



Annual Report 2008

NORWEGIAN
REFUGEE COUNCIL

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Photo: Astrid Seft, NRC

NRC provides education for IDP children in DR Congo.

Introduction

The Norwegian Refugee Council (NRC) is currently present in over 20 countries worldwide. We have projects running in countries in Africa, America, Asia, Europe and the Middle East. In addition we maintain offices in Norway, Switzerland, the US and Belgium.

NRC promotes and protects 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 organisation achieves this by acting as an independent and courageous spokesman for refugee rights nationally and internationally, by providing humanitarian assistance in emergency situations, and by strengthen-

ing the capacity of the UN organisations to offer and coordinate international aid and protection.

NRC shall in all ways seek to provide viable, durable solutions with regard to both its spokesman activities and its emergency relief efforts.

The majority of our approximately 2,600 staff members are employed locally by NRC in the countries where we work. All NRC projects are run directly by an efficient administration in Oslo.

In 2008 NRC had over three million beneficiaries. This annual report includes key information about our worldwide activity over the course of the year.

Displacement still on the rise

Even though the number of violent conflicts in the world has decreased the last years, the number of displaced people is increasing. As we entered 2008, close to 42 million people were living as refugees in exile or within their own country.

In the course of the last year another two major crises broke out and forced thousands of people to leave their homes: the war in Georgia and the conflict in the Democratic Republic of Congo (DRC). With long-term presence in both countries, the Norwegian Refugee Council (NRC) managed to respond rapidly and efficiently in both emergencies.

As a direct consequence of the war in Georgia, 80,000 people were displaced within the first weeks of August. NRC immediately organised emergency distribution of food, blankets and other items, and provided shelter and protection to people fleeing from the war. As the war ended, NRC started reconstruction of houses and building of temporary shelters for the people who were still prevented from returning home. Soon after, the already tense situation in DRC turned into a full-scale armed conflict between the Congolese army and armed militias. Among the 250,000 people forced to flee in Eastern DRC, many fled their homes for the second or even third time. In the course of a few weeks, the

number of displaced persons in the North Kivu district mounted to more than 1 million people. In this desperate humanitarian situation, affecting thousands of women, men and children, providing protection and security for the displaced population became NRC's main concern. In addition to continuing the regular operations, NRC took on distribution of food, management of a new camp and transferred people into camps in safer areas.

In 2008 NRC started up projects in Myanmar. After the cyclone Nargis swept over Myanmar in May, it left the Yangon and Irrawaddy Delta regions in the south completely devastated. The cyclone caused the worst natural disaster in the history of Myanmar, leaving more than 100,000 dead or missing, and the area so brutally damaged that the survivors were left without homes and a basic infrastructure. NRC's programme aims at reconstructing and building shelters for nearly 35,000 vulnerable families in the region. NRC will also rebuild schools and community buildings.

The Nargis cyclone is only one of many severe natural disasters the world has witnessed during



Secretary General Elisabeth Rasmussen visits Mogadishu in Somalia, February 2008.

recent years. The inter-connection between climate-induced natural disasters, conflict and forced displacement is increasingly debated and acknowledged. With the publication *Future floods of refugees*, NRC has positioned itself as an important voice in this debate, challenging the term "climate refugees" and questioning the existing protection regimes for refugees which still excludes people fleeing from environmental conflicts.

The emergency response department (ERD) saw an increase in requests from our partners during 2008 due to the combination of natural disasters and a severe food crisis. ERD is continuously improving and expanding the secondment process, with a particular focus on roster management and staff care. Due to financial limitations, NRC has received more requests than ERD has been able to fulfil. This indicates that the ERD fills an increasingly important gap in response to humanitarian crises. In total, about 400 contracts were issued last year (1950 man-months). The international PROCAP and

» NRC has positioned itself as an important voice in this debate, challenging the term "climate refugees".

In Afghanistan the security situation continued to deteriorate in 2008 as districts that were previously safe became insecure.

▶▶ Seeing that conflicts become more complicated and humanitarian space is shrinking, access to NRC's beneficiaries has become more challenging during recent years.

GENCAP rosters are in particular demand. Both rosters have proven to have a significant effect on swiftly flagging key gender and protection issues, in a matter conducive to interagency collaboration. A major turn of events was the unfortunate abrogation of the Sri Lanka Monitoring Mission (SLMM) by Sri Lankan authorities in January 2008. The SLMM was established in 2002 to monitor the ceasefire agreement between the LTTE and the Government of Sri Lanka. ERD is, however, looking for new opportunities to provide the UN with civilian monitors.

As an advocacy actor, NRC made a visible impact on decision-makers, changing policies and behaviour, in a number of cases in 2008. In Afghanistan, NRC worked to improve the coordination of humanitarian response and made way for an independent OCHA to be established in Kabul. In DR Congo, NRC contributed to change Norway's reluctant position towards the conflict to active engagement. To mark the tenth anniversary of the guiding principles on IDPs, NRC organised the GP10 Conference in October in

close collaboration with the Representative for the Secretary General on the human rights of internally displaced persons Walter Kälin and the Norwegian Ministry of Foreign Affairs. The conference was an ambitious and successful advocacy initiative in 2008. With high-level participation, including state representatives from countries affected by internal displacement, UN agencies, ICRC and NGOs, the conference brought political and media attention to the guiding principles. The parties reaffirmed their commitment to the principles and to international cooperation on the issue. The conference also raised the ambitions to incorporate the guiding principles into national legislation and use them as a benchmark for all operational responses to IDPs.

For the first time, NRC also arranged the Artist Gala in 2008. Through this huge fund-raising campaign, broadcasted live on Norwegian television, NRC recruited close to 10,000 new sponsors. The campaign was an overwhelming success which will give additional funds and



Photo: Astrid Sævi, NRC

enable NRC to protect and assist thousands of displaced children, women and men around the world for years to come.

NRC staff is continuously working in about 20 countries around the world, helping more than 3 million people. The number of displaced persons remains high and their situation difficult. Seeing that conflicts become more complicated and humanitarian space is shrinking, access to NRC's beneficiaries has become more challenging during recent years. As a dedicated and courageous humanitarian organisation, NRC will continue to do its utmost to manage these challenges and to promote and protect the rights all people forced to flee their homes.

A handwritten signature in black ink, which appears to read 'Elisabeth Rasmusson'.

Elisabeth Rasmusson
Secretary General



Photo: Røald Høyem, NRC

NRC assisted seniors, widows and single mothers returning to Northern Uganda with temporary shelter and necessary equipment.

NRC immediately organised emergency distribution of food, blankets and other items, and provided shelter and protection to people fleeing from the war in Georgia.

Protection and durable solutions

NRC is the only Norwegian humanitarian organisation to specialise in international work with displaced persons as the target group.

NRC works in close collaboration with the UN and other organisations, both around the world and in Norway.

The three main pillars of NRC operations – Programme activities, Advocacy and Emergency Standby Forces – all aim to strengthen the protection of refugees and internally displaced persons' (IDPs) rights.

Programme activities

NRC's programme activities are concentrated around five core activities: Distribution of food and non-food relief items, coordination and management of refugee camps, building of homes and schools, education in situations of war or crisis, and provision of information, counselling and legal assistance. In addition to the programmes abroad, NRC runs a number of activities in Norway, the main emphasis of which is on information, counselling and training for refugees, asylum seekers, asylum centre staff and others within the local community who meet refugees and asylum-seekers.

Emergency food security and distribution

Through its food security and distribution core activity, NRC intends to protect and promote the right to adequate food of refugees, internally displaced persons and returnees, and thus to safeguard lives, preserve nutritional status and contribute to livelihoods and recovery. NRC provides food to refugees, internally displaced persons and returnees. Distributions may cover 100% of a person's daily food requirement (2100 kcal/person/day) or less, depending on the context. Food distribution may be general – everybody receives food, or targeted – the most vulnerable persons within the population receive food. NRC food distributions are often implemented in partnership with World Food Programme (WFP). NRC also distributes different types of non-food items according to the needs of the beneficiaries: household kits (mattresses, blankets, plastic sheeting, containers), kitchen sets, hygiene kits, clothes, and so on. In order to promote education, alleviate short-term hunger and improve cognitive learning, NRC provides food >>



Photo: Siri Elvland, NRC

» NRC has made this backlog of out-of-school individuals a special target group hoping that they will be able to enter or return to the school system.

to schools and monitors food for education programmes. These projects are often implemented in partnership with WFP. NRC implements food security and livelihood projects that aim at promoting self reliance and supporting durable solutions as soon as the situation allows. NRC operations are geared towards food accessibility, availability and utilisation. By supporting agricultural production and income generation, NRC aims at securing food needs of the people in the longer term. Furthermore, NRC may consider environmental conservation activities as natural resource degradation leads – among others – to food insecurity. NRC also supports local organisations with training and advises on food security and distribution.

Shelter construction and schools

Refugees and IDPs need shelter during displacement. The Norwegian Refugee Council

assists in providing shelter and protection from violence, whether in a camp or other temporary living quarters. However, it is equally important to provide long term solutions, supporting recovery and peace building after conflicts. A major part of our shelter programs are linked to permanent housing for refugees and IDPs who often return to find their own homes destroyed or occupied. The Norwegian Refugee Council also takes responsibility for the building and reconstruction of school buildings where they have been destroyed or where the existing schools do not have the capacity to take on large groups of new students. The Norwegian Refugee Council has implemented shelter projects for more than 20 years in most of the major conflict affected regions.

Education

Because of wars, displacement and exile, millions of children and youth have lost out on their edu-



Photo: Truls Brakke

In Colombia NRC-designed, gender-sensitive, flexible education models for displaced children and youths were endorsed and scaled up by the Ministry of Education.

cation. NRC has made this backlog of out-of-school individuals a special target group hoping that they will be able to enter or return to the school system, or to receive training that will enable them to secure paid work and a livelihood. Preparing to respond rapidly to educational needs while ensuring that activities have a longer term perspective and impact, NRC always works with education authorities and communities. Acceptance by Ministries of Education and cooperation with regional and local inspectors and other staff entails recognition of educational programmes, and of teachers and learners receiving their certificates. National or generic educational materials are used, adapted and developed as relevant. NRC has introduced a number of education and training models for rapid adaptation and implementation where needed. Good educational programmes depend most of all on well prepared trainers and teachers. Planning and »



Photo: Sabine Meyer, NRC

A total of 200 youths in Timor-Leste had enrolled for training by the end of 2008 within the Education Programme YEP.

training for an agreed programme are conducted in cooperation with national and/or local education officials. The education models used by NRC are the Teacher Emergency Package (TEP) for 9-12-year-olds, the Youth Education Pack (YEP) for 14-18-year olds, Accelerated Learning Programmes (ALP) for over-age children, and peer education which trains young people to act as trainers for their peers.

Camp management

Whilst camps do not provide durable solutions to situations of displacement caused by conflict or natural disaster, they are often the only refuge for communities who have been forced to flee their homes and are seeking safety, shelter and material assistance. It is estimated that around a quarter of all displaced communities live in camps or camp-like settings. With a wide range of stakeholders involved in the life of a camp, it is important that camps are managed effectively, as part of a comprehensive humanitarian relief

response. Camp management aims to ensure that gaps in assistance and protection are identified, that standards are maintained, and that the fundamental human right to life with dignity is upheld for the camp community. NRC, as the camp management agency, coordinates closely with a wide range of stakeholders working in camps and camp-like settings, including humanitarian actors, governments and authorities, camp communities and members of the host community, amongst others. NRC collects data and disseminates information, which ensures provision in key sectors, like water, food, health and shelter, through on-site coordination of all activities and services within one camp. The camp management agency actively promotes the participation of camp residents in the daily activities of the camp; developing self-management and effective governance through camp committees, with the aim of reducing dependency and harnessing the skills and capacities of the women and men, girls and boys affected by displacement.

Information, counselling and legal assistance

NRC assists persons displaced due to conflict to achieve durable solutions and to fulfil their rights. Within this broader framework, NRC's activities on information, counselling and legal assistance (ICLA) are designed to provide assistance to IDPs, refugees and returnees to make free and informed decisions. This is achieved through the provision of information and free legal assistance to remove legal and other obstacles. Displaced persons lack basic information that enables them to make informed decisions on whether to return, stay in the location of refuge, or find a third place to settle. ICLA provides them with accurate and credible information to make such a decision. The focus is on the conditions in their areas of origin, resettlement or integration and on the legal or other obstacles they might face. Refugees and IDPs face legal obstruction, abuse, discrimination or simply lack of action by governments that hinder return or local integration. Often they do not have access to protection mechanisms >>



Photo: Raald Herwig, NRC

The acts of war in South Ossetia displaced thousands within a few days of August. Some ended up in this tent camp outside Gori. The camp was temporary and closed in October 2008.

The Norwegian Refugee Council assists in providing shelter and protection from violence, whether in a camp or other temporary living quarters.



Photo: Truls Brakke, NRC

» NRC fights for people's protection for the duration of their displacement, for their right to return home and their right to protection in a safe country when return is impossible.

such as administrative bodies, law enforcement officials or courts. Lack of access to housing and property, to legal identity, or discrimination in accessing labour or education rights, constitute frequent legal obstacles to durable solutions. ICLA programmes assist them in obtaining an adequate response from the authorities regarding their rights.

Advocacy

NRC promotes and protects the rights of people who have been internally displaced or forced to flee their country. The organisation is an independent and courageous spokesperson for refugee and IDP rights in the countries where we run programmes, in international fora and in relation to Norwegian authorities, special

interest groups and public opinion. NRC fights for people's protection for the duration of their displacement, for their right to return home and their right to protection in a safe country when return is impossible.

The Internal Displacement Monitoring Centre (IDMC) in Geneva monitors and reports upon the situation of IDPs worldwide for the UN. In addition to providing up-to-date information, IDMC offers courses on the protection of the internally displaced.

Emergency standby rosters

NRC helps strengthening the UN's capacity to provide and coordinate international aid and protection by placing aid personal at its disposal. NRC has over 850 women and men in its emer-

gency standby rosters. They can be deployed anywhere in the world at 72 hours' notice to support the UN and other international organisations in humanitarian aid and emergency relief operations, election observation, human rights monitoring and peace-keeping operations. NRC emergency standby forces are internationally acknowledged. They also contribute to strengthening the broad cooperation between the organisation and the UN. The emergency response department (ERD) saw an increase in requests from our partners during 2008 due to the combination of natural disasters and a severe food crisis.



Photo: Siri Einarland, NRC

NRC trained teachers in Georgia in 2008.

Africa

Africa remains the continent with the highest number of conflict-displaced people.

In 2008 several improvements in on-going conflict situations were reasons to cause optimism for many displaced persons in NRC programme countries, notably Burundi, Ivory Coast, Liberia and Uganda. Thousands of IDPs and refugees were able to start or continue to return home, but at the same time the situation in several other countries deteriorated significantly.

In Somalia the security and humanitarian situation continued to worsen and the IDP population reached 1.1 million. A return to full-scale war in Nord Kivu in DR Congo displaced more than 250,000 persons in just three months, bringing the total number of IDPs in DRC to over 1.5 million. The Darfur conflict in Sudan, which has caused ongoing internal displacement of more than 3 million Sudanese stagnated in South and North Darfur, and intensified in West Darfur, bringing the total IDP population to over 6 million.

The acute crisis in DR Congo in October triggered an emergency response with emergency education, distribution of food and increased camp-management interventions.

These escalating crises situations, coupled with severe access problems for humanitarian organisations, are particularly alarming and continue to cast a dark shadow over prospects for IDP and refugee returns and peaceful solutions to the conflicts in the short term.

The Norwegian Refugee Council had operations in nine African countries during 2008: Burundi, the Central African Republic, DR Congo, Ivory Coast, Kenya, Liberia, Somalia, Sudan and Uganda.



Photo: Astrid Sehl, NRC



Photo: Tris Bekke, NRC



Burundi

Latest IDP figure: 100,000 [Click for more](#)
Refugees in other countries: 375,727
Refugees from other countries: 24,480
Population: 7.5 million

In 2008 Burundi received 95,000 returnees from Tanzania and other neighbouring countries.

Included are 30,000 1972 refugees who face significant reintegration challenges.

The TEP project was extended to respond to return influxes; 8,669 TEP children were integrated into public schools; 316 primary school teachers and inspectors were trained on child-oriented and participatory methodologies; 480 youths including ex-child soldiers were enrolled in YEP centres; 120 permanent classrooms were built and equipped.

NRC managed three camps housing 17,000 Congolese refugees and provided education, distribution of food, non-food items and firewood, and construction/maintenance of individual and collective infrastructures. A camp management training programme was organised for partners.

ICLA received 1,514 cases (60% land-related and 21% family-related) in its centres; trained 4,440 local authorities and community leaders (45% women) on family law; and sensitised over 23,000 persons on family law, land conflicts, sexual and gender based violence (SGBV) awareness, and the Burundian court system.

With ICLA's support in DRC, Congolese refugees were provided with information on return areas.

NRC assisted 1,950 returnee or vulnerable households to build their permanent shelters with latrines.

NRC placed an emphasis on the evaluation of its programmes' impact and focused its advocacy on the rights of Congolese refugees, of long-term Burundian refugees and expelled Burundians.



Ivory Coast

Latest IDP figure: 621,000 [Click for more](#)
Refugees in other countries: 22,232
Refugees from other countries: 24,650
Population: 18.15 million

The Ouagadougou Peace Accord brought hope to Côte d'Ivoire in 2008.

Thanks to some progress in the implementation of the Ouagadougou Peace Accord, internally displaced people in Côte d'Ivoire have continued to return home throughout the second half of 2008.

Potential threats to long-term peace and stability however remain as there is little progress in the disarmament and redeployment of the national administration to former rebel areas.

NRC provided primary education to 2,748 out-of-school children, enabling 2,046 of them to catch-up and integrate into the formal school, and gave literacy and vocational training to 300 youths. In addition, 101 teachers were trained in child-centered methodology. Education was complemented by some construction and school rehabilitation.

Twelve information, counseling and legal Assistance (ICLA) Centres were operational year end, solving 4,184 identity document cases out of 7,849 registered. Thirty-seven awareness-raising sessions regarding civil status were held and one workshop on the Guiding Principles with a total of 3,162 informed. Focus was on obtaining identity documents. ICLA also assisted 1,059 pupils and 193 YEP students in obtaining birth certificates or identity documents.

Protection monitoring teams visited 194 localities, sharing flash reports and 22 serious Protection Alerts with the Protection Cluster. Six comprehensive, comparative monitoring reports were publicly distributed.

Core advocacy issues included access to legal identity documents, education, and land and property. Engagement with the Ministry of Education ensured that NRC's "classes passerelles" were adopted as a nationally recognised programme.



Somalia and Kenya

Somalia

Latest IDP figure: 1,300,000 [Click for more](#)
Refugees in other countries: 455,357
Refugees from other countries: 900
Population: 8.22 million

Kenya

Latest IDP figure: 200 – 600,000
[Click for more](#)
Refugees in other countries: 7,546
Refugees from other countries: 265,730
Population: 34.25 million

The security and humanitarian situation in Somalia continued to deteriorate.

The IDP population has reached 1.1 million. Coping mechanisms for host families in Somalia have been stretched to the limit. The crisis facing the IDP population has been compounded by the effects of drought, deepening insecurity, hyperinflation (especially of food) and currency devaluation.

In addition, as a response to the outflow of refugees from Somalia to Kenya, NRC is operational in the Dadaab refugee camp where, at the end of 2008, over 240,000 refugees reside who are mainly from Somalia. In Somalia and Kenya, NRC is contributing to the improvement of living conditions for IDPs through provision of temporary shelter, hygiene promotion and sanitation activities (latrines, campaign) and NFI distribution. In addition, NRC has a strong focus on education, supporting both alternative basic education projects and YEP projects in Kenya and Somalia.

NRC has operated in Somalia since 2004 and is now operational in South and Central, Somaliland and Puntland.

The core advocacy issues in 2008 were access, delivery of humanitarian aid, girls' education and border closure (Somalia/Kenya). Advocacy for Kenya was scaled up highlighting the needs of the new arrivals and refugees coming from Somalia.



Photo: Roald Havning, NRC



Democratic Republic of the Congo (DRC)

Latest IDP figure: 1.4 million [Click for more](#)
Refugees in other countries: 370,374
Refugees from other countries: 177,390
Population: 57.54 million

Full-scale war in North Kivu displaced a quarter of a million people.

The year started on an optimistic note, with the signing of the Goma Peace Agreement by 22 armed groups, including the DRC government and the rebel National Congress for the Defence of the People (CDNP), on 22 January 2008. In August, CDNP pulled out of the Goma Agreement, launching an offensive against the DRC army (FARDC) and prompting a return to full-scale war in North Kivu. Between August and November more than 250,000 persons were displaced, bringing the total number of IDPs in North Kivu to more than 1 million and over 1.5 million persons in all of DRC.

NRC is implementing all five core-programme activities in DRC. In return areas in North Kivu, NRC is responsible for school construction, TEP and YEP together with ICLA and distribution of return packages. In the displacement areas, NRC is responsible for the camp management, ICLA, and protection monitoring. Since the acute crisis in October an emergency response has been implemented with emergency education, distribution of food and increased camp management interventions. In South Kivu the programme consists of ICLA, school construction and TEP. In Katanga most activities have been phased out. However, some ICLA, TEP and shelter programmes are still running.

During 2008, the main focus has been on advocating for protection of civilians and sufficient assistance to the IDPs. Considerable effort was put into increasing food rations that had been halved in May by WFP. With the increased violence starting in August, humanitarian access has also been high on the agenda.



Liberia

Latest IDP figure: undetermined [Click for more](#)
Refugees in other countries: 91,537
Refugees from other countries: 10,470
Population: 3.28 million

2008 witnessed movement towards development.

The security situation in Liberia was basically stable and the context rapidly moved towards a development-oriented approach, even though huge humanitarian needs still persisted in the rural areas.

In this context, NRC provided accelerated primary education to 5,840 children and 652 young mothers, as well as literacy training to 2,276 adults. In addition, 224 teachers and 24 teacher assistants were instructed in child-friendly teaching methods, and vocational and literacy training was given to 410 youths. Implementation of school-feeding activities was monitored in WFP schools. For this NRC was recorded as the best partner for WFP and consequently suggested as their sole partner in 2009/10.

NRC constructed/upgraded 213 water and sanitation facilities, rehabilitated another 18 and started the construction of 21 community primary schools with toilets and kitchen (to be finalised in 2009).

The ICLA programme expanded and two new field offices opened during the year. ICLA was provided to returnees and various trainings/seminars were held involving different stakeholders, who are focusing on resolving land and property disputes. Moreover, 736 cases were opened and 190 resolved. As the only INGO, NRC was recognised as a technical advisor to the newly established Land Commission.

Intensive discussions finally resulted in a proposal for a pilot project on GBV, an issue which is one of the biggest protection concerns in the country. The project received a grant and started up at the end of the year.

NRC Protection Monitoring continued to be a main reporting source of protection incidents in Liberia.



Central African Republic (CAR)

Latest IDP figure: 108,000 [Click for more](#)
Refugees in other countries: 98,104
Refugees from other countries: 7,540
Population: 4.03 million

Unrest called for increased protection of IDPs and returnees.

In the Central African Republic (CAR) the situation in 2008 has been characterised by unrest and displacement in most of its northern areas. While an inclusive political dialogue was conducted at the end of the year, the lack of state capacity and the existence of armed militias and criminal groups continue to cause unrest. It is estimated that more than one million people have been affected by the violence and about 107,000 are displaced within CAR.

The main objective of NRC's programme in CAR is the promotion and protection of the basic rights of internally displaced/returnee children in the north of CAR. NRC implements an emergency education programme in the central northern area called Ouham prefecture. This programme aims at improving the quality of the education through training and supervision of teacher parents. The programme cooperates closely with the Ministry of Education and was able to reach 15,840 pupils during 2008.

NRC also implements a protection and advocacy programme which conducted a training seminar for the armed forces on human rights and another training programme on the guiding principles for 505 IDPs, civil society representatives, and local authorities.

One of the main advocacy objectives for NRC CAR is to support the IDP advocacy campaign which was launched by OCHA with CAR as one of the pilot countries. The focus of this campaign is to increase the level of attention on the humanitarian situation in CAR among the international community.



Sudan

Latest IDP figure: 4.9 million. [Click for more](#)
Refugees in other countries: 523,032
Refugees from other countries: 222,720
Population: 36.23 million

In 2008 Sudan still had the largest IDP population in the world.

The civil war in Sudan has generated the largest internally displaced population in the world during the past two decades, with a total figure of almost 6 million IDPs. Since the signing of the Comprehensive Peace Agreement in 2005, approximately 1.7 million individuals have returned to their places of origin in the South, but still 1.7 million IDPs are currently living in North Sudan, and still 2 million are displaced in Southern Sudan and Blue Nile. The Darfur conflict, which has caused ongoing internal displacement of more than 3 million Sudanese, has stagnated in South and North Darfur, and intensified in West Darfur.

NRC established its presence in Sudan in February 2004, and currently operates a comprehensive country programme focused on three core activities: Education, school construction, and information, counseling and legal assistance (ICLA). NRC works in Sudan under a one-country approach and plans the programme and operations holistically to avoid re-enforcing the old North-South divide.

In Southern Kordofan NRC operates 11 Youth Education Centres, providing education and life skills to hundreds of youths. Similarly, in Aweil in Northern Bahr Al Gazal, the Accelerated Learning Programme provides education to youths who have missed out on education.

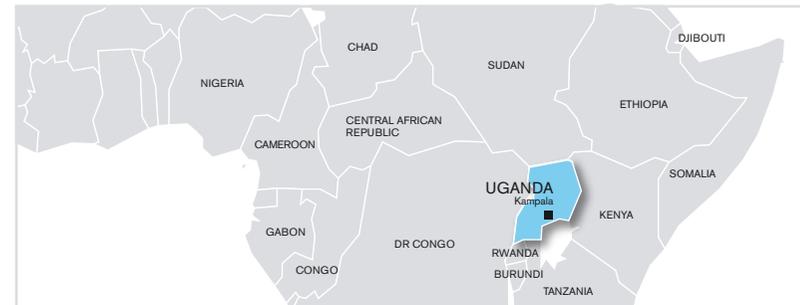
NRC Sudan is operating shelter projects in Southern Kordofan and Aweil, mainly constructing schools.

ICLA is provided to IDPs living in camps and squatter areas around Khartoum, to returnees and IDPs in South Sudan, and to IDPs and returnees in Yei in Western Equatoria.



Goats are a source of nutrition and income. The pictured goats were bought by sponsors at the NRC web shop and given to Ugandan IDPs.

Photo: Truls Bekke, NRC



Uganda

Latest IDP figure: 710,000 [Click for more](#)
Refugees in other countries: 21,341
Refugees from other countries: 228,960
Population: 28.81 million

Hundreds of thousands were forced to live in camps.

In northern Uganda up to 2 million people were displaced by an 21-year conflict between the rebel group Lord's Resistance Army (LRA) and the Government of Uganda (GoU). In 2008 an improved security situation led to an increased return, although at the end of the year still 869,000 IDPs remained in camps. However, the peace process stalled in November.

In 2008 NRC Uganda continued to provide food assistance, with a monthly food distribution to 755,000 internally displaced persons (IDPs). NRC also worked to improve household food security and livelihoods of people affected by displacement.

The education programme offered education and life skills to 630 war-affected youths, and enhanced the capacity of 630 teachers and local educational authorities. The programme also served 300 children with special needs.



Photo: Roald Hevring, NRC

NRC's Camp Management programme continued to coordinate the response to IDPs in 16 camps, 25 return sites and 38 villages.

Moreover, NRC ran the Information, Counseling and Legal Assistance (ICLA) programme for IDPs and returnees in northern Uganda. ICLA has developed the foremost expertise on land ownership and land dispute resolution mechanisms. The ICLA West Nile project promotes the rights of Sudanese refugees in West Nile.

NRC provided shelter support to the most vulnerable populations in the Acholi sub-region by contributing to the provision of housing, the infrastructure and capacity of local communities, and school construction in the Pader district. NRC provided emergency shelter to 6000 Congolese refugees in November 2008.

In 2008 NRC was an advocate for a multi-phase, conflict-sensitive transition from emergency to development and protection of the rights of displaced persons and returnees. NRC also made an advocacy effort for Uganda's international donors to hold the government of Uganda accountable for the provision of services and infrastructure and to bring development for the north up to the same levels as for the rest of the country.

In 2008 NRC Uganda continued to provide food assistance, with a monthly food distribution to 755,000 internally displaced persons.

Asia

Access to large groups of IDPs and refugees remained a difficult obstacle in 2008, particularly in Afghanistan, Pakistan and Sri Lanka. Restrictions on humanitarian space made it difficult for NRC to operate in these countries.

In Afghanistan the security situation continued to deteriorate as districts that were previously safe became insecure. This forced NRC to suspend activities in some regions and many of the 278,000 refugees who returned to Afghanistan encountered difficult conditions due to continuing activities of armed groups.

Fighting in north-western Pakistan caused a dramatic downturn in the security environment in NRCs areas of operation. The violence led to internal displacement of 450,000 people by the end of the year, and 1.7 million registered Afghan refugees remained in the country.

2008 also proved to be one of the most difficult years for NRC's operation in Sri Lanka to date, with one staff member killed and the disappearance of another in the east of the country. The incidents exemplified increased levels of violence and insecurity in the country as a whole.

On a more positive note there were political breakthroughs in Nepal in 2008, which affected the 50,000-70,000 IDPs in the country. While there are still obstacles to overcome, NRC ended 2008 by preparing for the exit of the programme. In Timor-Leste the security situation slowly recovered and normalised in 2008 and there were no major outbreaks of violence or serious resistance that affected the overall return process for IDPs in 2008.

The devastating cyclone Nargis struck Myanmar/Burma in May; 800,000 people were displaced and NRC established programme activities in the country aimed at assisting in the early recovery phase.

The Norwegian Refugee Council had operations in the following Asian countries in 2008: Myanmar/Burma, Nepal, Afghanistan, Pakistan, Sri Lanka and Timor-Leste.



Photo: Roald Heving, NRC



Myanmar/Burma

Latest IDP figure: 451,000 [Click for more](#)
Refugees in other countries: 191,256
Refugees from other countries: -
Population: 50.51 million

The cyclone Nargis created a deep humanitarian crisis.

NRC started a programme in Myanmar in 2008 as a response to the humanitarian crisis created by cyclone Nargis that struck the Ayeyarwady Delta region on 2 May. The cyclone severely affected 2.4 million people and led to the displacement of 800,000 people.

After two assessment missions, NRC obtained an agreement with the Myanmar Ministry of Social Welfare, Relief and Resettlement to assist in the early recovery phase by constructing 6,000 cyclone resistant shelters and up to 100 child-friendly schools that will also serve as village cyclone shelters, subject to funding.

An NRC office opened in Yangon in October. In December, an office was opened in Labutta in the Ayeyarwady Delta and an agreement with a French NGO to cooperate in running a factory in Labutta for prefabrication of cyclone resistant shelters was signed. By the end of the year, nearly 100 shelters were constructed, and the process of identifying contractors for the first schools was nearly completed.



Nepal

Latest IDP figure: 50,000-70,000
[Click for more](#)
Refugees in other countries: 3,363
Refugees from other countries: 130,680
Population: 27.13 million

2008 showed major steps in the right direction, but IDPs still faced obstacles.

Several major political breakthroughs consolidated Nepal's position in the post-conflict era in 2008. Most significant was the Constituent Assembly Election in April resulting in the establishment of a Maoist-led coalition government and the abolishment of the Monarchy.

The remaining conflict-induced IDP caseload, estimated at 50,000 to 70,000, still face obstacles in the search for durable solutions, and NRC has tirelessly advocated for the government approval of the IDP Procedural Directives, which operationalises the National IDP Policy approved in 2007, but the decision was still pending by the end of the year.

The ICLA programme provided one-on-one assistance and information to 6,049 clients (21,287 beneficiaries) in 2008 from six field offices – Kathmandu, Nepalgunj, Biratnagar, Surkhet, Rukum and Lahan. The main achievements of the programme were assistance to access civil documents and other services as well as awareness-raising regarding IDP rights.

The non-food item distribution and shelter-repair programme reached 6,850 beneficiaries throughout the country, recouping/recuperating living conditions for IDP and host community families.

Several advocacy initiatives carried out by NRC received remarkable attention, ensuring that conflict-induced displacement remained high on the agenda of the UN, NGOs and the media in Nepal.

According to approved strategies, and in light of the political development, NRC ended 2008 by preparing for the exit of the programme scheduled to be completed by August 2009.



Afghanistan and Pakistan

Afghanistan

Latest IDP figure: Over 235,000 [Click for more](#)
Refugees in other countries: 1,909,911
Refugees from other countries: 40
Population: 32.74 million

Pakistan

Latest IDP figure: At least 480,000
[Click for more](#)
Refugees in other countries: 31,857
Refugees from other countries: 2,034,760
Population: 167.76 million

The security situation in the region continued to deteriorate in 2008.

In Afghanistan, districts that were previously safe became insecure and lack of access forced NRC to suspend activities in some regions. In Pakistan there was a dramatic downturn in the security environment in NRC's areas of operation.

In 2008, 278,000 refugees returned to Afghanistan. There are still 1.7 million registered Afghan refugees in Pakistan and 900,000 in Iran. Fighting in north-western Pakistan led to internal displacement of 450,000 people by the end of the year.

Through eight Information and Legal Aid Centres NRC assisted around 310,000 people with counselling and legal assistance in Afghanistan. NRC's capacity-building team gave 33 training sessions on property law and related civil

procedures to 1,200 informal and formal justice officials across Afghanistan. NRC phased out of the flood- and earthquake-affected IDP response in Pakistan.

In education, NRC trained 1,100 teachers (210 of which were female). During 2008 NRC supported returnees and IDPs to construct homes – 1,150 were completed and a further 4,025 were under construction at year end. In response to harsh winter conditions NRC distributed winterisation kits to vulnerable families in Herat, Nangarhar and Kabul. In Herat NRC provided shelter and legal advice to female survivors of GBV.

NRC was a prominent advocate for recognition of the deteriorating humanitarian situation in Afghanistan and the establishment of an OCHA office. A key advocacy issue was sustainable return and reintegration of Afghan refugees.



Photo: Astrid Sehl, NRC

In 2008, 278,000 refugees returned to Afghanistan.



Photo: Astrid Sehl, NRC



Sri Lanka

Latest IDP figure: 485,000 [Click for more](#)
Refugees in other countries: 134,948
Refugees from other countries: 180
Population: 21.128 million

2008 proved to be one of the most difficult years for NRC's operation in Sri Lanka to date.

One staff member was killed and another disappeared in the eastern part of the country. The incidents exemplified increased levels of violence and insecurity in the country as a whole. By the end of 2008 most of Sri Lanka was under government control and fighting was confined to a small area on the north-east coast.

As hostilities in the north-east intensified, fears rose for the 200,000 to 300,000 civilians trapped in a steadily shrinking LTTE-controlled area, many of whom experienced multiple displacements over the course of the year. Following the September 16 government-ordered withdrawal of all INGO and UN expatriate staff from the LTTE-controlled area, no impartial reporting on the situation was possible and there was a significant reduction in aid distribution to IDPs. By the end of the year NRC prepared to assist IDPs fleeing the conflict zone and continued to advocate for access to the area with emergency shelters, NFI kits and a protection monitoring team.

In Eastern Sri Lanka, the return process continued amidst reports of tension and violence. NRC continued successful shelter and camp management training operations for both returnees and the remaining IDP caseload. The NRC-constructed Children's Cultural Community Centre in Vakarai was handed over to local authorities in December 2008.

The ICLA programme continued to operate from six offices throughout the country, assisting IDPs with information services, counselling and legal aid. The NRC protection monitoring teams provided monitoring in areas of return and displacement in Eastern and Northern Sri Lanka.



Timor-Leste

Latest IDP figure: 30,000 [Click for more](#)
Refugees in other countries: 6
Refugees from other countries: -
Population: 923,000

The security situation slowly recovered and normalised in 2008.

By the end of the year a total of 16,500 internally displaced families were registered for assistance under the Government's National Recovery Strategy. Fifty-four camps (out of 63) closed and the number of families benefiting from the recovery package reached 11,335. There were no major outbreaks of violence or serious resistance that affected the overall return process in 2008.

Concerning shelter, NRC built 163 transitional shelters in 2008, giving shelter to more than 800 IDP families. Some families have moved out for other solutions, while new families have moved in. These shelters are located in five different camps.

NRC is providing camp management at these same five sites, and daily addressing humanitarian and protection issues for a total of 2,500 IDPs in a systematic way. More than 4,000 people have benefited from the camp management provided by NRC.

A total of 200 youths had enrolled for training by the end of 2008 within the Education Programme YEP. With the intention to improve the social fabric and cohesion in potential areas of return, and in cooperation with Timorese authorities, NRC has finished building three youth centres in Dili and Gleno. Two other centres were under construction in Dili and Manatuto. The one-year training consists of numeracy, literacy, life skills, and vocational training.

NRC has been a strong advocate for the need to solve the land and property problems which are some of the root causes to the conflict in Timor-Leste.

Middle East

The situation for IDPs and refugees in the Middle East deteriorated in 2008.

In Lebanon NRC activity came to a standstill because a severe outburst of sectarian violence. NRC was able to resume operations quickly but the violence led to fears of a repetition of the Nahr al-Nahred conflict in 2007. In the Occupied Palestinian Territory the massive Israeli military operation launched in late December ended 2008 on a note of suffering and despair for the Palestinians.

Zeinab Issa's (76) home has been destroyed twice by Israeli bombs.



A Palestinian boy waving to a photographer during the celebration of the World Refugee Day in Lebanon.



Photo: Dina Abou Samra/NRC



Occupied Palestinian Territory (OPT)

Latest IDP figure: 116,000 [Click for more](#)
Refugees in other countries: 4,379,050
Refugees from other countries: 1,793,900
Total Population: 3.70 million

Internal displacement an increasing problem.

On 27 December 2008 Israeli forces launched a massive military operation in the Gaza Strip, the stated aims of which were to end the firing of rockets into Southern Israel. The offensive proved to be the most deadly and extensive operation in the occupied Palestinian territory since 1967, and ended a year where political, economic and social conditions continued to deteriorate. Negotiations between the parties did not produce any tangible results, and Israel continued the construction of the West Bank barrier and its settlement activity despite the ICJ ruling and Israel's promises at the Annapolis summit to freeze all settlement growth. This, in addition to the closures, house demolitions, land confiscation and military operations, have made internal displacement an increasing problem in OPT.

NRC did not have any programme activities in OPT during 2008, but was instrumental in establishing the Displacement Working Group (DWG) at the beginning of the year. NRC was nominated to lead the sub-working group on displacement through inter-agency consensus as an interim measure in close coordination with UN OCHA until April 2008. NRC had an active role in developing the DWG's strategy, and based on input from UN OCHA and other members, NRC carried out a desk study on the need for legal assistance in OPT during the summer.

During 2008 NRC's Internal Displacement Monitoring Centre in Geneva carried out two training sessions on the Guiding Principles in OPT, one in the West Bank and one in Gaza.



Lebanon

Latest IDP figure: 90,000-390,000 [Click for more](#)
Refugees in other countries: 13,093
Refugees from other countries: 464,300
Total Population: 4 million

In May 2008 Lebanon witnessed the worst sectarian violence since the end of the civil war.

The country was paralysed and NRC programme activities came to a standstill during the fighting, but quickly resumed. During the year, frequent clashes in the Palestinian camps occurred, leading to fears of a repetition of the Nahr al-Bared conflict in 2007.

NRC provided emergency repairs, waterproofing and stabilisation for displaced families, allowing 3,401 displaced families from the Nahr al-Bared area in Northern Lebanon and 347 Lebanese families from Southern Lebanon to return. In addition 247 vulnerable Palestinian families living in the "Gaza" buildings in Beirut have been supported with shelter upgrades.

NRC's education programme for Iraqi refugees continued with a life-skills training project for more than 250 Iraqi youth, implemented in six learning centres throughout the country. A special project was implemented for 30 young Iraqi women, who otherwise would not have been able to receive an education. NRC has also engaged 50 Palestinian and Lebanese youths in camp improvement activities in Nahr al-Bared.

NRC conducted research on housing, land and property for Palestinian refugees, and the report has been shared with the Office of the Prime Minister and the Palestinian/Lebanese Dialogue Committee. The main findings of this report confirmed that housing, land and property issues constitute one of the biggest problems preventing the Palestinian refugees from living in dignified conditions.

A research on compensation and emergency preparedness in Southern Lebanon after the war with Israel in 2006 was undertaken. Both the above reports have been met with great interest and have seen a wide distribution.

Europe

The August war between Russia and Georgia displaced 133,000 persons within Georgia and 30,000 within the South Ossetian region. This elevated the total IDP population in Georgia to 300,000.

In Georgia in 2008 NRC put special focus on security of tenure as part of the right to access to adequate housing and reintegration into mainstream quality education.

After more than ten years of providing assistance to IDPs and refugees in Azerbaijan, NRC exited the country in August 2008. The criteria for exiting were that over the past few years NRC has witnessed a development whereby the Government of Azerbaijan has gradually emphasised and practically taken over much of the responsibility for its IDP population (600,000-800,000). Azerbaijan, on the basis of its state oil revenues, finds itself in a far more fortunate situation compared to other states with large IDP burdens. Moreover, although we cannot exclude the very fact that segments of NRC's target groups are still in need of assistance, the government of Azerbaijan should assist its own population. The NRC regional office in Georgia will continue to monitor the situation in Azerbaijan, as it also does with the situation in Armenia.

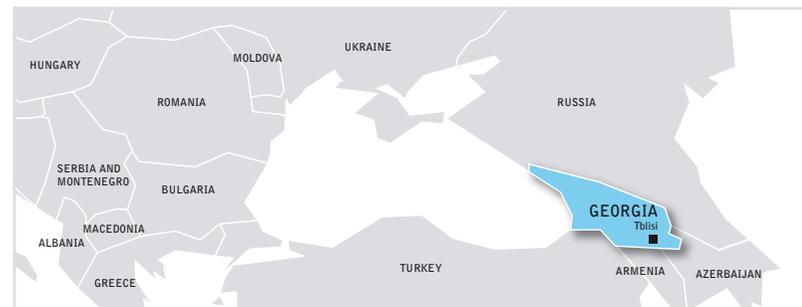
Buildings in residential areas of Gori town damaged by bombing during the conflict in August 2008. Families displaced from South-Ossetia were about to seek refuge in these buildings when they were bombed. Eight persons were killed in the attack.



Photo: Siri Elvestrand, NRC



Photo: Siri Elvestrand, NRC



Georgia

Latest IDP figure: 252,000 – 279,000

[Click for more](#)

Refugees in other countries: 6,810

Refugees from other countries: 1,050

Total Population: 4.47 million

The August war caused major displacement.

The August war between Russia and Georgia resulted in several hundred persons killed and thousands injured; 133,000 persons became displaced within Georgia and 30,000 within the South Ossetian region. Following the signing of a provisional ceasefire mediated by France, and Russia's recognition of the independence of Abkhazia and South Ossetia, humanitarian access from Georgia to South Ossetia has been prevented, while access remains open to Abkhazia. By the end of 2008, about 110,000 had returned to their original places of residence, while an estimated 20,000 from South Ossetia and the Kodori Gorge are unable or unwilling to return for the foreseeable future.

NRC provided 800 schoolchildren and their parents, 3,000 young people and 700 teachers with recreational and non-formal education and professional skills in Georgia proper and Abkhazia. Both old and new IDPs were targeted, as well as vulnerable locals.

In addition, 887 old IDPs and returnees were provided with improved housing in West Georgia and Abkhazia, and three schools for 916 returnee children were rehabilitated. More than 60 temporary reception centres for new IDPs were rehabilitated benefiting more than 4,000 persons.

Moreover, 3,000 pre- and post-August war IDPs benefitted from legal counselling and legal assistance through ICLA offices and through mobile visits to 200 IDP collective centres and returnee's villages. More than two-thirds of the cases were successfully solved.

In 2008 NRC put special focus on security of tenure as part of the right to access to adequate housing and reintegration into mainstream quality education.



Photo: Gia Chkhatarashvili, NRC

This refugee family from South Ossetia was temporarily sheltered in a closed child care center in Rustavi, Georgia. The sanitary and overall living conditions in these shelters are very difficult.

Americas

The protracted internal armed conflict in Colombia by June 2008 had displaced 2,649,139 people according to the government, and 4,361,355 people according to a reliable non-governmental source.

An alarming trend in rising internal displacement has been registered since 2006, and the highest rate of displacement in 23 years was recorded in the first semester of 2008. NRC Colombia works on the regional complex comprising Colombia, Ecuador, Venezuela and Panamá.



Colombia

Latest IDP figure: 2,649,139-4,361,355
[Click for more](#)
Refugees in other countries: 70,120
Refugees from other countries: 170
Total Population: 45.60 million

Colombia witnessed highest rate of displacement in 23 years.

In Colombia NRC's gender-sensitive, flexible education models for displaced children and youths were endorsed and scaled up by the Ministry of Education, offering 6,000 children and 2,000 youths formal certified education.

NRC contributed to the National Restitution Plan and the National Victim's Law and to national legislation for IDPs with a differential focus for women, children, ethnic minorities and those with a disability. These legislative changes prompted many thousands of IDPs to access their rights and national authorities to augment their assistance to IDPs by approximately 150 million US\$.

NRC helped IDPs to participate in the development of local government plans in 90 municipalities and five provinces (10% national territory covering around 400,000 IDP).

In Panamá 1050 Colombians living in prison-like conditions had their status regularised by Panamanian authorities after a public discussion generated by a NRC-led press campaign.

NRC shed light on the humanitarian impact in border areas in 2008, documenting internal displacement in Ecuador and the presence of Colombian illegal actors on Venezuelan territory.

Thousands of people demonstrated in March 2008 in the Colombian capital of Bogotá, for truth, justice and reparations for victims of paramilitary attacks.



Photo: Jesus Abad

Photo: Jesus Abad

Karen Elisabeth Heslja (middle) helped WFP distribute food to 4,2 million people in North Korea in 2008. She visited several clinics where malnourished children were being treated. – People were desperate for food, she says.

One foot in the door

In 2008, NRC's emergency roster NORSTAFF provided a window into politically sensitive areas. NRC had the privilege of supporting UN partners in Myanmar and North Korea with highly qualified personnel.

By supporting UN agencies with personnel, the emergency response department (ERD) contributes to the Norwegian Refugee Council (NRC)'s goal of strengthening the UN by being able to support humanitarian efforts in particularly difficult areas. In North Korea we were able to deploy three persons to the WFP's operation in North Korea, whereas six persons were deployed to the UN operation in Myanmar in the aftermath of Hurricane Nargis. In addition, three persons were deployed to IOM and UNESCO during the political crisis in Zimbabwe.

Supporting the UN

In total, about 400 contracts were issued in 2008, and by the end of 2008, ERD had 12 UN standby partner agreements. With some 800 members ready to deploy within 72 hours to anywhere in the world, NRC operates one of

the world's largest and most frequently used emergency rosters.

59 roster members were deployed to Africa, 37 to Asia, and 40 to the Middle East. In Sudan alone, a total of 17 persons were seconded to our main partners, WFP, UNHCR, UNICEF and OCHA. Other significant areas for personnel support from ERD were Somalia, Chad, the Central African Republic, Kenya, Afghanistan, Palestine, Syria, Yemen and Iraq.

Flagging gender and protection

Through the international ProCap and GenCap rosters, ERD is also able to contribute to making UN operations more strategic and efficient. These rosters are inter-agency initiatives that respond swiftly to requests for support on gender and protection related matters.

In 2008, ProCap responded to 20 requests



Photo: NRC

in 14 countries. Since the implementation of the project in late 2005, ProCap members have been deployed to 49 assignments in 24 different countries. GenCap was established in 2006, inspired by the ProCap model. GenCap has 34 members, of which almost 50 percent are from African and Asian countries. In 2008, GenCap's contribution to the UN equaled seven man-years in 18 countries, compared to 2,1 man-years in 2007.

Promoting diversity and motivation

Working as a secondee is a highly rewarding, but also stressful experience. In 2008, ERD has focused on improving briefing and debriefing routines, and specific personnel was dedicated to developing better member care systems. The results are already evident, and roster member satisfaction has increased.

In order to cultivate a culturally and linguistically

diversified roster, ERD has established regional rosters with members from African, Asian and Middle Eastern Countries. One important aim for 2008 was to further develop the NORASIA roster. By the end of the year, 23 persons had been recruited from Afghanistan and Pakistan.

A flexible and predictable partner

In 2008, a process was initiated to restructure the NORSTAFF roster and make the seconding mechanism even more flexible while at the same time increasingly predictability. NORSTAFF's main donor, the Norwegian Ministry of Foreign Affairs plays an important role in this effort, and ERD looks forward to a fruitful cooperation in 2009.

Monitoring internal displacement worldwide

NRC's Geneva-based Internal Displacement Monitoring Centre (IDMC), which was established in 1998, has evolved into the leading international body monitoring internal displacement as a result of conflict and violence in some 50 countries worldwide.

IDMC's online database provides relevant information and analysis to decision-makers, humanitarian practitioners and civil society, as mandated by the United Nations. In doing so, it seeks to enable key stakeholders at the international, national and local levels to make timely and informed decisions on responses to the needs and rights of internally displaced people (IDPs), in line with international standards such as the Guiding Principles on Internal Displacement.

In 2008, IDMC's database produced 28 new internal displacement country profiles, accessible on-line, together with all IDMC's publications, on www.internal-displacement.org.

In addition, IDMC issued special country reports

highlighting the plight of internally displaced person from Chechnya in the Russian Republic, that of Zimbabweans displaced as a result of political violence and a special report on the protection needs of children displaced by conflict in the Central African Republic. All reports were followed up with special briefings and recommendations to selected governments and UN agencies.

IDMC's principal publication, the 'Internal Displacement: Global Overview of Trends and Developments', is the leading annual source of information on the humanitarian and human rights situations of the world's IDPs who are affected by conflict and violence. The 2007 Global Over-



IDMC reports that displacement from rural to urban areas is the dominant pattern in Colombia. The picture shows a Colombian IDP family.

view was launched mid-April 2008 at a press conference in Geneva by NRC's Secretary General and the UN High Commissioner for Refugees. It stated that the estimated number of people displaced within their countries by armed conflicts and violence passed the 26 million mark, the highest global total since the early 90s, with almost half of the global IDP population in Africa (12.7 million), and nearly half of the world's newly displaced (1.6 million). The region with the largest relative increase in the internally displaced population during 2007 was the Middle East, where a rise of nearly 30 percent was caused primarily by a continuing deterioration of security conditions in Iraq. >>

The crisis facing the IDP population in Somalia has been compounded by the effects of drought, deepening insecurity, hyperinflation (especially of food) and currency devaluation.

» 'Internal Displacement: Global Overview of Trends and Developments', is the leading annual source of information on the humanitarian and human rights situations of the world's IDPs who are affected by conflict and violence.

IDMC has continued to work on land issues in post-conflict situations where housing, land and property are held informally, with a special focus on Côte d'Ivoire.

Together with Tufts University, IDMC developed a profiling methodology to collect information and analyse information on people displaced into cities. This methodology has been developed based on three case studies, all available on IDMC's website, in Khartoum in Sudan, Abidjan in Côte d'Ivoire and Santa Marta in Colombia.

IDMC was also among the co-organisers of the international conference held in Oslo on 16-17 October to mark the ten years of the Guiding Principles on Internal Displacement. IDMC, jointly with the Norwegian Ministry of Foreign Affairs, the Norwegian Refugee Council Head Office, and the Brookings-Bern Project

on Internal Displacement, 200 representatives of states, international agencies, regional organisations, NGOs and research institutions, as well as individual experts, were invited to review the impact of the Guiding Principles on the response on the protection of IDPs, and consider lessons learned and future challenges. All statements from the Conference are accessible on its website, <http://www.internal-displacement.org/gp10>.

In 2008, IDMC carried out several training workshops on the protection of IDPs, targeting country-based stakeholders, including national and local authorities and civil society. These workshops were developed at the request of the inter-agency protection working groups, as in Kenya, DRC and OPT. IDMC training was also provided to national human rights institutions in Kenya and Togo.



NRC and the EC

In 2008, NRC Europe continued to strengthen the relationship between the European Commission (EC) and NRC.

In mid-2008, the new EC financial instruments came into force. The European Development Fund, which provides development assistance to the African, Caribbean and Pacific Group of States (ACP) and represents EUR 22.7 billion over the 2008 – 2013 period, is of particular interest for NRC. As of today, NRC Europe secured three grants from the EDF (Uganda, Somalia and Ivory Coast) for a total of approximately EUR 4.4 million.

In order to improve NRC institutional capacity to obtain and manage EC grants, NRC Europe advised HQ and COs on the various EC funding mechanisms and provided support in grants management rules and procedures. Additionally, NRC Europe took an active role in disseminating detailed information on EC funding opportunities and assist COs in developing proposals.

During the reporting period, NRC Europe continued to take an active part in the Brussels-based relevant humanitarian fora and to link up with EC Institutions and International NGOs. Constant dialogue was maintained with HQ staff and Country Directors to ensure that NRC was kept informed of relevant EU / Brussels-based initiatives.



Photo: Asadul Sahil, NRC

A key advocacy issue for NRC in 2008 was sustainable return and reintegration of Afghan refugees.



Photo: NRC

In NRC's programme countries 83 percent of the employees have a non-Norwegian background.

Building capacity and increasing professionalism

In 2008, NRC audited the terms of employment, introduced a revised code of conduct and established trainee program for local staff members.

In NRC's programme countries 83 percent of the employees have a non-Norwegian background. In 2008 trainee program were exclusive to local staff members. This was the first time for the organisation and the goal was to increase the level of sustained competence in countries of NRC operation. 11 trainees participated in the programme during the course

of the year. The increased focus on national staff also spurred work on revising the guidelines for national staff.

In 2008, NRC revised several frameworks. Examples include auditing of the terms of employment and implementation of a revised code of conduct. The efforts were made to further strengthen the quality of NRC's work.

Zero tolerance of all corruption

In January 2008 anti-corruption awareness training was implemented throughout NRC.

This means that all NRC staff members have had or will receive training on how to avoid corruption and also on what the appropriate responses are if corruption is discovered.

NRC operates in some of the most corrupt countries in the world. Corruption comes in many forms and can involve both financial and non-financial benefits. It can lead to less economic development in a country, loss of goodwill from the locals, loss of trust between colleagues, pressure and stress on staff, lost confidence from donors and failure to achieve programme objectives.

NRC believes that corruption awareness is a key to minimise potential NRC staff misbehaviour. Clear rules and regulations must be known and followed, and the anti-corruption awareness training implemented in January will ensure that all NRC staff are prepared whenever corruption becomes an issue.

Help for the way home

The INCOR project (Information and counselling on repatriation and return) continued to help people on their way back home.

The project has since 1995 gained extensive knowledge of the most important issues facing people who either must return, or consider repatriation to their country of origin.

These were some of the main activities for the INCOR project in 2008:

- Offered information and counselling to asylum seekers/rejected asylum seekers and refugees in Norway who are considering returning to their home countries (more than 200 consultations).
- Trained staff at reception centres for asylum seekers and refugee workers in the municipalities in Norway in a comprehensive refugee perspective (25 workshops).
- Administrated placements at the NRC field office in Kenya for employees from reception centres and the Norwegian Immigration Authorities.
- Travelled to Iraqi Kurdistan to assess the situation for returnees from Norway.

INCOR is funded by the Norwegian Directorate of Immigration (UDI).

INCOR visits a youth club in Northern Iraq.



Photo: Aso Karim/NRC



Photo: Kari Mette Morsær/NRC



Photo: Aso Karim/NRC

INCOR representative Aso Karim (right) visits a man who has returned to Iraq from Norway.

Despite difficulties the parents of the man in the middle is happy to have him back after he has been in Norway for several years.

NRC Secretary General Elisabeth Rasmussen in conversation with UN Emergency Relief Coordinator Sir John Holmes and UN High Commissioner for Refugees Antonio Guterres at the GP10 conference in Oslo. The conference marked ten years of Guiding Principles for Internally Displaced Persons.



Photo: Truls Bratke/NRC

A visible advocate

A high level conference on IDPs, focus on climate changes, visibility in the press, several publications on displaced persons and the opening of a New York office sums up a busy year for the NRC advocacy and information department.

Press work, an evolving web-site, publications and focused lobby work are key for the department in maintaining NRC's position as a courageous spokesperson for displaced persons worldwide.

GP10

In 2008 the Norwegian Refugee Council hosted the high level conference "GP 10 – Ten years of Guiding Principles on Internally Displaced Persons" in cooperation with the Norwegian MFA and the Representative on the Human Rights of Internally Displaced Persons.

In 1998, the Guiding Principles on Internal Displacement (GPs) were presented to the UN Human Rights Commission as an effort to compile and restate existing international human rights and international humanitarian law provisions applicable to internally displaced persons.

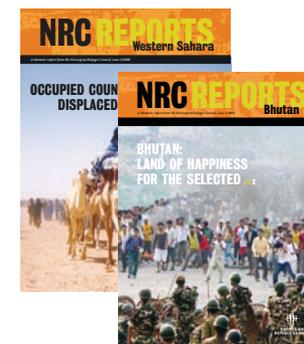
The purpose of the conference was to assess the accomplishments and shortcomings of the Guiding Principles on Internal Displacement over the last 10 years, and to chart a way forward for national and international decision-makers, including relevant states, UN bodies, regional organisations and civil society actors.

The conference was attended by numerous high-level humanitarian actors committed to the protection of IDPs such as representatives of countries affected by internal displacement (Angola, Uganda, Georgia, Turkey, Colombia), the UN High Commissioner for Refugees, donors, representatives from NGOs and civil society and representatives from national human rights associations and research institutes.

The conference highlighted the following key messages:

1. Experience to date with incorporating GPs into national legislation has been positive
2. The GPs are equally relevant for addressing internal displacement caused by natural disasters and other environmental factors
3. Full implementation of the GPs requires an alignment between domestic legal frameworks and the GPs
4. In order to further formalise the GPs, it is time to consider legally binding regional or sub-regional instruments

The conference reaffirmed the GPs as an important framework for upholding the rights of IDPs; however, the conference also emphasised that increased political and financial commitment is needed to ensure full protection for IDPs and implementation of the GPs.



These issues of "NRC Reports" were published in 2008 to give comprehensive insight into the situation for displaced persons in Western Sahara and Bhutan.

The children in the refugee camps in Western Sahara have few toys and must entertain themselves.

The Guiding Principles on Internally Displaced Persons were developed by a team of international legal experts led by the Representative of the UN Secretary-General on the Human Rights of Internally Displaced Persons and with support of the Brookings Institution.

» » [Visit the GP10 website](#)



“Future floods of refugees”

The term “climate refugees” is misleading, but climate change is one of several root causes behind forced migration, according to the report “Future floods of refugees”, which was published by NRC in 2008.

The report deals with the form and scope of future displacement in addition to protection and preventive measures. Climate change affects the environment, which can trigger conflict and displacement. In order to prevent displacement, it is important to reduce the negative consequences and implement climate change adaptation for societies that are affected by climate change.

Many of those who are forced to migrate because of climate change may be included in already existing categories of protected persons, but they may need to be made more visible and

recognised within the categories, the report states. Disaster displacement is already recognised in the 1998 Guiding Principles on Internal Displacement, and need for international protection for cross-border displaced persons could be met by granting humanitarian asylum or another protected status.

In 2008 NRC strengthened its work on climate and environmental issues.

» [Download the report](#)

NRC opened New York office

In 2008 the Norwegian Refugee Council opened an office in New York. The office employed one person to present and promote the view of NRC at different important UN meetings.

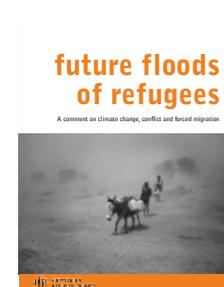
NRC in the media

The organisation had between 15 and 20 million reader “hits” in 2008. NRC was the fourth most cited humanitarian organisation at the end of the year, and this was the result of focused communication work.

Publications

NRC published three issues of “NRC Reports” in 2008. These publications give comprehensive insight into the situation for displaced children and displaced persons in Western Sahara and Bhutan.

In addition “Flyktningregnskapet” was published for the fifth year in a row, maintaining its position as the most important source in Norwegian for information about refugees and IDPs worldwide.



The report “Future floods of refugees” deals with the form and scope of future displacement in addition to protection and preventive measures.



Photos: NRC

Groundwork laid for long term results

NRC's marketing department did not meet budget expectations in 2008. At the same time major investments were made.

The TV2 Artistgalla was a fundraising event broadcasted on national television in December 2008. NRC was the benefactor. The Artistgalla was a major priority for NRC and it had a record breaking amount of viewers. As a direct result it recruited 9511 sponsors and raised the Norwegian public's knowledge of the organisation from 5 to 14%. This laid the groundwork for a long term source of income. The Artistgalla was a good example of NRC managing to communicate its qualities in the field in a marketing

context, as well as of how different departments can cooperate in creating a lift for the organisation as a whole.

The Department made large investments and organisational changes during the year. The main investments were a new web shop, two new programmes for private sponsors (first Flyktningshjelper then Fadder), a new logo, a new platform for communication, renewed efforts toward companies and the Artistgalla. The Department also took on a new leader in 2008.



Photo: Trude Brekke, NRC

The web shop and Christmas campaign met unexpected and tough competition from four new actors, compared to one the previous year. The total market for humanitarian gifts increased but NRC experienced a decrease in sales by 33%. At the same time other season related sales such as direct mail did not achieve the budgeted results. On a more positive note the investments made overall, such as in the web shop, will be valuable for years to come.

1 Norwegian writer Jo Nesbø endorsed NRC in the fundraiser TV2 Artistgalla. Here he is visiting a NRC project in DR Congo.

2 The cover of the Christmas card reads "Geit" and is the proof of donation sponsors get when participating in NRC's "Give a goat for Christmas" campaign.

3 Norwegian r&b star Mira Craig gave an excellent performance at the fundraiser TV2 Artistgalla.

4 NRC recruited sponsors on the streets of Oslo in 2008.

NRC distributing shelter materials in the IDP camp Mugungu in The Democratic Republic of Congo.

Annual Report for 2008

With a presence in more than 20 countries and an employment of 2600 staff, the Norwegian Refugee Council is today Norway's largest humanitarian organisation internationally. The year 2008 was one of consolidation and professionalisation for NRC: strengthening the position as the front-running, field-based refugee organisation, refining the experience-based advocacy messages and improving capacity and efficiency of the secondment mechanism. NRC also made great progress with its marketing work.

The mandate of the Norwegian Refugee Council states that the foundation "is to promote and protect the rights of displaced people, whether internally or outside their own country, regardless of race, religion, nationality and political opinion". Throughout 2008 NRC staff worked efficiently to assist and protect people forced to flee their homes and contributed to consolidate NRC's position as a leading international organisation providing emergency aid to refugees and internally displaced persons.

Programme activity

NRC's total budget of assistance to refugees and internally displaced people in conflict areas around the world decreased by seven per cent in 2008. NRC had country offices in 19 countries, liaison offices in Geneva, Brussels, and New York and additional project activity in Chechnya and Syria.

The main programme countries were Somalia, Afghanistan, Uganda, the DR Congo, Burundi, Sudan and Liberia. Myanmar was established as a new programme country in 2008 to assist the displaced population after cyclone Nargis, while NRC exited from Azerbaijan mid-2008. In Nepal, due to the positive political breakthroughs, NRC ended 2008 by preparing for the exit of the programme by mid-2009.

The security and humanitarian situation continued to worsen in many of the country programmes in 2008 and access to large groups of internally displaced persons and refugees remained a difficult obstacle, particularly in Somalia, the DR Congo, Afghanistan, Pakistan and Sri Lanka. A return to full-scale war in Nord Kivu in the DR Congo displaced more than 250 000 persons in just three months, and the operation in Sri Lanka had one of its most difficult



Photo: Trude Bekken/NRC

years with one staff member killed and another who disappeared in the east of the country. Lebanon witnessed the worst sectarian violence since the end of the Civil War, and the August war between Russia and Georgia caused new displacements. In spite of this, NRC managed to deliver extensive humanitarian assistance in extremely demanding and inaccessible areas. The increased risk has forced the organisation to prioritise in order to make our operations possible in the most hazardous areas.

Despite the grave humanitarian situation in many of the country programmes, there were also improvements in some of the ongoing conflict situations and where thousands of IDPs and refugees from Burundi, Ivory Coast, Liberia and Uganda were able to start or continue to return home.

Of NRC's five core activities, the building of schools and shelters was the largest, making up

34 per cent of programme operations, legal assistance constituted 24 per cent, education 21 per cent, camp management 6 per cent, distribution 5 per cent, and other items 10 per cent, including protection monitoring.

Active advocacy work in 2008

The Norwegian Refugee Council reorganised its advocacy work in 2007 by merging the Advocacy Unit, Communication Department and Norwegian Department into one department: the Advocacy and Information Department. In 2008 we saw the fruits of this reorganisation.

The single largest event of the year was the Conference "GP 10 – Ten Years of Guiding Principles on Internally Displaced Persons". The conference gathered important stakeholders like the Norwegian Foreign Minister, UN High Commissioner for Refugees, UN Emergency Relief Coor- >>

The security situation in Liberia was basically stable and the context rapidly moved towards a development-oriented approach in 2008.

dinator, several ministers and representatives of the Red Cross and NGOs. The aim of the conference was to discuss the protection of internally displaced persons, and how the internationally recognised guidelines can be further strengthened in the future.

Another important achievement was the opening of a New York office. The office has employed one person, and the main task of the office is to present and promote the views of NRC at the different and important meetings that take place within the UN and convey messages to the different UN-delegations.

Central to the advocacy work of the organisation is the Protection and Advocacy Advisors Programme which to date is employed at six NRC field offices. Their role is to strengthen the field office's ability to collect information and produce analyses related to the most pressing protection issues faced by the displaced. During the past year there has been a particular focus on the dramatically worsening situations in the DR Congo, Sri Lanka and Afghanistan.

The INCOR project (Information and Counseling on Repatriation and Return) has extensive knowledge of the most important issues facing people who either must return or consider repatriation to their country of origin. Coaching provided at reception centres for asylum seekers and refugee workers in the municipalities in Norway in a comprehensive refugee perspective was the main activity in 2008. The project visited Iraq to assess the situation for returnees from Norway, and administered placement at the NRC

field office in Kenya for employees from reception centres and the Norwegian Immigration Authorities. INCOR is funded by the Norwegian Directorate of Immigration (UDI).

In addition, 2008 was a good year for NRC's information work. The main event on the information side in Norway was the Artist Gala at TV2. The huge success of the Artist Gala was partly the result of the focused and professional communication work. The organisation had an estimated number of between 15 and 20 million reader 'hits' in the Norwegian press and is, on average, the fourth most-cited humanitarian organisation in Norway. In addition, the Norwegian Refugee Council's information unit, comprised of members of the emergency standby force, continued to do information work in their local communities to create awareness about the international refugee and internally displaced persons situation and the work of the Norwegian Refugee Council.

Emergency standby roster: Deploying the right persons

The emergency standby rosters (NORSTAFF, NORAFRIC, NORMIDEAST, NORASIA and NORDEM) consisted of some 800 members at the end of 2008. During the year, about 400 contracts were issued, and NRC had 12 UN standby partner agreements. Members are ready to deploy to anywhere in the world within 72 hours, making NORSTAFF one of the world's largest and most frequently used emergency rosters. NORASIA, which was one of the main >>



Photo: Monika Olsen/NRC

The IDP population in Liberia is undetermined.

initiatives in 2007, has been further boosted in 2008, and 23 persons were recruited from Afghanistan and Pakistan.

During 2008, 59 roster members were deployed to Africa, 37 to Asia, and 40 to the Middle East. In Sudan alone, a total of 17 persons were seconded to our main partners, WFP, UNHCR, UNICEF and OCHA. Other significant areas for personnel support from NRC were Somalia, Chad, the Central African Republic, Kenya, Zimbabwe, Afghanistan, Palestine, Syria, Yemen and Iraq. Notably, three persons were also deployed to North Korea, and six persons to Burma in the aftermath of Cyclone Nargis.

The specialised rosters ProCap and GenCap, which provide support on protection and gender-related matters, respectively, have been able to respond to an increasing number of requests. ProCap responded to 20 requests in 14 countries in 2008, whereas GenCap's contribution equaled seven man-years, compared to 2.1 man-years in 2007.

Maintaining a flexible as well as predictable roster requires highly motivated and professional members; 2008 was marked by a drive to strengthen member care systems, and member satisfaction has increased. A pre-project has been initiated to consolidate NRC as an efficient deliverer of expertise to the UN by more efficient IT tools. Furthermore, there has been an effort to draw on member experience in a systematic manner by developing new reporting routines for gathering field-based information from

secondees. Investing in the human resources that constitute the emergency rosters by capacity-building and intensified member care is an effort that will continue in 2009.

Organisational management, financial position and sources of income

In 2008 the organisation made important steps towards improving monitoring and documentation of results to improve professionalism and accountability. Implementation of the Balanced scorecard in all prioritised programme countries was completed in 2008, and all countries are quarterly reporting status on their strategy implementation. The Head Office in Oslo reports on the Balanced scorecard monthly. In 2008 the organisation developed for the first time a set of organisational strategic focus areas for 2009-10 as part of the annual strategy process. The four strategic focus areas have been further detailed through specific objectives, sub-objectives, indicators and initiatives in a process that has included involvement of all Country Directors.

The Core Activity Database (CAD) is designed to be the main program documentation system for NRC. The first phase of the CAD was completed and went live with global reporting on quantitative project data end of 2008. Globally standardised quantitative indicators for each of the five core activities are now documented monthly. Simultaneous to the implementation of phase 1 of the Core Activity Database, the second phase of the CAD will be initiated early 2009 where



Photo: Tone K. Brastheim/NRC

indicators will be developed which will provide NRC with an improved measurement for assessing quality and impact of programmes.

The Norwegian Refugee Council adapted in 2008 the new accounting standard for humanitarian organisations. Total available funds were slightly reduced in 2008 to 776 million NOK, compared to 800 million in 2007. 93,5 percent of the costs have been used in line with the organisation's mandate. Short-term assets were 419 million NOK at the end of the year, against short-term liabilities of 302 million NOK, a relation of 1,4. This is regarded as satisfactory. Liquidity is also good. Despite the negative annual result on 18 million NOK, liquidity improved with 38 million NOK from the beginning to the end of the year. This is due to a net increase in advances for projects from donors. The foundation has no long-term liabilities.

The foundation's activity is by nature highly exposed to changes in the currency markets, as

significant parts of both income and expenditure are in foreign currencies. However, the risk is minimised through active usage of currency forward contracts and also by our donors' acceptance to carry most of the currency risks. Having no interest-bearing debt, NRC is not highly susceptible to changes in interest rates, but higher interest rates generally improve the net result. In 2008 we received significant grants from foreign donors in the vast majority of programme countries. The biggest foreign contributors were the UN, the EU (through ECHO and European Commission) and the Swedish Agency for International Development Cooperation (SIDA). Alongside this, the Norwegian Ministry of Foreign Affairs continues to be NRC's most important contributor and strategic partner in the majority of programme countries, and also regarding secondment of personnel to the UN. Great importance is placed on the continuing development of this excellent partnership. »

Hundreds of people were killed and at least 158,000 ethnic Georgians and Ossetians fled their homes in South Ossetia and Georgia, due to military offensives by Georgia and the Russian Federation in August 2008.

The year's negative result of 18 million NOK is covered by other equity. The main reason for the sharp decline in results from 2007 was investment in activities aimed at attracting new private sponsors. The main event was our live broadcast show Artist Gala on TV2 televised December 13, which resulted in a substantial increase of regular private sponsors. Such increase is necessary for NRC's ability to continue its growth, to maintain its reputable ability to respond rapidly, and to maintain the necessary independence when working for the world's refugees and internally displaced persons.

The board stresses the need for continued efforts to improve the financial situation and especially to increase non-earmarked funding. The Artist Gala represented an important and highly appreciated step in the right direction, but it is not enough to secure NRC the sound and stable financial situation necessary to maintain operational flexibility. The accounts are built upon the assumption of continued operation, and the board confirms this condition to be in place.

Market activities

The result in 2008 was far below expectations and budget. The External Relations Department made substantial investments in new private regular donor products (Flyktninghjelper and Fadder), new Brand Communication Platform, new logo, new Corporate Sponsor Program and the national broadcast TV fundraiser Artist Gala. The Artist Gala was a huge success with 9511

new registered private donors. The financial outcome of the event will radically change future budget expectations. The Web shop and the Christmas campaign were not as successful in 2008 as in 2007 due to heavy increase of actors in the humanitarian market and stronger competition than the previous year.

Organisational initiatives in 2008

Organisational adjustments

In 2008 NRC implemented several organisational adjustments at the head office to better fulfil its mandate. One strategic move has been the establishment of the Director of Administration, responsible for the staff functions within three departments: Human Resources, Finance and Administration and Strategic Management Support. Another strategic move has been to develop greater capacity and several new geographic sections under the International Programming Department.

The management group has decreased to six persons and consists of the Directors of the International Programme Department, Emergency Response Department, Advocacy and Information Department, External Relations Department, the Director of Administration and the Secretary General.

Working environment

NRC is actively working to maintain and ensure good working conditions within the organisation. Due to the staff reduction process at the head



Photo: Siri Eberhard/NRC

office during autumn 2008, it was particularly important to keep a good dialogue with the staff. In relation to the field offices, important efforts have been the audit of the Terms of Employment, the introduction of the revised Code of Conduct, and the establishment of local trainee arrangements for national staff.

The Working Environment Committee (AMU) met five times in 2008, and discussed issues such as: the employee survey 2007 follow-up, sick leave, equal pay, new organisational medical providers, new head office premises, the head office physical working environment, a new telephone system and workforce reductions.

The Secretary General, Director of Administration and Director of Human Resources met regularly with the labour unions, and the Secretary General held general meetings with the head office staff. The management carried out the annual employee dialogues for 2008.

A new organisational medical agreement was established with the Oslo HMS centre in 2008 and the organisation continued the cooperation

with the Centre for Trauma Psychology in cases where employees need psychological follow-up and care during and after field trips. NRC continues to have a particular focus on the challenging living conditions, including exposure to dangerous diseases, for field staff. In 2008 there were no reports of any occupational injuries at the head office.

Sick leave

The total number of working days at the head office lost to illness has been reduced from 5.1 per cent in 2007 to 4.1 per cent in 2008. Compared to other enterprises this percentage is not high, however, the aim is to reduce the sick leave to 4 per cent. The possibilities and responsibilities following the agreement of an inclusive working environment (Inkluderende Arbeidsliv) have been continued. This means that the organisation will continue to focus on sick leave and to assist individuals on long-term sick leave to return to work.



Of NRC's five core activities, the building of schools and shelters was the largest in 2008, making up 34 per cent of programme operations. Education constituted 21 per cent.

Gender ratio and employees with non-Western Backgrounds

NRC has an overall gender ratio of 45 per cent women and 55 per cent men (head office, country offices and secondees). At the head office, the breakdown is 58 per cent women and 42 per cent men. At the country director level the balance is 60 per cent women and 40 per cent men, while in the management committee at the head office the breakdown is 54 per cent men and 46 per cent women. The management group at the head office consists of two women and four men. The board consists of 50 per cent women and 50 per cent men.

Eighteen per cent of the employees at the head office have a non-Norwegian background, of whom eight per cent are non-Western. In the county offices 83 per cent of the employees have a non-Norwegian background. Men earn on average 4.8 per cent more than women at the head office.

The organisation has a recruiting and staff policy to secure equal possibilities and rights, and hinder discrimination based on ethnicity, national origin, language, religion and style/way of living. In 2008 none of the employees at the NRC head office have reduced functional capability. However, NRC will, if needed, find solutions to adjust the working conditions so that people with reduced functional capability can work in the organisation.

Environment

With regards to the external environment, NRC tries to minimise its use of planes and other types of transportation. NRC is also aware that refugee camp management can have consequences for the environment, and attempts to conduct its work in the least damaging way.

Work of the Board

Board meetings

The Board has undertaken eight meetings, including two strategy seminars. In total 76 issues have been handled in the course of 2008

Board member elections

Chairman of the Board Marianne Johnsen, Deputy Chairman of the Board Kai Gjesdal Henriksen and board member Harald Stabell decided to withdraw from the board as of 1 January 2009. In December 2008, board member Bernt Bull was elected as the new Chairman and board member Vidar Helgesen as new Deputy Chairman. Gisele Marchand, Kaci Kullmann Five, and Bjørn Førde were elected as new board members.

Thomas Horne and Merethe Nederbø were elected as staff representatives to the Board, replacing Mads Henrik Almaas and Marit Backe. Petra Storstein was elected as vice-staff representative, replacing Thomas Horne.

The three new board members have brought



Photo: Tone K. Brastheim/NRC

valuable knowledge, competences and experience from different sectors to NRC, which are important to ensure a balanced and well-composed board.

Kaci Kullmann Five has an extensive career from national politics and Norwegian industry and commerce, and comprehensive experience from various board positions. Today she manages a sole proprietorship where she works as an independent consultant. Kullmann Five was formerly Party Leader and Parliamentary Deputy Leader for the Norwegian Conservative Party, and she was Minister for Trade and Shipping in the Syse government during 1989-90.

Throughout his career, Bjørn Førde has been engaged in the aid and development sector. He serves today as the Director of the UNDP Oslo Governance Centre, one of three global centres that provides counselling, policy guidance and technical support to the UNDP Country Offices. He has previously been the UN Resident Coordi-

nator/UNDP Resident Representative in Botswana and Secretary General for the Danish organisation Mellomfolkeligt Samvirke.

Gisele Marchand is Managing Director in Eksportfinans, a Norwegian export credit institution for export financing. Marchand has comprehensive experience from management positions in Norwegian industry and commerce. She has been Managing Director of the Norwegian Public Service Pension Fund, Managing Director in the communication company Bates-Gruppen, and has formerly worked at the Norwegian bank (Den norske bank) the last years as Group Managing Director.

Field missions

Field missions were included in the board arrangements in 2003 to increase the Boards knowledge of NRC's field activities. In addition, updates from NRC's field operations are provided regularly. After two years with these arrange- >>

ments, the Board concluded that:

- a field mission should not include too many participants
- the responsible program coordinator should join the field mission
- the field mission should be dispersed in time to provide sufficient time to discuss the field reports.

There was only one field mission arranged in 2008, to Uganda. Kai Gjesdal Henriksen, Bernt Bull, Harald Stabell and Ronald Craig participated. The operations are mainly concentrated on internally displaced people in North Uganda, where the Lord Resistance Army has forced people to seek protection in camps. The mission was introduced to many of the programme activities and met with representatives from local authorities and the Norwegian Embassy. After returning

from Uganda media coverage was arranged. Some general questions related to NRC's program activities were discussed by the Board in connection with the mission report.

Board work

In 2008, the Board was particularly engaged in the financial situation of NRC, how to handle the growing financial deficit and bring the organisation into balance within 2010. The Board also attentive to the development of new marked initiatives and new communication platform, in particular the Artist Gala and strategy for recruiting new private regular sponsors. In addition to financial management, consolidation of the organisations strategic objectives and implementation of balanced scorecard were thoroughly addressed by the Board.

A self-evaluation of the Board undertaken at the end of the year, indicated that the board meetings and seminars are characterised by good management and teamwork. The composition of board members in regard to relevant knowledge, experience and competences ensures a professional board well equipped handle future challenges. 2008 was also a year of good cooperation between the Board and the administration and the Board wishes to express its sincere thanks to all NRC staff for their outstanding efforts throughout the year.

Prospects for the upcoming year:

We will continue to make a difference

Norwegian Refugee Council has assisted people on flight for more than 60 years and the efforts in 2008 confirms NRC's position as a competent

and efficient organisation present in many of today's worst wars and conflicts. Despite the increasingly difficult security situations and diminishing humanitarian access in many conflicts, NRC continues to assist refugees and internally displaced wherever need is found. There is still need for continuing the efforts towards these vulnerable groups and the Board is confident that NRC is well equipped to meet the challenges ahead.

Oslo, May 4th 2009

Bernt Bull
Chairman of the Board

Vidar Helgesen
Deputy Chairman of the Board

Grete Brochmann
Board member

Skjoldvor Fjeldvær
Board member

Ronald Craig
Board member

Bjørn Førde
Board member

Kaci Kullmann Five
Board member

Gisele Marchand
Board member

Thomas Horne
Staff repr.

Merethe Nedrebø
Staff repr.

Elisabeth K. Rasmussen
Secretary General

Activity accounts (profit & loss)

(All figures in NOK 1 000)	Notes	2008	2007
Revenue			
Contributions from donors	2	736 800	754 564
Total contributions from donors		736 800	754 564
Lotteries and games		17 499	17 884
Sponsors	3	10 055	14 674
Webshop / sale of products		3 040	4 215
Advertisements in NRC magazine		611	683
Total fundraising		31 205	37 456
Financial income		9 493	9 461
Financial costs		-652	-1 427
Net financial income		8 841	8 034
Other income		0	95
TOTAL REVENUE		776 846	800 149

(All figures in NOK 1 000)	Notes	2008	2007
Operating costs			
<i>Fundraising:</i>			
Lotteries and games		7 749	5 967
Sponsors	4	8 403	1 905
Webshop / sale of products		2 856	2 368
Artist Gala	4	16 993	0
Other costs		7 713	8 583
Support costs at Head Office	6	2 162	1 890
Total fundraising costs	6	45 875	20 714
<i>Humanitarian activities:</i>			
Shelter (building of homes and schools)		206 073	248 841
Education		121 974	132 165
Information, Counselling and Legal Assistance		140 694	114 732
Camp Management		32 006	51 992
Emergency Food Security		31 318	23 976
Other		19 661	38 979
Total direct costs to Programme Activities		551 725	610 686
Emergency Standby Rosters		125 577	103 550
Advocacy and Information		25 490	26 572
Project Support at Head Office	6	40 720	43 703
Total costs to humanitarian activities		743 513	784 512
Administration costs	6	5 763	4 852
TOTAL OPERATING COSTS		795 151	810 078
NET RESULT		-18 305	-9 929
Appropriation of net result:			
Transfer from other equity		-18 305	-9 929
Sum appropriation of net result		-18 305	-9 929

Balance sheet as per December 31

(All figures in NOK 1 000)	Notes	2008	2007
ASSETS			
Long term assets			
Long term receivables	9	35	35
Fixed assets	7	1 104	2 279
Total long term assets		1 139	2 314
Short term assets			
Short term receivables, donors		44 362	55 520
Short term receivables		15 179	8 995
Shares and bonds	8	54 520	56 699
Bank deposits and cash	11	305 315	267 080
Total short term assets		419 376	388 294
Total assets		420 515	390 608

(All figures in NOK 1 000)	Notes	2008	2007
EQUITY AND LIABILITIES			
Equity			
Foundation capital		1 000	1 000
Contingency fund		49 000	49 000
Total paid-in capital	12	50 000	50 000
Other equity		68 643	86 948
Total earned equity	12	68 643	86 948
Total equity		118 643	136 948
Short term liabilities			
Trade accounts payable		13 356	5 892
Government fees		15 341	14 081
Project funds received as advancements	2	243 715	201 631
Collected funds, with restriction on usage	1,3	380	806
Other short term liabilities		29 081	31 250
Total short term liabilities		301 872	253 660
Total equity and liabilities		420 515	390 608

Oslo, May 4th 2009



Bernt Bull
Chairman of the Board



Vidar Helgesen
Deputy Chairman of the Board



Grete Brochmann
Board member



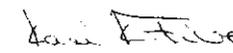
Skjoldvor Fjeldvær
Board member



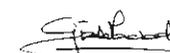
Ronald Craig
Board member



Bjørn Førde
Board member



Kaci Kullmann Five
Board member



Gisèle Marchand
Board member



Thomas Horne
Staff repr.



Merethe Nedrebø
Staff repr.



Elisabeth K. Rasmussen
Secretary General

Cash flow analysis

(All figures in NOK 1 000)

	2008	2007
Cash flow generated by operations:		
Net result	-18 305	-9 929
Depreciation of fixed assets	1 324	1 225
Increase(+) / Decrease(-) of project advancements	53 242	24 122
Change in other short term receivables & liabilities	- 55	3 033
(A) Net cash flow from operations	36 206	18 451
Cash flow spent on investments in fixed assets:		
Investments in fixed assets	- 149	-1 911
Net investment in shares and bonds	2 180	-1 422
(B) Cash spent on investments in fixed assets	2 031	-3 333
Cash flow from long term financing:		
Increase(-) / Decrease(+) in long-term receivables	0	0
(C) Net cash effect of long term financing	0	0
A+B+C Net changes in cash flow during the year	38 237	15 118
Bank deposits and Cash Jan 1	267 080	251 962
Bank deposits and Cash Dec 31	305 317	267 080

Notes to the accounts

Note 1 Accounting principles

The Norwegian Refugee Council (NRC) is a non-profit humanitarian foundation. Its activities are financed through project contributions from donors such as the Norwegian Ministry of Foreign Affairs (MFA), NORAD, the UN system and EU, and also with own funds collected through fundraising. In 2008, NRC-projects were conducted in 19 countries, some of which experience considerable lack of stability. Consequently, a relatively high risk applies to human resources and finances alike. The financial risk, however, is rarely the responsibility of NRC. The donors will normally carry the risk of financial loss caused by acts of war or robbery, provided appropriate security measures have been taken. All NRC-employees in Norway and abroad are insured, removing all liability of the foundation in the event of war, other unrest or accidents. Similarly, all material is insured.

On March 13th 1997, NRC was organized as a foundation, with a foundation capital of NOK 1 mill. Being a foundation, NRC's financial statements must be submitted to Regnskapsregisteret in Brønnøysund, Norway. The foundation is tax-exempt. The financial statement adheres to the 1998 accounting regulations and accepted accounting principles.

As of the accounting year 2008, Norwegian Refugee Council has implemented a new accounting standard for non-profit organisations; the Provisional Norwegian Accounting Standard on Good Accounting Principles for Idealistic Organisations as of November 2008. The main change is that the profit and loss account is classified by activity rather than by type. Operating costs are split into three main categories; humanitarian activities, fundraising and administration. Humanitarian activities are split into our different operational activities.

The balance of 2007 is re-classified to make the two years comparable. This has no effect neither in net result nor equity.

Principles of revenue-and cost recognition

Income from marketing activities (fundraising from individuals, organizations and companies, plus lotteries etc) are recognized as revenue when received, except funds with specific restrictions on usage. These are capitalized in the balance sheet when received and recognized as revenue when used. Contributions from donors always have restrictions on usage and are therefore recognised as income in line with expenditure linked to the supported activity. The restrictions include an obligation to return unused funds to donors. Contributions that have not been recognised as income are stated in the balance sheet as liability under 'Project funds received as advancements'. Costs are recognized as costs when incurred.

Classification and evaluation of balance sheet items

Short term assets and liabilities include items which are due for payment within one year from the balance sheet day, and items connected to operation of the projects. Other items are classified as fixed assets/long-term liabilities. Shares and bonds are measured at their actual value on the balance sheet day.

Long-term assets are valued at the lowest of acquisition cost and fair value. Write-downs to fair value are carried out when the decrease in value can not be considered temporary, and must be considered necessary according to generally accepted accounting principles. The write-downs are reversed when the basis for write-downs no longer exists. Long-term liabilities are included in the balance sheet at fair value on the balance sheet day.

Fixed assets

Fixed assets with an expected economic useful life of more than three years and a cost of more than NOK 15 000, are capitalized in the balance sheet and depreciated over their economic useful life. Maintenance of fixed assets are charged directly

to p&l, while additional investments and/or improvements are added to the purchase price of the fixed asset and depreciated accordingly with the same. Fixed assets procured for usage in the field are charged directly to p&l at the time of procurement. This because the purchase cost is covered in total by donor and the asset will normally be at the donor's disposal at the end of the project. In addition there is a rapid wear and tear and high risk of loss of the assets.

Receivables

Receivables are included in the balance sheet at face value less deduction of provisions for expected loss. Provisions for bad debts are based upon individual assessments of each receivable.

Foreign exchange

Balance sheet items in foreign currencies are converted at the exchange rate at the day of balance, except bank deposits and cash acquired for usage in donorfinanced projects. These are maintained at the rate of acquisition, because this is the rate used when the donors approve and compensate for costs paid in foreign currencies. Foreign exchange gains and losses are included as financial items in the p&l.

Note 2 Contributions from donors

(All figures in NOK 1 000)

	2008	2007
Contribution from Norwegian donors (NMFA, NORAD and UDI)	506 623	506 299
Contributions from other donors incl UN	268 565	272 387
Increase (-) of net project funds received as advancement	-38 388	-24 122
	736 800	754 564

Note 3 Sponsors

(All figures in NOK 1 000)

	2008	2007
Contribution from private sponsors	8 041	13 116
Contribution from business and other partners	2 014	1 558
	10 055	14 674

Note 4 Fundraising (earmarked and free funds)

Norwegian Refugee Council has in 2008 made significant investment in activities aimed at attracting new private sponsors, both by recruiting 'face to face' on the street and by a live broadcast show Artist Gala at TV2 in December, which resulted in 7.400 new private sponsors. The Board strongly supported this investment, in order to substantially increase private contributions and thereby secure future operational flexibility.

Note 5 Project revenue split on donors, countries and regions

(All figures in NOK 1 000)

Region	Land	Own funds Collected	MFA Norway	UNHCR UN	ECHO EU	SIDA Sweden	NORAD Norway	EC EU	OCHA UN	UNICEF UN	USAID/USDOS USA	UNDP UN	WFP UN	DFAIT Canada	DANIDA Denmark	STATOIL Norway	Other	Total	
Asia	Afghanistan		40 879	4 633	8 824			6 151			2 295				10		12	62 804	
	Azerbaijan		1 230	- 34	2 901											173		4 270	
	Georgia	37	22 515	5 768	1 118	661			18							556	29	30 702	
	Lebanon		13 636	1 883	14 291													29 811	
	Myanmar	157	1 136														151	1 444	
	Nepal		2 052	69	3 265							2 206						970	8 562
	Pakistan	276	1 711												4 014		2 126	8 127	
	Palestine Territories		925															925	
	Russia / Central Asia		12 614																12 614
	Sri Lanka	150	3 912	3 538	6 951	4 202	4 142				1 985							300	25 179
	Syria		888																888
	Timor Leste		12 962										41						27
Secondments		68 798							7 970	75							11	76 853	
Total Asia		620	183 259	15 857	37 350	4 863	4 142	6 151	7 970	93	6 485	41	0	0	4 024	729	3 626	275 211	
Africa	Angola		1 236															1 236	
	Burundi		24 390	3 420	1 990	4 964	3 530			3 111							1 743	43 148	
	Ivory Coast		9 794	1 021		2 644		1 160		218		455					3 447	18 740	
	Congo D.R.	310	24 981	3 934	5 250	8 256			7 986			4 037	148				540	55 443	
	Liberia	40	28 960	3 720	353	3 439							1 659				339	38 508	
	Central African Republic		4 298			1 053				985		990	9					7 335	
	Somalia/Kenya		36 470	24 676	328	2 792		5 527		81	331						686	70 891	
	Sudan		23 333	703		3 180				2 512		2 089		3 456				3 861	39 133
	Uganda		35 522	6 061		4 844		4 268	162	15			4 906					2 768	58 546
	Zimbabwe		698																698
	Other countries	74																76	150
	Secondments		34 045							7 970			241						42 256
Total Africa		424	223 726	43 535	7 920	31 172	3 530	10 955	8 132	14 908	331	7 571	6 964	3 456	0	0	13 460	376 085	
Europe	Switzerland / Belgium	1 745	2 049	1 604		1 142					2 681			633			7 789	17 643	
	Norway		8 415	2 812		1 484	2 659										2 802	18 172	
	Secondments		15 465							18							1 003	16 486	
Total Europe	1 745	25 929	4 416	0	2 626	2 659	0	0	18	2 681	0	0	633	0	0	0	11 594	52 301	
America	Colombia	18	15 950		3 353	1 046	8 991										4 260	33 618	
	Other countries	159	837															996	
	Secondments		387															387	
Total America	177	17 174	0	3 353	1 046	8 991	0	0	0	0	0	0	0	0	0	0	4 260	35 001	
Total		2 967	450 087	63 809	48 623	39 706	19 322	17 107	16 102	15 019	9 497	7 612	6 964	4 089	4 024	729	32 940	738 598	
Donor's share (ex secondments)		0,0 %	55 %	11 %	8,0 %	7,0 %	3,0 %	3,0 %	0,0 %	2,0 %	1,6 %	1,3 %	1,1 %	0,7 %	0,7 %	0,1 %	5,3 %	100 %	

Note 6 Specification of operating costs

Following Provisional Norwegian Accounting Standard on Good Accounting Principles for Idealistic Organisations, administration costs are defined as the part of the costs for running of the organisation that are not directly linked to specific activities. Administration costs include costs incurred by the Board, salary to Secretary General and her assistant, Director of Administration, HR- director, Chief Accountant, Strategic Advisor and fees to auditors and lawyers.

All employees of Norwegian Refugee Council are employed to work with one or more of the main activities of the organisation, and costs related to these persons are distributed among the different activities. Indirect support functions at the head office are distributed between the main activities based on the number of manyears linked to the different activities.

Support- and administration costs are mainly financed by donors as percentage add-ons to direct project costs. Also parts of the advocacy and information activities are not directly financed externally and must therefore be financed within the same percentage add-on or with equity.

(All figures in NOK 1 000)

	2008		2007	
Support costs at Head Office				
Indirect support functions	7 584	1,0 %	6 874	0,8 %
Project support to Humanitarian activities	35 298	4,4 %	38 720	4,8 %
Total support costs	42 882	5,4 %	45 594	5,6 %
distributed between				
Fundraising	2 162	0,3 %	1 890	0,2 %
Humanitarian activities	40 720	5,1 %	43 703	5,4 %
Specification of costs by activities				
Fundraising	45 875	5,8 %	20 714	2,6 %
Direct costs on Humanitarian activities	702 792	88,4 %	740 809	91,4 %
Indirect costs on Humanitarian activities	40 720	5,1 %	43 703	5,4 %
Administration costs	5 763	0,7 %	4 852	0,6 %
Total operating costs	795 151	100 %	810 078	100 %

	2008	2007
Specification of costs by type		
Project materials etc	371 646	437 638
Salaries and social costs	366 522	339 444
Other operating costs	55 659	31 771
Depreciation of fixed assets	1 324	1 225
Total operating costs	795 151	810 078

Note 7 Salary etc

(All figures in NOK 1 000)

	2008	2007
Salaries	313 675	293 793
Social security allowance	15 257	16 050
Other benefits	37 590	29 601
Gross salary costs	366 522	339 444

The Secretary General was in 2008 paid NOK 824 935 in salaries and NOK 24 964 in other allowances, totalling NOK 849 899. NOK 150 000 in remuneration was paid to the Board members in 2008.

The fee to Ernst & Young AS for ordinary audit for 2008 is estimated to NOK 220 000. In addition, NOK 3 416 375 was paid for project audits performed in Norway and abroad. These audits were performed by a number of different auditors. The audit fees are included under 'Administration costs' and 'Direct costs on Humanitarian activities', respectively.

At the end of the year there were 122 employees at the head office in Oslo and 2 340 local employees in other countries. In addition, 304 employees were employed by NRC in Oslo, for service abroad. A total of 940 persons were employed by NRC in Oslo in 2008 for service abroad.

All* employees paying tax to Norway are members of Statens Pensjonskasse, so that the new rules of Obligatorisk Tjenestepensjon (OTP) are fulfilled. * The secondees; who work for miscellaneous UN-organizations abroad, are not members of the pension scheme. It is unclear whether they too are affected by the new rules on OTP. This is still being investigated in cooperation with relevant authorities.

Note 8 Fixed assets

(All figures in NOK 1 000)

	Furniture, IT, equipm.
Acquisition cost as per Jan 1st 2008	3 823
Investments in 2008	149
Divestments in 2008	0
Acquisition cost as per Dec 31st 2008	3 972
Accumulated depreciation/write-downs as per Jan 1st 2008	-1 544
Depreciation in 2008	-1 324
Divestments in 2008	0
Accumulated depreciation/write-downs Dec 31st 2008	-2 868
Net book value at Dec 31st 2008	1 104
Depreciation rate (linear)	33 %

NRCs head office on three and a half floor in Grensen 17 Oslo, is rented from Storebrand Eiendom. The rental contract runs until 1.July 2013, the annual rental fee is approx NOK 4 million.

Note 9 Shares and bonds

Surplus funds are invested in the market through professional investors. At yearend, the portfolio had the following composition:

(All figures in NOK 1 000)

Name	Acquisition cost	Value 31-12-07	Inv./ (sale) 2008	Yield 2008 Amount	%	Value 31-12-08
Dnb NOR Lang Obligasjon 20	10 146	0	0	0	0,0 %	0
Dnb NOR Likviditet 20 (IV)	30 014	34 139	-5 867	2 036	6,5 %	30 308
DnB NOR Obligasjon 20 (II)	0	6 172	3 641	728	9,1 %	10 541
Total bonds	45 731	40 311	-2 226	2 764	7,1 %	40 849
Dnb NOR Global Etisk (IV)	18 142	15 243	2 225	-4 301	-26,3 %	13 167
ABN AMRO (gml Banco)	500	1 146	0	- 643	-56,1 %	503
Total shares	5 542	16 389	2 225	-4 944	-30,2 %	13 670
Dnb NOR cash deposit	0	0	0	0,0 %	1	
Total shares and bonds	51 273	56 699	- 1	-2 180	-3,8 %	54 520

Booked value equals market value both in 2007 and 2008.

Note 10 Long-term receivables

In 2001, 10 of Norways largest humanitarian organizations started a co-operation on games on the internet. In this connection, two companies were established: "De 10 Humanitaere AS" where each organization paid in NOK 15.000 for 10% of the share capital. In addition, each organization granted a loan of NOK 100 000 to 'De 10 Humanitaere AS", of which NOK 20 000 is not yet paid back. The loan, totalling NOK 1 mill, was used to acquire 51 % of the company "Norskspill.no AS".

Note 11 Bank deposits and cash

Of the bank deposits, NOK 7,0 mill is tied up on a separate account for tax deducted from employees, NOK 7,0 mill is deposited as guarantee for lotteries and NOK 1,8 mill as deposit for the rental contract for the head office in Oslo.

Note 12 Earned equity

(All figures in NOK 1 000)

	2008	2007
Other equity as per Jan 1st	86 948	0
Transfer (from) / to Other equity	-18 305	86 948
Other equity as per Dec 31	68 643	86 948

In addition to this there is equity of 50 MNOK. If total equity gets lower than this amount, the Board has bound itself to implement extraordinary measures.

Note 13 Currency risk

All project funds used in the field are converted to USD or EURO. During periods with significant currency fluctuations, the foundation runs a certain risk of currency loss, as most of the donor funds are granted in NOK. In many cases the donors accept to carry the currency risks. In addition, the risk is reduced through usage of forward contracts. As per December 31 2008, we have no active forward contracts.



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To the Board of Directors
The Foundation Norwegian Refugee Council

Auditor's report for 2008

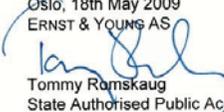
We have audited the annual financial statements of Norwegian Refugee Council as of 31 December 2008, showing a loss of NOK 18,305,000. We have also audited the information in the Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss. The financial statements comprise the balance sheet, the statements of activity accounts and cash flows and the accompanying notes. The regulations of the Accounting Act and accounting standards, principles and practices generally accepted in Norway have been applied in the preparation of the financial statements. These financial statements and the Directors' report are the responsibility of the Foundation's Board of Directors and the Secretary General. Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors and the Foundation Act.

We conducted our audit in accordance with laws, regulations and auditing standards and practices generally accepted in Norway, including the auditing standards adopted by the Norwegian Institute of Public Accountants. Those standards and practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and auditing standards, an audit also comprises a review of the management of the Foundation's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects the financial position of the Foundation as of 31 December 2008, and the results of its operations and its cash flows for the year then ended, in accordance with accounting standards, principles and practices generally accepted in Norway
- the Foundation's management has fulfilled its duty to properly record and document the Foundation's accounting information as required by law and generally accepted bookkeeping practice in Norway
- the information in the Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss is consistent with the financial statements and comply with law and regulations.

Nothing has come to our attention that causes us to believe that the asset management of, and distribution from the Foundation has not been in accordance with law, the object of the Foundation and its statutes.

Oslo, 18th May 2009
ERNST & YOUNG AS

Tommy Rønnskaug
State Authorised Public Accountant (Norway)

Note: The translation to English has been prepared for information purposes only.

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