Flexible Funding Report 2023

Support for Outcomes

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The activities that UNHCR undertakes in its operations around the world, together with its partners, are described in 16 Outcome Areas. Each covers a different aspect of the effort to protect, assist and empower forcibly displaced and stateless people, and to bring their situation to a satisfactory and durable end.

The following sections show how flexible funding was used in three of those Outcome Areas:
- Protection policy and law
- Local integration and other solutions
- Returns

Protection policy and law

Approximately 54% of final expenditure of $175 million came from flexible funding

In 2023, more than 122 million people found themselves needing international protection, stateless, or seeking safety from conflict, violence or serious public disorder in their own country. The global refugee population grew by 2.8 million to 37.4 million and a record 6.86 million people were still seeking asylum at the end of the year, 26% more than at the end of 2022. UNHCR’s engaged in legislative and judicial processes to strengthen laws and policies for the protection of forcibly displaced and stateless people, including for the reduction and prevention of statelessness.

Activities under UNHCR’s policy and law Outcome Area are core to its mandate. In 2023, this work showed some success. There were more countries in 2023 where the legal framework was in line with the 1951 Refugee Convention, its 1967 Protocol, and the statelessness conventions, or progressing towards alignment, than in 2022 and, overall, 19.3 million people received protection services in 163 countries in 2023. In one remarkable example, Chad domesticated international and regional conventions related to refugee protection just as it welcomed more than 500,000 refugees from Sudan, almost a doubling of its refugee population. The legal framework combating statelessness took another step forward as the Republic of the Congo became State party to both statelessness conventions, and several other countries took concrete steps towards accession.
In assisting courts around the world in adjudicating asylum cases, in 2023 UNHCR intervened as an amicus curiae in 17 cases in 11 jurisdictions, including 12 before national courts in eight countries and five before regional courts involving five countries.

Our interventions addressed a wide range of issues, including access to territory and asylum procedure, eligibility for recognition of refugee status, the externalization of international legal obligations, the right to family unity for refugees and the application of international refugee law to persons fleeing in the context of the impacts of climate change.

**Local integration and other local solutions**

![Graph showing USD millions from January to December 2023 for different types of earmarking: Unearmarked, Softly earmarked, Earmarked, Tightly earmarked.]

Approximately 47% of expenditure of $159 million from flexible funding

Although most people who have been forced to flee from their homes want to return one day, the reality is that very few are able to do so, and more and more find themselves in situations of protracted displacement. There were 59 protracted refugee situations in 37 countries in 2023. Some 10% of total expenditure in Iraq came from flexible funding where UNHCR's largest investment in local integration in 2023 was the A2PS, the Area Based Programming for Protection and Solutions initiative. This promoted the integration and reintegration of people forced to flee, including Syrians and internally displaced Iraqis. The programme entails the identification of locations where these groups live side-by-side with vulnerable host communities, and the development of projects that support the provision of quality public services through relevant government bodies, in partnership with development actors. **12 A2PS projects were completed** throughout 2023, including the rehabilitation of water treatment plants and irrigation canals, the solarization of street lighting, the construction of hydroponics greenhouses, and enhancements to public parks and markets. In 2023, 173,540 refugees, IDPs, and locals benefited from these interventions.

UNHCR's second-largest integration operation was Uganda, the third largest refugee-hosting country worldwide, where the Government has provided refugees living in settlements with plots of land for agricultural use. Refugees in Uganda continue to enjoy many of the same rights as locals. While Ugandan law also allows refugees who have been in the country for 20 years to be naturalized, many refugees face difficulties providing documentary evidence to qualify. There is
Furthermore limited awareness among refugees of these provisions and limited data on naturalization. UNHCR – in an effort to overcome these barriers – continued its work with legal partners throughout 2023. Government Social protection systems are inclusive of forcibly displaced and stateless people. People for whom UNHCR works with and for have secure tenure rights to housing, land and property and are covered by national social protection systems.

Other notable examples of integration came from support for housing, land and property rights in South Sudan by, amongst other initiatives, strengthening dispute resolution mechanisms; Zambia’s National Refugee Policy and Implementation Plan; Angola’s resumption of refugee registration after an eight-year suspension; and Kenya’s Shirika Plan for transforming refugee camps into integrated settlements.

Approximately 43% of expenditure of $104 million from flexible funding

Voluntary repatriation and the sustainability of returns are one of the core solutions towards which UNHCR works. In 2023, however, they were undermined by fragile or faltering peace processes; continuing insecurity; limited inclusion and participation of refugees in peace processes and repatriation plans; failure to address root causes; destruction or confiscation of housing, land and property; severely overstretched services; and the absence of viable livelihoods.

In 2023, just over 1 million refugees returned to their country of origin, compared to 1.356 million who returned in the previous year, and there were 5.1 million returns of IDPs. The largest return movements of IDPs were in Ukraine, Mozambique and South Sudan. South Sudanese were also the largest group of refugee returnees, mostly fleeing the fighting in Sudan. Other significant return movements were noted to Afghanistan – although many of them were not voluntary – to Burundi, and within West and Central Africa.

Return movements can be planned, but they can also be spontaneous. This is where flexible funding is particularly useful and important in allowing both an emergency response to an unforeseen or unplanned movement; and allowing a more considered and strategic response
that supports returnees’ decision to return voluntarily and in safety and dignity, often in the absence of dedicated earmarked funding.

For example, in Afghanistan, because of the Government of Pakistan’s decision to return undocumented people residing in the country, 493,300 people returned to Afghanistan between 15 September and 31 December 2023. UNHCR successfully facilitated the return of nearly 76,000 Afghan refugees, including from Iran and other countries, providing cash grants, basic health care, vaccinations for children, mine risk education, protection referrals and overnight accommodation to help ease their return to a country whom many had left several decades ago. Flexible funding accounted for 45% of expenditure of $173 million in 2023 in Afghanistan, with expenditure on returns accounting for 17% of total expenditure in the operation.