

Annual Report from the Board 2022



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Norwegian Refugee Council

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Cover photo: Ivonne Marcela Olarte Acosta/NRC

An indigenous community on Colombia's Pacific coast. Despite the 2016 peace agreement in Colombia, hundreds of thousands of people continue to be displaced or confined as a result of the ongoing conflict.

NRC's mandate and organisational setup

The Norwegian Refugee Council (NRC) is an independent humanitarian organisation working to protect the rights of displaced and vulnerable people during crises. NRC provides assistance to meet immediate humanitarian needs, prevent further displacement and contribute to durable solutions. NRC is Norway's largest international humanitarian organisation and is widely recognised as a leading field-based displacement agency within the international humanitarian community. NRC is a rights-based organisation and is committed to the humanitarian principles of humanity, neutrality, independence and impartiality. NRC is registered as a foundation under Norwegian law.

In 2022, NRC worked in both new and protracted crises across 40 countries. Its main activity is the delivery of humanitarian aid through programme activities in the field. NRC specialises in six areas of expertise, also known as core competencies within NRC: shelter and settlements; livelihoods and food security; information, counselling and legal assistance (ICLA); education; protection from violence, and water, sanitation and hygiene promotion (WASH).

NRC advocates towards decision-makers in order to obtain full respect for the rights of displaced and vulnerable people. It advocates at local, national, regional and global levels, basing its messages and strategies on first-hand experience and specialised expertise.

NRC's Internal Displacement Monitoring Centre (IDMC) in Geneva is a global leader in monitoring, reporting on and advocating for people displaced within their own country.

NORCAP is NRC's global provider of expertise to the humanitarian, development and peacebuilding sectors. It builds partnerships with international organisations and national actors to protect lives, rights and livelihoods. NORCAP provides expert personnel and collaborates with partners to identify needs and establish common goals and projects. It helps strengthen partner capacity and improve coordination and collaboration.

NRC's country programmes are managed and coordinated by five regional offices. The regional office for the Middle East is based in Amman, the East Africa and Yemen office in Nairobi, the Central and West Africa office in Dakar, the Asia and Latin America office in Oslo and the Central and Eastern Europe office in Warsaw.

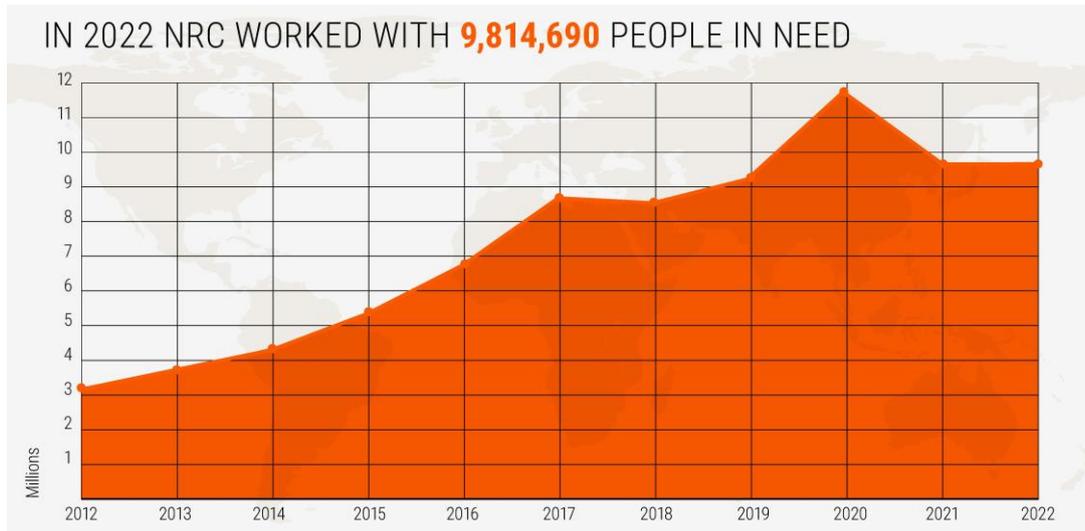
During 2022, NRC also had representation offices in Brussels, Geneva, Berlin, London and Washington DC. Representation offices have been established to ensure close and ongoing dialogue with decision-makers and partners around the world.

NRC's head office is located in Oslo, from where NRC participates actively in Norwegian public discussions, engaging in a broad range of information, advocacy and fundraising efforts targeting decision-makers, civil society and the public at large.

NRC's response

Programmes

NRC worked with 9.8 million people in need of humanitarian assistance across 40 countries in 2022. This remains on a par with pre-pandemic levels.



NRC presence per 31 December 2022.

The year 2022 was characterised by sustained conflict in many of the areas where NRC operates, coupled with an erosion of humanitarian space and challenges to principled humanitarian action. Compared to 2020 and 2021, the secondary impacts of the Covid-19 pandemic were less prevalent in 2022. However, the impacts of the Ukraine crisis on humanitarian needs had a global impact in the form of rising food

prices and subsequent risks of food insecurity, dependence upon Ukrainian grain across several of the countries where NRC works, and an ongoing economic impact.

In Central and Eastern Europe, the escalation of the international armed conflict in Ukraine has caused civilian casualties and destruction of civilian infrastructure, forcing people to flee their homes seeking safety, protection and assistance. Millions of refugees from Ukraine have crossed borders into neighbouring countries, and many more people have been internally displaced. The displaced population in the region is characterised by high levels of vulnerability and is in need of humanitarian assistance. While NRC has been present in Ukraine since 2014, the crisis required a significant scale up inside the country, and in Poland, Moldova and Romania. Since March 2022, NRC has continued to scale up its capacity to respond, including by working with local and international partners. While humanitarian actors are present across the region, there are significant gaps and unmet needs when it comes to serving affected communities.

The Ukraine crisis led to the establishment of NRC's new Central and Eastern Europe regional office (CEERO). Based in Warsaw, Poland, the regional office oversees NRC's regional response to the crisis, across Ukraine and the new country offices in Poland, Romania and Moldova. Flexibility is at the forefront of the regional setup, with the ability to quickly scale up and down based on the changing context. This ensures focused and comprehensive support to a rapidly growing Ukraine crisis response. The focus of the response was to provide critical emergency response to meet immediate needs while also investing in early recovery initiatives such as shelter rehabilitation, multi-purpose cash assistance, ICLA and protection, much of which was achieved with and through partnerships with local actors. NRC identified a number of lessons learned from the Ukraine response, which has prompted the introduction of emergency procedures, launch of a crisis activation system and tools, guidance and support on local partnerships.

With the establishment of CEERO, the previous Asia, Europe and Latin America (AELA) region transitioned into the Asia and Latin America region (ALAR) midway through 2022. The new structure allows ALAR to refocus its support to operations and seek opportunities to effectively consolidate programmes. With a varied operating environment encompassing complex and multi-faceted humanitarian and recovery response needs in countries that are either fragile, environmentally vulnerable or both, the Asia and Latin America region is faced with staggering displacement figures. The region is impacted by several prolonged and protracted displacement crises, as well as mixed migration. At the same time, Asia and Latin America are also affected by more frequent disasters and climate change as drivers of new displacement. Recurrent earthquakes, flash floods, drought and cold winters regularly overwhelm affected countries due to their low capacity to respond. This is compounded by operational challenges linked to the erosion of humanitarian space and a challenging funding environment. While Afghanistan still attracts considerable humanitarian financing, other countries such as Bangladesh, Venezuela, Colombia and Myanmar are consistently amongst the most underfunded humanitarian appeals globally. In December 2022, Afghanistan's de facto authorities introduced a ban on female humanitarian staff. NRC suspended all work as of 25 December, as the ban

was hampering its ability to operate in the country. Negotiations are ongoing in the various sectors and geographical areas with the aim of resuming work.

While the Covid-19 pandemic still lingers in the Middle East, the region is marred by economic collapse, recurring conflict, drought and water scarcity, and most recently the impact of the war in Ukraine as food prices started to spiral, affecting the most vulnerable. Access constraints continue to pose a challenge to humanitarian operations across the region, coupled with the negative impact of counterterrorism measures and sanctions on principled humanitarian action. From a displacement perspective, the region is characterised by four major regional crises: the Palestinian crisis, the Syrian crisis, the Iraqi crisis, and the mixed migration crisis in Libya and North Africa. Given the protracted nature of many of the crises in the region, NRC is continuing to focus on self-reliance and durable solutions. Among the areas of operations for NRC across the region, Syria entered its 11th year of conflict and appears to be in a status quo while at the same time maintaining a certain degree of intensity. The economic decline has thrown the country into further crisis. In Palestine, meanwhile, the civilian population continues to suffer, and the gradual deterioration of the protracted protection crisis is having serious humanitarian consequences.

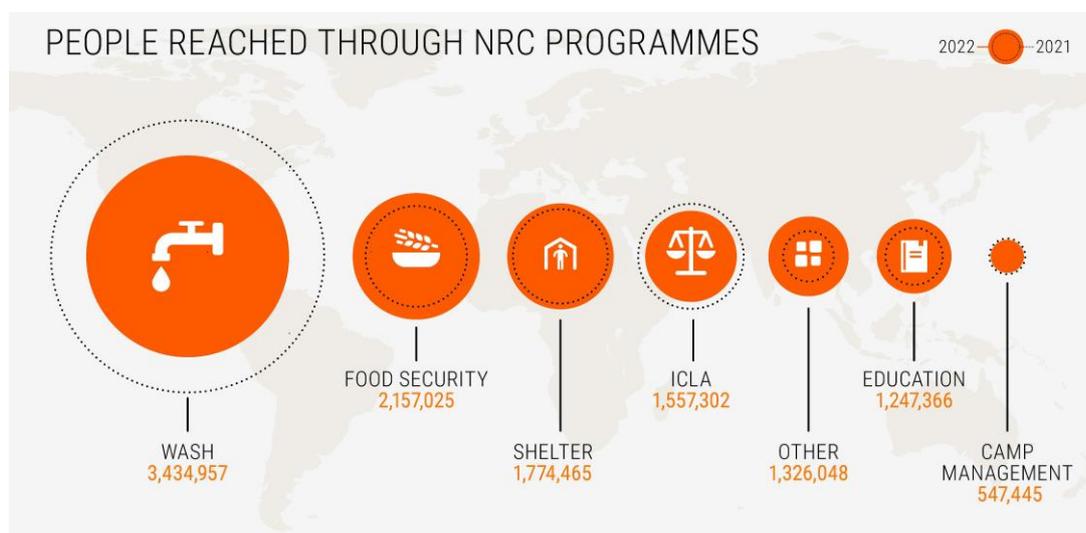
Across the East Africa and Yemen region, sustained conflict, political fragility, food insecurity and the continued economic impact of Covid-19 compounded by climate shocks remain key drivers of displacement. With over 30 million people classified as food insecure, the levels of food insecurity are unprecedented, resulting in a record high prevalence of malnutrition. Four consecutive seasons of below average rains created dire food and water shortages, destroying crops and diminishing pastures. Millions of livestock have been left emaciated or dead, children are malnourished and millions of people displaced as they seek food and pastures in the most severe drought the Horn of Africa has ever experienced. In many countries in the region, there has been an increase in food prices due to a combination of macro-economic challenges, below-average harvests and rising prices for food and fuel on international markets. Within the region, Yemen, Ethiopia, Somalia and Sudan depend greatly on Ukrainian grain. At the beginning of the year, NRC was able to slowly resume operations in Ethiopia after a suspension of five months. Efforts were focused towards growing the area offices in Jijiga and Assosa, building up the mobile emergency response team, and striving to restart activities in Shire.

In a region impacted by insecurity, restrictive authorities and military operations, principled humanitarian action remains limited throughout the Central and West Africa region. This is further exacerbated by the erosion of humanitarian space and the increased gap between humanitarian needs and available funding. From nexus programming to stabilisation efforts, NRC is grappling with the risks to principled humanitarian action and the protection of civilians. All countries in the region are experiencing continued insecurity and violence, significant humanitarian needs and displacement numbers due to conflict, and high levels of protection risks. In addition, extremely high levels of food insecurity are anticipated in 2023 with 48 million people anticipated to be affected across the region. The Central Sahel remains one of the fastest growing humanitarian crises in the world, and the number of displaced

people continues to rise. In its 12th year, the conflict in the Lake Chad Basin continues, with spikes in violence and military operations forcing thousands of people to flee with very limited protection in north-east Nigeria, while also impacting Niger, Chad and the Far North region of Cameroon. Towards the end of the year, NRC conducted an exploratory mission to Benin and Togo. Moreover, the regional office is planning for a split of the joint Niger and Burkina Faso country office into two separate offices.

The distribution of people assisted changed across regions in 2022. Both East Africa and Yemen (EA&Y) and Central and West Africa (CWA) have returned to pre-pandemic levels in terms of scale, whilst Asia and Latin America (ALAR) appears to have slowed its growth. Similarly, the Middle East (MERO) region continues to reach fewer people. To target fewer individuals overall, but with more services, has been an intentional strategic focus by the region; however, the data appears to show this trend less distinctly.

Data indicates that water, sanitation and hygiene promotion (WASH) continues to be the largest programme modality (core competency) in terms of people reached across all regions, with the exception of ALAR, where information, counselling and legal assistance (ICLA) slightly exceeds WASH. Examining scale by core competency across the other regional offices, WASH is followed by livelihoods and food security in EA&Y, shelter and settlements in MERO, and education in CWA.



Whereas the scale of WASH programming has largely returned to pre-pandemic levels, livelihoods and food security appears to be reversing the slight decline in scale over the last five years. NRC’s country offices continue to report a rapid increase in the number of people reached outside the usual core competencies, which in this context reflects primarily, but not exclusively, the use of multi-purpose cash.

Throughout all its programme activities, NRC is reaching approximately an even split of men and women. In 2022, 52 per cent of the 9.8 million people NRC worked with

were women and girls. When examining NRC's programming in first-line response and non-first-line response, data shows that approximately 25 per cent of all programming in 2022 was in first-line response contexts. The country offices in the CEERO region, in addition to countries such as Somalia, Myanmar, South Sudan and Colombia, have above 50 per cent of programme activities in first-line response contexts.

Policy and advocacy

In 2022, NRC made significant progress towards safeguarding principled humanitarian action through its advocacy and policy work. NRC was instrumental in the passing of UN Security Council Resolution 2664, which exempts humanitarian organisations from UN asset freezes in nearly all UN sanctions regimes. This is a monumental breakthrough in NRC's efforts to address the impact of sanctions on principled humanitarian action, and is the culmination of over a decade of advocacy. The outcome is a great example of how NRC's evidence-based policy work can have a significant impact on humanitarian assistance globally. The resolution has since been brought into domestic legislation in the United Kingdom and general licences in the United States, with NRC influencing the design of the legislation.

Representation offices also lobbied governments on humanitarian exceptions, liquidity and banking challenges, counterterrorism measures and sanctions concerns in their domestic legislation. These efforts have contributed to concrete impacts, including:

- Measures introduced to safeguard humanitarian action in States' bilateral sanctions on Russia introduced following the war in Ukraine. The United States (US) introduced two General Licenses (GLs) exempting UN agencies and NGOs from the US sanction regimes to allow all transactions necessary for humanitarian activity in Ukraine; the European Union (EU) also announced a similar humanitarian exception; and the UK introduced its first humanitarian General License for humanitarian activities in Ukraine.
- In the UK, engagements with ministries resulted in language regarding humanitarian principles and respect for international law being incorporated into the UK's Foreign, Commonwealth and Development Office's Humanitarian Framework. The UK's Crown Prosecution Service also issued prosecutorial guidance clearly stating that counterterrorism legislation should not hinder legitimate humanitarian activities overseas.
- Engagements with stakeholders in both the US and the UK resulted in both States' refraining from proscribing the Houthis in Yemen as a terrorist organisation in response to NRC's advocacy efforts highlighting the potentially dire humanitarian impacts that such a designation would have.

NRC's collective policy and advocacy efforts resulted in several important milestones for the humanitarian response in Afghanistan. NRC published a report on challenges to financial access in Afghanistan, following the Taliban's return to power in 2021. The report gained widespread media coverage and interest from a breadth of stakeholders which supported efforts to allow humanitarian organisations to send

funds to, and within, Afghanistan. This formed part of wider lobby efforts on the Afghan economy, which contributed to the establishment of the UN humanitarian cash corridor and its expansion to NGOs, the establishment of a new trust fund with Afghanistan's frozen foreign exchange reserves from the US Central Bank, the first delivery of Afghani bank notes to Afghanistan in over a year, and NRC's first successful international financial transfers to Afghanistan.

Following the announcement of the Afghanistan *de facto* authorities' ban on female aid workers in December 2022, NRC's Secretary General took a leading role in both public and private advocacy to overturn the ban and reject undertaking work with and for males only. NRC contributed to informing the media narrative around the ban, with extensive coverage in both global and national media. With this work continuing in 2023, NRC led advocacy efforts to develop unified messaging for non-governmental organisations (NGOs), organised donor briefings and engaged in joint advocacy efforts with other humanitarian organisations. NRC successfully advocated for support from governments for the continuation of aid, salary payments and flexible programme requirements that would support international NGOs through their suspension in response to the ban.

NRC also engaged with relevant stakeholders to ensure that sanctions against Russia did not impact the organisation's ability to respond based on needs alone in Ukraine and the wider region. NRC contributed to efforts to secure humanitarian general licences in the US and UK, and advocated for aligning broad humanitarian exemptions across the G7 to protect the delivery of life-saving operations in all areas of Ukraine and its neighbouring countries.

In June 2022, NRC published its flagship annual report on the [World's Most Neglected Displacement Crises](#). For the first time, the list was composed entirely of African countries. The report received wide media coverage internationally. In addition to the public report, two internal briefing notes were produced on the two countries at the top of the list: the Democratic Republic of the Congo and Burkina Faso. Private briefings were organised, as well as panel discussions on humanitarian protection and on media coverage of crises on the African continent. NRC also secured a one-year grant from the Open Society Foundation to increase its advocacy on neglected crises, with a focus on European decision-makers, as global attention turned to the Ukraine crisis.

In Norway, NRC was heavily involved in joint advocacy efforts aimed at reversing cuts in the level of official development assistance (ODA). The Norwegian government proposed to spend only 0.75 per cent of gross national income on ODA, but through an extraordinary mechanism agreed on in the budget negotiations, ODA was kept at 1 per cent, with a heavy prioritisation of Ukraine.

NRC's Internal Displacement Monitoring Centre (IDMC) published its annual [Global Report on Internal Displacement \(GRID\)](#), which shone a much-needed light on the needs of children and young people caught up in displacement. It brought together dozens of partners and experts working on this topic and offered a baseline for future research. It made a compelling case for more child-sensitive policies and programmes and greater investments in education, health and livelihoods. In

September, IDMC also published its [first-ever regional report on disaster displacement in the Asia-Pacific region](#), compiling 12 years of data and analysis on displacement associated with sudden and slow-onset disasters. The report was co-published by the Asian Development Bank (ADB) and launched at the Asia-Pacific Ministerial Conference on Disaster Risk Reduction in Brisbane.

NRC's policy team continued providing support to NRC's Secretary General in his role as chair of the Grand Bargain, an agreement between some of the largest donors and humanitarian organisations to improve the effectiveness and efficiency of humanitarian action. In March 2022, signatories succeeded in agreeing on a new coordination model to ensure predictable, accountable and timely coordination of cash assistance, an issue that had taken years to resolve. Signatories have also made commitments to increase multi-year funding and to strengthen principles for equitable partnerships between intermediary organisations and local/national actors. A process to agree on how to increase direct and "as direct as possible" funding for local/national actors to reach the 25 per cent goal of the Grand Bargain was launched in 2022 and is set to be concluded in 2023.

NRC has contributed to the humanitarian system reform process, pushing for the release of the Inter-Agency Standing Committee (IASC) Protection Policy review report, a review that was hosted by NRC. IASC endorsed the report at Principals' level and committed to developing a response plan. It was agreed that NRC would also host the management of the IASC review of the humanitarian response to internal displacement, aiming to ensure this initiative complements broader efforts to identify solutions for internally displaced people. In addition, NRC was confirmed as co-chair of the Global Protection Cluster Strategic Advisory Group together with UNHCR for a two-year period.

NRC played a leading role among NGOs at the first European Humanitarian Forum in 2022, an international gathering aimed at shaping the future of humanitarian assistance. NRC contributed to events on international humanitarian law, civilian-military coordination, quality funding, bank de-risking in the context of sanctions, and EU policy development. NRC was also invited to support the Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO) in preparation of the next European Humanitarian Forum to be held in March 2023, co-chaired by the European Commission and Sweden. Finally, NRC is supporting the establishment of "EU-think", a new humanitarian think-tank aimed at strengthening European-level capacity to develop new solutions to major challenges facing the aid sector.

Overall, 2022 was a year of significant policy and advocacy wins and NRC continues to play a leadership role in many important initiatives within the sector. Significant internal efforts have also been made to better integrate advocacy and programmes, increase policy and advocacy resources through fundraising, and improve prioritisation and coordination of NRC's advocacy efforts. This has provided a good foundation to pursue NRC's policy and advocacy goals for this strategy period.

Despite successes, challenges remained for NRC's policy and advocacy work in 2022. Humanitarian space continued to be under attack – particularly under assertive

governments – posing limitations on advocacy work, especially public advocacy. NRC continued its work with the office of the UN Emergency Relief Coordinator to counter these challenges collectively with peer NGOs. The Ukraine war also made advocacy work more difficult, as the attention of decision makers and the media disproportionately went to the crisis, making it even harder to advance objectives related to neglected crises. NRC worked extensively to mitigate this effect and fundraised for additional resources to address neglected crises. Despite the many calls for humanitarian system reform and the parallel initiatives ongoing to address different aspect of reform, there is still a lack of political will to introduce real changes in the system. This is slowing down processes like the Grand Bargain. Finally, a lack of adequate advocacy capacity within NRC – particularly at global level and vis-à-vis multilateral fora and regional mechanisms – meant some missed opportunities for impact. A narrower set of global advocacy priorities have been identified for 2023 to better focus existing resources.

NRC Global Strategy 2022–2025

NRC's [Global Strategy 2022–2025](#) provides a blueprint for action up to the end of 2025. The strategy sets out four sub-objectives for areas that NRC will continue to strengthen and further institutionalise, namely durable solutions, assistance to hard-to-reach populations, humanitarian policy, and protection. It also points to four areas of work that will be accelerated through expanded engagement and investments: quality programming, advocacy, climate and environment in programming, and collaboration with local actors.

NRC will seek to improve its internal procedures and processes to ensure efficient and effective delivery of the organisation's mission, whilst simultaneously aiming to reduce its environmental footprint. There are 13 global objectives within the strategy that have been categorised as either ones to accelerate, ones to consolidate or ones that are enablers.

2022 was a year where the organisation pivoted from its previous strategy to the current strategy. Significant efforts were made to ensure that each of the prioritised areas within the strategy were resourced with staff that could lead developments. At the end of 2022, 12 out of 13 objectives had a global lead. Higher-level plans were translated into multi-year roadmaps and project plans, and those plans were prioritised and funded.

Accelerate

Quality, accountability and learning are essential components of effective humanitarian work for NRC. Quality refers to the delivery of services and assistance that meet the needs and expectations of the people that NRC works with. Accountability ensures that NRC is transparent and responsible in its actions and decisions, and that it responds to feedback and complaints. Learning involves

continuous improvement and innovation based on monitoring, evaluation and analysis of programme outcomes and impact.

In 2022, as one of NRC's quality and accountability improvements, Safe and Inclusive Programming action plans were developed for each of the organisation's country offices. These plans will guide NRC in actively identifying and addressing power imbalances, discrimination and other forms of exclusion, and creating an environment that promotes trust and participation.

A review of how NRC engages with local communities and how complaints and feedback are addressed was conducted. Most country offices have complaint and feedback mechanisms in place, but there is still room for improvement in both these areas. As a sign of NRC's commitment to accountability, the organisation has joined the Core Humanitarian Standard Alliance.

Advocacy and programmes were further aligned in 2022 by developing and launching the NRC [Response Policy](#), which merges the previous programme and advocacy policies. It sets the direction and intent for how NRC teams are expected to design and implement responses, and lays the foundation for all internal procedures, systems, guidance and tools necessary for a comprehensive response. Each core competency has also created its own strategy aligned with the Global Strategy 2022–2025.

NRC continued to be a courageous advocate at policy level and in the media to bring attention to various crises. Internally, a project to strengthen knowledge on how to advocate at various levels of NRC was also initiated.

As part of being an accountable organisation, NRC must consider the environmental impact of humanitarian activities and ensure that programmes are implemented in a way that minimises harm to the environment. NRC often works in fragile environments where resources are under pressure. By considering the environmental impact of the activities, NRC's accountability to the communities it works with is enhanced.

For many years, NRC has been using renewable energy and eco-friendly building materials in its activities, but this area must be further strengthened. In the current strategy, NRC has made it a priority to use the Nexus Environmental Assessment Tool (NEAT+) to identify and address potential environmental risks in country operations. In 2022, two dedicated positions were created to roll out NEAT+, and trainings were conducted in ten country offices. NRC received funding from ECHO to increase capacity on the use of this tool in the wider humanitarian sector. In addition, Sida has allocated a two-year fund for clean energy access for 2023–2024, which will see energy advisers deployed in the Middle East and East Africa and Yemen regions. The project will support the implementation of clean energy solutions, such as reducing reliance on carbon energy and providing energy for education facilities, while also reducing the carbon footprint of NRC as an organisation. NRC will partner with local actors to create sustainable ownership and governance arrangements, including handover of energy systems.

Collaboration with local actors is crucial for effective humanitarian response and it is a fundamental principle of ethical and responsible humanitarianism. By empowering local communities and organisations, NRC supports sustainable and long-term solutions to the challenges faced by refugees and displaced people, in line with the Grand Bargain. In this strategy period, NRC aims to transition from an organisation primarily focused on delivering assistance and services, to one that increasingly facilitates broader delivery of impact and higher-level outcomes through strengthened collaboration with local actors.

Many of NRC's programme countries have been building local collaboration for years. The importance of this was evident in the Ukraine regional response, where NRC established many partnerships with various national actors and expanded its access to affected populations. NRC adapted its organisational tool to assess partners and quickly signed agreements to ensure aid provision to displaced populations. NRC recognises the need to dedicate more resources to strengthening its approach, especially when working with partners during emergencies. In 2022, NRC re-established an internal helpdesk to support country offices in developing partnership agreements with local actors.

Consolidate

In 2021, building on a review of durable solutions work conducted in 2020, NRC formulated a strategic objective focusing on self-reliance and durable solutions for the Global Strategy 2022–2025. One key achievement was the launch of self-reliance and durable solutions as a standalone development area within NRC's Global Programme Section (GPS).

In 2022, NRC secured a grant from the IKEA Foundation to test economic inclusion as a means to self-reliance. At the country level across all regions, NRC continued to implement a diverse range of programming, research, advocacy and coordination initiatives that contributed to displaced people's efforts to integrate locally, return sustainably, or settle in a third location.

In 2022, NRC continued to consolidate its previous work in hard-to-reach areas. This includes strengthened global direction and support on hard-to-reach programming for country and regional offices, including assessments of internal systems needed to support this type of response.

Cash assistance is an important form of aid in humanitarian settings. There has been a continued trajectory of growth in NRC's delivery of cash and voucher assistance, with preliminary results suggesting a 4 per cent increase in 2022 compared to 2021.

In 2022, NRC took a significant step in its mission to protect the rights of refugees and displaced people by introducing a new core competency, "protection from violence". The primary goal of this new competency is to reduce the risk of violence and harm for the people NRC works with and to mitigate their impact when they do occur.

NRC recognises the need for a comprehensive approach to protecting communities at risk. To support the implementation of this competency, NRC worked to establish key regional and technical positions in 2022 and developed technical guidance and

systems to measure impact moving forward. This guidance is intended to ensure that NRC's response to violence is timely, effective and appropriate to the specific context in which it occurs.

Enablers

NRC continued with its efforts to improve efficiency and programme quality through digital transformation. With the goal of maximising the impact for those displaced by conflict, disaster or persecution, NRC is using digital tools to automate and streamline processes, freeing up staff to focus on providing life-saving assistance.

NRC has been driving a number of digital initiatives in recent years that continued in 2022. They aim to bring efficiency and quality gains to the way NRC works and delivers aid. Partnering with major technology companies Meta (WhatsApp), Amazon Web Services, Twilio, Cisco and Cortez, NRC has developed digital community hubs to improve two-way communication with the people it works with. Additionally, NRC has continued to push forward with the digital legal aid platform Kobli, to provide easier access to legal information.

As NRC becomes more digital, it is acknowledged that there is a need for robust data practices and standards. NRC has begun work on improving data governance and quality, ensuring that data is consistent, reliable, fit for purpose, respects the dignity of the people it works with, and is compliant with the EU General Data Protection Regulation (GDPR).

The continued push towards digital transformation is a critical component of NRC's current strategy, as it aims to go beyond existing ways of ensuring efficiency. Through the use of digital tools, NRC hopes to respond more quickly to emergencies, build sustainable solutions and show that it is a responsible steward of the funds entrusted to it.

Efficiency is crucial for maximising impact, and NRC has established a dedicated focus on the efficiency of its internal systems and processes. In 2022, the organisation conducted a pilot test of the LEAN methodology to determine its suitability for humanitarian contexts. While the pilot showed promising results, NRC recognises that simplifying existing processes alone will not yield the results it is looking for.

Another key enabler for NRC moving forward is growing partnerships and diversifying resources. This involves work to strengthen the engagement with existing and new development actors and donors.

As an organisation committed to providing humanitarian assistance to those in need, NRC recognises the importance of addressing environmental concerns such as climate change and reducing its carbon footprint.

NRC has worked to estimate its carbon footprint for the year, providing a clear baseline and enabling the organisation to identify those areas that could make the greatest impact. The NRC Logistics Handbook was updated to include measures on sustainable supply chain management and waste reduction. In addition, a flight policy was developed, aiming at reducing emissions from air travel by exploring

alternative transportation options and maximising the use of video conferencing technology.

Engagement with external partners and stakeholders to create a collective impact on reducing carbon footprint is important. NRC has joined the Climate and Environment Charter, which establishes a set of principles to guide humanitarian action in response to the climate and environmental crises. By becoming a signatory to the Charter, NRC has committed to integrating environmental considerations into its humanitarian response and continuously working to reduce its carbon footprint.

NRC cannot achieve what it has achieved today without its dedicated staff. Valuing and developing its people is a core principle that is critical to the success of NRC's mission to assist and serve displaced communities around the world.

NRC's commitment to investing in staff starts with attracting and retaining top talent. The organisation strives to create a work environment that is both challenging and rewarding, where staff feel valued and supported in their professional growth. NRC recognises the importance of diversity, equity and inclusion (DEI) in creating a positive workplace culture and ensuring that staff reflect the communities that NRC works with.

In 2022, NRC took concrete steps to improve diversity by setting targets for career progression for national staff and establishing a dedicated DEI resource and a DEI Employee Advisory Group.

To support staff members' growth, a range of learning and development opportunities tailored to their needs were provided, including training programmes, mentoring, coaching and leadership development. NRC's Leadership Journey programmes reached over 900 NRC staff in 2022, building the skills to lead their teams effectively and achieve the organisation's shared goals.

In addition, the launch of the new Goals and Performance system in 2022 will not only help deliver more impact, but also help staff develop their career aspirations. This system enables NRC to monitor progress, identify areas for improvement and provide feedback to staff to help them grow in their roles.

From a funding and partnership perspective, NRC has identified several challenges to achieving its strategic objectives for 2022–2025. The organisation needs moderate growth in global financial volume to address the widening gap between humanitarian needs and resources available. To maintain independence, respond to neglected crises, and make new investments, NRC also requires more flexible funding. Additionally, predictable long-term funding is necessary to fund programmes that aim to support self-reliance and durable solutions for target populations. NRC also requires specialised partners to maximise its impact. These needs and requirements will guide the organisation's actions through this strategy period.

NORCAP

NORCAP is NRC's global provider of expertise to the humanitarian, development and peacebuilding sectors. Its mission is to improve aid to better protect and empower people affected by crisis and climate change. NORCAP collaborates with a wide range of partners, from multinational agencies such as the United Nations to regional organisations like the African Union, as well as national authorities, institutions and local civil society groups. In 2022, NORCAP worked with 60 partners in 74 countries.

During the year, NORCAP supported the global community's responses to humanitarian crises in countries including Ukraine, Pakistan, Afghanistan and the Philippines. In Ukraine, NORCAP experts worked with UN agencies, national authorities and local organisations on issues such as child protection, anti-trafficking and the provision of shelter, education and cash assistance. NORCAP played a key role in establishing UN-led humanitarian hubs across the country following the initial stages of the crisis. NORCAP also supported the neighbouring countries of Romania and Moldova in establishing systems for receiving refugees from Ukraine. In Romania, NORCAP worked with the Office of the Prime Minister, advising on the coordination and leadership of its humanitarian response. This included developing policies and national response plans for the protection and inclusion of Ukrainian refugees.

NORCAP works on both a systemic level and in specific crises to improve how the humanitarian sector ensures protection of vulnerable people. This includes collaborating with UN agencies and other bodies to identify and rectify common challenges in implementing protection mandates, supporting partners with experienced protection experts as well as taking part in country teams and clusters working to coordinate humanitarian action.

As part of these efforts, NORCAP has several projects focused on strengthening the role of protection and gender equality in humanitarian work. The Protection Standby Capacity Project (ProCap) and Gender Standby Capacity Project (GenCap) assign senior protection and gender experts to work as independent inter-agency resources in the UN system. These resources facilitate and promote protection and gender equality programming efforts in humanitarian work. In 2022, this included working consultatively from the country to the global level to influence policies, strategies and advocacy efforts, as well as support the sharing of best practices and development of technical skills. The projects expanded their geographical presence with more than 40 experts supporting in 25 of the world's largest humanitarian crises.

Promoting human rights and democracy is another central component of NORCAP's work. Last year, NORCAP supported national authorities in strengthening their electoral processes by observing elections in ten countries including Colombia, Lebanon and Kenya. For the first time, NORCAP had election observers in traditional strongholds of democracy, namely the United States and Hungary, amid a continued global trend of democratic backsliding. The Special Monitoring Mission in Ukraine, led by the Organization for Security and Co-operation in Europe (OSCE), was

dismantled when the Ukraine crisis broke out. Ten NORCAP personnel involved in the mission were safely evacuated.

In Africa, NORCAP and the African Union (AU) expanded a decade-long partnership aimed at promoting peace, prosperity and integration on the continent. NORCAP supported the AU in strengthening its capacity, including in policy development, peace support, mediation, advocacy and democratic governance. The partnership expanded its work and geographic reach to countries including Ethiopia, Chad, Mali, Sudan, South Sudan, the Central African Republic, Somalia and Madagascar.

In 2022, NORCAP continued to work with partners to mitigate the impact of climate change on vulnerable communities. This included teaming up with the World Meteorological Organization (WMO) on developing a digital tool that provides up-to-date and easily understood climate and weather data for the entire African continent, as well as potential impacts on communities. The tool will build on the East Africa Hazards Watch monitoring system that was developed and rolled out in 2021 in a collaboration between NORCAP and the Intergovernmental Authority on Development's Climate Prediction and Applications Centre (ICPAC). The ability to predict and prepare for climate-related events such as floods, droughts and pest-infestations is essential to communities' resilience. A key goal of the tool is to ensure that accurate, timely, accessible and understandable climate information is available to all parts of society, from policymakers to local communities.

NORCAP also started an initiative to increase the number of female climate services experts in Africa. The aim is to boost representation of women in a largely male-dominated area and enable more women to be involved in decision-making processes on how to address the needs of communities affected by climate change. Women make up half of Africa's farmers, where the worst drought in 40 years is causing crops to fail and increasing food insecurity in Ethiopia, Kenya and Somalia.

In September, NORCAP announced a partnership with the UN Development Programme (UNDP) and Global Platform for Action (GPA) to replace polluting diesel generators with solar panels and other clean energy solutions in humanitarian operations across Africa's Sahel region. The project to decarbonise humanitarian operations aims to reduce emissions and costs. It is funded by a UN multi-partner trust fund with support from the German Federal Foreign Office (GFFO) and the International Climate Initiative.

A key objective of NORCAP is to invest in local and national capacity and enhance the participation of people at risk in emergency response, development and peacebuilding efforts. In 2022, this included working with local civil society organisations in Cameroon, Chad, Niger and Nigeria to strengthen their ability to respond to humanitarian and development needs in the region, while also boosting their ability to influence decision-making so that policies and actions are designed to meet the needs of those affected.

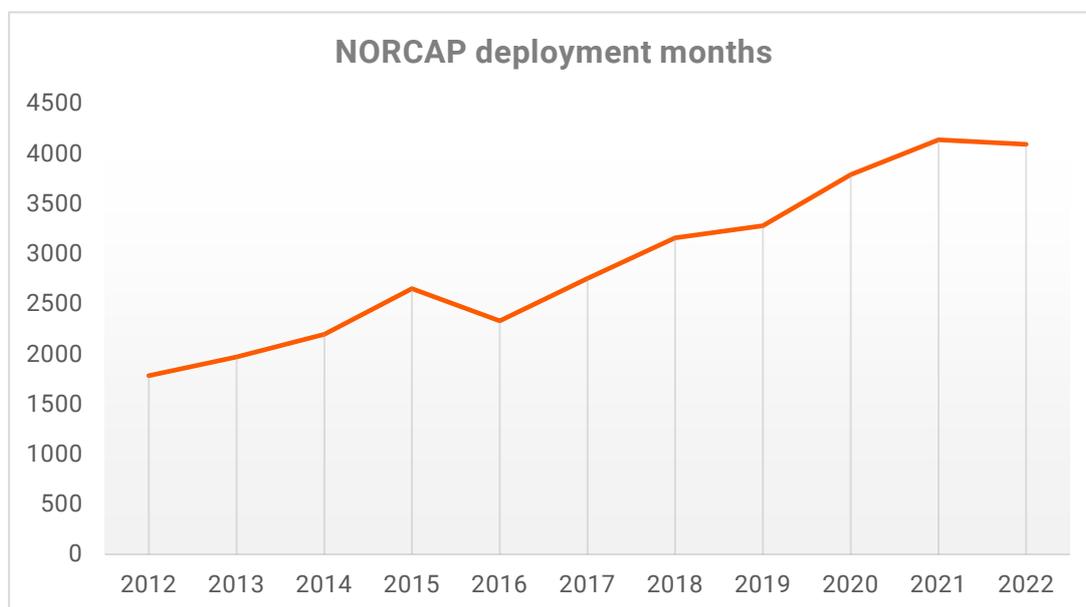
In Greece, NORCAP continued a partnership with the Greek authorities aimed at strengthening the country's ability to provide dignified reception conditions and apply international standards to protect refugees and migrants arriving in the country. The partnership entered its fourth year in 2022 before ending in March

2023. During the collaboration, NORCAP contributed to drafting Greece’s general regulation for the operation of mainland hosting facilities, coordinating site planning for the temporary camp of Mavrovouni in Lesvos, improving the system for referring unaccompanied children to shelters, and establishing the National Referral Mechanism (NRM) for the protection of trafficking survivors.

NORCAP continued to work with partners to provide cash and voucher assistance to people in crisis and played an instrumental role in about 40 per cent of the working groups coordinating cash assistance across the globe, including in Yemen, Iraq and the Philippines. NORCAP also worked with the Red Cross/Red Crescent (RCRC) Movement on two pilot projects in Ukraine and Syria that aim to enable National RCRC Societies to take the lead in providing cash assistance at scale. If successful, this model would support the push for humanitarian assistance that is owned and driven by local rather than international actors.

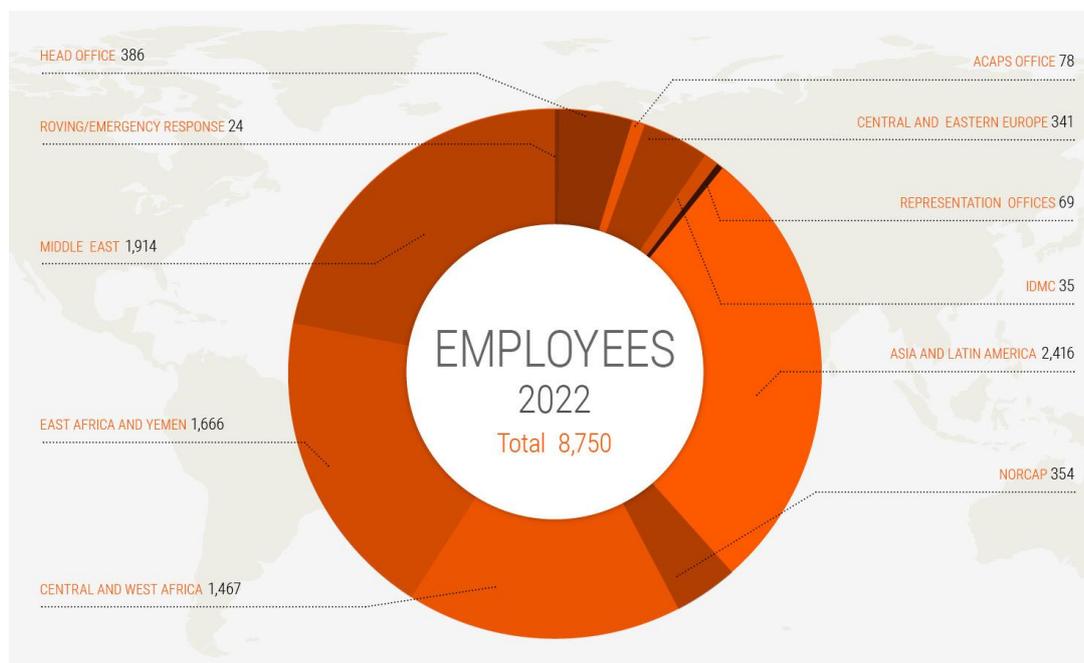
Education is critical to empowering people and during the last year NORCAP worked with partners on several education initiatives. These included projects to improve access to quality education for refugees in the Sahel region and to strengthen the capacity of Jordan’s Ministry of Education to implement its strategic education plan. In Bangladesh, NORCAP completed a project with UNICEF to support the meaningful participation of young people in programming.

One of the key challenges facing education in crisis-affected countries is the lack of accurate, reliable and timely data, essential to drive effective education responses. NORCAP in 2022 worked with UNESCO to improve the production, analysis, dissemination and utilisation of Education in Emergencies (EiE) data in Ethiopia and South Sudan, through better coordination, standardisation and integration into institutional systems.



NRC's people

At the end of 2022, 14,728 people worked for or with NRC to deliver humanitarian assistance. Of these, 8,750 were employees, including 7,658 national and 617 international staff, and approximately 5,978 were incentive, daily or other types of workers, typically displaced people or members of the local community. A breakdown of regular employees by region/office is presented in the chart on the next page.



Data per 31 December 2022. Excludes incentive, daily and other types of workers.

Nationality, gender and immigrant background

In 2022, the 617 NRC employees on international contracts represented 84 different nationalities. The largest groups were employees from Kenya, followed by Italy and the United Kingdom. Of the employees at the head office in Oslo, 29 per cent had non-Norwegian citizenship, while 26 per cent of staff were not registered with nationality data.

The gender distribution at the head office in Oslo was 66 per cent women, 33 per cent men and 1 per cent undisclosed gender at the end of 2022. The managers at head office comprised 65 per cent women and 35 per cent men. The gender distribution among senior management at head office was 71 per cent women and 29 per cent men, and on the NRC Board, there were six men and six women. Among staff in advisory roles and line managers, men and women at head office were at approximately even salary levels.

At regional and country office level, the gender distribution among international staff was 49 per cent male, 37 per cent female and 14 per cent undisclosed gender. Among national staff, there were approximately 59 per cent men, 37 per cent women and 4 per cent undisclosed gender.

At the representation offices, the national staff gender distribution was 21 per cent male and 79 per cent female. Within NORCAP, the gender distribution among experts deployed was 50/50 men and women, not taking into account undisclosed gender. At IDMC, the gender distribution was 57 per cent women, 23 per cent men and 20 per cent undisclosed gender.

The gender distribution among NRC’s country directors in 2022 was balanced at 16 women and 16 men, and one with undisclosed gender.

| Gender balance – head office staff | | | | | | | |
|------------------------------------|-----|-----------------|-----|--------------------------------|------|---------------------|-----|
| Overall gender balance | | Temporary staff | | Parental leave (average weeks) | | Part-time positions | |
| Women | Men | Women | Men | Women | Men | Women | Men |
| 213 | 113 | 30 | 7 | 17.36 | 17.4 | 11 | 3 |

Equality

One of the strategic enablers in the NRC Global Strategy 2022–2025 is to value the organisation’s people and build a diverse and capable workforce. NRC will work systematically to build a positive working culture where all staff feel valued and supported and have a sense of belonging. Gender balance is one of the intersectional focus areas where NRC is striving to achieve inclusivity. Working to increase national staff in senior positions, focusing on development opportunities, reviewing succession planning and raising awareness of inclusion barriers and opportunities at all stages of the employee lifecycle are some of the ways NRC will look to create an inclusive culture for all staff at all levels of the organisation.

NRC’s Human Resources (HR) policy ensures equal opportunities and rights, and aims to prevent discrimination based on ethnic origin, nationality, language, gender, sexual orientation, religion or beliefs. It is embedded in NRC’s global HR Policy that the organisation will make every effort, through the design of its structures, processes and staff training, to eradicate discrimination.

A diversity, equity and inclusion (DEI) baseline study for NRC’s head office will be conducted in 2023. The baseline study will look at NRC’s internal people data through an intersectional lens and will include data from the global staff survey.

NRC still has work to do in exploring the risks and acting on complex discrimination that goes beyond gender and disability, including raising awareness around DEI. With a newly appointed DEI adviser and internal DEI working groups, NRC has goals to proactively integrate and embed DEI principles, objectives and tangible action plans in policies, systems and processes, including expectations of staff behaviours.

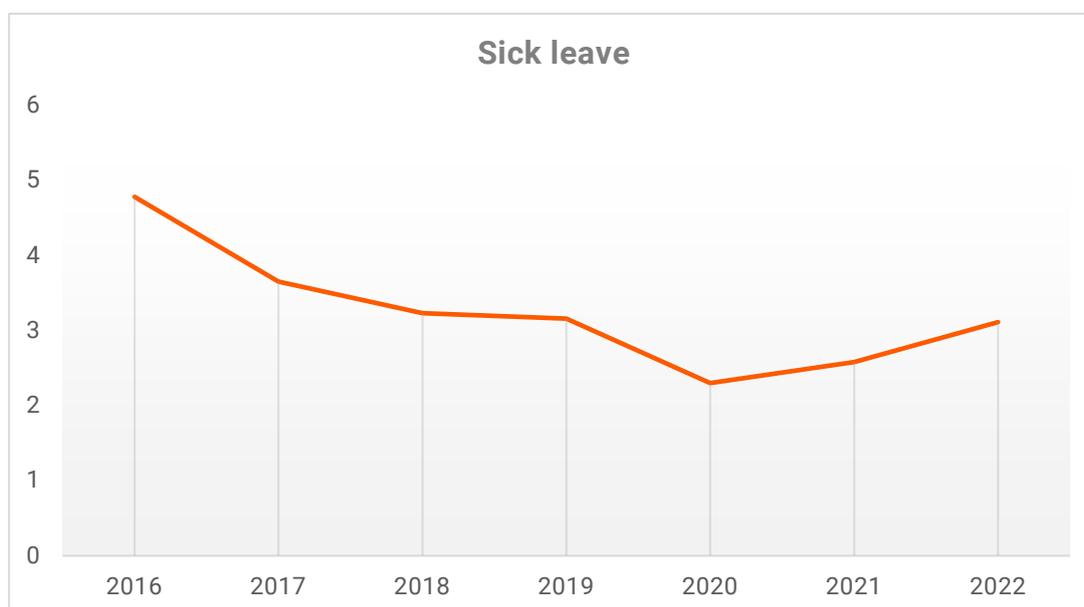
[NRC's head office report on equality and non-discrimination](#) provides further details on the measures NRC has taken already in 2022, and the progress made to make DEI an inherent value in NRC.

Duty of care

In an increasingly challenging world, the duty of care towards NRC staff remains high on the organisation's agenda. NRC has continued to work on securing systems and procedures related to health, wellbeing, safety and security of staff in different parts of the organisation. This has been achieved by strengthening the collaboration with medical and psychosocial providers, delivering trainings for staff and managers on duty of care, crisis management, hostile environment awareness training (HEAT) and hostile environment individual security training (HEIST), first aid and psychological first aid. NRC is also working on strengthening the system for incident reporting. The collaboration between HR, the Health, Safety and Security (HSS) team at head office, and the field has been further strengthened in order to promote and support ongoing work on duty of care, and follow-up of lessons learned will continue into 2023. NRC ensured that the minimum standards of duty of care were implemented and upheld during new emergencies and crisis situations in Ukraine, Myanmar, Afghanistan, Burkina Faso and more.

Sick leave

The sick leave rate at the head office in Oslo during 2022 was 3.11 per cent, compared to 2.58 per cent in 2021. This data does not include long-term sick leave which is not registered as absence in the reporting system.



Health, safety and security (HSS)

In the early stages of the Ukraine crisis, NRC's Health, Safety and Security section supported Programmes and Emergency Response by delivering personal protective equipment (PPE) and maintaining a constant presence in the country. When the new Central and Eastern Europe region was established, a new HSS regional position was created.

In the second part of the year, despite a lot of resource challenges within the training unit, HSS managed to deliver eight HEAT courses, training 210 NRC staff and 43 external participants from other NGOs. In country and regional offices, 85 HEIST courses were delivered and 1,595 NRC staff were trained. HSS also conducted crisis management trainings, including with senior managers at head office.

The higher turnover of roving staff and regional heads of HSS led to several recruitment processes in 2022. Global HSS worked to review governing documents and create an HSS and Crisis Management System. Work to strengthen tools for improved monitoring and oversight of HSS compliance and risk management was also prioritised. Reporting systems have been improved but are still not finalised.

HSS incidents

Amongst the total number of HSS incidents over the course of 2022, abductions and staff detainment incidents were of most concern, most notably in the Central and West Africa region as well as Asia and Latin America. Other incidents of serious concern included the death of two children, one due to a road traffic accident in the Central African Republic, and one that fell into a trench in Nigeria, as well as an incident where two staff and a contracted driver were abducted in Mali, and released after eight days.

A key focus area for the HSS function going forward is to strengthen NRC's incident management and reporting system. The section has launched a strategic initiative to review incident management processes and procedures, in addition to Protect, NRCs current reporting tool. Moreover, the section will continue to review its governing documents and crisis management, as well as conduct a review of the HEAT training to adjust its content according to the needs of the organisation.

Finance and revenue base

NRC's income continued to grow further during 2022. Total income ended at NOK 7.062 billion, an increase of 24.4 per cent compared to 2021 and 26.6 per cent above the 2022 budget of NOK 5.578 billion. The annual accounts show a positive net result of NOK 278 million, which is NOK 284 million higher than the budget for 2022.

The financial status of NRC is healthy and has been for several years. The increased income for 2022 is primarily linked to NRC's response to the war in Ukraine. NRC's other country programmes have on average increased by 11 per cent compared to

2021. The weakening of the NOK vs USD has also contributed to NRC's high NOK income in 2022. The increase in income from 2021 to 2022 measured in USD is around 11 per cent, which is on par with the global inflation rate.

The net result is added to NRC's equity and will enable the organisation to further invest in its strategic priorities and increased project implementation in the coming years. Equity with internal and external restrictions increased by NOK 179 million in 2022 and other equity was strengthened by NOK 99 million, resulting in a total equity increase of NOK 278 million. Per 31.12.2022, NOK 233 million of restricted equity is committed for programme implementation in 2023.

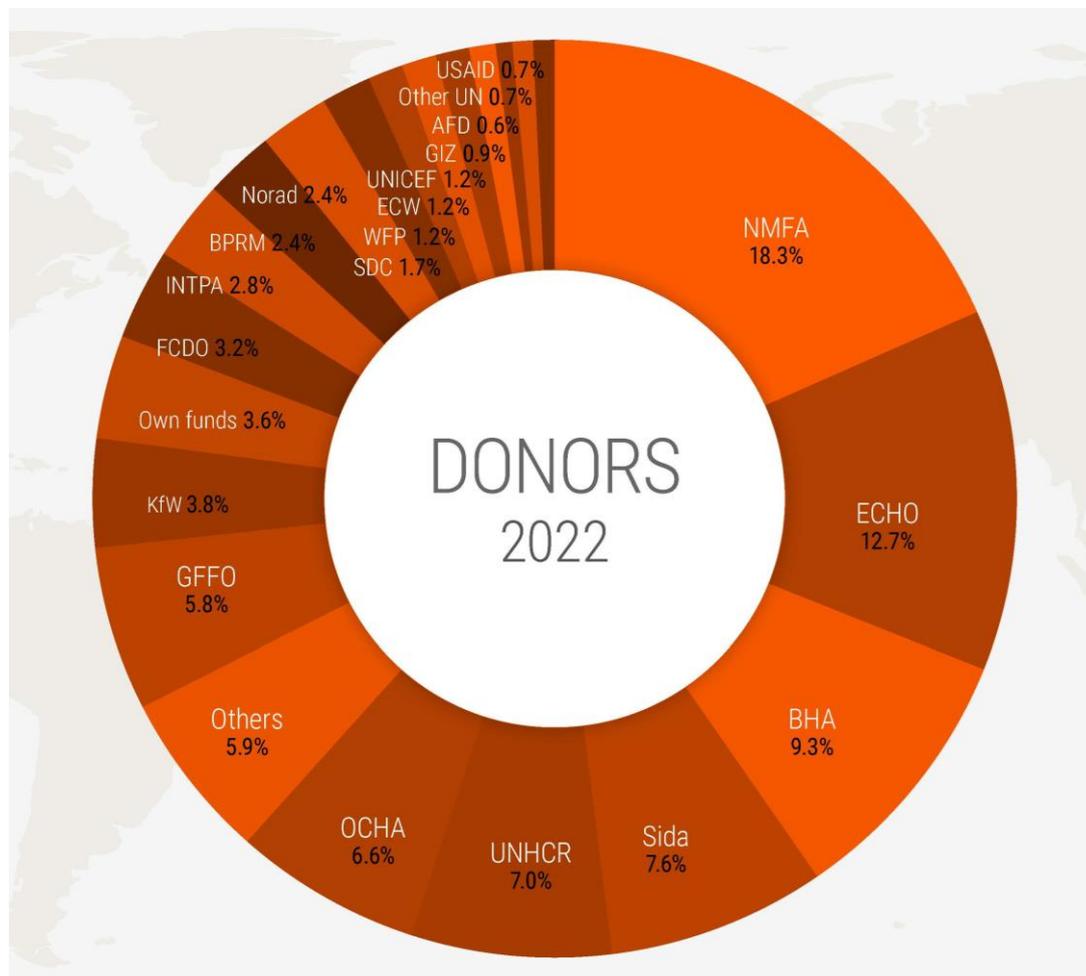
By the end of 2022, total current assets amounted to NOK 2.967 billion, against a short-term liability of NOK 2.080 billion. The (short-term) debt ratio is reduced to 0.69, which is satisfactory. The organisation has no long-term debt. Although there are large variations during a year, organisational liquidity is in general good. Surplus liquidity is invested in money market and bond funds, not currently in the stock market.

In terms of income, the volume from 2021 to 2022 grew in all parts of the organisation. The largest growth came in the new Central and Eastern region (CEERO) which had an income of approximately NOK 620 million. The region consists of three country programmes: Ukraine, Poland and a combined Romania/Moldova operation. The relative share of income continued to shift slightly from the Middle East region, with a high growth in the East Africa and Yemen region and the former Asia, Europe and Latin America region. NORCAP saw a growth of 21 per cent in 2022. This was also largely related to the Ukraine response.

NRC continued to receive substantial support from almost all major global institutional donors and managed to diversify its donor base even further. The Norwegian Ministry of Foreign Affairs (NMFA) (18 per cent), European Civil Protection and Humanitarian Aid Operations (ECHO) (13 per cent), the US Bureau for Humanitarian Assistance (BHA, formerly OFDA) (9 per cent) and the Swedish International Development Cooperation Agency (Sida) (8 per cent) remained NRC's four largest donors and most important strategic partners. UNHCR became NRC's fifth largest donor followed by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (both 7 per cent). The two German institutions GFFO and KfW combined make up almost 9 per cent of the total implementation income forecast. Funding from UK's Foreign, Commonwealth and Development Office (FCDO) further decreased to 3 per cent. Funding from US and German donors, and donors with a development focus, continued to grow in 2022.

NRC has currently not seen any reductions in the expected level of institutional donor funding for 2023 and is maintaining its budgets at the same level as in 2022. The developments in Ukraine and Eastern Europe have spurred a large fundraising effort both from institutional and private donors. NRC expects that it will become more challenging to mobilise additional institutional funding from governments due to reductions or increasing pressure on aid budgets because of the high number of humanitarian emergencies, often resulting in inequity in funding between countries and ultimately, NRC's own response.

NRC's overall budgets were positively affected by the volatility and changes in the exchange rate of NOK versus USD, EUR and other currencies. NRC receives only about 25 per cent of its income in NOK and the rest in other major currencies like USD, EUR, GBP, SEK and CHF, while it has major parts of its head office administration costs tied to the NOK.



NORCAP funding

In 2022, NORCAP exceeded its initial plans, reaching an implementation of more than NOK 611 million, compared to the initial budget of NOK 504 million.

NORCAP has a four-year strategic partnership agreement with the Norwegian Ministry of Foreign Affairs (NMFA) for 2020–2023, with an average expenditure of NOK 136 million per year. The agreement has been extended for an additional year into 2024. Moreover, NORCAP secured NOK 47 million for the Ukraine response for implementation in 2022–2023.

In addition, NORCAP has a four-year agreement (2021–2024) for its programme on human rights, democracy and peace (NORDEM), with an average expenditure of NOK 114 million per year.

In 2022, NORCAP signed new multi-year agreements with Norad for climate services (2022–2027) and the Green Shift (2022–2026), with a yearly expenditure of NOK 82 million (NOK 52 million in 2022).

NORCAP continued to diversify and maintain its donor and partners base, with projects funded by NMFA, Norad, the UN Office for the Coordination of Humanitarian Affairs (OCHA), the German Federal Foreign Office (GFFO), USAID's Bureau for Humanitarian Assistance (BHA), the US State Department's Bureau of Population, Refugees, and Migration (PRM), European Economic Area Grants (EEA), the Swiss Agency for Development and Cooperation (SDC), the UK's Foreign, Commonwealth and Development Office (FCDO), EU funding and Sida, among others.

Private sector funding

NRC works to communicate to private individuals and private sector organisations about the challenges displaced people face and how NRC is assisting them. Linked to this, NRC raises funds from the private sector and individuals, including unearmarked and flexible funding which is critical to target resources to those most in need, especially in new or neglected crises. In 2022, NRC raised NOK 624 million in income from private individuals and the private sector. Of this, NOK 67 million was in the form of pro bono goods and services and NOK 265 million was grants and donations from corporates and private sector organisations. The remaining NOK 294 million was from private individuals and civil society organisations. This income was largely connected to the Ukraine crisis and allowed NRC to respond quickly and then in turn secure increased funding from institutional donors. This enabled NRC to sustain and grow its humanitarian response to the Ukraine regional crisis as well as to people in other countries impacted by the crisis (e.g., food shortages affecting displaced people in parts of Africa).

In parallel to the massive Ukraine fundraising operation, NRC maintained its work to recruit individual regular donors with direct debit agreements donating each month to NRC. These 70,000 regular donors are mainly in Norway, Sweden and Germany. The funds raised supported work in a number of underfunded crises including Mali, the Central African Republic, Cameroon, DR Congo and Somalia.

NRC's partnerships with private organisations continued to grow. There was a substantial increase from 2021, with a number of organisations wanting to support NRC's work in Ukraine. To meet this growth, NRC is expanding with new fundraising advisers in the UK and US representation offices, and in the Central and Eastern Europe regional office in Warsaw.

In 2022, NRC was awarded the Conrad N. Hilton Humanitarian Prize, recognising its work to protect the rights of people forced to flee and spotlighting this work to a wider audience.

Risk management

Throughout 2022, risk management efforts focused on strengthening the organisational capacity to manage the risks affecting NRC globally, with a particular focus on the high risks: the risk of exposing the people NRC works with to further harm, the risk of disclosing confidential information, major corruption events, and risks to staff safety and security.

Risk owners developed standard criteria to regularly assess likelihood and impact as well as the effectiveness of existing controls at capturing changes to risk levels and the mitigating effect of controls over time. A global risk map is reported tri-annually to the Senior Management Group and the Board's Audit and Risk Committee.

NRC Assure was developed to monitor the status of implementation and compliance with key internal controls for high-level risks across NRC's country programmes. The system was rolled out as part of the new internal triannual reporting process (T-reporting), which focuses on strategy, risk management and the effectiveness of key internal controls.

Several initiatives were launched to expand or improve measures to control global high risks, including an improved system for managing misconduct cases, improved procedures and tools for investigations, the development of a policy on conflicts of interest, and an ongoing collaboration for the development of a compliance framework for programme activities. These initiatives will continue in 2023.

Sexual exploitation and abuse and sexual harassment (SEAH)

A total of 88 cases of misconduct relating to sexual exploitation and abuse and sexual harassment (SEAH) were reported in 2022, two more than in 2021. Some 44 per cent were allegations of sexual harassment, 14 per cent allegations of sexual abuse, 22 per cent allegations of sexual exploitation and 20 per cent allegations of child sexual abuse. Of these, 61 cases were closed in 2022 and 27 were carried forward into 2023 as open cases due to being reported late in the year. 42 per cent of the cases that were investigated and closed in 2022 were found to be substantiated.

More than 98 per cent of the alleged subjects of concern were male/unknown gender, and 16 per cent were staff in a managerial position. Some 96 per cent of survivors were female/unknown gender, and 46 per cent were from the community or among the people NRC works with.

Corruption

A total of 283 corruption cases were reported in 2022, an increase of 61 from 2021 where 222 cases were reported. NRC strengthened its investigation capacity at the regional level in 2020, which contributed to increased awareness and detection. The most common category of case (30 per cent) involved allegations of fraud (including procurement fraud), followed by "complex cases" (multiple allegations; 15 per cent), theft (14 per cent), favouritism/nepotism (10 per cent) and bribery/kickbacks (7 per

cent). Of these, 178 cases were closed in 2022 and 74 were carried forward into 2023 as open cases.

All cases of alleged financial corruption or misconduct from the previous year are briefly summarised on NRC's [website](#) in June of each year.

Transparency

NRC has started to map its supply chain in accordance with the Norwegian Transparency Act, which requires organisations to provide the general public with information on how partners and suppliers' impact on fundamental human rights and working conditions is addressed. During 2022, no negative consequences of NRC's partnerships have been discovered.

Further information NRC's initiatives towards transparency can be found on NRC's [website](#).

Environmental impact

Conflict-affected contexts are disproportionately affected by climate change and environmental degradation. The increase in climate risks and shocks such as floods, droughts, heatwaves and cyclones are likely to challenge existing ways of working for humanitarian actors and threaten the ability of displaced people to access services through NRC's core competencies and durable solutions.

Roadmaps contributing to the 2022–2025 Global Strategy were developed for both the Strategic Objective 3 on “Efforts to address the impact of climate change on displacement-affected people” and the Strategic Enabler 4 on “Reducing NRC's environmental footprint”. Building on these roadmaps, a climate and environment strategy was developed, and a target set of reducing the intensity of NRC's carbon footprint by 20 per cent by 2030.

In 2022, NRC initiated a project, funded by ECHO, on strengthening the capacity of humanitarian actors to do environmental screenings. The overarching objective of the project is to contribute to the design and implementation of programmes and projects, with the aim of strengthening accountability and learning on environmental performance in humanitarian response across NRC and the wider sector. Trainings on technical support, with NORCAP environmental experts deployed on-site, are being delivered to organisations where there are ongoing humanitarian responses.

In 2022, NRC launched a consultancy to map out the current aspects of climate change adaptation in NRC's response and interventions, identify barriers and recurring challenges, and guide the design and implementation of future climate-related actions. The findings of the study provided insights for NRC to capture strengths and challenges in defining its ambitions for addressing climate change adaptation in displacement contexts.

By creating capacity for technical support towards programmes, advocacy and policy work, NRC is progressively pushing for improving environmental performance at global and country levels. Climate and environment have also been mainstreamed in three core competency global strategies: shelter and settlements, livelihoods and food security, and education.

Environmental minimum standards for shelter and settlements, water, sanitation and hygiene (WASH), livelihoods and food security, and emergency response programmes were finalised and disseminated. Development of self-assessment tools and sector-specific guidance will continue in 2023.

With support from Sida, NRC has advanced both the monitoring of the organisation's carbon footprint and efforts to reduce it. Using a systematic approach to measuring its own annual carbon footprint, NRC will produce the first annual carbon footprint report detailing carbon emissions in 2022.

Across NRC, carbon reduction initiatives have begun targeting energy, vehicles, flights and procurement. NORCAP energy advisers funded by Sida and the German Federal Foreign Office have supported teams in Africa and the Middle East to increase their energy efficiency and conduct assessments for the transition from diesel generators to solar power. NRC country programmes in Burkina Faso, Sudan, Nigeria and Niger now meet some of their needs with clean energy.

With the support of Fleet Forum, workshops were provided to NRC staff to improve the efficiency of their vehicle management. NRC's first electric vehicle came into service in 2022 in Jordan and hybrid vehicles are also in use in Ukraine.

NRC continues to contribute to the greening of the humanitarian sector through NORCAP, which provides technical energy expertise to the whole sector.

In 2022, NORCAP focused on further developing its programmes and expertise in climate services and adaptation as part of its climate portfolio. It continued to develop its programmes on clean energy solutions and sustainable response as part of the Green Shift portfolio.

NORCAP continued supporting and building the capacity of regional climate centres (RCC) and national meteorological and hydrological services (NMHS) in Africa. The collaboration with the NMHS focused on technical capacity-building of each NMHS and strengthening climate service delivery. NORCAP also continued its support to the two RCCs, IGAD Climate Prediction and Applications Centre (ICPAC) and African Centre of Meteorological Applications for Development (ACMAD), in 2022. The climate team continued to focus on building synergies between the UN and national/regional partners throughout 2022, working on climate services, early warning, and early action for disaster preparedness.

NORCAP continued to strengthen the humanitarian energy sector by ensuring a holistic approach to reducing the environmental footprint of the sector and improving sustainable responses. NORCAP supported 31 missions with expertise in over 13 countries across Africa and the Middle East. Last year, NORCAP focused on developing circular approaches for programmes, exploring new partnerships, and

progressing innovative financing models for clean energy and sustainable response in line with the NORCAP strategic objectives.

As part of the Green Shift portfolio, the Female Accelerator Programme was established in 2020. The portfolio aims to increase the recruitment of women energy experts in the sector in order to maximise the impact of NORCAP's energy activities and increase its ability to reach vulnerable women with energy-related information. Following the success of the programme for the energy sector, a Female Climate Accelerator Programme was established in 2022.

In 2022, four new colleagues were added to the energy roster and are currently supporting various agencies in Africa such as UNHCR Kenya, UN-Habitat HQ and UNHCR Niger. Six female climate experts were recruited, focusing on different areas of expertise in user engagement, climate modelling, climate services development, forecasting, climate communication and climate change adaptation.

NORCAP, alongside partners, has initiated the Decarbonising Humanitarian Energy (DHE) project, funded by the German government's International Climate Initiative (IKI). The DHE project partnership was established in December 2022 and will be implemented by NORCAP, UNDP and the GPA Coordination Unit at the United Nations Institute for Training and Research (UNITAR). The project aims to reduce the costs and greenhouse gas emissions associated with delivering critical humanitarian assistance in five countries in the Sahel region.

A key achievement for both the energy and climate projects in 2022, was the signing of a multi-year grant agreement with Norad. For NORCAP's work with climate services and adaptation, the project's expected effects on society are to support increased climate resilience for vulnerable populations and sectors, and bring change in practices for reduced vulnerability across vulnerable populations and sectors. The Green Shift programme will allow for the expansion of energy access projects and encourage higher levels of data collection on energy needs for the most vulnerable. It will build experts' capacity to increase the efficiency of delivery and encourage agencies to embed clean and sustainable energy access in their frameworks and policies. The multi-year funding will allow the experts to create sustainable projects, increase knowledge sharing and continue to innovate for the progression of climate services and Green Shift projects.

In 2022, an increase was registered in requests from partners working with NORCAP's Green Shift and Climate Services teams which requested specialised expertise for programming in West and East Africa. The Green Shift team in 2022 therefore worked towards expanding its energy roster to include unique expertise, specifically in finance, environmental sciences, and e-waste management to address this increased demand. As part of NRC's commitment to progressing the sector, the teams have continued to emphasise the need for more sustainable projects in both energy programmes and climate services.

NRC Board

The following people constituted the Board in 2022:

- Harald Norvik (Chairman of the Board)
- Hege Marie Norheim (Deputy Chair)
- Kiran Aziz
- Josephine Goube
- Walter Kälin
- Sturla Stålsett
- Claus Sørensen
- Amira Malik Miller
- Eirik Christophersen (Deputy Board member elected by staff, until April 2022)
- Anthony Nichols (Board member elected by staff, from April 2022)
- Sofia Janjua (Board member elected by staff, until June 2022)
- Pauline Ballaman (Board member elected by staff, from October 2022)
- Muktar Adan Abdi (Board member elected by staff, until May 2022)
- Lilia Granja (Board member elected by staff, from May 2022)

The Board conducted five regular Board meetings, one extraordinary Board meeting, and two Board seminars, discussing 58 agenda items throughout the year.

The Board Audit and Risk Committee met four times in 2022. The Committee assists the Board and management by providing independent oversight, advice and guidance on the adequacy of the organisation's:

- risk management
- internal controls and frameworks for compliance and safeguarding
- internal audit activity, external auditors, and other providers of assurance
- financial statements and public accountability reporting

Board meetings and seminars in 2022 focused on, among other issues, NRC's response to emerging crises, organisational development, strategic direction, humanitarian policy and principles, and community engagement and accountability. The Board evaluation in 2022 confirmed that the relationship between the Board and the administration is good and constructive.

The Board confirms that the conditions for continued operations are fulfilled.

The Board thanks NRC's employees for their dedication and hard work throughout the year, which was heavily impacted by the Ukraine crisis, and looks forward to continued cooperation in 2023.

The Board and the Secretary General's responsibilities for the governance of NRC are covered by liability insurance through If P&C Insurance Ltd. The insurance covers the insured parties' liability for pure financial loss in the capacity of directors and officers that may incur anywhere in the world according to the Norwegian act of foundations.

Oslo, 9 May 2023

Harald Norvik
Chairman of the Board



Jan Egeland
Secretary General



Walter Kälin
Board Member



Sturla Stålsett
Board Member



Claus Sørensen
Board Member



Anthony Nichols
Board Member elected by staff



Lilia Granja
Board Member elected by staff



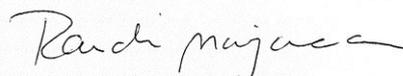
Amira Malik Miller
Deputy Chair



Kiran Aziz
Board Member



Randi Marjamaa
Board Member



Jemilah Mahmood
Board Member



Pauline Ballaman
Board Member elected by staff

