

Report from The Board of Directors 2010

The Norwegian Refugee Council (NRC) is the biggest, Norwegian international humanitarian organisation, playing a central role in the international efforts to assist refugees and internally displaced people (IDPs). The level of activities has never been higher than in 2010, as revenues crossed the one billion NOK mark for the first time.

Mandate

The NRC mandate states that the organisation shall "promote and protect the rights of all people who have been forced to flee their countries, or their homes within their countries, regardless of their race, religion, nationality or political convictions".

The three pillars of NRC are programme activities, emergency standby rosters and advocacy and information.

Programme Activities

NRC engages in five core activities. In 2010 the shelter activities, i.e. constructing homes, schools and infrastructure, represented the most extensive programme activity in terms of spending. 41 % of total programme costs were allocated to the Shelter programme. Information, Counselling and Legal Assistance (ICLA) accounted for 21 %, educational programmes 21 %, distribution of food and non-food items 12 % and camp management 3 %. Additional projects accounted for 2 % of total spending.

NRC had programme activities in 21 countries in 2010: Burundi, Côte d'Ivoire, Democratic Republic of Congo, Kenya, Somalia, Liberia, Sudan, Uganda, Zimbabwe, Afghanistan, Pakistan, Myanmar/Burma, The Philippines, Sri Lanka, Timor-Leste, Iraq, Lebanon, Occupied Palestinian Territory (oPt), Colombia, Georgia and Kyrgyzstan. In addition NRC is collaborating with the Danish Refugee Council in Chechnya. Activities

in Timor-Leste were terminated in 2010, while the Philippines, Zimbabwe, Kyrgyzstan and Iraq were added to the programme country portfolio.

In the Philippines, the humanitarian needs proved to be less than anticipated. Hence, all activities will be phased out by the end of March 2011. NRC will keep its humanitarian registration in the country and monitor the situation closely, in order to be able to respond quickly if the situation once again deteriorates.

Since May 2008, NRC has worked to establish programme activities in Zimbabwe. In September 2010, NRC finally received its registration. Activities were set up at the end of 2010, and will continue through the spring of 2011. The primary focus will be educational and food security activities aimed at internally displaced people (IDPs), as well as the host population. Where relevant, programme activities will be expanded to include Information, Counselling and Legal Assistance (ICLA). In addition NRC will offer assistance to Zimbabweans who are expected to return from South Africa.

NRC set up programme activities in Iraq in June 2010. Humanitarian access represents a huge challenge, however NRC, in collaboration with UNHCR, was still able to conduct a successful pilot project targeting IDPs in Baghdad. Programme activities in Iraq in 2010 included camp coordination and camp management. In 2011, NRC plans to expand with other core activities, i.e. Information, Counselling and Legal Assistance, education, and building homes, schools and infrastructure.

In June 2010, clashes between ethnic groups in Kyrgyzstan caused massive displacement. The situation quickly stabilized, and the majority chose to return. However, tension remained high. NRC contributed with Information, Counselling and Legal Assistance regarding land and property rights. If the situation remains calm, programme activities will be shut down during the first half of 2011.

In 2010, NRC applied for registration in Iran, in order to set up programme activities. The registration was a result of a request from Iranian authorities, asking the international

community to share the burden of aiding the approximately one million Afghan refugees living in the country. At the same time, Norwegian authorities signalled that they would contribute funds. After several delays, NRC was finally granted registration in January 2011. Activities will be set up through the course of 2011.

NRC also applied for registration in Yemen in 2010, in order to assist refugees from the Horn of Africa, as well as IDPs fleeing from the conflict in North Yemen. By the end of the year, NRC had still not been granted its registration. NRC hopes the registration comes through in 2011, in order for programme activities to be set up.

In Pakistan, NRC has been engaged in programme activities aimed at Afghan refugees since 2001/2002, and earth quake victims since 2005. The programme activities were part of a regional initiative, and Afghanistan and Pakistan shared the same Country Director. However, in 2009 the Afghanistan and Pakistan programmes were split, and in January 2010 Pakistan got its own Country Director. The changes will enable NRC to provide better assistance and protection to IDPs in Pakistan, who have fled from military offensives and natural disasters. NRC programme activities in Pakistan increased considerably in the wake of the Indus Valley floods, which affected 20 million people through the course of July and August.

NRC expanded its programme activities in Somalia significantly in 2010, in spite of the fact that Somalia is among the most difficult countries for humanitarian organisations to work in. NRC gained access thanks to an extensive strategy, which efficiently balances the need to increase local acceptance of NRC as a humanitarian organisation with the necessary security precautions. Today, NRC is one of the few humanitarian organisations still operating in South and Central Somalia.

NRC also expanded its involvement in Sudan significantly in 2010, in the run up to the referendum on the secession of South Sudan on 9 January 2011. NRC focused particularly on preparing for mass return in the wake of the secession.

Emergency standby rosters

The mandate of the emergency standby rosters is to support and contribute to international operations at all stages of a crisis. In addition, Norwegian Capacity to International Operations (NORCAP) contributes monitoring and early warning, rebuilding and development of sustainable structures and democracy. The goal is for NORCAP to consist of 850 men and women from different professions, who are ready for deployment to international operations within 72 hours.

In addition to NORCAP, and in cooperation with the UN and The Norwegian Ministry of Foreign Affairs (MFA), NRC has developed a range of thematic and specialized emergency rosters: The Protection Capacity Standby Project (PROCAP) and Gender Standby Capacity Roster (GENCAP) supply experts on protection and gender, respectively. The Mediation Support Unit (MSU) consists of recognized experts on peace mediation. The Assessment Capacities Project (ACAPS) was set up in cooperation with the British humanitarian organisations Merlin and Helpage, and consists of specialists on assessing humanitarian needs in a crisis. In a mutual agreement, NRC and Norwegian Centre for Human Rights discontinued its cooperation on The Norwegian Bank of Resources on Democracy and Human Rights (NORDEM) in 2010.

The 2010 activities within the emergency rosters were dominated by the natural disasters in Haiti and Pakistan, where NORCAP personnel were seconded to a range of UN organisations. In Africa and the Middle East, Sudan and Yemen were the largest recipients of support. NORCAP personnel also contributed to UN efforts during the short crisis in Kyrgyzstan.

The support to international operations by the NRC operated emergency standby rosters has increased significantly in 2010. At any given time, 150 people have been on assignment. In total, the emergency standby rosters have contributed 1899 man-months in the field in 2010. Almost 80 %, i.e. 1503 man-months, were NORCAP secondments. From 2009 till 2010, the volume of NORCAP support to international operations,

increased by 497 man-months. The specialized thematic rosters and NORDEM accounted for the remaining 20 % of the emergency standby rosters' man-months in the field.

NORCAP received a total of 480 requests for personnel assistance in 2010, of which 390 resulted in secondments. There were 90 cancellations, 60 occasions where other standby partners filled the positions, 11 annulments, 10 occasions where the suggested candidate was not accepted and 5 occasions where the candidate himself declined the offer or did not obtain a visa.

The UN is NORCAP's largest partner. The past few years, UNICEF and UNHCR have received the most secondments. NORCAP has signed secondment agreements with 11 UN organisations, as well as with the International Organization for Migration (IOM). Two agreements, with the Office of the United Nations High Commissioner for Human Rights (OHCHR) and World Health Organization (WHO) respectively, were completed in 2010 – and are now under revision. The specialized thematic rosters, PROCAP and GENCAP, also have running agreements, comprising recruitment of and administration of personnel, with the UN Office for the Coordination of Humanitarian Affairs (OCHA). The Mediation Support Unit has signed an agreement with United Nations Department of Political Affairs (DPA).

Advocacy and information

NRC is continuously advocating the rights of refugees and internally displaced people in its programme countries, international fora and in Norway. In 2010, NRC focused particularly on the need to facilitate return as well as capacity building locally.

NRC issued two reports on the situation in Sudan through the course of the year.

To enhance its advocacy efforts on the need to expand humanitarian access, NRC implemented a newly developed Global Advocacy Strategy in 2010. Special focus was put on Sudan, Afghanistan and Somalia.

NRC's Internal Displacement Monitoring Centre (IDMC) in Geneva is monitoring the situation for internally displaced people in approximately 50 countries. Its comprehensive database is accessible through the Internet, as well as through the annual publication *Global Overview*. The database is the authoritative source on internal displacement worldwide. It is widely used as a reference tool by the UN, governments, international media and academic institutions.

In 2010, IDMC took an important step towards closing the information gap on climate-induced displacement – based on a study from 2009, which for the first time indicated the extent of climate-induced displacement and provided a monitoring methodology. In 2010, the methodology has been integrated into a three-year plan for monitoring climate-induced displacement.

IDMC is also contributing to capacity building on how to handle internal displacement nationally and locally in many countries. In 2010, IDMC has focused particularly on promoting the ratification of the historic Kampala-convention on the rights of the internally displaced – which was adopted by the African Union (AU) in 2009. IDMC conducted training activities within civil society and for Parliament members in AU member countries on the issue.

NRC is collaborating closely with several UN organisations, the EU and other international organisations – in the field and through liaison offices in Geneva, Brussels and New York.

The 2010 telethon

NRC was awarded the Norwegian Broadcasting Corporation's telethon 2010. This was the fifth time around for the organisation since 1974, and the event yielded the second highest collected amount in the history of the telethon – NOK 209 million. The money collected constitutes a considerable contribution to NRC's assistance to internally displaced people and refugees over the next five years. The telethon also boosted public attention towards the plight of refugees and IDPs considerably. NRC set a new telethon record regarding the number of media mentions. In October 2010, the telethon was fourth on the list of the most frequently reported stories in the Norwegian media. The telethon was also an administrative success. NRC managed to build an efficient and highly committed secretariat, which contributed to considerably lower administrative costs than for previous telethons.

Organisational management, finances and income sources

Since the fiscal year 2008 NRC has applied the preliminary accounting standard for non-governmental organisations. In accordance with this, the telethon revenues were included in full in the 2010 accounts. This alone contributed to an increase of NOK 209 million. However, as the money will be spent over the next five years, they have been excluded from the following evaluation of NRC's level of operational activities. Even when excluding the telethon revenues, total operating revenues increased 8 % in comparison to 2009, to well over NOK one billion. 95 % was spent on operational activities. Short-term assets amounted to NOK 639 million by the end of the year, while short-term debts amounted to NOK 306 million – a ratio of 2,1, which is considered satisfactory. The financial liquidity is sound and the organisation has no long-term debts.

As a substantial portion of income and expenses is based on foreign currencies, NRC is exposed to fluctuating currency rates. Donors carry the brunt of the currency risks, but the organisation actively uses currency forward contracts to minimize the risks. With no interest-bearing debt, NRC is not negatively affected by interest rate fluctuations. Higher interest rates generally improve financial results.

The Norwegian Ministry of Foreign Affairs (MFA) is still the most important contributor and strategic partner in most programme countries and in the management of the emergency standby rosters, supplying personnel to UN humanitarian operations. NRC puts great emphasis on continuously developing the close relationship.

In 2010, NRC also received substantial funds from foreign donors in most programme countries. De largest contributors were the UN, the European Union (EU) and The Swedish Agency for International Development Cooperation (SIDA). NRC continued to work towards increased funding from these and other international actors. The efforts gave positive results in 2010, and funds from foreign donors now represent a substantial part of the organisation's total revenues.

NOK 179 million of the positive NOK 195 million net results in 2010 can be attributed to the telethon. It will be added to equity with external restrictions. The remaining NOK 16 million of the positive results will be added to other equity, and is in line with the 2009 results. A major reason for NRC managing to maintain a positive result, is the fact that most of the private donors, recruited through the TV2 live Artists Gala in December 2008, continued their support throughout 2010. The magazine *Perspektiv* and field reports from NRC's programme countries contributed considerably to the continued support of private donors, by keeping them informed about NRC's activities. The support of private donors is essential to NRC's freedom of action and ability to respond quickly and efficiently to the humanitarian needs of refugees and IDPs around the world. In addition to those contributing through the telethon, more than 35,000 people contributed financially to NRC in 2010, through raffles, individual donations, purchasing *Perspektiv* and the Child Sponsorship Programme.

The positive results can also be attributed to the fact that NRC has increased its level of activities considerably the past few years, without a corresponding hike in administrative costs.

The telethon revenues will be of great importance to the NRC activity level and financial situation in the next five years. The accounts are presented upon the assumption of continued operations. The Board of Directors confirms that the conditions for continued operations are in place.

Organisational initiatives and human resources

NRC had 2,700 employees by 31 December 2010, of which 2,300 were national and 127 international employees in the field offices. 142 people were employed at the head office in Oslo, including 16 in the telethon secretariat, and 133 were seconded through the emergency standby rosters.

Work environment

NRC is actively engaged in maintaining and ensuring good working conditions within the organisation. This is important in order to attract competent and dedicated employees, as well as in order to keep and develop our staff in line with the organisational strategies and goals.

In 2010, NRC has focused particularly on a more long-term approach to staff training, within different fields of expertise. Once more, management training has been at the centre. The organisation has developed several arenas and initiatives where management and management training has been the core theme. The management-training programme for national employees continued in 2010. In addition, NRC began work on a talent programme for potential Country Directors.

In July 2010, NRC joined the trade and employers association Abelia, in order to strengthen its competence as an employer and become an even more professional international knowledge based organisation. So far the membership has proven to be positive and useful, providing a valuable contribution to maintaining NRC's solid position as an employer.

NRC conducted an internal staff survey at all field offices during the spring of 2010. The aim of the survey was to get feedback on staff satisfaction with the quality of support functions at the head office, within crucial service areas. The survey results formed the basis of concrete initiatives to improve field support.

The Work Environment Committee (AMU) met five times during 2010. The issues dealt with were, among others: Sick leave, the status of the Activity Plan within the corporate health services, establishing an AKAN committee (AKAN; The Workplace Advisory Centre for issues relating to alcohol, drugs and addictive gambling), the work load in the head office, as well as a new Inclusive Workforce deal and a new deal with Center for Stress and Trauma Psychology. The organisation also conducted health, safety and environment training for safety representatives and AMU members, as well as ergonomics training for all head office staff.

In 2010, as in previous years, the management at the head office and the main international offices conducted appraisal interviews with all staff. The management met regularly with union representatives and the Secretary General conducted regular collective staff meetings at the head office.

Sick leave

The sick leave rate at the head office was 2.9 % in 2010, which is 1.2% lower than in both 2009 and 2008. The sick leave rate is thus considerably lower compared to other businesses and organisations in Norway. This is an indication of a sound work environment and dedicated staff. NRC puts great emphasis on maintaining a low sick leave rate. Implementation of the possibilities and responsibilities embedded in the

agreement on an inclusive working environment were continued. This entails a continuous focus on following up staff on sick leave and assisting those on long-term sick leave in returning to work.

Equality, discrimination and accessibility

As of 31 December 2010 62 % of the head office staff were women and 38 % men. At the Country Director level, there were 38 % women and 62 % men, while the head office management with staff responsibilities consisted of 49 % men and 51 % women. The head office top management consisted of three women and three men, and the Board of Directors consisted of 50 % men and 50 % women.

At the head office, 9 % of employees were of foreign origin (Definition: Individuals who have themselves immigrated to Norway, and whose parents were both born abroad). Men employed at the head office earned approximately 1.8 % more than women.

The NRC recruitment and personnel policy ensures equal opportunities and rights, irrespective of ethnic background, national origin, language, religion or beliefs, and seeks to prevent discrimination.

As of 31 December 2010, the NRC head office had no employees with reduced physical capacity.

Environment

NRC continuously works to minimize the environmental impact of its activities. Among the initiatives is a continuous focus on reducing transport and minimizing the environmental strain caused by camps.

The work of the Board

In 2010, the Board and the administration have focused particularly on the risk factors, which affect NRC's ability to carry out its mandate. The main goal of NRC is to provide

relevant and high quality assistance to as many refugees and internally displaced people as possible. The main risk factors were identified as increasingly restricted access to the target groups in conflict zones, cost efficiency and operational accountability. At the initiative of the Board, the administration developed a project plan, in order to improve quality, cost efficiency and accountability.

2010 was characterized by close cooperation between the Board and the administration. The Board wish to express its gratitude to all staff for their remarkable efforts.

The Board conducted 6 meetings, including 2 board seminars, and handled 70 issues through the course of the year.

The 2010 Board consisted of: Head of the Board, Bernt Bull and Deputy Head Vidar Helgesen, as well as Kaci Kullmann Five, Giselle Marchand, Trygve G. Nordby, Kari Vogt, Bjørn Førde and Skjoldvor Fjeldvær. The staff representatives were Merethe Nedrebø and Martin Suvatne, with Bente Rydland and Petra Storstein as their vice-representatives.

Three Board members stepped down at the end of the year: Kari Vogt, Bjørn Førde and Skjoldvor Fjeldvær. They were replaced by: Turid Lægreid, Ahmed Madar and Cecilie Hellestveit, who were elected at the first Board meeting in 2011.

The coming fiscal year

NRC has been assisting displaced people for more than 60 years. The 2010 activities consolidate NRC's position as a competent and efficient organisation, taking action in war and conflict-torn areas with widespread displacement. Despite major challenges regarding safety and access to people in need in many conflict-torn countries, NRC will continue to assist refugees and internally displaced persons in areas where needs are most profound. The need for a continued effort to assist NRC target groups is substantial, and

the Board is certain that NRC is in a position to handle future challenges and fulfil its mandate.

Oslo, May 9th 2011



Bernt Bull
Chairman of the Board



Vidar Helgesen
Deputy Chairman of the Board



Kaci Kullmann Five
Board member



Gisele Marchand
Board member



Trygve G. Nordby
Board member



Cecilie Hellestveit
Board member



Turid Læg Reid
Board member



Ahmed A. Madar
Board member



Martin Suvatne
Staff repr.



Merethe Nedrebø
Staff repr.



Elisabeth K. Rasmusson
Secretary General

