

# UNHCR and forgotten emergencies: can funds be found?

by Amelia Bookstein

The establishment of UNHCR in 1951 and the parallel negotiations for the UN Refugee Convention were the first pillars in a permanent programme of international protection for refugees.

**F**ifty years on, both the Convention and UNHCR's mandate still reflect the spirit of the times in which they were drafted. The funding problems that perennially haunt UNHCR result from decisions made in the tense early days of the Cold War.

During the Second World War the need for a distinct international refugee agency was acknowledged. In 1943 the United Nations Relief and Rehabilitation Administration (UNRRA) was established by the Allies and the Soviet Union. Although UNRRA was mandated to assist anyone displaced by the war, the Soviet Union did not allow it to operate in its sphere of influence. As East-West tension mounted, repatriation became ever more politicised. The issue of UNRRA's assistance to people who refused to repatriate became a key point of contention. While the Soviets pushed for assistance to be given only to those who returned to their country of origin, the Allies argued that the access to assistance should not be predicated by the decision, or refusal, to return.

Partially due to this controversy, the US withdrew assistance to UNRRA and created the International Refugee Organisation (IRO) in 1947. The IRO worked solely with European refugees, and resettled more than a million people before 1951. The West pushed resettlement as a preferable option, seen as more morally and politically acceptable than repatriation. Importantly, the US provided most of the funding for the IRO at a time when its operational budget exceeded that of the recently founded UN.

## Need for a permanent refugee agency

By 1951 it had become clear that the three-year mandate for the IRO would not permanently settle the question of refugees and displaced persons in Europe. In this context, the negotiations for the establishment of a more permanent UN refugee body were held. Despite the fact that the Soviet Union boycotted many of the talks, the refugee agency was established by the General Assembly by 36 votes to 5, with 11 abstentions. UNHCR was mandated to lead and coordinate international protection and assistance to refugees.

While this was a milestone for safeguarding the rights and well-being of refugees, the agreed compromise limited UNHCR's scope and funding by finding the lowest common denominator: it satisfied both Eastern worries about infringements of sovereignty and Western concerns about financial obligations.

UNHCR's statute declares that the agency's work will be subsidiary to the General Assembly and "entirely non-political" in nature, dealing only with groups and categories of refugees. In addition, UNHCR was granted only a small administrative budget from the UN General Assembly, and a small emergency fund. For additional funding, the agency was granted the right to seek voluntary contributions for each emergency appeal, with General Assembly approval. In 1957 the General Assembly established the Executive

Committee of the High Commissioner's Programme (EXCOM) to approve UNHCR's annual budget and to advise on assistance and protection issues.

To provide for some 400,000 refugees in 1951 UNHCR's original budget was \$300,000. By 2000, the organisation's budget was over \$1bn. UNHCR currently assists some 26 million people in 120 countries around the world. Although the procedures for fundraising have changed slightly over the years, the essential voluntary nature of funding remains the same. UNHCR's funding base is like no other UN agency. The subsidy from the UN general budget (to cover the costs of 200 core headquarters staff) makes up a mere 2% of UNHCR's total budget. Each year 98% of the budget has to be found from voluntary contributions. In practical terms, this means that the EXCOM approves the proposed budget at each year's plenary session but there is no corresponding obligation for countries to provide the requested amount.

## Shortfalls and implications

This unique design leaves UNHCR with consistent shortfalls, the level of which depends on what unforeseen events unfold throughout the year. The extent to which an emergency programme suf-

fers depends on the success or failure of appeals, earmarking of funds by donors and internal decisions within UNHCR.

In 2000 the programmes in the Great Lakes and Eastern Horn of Africa had shortfalls of 18% and 16%, respectively, while those in Central Europe and Baltic states only had a shortfall of 4%.

Funding cutbacks are often passed directly to UNHCR's implementing partners and NGO contractors. Thus in Tanzania UNHCR's 2000 budget for the refugee camps was cut by 55% despite the fact that large numbers of Burundian

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*80% of funds are earmarked according to donor priorities*

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refugees continued to arrive in Tanzania each week, adding to the half million refugees already in the country. Tension has arisen between UNHCR and their partners, as budgets and contracts that were previously approved are cut with little warning or consultation. While

UNHCR budget shortfalls are just part of the problem, more could be done to handle these situations if

UNHCR had greater predictability and transparency in funding.

Compounding the problem of shortfalls is the fact that the top 15 donors to UNHCR - 14 governments and the European Commission - provide 94% of the funding. Almost a quarter comes from the USA, with Japan contributing 10%. Such a small circle of influential donors leaves the agency heavily reliant on particular donors' opinions, priorities and prejudices. A further constraint on UNHCR is the fact that 80% of funds are earmarked according to donor priorities. Victims of humanitarian emergencies

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## *Skewed media coverage ... is very significant*

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When forgotten humanitarian crises fall off the media and donor radar screen they fail to attract adequate funding.

This is not unique to UNHCR but is a symptom of other patterns in the political and cultural environments surrounding complex humanitarian emergencies. In the UN Consolidated Appeal Process (CAP) - a linked fundraising appeal that brings together requests from all UN agencies operating in a specific country or region - the trend of unequal donations is even more marked. CAP provides is a useful measure of donor priorities and levels of confidence in the UN agencies. Over the last seven years all the consolidated appeals, with the exception of those in former Yugoslavia and the Great Lakes region in the immediate aftermath of the Rwandan genocide, have been underfunded.

When the responses to specific emergencies are compared on a per capita basis, the differences are stark. In 1999, the donor response to the CAP for the Former Yugoslavia was \$207.29 per capita. In the same year, the response to the emergency in Sierra Leone was \$16 per capita and for the Democratic Republic of Congo a mere \$8.40. Clearly there appears to be little commitment to universal entitlement to humanitarian assistance.

Why is this the case? Since the Kosovo crisis, journalists and academics have tried to explain this phenomenon and arrived at various conclusions. Skewed media coverage (routinely depicting the third world as riddled with primordial, irrational conflicts incapable of solution) is very significant. Perhaps the most troubling explanation is that the Western European and North American donor community is simply biased. In 1999 the European Commission Humanitarian Office (ECHO) spent more than 50% of its budget in former Yugoslavia, four times the amount of aid to the 70 countries in Africa, the Caribbean and Pacific states

*Rwandan refugees returning from Tanzania, December 1996.*



"Contracting states shall apply the provisions of this Convention to refugees without discrimination..."

combined.<sup>1</sup> While ECHO was not alone in pouring resources into Eastern Europe, the difference is, nevertheless, striking.

### Unequal burden sharing

While Tanzania hosts one refugee for every 76 Tanzanians, the figure for Britain is one in 530. The European Union, a collection of some of the world's richest nations, hosts less than 5% of the world's refugee population. Often the countries most overburdened with refugees are already among the poorest in the world. Tanzania, although in the lowest bracket of the UNDP's Human Development Index (HDI), hosts more than 400,000 refugees. Guinea, with an HDI rank of 162, hosts some 450,000 Liberian and Sierra Leonean refugees, one refugee for every 17 Guineans. Adding to the financial burdens on countries which are least equipped to cope are increased problems of policing and border control which, as in the case of Guinea, can allow rebel incursions into national territories to go unopposed.

The controversies around refugee assistance and asylum also demand a wider discussion on UNHCR's role in protection. UNHCR and the Red Cross movement have a unique international legal mandate that specifically includes protection. In the last few years critics have asked if UNHCR has become too focused on the provision of relief and services at the expense of its responsibilities for protection. There is a danger that the return to an emphasis on the

core protection mandate might allow donors further scope for avoiding their considerable responsibilities for funding refugee assistance programmes. If UNHCR were to extract itself from the provision of relief, the international community's efforts to fund refugee programmes could become fractionalised into a patchwork of bilateral agreements between donors and NGOs. This would further complicate the fundraising process and detract from efficiency.

### Conclusion and recommendations

For all its problems, UNHCR is a significant player in the international community, still usually the lead agency in major humanitarian crises and a partner of more than 500 NGOs, governments, peace keepers and commercial contractors. Measures which could help bring UNHCR's perennial funding problems under control include:

- a concerted effort by both donors and UNHCR to make budgets realistic and transparent (not just constantly re-writing them to suit donor preferences)
- bringing donor representatives closer to the planning process for emergencies (This would increase mutual understanding, improve accountability and boost donor confidence in the agency.)
- donors who participate in the EXCOM meetings to link their participation in the budgeting exercise with pledges of assistance (Whenever possible,

pledges should be delivered in the first quarter of the year, to provide greater stability and budget predictability.)

- flexibility in the earmarking of donations to help limit the 'forgotten emergency' problem
- an increased effort to further expand UNHCR's donor base in order to help address donor bias

All donors need to publicly commit themselves to a global safety net to ensure humanitarian assistance and protection to those in need. An effective burden sharing mechanism should be devised for meeting global humanitarian need based on respective wealth and without diverting resources from long-term aid.

This should not be determined by strategic interest or by media coverage. By ratifying the Refugee Convention, signatory states have accepted responsibility in law to protect and assist those in need. The ability to provide humanitarian assistance with dignity, professionalism and accountability begins with a commitment to work for an equitable and effective system worldwide.

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<sup>1</sup> It must be noted, however, that this trend was somewhat reversed in 2000, and ECHO has made a conscious effort to channel more funds to ACP countries.