

ANNUAL REPORT FOR NORWEGIAN REFUGEE COUNCIL – 2013

Historic levels of activity and a time for restructuring

In 2013, the Norwegian Refugee Council (NRC) delivered aid and protection to approximately 4.4 million people in 25 countries and had a turnover of more than NOK 1.8 billion. Both the number of beneficiaries and the turnover are the highest in the organisations' history. The standby rosters also had a higher level of activity than ever before, equalling 212 man-years distributed across nearly 600 individual assignments, with expert personnel seconded to the UN and other international organisations.

NRC is Norway's largest international humanitarian organisation and enjoys a central position in the international aid work targeting refugees and internally displaced. NRC has a strong Norwegian base, while at the same time sustaining a significant international profile. In 2013, the Norwegian government contributed 35 per cent of NRC's total turnover, international donors contributed 62 per cent, with the remaining 3 per cent coming primarily from private Norwegian sponsors. The EU Commission's humanitarian agency, ECHO, is now NRC's second largest contributor.

In 2013, an extensive restructuring of the organisation was completed. Several support functions were moved closer to field operations, at the same time as decision-making processes were moved further down the organisational chain. The new organisation also provides a basis for further strengthening of the cooperation with donors and partners. After more than five years in NRC, Elisabeth Rasmusson resigned as Secretary General and took on the position as Assistant Executive Director of the World Food Programme (WFP). Jan Egeland was recruited as NRC's new Secretary General and began his tenure in August 2013.

Programme activities

NRC has five core competencies. The construction of shelters and schools remains the largest in terms of cost, with 48 per cent of total programme costs. Shelter is followed by education (23 per cent), information, counselling and legal assistance (15 per cent), food security (7 per cent) and water, sanitation and hygiene (7 per cent). The latter has, as a new core competency, developed significantly during the past year. Education is increasingly recognised as important *also* in emergency phases, and was a central part of the rapid response in South Sudan and the Syria-crisis.

Over the last years, shelter and ICLA have become more closely integrated, which has contributed to an advocacy increasingly based on findings and information from NRC's own programmes. Advocacy linked to education has also been strengthened, and in 2013 the organisation's first pilot project against gender based violence was started in the Syrian refugee camps in Kurdistan in northern Iraq.

In 2013, NRC had programme activities in 25 countries: Burkina Faso, Mali, Côte d'Ivoire, the Democratic Republic of Congo, Yemen, Kenya, Somalia, Ethiopia, Djibouti, Liberia,

South Sudan, Uganda, Zimbabwe, Afghanistan, Pakistan, Myanmar, Sri Lanka, Iran, Iraq, Lebanon, Jordan, Palestine, Syria, Colombia and Georgia. NRC's presence in Sri Lanka and Georgia was phased out, and exit from Uganda is planned during 2014. Of the around 4.4 million refugees and internally displaced supported by NRC, 51 per cent were women and girls.

Increased response capacity and improved access to displaced persons

As a response to the Syria-crisis, NRC's Emergency Response Team was deployed to Jordan, Turkey (cross-border operations into Syria) and the Kurdistan Region of Iraq. Towards the end of the year, deployment to South Sudan was mobilised. In addition, the team assisted Iran, Afghanistan and Pakistan with developing contingency plans.

The newly-established emergency program in northern Syria had, by the end of the year, assisted 250,000 people in three provinces. The work is done in collaboration with local humanitarian actors, and includes distribution of water and sanitation; rehabilitation of reception centres for displaced and houses of host families; the establishment and maintenance of refugee camps; and refurbishment of schools and support to the education sector. At the same time, NRC's activities in Jordan, Lebanon and Iraq have expanded significantly, both in regards to volume and thematic sectors. The highest relative growth was in Northern Iraq, as a consequence of the large increase of refugees in the region, and NRC now works in four camps, in addition to a transit camp, in the Erbil and Dohuk provinces. In Jordan, shelter is now also offered to refugees residing outside of camps, while in Lebanon, important progress has been in the efforts to integrate Syrian children in Lebanese schools.

On the Horn of Africa, new core competencies were implemented in the whole region, including information, counselling and legal assistance, and water and sanitation. In Somalia, NRC opened new offices in strategic areas of return. In addition, programme activities were started in Djibouti and a pilot project was implemented in Eritrea. The work in Yemen was expanded through the establishment of two satellite offices and the start-up of activities related to education and food security. Towards the end of 2013, NRC expanded its field operation in Ethiopia to Gambella, in order to assist newly-arrived refugees from South Sudan.

At the start of 2013, NRC established a country office in Mali in order to support internally displaced persons with legal assistance, shelter, distribution of relief supplies, education and improved sanitation in southern towns, such as Bamako, Segou and Mopti. Towards the end of the year, NRC also succeeded in establishing a presence in areas of return in Timbuktu and Gao in the north. The activities in Burkina Faso were incorporated as a part of the country programme in Mali, where the focus has been on shelter in refugee camps. In the Democratic Republic of Congo, NRC continued to increase the scope of humanitarian assistance to new areas in North-Kivu. A base was established in Nobili in order to respond rapidly to the humanitarian crisis close to the border of Uganda.

Field operations in Iran, Pakistan and Afghanistan continued their focus on Afghan refugees as a consequence of the difficult humanitarian and security situation in the region. In order to be better prepared to meet challenges in a shifting humanitarian landscape, NRC in Afghanistan has expanded its operations to the Kandahar and Kunar provinces – both areas with major unmet humanitarian needs. In Myanmar there are ongoing efforts to expand operations in the south-east, in the areas on the border to Thailand.

Security

In July 2013, NRC once again experienced a kidnapping incident, when two employees and a hired driver were kidnapped in Afghanistan. They were released unharmed 12 days later.

This incident once again tested the organisation's crisis management, both at the Head Office and in the field. NRC has a continuous focus on improving its security systems and as part of this work, a new security policy was developed in 2013.

NRC's expert deployments

NRC's emergency standby rosters deliver support to international operations in all phases of an emergency. Additionally, the standby rosters provide monitoring and early warning, reconstruction, and development of sustainable structures and democracy. The emergency rosters consist of 850 persons with varied professional backgrounds who at any given time stand ready to be deployed to international operations at a 72-hour notice.

In 2013, the emergency rosters delivered a record high number of FTEs to international, regional and national agencies in their work to prevent and respond to various types of humanitarian challenges. The humanitarian challenges that caused the highest demand for expert personnel were the conflicts in Syria and the Central African Republic, in addition to the typhoon in the Philippines. In total, the emergency rosters contributed a total of 212 FTEs in close to 600 individual assignments.

80 per cent of the FTEs came in the form of experts seconded through NORCAP. The remaining 20 per cent was distributed across the special thematic rosters GenCap, ACAPS and MSU. During 2013, NORCAP received 698 secondment requests from its partner organisations. This resulted in a total of 357 assignments. Coordination/management and protection were the two largest assignment categories and amounted to 39 per cent of all assignments.

In 2013, NRC strengthened the follow-up routines for roster members who return from assignments. This included a more systematic reporting and debriefing, and several members also chose to take use of further follow-up with a psychologist. Increased emphasis has also been placed on communication, and strengthened monitoring, reporting and information dissemination has contributed to a far better visibility of the emergency standby rosters' work throughout the year.

Information and advocacy

NRC works actively to improve the protection of refugees and internally displaced through advocacy in programme countries, international forums and in Norway. In 2013, the organisation particularly focused on property rights; securing access to aid for refugees and internally displaced; displacement related to climate change and natural hazards; regulations within the humanitarian sector to prevent terrorism-support; and work related to various emergency situations around the world, including Syria.

Over the past few years, NRC has completed a series of country studies related to women's right to housing, land and property in Afghanistan, Ecuador/Colombia, Lebanon, Liberia, Palestine (Gaza) and South Sudan. In 2013, the studies were presented at various international conferences, and will also be monitored in the respective countries covered by the studies. In Mali, NRC completed a study to develop better methods for assisting displaced persons in the north of the country. In DRC, NRC has actively worked to ensure that all parties contribute to the protection of civilians, and to not limit measures to military operations alone.

In cooperation with UN's emergency relief agency OCHA, NRC published a report on the prevention of terrorism: "Study of the impact of donor counter-terrorism measures on principled humanitarian action". The report has laid a foundation for constructive processes with the UN, donors and NGOs to establish a set of regulations and contractual formulations that are better adapted to humanitarian work.

Climate change and displacement

To strengthen the protection of those who are forcibly displaced by natural hazards and as a consequence of climate change, NRC works actively internationally to promote the inclusion of clauses in legislation related to crisis prevention and crisis management. In 2013, this issue was included in proposed bills in several East-African countries. If these are passed, it would be the first time displaced persons who cross a border as a result of climate-related displacement are secured judicial rights.

Together with partners, NRC has ensured that displaced persons have become an issue in climate negotiations and global coordination for the prevention and reduction of natural hazards. The Nansen Initiative, a state-led process spearheaded by Norway and Switzerland, works to establish a dialogue on protection for those displaced by natural hazards and climate change. NRC contributed to the first two regional consultations that have been held for the Pacific Ocean and Central America.

Documenting internal displacement

Through NRC's Internal Displacement Monitoring Centre (IDMC) in Geneva, the situation for internally displaced in approximately 50 countries is continuously monitored. IDMC's extensive database is available online, in addition to the annual publication "Global Overview". The database is the leading source of information on internally displaced globally, and is used as a reference tool by the UN, governments, international media and academic institutions. In 2013, IDMC also launched the report "Global Estimate", which estimates the number of displaced due to natural hazards. During the year, IDMC published a series of special reports of both geographic and thematic character.

Media and communication

Media is an important channel to both influence decision-makers and to reach out to the general public with information on refugees and internally displaced. In 2013, the impact in Norwegian media was around 50 per cent higher than the previous year, adjusted for the extraordinary attention given the kidnapping incident in 2012.

As a consequence of NRC's improved international standing, international media work has become increasingly important. NRC's Secretary General has on several occasions reported directly from, amongst others, the Syria-region to channels such as the BBC and Al-Jazeera.

NRC publishes its own foreign affairs magazine *Perspective* in both English and Norwegian, as a response to reduced coverage of foreign affairs in traditional media. The Norwegian edition is mainly distributed through Narvesen, while the English edition is distributed in cooperation with UNHCR to their international network.

Each year, together with UNHCR, NRC awards the Nansen Refugee Award to a person or an organisation that has done exceptional work for people who have been displaced. In 2013, the award went to the Congolese nun Sister Angelique for her tireless work for victims of the conflict in the Democratic Republic of Congo. The award and the laureate received media attention in 79 different countries.

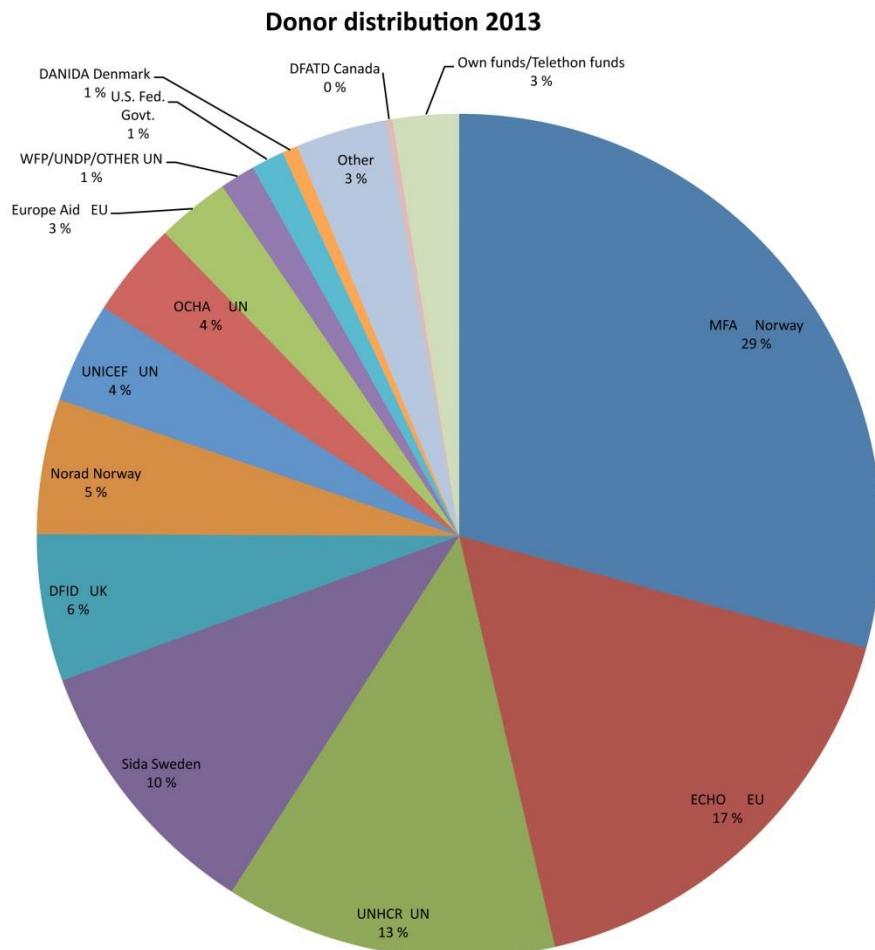
Finances and revenue base

In 2013, NRC's gross income was NOK 1.88 billion; 36 per cent higher than in 2012. Ninety-eight per cent of costs were used to fulfil NRC's mandate. Since the fiscal year 2008, NRC has used the preliminary accounting standards for non-profit organisations. In line with these standards, the entire income of NOK 209 million from the 2010 Telethon was recognised in the fiscal year 2010, even though the funds will be spent over a five-year period. The annual results show a positive net result of NOK 10.2 million. Other equity was strengthened by NOK 43.2 million. The difference is because Telethon funds are taken from Equity with external restrictions. Current assets amounted to NOK 853 million at the end of the year, against a short-term debt of 535 million, i.e. a ratio of 1.6. This is satisfactory. Liquidity is good and the organisation has no long-term debt.

The organisation's activities are exposed to changes in exchange rates, as a significant part of both income and expenditures are in foreign currencies. The donors carry most of the currency risk, but the organisation enters forward contracts to reduce the risk. As the organisation has no interest-bearing debt, increases in interest rates will lead to an improved result.

Broad donor base

In later years, NRC has broadened its donor base to include a larger number of institutional donors. This is a strategic priority, and the Board has also devoted time to this work. More donors gives NRC more security and predictability. In addition, the various donor requirements has led to increased professionalism in the organisation.



The Norwegian Ministry of Foreign Affairs (NMFA) remains the largest contributor and a vital strategic partner in the majority of programme countries and in the deployment of expert personnel to the UN. NRC places great emphasis on further development of this positive collaboration. At the same time, the targeted work of increasing allocations from international donors has proved positive in 2013 as well, and the organisation received significantly more funds from international than Norwegian donors. The largest international contributors were the EU-system, where ECHO was by far the largest; various UN-organisations, where UNHCR was the largest; and the governments of Sweden and United Kingdom. The governments of Denmark, United States, Switzerland and Canada were also important donors. The activity level significantly increased in 2013, primarily because of the organisation's rapid and forceful response to the Syria-crisis.

A major cause of NRC's strengthened position in recent years is the increased freedom of action provided by the contributions from private sponsors. Although they make up a small part of the total income, these flexible funds are essential for NRC to maintain its ability to respond rapidly and efficiently in emergency relief work for the world's refugees and internally displaced. Another important reason for the positive result in 2013 is that NRC implemented the significant increase of activity levels without a corresponding increase in administrative costs.

The income from the 2010 Telethon will be of significant importance for NRC's level of activity and financial situation also in the coming years. The funds are invested in accordance to NRC's and NRK's Fundraising Association's investment instructions.

The accounts are prepared on the assumption of continued operations, and the Board confirms that this assumption is correct.

Organisation and personnel

As of 31.12.2013, the organisation had a total of 3,879 employees. 3,266 were national staff, 237 were international staff at the country offices, 170 worked at the Head Office in Oslo and 206 were at that time seconded through the standby rosters.

Work environment

NRC has actively worked to maintain a good working environment in the organisation, which is rooted in the new HR-policy which was developed in 2013. During the year, NRC recruited a total of 213 people at the Head Office, of which 152 were recruited for assignments at the country offices and 61 were recruited as staff at the Head Office. This is in addition to the extensive recruitment taking place at the various country offices.

The annual work environment survey was in 2013 further expanded to include more national staff at the country offices. With a response rate of 77 per cent, the results provide a solid basis for evaluating strengths and weaknesses in the organisation, and to assess any effects of the organisational measures implemented by NRC.

The results for 2013 show that NRC employees have a high degree of motivation, are satisfied with their work situation and experience that the work they do is meaningful. Employees feel a large degree of affiliation and identification with NRC's visions and values. The survey also highlights some areas of improvement and measures have been taken to meet these challenges. The reorganisation project will clarify roles, responsibilities and decision-making processes. Furthermore, a new tool has been developed for performance management which will meet the need for better and more frequent feedback to the staff.

The management at both Head Office and the country offices conducted performance appraisals with their employees. The management has regular meetings with the labour unions, and the Secretary General hosts regular all staff meetings for the staff at the Head Office. The Work Environment Committee (AMU) has held four meetings during the year and has discussed, amongst others, the following issues: statistics on absence due to illness and turnover, safety inspections, the reorganisation process, the moving project and the work environment survey.

Absence due to illness

Absence due to illness at the Head Office was 3.27 per cent in 2013, compared to 4.83 per cent in 2012, 4.3 per cent in 2011 and 2.9 per cent in 2010. The opportunities and obligations set out in the agreement on an inclusive workplace were continued. This entails, for example, a continuous focus on following up employees on sick leave, with the goal of looking after and helping employees on long-term sickness leaves return to work.

Gender equality, discrimination and availability

As of 31.12.2013, Head Office comprised of 64 per cent female and 35 per cent male employees. At the Country Director level there were 13 per cent women and 87 per cent men, while among middle managers with personnel responsibilities at the Head Office, 57 per cent were women and 43 per cent were men. The Senior Management Group at the Head Office consisted mostly of three women and three men in 2013. The Board consists of 56 per cent women and 44 per cent men. Salary levels of men and women at the Head

Office were virtually identical in both the coordinator and advisory group and in the group of employees with personnel responsibility.

NRC emphasises diversity amongst the staff and strives to hire staff with different backgrounds. Expounding English as a working language at the Head Office has contributed to increased diversity. At the Head Office, 18 per cent of the employees have immigrant backgrounds, defined as persons who either have immigrated to Norway or who have parents who are both born outside of Norway. The organisation's HR-policy aims to secure equal opportunities and rights and to prevent discrimination on the basis of ethnicity, nationality, language, religion or beliefs. NRC does not currently have any disabled employees in the Head Office.

The composition of the Board

In 2013 the Board was composed of:

- Idar Kreutzer (Chair)
- Gisele Marchand (Deputy Chair)
- Kaci Kullmann Five
- Ahmed A. Madar
- Cecilie Hellestveit
- Trygve G. Nordby (up to and including 25.2.2013)
- Leiv Lunde (from and including 25.2.2013)
- Laila Bokhari (from and including 25.2.2013; up to and including 15.10.2013)
- Per Byman (from and including 8.3.2013)
- Petra Storstein (employee representative)
- Ingvill Frederiksen (employee representative)
- Merethe Nedrebo (deputy - employee representative)
- Stine Paus (deputy - employee representative)

On February 25, Per Byman was elected to NRC's Board. Laila Bokhari resigned from the Board in the middle of October due to a new position as state secretary at the Prime Minister's office. At the Board meeting December 2, Ahmed A. Madar and Cecilie Hellestveit were re-elected for a new period. At the same meeting, Lisa Ann Cooper was elected to the Board with effect from 2014.

During 2013, the Board has had six ordinary board meetings, two extraordinary meetings, and two board seminars. The board has discussed a total of 80 issues. 2013 was characterised by a sound cooperation between the Board and administration. It was a hectic year, including the resignation of Secretary General Elisabeth Rasmusson and an interim period when Toril Brekke was acting Secretary General, before Jan Egeland took place as the new Secretary General in the middle of August. The Board wishes to express its sincere gratitude to all staff for outstanding efforts.

Prospects for the coming year

NRC will have the same strategic goals for 2014 as it did for 2013: to reach more people with rapid and relevant humanitarian assistance through our programme activities; to strengthen the rights and situations of displaced persons through targeted advocacy; and to support the UN, regional institutions and national governments through our expert deployments.

A critical tool for strengthening the humanitarian effort is to increase the capacity of the Rapid Response Team, so that the organisation can respond to new humanitarian challenges in more regions simultaneously.

In a sector characterised by decreased funding due to the financial crisis and increased demands for professionalism, competitiveness and quality become increasingly important. NRC will therefore further strengthen its work towards donors in 2014, including through the new representation offices.

Oslo, May 9 2014

Idar Kreutzer
Board Chair

Gisele Marchand
Deputy Chair

Kaci Kullmann Five
Board member

Cecilie Hellestveit
Board member

Ahmed A. Madar
Board member

Per Byman
Board member

Leiv Lunde
Board member

Lisa Ann Cooper
Board member

Ingvill Frederiksen
Employee rep.

Petra Storstein
Employee rep.

Jan Egeland
Secretary General