint:visit to first school	UNHCR and IP	30 Apr
4. Phase 2 (2 classrooms,school B)	Contractor A	May to Jul
5. Summer break	Contractor A	Aug
6. Phase 3 (2 classrooms,school C)	Contractor A	Sept to Nov
<b>Output:20 teachers (5 male, 15 female) recruited and trained:</b>		
Activities:		
1. Recruitment	IP Ed Coordinator	Jan to Mar
2. Checkpoint: review of curriculum	UNHCR and IP	31 Jan
3. Initial course 1 (5 male, 5 female)	IP Training Officer	14-28 Feb
4. Initial course 2 (10 female)	IP Training Officer	15-29 Mar
5. Initial training complete	IP	31 Mar
6. Follow-up 1 (5 male, 5 female)	IP Training Officer	4-7 Jun
7. Follow-up 2 (5 male, 5 female)	IP Training Officer	10-13 Jun
8. Follow-up 3 (10 female)	IP Training Officer	5-8 Sep
9. Follow-up 4 (10 female)	IP Training Officer	11-14 Sep
<b>Output:3 campaigns held for girl attendance:</b>		
Activities:		
1. Campaign 1	IP Comm Dev Off	4 Jan
2. School books and materials	IP Ed.Coordinator	11 Jan
3. Checkpoint: review results to date	UNHCR and IP	31 Jan
4. Campaign 2	IP Comm Dev Off	2 May
5. School books and materials	IP Ed.Coordinator	10 May
6. Campaign 3	IP Comm Dev Off	29 Aug
7. School books and materials	IP Ed.Coordinator	5 Sep
8. School uniforms	IP Ed.Coordinator	5 Oct

**Suggested Workplan Format**

A suggested simplified Workplan is found at Appendix B2.

1.15 The relative advantages to each of the possible formats are as follows:

- A narrative description allows a clear explanation of the rationale for deadlines, for the sequence of activities and for any phasing – but is not very visual.
- A tabular format helps make sure everything is mentioned in the order in which it will happen, and more systematically assigns responsibilities and timeframes which may sometimes be overlooked in a narrative.
- A Gantt chart format (not illustrated) has the advantage of showing more clearly when different aspects of the project will be occurring at the same time – but can require some skill and patience to put together. To make sense it needs to be combined with a tabular format.

1.16 In drawing up a workplan, it is usual to highlight and differentiate between the following planning and monitoring “tools”:

- Phases;
- Checkpoints;
- Milestones.

Each of these serves a related but distinct purpose in planning and monitoring.

**Phases:** a project or one of its components can be divided into phases to ensure that things are done in the right order, and that ‘prerequisite’ stages are completed before other stages are begun.

**Checkpoints** are pauses inserted into a plan to ensure that managers take stock of accomplishments up to that point. They may check, for example, whether prerequisites for next steps are in place, or whether an action that is being tested for continued use is having the intended impact.

**Milestones:** a milestone is a marker signifying that an important interim phase has been completed or a decision point reached.

In the workplan discussion between UNHCR and the partner, the parties should actively seek to identify where these monitoring techniques and opportunities could be applied and inserted.

1.17 The normal level of detail for a workplan is to focus on Outputs, Sector by Sector, as illustrated in the examples overleaf. Headings are set, based on the key Outputs and Performance Indicators. Below each heading, key activities, financial transfers and inputs should be listed, with responsibilities and dates. The normal unit for the time scale is months. Duration depends on the project, and can also be multi-year.

## 2. SINGLE VS MULTI-YEAR PLANNING

2.1 UNHCR has a defined Annual Programme Management Calendar (see Section 2.3); this is based on and reflects the annual programme cycle, as the nature of most activities often prevent long-term forecasting of programming and budgetary requirements.

2.2 In cases where the refugee caseload is not stable, it is usually possible to plan only one year at a time, and consequently to budget for only one year at a time. The majority of UNHCR projects are based on a one-year period, linked to the UNHCR financial year (i.e. calendar year). Some education projects, which are linked to the academic year, are exceptions. However, all project submissions (which would have been drawn up on the basis of preliminary consultations with implementing partners) are required to be submitted to UNHCR Headquarters in November of each calendar year as part of the overall UNHCR annual planning/ resources allocation process. On the basis of a subsequent Letter of Instruction from Headquarters approving the project and allocating a budget for it, the UNHCR Representative in the Field then enters into negotiations and signs

Agreements with the respective partners for implementing the various related sub-projects.

2.3 Multi-year planning will usually apply to more stable situations leading to durable solutions, such as voluntary repatriation projects and some sectors of care and maintenance projects which require capital investment and an input over several years.

2.4 Detailed budgets for most projects are established on the basis of the calendar year. The annual UNHCR programme review and resource allocation exercise (see Section 2.3) examines the budgets for the planning year.

2.5 UNHCR reviews all projects in the context of the country/area objectives. In the event that a project is designated for multi-year planning, the Field Office must submit a multi-year plan. In addition to the annual project plan requirements (see Section 3.5), a multi-year plan includes:

- a. a concise multi-year project objective, showing the end result to be achieved and the planned number of beneficiaries;
- b. a planned project completion date;
- c. a multi-year workplan by sector-activity, showing when each activity will be implemented and planned reporting periods; and
- d. an indicative budget and narrative justification for each year of the multi-year plan.

### 3. UNHCR BUDGET STRUCTURE

3.1 As noted in Section 2.1 (paragraph 4.1), UNHCR currently uses a budget structure linked to its Financial Management Information system (FMIS). This system focuses on budgetary inputs, whereas with UNHCR's new Operations Management System the emphasis is more on results-oriented planning; this will require the development of new financial management software which will be able to budget and measure results in financial terms. In the

meantime, UNHCR and its partners will need to work with the FMIS.

3.2 UNHCR's approach to budgeting to date can be described as a bottom-up, "line item" approach in which the costing of project activities begins with the detailed identification of needs. The UNHCR budget structure, found in the FMIS (see Section 2.1) uses standard accounting formats for budgeting – standard objects of expenditure organized in a hierarchical fashion. UNHCR adopted this approach to encourage effective project control and to facilitate recording of expenditures and analysis by UNHCR managers.

3.3 The existing FMIS budget system, in spite of its limitations, offers the following advantages in an automated system:

- detailed and accurate budgeting; and
- easy access to comparative data on types of assistance, beneficiaries, country and regional programmes.

3.4 The structural hierarchy in a UNHCR project budget is composed of the following components:

- Sector
- Sector-Activity
- Item
- Sub-Item

3.5 At the highest level of the UNHCR budget structure or hierarchy for a project are Sectors, followed by Activities, Items, and then Sub-Items which represent the actual objects of expenditure. To obtain approval, project and sub-project budgets must be submitted in the FMIS format (see Appendix B3).

### 4. PROJECT BUDGETS

4.1 UNHCR Headquarters does not prescribe a specific level of detail for projects, and the budget and accounting structure allows flexibility when developing budgets. However,

UNHCR's system does lend itself to more detailed budgets, and there is an expectation that budgets will become more precise and more detailed over the life of the project.

4.2 The FMIS budget structure accommodates very specific budgeting, or planners may choose to aggregate unit costs at higher levels within the project. For example, for a project including the construction of primary schools, the Activity (Educational Facilities Construction) may be budgeted within the UNHCR FMIS as a single Sub-Item in which the calculation could be relatively simple, i.e. number of schools x the cost of the building construction contract (the cost of the school) = the total of the Sub-Item. The amount would be coded in the FMIS budget structure as:

**I.03.j.10070** where:

'T' = Education (Sector);  
'03' = Educational Facilities  
Construction (Sector-Activity);  
'j' = Services (Item); and  
'10070' = Building Construction Contract  
(Sub-Item).

OR

The same Activity could be budgeted according to the various materials and supplies needed for construction, such as roofing materials, timber, cement, electrical supplies, workshop supplies, etc., represented as separate Sub-Items.

4.3 The decision about how to budget for the Activity, and the level of detail, is made by the UNHCR Field Office and the implementing partner, based on of the circumstances in the particular situation.

4.4 Budgets are often sources of difficulty and dissent between UNHCR and its implementing partners. Disagreements usually result from insufficient budget detail or submissions which are difficult to translate into the UNHCR budget format. To work effectively together, UNHCR Field Offices and implementing partners should

hold joint preliminary meetings to identify budgetary requirements (both form and content) and plan the budget.

4.5 When UNHCR Headquarters reviews project budget submissions, a number of particular items of expenditure are examined more closely. One of the most important of these is the administrative costs within the project (see below). UNHCR also expects implementing partners to avoid budgeting lump sums for salaries and staff costs – this Sub-Item should be calculated on the basis of specific positions. In the same way, significant expenditures for infrastructure will also be scrutinized.

4.6 UNHCR's implementing partners should ensure that costing of assistance activities is accurate, and that the best possible value for money is achieved. In addition, and as mentioned above, UNHCR expects that, during the life of an operation, budgeting will become more detailed and accurate.

#### **Implementing Partner's Budget Preparation**

An important consideration for UNHCR in choosing an implementing partner (see Section 1.6) is its ability to manage and account for the resources related to a particular sub-project. The following need to be considered by the NGO:

1. Experience in carrying out similar activities.
2. Its accounting/bookkeeping system.
3. Ease with which it can record commitments and expenditures in UNHCR format.



4.7 The assessment of need and application of standards in the local context is the key. For implementing partners, the budgets submitted to UNHCR should be the result of careful assessment of needs and resources and accurate costing of sub-project inputs and activities. This approach will enhance the credibility of the implementing partner with UNHCR, and the likelihood that the proposed budget will be fully funded by UNHCR.

## 5. POLICY ON SUPPORT COSTS AND OPERATIONAL COSTS

5.1 When UNHCR enters into a Sub-Project Agreement with an NGO implementing partner, it is on the understanding that the NGO, in a spirit of partnership, will contribute additional resources to the Project and that these can be detailed in the Project/Sub-Project budget. In this respect, it should be noted that an NGO contribution should be recorded in the FMIS/Field system as a non-UNHCR funded Sub-Project. At the same time, UNHCR acknowledges the need to contribute to the operational and support costs of its partners. **Support costs** are defined as those costs necessarily incurred in supporting and managing an activity. As such they are different from **operational costs** which are those generated by the activity itself.

### International NGOs Headquarters Support Costs

5.2 The current policy on headquarters support costs of international NGO partners was established by the Executive Committee in 1998 (A/AC.96/897, Annex). It was foreseen in the decision of the Executive Committee that the policy would be reviewed in the light of practice, taking into account resource considerations and the applicability of the stated conditions foreseen for UNHCR's participation in bearing such support costs. The following paragraphs set out further guidance for the application of the agreed level of such support, *where such support is requested*, in particular on what amount the percentage grant is to be calculated.

5.3 Overhead support costs are often incurred at several locations, ranging from the activity site, through in-country and regional offices, to an international NGO's headquarters. The current UNHCR policy towards headquarters support costs of **international** NGOs can be summarized as follows:

- the UNHCR contribution in support of headquarters support costs, which is currently set at 5 per cent, is *at the request* of the international NGO; it must not exceed the actual support costs incurred in respect of implementation with UNHCR funds;
- to be eligible for a contribution from UNHCR towards the headquarters costs of an international NGO implementing partner, the partner must make a *significant* and *quantifiable* contribution, with its own resources, to the individual project or country/regional operation, and be an amount at least sufficient to offset UNHCR's contribution. The contribution should be towards an activity which is consistent with UNHCR's country or regional objectives and which might otherwise need to be funded by UNHCR. A description of this contribution, plus the financial value should be properly documented in the Sub-Project description (under "Related Inputs"), and entered into the FMIS/Field system as a non-UNHCR funded Sub-Project; it must also be reflected in the final SPMR narrative (see Section 3.5);
- if an NGO makes the contribution referred to above, UNHCR will include, in the budget attached to the concerned Sub-Project Agreement, an amount towards the NGO's headquarters costs. This amount has been set at 5%; the base on which this is to be calculated is described below.

5.4 It should be noted that this policy relates only to *international* non-governmental organizations, namely those with their headquarters outside the country in which UNHCR enters into

a Sub-Project agreement, and where the headquarters incurs costs directly related to the Sub-Project(s). This practice does not address national NGOs.

5.5 Most of the problems which are faced by field staff from both NGOs and UNHCR in implementing the policy, relate to the interpretation of the above mentioned criteria. Given the scope and volume of UNHCR Projects, it is difficult to provide a standard definition of what is meant by the term *a significant contribution* by an NGO partner. Some judgment and common sense will always be required in assessing this. NGOs are obliged to share with UNHCR in a transparent manner and in quantifiable terms what they bring to the project/programme if they request a payment towards their headquarters costs. Their contribution could be in cash (funds raised from other sources) or in kind (equipment, supplies, and human resources, such as payment of expatriate salaries). The total value of the contribution should be comparable to or at least equal to the amount that UNHCR provides to the NGO for its headquarters costs.

5.6 Provided that the NGO contribution is *properly documented* and accepted as a "*significant contribution*" by the UNHCR Field Office, a line item amounting to no more than 5% of the relevant budget component may be included in the budget (FMIS sub-item no K.11000). In many instances, the relevant budget component is the total budget. However, there are situations where the 5% should be calculated only on parts of the Sub-Project budget. This is the case when the Sub-Project with the international partner, for example, involves a large component of procurement to be undertaken *locally*, or where the international partner acts as umbrella agency or is implementing a micro-finance scheme.

- a. Where the total budget for *local* procurement to be undertaken by the international partner exceeds 30% of the total project value, then the whole amount budgeted for local procurement should be taken out of the cal-

ulation. The 5% headquarters support cost will in this case be calculated based on the remaining part of the budget; this exception does not apply in the case where there is *international* procurement.

- b. When an international partner acts as an umbrella agency covering the activities of several smaller local partners, then the value of the activities performed by the local partners should be taken out of the calculation. The 5% headquarters support cost will then be calculated, based on the remaining part of the budget, which covers the specific activities performed by the international partner.

#### Budgeting Guidelines

1. Calculate and submit all budgets in the currency of implementation.
2. Use current unit costs, with no projections made for possible inflation.
3. Use current population figures when determining quantities, unless adequate justification can be presented for using a higher or lower figure.
4. Do not include unspecified support costs or administrative overheads in the budget.
5. For international NGOs requesting HQ support costs, their contribution to the sub-project must be quantified in financial terms so that UNHCR can record it in its Financial Management System.
6. Do not include a "contingency reserve" in the budget.

- b. When an international partner is implementing a micro-finance scheme, then the value of the loans and grants should be taken out of the calculation. The 5% headquarters support cost will then be calculated, based on the remaining part of the budget, which covers the specific activities performed by the international partner.

5.7 The provision for headquarters support cost is meant to cover all project-related support costs at headquarters, whether they are common costs or direct costs. Therefore, no additional provisions should be made in the budget for headquarters costs, i.e. for communications (between headquarters – country office and vice-versa), for bank charges (for transfers to/from banks outside the country of operation), for personnel costs incurred for staff working at their headquarter (training, travel) or for audit fees.

5.8 A further issue, which has arisen in the past, concerns the effects of budgetary reductions on the UNHCR contribution to the support costs. Again, judgment and common sense should be applied. If a reduction occurs early in the Sub-Project period, it is clear that the headquarters support costs should also be reduced. If, on the other hand, the reduction occurs late in the year and at short notice, it may not be feasible to reduce the contribution, since the NGO may have commitments which still require the full overhead.

### Operational Costs

5.9 Agency operational and administrative support costs are negotiated in the Field between UNHCR and its implementing partners “sur place”. While only international NGOs qualify for headquarters support costs, all implementing partners can expect a UNHCR contribution toward their operational costs. Where possible, costs should be budgeted in the sector where the primary activity takes place. Only in multi-sectoral projects should costs,

which cannot be attributed to a particular sector, be budgeted under Sector P. While headquarters support costs for international NGOs are budgeted as a percentage, operational costs should normally be budgeted under fully identifiable line items (e.g. salaries, vehicle maintenance, etc.).

5.10 In some cases, budgeting of in-country administrative costs as lump sum amounts may be justified when calculated on the basis of objective, verifiable criteria e.g. beneficiary population, numbers of transactions, or on the number of vehicles to be maintained. However, assumptions for the calculation of such lump sum amounts (whether flat amounts or per case fees) must be clearly documented and should be mentioned in the relevant Sub-Project Agreement. Any changes in the underlying assumptions must be closely monitored in order to adjust the agreed rates as necessary. Under no circumstances should the lump sum budget amount exceed the actual costs incurred (e.g. salaries, vehicle maintenance, etc.).

5.10 Negotiations on the remuneration of implementing partner Sub-Project staff have proven in many instances to be difficult. It should be noted that, in principle, UNHCR *contributes toward*, rather than covering *in toto*, salaries and related costs of its implementing partners. To ease administration, monitoring, and reporting, it is advisable to negotiate flat monthly rates (“pro-forma costs”) for each post established under a given Sub-Project, rather than to budget salaries, overtime costs, per diems, etc. separately.

5.11 With regard to the salaries, benefits and other related costs (including all travel entitlements, subsistence allowance, insurance, pension, taxes, etc.) for NGO expatriate staff working *full-time* for the operation, UNHCR’s policy as from 1 January 2003 is to pay a *lump-sum contribution* towards all of these costs. The difference between actual costs and the lump-sum contribution will be covered by the international partner and considered as part of their contribution to the operation. The lump-

sum contribution amounts to US\$ 4.000 per month for expatriate staff with managerial responsibilities (country director, operations coordinator, etc.). For other categories of expatriate staff deployed to the operation, the *lump-sum contribution* is set at US\$ 3.000 per month. A proportional reduction of the *lump-sum contribution* would have to be made when the expatriate staff is not dedicated full-time to the UNHCR's operation, for example, where the expatriate staff is also involved in managing other separate projects funded from other sources. For deployment of expatriate staff to emergency situations, the *lump-sum contribution* may be increased up to US\$ 6.000, but only for the first three months.

### TIPS for Working with FMIS

1. Sequence of Planning and Budgeting: Set Objectives, Outputs, and Indicators first, and deal with FMIS later

While a project description defines Objectives, Outputs, and Indicators for the measurement of performance and impact, the FMIS/FOBS structure is based on the classification of budgetary inputs. *It is strongly recommended to begin by properly defining the hierarchy of objectives for the programme, rather than beginning with a detailed FOBS budget and deriving the hierarchy from it.*

2. Reduce FMIS Sector-Activities in the Budget and the Project Description Format to a reasonable and practical minimum

To help make project documents shorter and clearer, take care to limit the number of Sector/Activities as much as possible. Within a broadly defined project objective, avoid breaking down activities according to FMIS Sector/Activities more than is absolutely necessary. Consider grouping the FMIS budgeting under just a few of the most generally applicable and most meaningful Sector/Activities. *However, this grouping should not be taken to a point where it jeopardises the financial control function, particularly at Sub-Project agreement level.*

**Project Planning in UNHCR**  
*A Practical Guide on the use of Objectives  
Outputs and Indicators. March 2002*

## Section 3.5 PROJECT AND SUB-PROJECT DOCUMENTATION

- 
1. UNHCR Projects
  2. Sub-Project Documentation
  3. Sub-Project Review Checklist
- 

### 1. UNHCR PROJECTS

1.1 A UNHCR project is made up of assistance of the same type, financed from the same fund, and provided to a specified group of refugees. Note the three elements:

a. **Fund:** Under the “Unified Budget”, there are two main types of funds: the Annual Programme Fund, and the Supplementary Programmes Fund. Please refer to Section 2.2 for further details on these Funds/Budgets.

b. **Assistance Type** (including protection): There are five types of assistance for operational projects (see Section 2.1):

EM Emergency  
 CM Care and Maintenance  
 RP Voluntary Repatriation  
 LS Local Settlement  
 RE Resettlement

c. **Assisted Refugee Population:** Usually the refugees will be from the same ethnic group, but the term is not necessarily limited to a single ethnic, national, religious, political or other group.

1.2 UNHCR project documents provide the rationale of UNHCR’s involvement, core problems to be addressed, planned achievements, anticipated costs and workplan for a project.

1.3 UNHCR Field Offices must ensure that proposals for UNHCR-funded projects:

- a. Are linked to the Country Operations Plan and directed towards durable solutions.
- b. Are coordinated with the host government, based on an official request and agreed method of implementation.
- c. Are prepared in close consultation with the likely implementing partner(s).
- d. Do not duplicate planned assistance from other sources.

#### Project Submissions

1.4 During the lifespan of a project with a duration of one year, project submissions to Headquarters are required as part of the annual Programme Review and Operations Review Board (ORB) session as follows:

- a. each October/November, detailed submissions for next year; and
- b. at any time, when a revision is required during the implementation period of a current-year project.

**To illustrate:** Proposed 2003 projects would be prepared and submitted initially in March 2002 with a revised project submission in November 2002.

### 2. SUB-PROJECT DOCUMENTATION

2.1 A Letter of Instruction (LOI – see Section 4.1) may provide for the implementation of all or part of a project to be delegated to one or more implementing partners, in which case UNHCR

establishes one or more sub-project(s). Sub-projects are an integral part of a project.

2.2 Within a project, a sub-project is that part to be undertaken by one implementing partner (or UNHCR organizational unit) in a single currency of implementation.

2.3 When submitting proposals for the implementation of sub-projects, implementing partners must include the elements described in the following paragraphs:

- a. **Sub-Project Description** (see Appendix B1), which includes details under the following headings:

Sub-Project Overview: should indicate how the Sub-Project relates to the sector objectives and programme goals defined in the Country Operations Plan. It should describe the rationale for the partnership; the core problems to be addressed; based on the needs and resources assessment/s, it should describe the expected situation at the end of the Sub-Project, and the potential durable solution/s being pursued.

Description of Beneficiaries: based on the needs and resources assessment, this description should provide concise basic demographic data, including the number of intended beneficiaries relevant to the sub-project and to the participation of refugees in it. Data should include an estimated breakdown by age and by gender. See Section 3.2 and the Sub-Project Review Checklist below.

Implementation Arrangements: they should define responsibilities of all parties to the agreement, including the roles of UNHCR staff and implementing partner's staff. When applicable under "trilateral" agreements, the roles of specific actors in the host government should also be defined. Related imple-

menting schedules and milestones should be outlined.

Impact on Protection Issues and Policy Priorities: this part of the Sub-Project Description looks at how the Sub-Project is going to contribute to the protection of the intended beneficiaries. It also should relate the sub-project to one or more of UNHCR policy priorities: refugee women and gender equality; refugee children and adolescents; older refugees; HIV/AIDS; and environmental issues. This impact statement should be done by highlighting specific activities and outputs of the Sub-Project Agreement and explaining how these take into account UNHCR's mandate and organizational priorities, and how they contribute to their actual implementation. Only those policy priorities that are actually addressed by the Sub-Project Agreement should be mentioned.

Related Inputs/Projects: this section includes a description of resources, including estimated financial value, of any inputs which the implementing partner is providing from its own or other sources for activities in favour of the same beneficiary population. This information is particularly necessary for those international NGOs requesting a contribution to their Headquarters support costs (see Section 3.4.5). If there are any related activities benefiting the same beneficiary population, these should be described. Beyond funds provided by UNHCR through other Sub-Projects, these may include initiatives undertaken by the government, WFP food aid, NGO inputs, WHO medical assistance, financial contributions from embassies or international organizations and agencies, or significant in-kind contributions from the beneficiaries. In addition, if there are other UNHCR Sub-Projects benefiting

the same population in the sectors covered by the Sub-Project, these should be mentioned here so that the implementing partner has an overview of all related activities.

**Description of Objectives and Outputs:** these should correspond to the FMIS Budget Structure as well as hierarchy of objectives described in the relevant Country Operations Plan (COP). Both the Sector and Sector-Activity codes must correspond exactly to those appearing in the Budget in the alphabetical and numerical sequence (e.g. A.21, A.22, B.21, etc.). See example that follows and Appendix B2.

**Note:** in UNHCR's new Operations Management System (OMS), objective(s) are formulated at the sector level for each of the programme goals. They are statements of desired result(s) and impact, which contribute towards the achievement of the programme goal(s). Output(s) are formulated at sector-activity level and are specific results delivered by the activities needed to accomplish the objective. Their delivery must be within the control of an implementing partner, and contribute toward the achievement of an objective, and are elements for which the implementing partner can be held fully accountable.

(For details on setting objectives, outputs and indicators please see *Project Planning in UNHCR – A Practical Guide on the use of Objectives, Outputs, and Indicators*, second edition March 2002).

- b. **Budget**, as developed in consultation with the UNHCR Field Office and according to the guidelines in Section 3.4. Sub-Project budgets serve as a management tool to ensure that required inputs have been properly identified, and as a means of calculating the cost of proposed activities and measuring the rate of implementation (one method, among others).
- c. **Workplan**, which may cover one or several years, according to the nature of the Sub-Project. It provides a schedule for implementation of the sub-project, and establishes milestones which can be used to monitor progress (see Section 3.4). A Workplan enables planners to highlight critical points in the sub-project implementation process which require special management and monitoring. These points will relate directly to crucial activities (e.g. the delivery of food, the completion of road repairs, the distribution of shelter materials) which could determine the success or failure of the overall project.

### 3. SUB-PROJECT REVIEW CHECKLIST

The Sub-Project Review Checklist that follows should help to ensure that all aspects of the Project/Sub-Project planning process have been given due consideration. While all the criteria may not apply to all Projects/Sub-Projects, a good Project Description and Budget should be understood by any reader.

## (SUB-) PROJECT REVIEW CHECKLIST

### Overall Considerations

- Project documentation is based on needs and resource assessment.
- Feasibility studies addressing feasibility, sustainability, impact on women, the environment, etc., within the local context, were undertaken for sectoral activities with significant technical inputs.
- Sub-project is linked to the project which, in turn, is linked to the Country Operations Plan.
- Project has been coordinated with the host government, based on an official request and an agreed method of implementation.
- Close coordination in project preparation between UNHCR, implementing partner(s), beneficiaries, others with assigned responsibilities.
- Project does not duplicate assistance from other sources.
- Project complies with UNHCR's policies on refugee women, gender equality and refugee children/adolescents, older refugees, HIV/AIDS, as well as relevant environmental considerations.

### Project/Sub-Project Overview

- Describes the core problems to be addressed by the sub-project and the rationale for involvement.
- Describes how the sub-project relates to the sector objectives and programme goals defined in the project/Country Operations Plan.
- Describes the expected situation at the end of the sub-project period.
- The expected duration of the partner's involvement, including phase-out plans, local capacity-building activities and durable solutions, wherever applicable, is stated.

### Description of Beneficiaries

- Provides concise demographic data.
- States country of origin of refugees.
- States date of arrival in country of asylum.
- Gives ethnic background.
- Includes breakdown of population by age and gender.
- Includes data on vulnerable groups (e.g. unaccompanied children, disabled, single headed households).
- Includes average family size.
- Includes information on job skills/previous occupation.
- Provides location of beneficiaries in country of asylum, settlement or return (size of site populations, average household size, type of site, e.g. refugee centres, settlements, etc.).
- Includes current living conditions in terms of nutrition, housing, access to employment, land, education, etc.
- Includes situation of refugees with specific needs.
- Includes relevant details on refugee management/leadership structures.
- Includes legal status in the country of asylum.



## (SUB-) PROJECT REVIEW CHECKLIST

### Implementation Arrangements

- Defines the responsibilities of all parties to the agreement, including UNHCR staff and those of the implementing partner's staff.
- Describes means of ensuring technical integrity.
- In the case of "trilateral" agreements, the roles of specific actors in the host government are defined.
- Describes any sub-contracting of tasks and activities – to commercial companies, or to other NGOs in a consortium.
- Describes any procedures and criteria for awarding grants and loans under micro-credit schemes, if applicable.
- Describes the co-ordination mechanisms.
- Outlines related implementation schedules and milestones.
- Defines clearly responsibilities for monitoring and evaluation.

### Impact on Protection Issues and Policy Priorities

- Describes expected protection impact.
- Describes expected impact on refugee women/gender equality, refugee children/adolescents, and older refugees.
- Provides measures planned to combat HIV/AIDS, if applicable.
- Provides information on environmental issues, if applicable.

### Related Inputs/Projects

- Includes any inputs which implementing partner provides from its own, or other sources for activities in favour of the same beneficiary population.
- Describes other non-UNHCR funded inputs and/or related projects benefiting the same population (these may include government inputs, WFP food aid, WHO medical assistance, financial contributions from embassies or international organisations and agencies, including significant in-kind contributions from the beneficiaries).
- Provides estimated financial value of all the inputs.

### Description of Objectives and Outputs

- Provides following information for each FMIS Sector to be implemented:
  - Sector Code and Sector Name: e.g. A. Food, B. Transport/Logistics, etc.).

### (SUB-) PROJECT REVIEW CHECKLIST

- Current Situation:
  - Provides key baseline data.
  - Identifies the gap and core sector-level problems.
- Sector Objectives:
  - States clearly desired result(s) and impact, which contribute towards the achievement of the project goal(s).
- Impact Indicators:
  - Describes a unit to measure the signs of behavioural change in conditions or institutional practice that affect beneficiaries and their welfare.
- Related to each Sector, provides following information for each FMIS Sector-Activity to be implemented:
  - FMIS Sector-Activity Code e.g. C.96 – Individual Family Support, D.21 – Water System Operations, etc.
- Planned achievements/expected outputs:
  - Expected outputs describe clearly the specific results delivered by the activities which are needed to accomplish the objective.
  - States that delivery is within the control of the implementing partner for which it can be help fully responsible.
- Performance Indicators:
  - Describes a unit to measure performance towards the achievement of planned outputs that can be quantified and/or graded in terms of quality.
  - Describes expected improvements in qualitative or quantitative terms, within a specific timeframe.

#### Workplan

- Establishes timeframe for implementation of key activities.
- Identifies critical points in project implementation process.

#### Budget

- Sub-items represent specific objects of expenditure.
- Lump sums are avoided.
- Calculation lines facilitate project monitoring and control.
- Current unit costs are used, with no projections for inflation.
- Current population figures are used in calculating the budget.
- No provision for a contingency reserve.

## Chapter 4 PROJECT MANAGEMENT AND IMPLEMENTATION

### Chapter Overview

**T**his chapter describes the various documents used to delegate implementing authority to UNHCR's implementing partners to undertake sub-projects. The contents of Sub-Project Agreements are explained, with reference to the applicable appendices to this Handbook. Separate sections are devoted to procurement and asset management.

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## Section 4.1 UNHCR IMPLEMENTING AUTHORITIES AND INSTRUMENTS

- 
1. Introduction
  2. Delegation of Implementing Authority
  3. Types of Implementing Agreements
  4. Implementing Agreements: Terms and Conditions
- 

### 1. INTRODUCTION

1.1 The basic unit for organizing UNHCR assistance within an individual country programme is a Project, which is defined by the type of assistance, the source of funding, the Project's location, and the specific refugee group for whom the assistance is being provided. That part of a project being implemented by a single implementing partner (or UNHCR organizational unit) in a single currency is called a Sub-Project (see Section 2.1).

1.2 Implementing partners are usually specialized government departments or agencies, other members of the UN system, non-governmental or intergovernmental organizations, and, exceptionally, private firms. Direct implementation by UNHCR occurs only under certain circumstances (see Section 1.5).

1.3 Project implementation authority is delegated in the first instance to a UNHCR Representative in a Field Office (or to a UNHCR's Headquarters Unit). Based on the delegation of authority, implementing agreements for Sub-Projects are then issued and signed with UNHCR's implementing partners.

1.4 The legal basis for the delegation of the implementation of projects in UNHCR is embodied in **implementing instruments**, which define the conditions governing Project implementation, and provide authority for the obligation of funds. This section explains the different types of implementing instruments, and their particular use in UNHCR.

### 2. DELEGATION OF IMPLEMENTING AUTHORITY

#### Letter of Instruction (LOI)

2.1 For most UNHCR Projects today, the implementing instrument used is a Letter of Instruction (LOI). An LOI is the means by which UNHCR Headquarters delegates Project implementation authority to a UNHCR Field Office (or Headquarters organizational units). The LOI authorizes the UNHCR Representative to implement Projects directly, and/or to enter into implementing agreements with implementing partners. The LOI defines the purpose, objectives, duration and modalities of implementation of a Project, and the maximum amount of funds to be made available. LOI obligation levels are always expressed in US dollars.

2.2 LOIs are initially established following the annual meeting of EXCOM in October, at which the Annual Programme Budget is approved. Obligation levels for implementing instruments are finalized following the UNHCR Pledging Conference (November/December), the success of which determines the initial obligation plan for the coming year. These LOIs should reach Field Offices before January 1.

2.3 Project implementation can only begin after the implementing instrument has been signed and issued. For implementing partners, this fact is most significant. Delays in the issue of LOIs may result, in turn, in delays in the establishment of an implementing agreement, thus causing a delay in the planned imple-

mentation, and delays in the payment of instalments. UNHCR administrative procedures have been streamlined in recent years to avoid such delays, but problems do sometimes occur, usually due to incomplete Project proposals or submissions (see below, and Section 3.5).

2.4 To avoid these problems, UNHCR Field Office staff and implementing partners must confer at the beginning of the Project planning exercise, to reach agreement on the planning parameters, format, level of detail required, and timing of Project/Sub-Project submissions (see Section 3.4).

### Emergency Letter of Instruction (ELOI)

2.5 In particular situations, instead of the usual LOI, an ELOI may be issued. The purpose of an ELOI (usually sent via telecommunications means) is to give a UNHCR Representative in a country where an emergency situation is rapidly evolving the immediate authority to incur expenditures. An ELOI is an internal delegation of authority from Headquarters to a UNHCR field operation. It also enables the UNHCR Representative in the country where the emergency is evolving to enter into agreements for Project/Sub-Project implementation with implementing partners. The ELOI is not intended to cover the whole emergency operation, but to permit a rapid response to immediate needs, pending the formulation of an assistance Project based on a more detailed needs and resources assessment. A standard format is included in the UNHCR *Handbook for Emergencies* (Second edition, August 1999, pages 69-70).

### Contents of an LOI/ELOI

2.6 Letters of Instruction include the following information:

- a. summary data: Project title, relevant financial information and reporting requirements;

- b. reference to the key provisions of the Sub-Project Agreement, including its Appendix 1 which sets out the Financial and Operational Arrangements governing the Agreement; and
- c. the key Annexes, which are Annex A – Project Description (LOI, not ELOI), Annex B – Budget (LOI/ELOI), and, where appropriate, Annex C – Workplan (LOI, not ELOI).

## 3. TYPES OF IMPLEMENTING AGREEMENTS

3.1 To improve the effectiveness and efficiency of the Programme Management System, the decision was made to delegate implementing authority for **Projects** (using a Letter of Instruction) to UNHCR Representatives in the areas where the assistance activities are carried out – the field. Invariably, a Project is made up of a number of **Sub-Projects**. Implementing agreements signed in the Field with a range of partners (government departments, non-governmental organizations) to implement these sub-projects are called **Sub-Project Agreements**. These are the most common forms of agreement.

3.2 It should be noted that occasionally, a **Headquarters Agreement** may be entered into (but this is rare), when there is only one implementing partner for a project, and the agreement is established between the respective UNHCR Headquarters Bureau and the implementing partner.

3.3 An **Exchange of Letters** is a simplified type of Agreement, which is usually chosen when the implementing partner is another UN Agency.

### Sub-Project Agreements

3.4 A Sub-project Agreement is established under the authority of a Letter of Instruction (LOI/ELOI) and represents the delegation of

authority for implementation of a Sub-Project from a UNHCR Field Office to an implementing partner. It is signed by the addressee of the Letter of Instruction (usually the UNHCR Representative or his/her designate) and the authorized signatory of the implementing partner. When project implementation will be undertaken by several implementing partners, separate Sub-Project Agreements are required for each partner.

3.5 The conclusion of a Sub-Project Agreement allows the transfer of instalments to implementing partners, subject to the availability of funds, without further authorization from UNHCR Headquarters. Amounts obligated and remittances made are in the currency of the budget attached to the Sub-Project Agreement.

3.6 A Sub-Project Agreement is, in essence, a 'contract' between UNHCR and the implementing partner. Every Sub-Project Agreement, however, contains an Article (5.04) which carries the proviso: "subject to the availability of funds". When UNHCR enters into a Sub-Project Agreement, it expects that sufficient funds will be raised to meet the total Sub-Project requirements. But because UNHCR is almost completely dependent on voluntary contributions, there is no guarantee that it will always be able to fund the entirety of the requirements; the shortfall may, in some cases, have to be covered by the implementing partner. Hence, UNHCR is unable to commit unconditionally to providing the total funding shown in the Sub-Project Agreement.

#### Letter of Mutual Intent to Conclude an Agreement

3.7 In situations of exceptional urgency, an interim Letter of Mutual Intent to Conclude an Agreement may be signed with an implementing partner in order to begin a Sub-project immediately. This letter is *not* an implementing instrument, but a temporary arrangement, pending the preparation of a detailed budget and of a formal Sub-Project Agreement. A format is proposed in the UNHCR *Handbook for Emergencies*, Second edition, August 1999, page 74.

## 4. IMPLEMENTING AGREEMENTS: TERMS AND CONDITIONS

4.1 Sub-Project agreements exist in three forms:

- for Sub-Projects to be undertaken as part of a Tripartite Agreement i.e. an Agreement between UNHCR and the government hosting the refugees, and the implementing partner;
- for Sub-Projects to be undertaken by governments or government departments and ministries i.e. an Agreement between UNHCR and the government ministry responsible for refugee affairs;
- for Sub-Projects to be undertaken by non-governmental organizations (NGO) i.e. an Agreement between UNHCR and the NGO.

What follows, primarily relates to Sub-Project Agreements with non-governmental organizations.

4.2 Appendix C1 to this Handbook has the new format for the Tripartite Agreement; this new format is effective for Sub-Project Agreements as from the 2003 programme year.

4.3 The new format has been introduced mainly for a range of legal reasons; the articles in the Agreement and the related provisions in Appendix 1 (Financial and Operational Arrangements) to the Agreement, represent a re-arrangement of the provisions in the former sub-agreements and the governing clauses. New provisions or clarifications have been included in relation to: use of UNHCR logo; responsibility for claims; conduct of agency personnel; copy-right, patents and other proprietary rights.

4.4 Attention is drawn to Appendix A to this Handbook; here there is set out a range of documents of particular relevance to the standards of behaviour expected of those working for refugees, be they UNHCR staff or those working

with UNHCR to improve the situation of refugees or others of concern to the Office.

### Implementation in more than one currency

4.5 Each Sub-Project can be valued in only one currency. If a partner is implementing in two currencies (e.g. local currency for local expenditures and a convertible currency e.g. for international procurement, expatriate salaries etc.), two Sub-Projects are required, each with its corresponding budget (in one currency). In such cases, two Sub-Project budgets should be established: one in the local currency and the other in the international operating currency of the partner. Establishing budgets in more than two different currencies, however, should be avoided. Both Sub-Project budgets should be attached to the one Sub-Project Agreement that is the legal document signed with the implementing partner. Three examples of such pairs of Sub-Project codes are shown below:

03/AB/RUR/CM/200(a):  
Sub-Project budget for local expenditures  
03/AB/RUR/CM/200(a\$):  
Sub-Project budget for US Dollar expenditures

03/AB/RUR/CM/200(b):  
Sub-Project budget for local expenditures  
03/AB/RUR/CM/200(be):  
Sub-Project budget for expenditures in Euros

03/AB/RUR/CM/200(c):  
Sub-Project budget for local expenditures  
03/AB/RUR/CM/200(c1):  
Sub-Project budget for expenditures in a different convertible currency (i.e. other than in US Dollars or Euros)

4.6 When two or more Sub-Project budgets for implementation in separate currencies are attached to one Sub-Project Agreement, only one Sub-Project description should be prepared. This single Sub-Project description should, however, fully describe outputs under all Sector-Activities in “Description of Objectives and Outputs”,

regardless of the Sub-Project budget in which they appear. The symbol used to identify the **Sub-Project Agreement** in the above example would be 03/AB/RUR/CM/200(a).

### Instalment Plan

4.7 An instalment plan is outlined in the Sub-Project Agreement for each Sub-Project budget, as agreed between UNHCR and the implementing partner. The plan should reflect the planned rate of implementation. The minimum number of instalments should be four while, for large Sub-Projects, they may be monthly.

4.8 Instalments are normally paid to implementing partners by the UNHCR Field Office (see Section 5.3). However, in certain situations (e.g. when a Sub-Project Agreement signed by the Field Office requires a transfer of US dollars or another other convertible currency to an implementing partner for purchases and/or payments to be made outside the country of implementation), an instalment may be paid by UNHCR Headquarters to an implementing partner on behalf of the Field Office, provided that a written request has been sent to Headquarters from the Field Office, specifying the currency of transfer and the appropriate Sub-Project code for that currency.



## Section 4.2 PROCUREMENT

- 
1. Principles and Responsibilities
  2. IP Procurement Guidelines
  3. Procurement by Implementing Partners
  4. Pre-qualification for Procurement
  5. Training and Monitoring
- 

### 1. PRINCIPLES AND RESPONSIBILITIES

1.1 The implementation of assistance projects may entail the procurement of goods and/or services. Procurement is the process of obtaining goods and services from external sources against payment. Guidelines for implementing partners and procedures governing procurement are described below.

1.2 In line with audit recommendations, UNHCR's policy is to limit purchasing by implementing partners (IPs) to only those occasions when the implementing partner has a clearly proven advantage, such as awareness of local conditions or specific technical expertise. The Agreement (Art. 6.11) and Annex A to the Sub-Project Agreement (namely the Sub-Project Description) will indicate who is responsible for any procurement.

1.3 Where procurement is undertaken on the basis of a delegated authority from UNHCR, it must be in conformity with UNHCR's Procurement Guidelines. In certain instances, an implementing partner may be "pre-qualified" to undertake procurement according to its own agency rules, if its procurement policies and procedures have been assessed as comparable to UNHCR's own principles for procurement, as set out in UNHCR's Procurement Guidelines.

1.4 The Sub-Project Agreement will indicate whether UNHCR is satisfied with the implementing partner's procurement practices and procedures; in other words, that the imple-

menting partner has been "pre-qualified". Otherwise, all other delegated procurement is subject to UNHCR's Implementing Partners Procurement Guidelines attached to Appendix 1 (Financial and Operational Arrangements) to the Sub-Project Agreement; in which case, the implementing partner, by signing the Sub-Project Agreement undertakes to respect the Implementing Partner Procurement Guidelines.

1.5 Implementing Partners that purchase on behalf of UNHCR must also handle the delivery. All purchases done by an implementing partner with UNHCR funds shall be consigned to UNHCR.

1.6 Regardless of who undertakes procurement, the provision of goods and/or services and the significance of this activity towards the success of the Sub-Project must be reported in Sub-Project Monitoring Reports (SPMRs) submitted periodically by the implementing partner (see Section 5.2).

### 2. IP PROCUREMENT GUIDELINES

2.1 The overall objective of procurement with funds donated to UNHCR is to provide the appropriate quality and quantity of goods and services to support UNHCR operations at the time and place that they are needed, and in the most cost-effective manner, while taking into account the following considerations:

- the mandate of UNHCR and the UN;

- the fairness, integrity and transparency of the process;
- non-discrimination and equal treatment of vendors; and
- the award of contracts on the basis of competitive bidding.

2.2 To support implementing partners (IPs) who undertake procurement on behalf of UNHCR, the organisation has developed the so-called **IP Procurement Guidelines**. They consist of three major parts:

- Policy
- Procedures
- Sample forms and documents

These Guidelines may be accessed on UNHCR's website (*Partners/Partnership Guides*).

2.3 The Guidelines are intended to be a source of information and guidance for *all* UNHCR implementing partners; they are binding, in particular, on those partners who will be undertaking procurement as part of a Sub-Project and who have not had their own procurement practices assessed by UNHCR; in other words, those who have not been pre-qualified. These implementing partners, by signing a Sub-Project Agreement, oblige themselves to respect the IP Procurement Guidelines.

### 3. PROCUREMENT BY IMPLEMENTING PARTNERS

3.1 In 2001, UNHCR Sub-Project Agreements were revised to set new conditions for the delegation of procurement to implementing partners. For Sub-Project Agreements involving the delegated procurement of goods and services, there are three distinct procedures, depending on the level of the proposed procurement:

**under US \$ 20,000**

For Sub-Project Agreements involving procurement of goods and services budgeted at less than

US\$ 20,000, no special provisions apply other than conformity with UNHCR's Procurement Guidelines.

**equal to and over US \$ 20,000 but less than US \$ 100,000**

The implementing partner to which delegated procurement authority is to be given must appear on the UNHCR list of pre-qualified agencies (see Pre-qualification of Implementing Partners for Procurement), or the Sub-Project Agreement must indicate that all procurement to be undertaken under the Sub-Project is to be governed by the IP Procurement Guidelines.

**equal to and over US \$ 100,000**

The procurement must be approved by the applicable UNHCR Committee on Contracts *prior to* signature of the related Sub-Project Agreement, and the Implementing Partner must appear on the UNHCR list of agencies pre-qualified for procurement, or the Sub-Project Agreement must indicate that all procurement to be undertaken under the Sub-Project is to be governed by the IP Procurement Guidelines. The Committee on Contracts approves the delegation on the basis of operational efficiency and cost-effectiveness, taking into account the following:

- whether UNHCR Supply Staff were consulted in planning the delegation of the procurement, in particular if UNHCR has a Frame Agreement for the item/service;
- whether the implementing partner has the capabilities to carry out the procurement;
- whether the implementing partner can procure the goods or services free of customs duties, levies and direct taxes or can claim their reimbursement; and if the implementing partner cannot obtain the tax and duty exemption, that the resulting additional cost has been given due consideration.

#### 4. PRE-QUALIFICATION OF IMPLEMENTING PARTNERS FOR PROCUREMENT

4.1 UNHCR has a process of “pre-qualification” to assess whether the implementing partner is qualified to undertake procurement on UNHCR’s behalf, according to its own procurement rules. This applies mainly to major implementing partners, as well as those with whom individual UNHCR Offices in the Field work on a regular basis and whose activities include, or may include, important procurement elements.

4.2 To be “pre-qualified”, the procurement policy and procedures of an implementing partner are evaluated by an independent expert against evaluation criteria and a scoring model defined in advance and systematically applied to all UNHCR partners who participate in the pre-qualification exercise. Some of the major evaluation criteria are those listed in paragraph 2.1 above.

#### 5. TRAINING AND MONITORING

The training in UNHCR procurement policy and procedures, where necessary, and follow up through regular monitoring, are both part of UNHCR’s efforts to raise the level of quality and accountability in procurement. The procurement training course aims to help implementing partners become aware of the appropriate methods for doing business funded by UNHCR. Necessary for this is an understanding of how UNHCR manages its procurement.

The training covers the following areas:

- Public Procurement Environment
- Preparation Stage
- Advertising Stage
- Response Stage
- Award Stage
- Contract Management Stage.

## Section 4.3 ASSET MANAGEMENT

- 
1. The Objective of Asset Management
  2. Asset Management Boards
  3. What is an Asset?
  4. Loan of Assets under Right of Use Agreements
  5. Ownership/Disposal
  6. Implementation Procedures
  7. Procurement of Assets by Implementing Partners
  8. Insurance of Assets
- 

### 1. THE OBJECTIVE OF ASSET MANAGEMENT

1.1 The term “Asset Management” describes the process by which UNHCR accounts for its assets, from the time of acquisition until disposal. The objective of the Asset Management function in UNHCR is to achieve the most efficient use of its assets procured from voluntary contributions.

1.2 The details of each asset, including those on loan to implementing partners, is recorded in an AssetTrak database maintained by UNHCR.

### 2. ASSET MANAGEMENT BOARDS

UNHCR Asset Management Boards have been established at Headquarters and in the Field; they are responsible for monitoring the operation of the UNHCR Asset Management system. The Boards are also responsible for making decisions on the redeployment, disposal, and repair of assets.

### 3. WHAT IS AN ASSET?

3.1 Assets (non-expendable property) are grouped into three categories: **Liquid, Capital, and Advances and Receivables.**

- **Liquid Assets** cover all cash and receivables due to UNHCR.

- **Capital Assets** are items of equipment with an original acquisition value of US\$ 1500 or more per unit (excluding freight and insurance charges), and which also have an expected serviceable life of five years and more, owned by UNHCR regardless of funding source (including in-kind donations), or user. The term ‘capital asset’ also describes physical structures such as temporary buildings, warehouses, clinics and hospitals and “**Special Items**” (see below), irrespective of acquisition value, or life-span.

- **Advances and Receivables** are all amounts due to UNHCR by third parties.

3.2 The categories of **Special Items** (exceptionally considered as non-expendable) are as follows:

- a. **Vehicles:** all forms of transport, including heavy-duty equipment, motorcycles and electrically driven vehicles (excluding bicycles);

- b. **Computer Equipment:** desktops, servers, LANs, printers, voltage regulators, inventory control equipment (e.g. Barcode Readers);
- c. **Plant:** road building and agricultural equipment;
- d. **Boats:** all types of boats, outboard motors, safety equipment (e.g. safety vest);
- e. **Telecommunications Equipment:** transceivers, PBX and accessories, repeater stations, portable communication equipment (i.e. walkie-talkies, portable satcom systems, cellular telephones), power supplies for transceivers, solar panels, battery chargers, tuners for antenna and amplifier);
- f. **Security Equipment:** flak jackets, helmets, ballistic kits and mine clearance equipment;
- g. **Generators.**

#### 4. LOAN OF ASSETS UNDER RIGHT OF USE AGREEMENTS

4.1 Assets are loaned to implementing partners to support a programme/project; the right of use of such assets are governed by the Articles of the **Agreement for the Receipt and the Right of Use of UNHCR Assets** (Appendix E1). The specific assets and physical structures related to a given Sub-Project are set out in the document attached to the **Agreement for the Receipt and the Right of Use of UNHCR Assets**. The Head of Office of the implementing, etc. The Head of Office of the implementing partner shall normally be the focal point for all assets provided under the **Agreement for the Receipt and the Right of Use of UNHCR Assets**. This person is responsible for managing the inventory of assets on behalf of the implementing partner and normally is the one who signs the related Agreement for all assets provided.

4.2 Assets loaned under Agreement are recorded in the UNHCR AssetTrak database.

#### 5. OWNERSHIP/DISPOSAL

5.1 Ownership of assets remains with UNHCR whether on loan to staff or implementing partners, and regardless of the source of funding. The Asset Management Board is responsible for deciding the eventual disposal of assets based on the following factors:

5.1.1 The value of the assets and their potential continued usefulness to the organisation. A key factor is whether the assets are moveable and therefore can be redeployed for use in other UNHCR operations.

5.1.2 The following are the methods of disposal:

- a. redeployment to other UNHCR offices or operations;
- b. sale;
- c. transfer of ownership to provide continued support to partners after the withdrawal of UNHCR from a Project;
- d. write-off from the accounts when no longer required or usable e.g. when the asset has been badly damaged or lost through theft, looting, etc.

5.2 At the end of a Sub-Project, the future use of assets must be decided by UNHCR.

5.3 If the Board decides to transfer the ownership of an asset to an implementing partner, or former implementing partner, the transfer is effected on the basis of an **Agreement on the Transfer of Ownership of UNHCR Assets** (Appendix E2). The relevant UNHCR Office shall produce this Agreement for signature by the UNHCR Head of Office and the authorized representative of the implementing partner.

## 6. IMPLEMENTATION PROCEDURES

6.1 As noted above, assets are loaned to implementing partners under the *Agreement for the Receipt and Right of Use of UNHCR Assets*.

6.2 Assets are signed for at the time of receipt.

6.3 A list of asset holdings is to be entered on the relevant form enclosed with the SPMR.

6.4 UNHCR is required to carry out a physical inspection of all assets at least annually. The UNHCR Office will provide a list of assets held in the name of the implementing partner on the AssetTrak database. The implementing partner will be requested to verify the list, adding any additional assets held, which are not shown on the list.

6.5 The UNHCR Office staff may also visit the implementing partner to verify the asset holdings.

## 7. PROCUREMENT OF ASSETS BY IMPLEMENTING PARTNERS

Assets procured by implementing partners under Sub-Project Agreements with UNHCR funds should be declared to the UNHCR Office on receipt. The UNHCR Office will then arrange for the asset to be inspected and recorded into the AssetTrak database. An *Agreement for the Receipt and Right of Use of UNHCR Assets* shall also be raised and the implementing partner requested to sign for the asset provided.

## 8. INSURANCE OF ASSETS

Under the Sub-Project Agreement (Art. 6.10.2), Implementing Partners agree to reimburse the depreciated (or residual) value of an asset should it be lost or damaged. Partners should take this provision into consideration when determining the appropriate insurance arrangements.

## Chapter 5 MONITORING, REPORTING AND EVALUATION

### Chapter Overview

**T**his chapter describes the activities required to implement and conclude a Sub-Project successfully. Both UNHCR and its implementing partners are responsible for monitoring the implementation phase to ensure timely, effective and appropriate support to the beneficiaries. As lead agency in refugee situations, UNHCR coordinates all refugee protection and assistance activities. Implementing partners must submit quarterly and final Sub-Project Monitoring Reports to UNHCR, to report actual achievements against planned objectives. Accounting records that implementing partners are required to maintain, and the process of instalment payments are explained, as well as the use of Supplementary Agreements in the event that a revision to the terms of the Sub-Project Agreement is necessary. The requirements to close the Sub-Project records on completion, and the provisions for audit, evaluation, inspections and investigations are also included in this chapter.

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## Section 5.1 PROJECT MONITORING AND COORDINATION

- 
1. Why does UNHCR Monitor Implementation?
  2. UNHCR Monitoring Activities
  3. Lead Agency Coordination
- 

### 1. WHY DOES UNHCR MONITOR IMPLEMENTATION?

1.1 During the implementation phase, monitoring measures progress towards the achievement of the planned objective(s). Monitoring Project activities enhances the effectiveness of performance. Monitoring provides management with one means to control Project activities and maximize outcomes for refugees. Monitoring also provides feedback which allows management to undertake timely corrective measures and improve operational plans.

1.2 Monitoring should not be confused with evaluation which assesses the continuing relevance, effectiveness, efficiency and impact of a project against its objectives (see Section 5.7), or audit which investigates compliance with pre-defined standards and procedures (see Section 5.6).

#### Monitoring

The ongoing review and control of the implementation of a Project (and all its Sub-Projects) to ensure that inputs, work schedules and agreed activities are proceeding according to plans and budgetary requirements.

1.3 Implementation is the phase of the Project in which the support to the beneficiaries is actually provided, in accordance with the stated objectives, the workplan and the budget. UNHCR has a responsibility to ensure that:

- a. The support provided is directed, wherever feasible, towards durable solutions.
- b. The overall principles guiding the project are scrupulously observed, concerning the type of assistance and the refugees (see Chapter 1).
- c. Progress is monitored regularly, and timely corrective action is taken when necessary.

1.4 Monitoring is a tool for reporting, analyzing data, facilitating decision-making and, if necessary, re-orienting Project and Sub-Project objectives. Project monitoring by UNHCR is required for all Projects, and includes both financial monitoring and performance monitoring, to ensure that:

- a. The project for the refugees, provided by the expenditure of UNHCR funds, has a positive impact on the well-being of the refugees.
- b. Implementation is in accordance with the Project Description and the Workplan.
- c. Financial expenditures are in accordance with the approved Budget.

## UNHCR MONITORING TECHNIQUES

<p style="text-align: center;"><b>Gather Quantitative Data</b></p> <p style="text-align: center;"><b>Provide Qualitative Analysis</b></p> <p style="text-align: center;"><b>Propose Corrective Action, When Necessary</b></p>	<p>!</p> <p>·</p> <p>·</p> <p>!</p> <p>·</p> <p>·</p> <p>!</p> <p>·</p> <p>·</p> <p>!</p>	<p>Regular meetings and visits</p> <p>Watch activities</p> <p>Talk to the refugees (both men and women)</p> <p>Surveys</p> <p>Gather information and opinions from many sources</p> <p>Measure performance indicators</p> <p>Analyze reports</p>
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## 2. UNHCR MONITORING ACTIVITIES

2.1 Monitoring progress during project implementation can only be accomplished satisfactorily if:

- a. Objectives are properly developed, and stated in a clearly defined and quantifiable way (see Section 3.3).
- b. Appropriate indicators are formulated to measure progress at the Sector and Sector-Activity level.

**Note:** *both the Sub-Project objectives and indicators may be modified, depending on the progress of the Sub-Project and the results of the monitoring process.*

2.2 Monitoring activities are conducted at various levels by:

- a. Partners, themselves, who are implementing Sub-Projects within a Project.

b. UNHCR Field Office personnel.

c. UNHCR Headquarters personnel (from the Bureau/Desk, the technical sections (DOS), the Programme Coordination and Operations Support Section (PCOS), the Finance Section.

d. Joint UNHCR and implementing partner assessments.

2.3 Monitoring requires direct observation and inspection of the implementing partner's operations, during spot visits to administrative offices and Sub-Project sites.

2.4 Monitoring mechanisms, which specify the country, Project and Sub-Project objective(s), include the Country Operations Plan, the Project submission and the Sub-Project Agreement with attached Sub-Project Description, Workplan and Budget. Properly prepared Workplans highlight critical activities which will lead to the success (or the failure, if not properly implemented) of the Sub-Project implementation phase. In

addition, the following may be reviewed and analyzed to compare planned and actual achievements:

- a. Periodic Sub-Project Monitoring Reports (SPMRs, see Section 5.2).
- b. Financial and other supplementary records (see Section 5.3) and documentation relevant to the Project.
- c. Implementing partners' financial and accounting procedures.

2.5 Sub-Project monitoring, control and reporting provisions are set out in the articles of the Sub-Project Agreement. The Agreement specifies record keeping and reporting requirements and the time limits for report submission to UNHCR. It also gives UNHCR personnel, or any other persons authorized by UNHCR, the right to visit implementing partners and Sub-Project sites, and to inspect any of the Sub-Project records (see Appendix C1).

2.6 For each Sub-Project, UNHCR Field Offices maintain a separate file in which all correspondence with the implementing partner is kept, together with a copy of the Sub-Project Agreement, any Supplementary Agreements (see Section 5.4), SPMRs, other reporting forms (e.g. for Health or Education), and the Final SPMR.

### 3. LEAD AGENCY COORDINATION

3.1 As the UN-designated lead agency in dealing with refugee situations, UNHCR facilitates the successful delivery of assistance and protection through coordination of the total refugee programme in a country or region (see Section 1.5). At the earliest opportunity, UNHCR brings together all the partners involved in assisting a particular group of refugees: representatives of the government(s) concerned, implementing partners and other self-funded operational partners. It should also be noted that, in complex humanitarian operations, the UN Office for the

Coordination of Humanitarian Affairs (OCHA) plays an important coordinating and catalytic role.

3.2 Coordination of assistance activities enhances communication among the concerned partners, to help provide timely, appropriate, cost-effective assistance to the beneficiaries, through the application of consistent standards, without duplication of effort, using effective management practices at all stages of the programme. UNHCR relies on the cooperation of its operational and implementing partners to plan, monitor, control, report on and assess refugee programmes and projects, and to ensure effective management of the financial, material and human resources used to seek and achieve durable solutions for refugees.

#### Keys to Effective Coordination and Cooperation

- Clear definition of roles and responsibilities.
- Regular meetings at both the site and central levels:
  - inter-agency,
  - partner-agency,
  - sectoral.
- Ongoing routine contact.
- Compatible communications equipment.
- Joint, participatory planning.
- Joint assessment and monitoring missions.

## Section 5.2 SUB-PROJECT MONITORING REPORTS (SPMRs)

- 
1. Reporting Requirements
  2. Financial Monitoring Report (SPMR – Part 1)
  3. Performance Monitoring Report (SPMR – Part 2)
  4. Final SPMR – Parts 1 and 2
- 

### 1. REPORTING REQUIREMENTS

1.1 Implementing partners must submit periodic Sub-Project Monitoring Reports (SPMRs) to the UNHCR Field Office in a timely manner, to report actual achievements against planned achievements, as described in the Sub-Project Description and the Budget attached to the relevant Sub-Project Agreement. SPMRs are required for **all** Agreements signed with implementing partners. Reporting requirements are specified in the Basic Sub-Project Data in the Agreement.

1.2 The periodic SPMR is divided into two parts:

- a. Financial Monitoring Report (Part 1), required whenever an instalment is requested (see Section 5.3), or at least quarterly and two weeks after the final liquidation date.
- b. Narrative Performance Monitoring Report (Part 2), required semi-annually and on completion of the Sub-Project.

1.3 Where two Sub-Project Budgets (for a partner implementing in two currencies) have been attached to one Sub-Project Description in one Agreement, two separate Financial SPMRs-Part 1 are required for reporting against the two Sub-Project Budgets. However, only one Performance SPMR-Part 2 is required. This arrangement ensures that the reports submitted correspond to the Description of Assistance in the Sub-Project Description.

1.4 Exceptionally (see Section 4.1), Agreements with implementing partners may be signed at UNHCR Headquarters; these are subject to the same reporting requirements as Agreements signed by the Field Office. SPMRs are submitted to the appropriate Field Office for project consolidation and internal reporting purposes.

### 2. FINANCIAL MONITORING REPORT (SPMR – PART 1)

2.1 When the Sub-Project Agreement is signed, an initial SPMR-Part 1 is provided to the implementing partner, either as an attachment to the Agreement or with the cheque for the first instalment. The initial SPMR-Part 1 is a print-out of the approved Budget for each budget line, at the detail level selected (in most cases, this will be at the Sub-Item level).

2.2 The implementing partner must complete the disbursement and commitment information on the SPMR-Part 1, summarize and certify the data, and forward it to the UNHCR Field Office, as follows:

- a. Whenever an instalment is requested, i.e. when the balance of cash on hand from all previous instalments is reduced to 30 per cent or less of the last instalment received by the implementing partner.
- b. Quarterly (March, June, September, December), on the dates specified in the table on the next page.

2.3 The Field Office verifies the information, updates on-line the Sub-Project Data and prints out a new SPMR-Part 1 which is sent to the implementing partner, to be completed for the next Report.

2.4 If a Sub-Project terminates on 31 December and is liquidated by 31 January, the December SPMR-Part 1 can be replaced by the Final SPMR-Part 1 (see below).

### 3. PERFORMANCE MONITORING REPORT (SPMR – PART 2)

3.1 This Report explains the meaning of the financial information provided in Part 1, and must be at the Sector-Activity level. In the Report, the implementing partner measures its performance against the previously agreed plan described in the Sub-Project Description.

3.2 In typed or word processed format, the SPMR-Part 2 should identify the Sub-Project symbol, Sub-Project start and end dates, the implementing partner and the reporting period. Using each Sector-Activity in the Description of Assistance in the Sub-Project Description attached to the Sub-Project Agreement as headings, the Report must include a narrative

description of performance (progress, achievements, impact, problems, solutions, as appropriate), for each.

3.3 The SPMR-Part 2 is submitted to the UNHCR Field Office semi-annually (June and December), on the dates specified in the table below. If a Sub-Project terminates on 31 December and is liquidated by 31 January, the December SPMR-Part 2 can be replaced by the Final SPMR-Part 2 (see below).

### 4. FINAL SPMR – PARTS 1 AND 2

4.1 The complete Final SPMR-Parts 1 and 2 must be submitted to the UNHCR Field Office within two weeks after the final date for liquidation of obligations.

4.2 The Final SPMR-Part 1 reports all disbursements in the period from the start of the Sub-Project to the final date for liquidation of obligations.

4.3 The Final SPMR-Part 2, covering the period from the start of the Sub-Project to the termination date, must be presented as a typewritten or word processed narrative report, using the following headings:

#### SPMR SUBMISSION SCHEDULE

Type of Report	Period Ending	Date Due
SPMR-Part 1	March 31	April 10
SPMR-Parts 1 & 2	June 30	July 15
SPMR-Part 1	September 30	October 10
SPMR-Parts 1 & 2	December 31	February 15
Final SPMR-Parts 1 & 2	Two weeks after the final liquidation date of obligations	

- a. **Sub-Project Objective/Overview:** state the Sub-Project objective(s) and provide a concise review of progress achieved in meeting the planned objectives.
- b. **Description of Beneficiaries:** show the actual number of beneficiaries assisted against the planned number.
- c. **Implementation Procedures:** provide a brief explanation to indicate if procedures were implemented according to plan, and any modifications made during the course of the Sub-Project.
- d. **Related Inputs/Sub-Projects:** describe any other inputs for the same beneficiaries which were not funded by UNHCR.
- e. **Description of Assistance** (protection/material assistance): for each Sector-Activity included in the Sub-Project Description, provide an explanation of actual achievements against planned, using the performance indicators in the Sub-Project Description. Where the Sector-Activity was not (or only partially) met, identify reasons for delays or failures. Note any corrective action taken. Specify details and impact of any activities for refugee women/gender equality, refugee children and adolescents and other UNHCR programme priorities. Provide any relevant information about lessons learned during implementation.

### Monitoring

It is recommended that UNHCR Offices establish jointly, through agreed and signed minutes with each implementing partner, an annual monitoring and reporting schedule/plan.

This should indicate in a transparent manner the time and location of monitoring visits, which will include expenditure verification at the accounting office.

This is of particular importance in complex operations where partners have a widespread presence in a number of locations and disburse funds in more than one cost centre.

4.4 On the following pages is a Worksheet which can be used as a guide in preparing the SPMR-Part 2. The Worksheet poses questions based on the final SPMR. but it can be easily adapted for the mid-year PMR due in July.

## SUB-PROJECT REPORTING AND EVALUATION WORKSHEET

### Sub-Project Objective/Overview

What progress has been achieved in meeting the overall objective of the Sub-Project?

Was the overall objective appropriate and relevant?

What progress was achieved in terms of durable solutions for the Sub-Project beneficiaries?

### Description of Beneficiaries

Is the actual number of beneficiaries the same as the planned number?

Has the demographic profile of the beneficiaries remained consistent throughout the Sub-Project duration?

What important lessons have been learned about the composition, profile, culture, daily activities, resources, etc. of the beneficiaries during Sub-Project implementation that should be taken into account in future assistance activities in order to better target assistance and ensure good value for money?

### Implementation Procedures

Have the implementation procedures been according to plan? If not, what changes have taken place and why?

Has Sub-Project coordination been satisfactory? If not, what were the problems? Why did they occur? How can they be avoided in the future?

What lessons have been learned about how best to implement this type of Sub-Project during implementation that can be applied elsewhere?

### Related Inputs/ Sub-Projects

Were any additional Inputs/Sub-Projects not foreseen provided to the Sub-Project beneficiaries? If so, what impact did they have on the Sub-Project?

### Description of Assistance (For each Sector-Activity)

What has actually been achieved during the Sub-Project implementation period and how does it compare with planned achievements?

If actual achievements were different from planned achievements, what caused the delay or failure?

Were the performance indicators and means of verification appropriate and relevant to the sector-activity's planned achievements? Was information systematically gathered to measure the ongoing progress in Sub-Project implementation? If not, what lessons have been learned that can be applied to future Sub-Projects of this type?

Were the activities an appropriate and efficient means for meeting the planned achievements and the sector (if relevant) and Sub-Project objectives? If not, how were they adapted during the course of Sub-Project implementation? What lessons have been learned regarding activities/means of achieving objectives that can be applied to future Sub-Projects?

Was the implementation timely and in accordance with established Workplans? If not, what caused the delay and can such delays be avoided in the future?

What extraordinary steps, if any, were taken during Sub-Project implementation to ensure achievement of objectives?

How was the Sub-Project monitored and controlled and, on the basis of these, was corrective action taken?

What was the impact of this sector-activity on women gender equality? On children? On other categories of beneficiaries with special needs e.g. older refugees, HIV/AIDS? On the environment?

### Workplans

Were Workplans established on at least a Sub-Project and sector-activity basis and were schedules adhered to? Did the Workplans facilitate Sub-Project implementation? What lessons have been learned about the planning and implementation of the Sub-Project that can be applied to other Sub-Projects of this type?

### Overall Sub-Project Evaluation/ Impact

Was the Sub-Project a success? What is the likely long-term impact? Is it sustainable? What overall lessons have been learned?



## Section 5.3 SUB-PROJECT ACCOUNTING AND PAYMENT OF INSTALMENTS

- 
1. Introduction
  2. Instalment Plans and Payments
  3. Financial Accounting: Implementing Partners
  4. Final Adjustments
- 

### 1. INTRODUCTION

UNHCR is accountable to its donors and its Executive Committee for the funds entrusted to it to provide protection and assistance, and to seek durable solutions for refugees. To fulfil this obligation and to comply with the *Financial Regulations and Rules of the United Nations and the Financial Rules for Voluntary Funds Administered by the High Commissioner*, UNHCR requires specific financial accountability on the part of its implementing partners.

### 2. INSTALMENT PLANS AND PAYMENTS

2.1 For each Sub-Project budget, the implementing partner should propose an instalment plan for inclusion in the Sub-Project Agreement. The instalment plan indicates the cashflow requirements to implement the Sub-Project during the course of the year.

2.2 Common practice has been to request four equal instalments, paid by the UNHCR Field Office when the Sub-Project Agreement is signed (first instalment), and on submission of the three subsequent quarterly Sub-Project Monitoring Reports (SPMR-Part 1, see Section 5.2). Note that an instalment is not normally paid unless disbursements and commitments reported on the SPMR-Part 1 demonstrate that cash on hand has been reduced to less than 30 per cent of the last instalment and implementation to date has been satisfactory.

2.3 The instalment plan can request more or less frequent payments. In larger Sub-Projects, more frequent instalments may be requested, e.g. monthly. Circumstances may suggest that instalments are only necessary semi-annually. In every case, a SPMR-Part 1 must be submitted each time an instalment is requested.

2.4 With UNHCR's agreement, the implementing partner's proposed instalment plan is incorporated as the Indicative Cash Requirements in the Basic Sub-Project Data in the applicable Sub-Project Agreement (see Appendix C1).

2.5 The UNHCR Field Office uses the instalment plan to forecast internal cash requirements, and to request funds from Headquarters to be able to make the payments when necessary. Because Sub-Project funding basically comes from UNHCR's donors, it should be remembered that Sub-Projects may have to be suspended due to a lack of available funds.

### 3. FINANCIAL ACCOUNTING: IMPLEMENTING PARTNERS

3.1 The minimum requirements for financial accounting and record keeping by UNHCR's implementing partners are specified in the Sub-Project Agreement and the related Appendix 1 (see Appendix C1 of this Handbook). Provision is also made to allow UNHCR to audit the implementing partner's accounts. In addition, UNHCR will conduct visits to implementing partner

offices in order to verify SPMRs by inspecting implementing partner's accounting records.

3.2 UNHCR requires its implementing partners to maintain a separate bank account to record and control the funds received from UNHCR and paid out in the implementation stage. Only if this is impossible (e.g. in the case of a government agency which operates financially within the consolidated accounts and controls of the government), the partner should, as a minimum, maintain a control account showing receipts and disbursements of UNHCR funds by Sub-Project budget.

3.3 Implementing partners are expected to maintain accounting records in sufficient detail to allow all receipts, commitments and disbursements of Sub-Project funds to be readily identifiable. Accounting records should include a general ledger accounting system (hard copy or computerized), bank statements and reconciliations, a cash book to record receipts and disbursements, inventories of non-expendable property, staffing tables and employment contracts, purchasing contracts, and building contracts and sub-contracts. Documentation should also include back-up material to substantiate the accounting records, such as receipt and payment vouchers (identifying who paid/received money to/from whom, when, how much and for what), commitment records, bid documents and analyses, receiving and distribution reports, SPMRs and audit reports.

3.4 Implementing partners should establish their accounting records in a way which facilitates the preparation of the reports required by UNHCR, i.e. the accounting system should be detailed enough to provide the receipt, commitment and disbursement information necessary for each budget line item in the Sub-Project Agreement.

#### 4. FINAL ADJUSTMENTS

4.1 The Sub-Project Agreement indicates the termination date for the Sub-Project and the liquidation date for all Sub-Project disburse-

ments. The liquidation date is normally one month after the termination date, and is the last date on which the implementing partner can make disbursements against Sub-Project commitments. No new commitments are to be entered into after the termination date.

4.2 The Sub-Project accounting records should be complete, therefore, after the liquidation date. The implementing partner can then consolidate the financial information for the Final SPMR-Part 1, and calculate the amount owing to or due from UNHCR. The closure of a Sub-Project requires a final accounting and settlement of any outstanding balance (see Section 5.5).

#### Separate Accounts

Implementing Partners shall deposit all remittances received from UNHCR into a separate bank account unless the deposit into a general or pool account has been authorized in the Sub-Project Agreement.

The use of a general or pool account may be authorized if the deposit and the use of UNHCR funds remain traceable.

The account into which the UNHCR remittances are deposited should be interest bearing.

In the case of a general or pool account, any interest earnings shall be apportioned according to the source of funds and a fair share shall be credited to the UNHCR Sub-Project.

*Sub-Project Agreement,  
Appendix 1, para.6.*

## Section 5.4 SUB-PROJECT REVISIONS AND SUPPLEMENTARY AGREEMENTS

- 
1. When Circumstances Change...
  2. Budget Adjustments
  3. Other Types of Revisions
- 

### 1. WHEN CIRCUMSTANCES CHANGE...

1.1 Revision of a Sub-Project Agreement may be required when the circumstances governing the initial Agreement have changed. Revisions are incorporated into the Sub-Project documentation using a Supplementary Agreement when the original Sub-Agreement must be revised because of:

- the need to change a Sub-Project objective due to implementation difficulties, a change in the political situation, etc.;
- increasing or decreasing numbers of beneficiaries;
- the need for expanded or reduced services;
- delays in implementation;
- earlier-than-planned phase-out; or
- inflation or increasing unit costs.

1.2 Implementing partners have a responsibility to keep the UNHCR Field Office informed concerning the progress of Sub-Project implementation, and any problems or issues, which may affect the terms of their Agreement with UNHCR, as soon as they arise. Particularly when the situation indicates that the Sub-Project objectives or Sub-Project Description must change, initiatives are needed in new Sectors, or delays are encountered, UNHCR must be given

the opportunity to examine the 'big picture'. UNHCR must consider all options (revisions, new Sub-Projects, additional funding allocations) to ensure that the assistance provided to the beneficiaries is timely, cost-effective and appropriate to their needs.

1.3 Any change in a Sub-Project requires a Supplementary Agreement. Some changes, however, also require the UNHCR Field Office to obtain Headquarters approval. When an implementing partner proposes a change to the UNHCR Field Office, Headquarters approval is required to extend the liquidation period, to extend (exceptionally) the duration of the Project/Sub-Project itself, or if the answer to any of the following questions is 'Yes':

- a. Does the change result in an increase to the total project Budget (attached to UNHCR's Letter of Instruction)?
- b. Does the change involve a new Sector?
- c. Will the change result in a Budget variation exceeding the allowable percentage limit?

1.4 A model Supplementary Agreement (Appendix D) shows the revised Sub-Project Data elements to be incorporated, depending on the nature of the Sub-Project revision required. A copy of the Basic Sub-Project Data (see Appendix C1), revised if necessary, is *always* attached to the Supplementary Agreement. A copy of the Budget or the Sub-Project Description is attached only if revised.

1.5 A new Supplementary Agreement is signed by all parties to the original (and any subsequent) Sub-Project Agreement, and becomes an integral part of the total Sub-Project Agreement.

## 2. BUDGET ADJUSTMENTS

The Sub-Project Agreement (see Appendix 1, para. 2 to the Agreement, reproduced in Appendix C1 of this Handbook) permits implementing partners to make transfers within the budget at the "Item" level, unless otherwise indicated in the Basic Sub-Project Data (article 2.07), provided that the amount transferred does not increase or decrease sector level totals by more than 15 per cent and that the budget total is not exceeded. Any such transfers exceeding 15 per cent shall be subject to prior consultation with, and to written authorisation by UNHCR; this will also require an authorized revision to the budget. A Supplementary Agreement will need to be prepared to reflect the approved change(s).

## 3. OTHER TYPES OF REVISIONS

The UNHCR Field Office may formulate a Supplementary Agreement, for numerous other agreed (and Headquarters approved, if necessary) reasons, such as:

- a. to revise the Sub-Project Description;
- b. to change the end date of a Sub-Project (either to terminate early or to extend the date);
- c. to extend the liquidation period for outstanding commitments; or
- d. to modify, add or delete reporting requirements or annexes to the Agreement.

### Changed Circumstances

If during the period covered by this Agreement, the Agency is prevented from carrying out its obligations referred to in the Agreement, this fact shall be reported to UNHCR who shall decide what arrangements, if any, shall be made to further implement or curtail the Sub-Project.

Should the number of beneficiaries, for whom assistance was foreseen under the Sub-Project, significantly change from the number originally envisaged, or if for any reason, changed circumstances reduce or increase the need for assistance in the amounts as originally foreseen, UNHCR shall be immediately informed so that, after mutual consultation, UNHCR can adapt its participation in the Sub-Project to the new situation or discontinue it as the circumstances may warrant.

*Sub-Project Agreement  
Art.8.04.1 & 2*

## Section 5.5 SUB-PROJECT CLOSURE

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1. The Final Stage
  2. Final Sub-Project Monitoring Report (SPMR – Parts 1 and 2)
  3. Assets
  4. Final Financial Adjustments
- 

### 1. THE FINAL STAGE

1.1 When the terms of an implementing Agreement have been fulfilled and the Sub-Project is complete, the implementing partner must comply with the UNHCR requirements for Sub-Project closure.

1.2 Sub-Project closure allows UNHCR to:

- a. compare actual with planned performance and analyze the results, which are of interest to UNHCR management, as well as a requirement for reporting to donors;
- b. assess the performance of all those involved in delivering, monitoring and administering the assistance;
- c. identify management and control weaknesses for corrective action and communicate the lessons learned to assist future projects;
- d. ensure that the implementing partner has spent the instalments in accordance with the Sub-Project Budget, and that any balance owing is agreed and accounted for, either as a deduction from an instalment for a succeeding Sub-Project (with the same implementing partner) or, as a refund repaid to UNHCR;

- e. record and report the disbursement of donor and UN funds, to fulfil UNHCR's statutory requirements; and
- f. close the Sub-Project and archive the files.

### 2. FINAL SUB-PROJECT MONITORING REPORT (SPMR – PARTS 1 AND 2)

The Final SPMR, Parts 1 and 2, is due from the implementing partner to the UNHCR Field Office or Headquarters unit responsible for the Sub-Project within two weeks of the liquidation date for the Sub-Project (see Section 5.2).

### 3. ASSETS

3.1 Section 4.3 of this Handbook describes UNHCR's requirements in relation to Asset Management. In the following paragraphs, the terms "assets" and "non-expendable property" are used interchangeably.

3.2 If the Sub-Project involved the use of assets provided by UNHCR, the implementing partner must submit a completed Inventory Form (to be provided by UNHCR). UNHCR will then reconcile the implementing partner's inventory against UNHCR's inventory records. Any discrepancies will be resolved through consultation between UNHCR and the implementing partner.

3.3 In accordance with the terms of the assets provisions of the Sub-Project Agreement, implementing partners should note that they are required to consult with UNHCR concerning the disposition of assets at least 90 days prior to the termination of the Sub-Project (see Appendix B1). It is for UNHCR to decide on the eventual disposal of these assets. The various methods of disposal are listed in Section 5.1.2. Among these possibilities are redeployment to another UNHCR Office or operation, sale, transfer of ownership to the implementing partner or write-off. This decision should be obtained in writing and kept with the Sub-Project records, and noted on the final Inventory Form.

3.4 As noted in Sub-Section 5.3, if UNHCR decides to transfer the ownership of an asset to an implementing partner, the transfer is to be effected through an ***Agreement on the Transfer of Ownership of UNHCR Assets*** (see Appendix E).

#### 4. FINAL FINANCIAL ADJUSTMENTS

4.1 The responsible UNHCR Office reviews the Final SPMR, Part 1, to reconcile the submission with UNHCR's record of instalments paid, to verify the accuracy and completeness of reported disbursements against budget, and to confirm signatures.

4.2 In the event that a refund is due to UNHCR from an implementing partner (i.e. instalments paid exceed disbursements), the payment should accompany the Final SPMR. Alternatively, UNHCR may deduct the amount due from any other payment owing to the implementing partner, e.g. for a concurrent or next year's Sub-Project. Should UNHCR fail to receive the balance owing or if the amount cannot be offset against another Sub-Project, an account receivable will be established.

4.3 In the event that a Sub-Project has been overspent (i.e. disbursements exceed instalments paid), the implementing partner may:

- a. offer to cover the over-expenditure from their own funds; or
- b. present justification for the reported over-expenditure, with a request for reimbursement. In this latter case,
  - if UNHCR agrees that the over-expenditure is justified, it will review the entire Project Budget to identify any savings, in an effort to reallocate funds to the overspent Sub-Project. If funds can be reallocated, a Supplementary Agreement (see Section 5.4) is made to revise the Sub-Project Budget; this will require the preparation of a revised Final SPMR from the implementing partner; if reallocation within the Project is not feasible, the responsible UNHCR Office must seek advice from Headquarters to determine other possible sources of funds;
  - if UNHCR considers the over-expenditure to be unjustified, the Final SPMR will be adjusted accordingly, and a letter of explanation sent to the implementing partner requesting reimbursement of the over-expenditure to UNHCR.

## Section 5.6 AUDIT

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1. Accountability
  2. Improving the Management of Sub-Projects
  3. Understanding the Sub-Project Agreement
  4. Financial Management of UNHCR Sub-Projects
  5. Supporting Documents for International (NGO) Partners
  6. Implementing Partner's Audit Certificate
  7. Categories of Implementing Partners for Audit Purposes
  8. Audit
  9. Audit Provisions in UNHCR Agreements
  10. UNHCR Internal and External Audit Activities
- 

*“Many of UNHCR’s long-standing implementing partners are not fully aware of the ‘requirements, procedures and documentation necessary’ and a number of audit findings presented in this report can be partly explained by a lack of understanding or knowledge of UNHCR’s requirements.”*

**Chief, UNHCR Audit Service, OIOS, 30 October 2000**

### Audit Findings

The Report of the Board of Auditors for the year ended 31 December 2001 made a number of recommendations related to audit certificates of implementing partners.

The contents of Section 5.6 cover current practice as at February 2003.

### 1. Accountability

1.1 UNHCR is first and foremost accountable to the refugees, whom it is uniquely mandated to protect. Under their respective Agreements, implementing partners are likewise accountable for the use of Sub-Project funds.

1.2 UNHCR’s ability to provide refugees with international protection is almost entirely dependent on the receipt of sufficient voluntary contributions from the international community.

1.3 UNHCR and its implementing partners are therefore also accountable to the international community and other donors for the use of their respective contributions.

1.4 Operations staff must bear in mind, that concerned donors are unlikely to see the concrete Sub-Project achievements for themselves. Rather it is the **Sub-Project Monitoring Reports (SPMRs)**, both narrative and financial, that inform the donor on the use of its contribution.

1.5 If the reports produced, particularly those reflecting the disbursement of Sub-Project funds, do not even comply with the basic requirements and procedures laid out in the concerned Agreements, then no matter how well implemented the

Sub-Project activities may be, concerned donors will likely question the use of their contributions.

Concerned project staff must therefore ensure that the international community, on whose generosity refugees are dependent, are provided with documentation that accurately reflects the achievements on the ground.

1.6 Operations staff, for obvious reasons, tend to focus their efforts primarily on the actual implementation of Sub-Project activities and on ensuring the overall well being of the beneficiaries. However, partners and UNHCR staff must also place due emphasis on ensuring that Sub-Project documentation of an appropriate standard is produced and provides donors with proof that their donations have been used as intended.

1.7 Failure to do so can directly jeopardise future assistance to the very beneficiaries that operations staff work so hard to help.

## 2. Improving the Management of Sub-Projects

UNHCR is committed to improving the quality of Sub-Project management, particularly financial management.

2.1 Over the past few years, many refugees have suffered the consequences of UNHCR's funding shortfalls, as assistance has had to be suspended, curtailed and even cancelled, when necessary contributions failed to materialise. Furthermore, many partner and UNHCR operations staff members on the ground have had to cope with explaining to their beneficiaries, and

concerned government authorities, that they no longer have the means to continue their unquestionably critical assistance. Well-managed Projects are one way of assuring donors of the quality of UNHCR's work and of its partners, thereby maintaining donor confidence.

2.2 UNHCR and partner staff must therefore make every effort to ensure that the very real value of their work in the field is accurately conveyed, through their Sub-Project reports, to the donor community.

PCOS (Programme Co-ordination and Operations Support Section) aims to provide partner and UNHCR staff with the guidance to assist them in this process.

## 3. Understanding the Sub-Project Agreement

3.1 Experience has repeatedly shown that the Key Articles of UNHCR Sub-Project Agreements are not sufficiently understood. This has meant that on many occasions, both UNHCR and partner staff have failed to ensure compliance with even the most basic of Sub-Project regulations.

3.2 When entering into Sub-Project negotiations and before signing the Agreement, implementing partners should seek clarification from their UNHCR counterparts on the key Articles of the Agreement and the responsibilities contained therein and should discuss any open issues and questions.

3.3 The Sub-Project Agreement, together with explanations of their content, are attached as Appendix C to this Handbook. It should be noted that the Annexes to the Agreement, including Appendix 1, *Financial and Programmatic Arrangements*, are an integral part of this Agreement.



## 4. Financial Management of UNHCR Sub-Projects

### 4.1 Sub-Project Accounting

4.1.1 The UNHCR Field Office is responsible for ensuring that all selected implementing partners fulfil UNHCR's **Four Basic Conditions** (see Section 1.6).

4.1.2 However, it has been a repeated observation of UNHCR's internal and external auditors that these basic requirements have often not been fully met.

4.1.3 The implementing partners' accounting system must enable UNHCR Sub-Project expenditure to be separately identifiable and thus facilitate the preparation of the required financial reports.

#### Audit recommendation

Prior to entering into a partnership, UNHCR needs to assess the capability of the partner's systems and procedures to ensure that UNHCR's objectives in the context of financial, budgetary and reporting requirements can be achieved.

### 4.2 Maintaining Separate Sub-Project Accounts/Records

4.2.1 The second basic condition governing the selection of implementing partners states that an implementing partner has "the ability to maintain separate accounts and/or accounting records for any expenditures incurred on behalf of UNHCR".

4.2.2 Furthermore, and in accordance with the Appendix 1, (par. 8.1) of the Sub-Project Agreement:

*"Implementing partners shall maintain separate project records and accounts."*

4.2.3 Whether an implementing partner maintains a separate bank account for UNHCR funds or not (for legal or practical reasons for UNHCR funds may be deposited into a pool account), UNHCR funds must be traceable in the partner's accounting system.

## 5. Supporting Documents for International (NGO) Partners

5.1 As UNHCR's project monitoring and management is carried out in the field, it should be a prerequisite that copies of all supporting documents be maintained locally, e.g. records covering international NGO headquarters and regional expenditure.

5.2 The financial information relating to UNHCR Sub-Projects for many international NGOs is dispersed between their headquarters, regional and field offices. In addition, there is often little documentation available relating to headquarters expenditure, e.g. on international procurement and international staff costs.

5.2 While international NGOs may have "original" financial documentation at various locations (e.g. headquarters and regional offices), copies of supporting documents for all transactions effected elsewhere must be maintained in the field and indicate the location of the originals.

#### Audit recommendation

A file should be maintained reflecting transactions for every budget line reported in Sub-Project financial reports.

## 6. Implementing Partner's Audit Certificate

The United Nations Board of Auditors, UNHCR's external audit body, has repeatedly noted lack of compliance by implementing partners with the requirement of submitting audit certificates for Sub-Projects implemented on behalf of UNHCR.

6.1 UNHCR made the audit certification clause mandatory for all Sub-Projects as of 1 January 1997, when a Sub-Project Agreement has an *aggregate budget* (see box below) value of US\$ 100,000 or more. For all UNHCR Sub-Project Agreements having a budget value of less than US\$ 100,000, UNHCR reserves the right to request an audit. This provision would be invoked in situations where there are concerns regarding the financial management of a Sub-Project, e.g. when the necessary supporting documentation for the verification of Sub-Project financial reports is lacking. These provisions ensure that the financial records and reports of all UNHCR's implementing partners are subject to audit.

Audit certificates (audited financial statement and audit opinion) from implementing partners are an essential component of UNHCR's control systems, reassuring management and donors that they can rely upon implementing partner's Sub-Project reports, i.e. final sub-project monitoring reports (FSPMR).

6.2 The Sub-Project Agreement requires implementing partners' final Sub-Project accounts to be certified by an appropriate audit authority (see Appendix 1 to the Agreement, par. 10).

6.3 On this issue, the UN Board of Auditors, strongly supported by the General Assembly's Advisory Committee on Administrative and Budgetary Questions (ACABQ), has stressed that UNHCR should ensure that audit certificates are submitted by implementing partners in sufficient time for UNHCR to have the necessary assurance about the regularity, compliance and propriety of expenditures incurred by the partners as reflected in their financial statements.

6.4 Certification may be obtained in several ways but, in all instances, it should result from an objective (external) audit and state, as a minimum, that the implementing partner's financial statements give a true and fair picture of the financial transactions and that the funds provided by UNHCR were used for the purposes intended and in accordance with the Sub-Project Agreement.

6.5 Guidelines on the engagement of external auditors contracted to audit UNHCR Sub-Projects are provided as Annex F.

## 7. Categories of Implementing Partners for Audit Purposes

### Aggregate value

This means that if an implementing partner is implementing several Sub-Projects, under separate Agreements, if these budgets added together exceed US\$ 100,000 (or equivalent), then an audit certificate will be required.

7.1 UNHCR differentiates between the various categories of implementing partners for audit purposes, as follows:

7.1.1 **United Nations agencies**, for which no additional audit certification will be sought by UNHCR, other than the annual audited financial statements by the same or comparable authority that audits UNHCR's accounts;

7.1.2 **Governmental partners**, for which an audit certificate is now required within six months of the final date for liquidation of commitments and limited to governmental partners having projects of aggregate budget value of US\$ 100,000 and above;

Governmental implementing partners should be audited by the government's highest audit institution (Auditor General or Court of Audit).

7.1.3 **International NGOs**, for which audit certificates are required within six months of the end of the organization's fiscal year and limited to partners having Sub-Projects with an aggregate budgetary value of US\$ 100,000 and above.

7.1.4 **National NGOs**, for which audit certificates are required within six months of the final date for liquidation of commitments for all Sub-Project Agreements, or series thereof, having an aggregate budgetary value of US\$ 100,000 or more in any given year. The cost of these audits will be funded directly by UNHCR.

The National NGO will engage, with the assistance of and in consultation with UNHCR, auditors in accordance with the *"Guidelines for the engagement of audit firms for the external audit of UNHCR Sub-Projects implemented by National NGO implementing partners"*, attached as Annex F.]

### International (NGO) partners may:

- engage a firm of Certified Public Accountants to audit and certify the Sub-Project specifically; or
- provide the organisation's audited consolidated financial statements, provided that UNHCR funded Sub-Projects are clearly identified as such and that the audit opinion confirms that UNHCR funds were also audited as part of the organisation's regular audit exercise ("single audit concept").

## 8. Audit

8.1 Article 12 of the *Financial Rules for Voluntary Accounts Administered by the High Commissioner for Refugees* states that all expenditures incurred by UNHCR are subject to:

- i) Internal audit by the UNHCR Audit Service of the Office of Internal Oversight Services (OIOS); and
- ii) External audit by the United Nations Board of Auditors.

8.2 The scope of an audit, whether external or internal, is not limited to verifying financial transactions only. An audit also covers operational and managerial aspects of programme implementation, providing a critical assessment of performance and making recommendations for corrective action.

8.3 The scope of the audit will also cover visits to UNHCR implementing partners to seek assurances that the accounting and control mechanisms over the UNHCR funds follow generally acceptable accounting standards.

## 9. Audit Provisions in UNHCR Agreements

9.1 UNHCR Sub-Project Agreements include provisions for audit (see paragraphs 9, 10 of Appendix 1 to the Agreement). These clauses are statutory requirements and provide the basis on which UN auditors may conduct operational and financial audits of a project.

9.2 Specifically, paragraph 9.1 of Appendix 1 of all Sub-Agreements states that the Government/ Agency shall:

*“facilitate inspection and audit of the Sub-Project by the UNHCR Audit Service of the United Nations Office of the Internal Oversight Services, the UNHCR Inspector General’s Office, or any other person duly authorized by UNHCR”.*

9.3 Should they at any time wish to do so, the United Nations Board of Auditors may also carry out an audit of the Sub-Project. Audits of the Sub-Project will include, *inter alia*, the examination of the Sub-Project accounting records in order to determine that the charging of administrative and operational support costs to the Sub-Project complies with those specified in the annexes to the UNHCR Agreement.

9.4 For auditing purposes, Sub-Project accounting records shall be retained for six years following the Sub-Project’s termination.

## 10. UNHCR Internal and External Audit Activities

10.1 When auditing implementing partners, both internal and external auditors conduct their examination and appraisal with reference to the terms set out in the relevant Sub-Project Agreement.

10.2 Implementing partners should refer to the “**Audit Checklist**” below to facilitate the auditors’ visit and gain the maximum benefit from their inspection.

### Checklist for Assisting an Audit

In the event of an audit, partners should:

- clarify the scope of the audit to be conducted;
- meet with the auditors when they arrive; provide them with organisation charts, documented procedures, job descriptions, contact names, position titles, telephone and fax numbers, business and home addresses, as available and required;
- introduce the auditors to key staff; make it clear that they are to receive full co-operation from all staff;
- provide the auditors with a small workspace for them to keep papers, hold interviews, etc.; transportation to Sub-Project sites may also be necessary;
- make available:
  - all relevant files and accounts (up-to-date);
  - archived files, clearly marked and easily accessible for historical reference if needed;
  - up-to-date inventory of assets purchased with UNHCR funds;
- on completion of the audit, meet to discuss preliminary findings and provide any final clarifications.

## Section 5.7 EVALUATION

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1. What is Evaluation?
  2. Types of Evaluation
  3. The Evaluation and Policy Analysis Unit (EPAU)
- 

### 1. WHAT IS EVALUATION?

1.1 The primary purpose of evaluation is to provide UNHCR managers and staff with useful information, analysis and recommendations, thereby enabling the organization to engage in more effective policymaking, planning, programming and implementation.

1.2 Evaluations also serve a number of other important purposes. These include:

- assisting UNHCR to learn lessons from its operational experience;
- providing stakeholders, especially refugees, with an opportunity to present their assessment of UNHCR activities;
- drawing organizational and international attention to specific refugee issues and situations;
- identifying examples of good practice that can be incorporated in training programmes;
- promoting team-building and inter-agency cooperation; and
- fostering a transparent and self-critical culture within UNHCR.

1.3 The evaluation function in UNHCR is guided by five key principles: transparency, independence, consultation, relevance and integrity. A document titled *UNHCR's Evaluation Policy* elaborates on these principles and sets

out the evaluation procedures that the organization uses to ensure that they are respected.

#### Evaluation

An analysis and assessment, as systematic and objective as possible, of UNHCR's policies, programmes, projects, practices or procedures, focusing on their planning, design, implementation and impact.

1.4 Evaluations are of little value if they do not lead to organization learning and change. It is therefore essential for all evaluation projects to be carefully planned. In this respect, three principles are of particular importance. First, there should always be a clear understanding of why an evaluation is being undertaken and how its findings and recommendations will be used. Second, key stakeholders, including refugees whenever possible, should be involved at each stage of the evaluation process. Third, evaluation projects should not be brought to an end at the point when a report is published, but should incorporate an active programme of dissemination and implementation.

1.5 Evaluation must be distinguished from both inspection and audit. Inspection focuses primarily on the quality of UNHCR management and representation, and is undertaken on a confidential basis for the High Commissioner. The main purpose of audit is to ensure compliance with UNHCR's financial rules and regulations. All three functions are represented on UNHCR's Oversight Committee.

## 2. TYPES OF EVALUATION

2.1 UNHCR encourages the use of different evaluation methods, according to the nature of the issue or programme under review.

2.2 High profile operations and controversial policy issues are best examined by means of *independent evaluations*, undertaken by teams of multi-disciplinary and multi-national teams of consultants who are selected by a process of competitive bidding. The distinguishing characteristic of such evaluations is that UNHCR exercises no editorial control over the content of the final report.

2.3 In emergency situations, *real-time evaluations*, undertaken in the early stages of a UNHCR operation, have a particular value. Normally conducted by UNHCR staff members, such evaluations provide findings and recommendations that can be put to immediate use by operations managers and field staff.

2.4 *Participatory* or *beneficiary-based evaluations* provide an important means of developing a better understanding of how refugees and other people of concern perceive and assess UNHCR's programmes. To be effective, such evaluations should be carried out over an extended period of time by a person or team with social research skills.

2.5 Most evaluations are undertaken or commissioned by individual agencies. As a result, the humanitarian community's overall response to an issue or situation is frequently neglected. It is for that reason that UNHCR supports the notion of *joint* and *inter-agency* evaluations, involving other UN organizations, NGOs and governments.

2.6 *Self-evaluation workshops* provide a valuable means for a UNHCR Office or team to assess the impact of their work and to plan their future activities on the basis of that analysis. Ideally, such workshops should be run by an external facilitator and, for at least part of the time, involve external stakeholders, including beneficiaries.

2.7 A final form of evaluation is to be found in the *lessons-learned workshop*, usually undertaken at the completion of a major programme. Such workshops not only provide a record of UNHCR's accomplishments and the problems it has encountered, but also are a valuable resource for the planning and implementation of similar programmes in other countries or regions.

## 3. THE EVALUATION AND POLICY ANALYSIS UNIT (EPAU)

3.1 The Evaluation and Policy Analysis Unit, which reports to the Assistant High Commissioner, has overall responsibility for the development of the organization's evaluation function.

3.2 EPAU's primary task is to ensure that UNHCR management, staff and partners are provided with relevant information, analysis and recommendations. Responsibility for the implementation of those recommendations, however, lies with the manager of the operation or activity under review.

3.3 In addition to its direct role in the evaluation of UNHCR activities, EPAU is responsible for ensuring the effective development and devolution of the organization's evaluation function. This task involves, *inter alia*:

- working with other UNHCR entities so as to encourage a broader sense of ownership and involvement in relation to the evaluation function;
- helping to build organizational capacity for evaluation and supporting the spread of good evaluation practice across the organization;
- advising other parts of the organization on the effective conduct and management of evaluation;
- developing evaluation tools, procedures, methods and standards.

## Section 5.8 INSPECTIONS AND INVESTIGATIONS

- 
1. Inspections
  2. Reviews
  3. Investigations
- 

### 1. Inspections

1.1 Inspections undertaken by UNHCR's Inspector General are intended to provide the High Commissioner with comprehensive and systematic assessments of UNHCR operations, focusing on those factors, both internal and external to UNHCR, that are considered most relevant to the effective and efficient discharge of UNHCR's responsibilities. Inspections cover all aspects of UNHCR's field operations, including internal management and external relations with UNHCR's key partners, be they governmental, United Nations or non-governmental organizations (NGOs). Through meetings undertaken by the Inspection Team with the above-mentioned parties, the overall appropriateness and effectiveness of the objectives of the UNHCR field operations and actions taken to achieve them are assessed. The views of refugees are also sought. The quality of their protection and care, as perceived by them, is a good benchmark for measuring how effective UNHCR has been in building effective partnerships.

1.2 Inspections also provide UNHCR's Field Offices with an independent and objective review of their performance, where necessary, as well as a second opinion on difficult issues and recommendations for improvements and action to overcome constraints, often drawing on the best practices or solutions seen in other inspections.

1.3 The cycle of each inspection begins several weeks before the mission, with detailed briefings of the Inspection Team at Headquarters, the completion of confidential individual questionnaires by all staff in the field locations, and the

completion of a comprehensive operations and administrative questionnaire by the UNHCR Field Office to be inspected. The inspection mission itself ends with a debriefing of the senior staff of Field Office and a discussion of the draft recommendations. This is followed by debriefings at Headquarters and the presentation of the report and recommendations to the High Commissioner. Once approved by the High Commissioner, a formal follow up mechanism is set in motion to monitor the implementation of recommendations.

1.4 UNHCR has Offices in some 120 countries. Depending on the size of the operation being inspected, and the number of locations where UNHCR has staff, an Inspection Team comprises between two and four staff from the Inspector General's Office and one colleague with knowledge of region-specific protection issues, seconded to the team from the Department of International Protection.

1.5 During inspections, the views of NGOs are sought on their operational working relations with UNHCR. Equally, inspections seek the views of UNHCR on the capacity and quality of NGO implementing partners.

### 2. Reviews

2.1 In addition to assessing the effectiveness of UNHCR and its strategic partnerships through inspections, the Inspector General's office will review the broader role of UNHCR in different regional and sub-regional refugee situations, with particular focus on protection and solutions. These reviews will cover the Office's

actual or potential partnerships with other organisations including UN agencies, international organisations and NGOs. This new role is in keeping with the reform proposals of the Secretary-General on the strengthening of partnerships by the United Nations, and in line with the High Commissioner's integrated approach to promote a more effective role by UNHCR in repatriation, reintegration, rehabilitation and reconstruction.

2.2 The findings and conclusions of these reviews, which will include proposals for enhanced or revised collaboration with other actors in specific operations, will be shared internally, and with interested governments, UN agencies and NGO representatives.

### 3. Investigations

3.1 The Inspector General is the focal person for investigation of alleged or suspected staff misconduct within UNHCR, whether through misuse of funds, resources or facilities, abuse of authority and harassment, mistreatment of refugees or any improper conduct involving UNHCR staff or assets. Investigations are undertaken where there is reason to believe that

a staff member has engaged in unsatisfactory conduct for which a disciplinary measure may be imposed. If the assessment of the complaints or information of wrongdoings suggests that misconduct occurred, the Inspector General may either designate a responsible official within the organization to conduct a further investigation, decide that the Inspector General's Office (IGO) within UNHCR will undertake the investigation, or refer the case to the Investigation Division of the UN Office of the Internal Oversight Services (ID/OIOS). Subject-matter experts may be included on investigation teams. The outcome of each investigation is either an internal referral to initiate disciplinary action or closure of the case should the allegations proved unfounded.

3.2 UNHCR may also investigate allegations of misconduct by NGO workers made by refugees or another interested party. The standards of behaviour expected of the staff of an implementing partner are clearly set out in the UNHCR Sub-Project Agreement (Article 6.11.2). Information obtained through such an investigation will be provided to Senior Management of the concerned NGO for remedial action. UNHCR looks to the full cooperation of NGO partners in any investigation.

#### Office of UNHCR Inspector General

The Office of the Inspector General (IGO) was established in 1994 to strengthen UNHCR's oversight capacity to assess, monitor and recommend improvements in operational management.

Apart from inspections, IGO has overall responsibility for investigations throughout UNHCR and may be called upon to conduct inquiries into events, which have endangered the lives or caused the death of staff members while on official duties.

A further function is to review the broader role of UNHCR in different regional and sub-regional refugee situations, including UNHCR's partnerships with other organizations.



## Chapter 6 REFUGEE EMERGENCIES

### Chapter Overview

**T**his chapter explains the various phases in a refugee emergency, from early warning to the normalization of the situation in seeking a durable solution. Early warning and contingency planning are essential to ensure a timely and effective response. The chapter provides an overview of UNHCR's capabilities in emergency preparedness, to give implementing partners an understanding of the ingredients which UNHCR considers key to a rapid emergency response: flexible arrangements for financial, human and material resources, available immediately. In conclusion, the chapter tracks an emergency, from the beginning to the hand-over of the programme, including management and coordination of the response.

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## Section 6.1 EMERGENCY MANAGEMENT

- 
1. The Emergency Continuum
  2. Early Warning and Contingency Planning
- 

Emergency: Any situation in which the life or well being of refugees will be threatened unless immediate and appropriate action is taken, and which demands an extraordinary response and exceptional measures.

### 1. THE EMERGENCY CONTINUUM

1.1 The majority of UNHCR's programmes begin as the result of a refugee emergency, and UNHCR has invested much effort in recent years in strengthening its capacity to respond; timely and appropriate assistance is essential if lives are to be saved and suffering minimized. This chapter provides an overview of the management of assistance in emergencies and highlights a number of principles, which should guide decision-making.

1.2 UNHCR has found it helpful to view emergency preparedness and response as a continuum. The Emergency Continuum (see below) is the conceptual framework to prepare for and respond to emergencies. Indeed, if one adds the Relief to Development Continuum, it provides a useful framework to identify the varying roles of UNHCR's operational partners, where some tend to focus on advocacy (often at the early warning stage), some on emergency relief, and some on development. Naturally, many cover all areas. In each stage, their relationship with UNHCR will be characterized in a different way.

1.3 The first two stages of the Emergency Continuum, Early Warning and Contingency Planning, fall into the realm of emergency preparedness (see below and Section 6.2), and the last two, Operations Planning and Durable Solutions, into emergency response (see Section 6.3). While the implementation of activities to achieve durable solutions is characteristic of established refugee programmes, emergency plans and activities should also be consistent with the desired durable solutions. Effective emergency response begins well ahead of an actual emergency situation, and includes planning for durable solutions from the beginning.

### 2. EARLY WARNING AND CONTINGENCY PLANNING

2.1 Refugee emergencies usually present several, if not all, of the following characteristics:

- A sudden and rapid movement.
- Caused by acute danger or other threats to life and liberty.
- Of large numbers of people.
- With a high percentage of women and children.
- Across international borders.
- In to often remote and insecure areas with scarce resources and limited infrastructure.

2.2 Some of the main causes which force large numbers of people to flee are a breakdown of law and order, ethnic violence, civil war and widespread violations of human rights. In large-scale emergencies, the vast majority of refugees are seldom fleeing targeted acts of individual

persecution, but more often from armed conflicts, campaigns of repression, or other generalized violence that radically disrupt everyday life and jeopardize their safety. The danger is aggravated when the refugees must cross through areas with landmines or ongoing hostilities, or when warring parties attack combatants and civilians indiscriminately, in violation of international humanitarian law.

#### Four Stages in the Emergency Continuum

Early Warning  
Contingency Planning  
Operations Planning and Response  
Durable Solutions

2.3 Early warning systems require UNHCR and all aid organizations to be alert to developing situations which may lead to destabilization of the population and the possibility of flight. Ideally, such situations should be resolved at the diplomatic or political level so that people never have to flee and can remain in safety in their homes. Potentially unstable situations, however, require assessment and the development of alternative scenarios to anticipate when, how, who and how many may flee, and if so, to where; in other words, contingency planning.

2.4 Contingency planning can save precious time in dealing with a sudden influx. It defines the objectives and assumptions that will form the basis of the emergency response, and allows for an assessment of the specific factors (political, geographic, cultural, ethnic, etc.) which are likely to affect a potential refugee population within the host country. Contingency planning should also lead to putting preparedness measures in place, including management and co-ordination mechanisms.

#### 10 Essentials for Effective Response

1. Foresight and planning
2. Knowledge and experience
3. Resources
4. Systems and procedures
5. Flexibility
6. Creativity and imagination
7. Time management and priority setting
8. Dedication, stamina and idealism
9. Accountability
10. Management

2.5 As the lead UN agency for refugee emergencies, UNHCR, in partnership with other UN agencies and NGOs, is taking an increasingly active role in developing early warning systems and initiating and facilitating contingency planning. Aid organizations and other authorities in the field should notify UNHCR promptly as soon as they identify a potential refugee-producing situation. They should not wait until the situation becomes critical, flight begins and an emergency is triggered.

2.6 In the event of flight, a refugee emergency requires a rapid response. The key ingredients to being prepared are flexibility and resources: financial, human and material. Recognizing these essential requirements, UNHCR has taken a number of steps (described in Section 6.2) on UNHCR Emergency Preparedness. UNHCR's implementing partners with the potential to assist in a refugee emergency are well-advised to consider their own role in providing these key ingredients, and to upgrade their own emergency preparedness now to respond effectively, in a timely and appropriate manner, when an actual emergency occurs.

## Section 6.2 UNHCR EMERGENCY PREPAREDNESS

- 
1. UNHCR's Enhanced Capabilities
  2. Emergency Funding
  3. Emergency Staffing
  4. Emergency Supplies and Logistical Support
  5. Emergency Management Tools and Training
- 

### 1. UNHCR's ENHANCED CAPABILITIES

1.1 To strengthen its capacity for emergency preparedness and rapid response, UNHCR has, in recent years, implemented certain initiatives involving funding, emergency staffing, supplies, logistical support, and training. Understanding UNHCR's emergency preparedness measures may help implementing partners to assess their own state of readiness to work with UNHCR to respond to emergencies in a timely and effective manner.

1.2 The focal point for emergencies in UNHCR Headquarters is the Emergency Preparedness and Response Section (EPRS), comprised of staff members who are on stand-by to respond quickly to emergency situations. Staff support items and supplies are earmarked at Headquarters for rapid deployment with emergency personnel.

1.3 UNHCR has made arrangements to stockpile emergency relief goods at a Central Emergency Warehouse in Copenhagen. In addition, UNHCR has negotiated stand-by arrangements with a number of organisations that are capable of deploying staff and equipment to an emergency at short notice.

1.4 UNHCR has furthermore created a number of emergency management tools, and also provides training and/or training support in emergency management to both UNHCR and implementing partner staff members. (See the *Catalogue of Emergency Response Resources*, UNHCR, February 2002).

### 2. EMERGENCY FUNDING

2.1 The availability of funds is a necessary, but not always sufficient, pre-condition to assure an effective response to emergency situations. Three actions may be taken to secure funds for an emergency:

- (1) immediate reallocation of funds from the region;
- (2) emergency submission of a request for funds from the Operational Reserve;
- (3) the request for the emergency operation to be considered as a Supplementary Programme.

All requests must be channelled through the appropriate Bureaux.

2.2 The Central Emergency Revolving Fund (CERF) managed by the United Nations Emergency Relief Co-ordinator (Office for the Co-ordination of Humanitarian Affairs (OCHA)) has been set up to provide funds within the UN system to respond rapidly to emergencies. CERF, which has a target level of US\$ 50 million, is financed from voluntary contributions and is used for cash advances to operational organizations and entities within the UN system. Generally, UNHCR would access funds from CERF by requesting an advance of around US\$ 5 million, which can be very useful in cases of cash shortages. These advances are to be reimbursed as a first charge against income subsequently received, usually as a result of a consolidated appeal (CAP). Only under very

exceptional circumstances do the rules allow for the non-reimbursement of allocations made from this Fund.

### 3. EMERGENCY STAFFING

3.1 UNHCR has appointed six Emergency Preparedness and Response Officers (EPROs), on stand-by in the EPRS. In an emergency where the UNHCR Field Office lacks adequate resources to respond or where UNHCR has no prior presence, an EPRO can be deployed on short notice to lead an emergency team or existing staff. The duration of the deployment depends upon the nature of the operation, but is limited to the critical emergency phase when the basic systems and structures for the operation are put in place.

3.2 The EPROs are also responsible for a number of emergency preparedness activities. They review procedures and prepare management tools, such as operational guidelines for essential tasks in emergencies. They monitor regional developments which may have implications for emergency response, and assist the Bureaux at Headquarters to facilitate contingency planning for emergency-prone countries. They also identify emergency training needs based on their deployment experiences.

3.3 EPRS also has available one Senior Emergency Administrator (SEA) and three Emergency Finance and Administrative Assistants (EFAAs). These staff have management and administrative skills in human resources management, finance and general administration.

3.4 An Emergency Roster consists of a centrally managed pool of internal UNHCR staff who have particular skills useful in the first stages of emergencies. All staff on this roster (ERTs) have participated in the Workshop for Emergency Managers (WEM) developed by EPRS. While these staff members continue in their assigned positions, they are on stand-by to participate as members of an Emergency Response Team (ERT) when required. These

staff members have received emergency training, and can be deployed on short notice to assist in the critical, initial stages of an emergency when existing staff are unavailable or unable to cope.

3.5 To complement UNHCR's internal staffing resources for emergencies, stand-by arrangements have been negotiated for the secondment of staff from several international NGOs and GO's. Staff who have been pre-identified, screened and trained can be deployed on short-term assignments with as little as 72 hours notice to UNHCR operations anywhere in the world. This has proven to be most effective in the secondment of telecommunications experts, logistics officers, field officers, engineers, community workers, health professionals, and support service staff and equipment.

#### Purpose of the Emergency Response Team (ERT)

1. Provide immediate response (protection and assistance).
2. Build systems and procedures.
3. Allow time for the mobilization of longer-term resources.
4. Assess needs for future activities.
5. Hand-over of operations.

### 4. EMERGENCY SUPPLIES AND LOGISTICAL SUPPORT

4.1 UNHCR has assembled several kits for emergency response staff deployed to difficult locations during the very early phase of an operation where staff support arrangements have not yet been put in place:

- a. travel kit, the size of a carry-on bag, contains basic personal needs such as a pillow, towel and rain poncho; and

- b. field kit, in an aluminium trunk, contains a comprehensive range of survival items (including dry food ration packs), intended to provide staff with total self-sufficiency for three days.

4.2 An office kit, in two cardboard boxes, contains items of stationery, supplies, forms and some small non-expendable office items (e.g. stapler, scissors, pencil sharpener). It is designed as a start-up kit for new offices, after which normal procurement practices are instituted.

4.3 A stock of portable ITTS equipment (computers, printers, satellite phones vhf and hf radios) is maintained, with standard UNHCR software installed. Sufficient communications equipment is on hand at Headquarters to establish communications links for two emergency operations, even in the most remote areas. A number of vehicles can also be deployed rapidly from UNHCR emergency stocks.

4.4 Quantities of emergency relief supplies are positioned at the Central Emergency Stockpile warehouse in Copenhagen. These supplies include vehicles, tents, plastic sheeting, pre-fabricated warehouses, blankets, kitchen sets and jerry cans.

4.5 Arrangements are also in place to give UNHCR priority access to airlift capacity and a trucking fleet accompanied by a fuel tanker, mobile workshop, escort vehicles and personnel (drivers and co-ordinators).

## 5. EMERGENCY MANAGEMENT TOOLS AND TRAINING

5.1 The UNHCR *Handbook for Emergencies* is available in Arabic, English, French, Italian, Japanese, Russian, and Spanish. It is a manager's guide for setting up emergency operations for large-scale influxes. The Handbook provides advice in a non-technical manner on various aspects of an emergency preparedness and response.

5.2 A Refugee Registration Package consists of two elements. The Practical Guide provides ideas for undertaking refugee registration exercises, including equipment required, how to estimate populations, and maps of typical reception and registration areas. The Registration Kit is designed for 30,000 refugees (10,000 families), with appropriate supplies, forms and software.

5.3 Checklists for internal UNHCR use have been developed for:

- a. the Emergency Manager, emphasizing management of a 'classic' refugee emergency, from pre-departure for the field to hand-over and return; and
- b. the Emergency Administrator, focusing on administrative support activities related to premises, communications and transport, personnel, staff conditions and security, finance, equipment and supplies, filing and documentation.

5.4 The Situational Emergency Training Programme (SET) is offered regionally each year to staff members from UNHCR, NGOs, governments and other UN agencies. A limited number of participants are invited to attend. The Programme examines the purpose and goals of emergency management, illustrates the need for general management skills, and demonstrates specific applications of emergency management techniques in priority areas such as planning, logistics, health, shelter and nutrition.

5.5 Besides these formal workshops, EPRS provides support for *ad hoc* targeted emergency training of three general kinds, namely general or country specific training e.g. contingency planning; workshops for specific audiences e.g. external stand-by staff; and support for emergency courses organized locally by UNHCR Field Offices.

**Section 6.3 EMERGENCY RESPONSE**

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1. When a Refugee Emergency Occurs
  2. Needs Assessment
  3. Operations Planning
  4. Implementing Partner Selection
  5. Allocation of Responsibilities
  6. Organisation and Coordination
  7. Doing it Right from the Start
- 

**1. WHEN A REFUGEE EMERGENCY OCCURS**

1.1 An emergency requires immediate and appropriate action to save lives, ensure protection, and restore the well-being of refugees. The initial stages to manage the urgent situation comprise:

- a. initial needs assessment, to determine what must be done;
- b. planning, to establish priorities within a framework of action;
- c. allocation of the responsibilities for action; and
- d. confirmation/provision of the means of action, including funding, personnel and material.

**Implementing Partners  
Emergency Response**

1. Liaise with other NGOs operating in the area and then meet with UNHCR as soon as possible, to catalogue available services and to request funding.
2. Provide own funds to get started fast. If necessary, negotiate a Letter of Intent with UNHCR, to define responsibilities and obtain initial funding.
3. Cooperate with UNHCR which, as lead agency, will coordinate emergency relief operations, including liaison with host government, military authorities and/or peace-keeping forces. UNHCR can also help define some operating standards (e.g.salaries for locally employed staff).
4. Respect the policies of the host government. Establish contact with national and local authorities at the general and sectoral level.
5. Buy/rent radio/communications equipment and vehicles (although UNHCR may supply).
6. Provide security measures – treat security as another sector for action. UNHCR's security arrangements usually only cover UN personnel.Appoint a security focal point for liaison with UNHCR's Field Security Advisor (FSA) and/or UNSECOORD Field Security Officer (FSO),if this is the case.



1.2 From the start, management of a refugee emergency must also include continuous co-ordination, monitoring, reporting and evaluation to ensure that plans are adjusted and actions remain appropriate as circumstances evolve.

## 2. NEEDS ASSESSMENT

Effective emergency assistance is based on a sound assessment of the refugees' most immediate needs.

2.1 Needs and resources assessment is a continuous process in any effective programme of protection and assistance (see Section 3.2 of Emergency Handbook). Needs change, knowledge is gained, and new factors must be taken into account. A commitment to ongoing assessment is critical if assistance from the earliest stage of an emergency is going to have the desired impact.

2.2 An initial assessment of the situation serves as the basis for an initial response. It is followed by needs and resource assessments of a more technical nature. Each additional assessment should build on the foundation provided by earlier assessments, with ongoing assessment leading to better targeting of assistance of the appropriate quality, delivered on time, at a cost which provides good value for money. (UNHCR's Emergency Preparedness and Response Section (EPRS) has ***Guidelines for Initial Assessments***).

2.3 The initial response to a new emergency situation focuses on minimizing excess mortality and undue suffering. UNHCR conducts an initial assessment which is an information gathering, analysis and interpretation exercise resulting in a 'picture' of the emerging situation, i.e. the people involved (potential beneficiaries, government authorities and possible implementing

partners for protection and assistance), current conditions, the context and other factors which will influence the situation as it develops. An effective first assessment also includes an initial proposed course of action. Already at this stage, the crucial process of establishing standards appropriate for the specific emergency begins, and the longer-term durable solution is considered.

2.4 The initial assessment team gathers information from as many sources as possible. A trip to the site(s) of the emergency is essential to gain first-hand knowledge. The team should conduct as comprehensive an assessment as is possible under the circumstances. To the extent possible, the assessment must involve those who will be responsible for the response, including government organisations, potential implementing partners and the beneficiaries themselves.

### Initial Assessment Report

An initial assessment aims to produce a "picture" of an emergency situation that describes:

- the people affected by the emergency;
- their condition and most urgent needs;
- the context or factors that will define an influence the ongoing operation;
- the capacities and resources of governments, humanitarian agencies, and beneficiaries to cope/respond to the situation; and
- the recommendation for immediate action on a strategic, managerial, and sectoral level.

2.5 Following analysis and interpretation of the information and the impressions of the team, a concise report is prepared which captures the essence of the situation and proposes an initial plan of action. A clear presentation of the facts contributes to a better understanding of the dynamics of the emergency and the factors expected to have an impact as the situation evolves.

2.6 The report must answer this question: Are the population's basic minimal requirements for a life in safety and dignity being satisfied? In addition to focusing on the protection and security of refugees in an emergency, UNHCR uses a series of standards in the crucial assistance sectors of Food, Water, Sanitation, Shelter and Health, which represent minimal essential needs. Clearly stated in the UNHCR *Handbook for Emergencies*, a summary of the most critical standards in the key assistance sectors is shown overleaf. In large emergencies in which various government authorities and operational and implementing partners are providing assistance and using a variety of sources of funding, there is great risk that significant disparities in the levels and quality of assistance will result. The adoption of common standards, therefore, is of particular importance. (See *The Sphere Project. Humanitarian Charter and Minimum Standards in Disaster Response*, second, revised edition).

An effective and timely response to refugee emergencies have been, for many years, the focus of UNHCR's work.

While UNHCR's effort is primarily geared towards refugee related emergencies, the shifting nature of conflict in recent years (internal civil strife rather than the traditional inter-state wars) as meant that UNHCR has been increasingly called upon to respond also to internal large scale population movements in failed or dysfunctional states.

The speed and scale of refugee emergencies that have occurred in the past decade and the challenges these emergencies have posed in organizing a timely and credible protection and assistance effort, clearly demonstrate the need for UNHCR to work closely in partnership with other agencies.

This is particularly the case in responding to complex emergencies that transcend the capacity of any single agency.

## INITIAL ASSESSMENT \*

(Basic Information, Analysis, Interpretation and Trends)

### Current Conditions

Are the refugees at risk in their current location?  
Why have they left their homes?  
Are there security problems?  
How accessible is their current location?  
Do they have access to sufficient quantities of safe water?  
Do they have food? Is it sufficient? For how long?  
Are there cases of malnutrition?  
Do they have adequate shelter? Is there over-crowding?  
Are adequate sanitary facilities available?  
Do they have basic domestic items?  
Is there sufficient fuel for cooking and/or heating?

### Context

What are the local population's and local authorities' attitudes towards the refugees?  
What action has the central government taken?  
Has contingency planning for refugee emergencies been undertaken?  
Are there NGOs present in the area where the refugees are located and, if so, what resources can they make available?  
Are there existing or potential logistics networks available?  
What logistical constraints are likely to exist?

Are other UN organizations responding to the emergency?  
What environmental, geographic and climatic factors must be considered in planning a response?

### Beneficiaries

Who are they? Ethnic and cultural background?  
Ethnic tensions?  
Where have they come from?  
How many have arrived?  
What is the rate of arrival? Is it likely to increase? Decrease?  
What is the gender breakdown of the population? Percentage women/children?  
Are families intact?  
Are there unaccompanied minors?

### Other Factors

Are they organized? Are there group or community leaders?  
Are efforts underway to assist them? If yes, who is responsible? Is the assistance adequate? Sustainable? Can the assistance be increased/expanded to cope with additional arrivals?  
Does the site where they are located present risks?  
Can they stay where they are, or will they have to move?

\* The initial assessment should answer these types of questions, which are for illustrative purposes only, and are not intended as an all-inclusive list. For more information see: *Initial Assessment in Emergency Situations – A Practical Guide for Field Staff*, UNHCR Geneva 1998.

### 3. OPERATIONS PLANNING

A comprehensive plan of action is essential, drawn up with the people who will implement it and taking into account the views of the refugees.

3.1 The response to the needs that have been identified, analyzed, and prioritized in the assessment report must be planned. The best management tool for this is a plan of action for each administrative level, usually called an Operations Plan. It should include a plan for each refugee site, drawn up by the organization with overall responsibility at the site level. The plan for the overall emergency and the site-level plans are interdependent, and should reflect the goal of achieving a durable solution. The Operations Plan must be available to all who need it.

3.2 It should be stressed that the Operations Plan is the product of an *ongoing* participatory planning process. The plan itself must not be a

static document, but must remain constantly under review as a result of ongoing needs and resource assessments.

3.3 At the start of an emergency, there is a tendency to postpone planning, because information may not be available and there are obvious urgent needs which can be met piecemeal without a plan. This tendency should be resisted; the more critical the situation, the more important it is to take stock, determine priorities and develop a plan for what needs to be done, when, by whom and how.

3.4 The most effective Operations Plans are those developed by or with the people who will need or implement them. Drawing up the plans should be a team effort; clear direction must, however, come from the government and/or UNHCR. Plans must be comprehensive, covering all needs whether they are being, or will be, met by UNHCR or by other organizations and sources of funds. Not only will the plan clarify issues of management and responsibility, it will also provide a head start for the more detailed programme planning which will necessarily follow as the emergency evolves into a more stable situation.

Sector	UNHCR Standard (Minimum Standards for Emergencies)
Food	2,100 kcal per person per day, with a balanced, culturally acceptable diet.
Water	10 litres of safe water per person per day, accessible within a few minutes walk of shelters.
Sanitation	One latrine for 20 persons.
Health	Gross mortality rate less than 2/10,000/day; under-five mortality rate less than 2/10,000/day; the five main killer diseases in emergencies (diarrhoea, malnutrition, respiratory infections, measles, malaria) under control.
Shelter Surface Area	3.5 sq. metres of space per person in shelters, overall site providing 30 sq. metres per person.

3.5 In drawing up the plan, the views of the beneficiaries must be taken into account. Needs of refugee women and vulnerable groups must be taken into consideration from the early stage of planning. The beneficiaries are the single most important resource in meeting their own needs. They will have definite ideas on how this may best be done. The plan must strengthen the beneficiaries' own resources and self-sufficiency, and avoid creating dependency through the well-intentioned provision of outside assistance that is either inappropriate or unnecessary.

#### 4. IMPLEMENTING PARTNER SELECTION

From the start of an emergency, careful selection of implementing partners and establishment of operational procedures are essential. See Section 1.6 for criteria for the selection of implementing partners.

4.1 At the beginning of an emergency it is not unusual for potential implementing partners to be operating already in the area of the refugee crisis and new influx. Some may be implementing development projects or dealing with earlier refugee arrivals, and so their ability to relocate or redirect their activities is often quite straightforward.

4.2 In addition, many international aid organizations are able to mobilize their resources quite rapidly, particularly where their financial situation and decision-making structure are geared to emergency response. Some may arrive on the scene of an emergency within a matter of days. UNHCR is now able to take similar speedy response measures.

4.3 Soon after the emergency situation is evident, therefore, a number of organizations are operational, or quickly becoming operational.

However, these operational partners may have varying degrees of experience, be specialized in different sectors, have uneven capacities and wide ranging objectives. The net result is that not all sectors and needs of the refugees are covered, while some are over-resourced. This is a period of self-selection – the needs are great and whatever assistance is provided is usually welcomed.

4.4 As the emergency continues, more organizations arrive on the scene, some of their own volition, some invited by UNHCR as implementing partners. Where previously there were gaps in programme delivery, situations could now arise where there is overlap. All resulting scenarios – those characterised by serious programme delivery gaps, uneven coverage, or duplicated activities – are unacceptable, and coordination thus becomes crucial (see below).

#### 5. ALLOCATION OF RESPONSIBILITIES

Responsibilities must be clearly defined and understood.

5.1 The roles and tasks of all involved must be clearly stated. Delays in defining responsibilities usually mean that each party defines its own goals independently and sets its own limits of responsibility. This in turn can quickly result in confusion, gaps and duplication. Responsibilities should be defined for each administrative level, and for all organisations and individuals. Responsibility, delegated to the lowest possible level, must include the necessary authority to exercise the assigned responsibility.

5.2 Responsibilities for UNHCR's implementing partners are defined in the appropriate implementing agreement (see Section 4.1). If formal sub-agreements have not yet been drawn

up, and cooperation is based on a Letter of Mutual Intent to Conclude a Sub-Agreement (see Section 4.1), the definition of responsibilities in the Operations Plan is essential.

5.3 The responsibilities of organizations which are delivering assistance but are not UNHCR's implementing partners must also be defined. This may create problems, particularly where individual organisations wish to have responsibility for a specific sector. Final authority rests with the host government. To the extent possible, however, any conflicts of interest should be resolved within the framework of the coordination mechanism (see below).

5.4 A document setting out the assumptions, concepts and principles behind the emergency operation has proved a valuable complement to the plans and detailed definitions of responsibility, especially in large programmes. Such a document should include an explanation of the role and responsibilities of the government, UNHCR, other UN organizations, implementing partners, and any bilateral donors, together with standards for the various sectors and any specific guidelines necessary. Details of the coordination mechanism should also be given.

## 6. ORGANIZATION AND COORDINATION

A single coordinating authority is required.

6.1 Effective coordination results from sound management. All concerned must recognize the value of coordination, and encourage and support efforts to make coordination work. It requires commitment to information sharing, transparency, joint planning and problem-solving amongst all the participants responding to the refugee emergency. Coordination is a combination of formal and informal processes including meetings, periodic reviews and

ongoing communications at all levels and between levels.

6.2 Coordination mechanisms must be planned and established with clear objectives and assigned responsibilities and authorities. Coordination must be based on good information exchange, or it may be counter-productive. Decisions made must be properly implemented. Practical and political problems must be resolved quickly and effectively.

6.3 A coordinated framework is essential for the effective and efficient implementation of the emergency programme and for making management decisions. Coordination at central and site levels will involve frequent informal contacts between UNHCR, the government, other UN organizations directly involved, the implementing partners, the beneficiaries and other parties concerned.

6.4 These contacts should be complemented by more formal regular meetings where overall progress is reviewed and plans are adjusted. A general forum should be established which meets frequently in the initial stages, and less frequently as time progresses. In addition to the programme and management issues which will be considered as they arise, a coordinated media response is required to ensure that the message to the world is consistent and to harmonize public statements and the projected image of the emergency. The forum also provides a mechanism to set up and maintain relations with governmental and local authorities, and to facilitate relations between the government and all the aid organizations participating in the emergency.

6.5 Whatever the implementing arrangements, experience shows that there are major advantages when the host government establishes a single coordinating authority, representing all the ministries and departments involved in the emergency.

6.6 Effective coordination with and among non-governmental organizations (NGOs) is also

essential to the success of the emergency operation. Much will depend on the position of the government, which may wish to control and coordinate NGO activity itself. Where an NGO is an implementing partner of UNHCR, co-ordination should already be assured, but many NGOs may be implementing their own programme for the refugees with their own funds.

6.7 Some NGOs will have been active before the UNHCR programme started and many more will arrive in a major refugee emergency. For organizations which have not previously recognized the value of coordination, it may be difficult initially to convince them to participate and to pass information 'down' to the site level. Subject to the policy of the host government, where an NGO coordinating structure does not already exist, UNHCR normally takes the lead in encouraging the NGOs to set up their own coordinating committee and mechanism.

6.8 One urgent and important activity of the operational partners within the coordination mechanism is to draw up guidelines, standards and norms for operational behaviour. This will considerably assist all partners to understand what others expect of them and help to reinforce such expectations. These guidelines should cover issues such as non-political or non-partisan behaviour, security and communications, dealing with unaccompanied minors, and the authority of the coordination mechanism itself.

## 7. DOING IT RIGHT FROM THE START

While emergencies call for extraordinary measures, every effort is needed to organize assistance activities properly from the beginning.

Emergency measures must give way to normal practice as soon as possible.

7.1 In the earliest stages of an emergency, extraordinary measures will be needed. Levels of detail in project proposals and budgets are less detailed in the early phases of an emergency. Initial financial support for the mobilization of staff may be necessary. Compromises may be needed, in terms of the assignment of responsibilities for implementation. UNHCR understands that measures such as these may be necessary to ensure a rapid response, but such steps must be seen as extraordinary, and regular structures need to be put into place as soon as possible.

7.2 Assistance should be organized and systems established properly from the beginning. If practices that contravene normal policy are accepted initially, implementing partners need to remember that UNHCR expects emergency situations to normalize into relative stability. As soon as possible, UNHCR's standard assistance policies and practices will be applied. To avoid misunderstandings, UNHCR's implementing partners need to be aware of this, and plan accordingly.

### Financial Considerations

7.3 The ability and willingness of UNHCR's implementing partners to participate in an emergency, especially in needs assessment and/or the provision of crucial assistance, should be less constrained by financial considerations, and should not depend initially on the results of their own fund raising. To ensure the participation of appropriate implementing partners, and to the extent that a particular partner is unable to assure complete or partial funding, UNHCR may consider meeting mobilization and support costs for an agreed period of time during which life-saving activities are implemented. Any extension of UNHCR funding beyond this period, however, is subject to review.

7.4 Emergency situations often provide aid organizations with a new opportunity to seek additional public and private sector funding. In determining the level and extent of any UNHCR

funding for implementing partners in emergencies, the following considerations apply:

- a. The need to ensure that emergency humanitarian relief is promptly and efficiently provided through the involvement of relevant implementing partners.
- b. The extent of the implementing partners' own financial resources for addressing emergencies.
- c. The possibility of the implementing partner contributing to the particular operation in a timely manner, according to their own fund raising initiatives, and material and financial resources.

#### Preparation of Budget Submissions in Emergencies

7.5 Any project submission and budget should be the result of a needs and resource assessment. In an emergency, given the urgent need for action, detailed budgeting in the early stages will often not be possible. Indicative lump sum amounts in a budget may be approved on an exceptional basis at the beginning of an emergency, in order to allow implementation to begin. To the extent possible, project submissions in an emergency, including budgets, should be submitted in the prescribed UNHCR format, to avoid delays in approval. UNHCR uses a bottom-up, line item approach which calls for the specification of individual objects of expenditure (see Section 3.4). Implementing partners should consult with their UNHCR counterparts on formats and required level of detail.

7.6 In an emergency, UNHCR may make an allocation (see Section 2.2) to enable initial assistance activities to begin without delay. When such an allocation is made, UNHCR Headquarters expects that there will be a budgeting process conducted by UNHCR field personnel and concerned implementing

partners, and that the quality of that process will improve over time.

#### Implementing Arrangements

7.7 UNHCR uses implementing instruments to delegate authority for project implementation and related expenditures (see Section 4.1). In emergencies, UNHCR uses an Emergency Letter of Instruction (ELOI) to delegate authority to a UNHCR Representative in a field location, to commit funds and enter into project (sub-) agreements. The ELOI contains a minimal amount of detail and includes a budget at the sector level. The objective of the ELOI is to allow assistance activities to begin without delay. As soon as possible in a refugee emergency, a proper UNHCR project submission is required by Headquarters so that a normal Letter of Instruction (LOI) can be issued.

7.8 In the same way that an ELOI facilitates delegation of authority from UNHCR Headquarters to a UNHCR field operation, a Letter of Mutual Intent to Conclude an Agreement (see Section 4.1) is used by the UNHCR Field Office as a preliminary agreement with each implementing partner to begin implementation of emergency assistance activities. Depending on the circumstances, an initial instalment can be paid to an implementing partner under a Letter of Mutual Intent. In the same way that an ELOI should eventually be superseded by an LOI, a Letter of Mutual Intent must be superseded as soon as possible by a proper (sub-) agreement.



## **APPENDICES**

### **APPENDIX A** Standards of Conduct

- A1** Framework Agreement for Operational Partnership
- A2** UNHCR Code of Conduct

### **APPENDIX B** Sub-Project Documentation

- B1** Format for Sub-Project Description
- B2** Format for Description of Objectives and Outputs  
Sub-Project Workplan Format
- B3** Sector-Activity Codes  
Item-Sub Item Codes
- B4** Standards/Indicators for Key Sectors

### **APPENDIX C** Formats for Sub-Project Agreements

- C1** Format of Tripartite Sub-Project Agreement
  - Appendix 1: Financial and Programme Arrangements
  - Appendix 2: Standards of Conduct: Ensuring Protection from Sexual Exploitation and Abuse
- C2** Explanation of Articles of the Sub-Project Agreement

### **APPENDIX D** Format of Supplementary Agreements

### **APPENDIX E** Formats for Agreements relating to UNHCR Assets

- E1** Format for the Agreement for the Receipt and Right of Use of UNHCR Assets
- E2** Format for Agreement for Transfer of Ownership of UNHCR Assets

### **APPENDIX F** Guidelines for the Engagement of Audit Firms for the External Audit of UNHCR Sub-Projects implemented by National NGO Partners



## Appendix A: STANDARDS OF CONDUCT

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This Appendix contains two documents:

- Appendix A1**      The **Framework Agreement for Operational Partnership (FAOP)** between UNHCR and NGOs. This Agreement grew out of the PARinAC Process (1994). Using the PARinAC Oslo Agreement and Plan of Action as its basis, the FAOP addresses the need for a common approach towards the provision of protection and assistance to refugees by UNHCR and its NGO partners. Under the Framework Agreement, it is agreed that the partners will be guided by the principles set down in the Code of Conduct of the International Red Cross and Red Crescent Movement and Non-Governmental Organizations which includes, *inter alia*, the following commitments:
- to ensure that the humanitarian imperative comes first;
  - to give aid regardless of the race, creed or nationality of the recipients and without adverse distinction of any kind; and to determine aid priorities on the basis of need alone;
  - to ensure that aid will not be used to further a particular political or religious standpoint;
  - to not act as instruments of government policy.
- Appendix A2**      This contains UNHCR's Code of Conduct. As noted in the Foreword to the Handbook, UNHCR looks to those who work with the Office to address the needs of refugees and others of concern, to share its vision and broad objectives related to international protection. In particular, it expects of its own staff standards of conduct commensurate with their role of providing protection: these have been set out in a UNHCR Code of Conduct. UNHCR's partners, be they operational partners or implementing partners, are asked to espouse the *Core Values and Guiding Principles* underlining the Code of Conduct. More specifically, partners are asked to "prevent, oppose and combat all exploitation and abuse of refugees and other persons of concern". In this context, the six Principles elaborated by the Inter Agency Standing Committee, and which, in turn, are reflected in the codes of conduct of different agencies, and the related Bulletin of the Secretary-General, are fundamental. These expectations as to professional behaviour on the part of staff of those agencies signing implementation Agreements with UNHCR have been reflected in the Sub-Project Agreement at Article 4.04.1 (Appendix C1) and Appendix 2 to the Sub-Project Agreement.



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## Appendix A1 FRAMEWORK AGREEMENT FOR OPERATIONAL PARTNERSHIP between the UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES and (NON-GOVERNMENTAL ORGANIZATION)

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### I. INTRODUCTION

1. The Framework Agreement for Operational Partnership (FAOP) recognises the importance of the contribution of all entities working with refugees, as well as the need for a strong partnership between the United Nations High Commissioner for Refugees (UNHCR) and all Non-Governmental Organizations (NGOs) involved in refugee operations, to ensure the delivery of effective protection and assistance. For ease of reference, 'refugees' is used in this Agreement to describe **all** persons of concern to UNHCR.
2. The Partnership in Action (PARinAC) process led to the 1994 Oslo Declaration and Plan of Action between UNHCR and NGOs, and among NGOs themselves, and set a framework for joint humanitarian action in favour of refugees. This Framework Agreement for Operational Partnership (FAOP) is a follow-up to, and an integral part of, the PARinAC process. Using the Oslo Declaration and Plan of Action as its basis, the FAOP addresses the need for a common approach towards the provision of protection and assistance to refugees. Throughout the FAOP the word 'Partners' is used to denote UNHCR and NGOs together, and refers to both parties to the partnership.
3. Refugee operations range in scale from complex emergencies protecting and assisting hundreds of thousands of refugees to small-scale protection and assistance activities for limited numbers of individual refugees in towns and cities. They may cover such activities as protection, care and maintenance, repatriation, reintegration, institution building, resettlement, representation and advocacy. Cooperation, coordination and operational approaches will be defined by the situation on the ground in any given operation, and will include host Governments, who have overall responsibility for refugee protection in their own country. Sources of funding and inputs from Partners vary significantly in different operations. Partnership therefore requires a deliberate effort on the part of both Partners. By signature of this Agreement, Partners confirm their common commitment to putting in place, at the field and headquarters level, mechanisms to ensure the effectiveness of this Partnership. The FAOP between UNHCR and [xx NGO] aims to build an active operational Partnership through a common commitment to:
  - understanding each others roles and responsibilities;
  - the highest standards of conduct, both professionally and personally;
  - improved mechanisms for consultation and cooperation, including information sharing;
  - coordinated programme planning and implementation;
  - seeking solutions;

- complementarity of activities;
- maximising the effective use of resources;
- avoiding duplication of efforts and unnecessary competition;
- benefiting from each others competence and expertise;
- joint training and capacity building.

## II. RESPONSIBILITY

4. By virtue of its Statute, UNHCR has responsibility for 'providing international protection, under the auspices of the United Nations, to refugees' and 'seeking permanent solutions for the problems of refugees by assisting Governments and, subject to the approval of the Governments concerned, private Organizations to facilitate the voluntary repatriation of such refugees, or their assimilation within new national communities'<sup>1</sup>. The High Commissioner is also charged with administering 'any funds, public or private, which s/he receives for assistance to refugees, and shall distribute them among the private and, as appropriate, public agencies which s/he deems best qualified to administer such assistance'<sup>2</sup>. UNHCR is bound by its Mandate and is required to provide protection to refugees, and as a part of its protection activities to coordinate and monitor the assistance provided.
5. The Partners recognise the primary protection role and responsibility of UNHCR in any refugee situation. It is recognised that NGOs have, in many different situations, an important role to play with UNHCR in protection and advocacy at the field level as well as elsewhere. UNHCR's protection policy should be communicated to all UN agencies and NGOs working in a region and should be encouraged to focus their activities to complement UNHCR's protection activities. The UNHCR/NGO field guide on protection will provide the basis for cooperation in protection at the field level<sup>3</sup>.

## III. STANDARDS OF CONDUCT

6. The Partners will be guided by the principles set down in the Code of Conduct of the International Red Cross and Red Crescent Movement and Non-Governmental Organizations<sup>4</sup> which includes:
  - a) the humanitarian imperative comes first;
  - b) aid is given regardless of the race, creed or nationality of the recipients and without adverse distinction of any kind. Aid priorities are calculated on the basis of need alone;
  - c) aid will not be used to further a particular political or religious standpoint;
  - d) we shall endeavour not to act as instruments of government foreign policy;

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<sup>1</sup> Statute of the Office of the United Nations High Commissioner for Refugees, Chapter 1, Paragraph 1.

<sup>2</sup> Ibid, Chapter 2, Paragraph 10.

<sup>3</sup> Protecting Refugees, A Field Guide for NGOs.

<sup>4</sup> Code of Conduct for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations (NGOs) in Disaster Relief.

- e) we shall respect culture and custom;
- f) we shall attempt to build response on local capacities;
- g) ways shall be found to involve programme beneficiaries in the management of relief aid;
- h) we hold ourselves accountable to both those we seek to assist and those from whom we accept resources;
- i) in our information, publicity and advertising activities we shall recognize disaster victims as dignified human beings, not objects of pity.

#### IV. CONSULTATION AND COOPERATION

7. At the country level the Partners, together with the Government, concerned UN Agencies, local leaders and, wherever possible, refugee representatives (both men and women), will form or support and participate in, a forum for regular general discussion, consultation and cooperation between all those involved in providing protection and assistance to refugees. This will ensure *inter alia* an understanding of the overall policy and strategy of a given operation. This forum will include those NGOs who are parties to the FAOP, as well as those who are not parties to the FAOP but who are prepared to work within the framework of this Forum. (See also paragraph 10, which is an alternative forum for operational coordination at the field level).
8. The Partners recognise the importance of cooperation between NGOs themselves and encourage the establishment of a forum for inter-NGO consultation<sup>5</sup>. UNHCR will provide support and assistance to an NGO forum at the field level, if requested, and where possible.
9. Contact at the headquarters level between partners is important, and could include mailings, briefing meetings, and other regular contacts between the relevant staff. All Partners in an operation need to have access to relevant information on activities and policy on the refugee operations in which they are involved, at the level of their headquarters, as well as in the field.

#### V. COORDINATED ASSESSMENT, PLANNING AND IMPLEMENTATION

10. As a rule the partners will work together on overall needs assessment and operations planning, as well as ongoing assessment, monitoring of protection and assistance activities, needs, general programme review and evaluation. In complex operations, an Operations Committee may be set up, comprising Government Officials, UN Heads of Agency, and NGO Team Leaders, as well as local community leaders, to coordinate the overall activities of an operation. (See also paragraph 7, which is an alternative forum for exchanging information rather than operational coordination). Partners recognize that operations planning and coordination are a part of protection, including the particular protection needs of women and children.

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<sup>5</sup> See the InterAction NGO Field Cooperation Protocol.

11. Partners will work together to determine the mechanisms required to enable agreement on specific guidelines and standards as required for a particular refugee operation. This may include the formation of one or more sectoral committees to ensure that operation specific standards are consistent with international standards and norms, and that they are adhered to. The Sphere Project: Humanitarian Charter and Minimum Standards<sup>6</sup> may be used as guidance to determine appropriate guidelines and standards.
12. Partners will work closely together, as well as with refugee representatives and committees, which must include women, to ensure that refugees with special needs are identified and that their protection and assistance needs are properly addressed, including by sectoral committees and community-based programmes. UNHCR's guidelines on dealing with those who are or may become vulnerable, and who are subjected to violence or other treatment requiring special protection will be used in planning and implementing general and specific programmes for refugee operations<sup>7</sup>. This applies particularly to refugee women and children.
13. Sectoral Committees will be chaired by a technical expert, with field experience, from either the host Government, UNHCR (particularly where UNHCR has appointed a technical coordinator) or an NGO, with participation from NGOs working in the same or a similar technical sector. Participation should include, where appropriate, programme, community services and protection staff from UNHCR and/or NGOs. Where there are cross-sectoral technical issues UNHCR and NGOs must ensure that there is coordination between technical experts/sectoral committees on operational questions.
14. Where more than one NGO in an operation is carrying out similar functions, either at the same or adjacent sites, these agencies will agree in a memorandum of understanding (to include UNHCR and, where appropriate, a Government agency) the coordination and decision making mechanisms put in place to ensure compatible programmes and appropriate standards.
15. The Partners recognize the contribution of the host population in any refugee operation and are committed to ensuring that there is an early assessment of the impact of the refugee population on the area in which they find themselves and to take timely action to minimise the adverse effect of this impact on the local environment and population.
16. The Partners emphasise the importance of protection, meeting the needs of the vulnerable/potentially vulnerable and involving the refugee population in all aspects of operations planning and implementation. They will, in particular, ensure that refugee committees, including women's groups, are consulted and involved on both technical and general operational management issues.

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<sup>6</sup> The Sphere Project – Humanitarian Charter and Minimum Standards in Disaster Response, <http://www.sphereproject.org>. The Sphere Project is a programme of the Steering Committee for Humanitarian Response (SCHR) and InterAction with VOICE, ICRC and ICVA.

<sup>7</sup> UNHCR and other relevant Standards, Guidelines and Advisory Documents.



## VI. EFFECTIVE USE OF RESOURCES

17. UNHCR and NGO Partners will endeavour to identify national bodies, with whom they can work closely, in order to use effectively local resources and enhance local capacity in the long term, with a view to handing over activities to national partners as soon as appropriate. International NGOs with local sections/branches will support activities to enhance the capacity of their local sections to enable them to participate more fully in refugee operations.
18. The Partners are committed to ensure adequate care for all of their staff, national and international, in the field<sup>8</sup>. Recognizing that circumstances in which humanitarian aid is provided are becoming harder and people are an essential factor in the success of refugee operations, Organizations will strive to create adequate working conditions for their staff. In particular, all reasonable steps will be taken to ensure security and well-being of staff.
19. The Partners recognize the importance of staff development in improving the effectiveness of refugee operations. Both will ensure that their staff receives appropriate training, including joint UNHCR/NGO training at the field level.
20. The Partners recognize the importance of effective monitoring and evaluation in ensuring the highest possible standards of service to refugees in the most cost-effective manner. Partners will make every effort to conduct joint monitoring and evaluation at the field level.
21. The partners are committed to the need to report on their activities, from the perspective of both finance and effectiveness.

## VII. SECURITY AND COMMUNICATIONS

22. In insecure and isolated areas the Partners recognise the mutual dependence of all humanitarian workers at the field level for their security and communications strategy, and the potentially adverse impact the actions of one partner may have on the other. The Partners are committed to working closely to ensure information sharing, cooperation and coordination in both these areas, and will ensure that, where appropriate, all staff in the field are fully briefed on the security situation, the security plan, restrictions and other security measures in force. Partners are responsible for the behaviour and action of their own staff and ensuring their compliance with agreed security procedures. UNHCR will assist, to the extent possible, the NGO partner to have access to both telecommunications equipment and training.

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<sup>8</sup> People in Aid Code of best practice in the management and support of aid personnel provides principles of practice.

## VIII. AGREEMENT IMPLEMENTING PRINCIPLES

23. This Agreement reflects a broad framework within which Partners will work. However, Partners agree that it is important to the implementation of this agreement that, at the operational level, there will be local agreements that reflect the reality of individual operations. These local operational agreements should address the issues outlined in Sections IV (Consultations and Cooperation) V (Coordinated Assessment, Planning and Implementation) and VI (Effective Use of Resources). This does not exclude Partners reaching agreements on other issues specific to an individual operation, and which will enhance the effectiveness of a joint response to a refugee situation.
24. Nothing in this agreement shall affect the relations of UNHCR with its Executive Committee or the Office of the Secretary General of the United Nations, nor shall it affect the contractual relationship between UNHCR and any implementing partner.
25. This Agreement does not affect the identity or core values of individual partners.
26. This Agreement will enter into force upon its signature by both parties and shall be of indefinite duration. It may be terminated by either party upon 30 days written notice.
27. The text of this FAOP will be monitored regularly by a Joint UNHCR/NGO Working Group. An NGO member, elected by the Joint Working Group, will Chair the Working Group, and UNHCR's NGO Coordinator will act as Secretary to the Working Group and provide a focal point for the Working Group's follow up to this Agreement. Arrangements will be put in place for the Joint Working Group to consult widely before proposing modifications to the text. Joint evaluations by the signatories of the FAOP of adherence to the principles embodied in this Agreement will be organized as deemed appropriate.
28. The Partners shall ensure that this FAOP is widely disseminated within their own Organizations, including at the field level. Action to promote adherence to the terms of this Agreement will be initiated at all levels by both Partners. In new operations, the FAOP will serve as a mechanism for establishing agreed coordination strategy. For on-going operations, the FAOP will serve as a mechanism for evaluating and strengthening existing coordinating strategy.
29. Problems arising from the implementation of this Agreement will be dealt with initially between the senior staff member of each partner at the field level. In the absence of a satisfactory conclusion, the matter can be referred by UNHCR offices to the Coordinator if the NGO Liaison Unit and by [XNGO] staff to a designated staff member in [XNGO] for review.

The UN High Commissioner for Refugees  
*President*  
NGO

## Appendix A2 CODE OF CONDUCT

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**OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER  
FOR REFUGEES  
(UNHCR)**



## **CODE OF CONDUCT**

### **INTRODUCTION**

UNHCR's capacity to ensure the protection of and assistance to refugees and other persons of concern depends on the ability of its staff to uphold and promote the highest standards of ethical and professional conduct. We, the staff members of UNHCR, are personally and collectively responsible for maintaining these standards. Managers have a particular responsibility to uphold these standards, to set a good example, and to create a working environment that supports and empowers staff.

It is recognised that UNHCR's work often puts its staff in positions of power in relation to its beneficiaries. Staff have an obligation not to abuse this power.

This Code of Conduct is intended to serve as an illustrative guide for staff to make ethical decisions in their professional lives, and at times in their private lives. It is a moral code that does not have the force of law. It is designed to assist staff to better understand the obligations placed upon their conduct by the Charter of the United Nations and the Staff Regulations and Rules, which remain the only legal instruments that determine acceptable conduct in UNHCR. Signing the Code does not take away any acquired rights of UNHCR Staff.

While acknowledging that local laws and customs may differ from one country to another, the Code of Conduct is based on international legal standards. For example, children are defined as those under the age of 18. Guidance on appropriate interpretation can be found in the Notes to the Code of Conduct.

The Code applies to all UNHCR staff members, who will be requested to sign it. Persons holding a UNHCR consultant contract and interns will also receive the Code and be requested to confirm that they uphold its standards as far as applicable to their status. Governmental and non-governmental organisations and companies which, through their employees, work for UNHCR, will be requested to make the principles contained in the Code known to those persons in an appropriate manner.

All UNHCR staff are responsible for encouraging, advocating and promoting the dissemination of the Code of Conduct. They also have a role in implementing, monitoring and enforcing its standards. Staff are also urged to encourage partners to adhere to these standards and to join UNHCR staff in upholding them.

## **CORE VALUES AND GUIDING PRINCIPLES**

### ***UNHCR staff are committed to the following fundamental values and principles:***

- *As staff working within the United Nations system, we will ensure that our conduct is consistent with and reflects the values enshrined in the Charter of the United Nations: respect for fundamental human rights, social justice and human dignity, and respect for the equal rights of men and women. We will assist UNHCR to actively promote adherence to the principles of international refugee law, international human rights law and international humanitarian law. We will be guided by the core values of the United Nations system, including professionalism, integrity and respect for diversity, and will maintain an international perspective at all times.*
- *As UNHCR staff, our primary commitment is to ensure the protection of and assistance to refugees and other persons of concern, in accordance with the mandate of the Office. We are committed to supporting the fullest possible participation of refugees and other persons of concern – as individuals, families and communities – in decisions that affect their lives.*
- *We will respect the dignity and worth of every individual, will promote and practise understanding, respect, compassion and tolerance, and will demonstrate discretion and maintain confidentiality as required. We will aim to build constructive and respectful working relations with our humanitarian partners, will continuously seek to improve our performance, and will foster a climate that encourages learning, supports positive change, and applies the lessons learned from our experience.*
- *We will show respect for all persons equally without distinction whatsoever of race, gender, religion, colour, national or ethnic origin, language, marital status, sexual orientation, age, socio-economic status, disability, political conviction, or any other distinguishing feature. We will strive to remove all barriers to equality.*
- *We will respect the cultures, customs and traditions of all peoples, and will strive to avoid behaving in ways that are not acceptable in a particular cultural context. However, when the tradition or practice is considered by the relevant organ of the United Nations to be directly contrary to an international human rights instrument or standard, we will be guided by the applicable human rights instrument or standard.*

## COMMITMENT TO UNHCR CODE OF CONDUCT

### *As a staff member of UNHCR, I commit myself to:*

**1. *Treat all refugees and other persons of concern fairly, and with respect and dignity.***

I will always seek to understand the difficult experiences that refugees and other persons of concern to UNHCR have faced and survived, as well as the disadvantaged position in which they – particularly on the basis of gender, age or disability – may find themselves in relation to those who hold power or influence over aspects of their lives.

I will always seek to care for and protect the rights of children, and act in a manner that ensures that their best interests shall be the paramount consideration.

If my job involves direct work with refugees or other persons of concern, I will meet with them regularly, in order to fully understand their experiences and needs, and to explain the role of UNHCR and the scope of its work.

I will keep myself informed about UNHCR's policies, objectives and activities and about refugee concerns, and will do my utmost to support the Office's protection and assistance work.

**2. *Uphold the integrity of UNHCR, by ensuring that my personal and professional conduct is, and is seen to be, of the highest standard.***

I will demonstrate integrity, truthfulness, dedication and honesty in my actions. I will be patient, respectful and courteous to all persons with whom I deal in an official capacity, including refugees and other persons of concern, representatives of operational and implementing partners, governments and donors.

I will observe local laws, will meet all my private legal and financial obligations, and will not seek to take personal advantage of any privileges or immunities that have been conferred on me in the interest of the United Nations. I will do my utmost to ensure that the conduct of members of my household does not reflect unfavourably on the integrity of UNHCR.

**3. *Perform my official duties and conduct my private affairs in a manner that avoids conflicts of interest, thereby preserving and enhancing public confidence in UNHCR.***

My actions will be free of any consideration of personal gain, and I will resist any undue political pressure in decision-making. I will neither seek nor accept instructions regarding the performance of my duties from any government, including my national authorities, or from any authority external to the United Nations.

In accordance with Staff Regulations and Rules, I will not accept any honour, decoration, favour gift, remuneration, from any government; nor will I accept these from any other source external to the United Nations without prior authorisation. I will not engage in any outside occupation or

employment without prior authorisation. I will not accept supplementary payments or subsidies from a government or any other source, or participate in certain political activities such as standing for or holding public office.

I will avoid assisting private persons or companies in their undertakings with UNHCR where this might lead to actual or perceived preferential treatment. I will never participate in activities related to procurement of goods or services, or in human resource activities, where a conflict of interests may arise.

**4. *Contribute to building a harmonious workplace based on team spirit, mutual respect and understanding.***

I will show respect to all colleagues, regardless of status or position, and will allow all colleagues the opportunity to have their views heard, and to contribute from their knowledge and experience to team efforts. I will communicate openly and share relevant information (subject to confidentiality requirements) with other colleagues, and will endeavour to respond in a timely manner to queries.

I will respect my colleagues' privacy, and avoid misinformation. I will seek to resolve differences and solve problems when they arise. I will contribute to building constructive dialogue, guided by mutual respect and an open, positive approach, between management and staff representatives.

As a manager/supervisor I will be open to the views of all team members. I will provide timely feedback on the performance of each team member through guidance, motivation and full recognition of their merits.

**5. *Promote the safety, health and welfare of all UNHCR staff as a necessary condition for effective and consistent performance.***

I will remain aware of and comply with all instructions designed to protect my health, welfare and safety. I will always consider the safety of staff in operational decisions. If I have doubts regarding an instruction that I consider threatening to my safety or the safety of other persons, I will bring this immediately to the attention of my supervisor.

As a manager/supervisor, I will endeavour to ensure that the health and well-being of staff and their families are not subjected to undue risk. I will promote a healthy work-life balance for staff, and will respect staff entitlements.

**6. *Safeguard and make responsible use of the information and resources to which I have access by reason of my employment with UNHCR.***

I will exercise due care in all matters of official business, and not divulge any confidential information about refugees, colleagues and other work-related matters in accordance with the staff regulations and rules and current guidelines.

I will protect, manage and utilise UNHCR human, financial and material resources efficiently and effectively, bearing in mind that these resources have been placed at UNHCR's disposal for the benefit of refugees and other persons of concern.

**7. *Prevent, oppose and combat all exploitation and abuse of refugees and other persons of concern.***

I undertake not to abuse the power and influence that I have by virtue of my position over the lives and well-being of refugees and other persons of concern.

I will never request any service or favour from refugees or other persons of concern in return for protection or assistance. I will never engage in any exploitative relationships – sexual, emotional, financial or employment-related – with refugees or other persons of concern.

Should I find myself in such a relationship with a beneficiary that I consider non-exploitative and consensual, I will report this to my supervisor for appropriate guidance in the knowledge that this matter will be treated with due discretion. I understand that both my supervisor and I have available to us normal consultative and recourse mechanisms on these issues.

I will act responsibly when hiring or otherwise engaging refugees or other persons of concern for private services. I will report in writing on the nature and conditions of this employment to my supervisor.

**8. *Refrain from any involvement in criminal or unethical activities, activities that contravene human rights, or activities that compromise the image and interests of UNHCR.***

I will neither support nor take part in any form of illegal, exploitative or abusive activities, including, for example, child labour, and trafficking of human beings and commodities.

As UNHCR is committed to the highest standards of protection and care for children, I am aware that I am expected not to engage in sexual activities with any person under the age of 18. (Further guidance is given in the Notes to this Code of Conduct).

**9. *Refrain from any form of harassment, discrimination, physical or verbal abuse, intimidation or favouritism in the workplace.***

I will not engage in or tolerate any form of harassment in the workplace, including sexual harassment and abuse of power.

As a manager/supervisor, I will not solicit favours, loans or gifts from staff, nor will I accept unsolicited ones that are of more than token value.

I recognise that there is an inherent conflict of interest and potential abuse of power in having sexual relations with staff under my supervision. Should I find myself in such a relationship, I will resolve this conflict of interest without delay.





## Appendix B SUB-PROJECT DOCUMENTATION

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This Appendix sets out a range of formats and information (codes for sectors/activities, etc.) related to Sub-Projects.

**Appendix B1** **Format for Sub-Project Description.** This relates to Section 3.5, paragraph 2.3 of the Handbook, where the components of the Sub-Project Description are discussed in detail. It will be recalled that the Sub-Project Description is attached as Annex A to the Sub-Project Agreement.

**Appendix B2** gives two schemas: one relates to how to set out the **Description of Objectives and Outputs (by Sector and Sector-Activity)** which makes up the final part of the Sub-Project Description. An example of such a description is given on pages 69, 70 of the Handbook.

The same Appendix also gives the preferred simple format for setting out a **Workplan**. Some examples of how to do a Workplan may be found on page 73 of the Handbook. The format proposed here is a rather simple one. Such a Workplan forms Annex C to the Sub-Project Agreement.

**Appendix B3** gives a listing of **Sector/Activity Codes**, as well as those for **Items/Sub-Items**; these relate to Section 3.4, part 3 where the UNHCR Budget Structure is described.

**Appendix B4** provides a listing of **Standards and Indicators** for some basic sectors.



## Appendix B1: FORMAT FOR SUB-PROJECT DESCRIPTION

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### **Annex A**

**Sub-Project Symbol:** \_\_\_\_\_

**Sub-Project Title:** \_\_\_\_\_

### **SUB-PROJECT DESCRIPTION**

#### **1. Sub-Project Overview**

#### **2. Description of Beneficiaries**

- a) General Background on Beneficiary Population
- b) Specific Information on the Beneficiaries of the Project

#### ***Demographic Data by Beneficiary Group (Current Situation)***

(Prepare one table for every distinct group of beneficiaries assisted under this project and explain what proportion each beneficiary group represents in relation to the overall assisted population in the country. Ensure conformity with other statistical data submitted by the Office).

Name of Beneficiaries:						
Age Group	Male (in absolute numbers)	(in %)	Female (in absolute numbers)	(in %)	Total (in absolute numbers)	(in %)
0-4						
5-17						
18-59						
60 and >						
<b>Total:</b>						<b>100</b>
Major locations:						

#### **c) Demographic Projection**

**3. Implementation Arrangements****4. Impact on Protection Issues and Policy Priorities**

How will the Sub-Project ensure a specific impact on:

- a) the protection of the beneficiary population;
- b) refugee women/gender equality;
- c) the specific situation of children, including adolescents;
- d) older refugees;
- e) combating HIV/AIDS;
- f) the environment.

**5. Related Inputs and Project****6. Description of Objectives and Outputs (by Sector and Sector-Activity)**

## Appendix B2

- **FORMAT FOR DESCRIBING OBJECTIVES AND OUTPUTS**

FMIS Sector Code		FMIS Sector Name	
Current Situation		Sector Objective(s)	Impact Indicators
		1.	
		2.	
		3.	
FMIS Sector-Activity Code	Objective Number(s) the output refers to	Expected Outputs	Performance Indicators
	(1)		

- **UNHCR WORKPLAN FORMAT**

**Sub-Project Symbol:** \_\_\_\_\_

Sector: _____			
Outputs	Activities	Responsibility	Completion Dates
	•	•	•
	• •	•	• •
	•	•	•



## Appendix B3: SECTOR/ACTIVITY CODES AND ITEM/SUB-ITEM CODES

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This Appendix lists Sector-Activity codes used UNHCR for budgeting, Project/Sub-Project reporting and the FMIS. The list of UNHCR Item and Sub-Item codes is also given.

SECTOR	ACTIVITY
<b>A. FOOD</b>	A.01 Plan/Survey/Research/Evaluation A.21 Basic Food Commodities A.22 Complementary Food Commodities A.23 Supplementary Food Commodities A.24 Food Processing/Testing A.96 Individual/Family Support A.97 Training/Orientation/Seminar, etc. A.98 Other Food Activities (specify) A.99 Sector Support/Management
<b>B. TRANSPORT / LOGISTICS</b>	B.01 Plan/Survey/Research/Evaluation B.03 Warehouse/Mechanical Workshop Construction B.21 In-Country Transport (General) B.22 International Transport (Food) B.23 In-Country Transport (Food) B.24 International Transport (Non-Food) B.25 In-Country Transport (Non-Food) B.26 International Transport (Refugees/Returnees) B.27 In-Country Transport (Refugees/Returnees) B.28 Warehousing/Distribution Services B.29 Mechanical Workshop Services B.96 Individual/Family Support B.97 Training/Orientation/Seminar, etc. B.98 Other Transport/Logistics Activities (specify) B.99 Sector Support/Management
<b>C. DOMESTIC NEEDS / HOUSEHOLD SUPPORT</b>	C.01 Plan/Survey/Research/Evaluation C.21 Relief Substitution C.22 Household Fuel/Goods C.96 Individual/Family Support C.97 Training/Orientation/Seminar, etc. C.98 Other Domestic Needs/Household Support (specify) C.99 Sector Support/Management

<b>D. WATER SUPPLY</b>	D.01	Plan/Survey/Research/Evaluation
	D.03	Water System Development/Construction
	D.21	Water System Operations
	D.97	Training/Orientation/Seminar, etc.
	D.98	Other Water Activities (specify)
	D.99	Sector Support/Management
<b>E. SANITATION</b>	E.01	Plan/Survey/Research/Evaluation
	E.03	Sanitary Facilities/Latrine Construction
	E.21	Human Waste Control
	E.22	Solid/Hospital Waste Control
	E.23	Vector/Pest Control (except warehouse)
	E.97	Training/Orientation/Seminar, etc.
	E.98	Other Sanitation Activities (specify)
	E.99	Sector Support/Management
<b>F. HEALTH / NUTRITION</b>	F.01	Plan/Survey/Research/Evaluation
	F.03	Health Facilities Construction
	F.21	General Health Services
	F.22	National Services Support
	F.23	Dental Services
	F.24	In-Patient Services (including patient feeding)
	F.25	Out-Patient Services
	F.26	Community Health Services
	F.27	Maternal/Child Health Services
	F.28	Supplementary Feeding Services
	F.29	Pharmaceutical Services
	F.30	Health Education
	F.31	Laboratory Services
	F.32	Immunization/Cold Chain Services
	F.33	Physical Rehabilitation Services
	F.35	Preventing and Combating HIV/AIDS
	F.96	Individual/Family Support
	F.97	Training/Orientation/Seminar, etc.
	F.98	Other Health/Nutrition Activities (specify)
	F.99	Sector Support/Management
<b>G. SHELTER / OTHER INFRASTRUCTURE</b>	G.01	Plan/Survey/Research/Evaluation
	G.02	Land Preparation/Site Development
	G.03	Refugee Shelter/Construction
	G.21	General Site Operations/Activities
	G.22	Electricity/Lighting Development/Construction
	G.96	Individual/Family Support
	G.97	Training/Orientation/Seminar, etc.
	G.98	Community/Other Infrastructure (specify)
	G.99	Sector Support/Management
<b>H. COMMUNITY SERVICES</b>	H.01	Plan/Survey/Research/Evaluation
	H.21	Special Services (Unaccompanied Minors)



- H.22 Special Services (Children)
- H.23 Special Services (Women)
- H.24 Special Services (Single-Parent Families)
- H.25 Special Services (Elderly)
- H.26 Special Services (Disabled)
- H.27 Mental Health Services
- H.28 Community Development Services
- H.29 Cultural/Recreational Activities
- H.30 Fire Prevention/Fighting Services
- H.31 Social Work Services (Counselling)
- H.40 At-risk children
- H.96 Individual/Family Support
- H.97 Training/Orientation/Seminar, etc.
- H.98 Other Community Services (specify)
- H.99 Sector Support/Management

**I. EDUCATION**

- I.01 Plan/Survey/Research/Evaluation
- I.03 Educational Facilities Construction
- I.21 General Primary Education
- I.22 General Secondary Education
- I.23 Scholarship (Lower Secondary Academic)
- I.24 Scholarship (Post-Primary Vocational)
- I.25 Scholarship (Higher Secondary Academic)
- I.26 Scholarship (Higher Secondary Vocational)
- I.27 Scholarship (Post-Secondary Academic)
- I.28 Scholarship (Post-Secondary Vocational)
- I.29 Foreign Language Training/Cultural Orientation
- I.30 Literacy Training (Mother Language)
- I.31 Vocational/Skills Training
- I.40 At-risk children
- I.32 Pre-School/Day-Care
- I.97 Teacher Training/Orientation/Seminar, etc.
- I.98 Other Education Activities (specify)
- I.99 Sector Support/Management

**J. CROP PRODUCTION**

- J.01 Plan/Survey/Research/Evaluation
- J.02 Land Preparation
- J.03 Construction/Improvement
- J.21 Production Activities/Inputs
- J.22 Agricultural Water Supply/Irrigation
- J.81 Small-Scale Gardening
- J.82 Credit Schemes
- J.97 Extension/Training/Seminar, etc.
- J.98 Other Crop Production Activities (specify)
- J.99 Sector Support/Management

**K. LIVESTOCK /  
ANIMAL HUSBANDRY**

- K.01 Plan/Survey/Research/Evaluation
- K.03 Construction/Improvement
- K.21 Production Activities/Inputs

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	K.22	Veterinary/Vaccination Services
	K.81	Small-Scale Livestock Activities
	K.82	Credit Schemes
	K.97	Extension/Training/Seminar, etc.
	K.98	Other Livestock Activities (specify)
	K.99	Sector Support/Management
<b>L. FISHERIES</b>	L.01	Plan/Survey/Research/Evaluation
	L.02	Area/Land Preparation
	L.03	Construction/Improvement
	L.21	Fishing Activities/Inputs
	L.22	Aquaculture Activities/Input
	L.82	Credit Schemes
	L.97	Extension/Training/Seminar, etc.
	L.98	Other Fishery Activities (specify)
	L.99	Sector Support/Management
<b>M. FORESTRY</b>	M.01	Plan/Survey/Research/Evaluation
	M.02	Land Preparation
	M.03	Construction/Improvement
	M.21	Tree Nursery Activities/Inputs
	M.22	General Forestry Activities/Inputs
	M.81	Small-Scale Tree Planting
	M.97	Extension/Training/Seminar, etc.
	M.98	Other Forestry Activities (specify)
	M.99	Sector Support/Management
<b>N. INCOME GENERATION</b>	N.01	Plan/Survey/Research/Evaluation
	N.03	Construction/Major Improvements
	N.21	Employment/Labour Insertion Activities
	N.22	Small Business Assistance
	N.23	Production Units (specify)
	N.97	Extension/Training/Seminar, etc.
	N.98	Other Income-Generation Activities (specify)
	N.99	Sector Support/Management
<b>O. LEGAL ASSISTANCE / PROTECTION</b>	O.01	Legal Research
	O.21	Refugee Legal Representation
	O.22	Refugee Status Determination/Registration/Identity Cards
	O.23	Promotion of Refugee Law/Protection
	O.24	Operation of the Headquarters Centre for Documentation on Refugees (CDR)
	O.25	Refugee Travel Documents/Other Document Issuance
	O.40	At-risk children
	O.97	Training/Orientation/Seminar, etc.
	O.98	Other Legal Assistance Activities (specify)
	O.99	Sector Support/Management

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<b>P. AGENCY OPERATIONAL SUPPORT</b>	P.01	Plan/Survey/Research/Evaluation
	P.03	Agency Office/Housing Construction
	P.21	General Project Management Services
	P.22	Public Information
	P.97	Training/Orientation/Seminar, etc.
	P.98	Other Agency Operational Support (specify)
	W.98	Combined project
<b>X. OUTSTANDING INSTALMENTS</b>	X.21	Instalments to Implementing Partners
	X.22	Unspent balance

## ITEM AND SUB-ITEM CODES

<b>a.</b>	<b>Food (Cereals)</b>	d.04110	Mutton (specify Fresh, Frozen, Canned, Dried, etc.)
a.01010	Barley	d.04120	Pork (specify Fresh, Frozen, Canned, Dried, etc.)
a.01020	Maize/Corn	d.04130	Fruit (specify Fresh, Frozen, Canned, Dried, etc.)
a.01030	Millet	d.04140	Vegetables/Tubers
a.01040	Oats	d.04150	Noodles/Pasta
a.01050	Rice	d.04160	Biscuits (High Protein)
a.01060	Rye	d.04170	Chillies/Peppers
a.01070	Sorghum	d.04180	Salt
a.01080	Wheat	d.04190	Sugar
a.01998	Other Cereals/Flours/Meals (specify)	d.04200	Beverages
a.01999	Unspecified Cereals	d.04998	Other Miscellaneous Food (specify)
		d.04999	Unspecified Miscellaneous Food
<b>b.</b>	<b>Food (Pulses)</b>	<b>e.</b>	<b>Vehicles/Transport Equipment</b>
b.02010	Beans	e.05010	Agricultural Vehicles/Related Equipment
b.02020	Groundnuts	e.05020	Bicycle/Tricycle
b.02030	Lentils	e.05030	Construction Vehicles/Related Heavy Equipment
b.02040	Peas	e.05040	Heavy Commercial Vehicles/Trucks
b.02998	Other Pulses (specify)	e.05050	Motorcycle
b.02999	Unspecified Pulses	e.05060	Passenger/Light 4WD Vehicles/Pick-ups
<b>c.</b>	<b>Food (Oils/Fats)</b>	e.05070	Specialized Vehicles (Bus, Ambulance, Garbage, etc.)
c.03010	Animal Fats	e.05080	Vessels/Boats
c.03020	Vegetable Oil	e.05998	Other Vehicles/Transport Equipment (specify)
c.03998	Other Oils/Fats (specify)	e.05999	Unspecified Vehicles/Transport Equipment
c.03999	Unspecified Oils/Fats	<b>f.</b>	<b>Fuel/Lubricants</b>
<b>d.</b>	<b>Food (Miscellaneous)</b>	f.06010	Aviation Fuel
d.04010	Corn Soya Blend (CSB)	f.06020	Charcoal
d.04020	Milk Tablets	f.06030	Diesel
d.04030	Dried Skim Milk (DSM)	f.06040	Engine Oil
d.04040	Dried Whole Milk (DWM)	f.06050	Gear Lubricants
d.04050	Corn Soya Milk (CSM)	f.06060	Grease
d.04060	Wheat Soya Milk (WSM)	f.06070	Hydraulic Fluids
d.04070	Eggs (specify Fresh/Dried etc.)	f.06080	Kerosene
d.04080	Fish (specify Fresh, Frozen, Canned, Dried, etc.)		
d.04090	Chicken (specify Fresh, Frozen, Canned, Dried, etc.)		
d.04100	Beef (specify Fresh, Frozen, Canned, Dried, etc.)		

f.06090	Petrol/Benzine	g.07400	Teaching/Training Equipment
f.06100	Synthetic Cooking Fuel	g.07410	Typewriter
f.06110	Transmission Lubricants	g.07420	Veterinary Equipment
f.06120	Wood	g.07430	Waste Receptacles
f.06998	Other Fuel/Lubricants (specify)	g.07440	Water Filtration Equipment
f.06999	Unspecified Fuel/Lubricants	g.07450	Water Pump
<b>g.</b>	<b>Equipment</b>	g.07460	Water Tank (Metal/Collapsible)
g.07010	Agricultural Kit	g.07470	Weighing Scale
g.07020	Agricultural/Fishery Equipment	g.07998	Other Equipment (specify)
g.07030	Animal Carts	g.07999	Unspecified Equipment
g.07040	Audio-Visual Equipment	<b>h.</b>	<b>Supplies/Materials/Goods</b>
g.07050	Brick-Making Equipment	h.08010	Agrochemicals
g.07060	Calculators	h.08020	Animal Feed
g.07070	Clinic/Hospital Equipment	h.08030	Audio-Visual Supplies
g.07080	Communications Equipment (Radio, Telex, etc.)	h.08040	Bags
g.07090	Concrete Mixer	h.08050	Bamboo
g.07100	Data Processing Equipment	h.08060	Blankets
g.07110	Dental Equipment	h.08070	Books (General & Reference)
g.07120	Drilling Equipment	h.08080	Bowls
g.07130	Duplicating Equipment	h.08090	Cement
g.07140	Electrical Equipment	h.08100	Classroom Supplies
g.07150	Fire Fighting Equipment	h.08110	Cloth/Clothing
g.07160	Freezer/Fridge/Cold Chain Equipment	h.08120	Computer Software
g.07170	Fuel Pump	h.08130	Cooking Pots/Pans/Kettles etc.
g.07180	Fuel Tank	h.08140	Cooking Stoves
g.07190	Fumigation Equipment	h.08150	Culverts
g.07200	Furniture	h.08160	Cups/Glasses
g.07210	Generator	h.08170	Cutlery
g.07220	Grinding Mill	h.08180	Data Processing Supplies
g.07230	Hand Tools/Tool Kits	h.08190	Dental Supplies
g.07240	Household/Kitchen Equipment	h.08200	Drafting/Surveying Supplies
g.07250	Immunization Kit	h.08210	Drugs/Medicines/Consumable Medical Supplies
g.07260	Laboratory/X-Ray Equipment	h.08220	Electrical Supplies
g.07270	Machine Tools/Power Tools	h.08230	Emergency Medical Kits
g.07280	Marine Engine	h.08240	Eyeglasses
g.07290	Mechanical Equipment	h.08250	Fencing Materials
g.07300	Musical Instruments	h.08260	Fertilizers
g.07310	Photocopy Equipment	h.08270	Film/Photographic Supplies
g.07320	Photographic Equipment	h.08280	Fire Extinguishers
g.07330	Physical Survey Equipment	h.08290	Fish Feed
g.07340	Prefabricated House	h.08300	Fishing Nets/Traps/Related Gear
g.07350	Prefabricated Warehouse	h.08310	Footwear
g.07360	Recording Equipment	h.08320	Iron Rods/Reinforcing Materials
g.07370	Sewing/Knitting Machines	h.08330	Janitorial Items/Cleaning Agents
g.07380	Sports Equipment	h.08340	Laboratory Supplies/Reagents
g.07390	Spraying Equipment	h.08350	Lime

h.08360	Livestock	j.10070	Building Construction Contract
h.08370	Measuring Cups/Scoops	j.10080	Cleaning Services
h.08380	Mosquito Nets	j.10090	Communication Costs (Telex, Telephone, etc.)
h.08390	Nutrition Surveillance Kits		
h.08400	Office Supplies	j.10100	Custom Fees
h.08410	Paint/Related Materials	j.10110	Dam/Reservoir Construction Contract
h.08420	Pipes/Related Materials	j.10120	Data Processing Fees
h.08430	Planting Materials	j.10130	Demurrage and Related Fees
h.08440	Plastic Sheeting	j.10140	Drilling/Borehole Contract
h.08450	Plates	j.10150	EDP/Computer Time Contract
h.08460	Roofing Materials	j.10160	Earthworks Contract
h.08470	Salts/Minerals	j.10170	Film/Video Production Contract
h.08475	Sanitary Items (Women & Girls)	j.10180	Fumigation Contract
h.08480	Seeds/Seedlings	j.10190	Graphics Design Contract
h.08490	Sleeping Mats/Mattresses/Beds	j.10200	Harbour Clearance/Handling/Storage Fees
h.08500	Soap (Bath & Laundry)		
h.08510	Spare parts	j.10210	Inland Handling/Storage Fees
h.08520	Tarpaulins/Canvas Squares	j.10220	Inspection/Survey Fees
h.08530	Tents	j.10230	Insurance
h.08540	Timber	j.10240	Land Rental Contract
h.08550	Vaccines	j.10250	Legal Services Contract
h.08560	Water Jars/Jerry Cans	j.10260	Loading/Unloading Contract
h.08570	Water Pipes/Related Supplies	j.10270	Marketing Contract
h.08580	Water Testing Kits	j.10280	Messenger Services
h.08590	Water Buckets	j.10290	Milling Contract
h.08600	Wire/Rope/Cord	j.10300	Office Rental
h.08610	Wood Poles	j.10310	Overhead Water Storage Contract
h.08620	Workshop Supplies	j.10320	Pipeline/Canal Construction Contract
h.08998	Other Supplies/Materials/Goods (specify)	j.10330	Printing Contract
h.08999	Unspecified Supplies/Materials/ Goods	j.10340	Printing/Publication Costs
		j.10350	Removal Expenses
		j.10360	Report Compilation Costs
<b>i.</b>	<b>Maintenance/Repair</b>	j.10370	Right-Of-Way Fees/Road Taxes
		j.10380	Road Construction Contract
i.09010	Maintenance/Repair (Vehicles/Transport Equipment)	j.10390	Security Services
i.09020	Maintenance/Repair (Equipment)	j.10400	Site Construction Contract
i.09030	Maintenance/Repair (Premises)	j.10410	TV/Radio Time Contract
i.09998	Other Maintenance/Repair (specify)	j.10420	Tendering/Drafting Fees
i.09999	Unspecified Maintenance/Repair	j.10430	Train Charter
		j.10440	Translation Contract
		j.10450	Translation/Interpretation Costs
<b>j.</b>	<b>Services (Contractual/General)</b>	j.10460	Transport Contract
		j.10470	Utilities (Electricity, Water, etc.)
j.10010	Advertising Contract	j.10480	Warehouse Rental Contract
j.10020	Aerial Photography Contract	j.10990	Food Distribution Costs
j.10030	Aircraft Charter	j.10998	Other Commercial Contracts/Services (specify)
j.10040	Auditor Fees		
j.10050	Bank Charges	j.10999	Unspecified Services (Contractual/General)
j.10060	Bridge Construction Contract		

<b>k.</b>	<b>Grant/Lump Sum Payment</b>	<b>l.12300</b>	<b>Subsistence/Living/Room and Board Allowance</b>
k.11000 <sup>1</sup>	International NGO Headquarters Overhead Costs	l.12310	Transit Costs
k.11010	Common Services Fund Grant	l.12320	Translation/Interpretation Costs
k.11020	Ex-Gratia Payment	l.12330	Transport Ticket (Purchase of)
k.11030	Honoraria	l.12340	Vacation/Related Allowance
k.11040	Loan Insurance Fund Grant	l.12350	Visa Fees
k.11050	Revolving Loan Fund Grant	l.12360	Voluntary Repatriation Grant
k.11060	Grant-In-Aid	l.12370	Work Permit Fees
k.11070	Small Business Establishment Grant	l.12998	Other Payment for Individual/Family (specify)
k.11080	Training Fund Grant	l.12999	Unspecified Payment for Individual/Family
k.11998	Other Grant/Lump Sum Payment (specify)		
k.11999	Unspecified Grant/Lump Sum Payment	<b>m.</b>	<b>Labour</b>
<b>l.</b>	<b>Payment to/on behalf of Individual/Family</b>	m.13010	Refugee Labour Wages
l.12010	Annuity Payments	m.13020	Non-Refugee Labour Wages
l.12020	Apprenticeship Grant	m.13998	Other Labour Costs (specify)
l.12030	Bail	m.13999	Unspecified Labour Costs
l.12040	Books/Student Supplies	<b>n.</b>	<b>Staff Costs (Non-UNHCR)</b>
l.12050	Business License Fee	n.14010	Salaries
l.12060	CTD (Convention Travel Document) Fees	n.14020	Other Salary-Related Costs
l.12070	Clothing/Uniform Allowance	n.14030	Staff Allowances/Benefits
l.12080	Departure Fees	n.14040	Staff Housing Rental
l.12090	Employment Grant	n.14050	Staff Travel
l.12100	Fine	n.14998	Other Staff Costs (specify)
l.12110	Food Allowance	n.14999	Unspecified Staff Costs (non-UNHCR)
l.12120	House Construction Grant	<b>o.</b>	<b>Consultants</b>
l.12130	Household/Settling-in Grant	o.15010	Consultant Fees
l.12140	IOM Service Fees	o.15020	Consultant Travel
l.12150	Identification Card Fees	o.15030	Consultant Per Diem
l.12160	Insurance for Individual/Family	o.15998	Other Consultant Costs (specify)
l.12170	Legal Fees	o.15999	Unspecified Consultant Costs
l.12180	Local Travel Allowance	<b>q.</b>	<b>Quick Impact Projects (QIP)</b>
l.12190	Medical Escort Costs	q.16999	Unallocated QIPs
l.12200	Medical Examination Costs	<b>z.</b>	<b>Unspecified</b>
l.12210	Medical Referral/Treatment Costs	z.99999	Unspecified
l.12220	Pocket Money Allowance		
l.12230	Registration/Tuition/Related Fees		
l.12240	Rental Deposit		
l.12250	Rental/Housing Allowance		
l.12260	Resettlement/Departure Grant		
l.12270	Residence Permit Fees		
l.12280	Social Security Payments		
l.12290	Student Deposit		

<sup>1</sup> Sub-Item to be created in FOBS if and when needed.





## Appendix B4: STANDARDS AND INDICATORS FOR KEY SECTORS

The attached *provisional set of standards and indicators* covering the basic areas of assistance, and also aspects of protection have been communicated to UNHCR Offices (February 2003), with instructions that these are to be used in formulating objectives, outputs and indicators. While it is recognised that these are not the only indicators/standards that should be monitored and referred to, they are the latest version of the core set which all operations will be required to use, so as to allow comparison between operations.

<b>SECTOR: EDUCATION</b>	
<p>These are selected, readily quantifiable indicators of the well-being of populations of concern, together with the corresponding standards. Standards represent acceptable/unacceptable levels or ranges of the indicator variable which are critical for managers.</p>	
<i>Indicator</i>	<i>Relevant quantifiable standard</i>
% of all boys/girls aged 5-17 in population who are in primary and lower secondary education (disaggregated by age and sex)	80 % of boys 80 % of girls (It is noted that the Millennium Development Goals and the Dakar Framework Education for All, set a goal of 100% in primary education by 2015. The proposed standard also takes into account the likely local standards which may not have all the primary-school age local population in school)
% of students (disaggregated by sex, grade) successfully completing the school year and enrolling in the next level of primary education (measured after start of new school year)	> 75 % of boys enrolled > 75 % of girls enrolled
Ratio Students / Classroom	40-50: 1
Ratio Students / Teacher	40-50: 1
<b>Suggested additions:</b> % of qualified/trained teachers	80 % (the arbitrary nature of this figure is recognized)

<b>SECTOR: FOOD SECURITY AND NUTRITION</b>	
Rate of acute malnutrition (< -2 Z scores weight for height) among children under five	< 10 %
% of low birth weight (< 2.5 kg)	< 10 to 15 % of new born children
Presence of micro-nutrient deficiencies (MNDs)	No MND outbreak reported
# of Kcal per person per day received by beneficiary households	Average 2,100 Kcal
% of food aid sold or exchanged	< 20 %
% of women on food distribution committees	> = 50 %
<b>Suggested additions:</b> Chronic malnutrition rate – Severe malnutrition rate – < 5 Mortality due to malnutrition	
<b>SECTOR: HEALTH</b>	
Crude mortality rate (CMR) (Deaths/10,000 persons/day)	< 0.3 – 0.5 / 10,000 / day – in stable programmes < 1 / 10,000 / day during emergency phase
Under 5 mortality rate (Deaths/10,000 children < 5/day)	< 1 / 10,000 / day – in stable programmes < 2 / 10,000 / day during emergency phase
% of < 5 children vaccinated against measles	95 %
Ratio of key health personnel to population size	1-3 doctors/medical assistants / 10-20,000 persons 50 % of health staff are female
Availability of sanitary supplies for refugee women (materials vary according to local habits)	100 %
<b>Suggested additions:</b> number of consultations/ health care worker in outpatient dept (OPD)/day	

<b>SECTOR: SANITATION</b>	
<p>% of population with access to adequate sanitation facilities: i.e:</p> <ul style="list-style-type: none"> <li>- # of persons to 1 latrine</li> <li>- Average distance from dwelling</li> <li>- # of communal refuse pits to population size</li> <li>- % coverage for control of disease vectors (shelters &amp; surrounding areas)</li> </ul>	<p>100 %</p> <p>1 latrine 'seat' per 20 persons &lt; 200 m</p> <p>1 pit (2m x 5m x 2m) per 500 persons 100 %</p>
Quantity of soap available	400 g / person / month
<b>SECTOR: SHELTER</b>	
Average floor area available per person in a shelter	> 3,5 m <sup>2</sup> / person
<p>% of population living in adequate shelter, i.e.:</p> <ul style="list-style-type: none"> <li>- Protection from sun,rain,wind and cold</li> <li>- Privacy</li> <li>- Persons per room</li> </ul>	<p>100 %</p> <p>Shelter has roof and walls Acceptable to beneficiaries cultural norms 4 persons / room</p>
Surface area for a refugee camp	> 45 m <sup>2</sup> / person
<b>SECTOR: WATER</b>	
Average quantity of water available	> 15 litres / person / day
<p>% of population with easy access to safe water, i.e.:</p> <ul style="list-style-type: none"> <li>- Distance from dwelling</li> <li>- # persons per water point</li> </ul> <p>Total coliform organisms</p>	<p>100 %</p> <p>&lt; 200 m &gt; 1 water tap / 80 persons &gt; 1 water well / 200 persons ≈ 0 per 100 ml for treated water &lt; 10 per 100 ml for untreated water in an occasional sample</p>

<b>SECTOR: PROTECTION</b>	
Number of known cases of refoulement	None
Proportion of asylum-seekers having access to fair and efficient asylum procedures,i.e.: <ul style="list-style-type: none"> <li>- Waiting period for an RSD decision</li> <li>- Proportion of asylum-seekers receiving written, reasoned decisions</li> <li>- Proportion of asylum-seekers having access to appeal to a second instance</li> <li>- Proportion of women and children asylum-seekers without access to age- and gender-sensitive procedures</li> <li>- Proportion of asylum-seekers who wish to access UNHCR and are accordingly attended</li> </ul>	3-6 months All All None All
Number of refugees and asylum-seekers and refugees in unwarranted detention	None
Proportion of population of concern,both male and female, who are individually registered and have received identity documentation	All
Proportion of population living in a secure location,i.e.: <ul style="list-style-type: none"> <li>- Distance from border of country of origin</li> <li>- Presence of armed elements</li> <li>- Existence of forced recruitment</li> <li>- Accessibility to UNHCR</li> <li>- Cases of SGBV including sexual exploitation</li> <li>- # of unaccompanied and separated children still to be placed in monitored foster care</li> </ul>	At reasonable distance (depending on the geographic circumstances,at least 50 km) None None Full None None

## Appendix C FORMATS FOR SUB-PROJECT AGREEMENTS

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**A**s of 2003, UNHCR Agreements covering Sub-Projects will exist in three “stand-alone” formats; these formats are described as “stand alone” in that each integrates the previously separate “Governing Clauses” into the respective Sub-Project Agreements. This move has mainly been made for legal reasons.

The three formats are as follows:

**Tripartite:**

Sub-Project Agreement with an Implementing Partner (either a Non-Governmental Organization or a Government Department) and where there are two other Parties to the Agreement: namely UNHCR and the Government (or another Department of the Government).

**Bipartite (1):**

Sub-Project Agreement with an Implementing Partner which is a Government Department; the second party to this Agreement is UNHCR.

**Bipartite (2):**

Sub-Project Agreement with an Implementing Partner which is a Non-Governmental Organization; the second party to this Agreement is UNHCR.

**Appendix C1** gives the **Model Format** for a **Tripartite Agreement**. This type of Agreement has been chosen as it is the more common and also necessarily more comprehensive, in that it sets out the responsibilities of three Parties.

**Appendix C2** gives **Explanatory Notes** for the principal Articles of these Agreements.

## Appendix C1 FORMAT OF TRIPARTITE SUB-PROJECT AGREEMENT

Sub-Project Symbol: \*\* / \*\* / \*\*\* / \*\* / \*\*\* / \*\*

### **AGREEMENT UNDER THE PROGRAMME OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**

#### **BETWEEN**

**THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**  
*(hereinafter referred to as "UNHCR")*

#### **AND**

the \_\_\_\_\_  
*(hereinafter referred to as "the Agency")*

#### **AND**

the \_\_\_\_\_  
*(hereinafter referred to as "the Government")*  
*(all hereinafter referred to as "the Parties")*

#### **PREAMBLE**

- (i) GIVEN that the participation of UNHCR in the establishment and funding of this Project is in accordance with the principles of the humanitarian and non-political mandate of UNHCR;
- (ii) GIVEN that the nature of most UNHCR Projects is such that they are usually implemented partly by UNHCR and partly through related Sub-Projects undertaken by a range of implementing partners in a spirit of solidarity to address the multi-faceted needs of refugees and other persons of concern to UNHCR;
- (iii) GIVEN that the Parties involved in this Sub-Project have agreed to fully cooperate and act in consultation with each other and to avail themselves of each others' advisory services during the establishment and implementation of this Sub-Project, which is to assist beneficiaries in the manner and in accordance with the implementation procedures and responsibilities described in the Sub-Project documentation and in the related Sub-Project Description attached as Annex A to this Agreement, its related Budget and Work Plan respectively set out in Annexes B and C of this Agreement (hereinafter referred to as "the Sub-Project");
- (iv) GIVEN that funds have been made available to UNHCR in the amount stated as the initial obligation in the Basic Sub-Project Data (Art. 2.11) for the purpose specified in the Annexes to this Agreement; and

(v) GIVEN that UNHCR shall endeavour to raise additional funds and, subject to their availability and to the actual progress of the Project/Sub-Project, shall increase its participation up to the amount stated in the Basic Sub-Project Data (Art. 2.10).

## IT IS HEREBY AGREED BY THE PARTIES

### ART. 1 – NATURE AND EXTENT OF CO-OPERATION

The Parties agree to fulfil their respective obligations as set out in this Agreement and implement the Sub-Project described in Annex A, in accordance with related Annexes B and C, as well as the Financial and Programme Arrangements as set out in Appendix 1, Standards of Conduct as set out in Appendix 2, and other agreed conditions.

### ART. 2 – BASIC SUB-PROJECT DATA

2.01 **Project Symbol [LOI No.] and Title:** \_\_\_\_\_

2.02 **Sub-Project Symbol and Title:** \_\_\_\_\_

2.03 **Location:** \_\_\_\_\_

2.04 **Effective Commencement Date:** \_\_\_\_\_

2.05 **Planned Completion Date:** \_\_\_\_\_

2.06 **Liquidation Date:** \_\_\_\_\_

2.07 **Level at which Budgetary Transfers are Authorized:** (check box)

sector       activity       item       sub-item

2.08 **Periodic Reporting:** \_\_\_\_\_

Sub-Project Monitoring Report:

- By 10 April for the period ending 31 March (Part 1)
- By 15 July for the period ending 30 June (Parts 1 & 2)
- By 10 October for the period ending 30 September (Part 1)
- By 15 February for the period ending 31 December (Parts 1 & 2)

Other (specify titles and due dates):

\_\_\_\_\_  
\_\_\_\_\_

**2.09 Total Sub-Project Requirements:**

Cash in local currency: \_\_\_\_\_

Cash in [other] convertible currency: \_\_\_\_\_

Total not exceeding US\$: \_\_\_\_\_ (at the UN rate of exchange of \_\_\_\_\_ )

In-Kind (est. value): \_\_\_\_\_

**2.10 Financial Participation towards Total Sub-Project Requirements** (state currency):

	<i>Cash:</i>	<i>In-Kind (est. value):</i>
Government:	_____	_____
Agency:	_____	_____
UNHCR: in local currency:	_____	_____
in [other] convertible currency:	_____	_____
in US\$ (total):	_____	_____
	<i>(at the UN rate of exchange of _____ )</i>	
Other:	_____	_____

**2.11 Funds obligated by UNHCR:** (state currency)

Initial obligation: \_\_\_\_\_

First remittance: \_\_\_\_\_

**2.12 Indicative Cash Requirements: Currency**

Estimated Amounts:	Anticipated Dates Required:
_____	_____
_____	_____
_____	_____
_____	_____



**2.13 Bank Account to which UNHCR should remit Funds:**

Bank Name, Address and Clearing Number: \_\_\_\_\_

\_\_\_\_\_

Name of Account Holder, Account Title and Number: \_\_\_\_\_

\_\_\_\_\_

**2.13.1**

- If the adjacent box is *ticked*, it indicates that the account is a separate account for UNHCR Sub-Project funds only. Any interest earned will be credited to the Sub-Project.
- If the adjacent box is *ticked* it indicates that the account is a pool account. Interest earned on this account will be apportioned and a fair share will be credited to the Sub-Project.

**2.13.2**

Paragraph 6 of Appendix 1 sets out the provisions in relation to the Bank Accounts in which UNHCR funds are to be deposited; it needs to be underlined that UNHCR funds must remain traceable.

**2.14 Audit Information:**

Name and Address of Audit Body: (see paras. 9 & 10 of Appendix 1)

\_\_\_\_\_

\_\_\_\_\_

**ART. 3 – DURATION OF THE AGREEMENT**

3.01 The term of this Agreement shall commence on the day the Agreement is signed, unless, for exceptional circumstances, the commencement date is set at an earlier date [Art. 2.04], and end once all the obligations under this Agreement have been fulfilled. The Sub-Project shall commence and be completed in accordance with the time frame or schedule set out in Art. 2.

3.02 Should either Party during the implementation of the Sub-Project consider that a revision of any terms of this Agreement or the Annexes thereto becomes advisable, including its extension beyond the planned termination date indicated in Art. 2.05 or liquidation date set in Art. 2.06, then such a revision shall be made prior to the expiration of the Agreement and only with the written consent of the Parties to this Agreement. The revision shall be made in the prescribed form for Supplementary Sub-Project Agreements.

**ART. 4 – GENERAL RESPONSIBILITIES OF THE PARTIES**

4.01 The Parties agree to carry out their respective responsibilities in accordance with the provisions of this Agreement, as described in Annex A, and in accordance with related Annexes B and C, as well as the Financial and Programme Arrangements as set out in Appendix 1, Standards of Conduct as set out

in [Appendix 2](#) and other agreed conditions, and to implement the Sub-Project in accordance with UNHCR policies and procedures.

4.02 The Agency and the Government shall make available the necessary human resources to implement the Sub-Project in accordance with this Agreement, namely their respective employees/civil servants or persons hired for the implementation of the Sub-Project including beneficiaries of this Sub-Project, agents and subcontractors (respectively referred to as “the Agency Personnel” and “the Government Personnel”).

#### **4.03 Responsibility for Claims:**

4.03.1 UNHCR does not accept any liability for claims arising out of the activities performed under this Agreement, or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by Agency or Government Personnel as a result of their work pertaining to the Sub-Project. The Agency and the Government shall be responsible for dealing with all claims brought against either of them by Agency or Government Personnel. It is further understood that adequate medical and life insurance for Agency and Government Personnel, as well as insurance coverage for service incurred illness, disability or death, are the responsibility of the Agency and the Government respectively.

4.03.2 UNHCR shall not be liable to indemnify any third party in respect of any claim, debt, damage or demand arising out of the implementation of the Sub-Project and which may be made against any of the Parties to this Agreement. The Agency and Government shall be responsible for dealing with all claims, made against UNHCR and its officials and persons performing services for UNHCR (hereinafter referred to “UNHCR Personnel”), arising out of the acts or omissions of the Agency or the Government or their personnel.

#### **4.04 Terms and Conditions of Agency and Government Personnel:**

The Agency and the Government undertake to be bound by the terms and obligations specified below, and shall accordingly ensure that Agency and Government Personnel performing Sub-Project-related activities under the present Agreement comply with these obligations:

4.04.1 Agency and Government Personnel shall refrain from any conduct that would adversely reflect on UNHCR and the United Nations and shall not engage in any activity which is incompatible with the aims and objectives of the United Nations or the mandate of UNHCR to ensure the protection of refugees and other persons of concern to UNHCR; more specifically, they shall prevent, oppose and combat all exploitation and abuse of refugees and other persons of concern to UNHCR as set out in [Appendix 2](#).

4.04.2 Information that is considered confidential under Art. 8.02 of this Agreement shall not be used without the authorisation of UNHCR. In any such event, such information shall not be used by Agency or Government Personnel for individual profit. This obligation shall not lapse upon termination of this Agreement unless agreed between the Parties.

#### **4.05 Personnel not to Benefit:**

The Parties to this Agreement shall guarantee that no personnel of the Government, the Agency, UNHCR or the United Nations has been or will be offered any direct or indirect benefit arising from this

Agreement or the award thereof. The Parties agree that non-compliance with this provision is a breach of an essential term of this Agreement.

## **ART. 5 – OBLIGATIONS OF UNHCR**

### **5.01 Provision of Staff and Services:**

UNHCR shall assist in the implementation of the Sub-Project set out in Annex A by making available the advisory services of its “Personnel”.

### **5.02 Participation of Other Organizations:**

UNHCR shall endeavour to promote and facilitate the participation in the Sub-Project of other members of the United Nations system, intergovernmental and non-governmental organizations in meeting the total requirements of the Sub-Project as stated in its Basic Sub-Project Data (Art. 2.09) or otherwise generally help in attaining the Sub-Project’s objectives.

### **5.03 Customs:**

UNHCR shall make every effort to assist the Agency in clearing all equipment and supplies foreseen and necessary for the implementation of this Sub-Project through customs at places of entry into the country where activities related to the Sub-Project are to take place.

### **5.04 Remittances:**

5.04.1 UNHCR shall, within the ten working days following the signing of this Agreement by the Parties, make a first remittance (Art. 2.11) to the designated bank account as stated in the Basic Sub-Project Data (Art. 2.13).

5.04.2 UNHCR shall, thereafter, and subject to the availability of funds, make further remittances commensurate with the progress of the Sub-Project and in accordance with the Sub-Project’s liquidity status as evidenced by Sub-Project Monitoring Reports (Part 1), certifying that not more than 30% of the last instalment received remains on hand. A forecast of indicative cash requirements has been agreed and stated in the Basic Sub-Project Data of (Art. 2.12). The forecast of indicative cash requirements shall take into account any retention of funds for the payment of procurement by UNHCR as indicated in the Sub-Project Description and Budget set out in Annexes A and B.

### **5.05 Other Expenses:**

UNHCR shall not be liable for the payment of any expenses, fees, tolls, or any other financial cost not outlined by this Agreement, unless UNHCR has explicitly accepted such liability prior to the expenditure.

## **ART. 6 – OBLIGATIONS OF THE AGENCY**

### **6.01 Use of Funds:**

The Agency shall utilize UNHCR's funds towards the cost of implementing the Sub-Project in accordance with the Sub-Project Description and Budget (Annexes A, B). UNHCR shall not be liable for any expenditure or obligations made in advance or in excess of actual instalment payments, unless these were expressly authorized by UNHCR.

### **6.02 Separate Interest-Bearing Bank Account:**

The Agency shall deposit all remittances received from UNHCR into a separate bank account, unless the deposit into a general or pool account has been authorized in this Agreement (Art. 2.13.1).

### **6.03 Inspection and Audit:**

The Agency shall facilitate inspection and audit of the Sub-Project by the UNHCR Audit Service of the United Nations Office of the Internal Oversight Services, the UNHCR Inspector General's Office, or any other person duly authorized by UNHCR. Should they at any time wish to do so, the United Nations Board of Auditors may also carry out an audit of the Sub-Project.

### **6.04 Agency Participation:**

The Agency shall endeavour to raise contributions, in cash or in kind, to meet the objectives of the Sub-Project and which add to the value stated in the Basic Sub-Project Data (Art. 2.10) and as described in the Sub-Project Description and Budget annexed hereto; it shall likewise support the efforts of UNHCR to promote further involvement of other parties as noted in Art. 5.02.

### **6.05 Participation of Other Organisations:**

The Agency shall inform UNHCR of contributions from sources other than UNHCR received towards the Sub-Project requirements and which are related to the achievement of the objectives of the Sub-Project as set out in Annex A (as well as other jointly agreed objectives which fall outside the scope of this Agreement).

### **6.06 Rate of Exchange:**

The Agency shall apply the most favourable official rate of exchange for all transactions relating to the implementation of the Sub-Project.

### **6.07 Taxation and Customs:**

In situations where equipment bought by the Agency may be subject to customs duty or taxation, the

Agency shall consult with UNHCR on whether and how these payments may be avoided under the applicable international legal instruments.

#### **6.08 Importation Documentation:**

The Agency shall ensure that all customs and registration documents, licences and operating permits which may be required for the importation of Sub-Project supplies and the operation of equipment will be applied for in ample time prior to the forecasted importation date in order to avoid delays at the port of entry. The Agency shall indicate to the competent authorities that the Sub-Project supplies are bought with UNHCR funds.

#### **6.09 Assignment and Sub-Contracting:**

In the event the Agency requires the services of another operational partner, sub-contractor and/or supplier, it shall obtain the prior written approval of UNHCR for all such arrangements as defined in the Sub-Project Description. The Agency shall be fully responsible for all work and services performed by these operational partners, sub-contractors and suppliers, and for all acts and omissions committed by them or their employees. The approval of UNHCR of another operational partner, sub-contractor and/or supplier shall not relieve the Agency of any of its obligations under this Agreement. The terms of any arrangement with another operational partner, sub-contractor and/or supplier shall be subject to and conform with the provisions of this Agreement.

#### **6.10 Use of Assets:**

6.10.1 Where UNHCR provides a right of use of assets and physical structures under this Agreement, this will be specified in a separate Agreement entitled "The Agreement for the Receipt and the Right of Use of UNHCR Assets" (hereinafter referred to as the "Right of Use Agreement"). Assets shall be defined as any item of property valued at US \$ 1,500 or more per unit, or the equivalent in local currency at the United Nations official rate of exchange, and having a serviceable life of at least five years and owned by UNHCR regardless of its funding source or user, including in-kind donations. Vehicles and boats, plant, telecommunications, computer and security equipment, elsewhere termed "special items," shall be regarded as assets irrespective of their acquisition value. The Right of Use Agreement is governed by the provisions set out in this Agreement and the related provisions of its Appendix 1.

6.10.2 Assets provided in-kind or financed by UNHCR shall remain the property of UNHCR and shall be returned to UNHCR upon completion of the Sub-Project or upon termination of this Agreement, unless otherwise agreed upon in writing by the Parties. During the Sub-Project implementation and prior to such return, the Agency shall be responsible for the proper custody, maintenance and care of all equipment. The Agency shall, for the protection of such assets during implementation of the Sub-Project, obtain appropriate insurance against damage, loss, theft and third party liability. Funds received from insurance claims are to be credited to the corresponding Sub-Project account. UNHCR is to be informed of the amount received and provided with a copy of all related documentation on the insurance claim and settlement.

6.10.3 Where the ownership of assets is transferred, this shall be effected on the basis of an Agreement on the Transfer of Ownership of UNHCR Assets and in accordance with the provisions in Appendix 1, paragraph 18.

## **6.11 Procurement:**

6.11.1 UNHCR's policy is to limit purchasing by an agency implementing its sub-projects to only those occasions when the agency has a clearly proven advantage, such as awareness of local conditions or specific technical expertise and under the condition that the agency can be expected to carry out such procurement in accordance with certain basic procurement principles. The Sub-Project Description (Annex A) will indicate who is responsible for any procurement.

If the adjacent box is *ticked*, it indicates that UNHCR has approved the Agency's own internal procurement procedures, on the basis of a "pre-qualification" exercise, to undertake procurement; these will have been judged to be in conformity with the basic principles of UNHCR Implementing Partner (IP) Procurement Guidelines, attached to Appendix 1.

If the adjacent box is *ticked*, it means that any procurement to be undertaken as part of this Agreement is subject to the UNHCR IP Procurement Guidelines, attached to this Agreement. By signing this Sub-Project Agreement, the Agency undertakes to apply and comply with UNHCR IP Procurement Guidelines.

6.11.2 Only under exceptional circumstances, and with the prior agreement of UNHCR, may a contract for purchases of goods and/or services be concluded with other departments of the Agency that is signatory to this Agreement, or with commercial entities in which the Agency or its Senior Management have a direct or indirect interest.

## **6.12 Use of UNHCR Logo:**

The Agency is granted the right to use the UNHCR visibility logo (in its entirety) as defined in the UNHCR Identity Guide Book – January 2002 – for the activities related to the Sub-Project, only.

## **6.13 Responsibility of the Agency for Agency Personnel:**

6.13.1 The Agency shall be fully responsible for all services performed by Agency Personnel as defined in Art. 4.02.

6.13.2 Agency Personnel shall not be considered in any respect as being UNHCR staff members or as having any other contractual link with the Office.

6.13.3 Agency Personnel shall neither seek nor accept instructions regarding the activities under the present Agreement from any external authority.

## **6.14 Compliance with Law:**

The Agency shall, at its own expense, comply with all laws and regulations of its country of residence or operation, if different, and assume all liabilities and obligations imposed by any law or regulation with respect to its performance under this Agreement.

**ART. 7 – OBLIGATIONS OF THE GOVERNMENT****7.01 Inspection and Audit:**

The Government shall facilitate inspection and audit of the Sub-Project by the UNHCR Audit Service of the United Nations Office of the Internal Oversight Services, the UNHCR Inspector General's Office, or any other person duly authorized by UNHCR. Should they at any time wish to do so, the United Nations Board of Auditors may also carry out an audit of the Sub-Project.

**7.02 Government Participation:**

The Government shall endeavour to participate in the Sub-Project in the form of cash, kind, services or staff to the value stated in the Basic Sub-Project Data (Art. 2.10) and as described in the Sub-Project Description and Budget annexed thereto; it shall likewise support the efforts of UNHCR to promote further involvement of other parties as noted in Art. 5.02.

**7.03 Participation of Other Organisations:**

The Government shall take any necessary steps, in coordination with UNHCR, to enlist the participation in the Sub-Project of members of the United Nations system, other intergovernmental organizations and non-governmental organizations in meeting the total requirements of the Sub-Project or otherwise generally help in attaining the overall objectives of the Sub-Project. The Government shall also inform UNHCR of contributions from sources other than UNHCR received towards Sub-Project requirements and which are related to the achievement of the objectives of the Sub-Project as set out in Annex A (as well as other jointly agreed objectives which fall outside the scope of this Agreement).

**7.04 Rate of Exchange:**

The Government shall grant the most favourable official rate of exchange for all conversions into local currency of funds provided by UNHCR for the implementation of the Sub-Project.

**7.05 Taxation and Customs:**

7.05.1 The Government shall secure exemption for UNHCR from all customs, duties, levies and direct and indirect taxes (including Value Added Tax), on all services rendered by UNHCR or the Agency and on all goods, supplies and any other articles imported, exported or domestically purchased by UNHCR or the Agency for use in the implementation of the Sub-Project.

7.05.2 The Government shall also secure exemption for UNHCR and the Agency from prohibitions and restrictions on imports and exports in respect of goods, supplies and any other articles for use in the implementation of the Sub-Project under this Agreement.

**7.06 Status of Agency Personnel:**

The Government shall grant to Agency Personnel, other than nationals of the country employed locally, the privileges and immunities specified in Article V, Section 18, of the Convention on the privileges and immunities of the United Nations of 13 February 1946.

**7.07 Importation Documentation:**

The Government shall facilitate importation, reception and off-loading at the port of entry of supplies, food aid and other material assistance provided under the Sub-Project. It shall ensure that vessels, aircraft, trains or vehicles carrying such supplies are given the necessary priority for off-loading at the port of entry. It shall also ensure that all customs and registration documents, licences and operating permits which may be required for the importation of such supplies and the operation of equipment, including vehicles, telecommunications and computer equipment, will be issued within the shortest possible time after the receipt of application thereof.

**7.08 Use of Land:**

The Government shall make available to the Sub-Project, free of charge, adequate land as may be required in the furtherance of the objectives of the Sub-Project as stated in the Sub-Project description (Annex A). The Government shall also ensure that the beneficiaries of the Sub-Project are extended the same rights as to the use of the land as are given to nationals and residents living in adjoining areas. Where the allocated land is for the construction of permanent structures, the Government shall also ensure that building permits are issued within reasonable time following the application thereof.

**7.09 Travel of UNHCR and Agency Personnel:**

The Government shall ensure that the travel of UNHCR staff and Agency Personnel, involved in the implementation of the Sub-Project, is unhindered and is consistent with the undertaking by the Government that UNHCR staff and Agency Personnel shall have unrestricted access to the beneficiaries of the Sub-Project. To this end, the Government shall facilitate the prompt issuance of the necessary visas and permits without costs for UNHCR and Agency Personnel, when required, in order to permit them to take up their assignments in the Sub-Project area and/or undertake visits to the area and to review the progress and achievements of the Sub-Project during its implementation.

**ART. 8 – GENERAL CONDITIONS****8.01 Copyright, Patents and other Proprietary Rights:**

UNHCR shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products or documents and other materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Agreement. At UNHCR's request, the Agency shall take all necessary steps, execute all pertinent documents and generally assist in securing such proprietary rights and transferring them to



UNHCR in compliance with the requirements of the applicable law. The Government undertakes to facilitate this process.

## 8.02 Confidentiality:

8.02.1 The confidentiality of any information pertaining to any beneficiary or group of beneficiaries of the Sub-Project shall be respected. The contents of any files, including computerised databases, can only be released to persons duly authorised by UNHCR to receive such information, and then only when in the interests of the beneficiary or group of beneficiaries.

8.02.2 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Agency or the Government under this Agreement shall be the property of the UNHCR, shall be treated as confidential and shall be delivered only to UNHCR Personnel on completion of work under this Agreement.

8.02.3 The Agency and the Government may not communicate at any time to any other person, foreign Government or authority external to UNHCR information known to it by reason of its association with UNHCR which has not been made public, except with the authorisation of UNHCR; nor shall the Agency at any time use such information to private advantage. These obligations do not lapse upon termination of this Agreement.

## 8.03 Privileges and Immunities:

Nothing in this Agreement and its Annexes and Appendices shall be deemed a waiver, expressed or implied, of any privileges or immunities enjoyed by UNHCR.

## 8.04 Force majeure and other Changes in Conditions:

8.04.1 If during the period covered by this Agreement, the Agency is prevented from carrying out its obligations referred to in the Agreement, this fact shall be reported to UNHCR who shall decide what arrangements, if any, shall be made to further implement or curtail the Sub-Project.

8.04.2 Should the number of beneficiaries, for whom assistance was foreseen under the Sub-Project, significantly change from the number originally envisaged, or if for any reason, changed circumstances reduce or increase the need for assistance in the amounts as originally foreseen, UNHCR shall be immediately informed so that, after mutual consultation, UNHCR can adapt its participation in the Sub-Project to the new situation or discontinue it as the circumstances may warrant.

8.04.3 In the event of, and as soon as possible after the occurrence of, any cause constituting *force majeure*, the Agency shall give notice and full particulars in writing to UNHCR, of such occurrence or change if the Agency is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Agreement. The Parties shall consult on the appropriate action to be taken, which may include termination of the Agreement, with either Party giving to the other at least seven days written notice of such termination.

**8.05 Amicable Settlement:**

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Agreement or the breach, termination or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the Parties.

**8.06 Arbitration:**

Any dispute, controversy or claim between the Parties arising out of this Agreement or the breach, termination or invalidity thereof, unless settled amicably in accordance with Art. 8.05 above within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitration tribunal shall consist of one Arbitrator agreed to by the Parties and appointed in accordance with the UNCITRAL Arbitration Rules. If the Parties cannot agree on the selection of a single arbitrator, then they may appoint each one Arbitrator who shall choose the third Arbitrator. In the event of disagreement as to the nomination of the third arbitrator, the latter shall be appointed by the Chairman of the Court of Arbitration of the International Chamber of Commerce. The arbitration tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute. The place of arbitration shall be Geneva.

**8.07 Early Termination:**

8.07.1 If the Agency refuses or fails to prosecute any work, or separable part thereof, or violates any term, condition or requirement of this Agreement, UNHCR, in consultation with the Government, may terminate this Agreement in writing with immediate effect. Such termination shall relieve UNHCR from any further obligations under this Agreement or liability for compensation. The Agency shall return all unspent funds provided under this Agreement and UNHCR property in its possession, if any.

8.07.2 UNHCR may terminate forthwith this Agreement at any time should the mandate or the funding of UNHCR be curtailed or terminated, in which case the Agency shall be reimbursed by UNHCR for all reasonable costs incurred by the Agency prior to receipt of the notice of termination; this does not extend to expenditure incurred in excess of the funds made available under this Agreement.

8.07.3 In the event of any termination by UNHCR under this Article, no payment shall be due from UNHCR to the Agency except for work and services satisfactorily performed in conformity with the express terms of this Agreement. UNHCR shall not be liable for any expenditure or obligations made in advance or in excess of actual instalment payments, unless these were expressly authorized by UNHCR.

8.07.4 Should the Agency be adjudged bankrupt, or be liquidated or become insolvent, or should the Agency make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Agency, UNHCR may, in consultation with the Government, and without prejudice to any other right or remedy it may have under the terms of these conditions, terminate this Agreement forthwith. The Agency shall immediately inform UNHCR of the occurrence of any of the above events.

**ART. 9 – ANNEXES AND APPENDICES**

Signature by the Agency and Government of this Agreement constitutes formal approval of the Annexes and Appendices listed below, the respective cover pages of which have been initialled by the Parties upon signature:

- 9.01 **Sub-Project Description set out in Annex A.**
- 9.02 **Sub-Project Budget set out in Annex B.**
- 9.03 **Sub-Project Work Plan set out in Annex C.**
- 9.04 **Financial and Programme Arrangements set out in Appendix 1.**
- 9.05 **Standards of Conduct as set out in Appendix 2.**
- 9.06 **[list of additional Annexes if any].**

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SIGNED IN \_\_\_\_\_ ORIGINALS BY THE DULY AUTHORIZED SIGNATORIES

ON BEHALF OF THE FOLLOWING PARTIES:

	UNHCR	THE AGENCY	THE GOVERNMENT
Signature:	_____	_____	_____
Name:	_____	_____	_____
Title:	_____	_____	_____
Date:	_____	_____	_____
Place:	_____	_____	_____

## **Appendix 1**

### **FINANCIAL AND PROGRAMME ARRANGEMENTS**

#### **A. FINANCIAL ARRANGEMENTS**

##### **1. Administrative Costs**

Only those operational and administrative support costs (including International NGOs Headquarters Support Costs) for which provision has specifically been made in the Budget annexed to the Sub-Project Agreement shall be charged to the Sub-Project, and then only against and not exceeding the amount specified in the budget annexed thereto.

##### **2. Budgetary Transfers**

The Government or Agency shall be authorized to make up to 15% transfers within the budget at the "item" level unless otherwise indicated in the Basic Sub-Project Data (Sub-Project Agreement, Art. 2.07). The budgetary transfers must strictly respect the budgetary levels and must therefore not change the totals of the next higher level (i.e. a 15% budgetary transfer between "items" must not change the total amount under each of the respective Sector-Activity levels etc). Any transfers exceeding 15 per cent shall be subject to prior consultation with, and written authorisation by, UNHCR; this will also require a formal and officially authorized and documented revision to the budget.

##### **3. Payment to Beneficiaries**

The Government or Agency shall effect payments to the beneficiaries of the Sub-Project governed by the Agreement only when the Sub-Project Description and the Budget annexed thereto provide for such payments to be made. If a beneficiary is a regular recipient of payments under the terms of this Agreement, the UNHCR Beneficiary Card (UNHCR 109/Rev.1), or its equivalent, should be used to record all such payments to each beneficiary.

##### **4. Refund of Unspent Balances**

The Government or Agency shall refund all undisbursed funds, including any "miscellaneous income" (see paragraphs 6 and 7 below) to UNHCR at the same time as submitting the final Sub-Project Monitoring Report (SPMR);

##### **5. Liquidation Period**

The Government or Agency shall justify an extension of the liquidation period beyond the liquidation date as specified in the Basic Sub-Project Data (Sub-Project Agreement, Article 2.06), if unliquidated commitments remain on that date. Exceptionally, such an extension may be approved by UNHCR in writing.

## 6. Separate Interest-Bearing Bank Account

The Government or Agency shall deposit all remittances received from UNHCR into a separate bank account unless the deposit into a general or pool account has been authorized in this Agreement. The use of a general or pool account may be authorized if the deposit and the use of UNHCR funds remain traceable. The account into which the UNHCR remittances are deposited should be interest bearing. In the case of a general or pool account, any interest earnings shall be apportioned according to the source of funds and a fair share shall be credited to the UNHCR Sub-Project.

## 7. Miscellaneous Income

The Government or Agency shall credit any miscellaneous income to the Sub-Project accounts as a receipt of funds against agreed Sub-Project requirements. Miscellaneous income shall include, *inter alia*, proceeds or receivables from the sale of any item or property provided under the Sub-Project governed by this Agreement, as well as any bank interest earned or accrued on Sub-Project funds remitted by UNHCR and which have been deposited or temporarily placed in an interest-bearing account. At the end of the liquidation period of the Sub-Project, all miscellaneous income remaining in the Sub-Project accounts, or which is an outstanding receivable, shall be reported in the Sub-Project Monitoring Report (SPMR) due at that time. The use of such miscellaneous income during the course of the Sub-Project, for Sub-Project-related activities, requires prior consultation with and written authorisation by UNHCR.

## 8. Maintenance of Financial and Sub-Project Records

8.1 The Government or Agency shall maintain separate Sub-Project records and accounts containing current information and documentation which, *inter alia*, shall comprise:

- (a) copies of the Agreement(s) and all revisions thereto;
- (b) payment vouchers, clearly showing the Sub-Project symbol, the name of the payee, the amount, the purpose and date of disbursement, evidencing all payments made and with all pertinent supporting documentation attached;
- (c) vouchers evidencing the receipt of all remittances, cash or any other form of credit to the Sub-Project account;
- (d) periodic analyses of actual expenditure against the Sub-Project budget;
- (e) records of all financial commitments entered into during the duration of the Sub-Project;
- (f) reports by auditors on the accounts and activities of the Sub-Project;

8.2 The Government or Agency shall, where applicable, also maintain as part of the Sub-Project records:

- (a) a general ledger accounting system;
- (b) bank statements and reconciliations;

- (c) cash book(s);
- (d) separate accounts of sales and taxes incurred on domestic purchases;
- (e) planned staffing tables showing actual staffing;
- (f) complete purchase order file including; tender documents, offers, bid tabulation, evaluation, shipping/insurance inspection document, invoices and receiving reports;
- (g) inventories of assets and stock (food and non-food items);
- (h) employment contracts;
- (i) building and construction contracts and subcontracts;

8.3 The Government or Agency shall allow access to the above Sub-Project records to persons duly authorized by UNHCR;

## 9. Inspection and Audit

9.1 The Government or Agency shall facilitate inspection and audit of the Sub-Project by the UNHCR Audit Service of the United Nations Office of the Internal Oversight Services, the UNHCR Inspector General's Office, or any other person duly authorized by UNHCR. Should they at any time wish to do so, the United Nations Board of Auditors may also carry out an audit of the Sub-Project. Audits of the Sub-Project will include, *inter alia*, the examination of the Sub-Project accounting records in order to determine that the charging of administrative and operational support costs to the Sub-Project complies with those specified in the annexes to this Agreement. For auditing purposes, Sub-Project accounting records shall be retained for the six years following the completion of the Sub-Project.

9.2 The Government or Agency shall facilitate visits by the duly authorised persons to the Sub-Project site(s) to evaluate the progress and achievements of the Sub-Project during its period of implementation or thereafter.

## 10. Audit Certificates

### 10.1 ***Audit Certificate for Government Implementing Partners***

The Government shall, when UNHCR Agreements have an aggregate budget value of US \$ 100,000 and above, submit to UNHCR, within six months of the final date for liquidation of commitments, an audit certificate. Governmental implementing partners should be audited by the government's highest audit institution (Auditor General or Court of Audit).

### 10.2 ***Audit Certificate for International NGO Implementing Partners***

The Agency shall, when UNHCR Agreements have an aggregate budget value of US \$ 100,000 and above, submit to UNHCR, within six months of the end of the Agency's fiscal year, a copy of its consolidated audited financial statements, wherein UNHCR funding is clearly identified, issued by an independent

audit authority and as presented to and endorsed by the Agency's governing body. The audit report and opinion should include such comments as the auditor may deem appropriate in respect of UNHCR – funded Sub-Project operations generally and, in particular, the opinion should clearly indicate that UNHCR funds were covered by the scope of the audit. For all UNHCR Agreements having a value of less than US\$ 100,000, UNHCR reserves the right to request an audit.

### 10.3 **Audit Certificate for National NGO Implementing Partners**

For all UNHCR Agreements with an aggregate budget of US\$ 100,000 and above, UNHCR, in consultation with the Agency, will engage an audit firm to conduct an independent audit of the Sub-Project. The audit report and certificate shall be submitted to UNHCR, within six months of the final date for liquidation of commitments. They shall state whether the final Financial Sub-Project Monitoring Report submitted by the Agency to UNHCR gives a true and fair view of the state of affairs of the Sub-Project over the period of operation. The report should include such comments as the auditor may deem appropriate in respect of Sub-Project operations generally. For all UNHCR Agreements having a budget of less than US\$ 100,000, UNHCR reserves the right to engage an audit firm.

## 11. General Reporting

11.1 The Government or Agency shall submit to UNHCR Sub-Project Monitoring Reports (SPMRs) Part 1 (Financial Monitoring) when requesting the payment by UNHCR of further instalments, and Part 1 (Financial Monitoring) and Part 2 (Performance Monitoring) by the dates indicated in the Basic Sub-Project Data (Sub-Project Agreement, Art. 2.08).

11.2 Upon completion of the Sub-Project, the Government or Agency shall submit to UNHCR with the Sub-Project Monitoring Report (SPMR) Part 1, which includes the list showing all outstanding commitments together with the name of the contractor, the supplier or any other payee to whom such commitments have been made. UNHCR will not be liable for the settlement of any commitments of which it has not been so informed in writing.

11.3 The Government or Agency shall submit to UNHCR the final Sub-Project Monitoring Report (final SPMR) Parts 1 and 2, on the date indicated in Art. 2.08.

## 12. Other Reporting

The Government or Agency shall submit to UNHCR other reports as may be specified in the Basic Sub-Project Data (Sub-Project Agreement, Art. 2.08) and/or the Sub-Project Description set out in Annex A. UNHCR reserves the right to request in writing, if the need arises, additional *ad hoc* reports on activities pertaining to this Agreement.

## B. PROGRAMME ARRANGEMENTS

### 13. Observing UNHCR Policies & Guidelines

In the implementation of UNHCR Sub-Projects, the Governments and Agencies are required to respect the relevant Guidelines related to the protection of, and assistance to, refugees. Particularly relevant in this regard is the framework provided by the Agenda for Protection (see the *Global Consultation* page on UNHCR's website at [www.unhcr.ch](http://www.unhcr.ch)). The same website on the *Partner Guide* page provides a range of Guidelines related to UNHCR's programme priorities: refugee women/gender equality; refugee children & adolescents, older refugees, environment and HIV/AIDS.

### 14. Beneficiary Participation

The beneficiaries of the Sub-Project should be involved and participate, to the extent possible, in any activities related to the planning and achievement of the objectives of the Sub-Project governed by this Agreement. The objectives and the modalities of participation by the beneficiaries should be specified in the Sub-Project Description annexed thereto. Particular attention shall at all times be paid to UNHCR's policies and guidelines as referred to in paragraph 13 of this Appendix.

### 15. Project Personnel

The provisions in this section are applicable only when staff is being seconded, temporarily assigned, or employed under the Sub-Project governed by a UNHCR Agreement.

The Government or Agency shall:

15.1 as its contribution to the Sub-Project governed by the UNHCR Agreement, second or temporarily reassign qualified, competent Government or Agency staff to undertake certain services as set forth in the Sub-Project Description attached to the UNHCR Agreement;

15.2 meet all the costs of such staff so seconded or reassigned at levels commensurate with established scales and in accordance with generally accepted standards and practices as defined in the applicable regulations;

15.3 for each post, fully or partly funded by UNHCR as part of this Agreement, present a flat monthly rate ("pro-forma costs") which includes all salaries, benefits and costs payable at source, e.g. overtime costs, travel costs and per diem, taxes, social security contributions, housing costs and board, hardship and other allowances;

15.4 ensure the right of any such staff so detached, to return to Government or Agency service in accordance with applicable regulations and practice;

15.5 undertake the recruitment of appropriately qualified and experienced personnel in accordance with the Staffing Table contained in the annexes attached to the UNHCR Agreement, if Government or Agency staff are not available for secondment or reassignment. Recruitment of staff shall be conducted in consultation with UNHCR, and according to criteria agreed with UNHCR to ensure the selection of



the most professionally qualified candidates and, as appropriate, following the public announcement of vacancy notices. Recruitment of staff shall be conducted on the basis of equal opportunity for female candidates, in order that female staff are available to, *inter alia*, participate in the planning of Sub-Project activities in favour of women beneficiaries of the Sub-Project governed by the UNHCR Agreement;

15.6 establish contracts with personnel recruited or seconded under the Sub-Project governed by the UNHCR Agreement, in accordance with the applicable regulations, including *inter alia*;

- (a) a description of duties and functional responsibilities;
- (b) remuneration, including applicable benefits and employment termination indemnities;
- (c) period of contract including a defined probationary period;
- (d) provisions for the termination of the contract on the grounds of misconduct, incompetence or breach of confidentiality;

15.7 adhere to provisions concerning the number and cost of project personnel in the Sub-Project Description and the Budget attached to the UNHCR Agreement. The Government or Agency shall justify to UNHCR any need for additional project personnel not provided for in the Staffing Table contained in the annexes attached to the Agreement. The costs of any unauthorized project personnel or remuneration in excess of the amounts agreed with UNHCR, and not provided for in the Budget attached to the Agreement, shall be borne by the Government or Agency. Project personnel who work in multiple sectors of a Sub-Project should be budgeted under, and charged to, the main sector concerned;

15.8 ensure that all project personnel, including beneficiaries of the Sub-Project employed on direct Sub-Project implementation, are fully insured against accidents at least at the same level accorded to nationals, if any, employed under the Sub-Project governed by the UNHCR Agreement. Costs for this insurance may be charged against the appropriate budget line of the Sub-Project, if such a provision has been made.

15.9 submit with the final SPMR a list of project staff showing for each staff member the name, functional title, period of employment and total cost charged to the Sub-Project.

## 16. Procurement

The provisions are applicable only when procurement, which is defined as the process of obtaining goods and services from external sources against payment, is undertaken by the Government or Agency.

The Government or Agency shall:

16.1 undertake procurement services for UNHCR in accordance with the specifications and priorities agreed with UNHCR for the provision of material assistance and contractual services under the UNHCR Agreement as specified in the annexes to the Agreement;

16.2 undertake procurement of goods and services strictly in accordance with UNHCR procurement principles outlined in paragraph 16.4 below. For procurement exceeding US\$ 20,000 per Agreement, the Government or Agency must either be pre-qualified as meeting UNHCR procurement standards or accept in writing (by signing the Sub-Project Agreement) to follow the UNHCR *IP Procurement Guidelines*;

16.3 designate UNHCR as the consignee for procurement, with UNHCR funds, of assets and special items as defined in paragraph 17 below;

### Procurement Procedures

The Government or Agency shall:

16.4 ensure that procurement practices are in conformity with the following principles:

- (a) detailed specifications of the goods or services required shall be prepared;
- (b) specifications of supplies, food aid and other material assistance under the Sub-Project governed by the UNHCR Agreement shall meet the standards and norms prevailing in the recipient country and UNHCR standards, as established;
- (c) defined selection of suppliers should safeguard the principle of awarding contracts based on competitive bidding. In principle, contracts in excess of US\$ 500 should be awarded only after the invitation for, and the assessment of, at least three competitive quotations or bids. For single or aggregate purchases with a value exceeding US\$ 5,000, or its equivalent, a formal tendering exercise involving at least three formal bids received from potential suppliers shall be undertaken;
- (d) any exceptions from competitive bidding procedures, such as availability from a sole supplier, must be justified in writing;
- (e) evaluation and comparison of bids shall include the recording of the criteria and deciding factors leading to the award of the contract to the selected supplier;
- (f) international procurement arrangements shall be on Carriage and Insurance Paid terms (CIP terms – Incoterms 2000) by surface or airfreight up to the final destination or as a minimum to the port of disembarkation. The arrival schedule in one or several consignments shall be agreed with UNHCR;
- (g) satisfactory delivery and compliance with the specifications and warranties agreed with the supplier shall be documented by shipping, inspection and receiving records; and,
- (h) payment to suppliers, insurance companies, shipping and handling agents shall be conditional upon the fulfilment of their contractual obligations.

### Insurance Claims in Respect of Damaged Goods

The Government or Agency shall:

16.5 lodge, or provide the necessary information in order for UNHCR to lodge insurance claims for damages. Such claims shall be made within the specified time following delivery with the relevant insurance company and according to the terms and conditions for the lodging of claims as stated in the

relevant insurance policy. If the settlement of any insurance claim results in a reduction in price or in reimbursement in cash, this shall be reflected in the Sub-Project accounts.

### Close Cooperation with UNHCR

The Government or Agency shall:

16.6 in case of doubt, seek guidance from the relevant UNHCR office.

## 17. Use of Assets

The provisions in the following paragraphs are applicable only when assets are procured with UNHCR funds, or otherwise made available to the Government or Agency by UNHCR for use within a Sub-Project governed by a UNHCR Agreement. Assets shall be defined as any item of property valued at US\$ 1,500 or more per unit, or the equivalent in local currency at the United Nations official rate of exchange, and having a serviceable life of at least five years and owned by UNHCR regardless of its funding source or user, including in-kind donations. Vehicles and boats, plant, telecommunications, computer and security equipment, elsewhere termed "special items," shall be regarded as assets irrespective of their acquisition value.

### Right of Use

17.1 UNHCR shall grant the right of use only, of all assets and physical structures specified in the Agreement for the Receipt and Right of Use of UNHCR Assets ("hereinafter referred to as the Right of Use Agreement") which shall be signed at the time of receipt of the assets. In the case of buildings, the inventory shall include all contents, fixtures and fittings known to have been purchased with UNHCR funds.

### Physical Examination

17.2 The Government or Agency, and UNHCR shall undertake a joint physical examination of the assets cited, prior to any handover effected through the Right of Use Agreement. The absence of any Party at the physical examination shall be taken as that Party's acceptance of the condition of the assets as stated in the inventory and of the qualifications that the Party that undertook the examination has made thereto.

17.3 All information contained in the inventory listing attached to the Right of Use Agreement will be valid unless a physical examination of the assets shows otherwise.

17.4 In the event that no physical examination of the assets takes place, the assets will be handed-over on an "as is, where is" basis.

17.5 The Government or Agency shall facilitate such physical verifications as UNHCR may require from time to time by providing reports as requested and facilitating UNHCR staff in verifying assets if necessary.

### Restrictions on Use

17.6 UNHCR assets shall be used exclusively for the intended purposes of the Sub-Project under which they have been acquired and their use for any other purpose is prohibited. In the event of any breach of this provision, the Government or Agency may be liable to UNHCR for compensatory damages equivalent to the value of the assets on the effective date of the handover. The use of vehicles shall be recorded in a logbook that, *inter alia*, shall show the dates, distance travelled and purpose of each trip.

### Loss or Damage

17.7 The Government or Agency shall be held responsible for any damage, loss, theft or third party liability. In such cases, the Government or Agency shall notify UNHCR in writing in cases where assets are damaged, lost or stolen, and report the steps taken to replace the assets. The notification shall be submitted as soon as possible after such damage or loss has occurred, and in no case later than one month after the event. Any repairs to damaged assets using UNHCR funds must be authorised by UNHCR before the repairs are carried out.

### Disposal of Assets

17.8 Before the disposal of any asset, written approval of UNHCR shall be obtained. The proceeds of the sale of any assets, if authorised, should revert to UNHCR.

### Future Right of Deployment BY UNHCR

17.9 The right of use of assets does not preclude the reversion of the assets to UNHCR in the event that the need for such assets is identified under other projects. UNHCR may therefore exercise the right to redeploy and/or transfer to another UNHCR Sub-Project any asset subject to these provisions.

### UNHCR Identification Marks

17.10 The Government or Agency agrees to retain all UNHCR identification logos, which shall not be removed.

### General Provisions

17.11 Should any costs, direct or indirect, or any levies, duties or taxes be associated with or become payable upon the granting of the right of use of UNHCR assets to the Agency (because the Government did not agree to the Agency being tax exempt) UNHCR shall not be liable for those costs.

17.12 The Government or Agency shall insure all assets against theft, destruction, loss and damage. The Government or Agency shall immediately credit funds received from insurance claims to the corresponding Sub-Project account, informing UNHCR of the amount received and providing a copy of all related documentation on the insurance claim and settlement.

## Cancellation

17.13 UNHCR may cancel the Right of Use Agreement if any of these provisions is violated or, by action or omission of the Government or Agency, UNHCR's ownership interests are compromised in any way.

17.14 The Government or Agency shall be informed of the cancellation in writing and all assets shall be put at UNHCR's disposal immediately.

## 18. Transfer of Ownership of UNHCR Assets

The provisions in the following paragraphs are applicable only when the Transfer of Ownership of UNHCR assets is envisaged by UNHCR.

The Government or Agency shall:

18.1 conclude an Agreement on the Transfer of Ownership of UNHCR Assets giving to the Agency or Government ownership of assets acquired under the Sub-Project, Sub-Projects from prior years or redeployed from other Sub-Projects;

18.2 abide by the terms and conditions of this Agreement that shall be entitled "Agreement on the Transfer of Ownership of UNHCR Assets" and which shall come into effect on the date specified therein.

## 19. Building and Construction

The provisions in this section are applicable only when the construction of permanent or semi-permanent structures or infrastructure is undertaken by the Government or Agency, and if the sub-contracting of such work is envisaged.

## Insurance

The Government or Agency shall:

19.1 in accordance with local practice and the availability of appropriate insurance, ensure that all buildings for which the overall final construction cost will exceed US\$ 20,000, or its equivalent in local currency at the United Nations official rate of exchange, are at all times during the course of construction kept adequately insured with a company of repute in the full value thereof against loss or damage by fire, lightning, flood, storm or such other hazards as may be considered advisable, until all work has been completed, or in those cases where a contractor is employed, until such time as the building has been formally handed over by the contractor. Insurance premiums incurred during the Sub-Project's implementation period may be charged against the relevant "Construction" component of the Sub-Project budget if provision has been made in the Sub-Project budget for such costs. Thereafter, and for as long as the building is being used for the purposes of the Sub-Project, similar insurance coverage shall be maintained in the full replacement value thereof at the user's own cost;

## Contractual Documents

The Government or Agency shall:

19.2 submit to UNHCR, one copy of each signed building and construction contract or subcontract exceeding a value of US\$ 5,000, or equivalent, together with the relevant plans, specifications, bills of quantities and cost estimates;

19.3 ensure that a contract being awarded to third parties for building construction is established in accordance with local professional standards and practices, and includes conditions that, *inter alia*, provide that:

- (a) the contractor shall complete the work so as to be fit for occupation on a date specified in the Sub-Project Description attached to the Agreement. Failure to meet this deadline will normally incur a financial penalty payable by the contractor and calculated according to a daily or weekly rate for any delay;
- (b) except for any reasonable initial down payment that may be required according to local practice, payments to the contractor against the construction cost as shown in the tender document are made only on work performed. Normally such payments will not exceed 90 per cent of the invoice value; the balance of 10 per cent being withheld as a retention that will not be paid until the satisfactory completion of all work has been verified at the end of the warranty period. Initial down-payments will be deducted from subsequent payments to be made against submitted invoices;
- (c) if, during the course of construction, it becomes apparent that the contractor is for any reason unable to fulfil his/her obligations under the contract or if he/she delays or neglects to complete the building within the time prescribed and fails to proceed with such work, then a second contractor may be employed to complete the building and be authorized to use any plant materials and property of the first contractor upon the ground;
- (d) any defects that appear within a specified warranty period after completion shall be made good within a reasonable time by the contractor at his/her own cost. The duration of the warranty period will be in accordance with that established under normal local practices, but should in no instance be less than six months, and should be included in the formal terms of the contract;
- (e) following a final inspection of the building(s) by the supervising surveyor or engineer, a delivery document will be signed by the parties to the contract indicating the date on which the hand-over has taken place, stating that the building has been constructed in conformity with the provisions of the building contract and the approved plans and specifications. Normally the hand-over will only take place once all work has been satisfactorily completed. If, however, in exceptional circumstances delivery takes place before that time, the delivery document will refer in detail to all outstanding work to be performed and will describe all apparent shortcomings and defects. The delivery document will also provide the date from which the guarantee provisions come into operation. This date will normally be the date of handover or when all work is finally completed, whichever is later;
- (f) if the warranty period extends beyond the end of the liquidation period of the Sub-Project and no new Agreement has been entered into, the Government or Agency will remit the

guarantee amount withheld pursuant to paragraph 19.3(b) above to UNHCR for settlement after verification of satisfactory completion of work.

### Use

The Government or Agency shall:

19.4 ensure that all buildings constructed under the Sub-Project governed by a UNHCR Agreement are used exclusively for the purpose of the Sub-Project as specified in the Sub-Project Description attached to the Agreement.

### Future Use

The Government or Agency shall:

19.5 discuss with UNHCR, at least 90 days prior to the termination of the Sub-Project governed by a UNHCR Agreement, the future use of all buildings thereafter. Under no circumstances shall such buildings be disposed of or earmarked for disposition before these consultations with UNHCR.

19.6 execute an Agreement during the course of the Sub-Project governed by a UNHCR Agreement, formally handing over to a designated party the ownership or right of use of the buildings as determined by UNHCR. The Transfer of Ownership of UNHCR Assets, or the Agreement on the Right of Use of UNHCR Assets, shall be provided by UNHCR as appropriate.

## 20. Food and Non-Food Items

The paragraphs in this section are applicable only when the Government or Agency is entrusted with the storage, warehousing and/or distribution of food and non-food items under the Sub-Project.

### Record Keeping

The Government or Agency shall:

20.1 establish and maintain a commodity tracking system which allows for the tracking and recording of all ordering receipts and the reception and release of all UNHCR items;

20.2 periodically, as requested by UNHCR, provide the latest information on the stock balance, including a summary statement with the final SPMR;

### Inspection and Monitoring

The Government or Agency shall:

20.3 conduct regular physical inspections of stocks and facilitate periodic visits of UNHCR staff for the same purposes;

20.4 monitor the distribution of food and non-food items effectively in order to ensure compliance with the agreed procedures and principles and actively participate in post-distribution monitoring activities aimed at assessing the end-use of relief items by beneficiaries.

20.5 check the quality and quantity of the food and non-food items upon receipt, immediately notifying UNHCR of any loss or damage observed, or goods delivered that do not comply with contractual specifications;

### Distribution Modalities and Interagency Agreements

The Government of Agency shall:

20.6 comply with the distribution principles stated in UNHCR and WFP distribution guidelines, in particular those ensuring that distribution is equitable, effective, timely, involves refugee women at all levels and in all phases of the process and protects vulnerable groups from exploitation and abuse.

20.7 comply with terms stated in the relevant agreements signed between UNHCR and WFP and other third parties on the distribution modalities and responsibilities for reporting on the distribution and the use of food commodities;

20.8 follow food and non-food distribution scales established by UNHCR and consult with UNHCR before distributing any other item not part of the agreed assistance package.

## 21. Revolving Loan Funds

The provisions in this section apply only when a Revolving Loan Fund is established by a Sub-Project Agreement and is funded wholly or in part with UNHCR monies.

### Management

The Government or Agency shall:

21.1 not disburse any loans to individual beneficiaries or beneficiary groups before a separate “Agreement on the Transfer of a Grant pertaining to UNHCR Revolving Loan Funds” has been concluded with UNHCR;

21.2 not use the loan repayments and related interest for any other purpose than that provided for in the initial Agreement establishing the loan fund, unless with the written approval of UNHCR;

### Ownership and Handover

The Government or Agency shall:

21.3 conclude a separate “Agreement on Transfer of a Grant pertaining to UNHCR Revolving Loan Funds” with UNHCR in order to obtain ownership of the revolving loan funds that are part of the Agreement. Until such date, the funds remain the property of UNHCR.



21.4 submit narrative and financial reports as specified in the Transfer Agreement, during the entire period of the four years covered by the Transfer Agreement.

21.5 not change the purpose of the Revolving Loan Fund Grant unless justified by a careful assessment involving all co-funders.

## 22. Sub-Project Identification

The Sub-Project that is the subject of this Agreement shall be identified by the Sub-Project Symbol indicated in the upper right corner of this Agreement and in the Basic Sub-Project Data (Art. 2) of the Agreement; all correspondence, (sub)-project and financial records relating thereto shall bear this symbol.

## Appendix 2

### STANDARDS OF CONDUCT

### ENSURING PROTECTION FROM SEXUAL EXPLOITATION AND ABUSE

Sexual exploitation and sexual abuse may occur in many different forms. Sexual exploitation is defined as any abuse of a position of vulnerability, differential power or trust for sexual purposes; this includes profiting monetarily, socially or politically from the sexual exploitation of another. Sexual abuse is actual or threatened physical intrusion of a sexual nature, including inappropriate touching by force or under unequal or coercive conditions.

1. Sexual exploitation and abuse by personnel working on Projects/sub-Projects funded by UNHCR, constitute acts of serious misconduct and are therefore grounds for disciplinary measures, including summary dismissal.
2. Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally<sup>1</sup>. Mistaken belief in the age of a child is not a defense.
3. Exchange of money, employment, goods or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour is prohibited. This includes any exchange of assistance that is due to beneficiaries.
4. Sexual relationships between personnel working on Projects/Sub-Projects funded by UNHCR, and beneficiaries of assistance undermine the credibility and integrity of the work of the UN, and UNHCR in particular, and are strongly discouraged since they are based on inherently unequal power dynamics.
5. Where personnel working on UNHCR Projects/Sub-Projects develop concerns or suspicions regarding sexual abuse or exploitation by a fellow worker, whether in the same agency or not, he or she must report such concerns via established reporting mechanisms.
6. Personnel of Agencies, both non-governmental and governmental, working on UNHCR-funded Projects and Sub-Projects are obliged to create and maintain an environment that prevents sexual exploitation and abuse and promotes the implementation of their code of conduct. Managers at all levels have particular responsibilities to support and develop systems that maintain this environment.

These six standards are not intended to be an exhaustive list. Other types of sexually exploitative or abusive behaviour may be grounds for disciplinary measures, including summary dismissal.

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<sup>1</sup> Executive Heads of Agencies (Governmental or NGO) may use their discretion in applying this standard where a staff member is legally married to someone under the age of eighteen but over the age of majority or consent in both their country of citizenship and the country in which they are stationed.

In entering into cooperative arrangements with UNHCR, Agencies and Governments undertake to inform their personnel of the six core principles listed above and work to ensure adherence to them. By signing a Sub-Project Agreement with UNHCR, the Parties to the Agreement undertake to abide by and promote these principles. The failure of partner agencies to take preventative measures to prevent abuse, investigate allegations of abuse and to take disciplinary actions when sexual exploitation or sexual abuse is found to have occurred, will constitute grounds for termination of a Sub-Project Agreement with UNHCR.



## Appendix C2 EXPLANATION OF ARTICLES OF THE SUB-PROJECT AGREEMENT

### PRELIMINARY INFORMATION

#### Sub-Project Symbol

See below at Art. 2.01 & 2.02 for an explanation of the various elements/letters and numbers in a Sub-Project symbol. The Sub-Project symbol must appear on related correspondence, Sub-Project and financial records and reports.

#### Names of Parties

The full name/title of the NGO and/or government appear on the lines indicated; the order of the names of the partners in the Agreement has been determined by what is the "normal" sequence for signatures.

#### Preambular Paragraphs

- (i) and (ii)** These preambular paragraphs restate the principles embodied in the Statute of the Office and highlight the nature of UNHCR's participation in the Sub-Project. These preambular paragraphs also seek to relate the present Agreement for a Sub-Project to the broader Project of which it is a part.
- (iii)** This preambular paragraph touches on the important issue of mutual cooperation and consultation between the Parties to the Agreement. The latter part of paragraph (iii) refers to the Sub-Project Description (Annex A) which states the scope and implementation modalities of the Sub-Project. The Sub-Project Description describes each Party's responsibilities regarding implementation so as to ensure the Parties understand their individual and collective responsibilities. The paragraph also highlights the fact that the three Annexes (A, B, C) are an essential part of the Agreement. Note that a Work Plan is necessary at the Sub-Project level.
- (iv) and (v)** These paragraphs deal with the important issue of the resourcing the Sub-Project. One of the problems that faces UNHCR is the unpredictability of its resources in a given year. UNHCR is funded on the basis of voluntary contributions. Even though its budget may have been approved at a certain level; there is no guarantee that UNHCR will receive the resources approved in the budget. Hence the important reference in preambular paragraph (v) relating to funds, namely that the Sub-Project's implementation is subject to their availability. The unpredictability of funding, both as to level and timing of receipt of funds, has meant that, from time to time, because of a general funding shortfall, UNHCR has not been able to cover the full Sub-Project requirements. In such a case, UNHCR and its partners will have to revise the Sub-Project Description and Budget and sign a Supplementary Agreement. UNHCR

realizes the unsatisfactory nature of such an approach and it is only taken as a last resort, after other avenues to find funds e.g. through recourse to the Working Capital and Guarantee Fund have been exhausted.

## ARTICLES

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### Art. 1. NATURE AND EXTENT OF COOPERATION

This Article highlights the importance of the various Annexes. It should be noted that **Appendix 1: Financial and Programme Arrangements, and Appendix 2: Standards of Conduct** are an integral part of the Agreement. Their cover pages need to be initialled by all Parties to the Agreement, at the time of signing the Agreement.

### Art. 2. BASIC SUB-PROJECT DATA

#### 2.01 Project Symbol:

This is the same as the LOI Number and should be placed on the first line. It includes the year, the fund, the country/area, the assistance type and the project code.

*Example:* 03/AB/RUR/CM/201 means the 2003 Project funded from the Annual Programme Budget (AB) in Ruritania (RUR) for the Care and Maintenance (CM) of the beneficiaries within the defined Project (201).

**Project Title:** This is a short descriptive title which reflects the specific nature of the Project. It is composed of the Project's purpose, the intended beneficiary population, and the place (site, region, country) of implementation.

*Example: "Care and Maintenance for Sudanese refugees in Uganda"*

#### 2.02 Sub-Project Symbol:

This is the same as for the Project symbol, except that at the end, it has an extra symbol, namely a letter(s) of the alphabet, to identify the Implementing Partner.

**Sub-Project Title:** This is a short descriptive title which reflects the specific nature of the Sub-Project. It is composed of the Sub-Projects purpose, the beneficiary population, and the place (site, region, country) of implementation.

*Example: "Vocational Education for Sudanese refugees in Northern Uganda"*

#### 2.03 Location:

This is the place where the Sub-Project is being implemented, including the name of the country. If spread over a number of locations, then the official or commonly used name of the region or the name which describes the area geographically is given (e.g. Haut Zaire; eastern Ethiopia).

#### **2.04 Effective Commencement Date:**

In most cases, this is the starting date of the Sub-Project. The use of the term “effective” covers circumstances where a Sub-Project is “deemed to have commenced” on a certain date. The date of signature of the agreement is for reference only, and should not normally be considered the start date of the Sub-Project.

#### **2.05 Planned Completion Date:**

For most Sub-Projects, (except some Education Sub-Projects), this is 31 December of the programme year.

#### **2.06 Liquidation Date:**

This is the expiry date of the period allowed for liquidation of commitments that are outstanding on the completion date of the Sub-Project (usually one month later).

#### **2.07 Level at which budgetary transfers are authorized:**

These indicate the budget level at which the implementing partner can make budgetary transfers. See also paragraph 2 of Appendix 1 to this Agreement.

#### **2.08 Periodic Reporting:**

This states due dates for the standard periodic reporting requirements (Sub-Project Monitoring Reports – SPMRs); see also paragraph 11 of Appendix 1. If the Sub-Project duration is less than twelve months, all four periodic SPMRs may not be required; those SPMRs not required are crossed out. Other reports that UNHCR may require, according to the type of Sub-Project, are stated under “Other”. Some implementing partners may also be able to supplement the standard reports (e.g. with monthly financial reports). Such reports are also included under “Other”.

#### **2.09 Total Sub-Project Requirements:**

This gives the requirements in local currency, and if applicable, in (another) convertible currency. The amount(s), should be the same as those of the Budget attached to the Sub-Project Agreement. The total requirements are then stated in US dollars, converted at the official UN exchange rate prevailing on the date of signature of the Sub-Project Agreement by the UNHCR Representative/Chargé de Mission, his/her authorised alternate or a UNHCR Certifying Officer. If there are contributions or other inputs to the Sub-Project expected in kind, their value is specified, including the currency of valuation. Further details of such contributions/inputs are given in the Sub-Project Description under the appropriate Section (5).

#### **2.10 Financial Participation towards Total Sub-Project Requirements:**

This shows the breakdown of the total Sub-Project requirements (2.09 above), according to the amounts that each party has agreed to contribute, in cash or in kind (value). UNHCR's participation is expressed

both in local and (other) convertible currency, and the total amount again expressed in US dollars at the official UN exchange rate prevailing on the date of signature of the Sub-Project Agreement by the UNHCR Representative/Chargé de Mission, his/her authorized alternate or a UNHCR Certifying Officer.

**Note:** UNHCR's financial participation in the project is *strictly limited* to the US dollar amount stated here. Under no circumstances will UNHCR increase its participation due to the failure of any of the other Parties to fully meet their financial commitment to the Sub-Project. If some other party not a signatory to the Sub-Project Agreement is expected to contribute to the total Sub-Project requirements, the name/title of the party and the amount/value (specified currency) of their participation are entered here. Only *firmly* committed contributions from other parties are included.

### 2.11 Funds Obligated by UNHCR:

This states the amount being allocated by UNHCR towards the Sub-Project, entered in the same currency as the Budget. The amount of the first remittance (usually the same as the initial obligation), as agreed between UNHCR and the implementing partner, is stated, again in the same currency as the Budget. Normally, all payments to implementing partners are made in the same currency as the Budget.

### 2.12 Indicative Cash Requirements:

This data indicates only the planned cash requirements during the course of the Sub-Project. UNHCR does not necessarily remit the stated amounts on the given dates; in practice, the amount of each remittance should be negotiated prior to its payment, based on:

- (a) the liquidity of the Sub-Project, as evidenced by an SPMR-Part 1 submitted by the implementing partner;
- (b) the progress of the Sub-Project as reported in an SPMR-Part 2, and as evidenced by UNHCR monitoring visits to Sub-Project sites;
- (c) the availability of funds, which may be limited by either, or both, the amount obligated under UNHCR's Letter of Instruction and the cash available in UNHCR's bank account; and
- (d) the deduction of any payment made by UNHCR on behalf of the implementing partner.

To determine cash flow requirements for a Sub-Project, the implementing partner should discuss the planned timing and amount of each remittance with UNHCR before the Sub Project Agreement is drawn up. The plan of estimated amounts and anticipated dates (month only is sufficient) on which each amount is expected to be required can then be summarized here. There is no obligation for UNHCR to remit the amounts on the dates indicated. The amount of each remittance and the date on which it should be paid are subject to the four conditions stated above.

### 2.13 Bank Account to which UNHCR should remit Funds:

Record of the implementing partner's bank account into which UNHCR will remit funds, including the bank's name, its full mailing address and clearing number, as well as the name of account holder, account title and number, should be entered here.



2.13.1 & 2 **Need for UNHCR funds to be traceable.** See the relevant requirements on the need for UNHCR funds to be traceable as set out in Appendix 1 (paragraph 6) of the Agreement.

#### **2.14 Audit Information:**

The audit requirements for the various categories of Implementing Partners are found in Appendix 1 (paragraphs 9, 10) of the Agreement. UNHCR and the implementing partner should identify the competent audit institution at the time of signing the Agreement.

### **Art.3. DURATION OF AGREEMENT**

3.01 The Effective Commencement Date is stated in Art. 2.04 of the Agreement. The Planned Completion Date is given in Art.2.05.

3.02 This Article advises on the procedures for revisions to the Agreement, and emphasises the need to discuss and agree on these jointly and before the fact.

### **Art. 4. GENERAL RESPONSIBILITIES OF THE PARTIES**

Under this Article there are a range of provisions which set out the respective responsibilities to the Agreement. In particular, it should be noted that UNHCR does not accept: any liability towards third parties, any liability towards the employees or any other persons serving with or on behalf of the other Parties to the Agreement; or any liability for any expenditure made in advance or in excess of actual instalment payments.

4.01 This Article again highlights the importance of the various Annexes (A, B, C) and the two important Appendices (1 & 2).

4.02 It should be noted that refugees or other beneficiaries of UNHCR's programmes who are hired by the Agency or Government Department to undertake work on their behalf are included in the definition of Agency or Government Personnel.

#### **4.03 Responsibility for Claims:**

The two Sub-Articles deal with two different types of claims.

Art. 4.03.1 deals with claims originating from the personnel of an Agency or Government undertaking a Sub-Project. The Agency or Government is responsible for these types of claims from their personnel; it should be noted that according to 4.02, refugees or beneficiaries employed by an Agency or Government to implement a Sub-Project are considered as Agency or Government Personnel. The importance of the Agency or Government having adequate insurance to cover such claims is underlined.

Art. 4.03.2 deals with “third party” claims, that is claims from people other than the personnel of the Agency or the Government directly involved in the implementation of a Sub-Project. UNHCR is not responsible for any such claims that arise from the implementation of the Sub-Project or that arise out of the acts or omissions to the Agency or the Government or their personnel.

#### **4.04 Standards of Conduct:**

This Article deals with two issues.

Art. 4.04.1 relates to standards of conduct of all parties working with refugees (see also Appendix 2 to this Agreement). UNHCR attaches the greatest importance to this new provision in the Agreement. In this context, a useful reference document is *UNHCR's Code of Conduct*.

Art. 4.04.2 on confidentiality needs to be read in conjunction with Art. 8.02. Respecting confidentiality of information relating to beneficiaries is another form of protection. Aspects of the confidentiality provisions under the Agreement also relate to the integrity of business transactions; they need to be read in conjunction with Art. 4.05 and provisions related to Procurement as set out in UNHCR's IP Procurement Guidelines (see UNHCR's public website [www.unhcr.ch](http://www.unhcr.ch): *Partners/Partnership Guides*).

#### **4.05 Personnel not to Benefit:**

This provision is aimed at ensuring transparency and integrity by all parties to the Sub-Project Agreement. Non-compliance is regarded as a breach of an *essential* provision of the Agreement.

### **Art. 5, 6, 7**

#### **OBLIGATIONS OF PARTIES (UNHCR, AGENCY, GOVERNMENT)**

These three Articles focus on the specific obligations of the Parties to the Agreement.

#### **Art. 5 OBLIGATIONS of UNHCR**

##### **5.01 Provision of Staff and Services:**

This Article reinforces the mutual cooperation between the Parties to the agreement by making available the advisory services of UNHCR staff to assist in the implementation of the Sub-Project.

##### **5.02 Participation of Other Organizations:**

The intention of this Article. is to make all Parties responsible for soliciting the broadest possible participation of other relevant organizations in the implementation of the Sub-Project. Related Articles are **6.04 and 7.02**.

### **5.03 Customs:**

UNHCR is responsible for helping with the entry and clearance of equipment and supplies related to the Sub-Project. See related provisions in Art. 6.07, 7.05 and 7.07.

### **5.04 Remittances:**

Ten working days is the norm within which the first remittance should be made. It is normally not possible to give a precise date for the payment of the first remittance. UNHCR, however, will take all the necessary steps to make payment within the ten days. See notes in relation to **Art. 2.12**, on the release of further remittances.

### **5.05 Other Expenses:**

This provision relates to adherence to the budget agreed to for the Sub-Project.

## **Art. 6. OBLIGATIONS OF THE AGENCY**

### **6.01 Use of Funds:**

UNHCR funds should be used only for the purposes intended, as specified in the Sub-Project Description and Budget attached to the Agreement. This is an important provision as it also relates to the availability of funds to UNHCR to help implement the Sub-Project. It needs to be read in conjunction with the comments in relation to Preambular Paragraph (iv) and (v). See also the provisions in Appendix 1 to this Agreement (paragraph 3) relating to payment to beneficiaries.

### **6.02 Separate Interest-bearing Bank Account:**

See **Art. 2.13** above; the relevant requirements on the need for UNHCR funds to be traceable as set out in Appendix 1, (paragraph 6) to this Agreement. The same Appendix has further requirements on the maintenance of financial and sub-project records (paragraph 8), and the handling of miscellaneous income (paragraph 7).

### **6.03 Inspection and Audit:**

See the related provision in Appendix 1 to this Agreement, paragraphs 9, 10.

### **6.04 Agency Participation:**

This Article needs to be read in relation to Art. 5.02. As a result of soliciting such participation, an unexpected or additional contribution may be received. If such a contribution is received after the original financial participation has been agreed, then the Agreement will require an amendment to reflect

reduced financial requirements from UNHCR or a different apportionment of the financial participation of each Party.

#### **6.05 Participation of other Organization:**

As noted in Art. 6.04, the Agreement will require an amendment (i.e. a Supplementary Agreement) to reflect reduced financial requirements or a different apportionment of the financial participation of each Party if an unexpected or additional contribution is made available through any of the Parties subsequent to signing the Agreement.

#### **6.06 Rate of Exchange:**

In the application of a rate of exchange by an Implementing Partner (Agency), the following guidelines are to be respected:

- (a) A non-governmental implementing partner must apply the *most favourable official rate of exchange* as granted by the Government.
- (b) If an implementing partner must change one currency into another to meet costs incurred in the second currency, which is not the currency of the host country, then the prevailing market rate of exchange should be used.

#### **6.07 Taxation and Customs:**

The presumption of the Agreement is that the Implementing Partner will be exempt from taxation and customs (see Art. 7.05 and 7.07). In those exceptional instances, where this may not be happening, discussions should take place with UNHCR to decide on a unified approach to the Government.

#### **6.08 Importation Documentation:**

This Article places the responsibility on the Implementing Partner to prepare all import documents, licenses, etc., well in advance of the expected arrival date of a shipment, and to facilitate and expedite the actual importation and off-loading. Non-compliance with these provisions may result in heavy costs being incurred by the Sub-Project.

There have been numerous incidents where, for usually avoidable reasons, the importation and/or clearance of UNHCR Sub-Project supplies have been delayed beyond a reasonable period, resulting in UNHCR or the Sub-Project incurring heavy demurrage or storage costs. If the cause is directly attributable to the negligence of either the Government and/or Implementing Partner not meeting its responsibilities, the Field Office will consult with UNHCR Headquarters to determine what action should be taken to recover costs from the negligent Party.

### **6.09 Assignment and Sub-Contracting:**

This Article safeguards the interests of UNHCR and of its donors in cases where Implementing Partners either fail to perform all or part of what they agreed to do or where they sub-contract implementation of substantial components of a Sub-Project.

### **6.10 Use of Assets:**

See also the related provisions in paragraph 17 of Appendix 1 to the Agreement. The issue of transfer of ownership is discussed further in paragraph 18 of the same Appendix.

### **6.11 Procurement:**

See also the related provisions of paragraph 16 of Appendix 1 to this Agreement.

### **6.12 Use of UNHCR Logo:**

There are restrictions on the use of the UN/UNHCR name and emblem and its abbreviation, established by the General Assembly in its resolution 92(1) of 7 December 1946. The resolution whose purpose it is to protect the UN emblem and name against unauthorised use requires that the name and emblem may not be used without prior authorisation of the UN Secretary General. The Agency only has the restricted right to use the UNHCR visibility logo for activities related to the Sub-Project.

### **6.13 Responsibility of the Agency for Agency Personnel:**

In addition to the provisions of the three Sub-Articles, attention is drawn to the specific obligations of the Agency under Appendix 2 to the Agreement relating to Standards of Conduct.

### **6.14 Compliance with Law:**

The Agency has a strict obligation to respect the laws of the country in which it is operating.

## **Art. 7. OBLIGATION OF THE GOVERNMENT**

### **7.01 Inspection and Audit:**

The provisions relating to the audit and inspection of Government partners are set out in paragraph 10.1 of Appendix 1 to the Agreement.

### **7.02 Government Participation:**

See Art. 5.02 above.

### 7.03 Participation of other Organizations:

See Art. 6.05 above.

### 7.04 Rate of Exchange:

The Government has an obligation to grant UNHCR the most favourable *official* rate of exchange. This Article reflects the provisions stated in the Convention on Privileges and Immunities of the United Nations and the UNHCR Financial Rules:

*“Without being restricted by financial controls, regulations or moratoria of any kind, ... the United Nations shall be free to transfer its funds, gold or currency from one country to another or within any country and to convert any currency held by it into any other currency.” [Article II, Section 5, Convention on the Privileges and Immunities of the United Nations, 13 February 1946]*

### 7.05 Taxation and Customs:

This Article strengthens the application of the Convention on the Privileges and Immunities of the United Nations:

7.05.1 The Government is required to “secure exemption for UNHCR from all customs, duties, levies and direct and indirect taxes, including Value Added Tax), i.e. to ensure that the appropriate exemption is granted.

The Government is also to arrange for reimbursement, particularly when the amount involved is significant. Exceptions may exist when the duty or tax paid on domestic purchases is “part of the price to be paid” (extract from the Convention on the Privileges and Immunities of the United Nations). UNHCR (and the implementing partner) must ensure that all the documentation required from the supplier and from the appropriate tax authorities is available and correctly submitted to obtain prompt reimbursement.

7.05.2 This provision of the UNHCR Agreement originates in Article II, Section 7, of the Convention on the Privileges and Immunities of the United Nations dated 13 February 1946. Attention is also drawn to paragraph 16.4 (b) of Appendix 1 to the UNHCR Agreement on “Procurement Procedures” which specifies that imports “shall meet the standards and norms prevailing in the recipient country”. This may *exceptionally* mean that an item intended for importation may be subject to some form of restriction or need special clearance.

### 7.06 Status of Agency Personnel:

This provision grants personnel of implementing partners - other than nationals of the country in which the project is implemented- the same status as UN officials under the 1946 Convention (ie tax free salaries, and functional immunity).

### **7.07 Importation documentation:**

This Article places the onus on the Government to facilitate the importation of supplies, food aid and other material assistance to be used under the Sub-Project; see Art. 6.08 above. This Article also requires the Government to secure exemption from prohibitions and restrictions, i.e. to ensure that the appropriate exemption is granted.

### **7.08 Use of Land:**

Under this Article, the Government has an obligation to make sufficient land available to achieve the Sub-Project objectives. By extension, it also requires the government to issue any building permits promptly. In the case of local integration projects, when this is an agreed durable solution with the host government, the intention of the Article is that beneficiaries be given access to land. The use of the land should not be restricted, and the Sub-Project beneficiaries should be given the same rights pertaining to land use, including construction, as nationals and other local residents. It is recognized that this may prove difficult to enforce if land is scarce or is privately owned.

### **7.09 Travel of the High Commissioner's and Agency's Staff:**

The objective of this Article is to allow UNHCR and its partners to be able to perform its statutory functions of protecting refugees, promoting durable solutions and obtaining information concerning the numbers and conditions of refugees through *unhindered and unrestricted access* to the Sub-Project's beneficiaries and Sub-Project sites. Furthermore, the Article provides for monitoring visits by UNHCR and the issuance of the necessary travel visas and permits.

In serious security situations, this Article may be difficult to enforce. However, UNHCR's policy is that UNHCR's (or an implementing partner's) presence in the vicinity of the refugees/returnees is essential for the assistance foreseen under the Sub-Project to be properly monitored. If such a presence is not possible, UNHCR may take the position that UNHCR's participation in the Sub-Project and the delivery of UNHCR assistance may have to await the establishment of such a presence.

## **Art. 8 GENERAL CONDITIONS**

### **8.01 Copyright, Patents and other Proprietary Rights:**

These provisions are a logical consequence of the contractual arrangements under the Agreement with UNHCR. One of its more obvious applications is to studies, evaluations, reports etc undertaken as part of a Sub-Project Agreement.

### **8.02 Confidentiality:**

Often inadequate controls are exercised on the confidentiality of information, particularly concerning individual refugee cases or groups of refugees who may be particularly vulnerable. This provision requires UNHCR's implementing partners to keep confidential all information of a biographic nature.

Such information can only be released to persons duly authorized by UNHCR to have access to the information. Non-compliance with this clause could have important and serious protection implications.

### **8.03 Privileges and immunities:**

This provision clarifies that UNHCR by entering into agreements with third parties (private contractors, NGOs) has neither expressly nor implicitly waived its privileges and immunities. In particular, it has not agreed to be subject to local courts or local laws. This Article also safeguards the precedence of other legal instruments that relate to UNHCR's privileges and immunities. Such instruments comprise, *inter alia*:

- (a) the 1946 Convention on the Privileges and Immunities of the United Nations;
- (b) any *Accord de Siège*, Exchange of Letters, Memorandum of Understanding or Cooperation Agreement with the host government which embodies the same provisions as the 1946 Convention; and
- (c) any Basic Agreement, Protocol or Memorandum of Understanding which may govern UNHCR assistance programmes in the host country and in which the status of the UNHCR office and staff is stated.

### **8.04 Force majeure and other Changes in Conditions:**

Sub-Projects are established according to the situation prevailing at the start of the Sub-Project. During the course of a Sub-Project, circumstances may evolve which significantly change the scope and magnitude of the Sub-Project. This Article ensures that, in such circumstances, the Sub-Project is reviewed jointly and revised in accordance with the new situation. This revision is effected through a Supplementary Agreement.

This "*force majeure*" Article could be invoked if the Implementing Partner is prevented from continuing implementation for reasons of security, "acts of war", hostilities, etc. The Article may also be enforced if the implementing partner is financially insolvent and/or is declared bankrupt. If UNHCR decides to cancel a Sub-Project, a Supplementary Agreement will be required to this effect.

### **8.05 Amicable Settlement:**

This Article urges conciliation to resolve difficulties and misunderstandings, thus avoiding the need for arbitration described in the following Article. The conciliation should be done under the UNCITRAL rules.

### **8.06 Arbitration:**

An Implementing Partner's full understanding of the interpretation and application of all the Articles and provisions in the Sub-Project Agreement, including what is expected on the basis of Annexes A, B and C, and appendices I and 2, should lessen any difference of opinion about compliance with the Agreement's terms. The Article also defines the jurisdiction under which disputes, as well as questions of interpretation and application, will fall. Arbitration is the stated option for any disputes arising from the Parties to the Agreement.



### **8.07 Early termination:**

These provisions cover a range of different situations: for example, where the performance of the Implementing Partner is judged inadequate (8.07.1); where UNHCR is the cause of the problems e.g. shortage of funds (8.07.2); where the Agency becomes bankrupt (8.07.4). Article 8.07.3 covers the circumstances under which UNHCR would make any outstanding payments.

## **Art 9. ANNEXES and APPENDICES**

Again, the importance of the three Annexes (A, B and C) needs to be underlined. Appendices 1 and 2 are integral parts of all Agreements.

## **SIGNATURES**

*SIGNED IN ——— ORIGINALS BY THE DULY AUTHORIZED SIGNATORIES*

*ON BEHALF OF THE FOLLOWING PARTIES:*

Completing this space ensures that the requisite number of originals are signed: normally four for Tripartite Agreements (and three for Bipartite Agreements), based on the following distribution:

- (a) one original for each Party (one for the UNHCR Field Office), plus
- (b) one original for UNHCR Headquarters.

If other signed originals are required (e.g. for the Ministry of Finance or the Attorney General), then extra originals should be signed. A photocopy of a final signed original is often sufficient for those who need a copy for reference or for their records.

## **OTHER INFORMATION ON SIGNATURES**

(a) In addition to the signature of an authorized officer for each Party, the individual's name and title, and the date and place indicating when and where each signatory signed are entered. These dates are for reference purposes only; the Effective Commencement Date (see Art. 2.04) specifies when the agreement comes into effect. If, however, the date of signature is understood to be the Effective Commencement Date, then the date of signature should also be entered under Art. 2.04.

(b) Exceptionally, more than one signatory may sign on behalf of a Party to the Agreement. If this is the case and there are already three signatories (i.e. a Tripartite Agreement), then a separate page containing the additional signature boxes is added. The Government or the Implementing Partner may require two signatories to sign on their behalf.

For example, if two governmental departments must sign, one as the counterpart Office of UNHCR (e.g. the Ministry of Interior) and one as the implementing partner (e.g. the Department of Public Works), then the Tripartite format is used, to specify the respective responsibilities of each Party. If two governmental signatories are required, more for protocol reasons (e.g. the Minister of Social Welfare and the Head of the Refugee Department within the same Ministry who actually acts as the Implementing Partner), then the Bipartite format is used, with both signatories signing on behalf of the Government.

## Appendix D

**Sub-Project Symbol:** \*\* / \*\* / \*\*\* / \*\* / \*\*\* / \*\*

**Number of Supplementary Agreement:** \_\_\_<sup>1</sup>

**Date of Supplementary Agreement:** \_\_\_ / \_\_\_ / \_\_\_

### **SUPPLEMENTARY AGREEMENT UNDER THE PROGRAMME OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**

**BETWEEN**

**THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**  
*(hereinafter referred to as "UNHCR")*

**AND**

the \_\_\_\_\_  
*(hereinafter referred to as "the Agency")*

**AND**

the \_\_\_\_\_  
*(hereinafter referred to as "the Government")*  
*(all hereinafter referred to as "the Parties")*

#### **ART.1 - PREAMBLE**

1.01 GIVEN that the Parties to this Supplementary Sub-Project Agreement signed an **original** Agreement with UNHCR on the following dates:

UNHCR

The Agency

The Government

Date: \_\_\_\_\_

<sup>1</sup> Enter sequential number of this supplementary agreement (e.g. 1, 2, ...).

1.02 GIVEN that the original Agreement has been amended in accordance with the provisions contained in previous Supplementary Agreements signed with UNHCR by the Parties on the following date(s) of the respective Supplementary Agreement(s):

	UNHCR	The Agency	The Government
First:	_____	_____	_____
Second:	_____	_____	_____

*(add or delete lines as required)*

1.03 GIVEN that those provisions contained in the original and any previous Supplementary Agreements remain **in force and effect** except as amended by this Supplementary Agreement;

1.04 AND GIVEN that after mutual consideration, the Parties have agreed that the revisions contained in this Supplementary Agreement and in the relevant revised Annexes (A, B, C) are necessary in order to reflect the current status of the Sub-Project;

#### IT IS HEREBY AGREED BY THE PARTIES

1.05 The elements of the original Agreement, including all Annexes and Appendices and as amended by any previous Supplementary Agreements, form an integral part of this Agreement;

#### **Revised Sub-Project Data Elements**

1.06 The Basic Sub-Project Data below contains the following revised data elements :

\_\_\_\_\_  
*(enter the Sub-Article number(s) of the data element(s) that have been revised)*

#### **Replacement of an Annex or other Attachment**

1.07 The replacement Annex or other attachment referenced below and attached to this Supplementary Agreement supersedes earlier versions attached to the original Agreement or previous Supplementary Agreement(s) and becomes integral part of this Agreement (tick as appropriate):

- Sub-Project Description set out in Annex A
- Sub-Project Budget set out in Annex B
- Sub-Project Workplan set out in Annex C

\_\_\_\_\_  
*(list additional revised Annexes if any)*

**Other Amendments**

1.08 For amendments to the Sub-Project other than those listed above, state reason and details of the amendment.

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**ART. 2 – BASIC SUB-PROJECT DATA**

2.01 **Project Symbol [LOI No.] And Title:** \_\_\_\_\_

2.02 **Sub-Project Symbol and Title:** \_\_\_\_\_

2.03 **Location:** \_\_\_\_\_

2.04 **Effective Commencement Date:** \_\_\_\_\_

2.05 **Planned Completion Date:** \_\_\_\_\_

2.06 **Liquidation Date:** \_\_\_\_\_

2.07 **Level at which Budgetary Transfers are Authorized:** (check box)

- sector       activity       item       sub-item

2.08 **Periodic Reporting:**

Sub-Project Monitoring Report:

- by 10 April for the period ending 31 March (Part 1)
- by 15 July for the period ending 30 June (Parts 1&2)
- by 10 October for the period ending 30 September (Part 1)
- by 15 February for the period ending 31 December (Parts 1&2)

Other (specify titles and due dates):

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2.09 **Total Sub-Project Requirements:**

Cash in local currency: \_\_\_\_\_

Cash in [other] convertible currency: \_\_\_\_\_



Name of Account Holder, Account Title and Number: \_\_\_\_\_

2.13.1

- If the adjacent box is *ticked*, it indicates that the account is a separate account for UNHCR Sub-Project funds only. Any interest earned will be credited to the Sub-Project.
- If the adjacent box is *ticked* it indicates that the account is a pool account. Interest earned on this account will be apportioned and a fair share will be credited to the Sub-Project.

2.13.2

Paragraph 6 of Appendix 1 sets out the provisions in relation to the Bank Accounts in which UNHCR funds are to be deposited; it needs to be underlined that UNHCR funds must remain traceable.

2.14 **Audit Information:**

Name and Address of Audit Body: (see paras. 9 & 10 of Appendix 1)

\_\_\_\_\_  
\_\_\_\_\_

**ART. 3 – ANNEXES AND APPENDICES**

3.01 Signature by the Agency and Government of this Supplementary Agreement constitutes formal approval of the revised Annexes listed in Article 1.07 above, the respective cover pages of which have been initialled by the Parties upon signature.

3.02 Other Appendices to the previous Agreement (Financial and Programme Arrangements set out in Appendix 1; Standards of Conduct as set out in Appendix 2) remain valid.

SIGNED IN \_\_\_\_\_ ORIGINALS BY THE DULY AUTHORIZED SIGNATORIES

ON BEHALF OF THE FOLLOWING PARTIES:

	UNHCR	THE AGENCY	THE GOVERNMENT
Signature:	_____	_____	_____
Name:	_____	_____	_____
Title:	_____	_____	_____
Date:	_____	_____	_____
Place:	_____	_____	_____





## Appendix E    **FORMAT FOR AGREEMENTS RELATING TO UNHCR ASSETS**

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1.    **Appendix E1** provides a layout for **UNHCR's Agreement for the Receipt and the Right of Use of UNHCR Assets** which is to be signed by all partners upon receipt of assets from UNHCR or upon having purchased assets with UNHCR funds. This Agreement is to be read in conjunction with the relevant Articles of UNHCR's Agreement for Sub-Projects and its Appendix 1 (found in this Handbook in Appendix D).

2.    **Appendix E2** provides a layout for the Agreement to permit UNHCR Field Offices to transfer ownership, to implementing partners, of assets acquired under UNHCR Sub-Projects. This **Agreement on the Transfer of Ownership of UNHCR Assets** has separate validity from a Sub-Project Agreement in which it is stipulated that a separate agreement is required to transfer ownership. Such an Agreement specifies, with an inventory, which assets are being handed over to the implementing partner. If a separate agreement is not executed, then on the completion of the Sub-Project, the provisions of the Agreement for the Receipt and the Right of Use of UNHCR Assets shall govern all assets under the Sub-Project.

3     It should also be pointed out that in certain instances, once the Transfer of Ownership Agreement has been signed by UNHCR and the other Party, some form of ratification by or notification to a particular government department may be required (different from the signatory to the Agreement in the case of transfer to a government implementing partner). This procedure may be necessary to ensure that there is a legal basis for the Agreement's validity and enforcement.

## Appendix E1

### AGREEMENT FOR THE RECEIPT AND THE RIGHT OF USE OF UNHCR ASSETS

**BETWEEN:** \_\_\_\_\_  
(hereinafter referred to as "The Recipient")

**AND: THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**  
(hereinafter referred to as "UNHCR")  
(both hereinafter referred to as "the Parties")

#### IN RESPECT OF ASSETS ACQUIRED UNDER PROJECT(S)/OTHER ACCOUNT(S)

**SUB-PROJECT:** \_\_\_\_\_ **AGREEMENT REFERENCE:** \_\_\_\_\_

1. The Recipient acknowledges receipt from UNHCR of the asset(s) listed in the document attached to this Agreement in accordance with the provision of the related Sub-Project Agreement and its Appendix 1.
2. The Recipient acknowledges that, by means of this Agreement, \_\_\_\_\_ acquires the right of use, **not ownership**, of the asset(s) listed in the attached document.
3. The Recipient accepts the Articles in the Agreement related to the **Right of Use of UNHCR's Assets** and agrees to respect them in regard to the assets made available by UNHCR.
4. The Recipient agrees that the asset(s) listed in the attached document will be deployed to the duly authorized and responsible staff of \_\_\_\_\_ at the following location(s): \_\_\_\_\_
5. The Recipient agrees to obtain the prior written agreement of UNHCR before redeploying these asset(s) for any other purpose or to any location other than listed above.
6. The Recipient agrees that the asset(s) listed in the attached document shall be used exclusively for the implementation of UNHCR programmes, and agrees to obtain the prior written agreement of UNHCR before using the asset(s) for any other purpose.
7. The Recipient acknowledges that UNHCR reserves the right to recall and redeploy the above mentioned asset(s), managed or not by the implementing partner undersigned, for any other refugee/returnee programme, or if any of the relevant Articles of the Sub-Project Agreement are not respected.
8. In respect of all UNHCR assets, the Recipient agrees to report to UNHCR annually with each Final Sub-Project Monitoring Report and an inventory to be provided by UNHCR, the current location of all assets and name of the staff member responsible for its use.

**FOR**  
THE RECIPIENT

**FOR**  
THE OFFICE OF THE UNITED NATIONS  
HIGH COMMISSIONER FOR REFUGEES

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

Place: \_\_\_\_\_

## Appendix E2

### AGREEMENT ON THE TRANSFER OF OWNERSHIP OF UNHCR ASSETS

**BETWEEN:** \_\_\_\_\_  
*(hereinafter referred to as "The Recipient")*

**AND: THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**  
*(hereinafter referred to as "UNHCR")*  
*(both hereinafter referred to as "the Parties")*

**IN RESPECT OF ASSETS ACQUIRED UNDER PROJECT(S) / OTHER ACCOUNT(S)**

**SUB-PROJECT:** \_\_\_\_\_ **DATE EFFECTIVE:** \_\_\_\_\_  
*(insert Sub-Project code)*

#### PREAMBLE

**THIS AGREEMENT** defines the procedures for the transfer of ownership at the end of a Sub-Project, or whenever applicable, and for the use thereafter, of assets, defined as any item of property or equipment purchased under Sub-Project(s)/other account(s) financed by UNHCR, as per the attached list of assets;

**GIVEN** that the Recipient has a humanitarian, non-profit purpose consistent with the objectives and mandate of UNHCR and the Recipient's pursuit thereof would be enhanced by the transfer of the stipulated assets,

**AND GIVEN** that UNHCR, after examination of the criteria for the redeployment of the equipment to other UNHCR sponsored Sub-Projects, has decided to transfer the ownership of assets specified in the attached list to this Agreement, to the Recipient;

**IT IS HEREBY AGREED** by the parties:

#### Article I. TRANSFER OF PROPERTY

1. Subject to Section 2 of this Article, UNHCR shall transfer to the Recipient UNHCR's entire right and interest in and to all property (hereinafter referred to as: Assets) specified in the list attached to this Agreement.

2. The Recipient shall use the assets for solely humanitarian endeavours and any subsequent disposal of assets, whether by sale or donation, shall be for the exclusive benefit of comparable humanitarian interests in the country. In the event of any breach of this provision, the Recipient may be liable to UNHCR for compensatory damages equivalent to the value of assets on the effective date of this Agreement.

**Article II. CESSATION OF RIGHTS AND RESPONSIBILITIES**

1. Upon the effective date of this Agreement, all UNHCR's rights in, and responsibility for, the assets shall cease.
2. UNHCR shall revoke any license or registration record in which UNHCR is the registered owner or operator.
3. UNHCR shall cancel any insurance still in force at the time of the transfer to the Recipient, unless, under terms agreed with the Recipient and the insurer, such insurance shall remain in force until its expiry.

**Article III. SERVICEABILITY**

UNHCR shall transfer the ownership of the assets on an "as is, where is" basis and makes no representations or warranties for the fitness or title thereof. If repair or servicing of the assets is required before it can be put fully into use, the Recipient will bear the costs of such repair or servicing.

**Article IV. ANCILLARY ITEMS**

UNHCR shall transfer the ownership to the Recipient, prior to, or at the same time as the physical hand-over of the assets themselves, stocks of spare parts accessories, ancillary equipment or special fuel, if any, for the operation or use of the assets, as specified in the attached list.

**Article V. RECURRENT COSTS**

The Recipient undertakes to meet all future recurrent staff, operating and servicing costs, as well as any immediate costs of recommissioning or relocation of the property/future recurrent staff, operating and servicing costs.

**Article VI. UNHCR IDENTIFICATION MARKS**

The Recipient agrees to retain only UNHCR identification logos, i.e. "Donated by UNHCR" after the transfer of ownership. All other identification logos shall be removed.

**Article VII. GENERAL PROVISIONS**

1. UNHCR shall not be liable for any costs, direct or indirect, or for any levies, duties or taxes that may arise from, or in connection with, the transfer of property.
2. UNHCR shall not be liable to indemnify any third party in respect of any claim, debt, damage or demand arising out of the implementation of this Agreement.
3. Nothing in this Agreement shall be deemed a waiver, expressed or implied, of any privileges or immunities enjoyed by UNHCR.

4. Any dispute, controversy or claim arising out of, or in relation to, this Agreement, or any breach, termination or invalidity thereof, shall be, unless settled amicably through negotiation, submitted to arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law. Any award rendered pursuant to this Article shall be accepted as a final adjudication by the Parties to which they hereby agree to be bound.

#### **Article VIII. VALIDITY**

This Agreement shall become effective from the date indicated on the first page.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have on behalf of the parties hereto signed this Agreement at the place and on the date stated below.

**FOR**  
THE RECIPIENT

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**FOR**  
THE OFFICE OF THE UNITED NATIONS  
HIGH COMMISSIONER FOR REFUGEES

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_



## Appendix F GUIDELINES FOR THE ENGAGEMENT OF AUDIT FIRMS FOR THE EXTERNAL AUDIT OF UNHCR SUB-PROJECTS IMPLEMENTED BY NATIONAL NGO PARTNERS

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**T**he attached Guidelines are ***valid as at 1 February 2003***. They currently apply to National NGO Implementing Partners. They are included here as guidance on this important and complex issue.

It will be recalled, however that the *Report of the United Nations Board of Auditors on the Financial Statements of the Voluntary Funds administered by the United Nations High Commissioner for Refugees for the year ended 31 December 2001*(A/AC.96/963) made the following recommendation (see paragraph 63ff.):

***The Board recommends that UNHCR:***

- (i) mobilize more adequate means to ensure timely and full compliance with existing [audit certification] rules;***
- (ii) assess the feasibility and cost effectiveness of adjusting present audit requirements, such as expanding the local NGOs procedure to International NGOs and Governmental partners, including independent SPMR audit certification and management letter.***

In its reply to this recommendation, UNHCR noted that it was currently reviewing, with the assistance of the UNHCR Audit Service in the UN Office of Internal Oversight Services (OIOS) the policy relating to audit certificates of implementing partners. It is expected that in the first half of 2003 further advice will be forthcoming on this matter. Until such requirements are made known, the current policy is valid.

## A. GENERAL GUIDELINES

### 1. Background and General Information

1.1 Since 1997, it has been mandatory for all UNHCR Sub-Projects undertaken by implementing partners to submit an audit certificate. Since 1998, a distinction has been made between different categories of implementing partners. National NGO Implementing Partners have to submit an audit certificate for all UNHCR Agreements with an aggregate budget value of ***US\$ 100,000 and above***. For all UNHCR Agreements with an aggregate budget value of ***less than US\$ 100,000***, UNHCR reserves the right to request an audit certificate. The audit certificate must be issued by an independent audit authority. Normally, such audits are arranged locally by the NGO or by the UNHCR Office in the field. Audit certificates from implementing partners are an essential component of UNHCR's control systems, reassuring management and donors that they can rely upon implementing partners' Sub-Project reports (i.e. their final SPMRs).

1.2 The audit certificate must clearly demonstrate that the funds provided by UNHCR have been used for the purpose and intent, and in accordance with, the budgetary provisions of the Agreement signed between UNHCR and the implementing partner. Furthermore, the certification should state, as a minimum, that the implementing partner's accounts are in order and conform with generally accepted accounting principles. It is not sufficient that audit certificates only refer to the 'financial situation' disclosed by the implementing partner.

1.3 In order to assist NGOs and UNHCR in the engagement of external auditors, the following Guidelines and the terms of reference have been developed. They can be used as framework for engaging external auditors. They should contribute to a more consistent approach, while ensuring that the opinion expressed by the auditors in an audit report is based on the specific requirements of the Sub-Project Agreement entered into between UNHCR and the implementing partner.

### 2. Objective of the Audit

2.1 The objective of an implementing partner audit is to enable auditors to give an opinion on the implementing partner's final financial report (SPMR) for the UNHCR Sub-Project. The audit should thus provide reasonable assurance that the financial report gives a true and fair view and has been prepared in accordance with relevant accounting, reporting and other requirements, as outlined in the Sub-Project Agreement.

2.2 In undertaking an audit, auditors should:

- Carry out procedures designed to obtain sufficient appropriate audit evidence, in accordance with generally accepted auditing standards to determine with reasonable confidence whether the financial report is free of material misstatement.
- Evaluate the financial report in order to ascertain whether it has been prepared in accordance with the provisions of the Sub-Project Agreement and generally accepted accounting standards.
- Evaluate whether adequate internal controls are in place and functioning effectively.



- Evaluate whether the financial and operational management is in compliance with the provisions of the Sub-Project Agreement.
- Issue a report containing a clear expression of opinion on the financial report submitted to UNHCR.
- Issue a management letter containing any relevant comments on the management of the Sub-Project and the narrative SPMR.

### 3. Terms of Engagement

3.1 A written agreement should be drawn up when contracting the auditors in order to ensure that there is no misinterpretation or misunderstanding of the objectives and scope of the audit, the extent of the auditors' responsibilities, and the form and timing of reports to be issued. Such an agreement is generally known as an 'Engagement Letter', however, another form such as a contract would also be suitable.

3.3 The engagement letter is often prepared by the audit firm for signature by the client. If this is not done, the implementing partner, with the support of UNHCR, should prepare such a document in order to establish clearly the mutual obligations. In both cases, the attached terms of reference should help in addressing all essential points.

3.4 The acceptance of the terms of engagement by the parties should be documented in writing prior to the commencement of the audit. While the auditor is normally engaged by the audited agency, UNHCR should be involved in the selection of the audit firm and in the establishment of the terms of reference. If feasible, UNHCR should be a party to the contract.

3.5 In order to establish the NGO's responsibility and ensure the ability to subsequently audit the Sub-Project, the auditor should be engaged at the beginning of the project period, not at the end.

3.6 The following elements should be included in the engagement letter:

- the responsibilities of the NGO and of the auditors;
- the scope of the audit;
- other services, if applicable;
- the deadline for the submission of the audit report and of the management letter;
- the audit fees;
- Agreement of terms.

3.7 More detailed guidance of what should be included in an engagement letter is given in Section B below.

### 4. Scope of the Audit

4.1 As stated above, audit reports or audit certificates received in the past have frequently provided only limited information, or information of limited relevance, regarding the UNHCR-funded Sub-Project. Often the report referred to the 'financial situation' disclosed by the implementing partner, i.e., the payments and receipts and made little or no reference to the fulfilment of the financial and operational

provisions of the Agreement. Therefore, in certain cases UNHCR could only take assurance that the implementing partner processed its financial transactions in accordance with recognised accounting standards. Although this is of interest to UNHCR, it is not sufficient. The opinion expressed by the auditors should be based on the specific requirements of the Sub-Project Agreement and should verify, for example, that proper procurement procedures were in place and complied with.

4.2 The most pertinent areas that should be included within the audit scope are listed in Section B below.

## 5. Reporting Requirements

5.1 The audit report is the end product of the audit. The report should contain a clear expression of opinion on the SPMR, on compliance with the Sub-Project Agreement and on any further matters required by the letter of engagement. This opinion should be based on a review and an assessment of the conclusions drawn from the evidence obtained in the course of the audit. The audit report must be written in one of the official languages of the UN, preferably one of UNHCR's two working languages (French and English), and should contain the following elements:

- a title identifying the Organisation/Agency to whom the report is addressed;
- an introductory paragraph identifying the SPMR audited;
- a section dealing with the respective responsibilities of the NGO and the auditors;
- the basis of the auditors' opinion;
- the auditors' opinion on the SPMR;
- the signature of the auditors and the date of the audit report.

## 6. Auditors' Opinions

6.1 The auditors' report may include either an "**Unqualified**" or a "**Qualified**" opinion.

6.1.1 An **Unqualified Opinion** is expressed when, in the auditors' judgement, the financial report gives a true and fair view and has been prepared in accordance with relevant accounting or other requirements (Sub-Project Agreement). An example of an audit report with an unqualified audit opinion is given in Section C below.

6.1.2 A **Qualified Opinion** may be given in certain instances an auditor may not be able to express an unqualified opinion. This may be the result of various circumstances which, in the auditors' judgement, warrant a qualification, as follows:

- If all the evidence reasonably expected to be available has not been obtained or evaluated, then a qualified opinion is given. If the possible effect is material or pervasive to the financial statements and could, as a whole, make them misleading, then a "*qualified opinion: disclaimer*" is given, i.e., "Because of the possible effect of the limitation of evidence available to us we were unable to form an opinion as to whether the financial statements give a true and fair view". If the effect is *not* material then a "*qualified opinion: scope limitation*" is given, i.e., "Except for ....., in our opinion the financial statements give a true and fair view".

- If the auditors disagree with the accounting treatment or disclosure of a matter in the financial statements, and in their opinion the effect of the disagreement is material or pervasive to the financial statements, a description of all substantive factors giving rise to the disagreement should be included in the audit report and a *“qualified opinion: adverse”* is given i.e., “In view of the effect of...., in our opinion the financial statements do not give a true and fair view”. If the effect of the disagreement is *not* material, then a *“qualified opinion: except for.... disagreement”* is given, i.e., “Except for...., in our opinion the financial statements give a true and fair view”.

6.2 In all cases, when a qualified opinion is given the factors leading to the qualification should be included in the audit report. An example of an audit report with a qualified audit opinion is given in Section D below.

## 7. Management Letter

7.1 In addition to the audit report, it is normal practice as part of the audit service to issue a “Management Letter” communicating the weaknesses in the accounting and internal control systems identified during the audit. Although this information is sometimes submitted to UNHCR, it is not automatic. In future, this should be requested as it provides constructive advice and assistance in improving the performance of the NGO’s operations, its internal controls and accounting practices. Further, if serious weaknesses are identified, UNHCR can use this information to take immediate remedial action.

## B. TERMS OF REFERENCE TO BE INCLUDED IN THE ENGAGEMENT LETTER

### 1. Responsibilities of the Agency and Auditors

1.1 The management of the Agency is responsible for ensuring that proper accounting records are maintained for preparing the Sub-Project Monitoring Report (SPMR), and for making available to the auditors, as and when required, all accounting records and other relevant records and related information.

1.2 The auditors have the responsibility to report on whether, in their opinion, the SPMR gives a true and fair view and whether the SPMR has been properly prepared in accordance with the accounting policies and other requirements of the Sub-Project Agreement. In arriving at the opinion the auditors are required to consider the following issues, and to report on any aspects with which they are not satisfied:

- Whether proper accounting records have been kept and adequate information has been received from other locations (relating to international procurement, for example) not visited by the auditors.
- Whether the SPMR presented is in agreement with the accounting records and other relevant data.
- Whether all the information and explanations which the auditors consider necessary for the purpose of the audit have been obtained.

- Whether information given to the auditors by the implementing partner's management is consistent with the SPMR.

## 2. Scope of the Audit

2.1 The audit is conducted in accordance with generally accepted auditing standards and will include, as the auditors consider necessary, tests of transactions and of the existence, ownership and valuation of assets and liabilities. The auditors will obtain an understanding of the accounting and internal controls systems in order to assess their adequacy as a basis for the preparation of the SPMR and establish whether proper accounting records have been maintained. The auditors will expect to obtain sufficient and appropriate evidence to enable them to draw reasonable conclusion therefrom.

2.2 The audit scope must describe the Sub-Projects(s) covered by the audit, and should generally include the requirement that the auditors should obtain, in the course of their audit, an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the Sub-Project Monitoring Reports (SPMRs).

2.3 This would entail an assessment of:

- The accounting records maintained, which normally includes: a general ledger accounting system; bank statements and reconciliations; cash book(s); and, petty cash book(s).
- The budgetary control system: to ascertain the adequacy of the budgetary control system to monitor actual expenditure against budget on a regular basis; to determine that disbursements are in accordance with budgetary provisions, and that budgetary transfers above 15 per cent at the activity/sector/item or sub-item level have been properly authorized.
- The internal control system, including approval and control of documents in the expenditure cycle: adequate segregation of duties; maintaining and reviewing of control accounts and trial balances; the performance of reconciliations.
- The cut-off procedures in Sub-Project periods to ensure that only actual disbursements, and no commitments, are recorded in the SPMR, that disbursements made during the liquidation period were based on valid commitments, that no expenditure was incurred after the liquidation date, that no advances were charged as expenditure, that any receivables and payables are disclosed.
- Compliance with the Sub-Project Agreement and, where applicable, which should include: exemption from taxes; the appropriate exchange rate has been applied; operation of a separate interest bearing bank account and, if not, that financial transactions are separately identifiable; appropriate disclosure and treatment of miscellaneous income receipts.

2.4 If the Sub-Project Agreement includes activities such as warehousing, workshop operation, income generation activities, etc., then in order to be able to express an opinion on the SPMR, a review of the applicable internal controls over these specific activities should be included in the audit. For example, for warehousing there should be adequate control over all receipts, movements and dispatches of stock.

2.5 **Where there is a question of the project staff being contracted**, then the audit should assess that they have been contracted in compliance with the Sub-Project Agreement. This would entail an assessment that:

- Salary costs according to the Sub-Project Agreement are properly documented, and that they are commensurate with established scales and in accordance with generally accepted standards and practices.
- Provisions have been made for the taxation of salaries and the payment of allowances such as national insurance, pension contributions, housing, travel, etc., and they are in accordance with the taxation and labour laws of the country; and, project staff are insured against work related accidents.
- Recruitment and personnel procedures have been established to ensure that staff are appropriately qualified and experienced to carry out the services as required per the Sub-Project Agreement. Employment contracts have been established which include: descriptions of duties and functional responsibilities; remuneration, including benefits and employment indemnities; period of contract; and, provisions for the termination of the contract on the grounds of misconduct, incompetence or breach of confidentiality.

2.6 **If procurement has been undertaken as part of the Sub-Project Agreement**, that it has been undertaken in compliance with the Sub-Project Agreement. This would entail an assessment that:

- The implementing partner, if “pre-qualified”, has adhered to their own procedures for procurement, and that compliance with these procedures can be verified. If the implementing partner is not “pre-qualified”, that it has complied with UNHCR’s *IP Procurement Guidelines*. In either instance, the Audit would ensure that : the award of contracts and purchase of goods only after an invitation for, and the assessment of, at least three competitive quotations or bids; exceptions from competitive bidding procedures are justified in writing; appropriate procedures are in place for international procurement and that proper documentation has been received such as shipping, receiving and inspection reports.

2.7 **If assets have been loaned under a Right of Use Agreement, or acquired as part of the Sub-Project Agreement, a review of the use of assets acquired or made available under the Sub-Project is required** in order to assess that their use is in compliance with the Sub-Project Agreement. This would entail an assessment that:

- Controls are in place to safeguard assets, including: an inventory of the UNHCR Sub-Project assets; assets are properly maintained; regular physical verification is carried out; assets are used for the intended purposes of the Sub-Project under which they have been acquired; and, logbooks are kept which record dates of travel, distance and purpose of the trip.
- Assets that are lost or damaged are reported to UNHCR within the stipulated period. Further disposal of assets only takes place after prior authorisation by UNHCR.
- An annual report on assets has been prepared on the basis of the Agency’s inventory, and is reliable.

**2.8 If building or construction has been undertaken as part of the Sub-Project Agreement, a review of related work and contracts is required** in order to assess that the work has been carried out and that contracts have been established in compliance with the Sub-Project Agreement. This would entail an assessment that:

- Adequate insurance coverage is in place during the building and construction work as outlined in the Agreement.
- Contracts awarded have been established in accordance with local professional standards and practices and include conditions such as: penalty clauses for non-compliance with the contract; a reasonable down payment (advance) in accordance with local practice; and, an appropriate warranty period has been stated.

**2.9 Please note that the above is not meant to be an exhaustive list of what should be included within the scope of the audit**, however it can be used in tailoring the audit scope to specific Sub-Projects. If there are particular areas of concern which are not within the usual scope of an audit, external auditors can be requested to carry out this additional service, for example a review of fuel consumption versus vehicle usage. Any such areas of concern should be included within the audit scope in the Engagement Letter.

2.10 Although the audit is not designed to identify all significant weaknesses in the Agency's systems, if such weaknesses come to the notice of the auditors during the course of the audit, they will be brought to the attention of the Agency and UNHCR, and will be reported in a Management Letter.

2.11 The responsibility for safeguarding the assets of the Sub-Project and for the prevention and detection of fraud, error and non-compliance with the Sub-Project Agreement rests with the Agency. The auditors will endeavour to plan their audit so that they have a reasonable expectation of detecting material misstatement in the financial statements and accounting records (including those resulting from fraud, error or non-compliance with the Sub-Project Agreement). The auditors' examination cannot be relied upon, however, to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

### 3. Other Services

3.1 Other services or a specialised review should be clearly stated.

### 4. Fees

4.1 The fees for the audit and any other services, if applicable, should be agreed prior to commencement of the audit. The rate for services varies from country to country and therefore, it is difficult to estimate an appropriate rate. The Audit Focal Point within the Financial Resources Service at Headquarters can be consulted for advice in this regard.

### 5. Reporting

5.1 A deadline for the submission of the report and the management letter should be stipulated. The language for the report and the management letter must be stipulated; preferably it should be either

English or French, although one of the other official languages of the UN can be accepted, if necessary. It should also be stipulated to whom the report should be addressed (normally to the members of the NGO's Board), and that copies of the report and of the management letter are to be submitted directly to the UNHCR Office concerned. The audit report shall give a clear expression of opinion (examples are shown in Sections C and D below). The management letter will contain the observations noted during the course of the audit and provide constructive advice and assistance in improving the performance of the Agency's operations, its internal controls and accounting practices.

## 6. Agreement of Terms

6.1 Those parties involved should sign the letter of engagement/contract, indicating mutual acceptance of the audit appointment and the terms of engagement.

## C. SAMPLE AUDITOR'S REPORT – UNQUALIFIED

### UNQUALIFIED OPINION

**AUDITORS REPORT TO THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES  
ON THE FINAL SUB-PROJECT MONITORING REPORT(S) FOR THE OPERATIONAL  
PERIOD FROM 1 JANUARY 2003 TO 31 DECEMBER 2003**

We have audited the final Sub-Project Monitoring Report(s) (SPMR) for Sub-Project(s) 03/XYZ/AP/CM/270 (a) dated 1 January 2003, which has(have) been prepared under the historical cost convention and in accordance with the accounting requirements set out in the Sub-Project Agreement(s).

**RESPECTIVE RESPONSIBILITIES OF THE AGENCY AND THE AUDITORS**

As stated in the Sub-Project Agreement, the Agency is responsible for the maintenance of proper financial and project records and the preparation of the SPMR. It is our obligation to form an independent opinion, based on our audit, on those statements and report the opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of whether the accounting policies used are appropriate, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the SPMR is free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have also evaluated the overall adequacy of the presentation of information in the final SPMR.

**OPINION**

In our opinion the SPMR(s) dated DD/MM/YEAR, showing instalments received totalling... expenditure incurred totalling ... and an unspent balance due to UNHCR amounting to ... give(s) a true and fair view of the state of the affairs of the Sub-Project(s) over the period of operation.

*Signed:* \_\_\_\_\_

Name of Auditing Firm: \_\_\_\_\_

Date: \_\_\_\_\_



## D. SAMPLE AUDITOR'S REPORT – QUALIFIED

### QUALIFIED OPINION

#### AUDITORS REPORT TO THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES ON THE FINAL SUB-PROJECT MONITORING REPORT(S) FOR THE OPERATIONAL PERIOD FROM 1 JANUARY 2003 TO 31 DECEMBER 2003

We have audited the final Sub-Project Monitoring Report(s) (SPMR) for sub-project(s) 03/XYZ/AP/CM/270 (a) dated 1 January 2003, which has (have) been prepared under the historical cost convention and in accordance with the accounting requirements set out in the Sub-Project Agreement(s).

#### RESPECTIVE RESPONSIBILITIES OF THE AGENCY AND THE AUDITORS

As stated in the Sub-Project Agreement(s), the Agency is responsible for the maintenance of proper financial and project records and the preparation of the SPMR. It is our obligation to form an independent opinion, based on our audit, on those statements and report the opinion to you.

#### BASIS OF OPINION

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of whether the accounting policies used are appropriate, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the SPMR is free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have also evaluated the overall adequacy of the presentation of information in the final SPMR.

### QUALIFIED OPINION

#### **Example 1 (“disclaimer”)**

Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the SPMR dated DD/MM/YEAR, showing instalments received totalling... expenditure incurred totalling... and an unspent balance due to UNHCR amounting to... gives a true and fair view of the state of the affairs of the Sub-Project(s) over the period of operation. *(An explanation of this limitation should be provided, for example, the auditors did not obtain all the information and explanations considered necessary for the purpose of the audit, or, they were unable to determine whether proper accounting records had been maintained.)*

#### **Example 2 (“scope limitation”)**

Except for the failure to account for exchange gains in accordance with the Sub-Project Agreement, in our opinion the SPMR dated DD/MM/YEAR, showing instalments received totalling... expenditure incurred totalling... and an unspent balance due to UNHCR amounting to... gives a true and fair view of the affairs of the Sub-Project over the period of operation.

Signed: \_\_\_\_\_

Name of Auditing Firm: \_\_\_\_\_

Date: \_\_\_\_\_



## GLOSSARY

### A

<b>ACABQ</b>	Advisory Committee on Administrative and Budgetary Questions (ACABQ) of the United Nations; among its various functions, it reviews UNHCR's Annual Programme Budget before it is submitted to EXCOM.
<b>Account</b>	A formal record of an asset, liability, revenue or expense in which the effects of transactions are indicated in terms of money or some other unit of measurement.
<b>Accounts Payable</b>	Accounts showing amounts due to be paid to creditors.
<b>Accounts Receivable</b>	Accounts showing amounts which are due from debtors.
<b>Activity</b>	Within the FMIS Budget Structure, this is the second level of budgeting (below Sector) and identifies the type of task being carried out.
<b>Activity</b>	Used with a small "a", this is an identifiable task or undertaking required to meet an objective.
<b>Actuals</b>	The term used within the FMIS for expenditure, i.e. disbursements and still unpaid commitments, against the Budget.
<b>Agenda for Protection</b>	A programme of action adopted by EXCOM (2002) to serve as a guide for UNHCR, governments, NGOs and other partners to achieve certain agreed goals in refugee protection.
<b>Agreement</b>	One of the types of Implementing Instruments, which is signed directly between UNHCR Headquarters and an implementing partner. The most common form is the Sub-Project Agreement.
<b>Allocation</b>	A term which generally means the assignment of resources for one or more specific purposes. In UNHCR usage, it means the level of budgetary provision for a specific project within the appropriation for the same type of assistance, as approved by the Executive Committee.
<b>Amendment</b>	A formal revision of an Implementing Instrument (Letter of Instruction, Agreement or Exchange of Letters).
<b>Annual Programme Budget (APB)</b>	UNHCR's unified budget presented to the Annual Session of EXCOM for approval; it encompasses all programme needs known at the time of the budget preparation; subsequent needs that arise in the course of the programme year may be covered by Supplementary Budgets.

**Appropriation** The budget approved by the Executive Committee (EXCOM) for projects covering the same type of assistance within a given programme in a given year.

**Assets** Assets (non-expendable property) are grouped into three categories: Liquid, Capital, and Advances and Receivables. Capital Assets are items of equipment with an original acquisition value of US\$ 1500 or more per unit (excluding freight and insurance charges), and which also have an expected serviceable life of five years and more. The term Capital Asset also covers physical structures (warehouses, clinics, etc.), and Special Items (vehicles, computer equipment, etc.).

**Assumption** In the planning process, an assumption is a prediction, condition or event which must exist if a Project/Sub-Project is to succeed, i.e. to meet its objectives. Typically, project planners have little or no control over these conditions or events, but effective planning demands that assumptions be articulated and considered as part of analyzing the likelihood of the project being successful.

**Audit** A formal or official examination of an organization's accounts and project management. In relation to UNHCR and its Implementing Partners, various types of audit are foreseen: one by the External Audit (undertaken by the United Nations Board of Auditors) and the Internal Audit (undertaken by the UNHCR Audit Service of the UN Office of the Internal Oversight Services).

**Availability of Funds** The amount of funds actually available for the implementation of a Project/Sub-Project, according to income received by UNHCR.

## B

**Budget** A detailed estimate of financial resources required for a given period of time.

## C

**Certifying Officer** An official authorized to certify the budgetary or financial propriety of proposed commitments or disbursements.

**Checkpoints** In the context of Workplans, a Checkpoint is a "pause" or point of reference inserted into a Workplan to ensure that managers take stock of accomplishments up to that point.

**Code of Conduct** A guide to assist staff in making ethical decisions in their professional lives, and also in their private lives – to the extent that the latter affects their professional work.

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- Commitment** The promise by UNHCR to provide funding for a given Project, in accordance with the Financial Rules, or by an Implementing Partner to a contractor or supplier (under the terms of an Implementing Instrument). An outstanding Commitment is that part of the promised funding which has not yet been paid. This may be a purchase order or contract entered into directly by UNHCR or by the Implementing Partner which has still to be paid (either entirely, or in part). It may also be a subsequent instalment due by UNHCR to the implementing partner.
- Control** Guidance, regulation and supervision of any and all activities and procedures.
- Convention Plus** "Convention Plus" is a generic term for a range of new protection tools in the form of multilateral "special agreements" intended to complement the 1951 Convention. The process of consultations leading to the elaboration of such agreements is called the **Forum**.
- Currency** Each Sub-Project may be valued in only one currency which must be the currency of actual implementation. In the case of international procurement by Headquarters, which may involve many currencies, the US dollar is used as the common denominator. Conversions of transactions from one currency to another for accounting purposes are made at the prevailing UN rates of exchange.
- Current Year** The year for which Project/Sub-Project implementation is being undertaken. In most cases, this is the current calendar year.

## D

- Disbursement** The actual payment made by UNHCR, or by an Implementing Partner from funds remitted by UNHCR.
- Durable Solutions** Solutions to refugee situations that are lasting; these are listed as follows: voluntary repatriation (to country of origin); local settlement/integration (into country of asylum); and resettlement (to a third country).

## E

- ECOSOC** The Economic and Social Council of the United Nations, to which UNHCR submits an annual report on its work. ECOSOC takes note of its contents and passes the report to the General Assembly via the Third Committee.
- Emergency** Any situation in which the life or well-being of refugees will be threatened unless immediate and appropriate action is taken, and which demands an extraordinary response and exceptional measures. Emergency assistance is aimed at meeting basic survival needs quickly. Emergency projects will

normally not last more than one year, and will focus essentially on life-saving and life-sustaining measures.

<b>Evaluation</b>	An analysis and assessment, as systematic and objective as possible, of UNHCR's policies, programmes, projects, practices or procedures, focusing on their planning, design, implementation and impact.
<b>Exchange of Letters</b>	A type of Implementing Instrument most commonly used when the Implementing Partner is another UN agency.
<b>Exchange rate</b>	The rate at which one currency is converted to another.
<b>EXCOM</b>	The Executive Committee of UNHCR is its principal governance mechanism which meets annually. Its work is facilitated by a Standing Committee which meets 3-4 times a year.
<b>Expenditure</b>	The total charges incurred against a Project, including disbursements already made and any outstanding (or unliquidated) commitments yet to be paid.

## F

<b>FAOP</b>	Framework Agreement for Operational Partnership between UNHCR and NGOs.
<b>FMIS</b>	The Financial and Management Information System is a UNHCR designed computerized system which provides a standard budget structure common to UNHCR and operational partners.
<b>FMIS Budget Structure</b>	This is based on the following components: <ul style="list-style-type: none"> <li>• 1. Sector</li> <li>• 2. Activity</li> <li>• 3. Item</li> <li>• 4. Sub-Item</li> </ul> <p>These components are divided into two levels; Sectors and Activities, and Items and Sub-Items. The Sector/Activity level is the primary focus of project management and is the minimum level of reporting throughout FMIS.</p>
<b>FOAS</b>	The Field Office Accounts System is a module within the FMIS/Field System.
<b>FOBS</b>	The Field Office Budget System is a module within the FMIS/Field System.

**Fund** Refers to the source from which UNHCR assistance is financed. It is sometimes referred to as “programme” as in “Annual Programme” (AP).

## G

**Goal** In relation to a country operation, a Goal expresses the desired overall result to be achieved through UNHCR's involvement with a beneficiary population.

**Gender Equality** Gender Equality is the ultimate goal of a process of mainstreaming a gender perspective; this entails assessing the implications for both males and females in any planned action, including the formulation of policies and programmes.

## I

**IASC** Inter Agency Standing Committee, chaired by the UN Emergency Relief Coordinator, is responsible for ensuring inter-agency coordination in response to complex emergencies.

**Implementation** The process through which assistance to beneficiaries is provided in order to meet an identified need for the beneficiary population. Implementation occurs in accordance with the terms and conditions of an Implementing Instrument.

**Implementing Instrument** An obligating document issued in the form of a Letter of Instruction (LOI) either to a Field Office or to a Headquarters unit, an Agreement issued by Headquarters, or an Exchange of Letters (usually used with another UN agency). An LOI is the basis upon which Sub-Project Agreements may be signed with Implementing Partners.

**Implementing Partner** Any organization or agency (e.g. governmental, non-governmental, inter-governmental, United Nations, multi-lateral) to which UNHCR delegates responsibility for the implementation of assistance and provides funds for this purpose through a standard Sub-Project Agreement.

**Income** Money or money equivalent received or accrued during a financial period which increases existing net assets.

**Indicator** An indicator is an unit to measure signs of change towards the achievement of results. Two types of indicators are employed in the OMS: *impact* and *performance* indicators. An **impact indicator** is a sign of behavioural change in conditions or institutional practice that affect beneficiaries or

their welfare. A **performance indicator** is a measure of performance towards the achievement of planned outputs that can be quantified and/or graded in terms of quality and readily revisited within a foreseen timeframe. They are set at the Output level.

**Inventory** A detailed list of articles belonging or entrusted to an organization, sufficient to identify each article specifically.

**Item** Within the FMIS budget structure, denotes the third level of budgeting and reporting (below Sector and Activity).

## L

**Letter of Instruction** An implementing instrument which takes the form of a formal instruction from a certifying officer to a Field Office or a Headquarters Unit, and which specifies the terms and conditions under which assistance is to be provided, either directly or through Implementing Partners.

**Liquidation Date** The final date after the termination date of the Sub-Project until which time the Implementing Partner can honour financial commitments related to the Sub-Project, provided that these financial commitments have been entered into prior to the termination date of the Sub-Project.

**Liquidation Period** The period after the termination date of a Sub-Project during which any outstanding commitments should be paid. The liquidation period is usually one month and is stated in the implementing instrument.

## M

**Milestones** In relation to Workplans, a Milestone is a marker signifying that an important interim Phase has been completed.

**Monitoring** The continuous process of review undertaken by Implementing Partners, by host governments and by UNHCR Field Offices of performance during the Project/Sub-Project implementation process. Monitoring involves a systematic review of the financial and programme performance of an Implementing Partner, as measured against previously established planned achievements.

## N

**Non-governmental Organization** A body not constituted by a government and not subject to the direction and control of a government; often referred to as an NGO.

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## O

- Objective** The intended result/impact of any Project/Sub-Project undertaken by UNHCR. An Objective is a statement of the situation that is expected to prevail on completion of the Project/Sub-Project. It is thus a statement of a desired result(s) and impact, which contribute towards the achievement of the programme goal(s).
- Obligation** The formal engagement of resources in cash and/or kind, by means of an Implementing Instrument, towards the budgetary provision of a project. The first obligation occurs when the Implementing Instrument is established, and covers initial requirements. The Obligation is increased in the course of the year as additional funds are required and become available.
- OMS** The Operations Management System (OMS) is the management framework for planning, organizing and controlling its protection and assistance activities; it is the means whereby UNHCR ensures that all aspects of its operations are appropriate, consistent and effective.
- Operational Partner** Any organization or agency with which UNHCR collaborates to provide protection and assistance for refugees or other persons of concern to UNHCR, but which does not receive funds from UNHCR to implement activities on its behalf.
- Outputs** An Output is a specific result delivered by the activities needed to accomplish a programme objective.

## P

- Persons of Concern** A generic term used to describe all persons whose protection and assistance needs are of interest to UNHCR. UNHCR's authority to act on behalf of persons of concern other than refugees is based on General Assembly resolutions.
- Phases** In the context of Workplans, a Phase represents a period of time in a sequential or "right" order in Project/Sub-Project implementation; this implies that "prerequisite" stages are completed before other stages are begun.
- People-Oriented Planning** UNHCR's planning approach which recognizes that all refugee groups are not the same, nor are they homogenous. Therefore, it is important to find out specific information about every particular refugee group in order to provide them with efficient, cost-effective and humane protection and assistance.
- Planning Year** The year for which initial Project/Sub-Project planning is being undertaken (i.e. in the current programming cycle, programme teams report on the Previous Year, implement in the Current Year, revise the next year's submissions and undertake initial planning of the Planning Year's Projects).

<b>Pledge</b>	Promise to make a voluntary contribution in cash or in kind to a programme of specific activities.
<b>Prior Year</b>	Generally, the year for which Final Project Monitoring Reports are being completed in order to close a project (i.e. the year before the current calendar year).
<b>Programme</b>	Within the <b>OMS</b> framework, a Programme is the totality of protection and assistance activities undertaken for one distinct beneficiary population or theme. The set of programmes in a country makes up the country operation.
<b>Programme Priorities</b>	These are areas of activity highlighted by the EXCOM as being of particular importance. They include the protection and assistance needs of refugee women, refugee children/adolescents, older refugees; they also include the need to address HIV/AIDS in refugee populations. Another priority is to address the environmental impact of a refugee presence on a host country's natural resources. These priorities have been integrated into UNHCR's Agenda for Protection.
<b>Programming</b>	Management procedure for the implementation of programmes or Projects/Sub-Projects by which all parties directly involved in the implementation agree upon who will do what within a specified period of time, and draw up a Workplan against which progress can be measured regularly.
<b>Project</b>	Includes all the assistance of the same Fund and Type provided to a specific population of beneficiaries, usually in one country. The population assisted is a group of beneficiaries receiving similar UNHCR assistance; they are not necessarily of a single ethnic, religious or political background. A Project is formalized by the issuance of an implementing instrument and is given a specific symbol.

## R

<b>Region</b>	UNHCR's protection and assistance programmes are administered through Bureaux which cover specific geographical regions as follows: Africa; Asia and Pacific; Europe; the Americas; and Central Asia, South West Asia, North Africa and the Middle East (CASWANAME).
<b>Resources</b>	Elements, such as material items, people, skills and funds, that can be applied to meet needs and to produce an intended result.

## S

<b>Sector</b>	The top level of budgeting within the FMIS budget structure.
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<b>Standing Committee</b>	See EXCOM.
<b>Sub-Project Agreement</b>	The contractual agreement negotiated between UNHCR and an Implementing Partner under authority provided to a UNHCR Field Office or a Headquarters unit through a Letter of Instruction.
<b>Sub-Item</b>	The fourth level of detail included in the FMIS project budget.
<b>Sub-Project</b>	That part of a total project to be implemented by a single Implementing Partner or UNHCR unit in a single currency.
<b>Sub-Project Monitoring Report</b>	A Sub-Project Monitoring Report (SPMR) should reflect the actual achievements of the Implementing Partner against the planned achievements described in the Sub-Project Description and in the Sub-Project Budget attached to the Sub-Project Agreement.
<b>Supplementary Agreement</b>	A revision or an amendment to a Sub-Project Agreement.
<b>Supplementary Programme</b>	A programme (and related budget) formulated to address additional needs not known at the time of the preparation of the Annual Programme Budget
<b>Support Costs</b>	Those costs necessarily incurred in supporting and managing an activity; these are distinct from "operational costs" which are those generated by the activity itself.

## T

<b>Total Requirements</b>	The total funds required from UNHCR to meet needs from the beginning to completion of a Project/Sub-Project.
<b>Type of Assistance</b>	UNHCR's programmes/projects are divided into five operational Types of Assistance as follows:  <b><i>Emergency (EM)</i></b> Covers assistance following an influx of refugees or other persons of concern to the High Commissioner, aimed at meeting basic survival needs quickly. This type of assistance will normally not last more than one year, and will essentially focus on life-saving and life-sustaining measures.  <b><i>Care and Maintenance (CM)</i></b> Assistance to refugees in relatively stable situations, where survival is no longer threatened, but where the durable solution for the refugee group has not yet been determined.

***Voluntary Repatriation (RP)***

The most desirable solution, as long as the voluntary nature of the repatriation is safeguarded, which also covers assistance to help refugees overcome practical difficulties in repatriating to their country of origin.

***Local Settlement (LS)***

Where voluntary repatriation is not yet possible, this covers assistance to help refugees become self-supporting in the country of first asylum and to integrate into the economic and social life of the local community.

***Resettlement (RE)***

Where no other durable solution is feasible, this covers assistance to enable refugees to resettle in a third country.

**W****Workplan**

A supporting document for an implementing agreement, which provides a timetable for the implementation process.

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## REFERENCES

Each chapter of this *Handbook* contains a list of relevant printed and electronic resources. Listed below are some of the more important references or publications that contain further resources to assist in setting objectives, outputs and indicators in Project/Sub-Project Planning

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- |  |   |
|--|---|
| Protection                                   | <p><i>Agenda for Protection</i>, UNHCR, Geneva, 2003.</p> <p><i>Protecting Refugees, A Field Guide for NGOs</i>. Produced jointly by UNHCR and its NGO Partners, UNHCR Geneva, September 1999.</p>  |
| Programme<br>Priorities                      | <ul style="list-style-type: none"><li>- See Refugee Children, including Adolescents below.</li><li>- See Refugee Women/Gender Equality below.</li><li>- See Older Refugees, page 20 of this Handbook.</li><li>- See Health/HIV/AIDS, below.</li><li>- See Environment page 55 of this Handbook.</li></ul> |
| Refugee Children<br>including<br>Adolescents | See reference material listed on pages 17, 19 of this <i>Handbook</i> , and related references under <u>Goal 6</u> of the <i>Agenda for Protection</i> , pages 77-80.   |
| Refugee Women<br>and Gender<br>Equality      | See reference material listed on page 16 of this <i>Handbook</i> and related references under <u>Goal 6</u> of the <i>Agenda for Protection</i> , pages 77-80.  |
| Emergencies                                  | <i>Handbook for Emergencies</i> , UNHCR, Geneva, second edition, August 1999.   |
| Food   | <i>Memorandum of Understanding between the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP)</i> , Geneva-Rome, July 2002.   |

See related Guidelines in the *Project Planning in UNHCR. A Practical Guide on the use of Objectives, Outputs and Indicators*, UNHCR, Geneva, second version, March 2002, page 24. (This basic publication is referred to in each of the Sectors below as *Project Planning*).

*Toolkit*, (CD-Rom), UNHCR, Geneva, September 2002.

Transport/Logistics	See related Guidelines in the <i>Project Planning</i> , page 25.
Domestic Needs/ Household Support	See related Guidelines in the <i>Project Planning</i> , page 27.
Water	See related Guidelines in the <i>Project Planning</i> , page 29.
Sanitation	See related Guidelines in the <i>Project Planning</i> , page 31.
Health	<p><i>Toolkit</i>, (CD-Rom), UNHCR, Geneva, September 2002.</p> <p>See related Guidelines in the <i>Project Planning in UNHCR</i>, page 33.</p> <p><i>HIV/AIDS and Refugees, UNHCR's Strategic Plan 2002-2004</i>, UNHCR Geneva 2002.</p> <p><i>Report on the Global HIV/AIDS Epidemic 2002</i>, Selected Bibliography, pp. 208-226, UNAIDS, 2002.</p>
Shelter/Other infrastructure	See related Guidelines in the <i>Project Planning</i> , page 39.
Community Services	<p>See reference material listed on page 20 of this <i>Handbook</i>.</p> <p>See related Guidelines in the <i>Project Planning</i>, page 40.</p>
Education	<p>See related Guidelines in the <i>Project Planning</i>, page 43.</p> <p><i>Education: Field Guidelines</i>, UNHCR, Geneva 2003.</p>
Livestock/Animal Husbandry	See related Guidelines in the <i>Project Planning</i> , page 47.
Forestry	See related Guidelines in the <i>Project Planning</i> , page 49.
Income- Generation	See reference material listed on page 56 of this <i>Handbook</i> .

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See related Guidelines in the *Project Planning*, page 52.  
*Designing Protection Strategies and Measuring Progress. Checklist for UNHCR Staff*, UNHCR, Geneva, 2002.
- Memoranda of  
Understanding**      UNHCR/UNICEF (1996); text may be found in *UNHCR Handbook for Emergencies*, pp. 385-390). Note: the MOU is currently being revised.  
UNHCR/WFP (2002), see *Food* above.  
UNHCR/UNDP, 1997 (text of the *Framework for Operational Cooperation* may be found in the *UNHCR Handbook for Emergencies*, pp. 380-384).  
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