

Annual Report from the Board 2020



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Norwegian Refugee Council

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Cover photo: Abdulkadir/NRC

SOMALIA/Kahda district. Madina Abdiyow washes her hands after receiving handwashing guidance from NRC's hygiene promoter in the Anole IDP settlement.

NRC's mandate and organisational set-up

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 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 2020, NRC worked in both new and protracted crises across 34 countries. Its main activity is the delivery of humanitarian aid through programme activities in the field. NRC specialises in six areas of expertise, or "core competencies": shelter and settlements; livelihoods and food security (LFS); information, counselling and legal assistance (ICLA); education; camp management; 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, regional, national 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 four 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, and the Asia, Europe and Latin America office in Oslo.

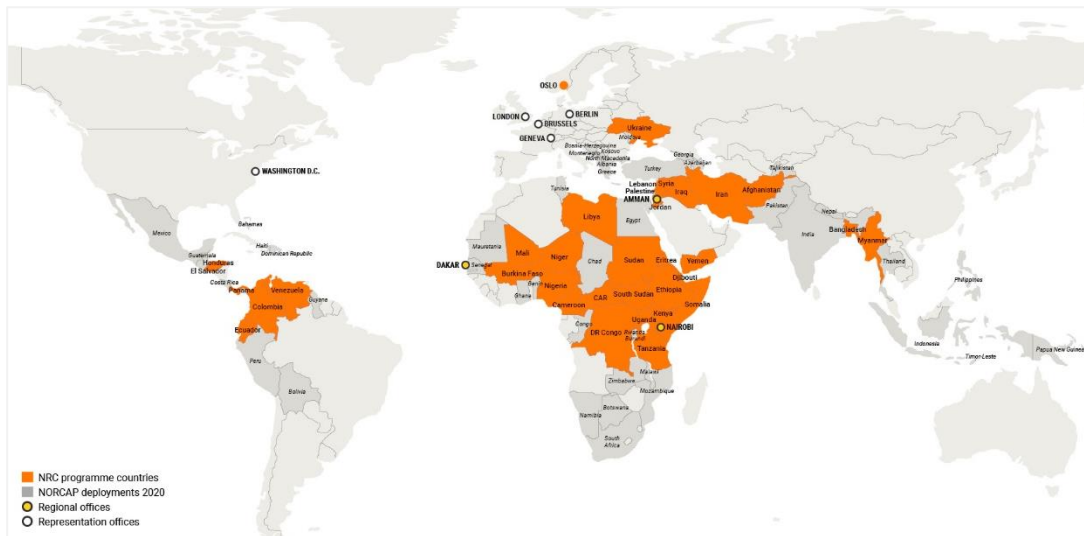
During 2020, NRC also had representation offices in Brussels, Geneva, Berlin and Washington DC. The former liaison function in London was expanded into a full representation office during 2020. Representation offices have been established to ensure close and ongoing dialogue with decision-makers and 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.

At the end of 2020, approximately 15,000 people worked with and for displaced people on behalf of NRC. Of these, NRC employed a total of 8,200 staff members (including NORCAP experts). Most of the staff (7,000) are hired nationally to work for one of NRC’s country programmes, while a small number are based at the head office in Oslo or at the regional and representation offices.

Programme activities

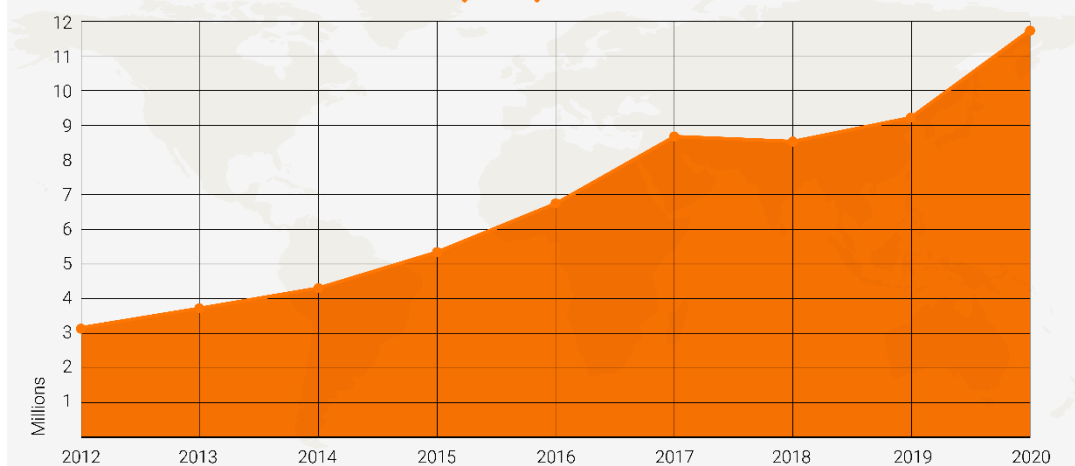
NRC assisted more than 11 million people in need across 34 countries in 2020. This is a 22 per cent increase compared to 2019.



NRC presence per 31 December 2020.

Data indicates that this increase is almost exclusively due to water, sanitation and hygiene (WASH) programmes responding to needs brought about by the Covid-19 pandemic. The distribution of people assisted changed across the regions in 2020, with a continued reduction in the Middle East and an increase in the three other regions. The reduction in the Middle East is mostly explained by a regional strategy to put greater focus on impact and target communities more effectively with higher quality programming. It is expected that this will ultimately lead to a reduction in total beneficiaries over time.

IN 2020 NRC ASSISTED 11,988,390 PEOPLE IN NEED



2020 was heavily influenced by the Covid-19 pandemic. Across the regions and countries in which NRC operates, the unprecedented pandemic exacerbated already existing vulnerabilities, including through further challenging humanitarian access, compounding already significant humanitarian needs, and posing new obstacles. From the start, NRC's main priority was to maintain its regular programme activities in support of people affected by conflict and displacement, as well as understand where NRC as an organisation could add value to the pandemic response.

In order to not only maintain regular programme activities, but also adapt and scale up, a Global Covid-19 Response Plan was developed, consisting of four pillars:

1. partner with health actors to increase access to health services
2. mitigate the spread of the virus in camps and highly populated areas
3. reduce the impact of government policies aimed at containing the virus (e.g. lockdown and border closures)
4. prevent further abuse, violence and erosion of the rights of displaced people due to Covid-19

Through immense efforts by field colleagues, NRC largely managed to maintain regular programme activities as well as scale up the response to Covid-19. NRC's ability to move and physically engage with displacement-affected people was severely hampered by government restrictions on mobility. The organisation's investments in digital programme activities and focus on overcoming access challenges (through the hard-to-reach strategic ambition) proved very useful in the pandemic response and crucial to NRC's ability to maintain its programme response. The response still faced significant challenges. The education sector was hit particularly hard by the pandemic and NRC had to temporarily suspend education activities and/or provide digital solutions in many countries. With schools having closed, or being kept open with only limited access for children, NRC is concerned that some of the progress made to ensure that children can go to school and learn necessary skills may be lost.

The Middle East region covers NRC's response to the four major crises in Iraq, Syria, Libya and Palestine. NRC responds to the needs of refugees and IDPs returning home,

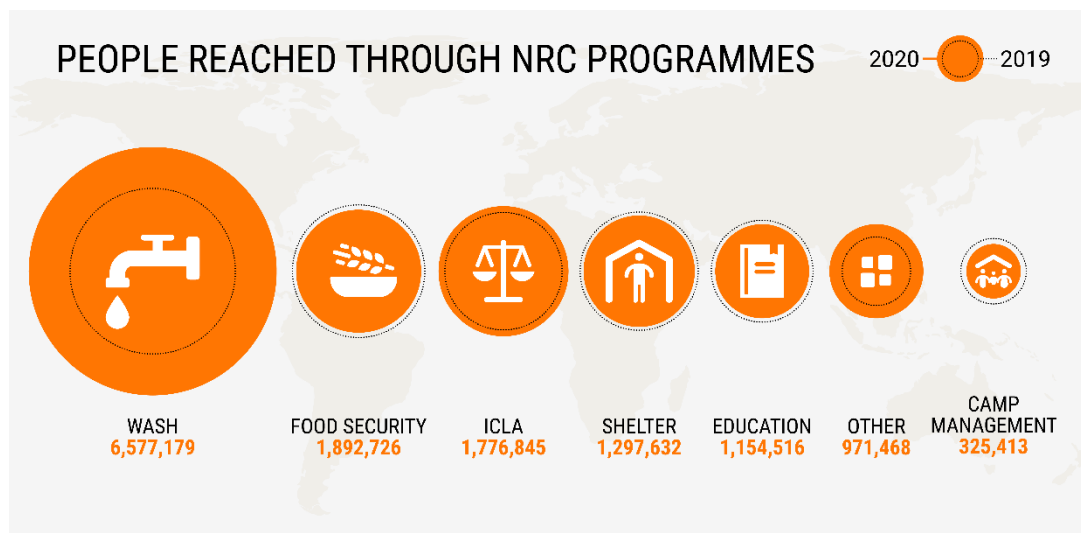
the millions living in continuous displacement and the communities that host them. NRC's response to the Syria crisis includes two offices, covering both government and non-government-controlled areas of Syria, as well as the Jordan and Lebanon country offices which respond to the needs of refugees. In 2020, NRC also responded to the devastating effects of the Beirut explosion, which left tens of thousands of people homeless. The security situation across the region continues to be volatile, with periodic escalations of violence leading to mass displacement. Humanitarian access is extremely challenging across the four crises, and Covid-19 posed new obstacles. Through digital programme solutions and advocacy to alleviate access restrictions, NRC continued to deliver and adapt to the challenges posed by the Covid-19 pandemic in the region.

Across the East Africa and Yemen region, humanitarian needs were on the rise in 2020. Covid-19 compounded the significant needs by adding pressure to already overstretched resources. Communities struggled to grapple with multiple and simultaneous shocks, including desert locust swarms, floods, Covid-19 and conflicts. An example is Somalia, which faced a triple threat of Covid-19, seasonal floods and the worst desert locust upsurge in decades. Yemen is now the world's largest humanitarian crisis, and eight out of ten people are considered to be in need of humanitarian assistance. More than five years of devastating war, economic deterioration and the collapse of public services has left 24 million Yemenis dependent on protection or humanitarian aid for survival. In 2020, NRC established a new country programme in Sudan and quickly expanded its presence, becoming one of the main actors in response to the refugee influx from Tigray in Ethiopia. Towards the end of 2020, NRC decided to establish an emergency programme in Mozambique to respond to the large-scale displacement brought on by the surge in violent attacks by an armed group. NRC conducted an assessment mission to the Cabo Delgado province in the north of Mozambique in the autumn of 2020 and work is ongoing for registration and fundraising.

In 2020, the Central and West Africa region continued to experience insecurity and violence, significant humanitarian needs and displacement due to conflict, as well as high levels of protection risks for displaced people. While conflict and displacement remain the major drivers of poverty and food insecurity in the region, the effects of Covid-19 have increased vulnerabilities. Insecurity, poor infrastructure, restrictive authorities, military operations and inaccurate information about humanitarian needs are some of the many factors that negatively affect civilians' access to protection and basic services, as well as the ability of humanitarians to deliver aid. The widening insecurity across the Central Sahel, northern Nigeria and the Middle Belt, northern and western Cameroon, the Central African Republic (CAR) and DR Congo all present negative security trends, and will remain key challenges to NRC's programmes in this region.

Across the Asia, Europe and Latin America region, there are multiple protracted crises as well as conflicts and natural disasters driving new displacement. NRC is responding to three distinct major displacement crises in the region: the Venezuela crisis in Latin America, the Afghan crisis in Central Asia, and the Rohingya refugee crisis in South-East Asia. In 2020, NRC established a country office in North and Central America

(NCA) and Mexico. This is part of a broader strategy aiming at increasing NRC’s programmatic footprint and capacity to respond to the growing humanitarian needs in the sub-region. NRC is one of only a few implementing agencies with displacement competency in this context, bringing its expertise from conflict settings to bear on the sub-regional challenges of displacement due to violence, “invisible” internally displaced populations, and international displacement and deportation.



When reviewing the number of people reached through NRC programmes in 2020, we found there was a significant increase in water, sanitation, and hygiene (WASH) beneficiaries compared to 2019, predominantly due to Covid-19. Camp management activities saw a reduction in reach, as did education, shelter, and livelihoods and food security (LFS). In addition to the significant increase in WASH beneficiaries, information, counselling and legal assistance (ICLA) reports a slight increase in its reach. Country offices are also reporting an increase in people reached outside the usual core competencies.

NRC’s Global Strategy 2018–2020

In October 2019, the NRC Board of Directors approved a one-year extension of NRC’s Global Strategy until the end of 2021. The strategy has four main ambitions:

1. Be a leading displacement agency in hard-to-reach areas.
2. Be a champion for durable solutions.
3. Become a leader in using data and technology to deliver better.
4. Be a great organisation to work for.

Be a leading displacement agency in hard-to-reach areas

The overall aim of the hard-to-reach (H2R) ambition is to enable NRC to operate in areas that are difficult to access with sustained humanitarian programmes. Today, NRC works in 27 of the 35 most inaccessible countries in the world, including the top four: Syria, Yemen, Libya and Eritrea. Moreover, data from ACAPS has shown that there is a significant deterioration in the humanitarian access situation in countries like Cameroon, Ethiopia, Honduras, Libya and Mozambique, all countries in which NRC operates or plans to start operations. Covid-19 containment measures also heavily impacted the access situation in 2020.

Throughout 2020, NRC continued to build upon the steps outlined in the H2R Roadmap (2018–2021), with a particular focus on adapting to the exacerbated access challenges caused by Covid-19. Particular attention was given to developing an evidence base around humanitarian access issues and programming in hard-to-reach areas. NRC conducted a baseline assessment related to its H2R ambition, which identified that 50 per cent of its areas of operations have high to severe access constraints. This is an important step towards understanding how NRC can measure its status as a “leading displacement organisation in H2R areas” and develop a target to work towards to increase the coverage. In order to inform future decision making, the data will be cross-analysed with other key metrics produced by NRC, including monitoring and evaluation (M&E) data. The rapidly evolving Covid-19 situation generated a need for more dynamic data-gathering to understand global access trends. The team launched a global monthly product that provides an overview of humanitarian access challenges across priority H2R countries. The access challenges captured are in line with NRC’s adopted definition covering challenges related to political and bureaucratic obstacles, conflict and environmental factors, and displaced people’s access to aid.

NRC has seen an uptake of, and demand for, the tools and approaches that it has developed to date. For example, the organisation’s work on how to ensure effective M&E in hard-to-reach areas is now extremely pertinent and was adapted to ensure compliance to the Covid-19 operating space. NRC’s investment in programme criticality was fast-tracked and combined with integrated programming work to enable country offices to assess more systematically which of their programming interventions could be considered life-saving and essential. In Cameroon and in Yemen for example, the teams used the tools during their Covid-19 response to decide which activities were to be suspended, adapted or continued. NRC’s work with remote management and dispersed teams has been scaled up, focusing on providing technical advice to teams in lockdown to ensure programme continuity where possible. A toolkit was developed on the existing remote programming policy and guidance to support teams in preparing for potential programme adaptations.

Since 2018, more than 940 frontline humanitarians have completed NRC’s local language training on humanitarian negotiations. More than 1,300 people have joined the e-learning course in over 25 countries, the majority working in complex emergencies, including in Iraq, Afghanistan, Colombia, Iran, Myanmar, Palestine, Syria and Yemen.

Adapting to Covid-19 travel restrictions and public health measures, NRC's programme experts carried out direct and remote support to country offices in Ethiopia, Sudan, Ukraine, Lebanon, Libya, Colombia and DR Congo, as well as to the Syria Response Office in Jordan. This will enable the country offices to improve how they work in hard-to-reach areas.

NRC has also entered into new strategic partnerships that will strengthen its position as a thought leader in this area. An MoU with Geneva Call will allow for improved collaboration with field teams in hard-to-reach areas, especially those areas under the control of non-state armed actors. With the Harvard Kennedy School's negotiations team, NRC is taking a multidisciplinary approach to humanitarian negotiations, by learning from behavioural science and other disciplines. This will strengthen NRC's capacity to conduct frontline negotiations in an evolving operational environment and improve its ability to support responses in the most challenging contexts.

Be a champion for durable solutions

Throughout 2020, NRC continued to make significant contributions to finding durable solutions for refugees and IDPs across its operations. This work was underpinned by research and analysis and encompassed purposely designing programming to address barriers to durable solutions, being a strong and principled advocate for displaced populations, and forming strategic partnerships with key displacement actors.

Economic inclusion was a key programme development area for the durable solutions ambition in 2020, which involves an integrated approach across the ICLA, LFS, shelter and education core competencies. With funding from the Hilton Foundation, NRC commenced an economic inclusion learning project in August 2020. The first phase of this project took stock of NRC's existing work, and illustrated the wide range of global NRC programming that contributes to economic inclusion and self-reliance for displacement-affected populations. The findings will inform the further development of economic inclusion as a programme area for NRC in 2021.

At the country level, 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 Somalia, NRC facilitated the development of the government's National Durable Solutions Strategy, which acts as an operational roadmap for the government as well as humanitarian and development actors. In the Middle East, NRC established a regional research partnership with UNHCR and produced a series of research papers and programme guidance on civil documentation and housing, land and property issues, which are directly informing NRC's return preparedness work and other durable solutions planning for the Syria crisis. In Ukraine, NRC completed an IDP profiling exercise in the Luhansk region, which has informed data-driven planning of various stakeholders around IDP integration. In the Central African Republic, NRC supported the return of displaced populations with integrated ICLA, shelter and WASH activities.

Recognising that bringing an end to displacement requires a multi-stakeholder approach, NRC continued to establish and build strategic partnerships to promote

lasting solutions in 2020. NRC played a central role in collaborative research, programme support and advocacy on lasting solutions, as an active member of the Regional Lasting Solutions Secretariat in East Africa (ReDSS), the Lasting Solutions Platform (DSP) in the Middle East and the Asia Displacement Solutions Platform. NRC was centrally involved in the outputs of these platforms, including the gathering of lessons learned from lasting solutions programming in Somalia by ReDSS and an analysis of the barriers and opportunities for lasting solutions in Syria by the DSP.

In 2020, NRC conducted a review of its work on lasting solutions during the current strategy period to take stock of achievements to date and chart the way forward in terms of what it means to be a “champion for lasting solutions”. The review highlighted numerous programming, advocacy and research initiatives at global, regional and country level that contributed to lasting solutions. Key areas of focus moving forward were identified, including better capturing lessons learned from programming and advocacy, developing lasting solutions guidance materials, and continuing to form strategic partnerships at all levels.

Become a leader in using data and technology to deliver better

Throughout 2020, NRC continued to work on developing digital systems to support key business functions and processes; however, the Covid-19 pandemic was a decisive factor in accelerating key decisions and technology adoption. Faced with lockdowns and severe mobility restrictions, NRC was forced to adapt, invest, and make use of technology in new ways to maintain business continuity and to stay and deliver in countries of operations.

Digital solutions implemented in previous years, including the adoption of cloud-based applications in 2019, eased the transfer to remote working. The newly deployed video conferencing tool proved to be a lifeline, enabling NRC to move all meetings and seminars online as staff could no longer travel or meet in person. When offices were vacated due to social distancing rules, a short pilot led to the rapid implementation of an electronic signature service across the entire organisation. While initially seen as stopgap moves, these are likely to become part of how NRC works in a post-pandemic “new normal”.

Using open-source technology, the now established Digital Team (D-team) developed a web application to track the impact of Covid-19 on NRC’s access, programme relevance and project expenditures. This in-house software development experience was then transferred to the development of Core, NRC’s future beneficiary and service management solution which will eventually be used across all countries and projects. A successful first pilot was conducted in Uganda and further development and adoption is planned for 2021.

As the Covid-19 pandemic affected the organisation’s ability to reach and maintain proximity to beneficiaries, NRC developed the Digital Community Hub (DCH), a multi-channel communication platform that allows two-way interactions via mobile phone technology. Today, DCH is used by NRC teams in over 20 countries and can reach up

to one million contacts per month, providing life-saving information, ensuring community engagement, collecting individuals' voices and much more. Thanks to a combination of internal innovation seed funding and private partnerships, NRC's Digital in Programmes team had the key pieces in place to adjust numerous programmes to digital and remote solutions when the pandemic hit. At the same time, NRC gained valuable experience in handling complex and emerging technologies that will prove fundamental to further transform how aid is delivered in the future.

These significant achievements, which contributed to NRC's overall business continuity and programme delivery in 2020, were only possible because of the investments in digital staff and system development in recent years. Building on that foundation, in addition to exceptional collaboration across departments and in-kind and cash donations by tech-sector partners, NRC was able to provide digital solutions at scale. Finally, as NRC's use of technology grows and the processing of data increases, so do the complexity and risk. While still in its early stages, the recently established Digital Transformation Advisory Board is intended to address this challenge through improved governance of current and future digital transformation initiatives.

Be a great organisation to work for

NRC has developed a framework defining what it means to fulfil its ambition of being a great organisation to work for and how to get there. The framework focuses on five areas:

1. attracting and recruiting staff
2. engaging staff
3. developing staff
4. providing appropriate staff care
5. retaining staff

In 2020, staff care was the key priority as Covid-19 greatly impacted the employees and work of NRC. When the pandemic hit, NRC adapted its policies and developed new guidelines for staff care, which helped shape the organisation's Covid-19 response (see Duty of Care section below). Resources had to be reprioritised to meet the new challenges, and several other initiatives that were planned for 2020 had to be postponed. Despite this, NRC implemented the first two modules of the new human resource management system, NRC People. Further functions of NRC People will be initiated in 2021, including a performance management tool and a centralised help-desk function.

NRC also launched the Shared Service Centre for Global Recruitment in Nairobi in late 2020, which will ensure efficient recruitment across the organisation. Progress was made on NRC's new global induction package and the complete roll-out will be finalised in 2021. Going forward, NRC will continue to strengthen its work to attract new talent and develop existing staff.

The pandemic altered the work patterns of many NRC staff, particularly through remote working. To explore this further, NRC conducted a focus group study of "The New Work Normal". This work has developed into two separate projects that will be

followed up in 2021 – “The New Normal for Employment” and “The New Normal for Nationalisation”.

NORCAP

Throughout 2020, NORCAP and its experts adapted to the new situation and focused on tackling the consequences of the pandemic.

Despite worldwide travel restrictions and limited health expertise and capacity in many locations, NORCAP was to a large extent able to maintain activities and “stay and deliver” throughout 2020. Many experts embraced the need to work remotely, tailored their work to the new situation and improved outreach through digital training, coordination and capacity development.

Chief among the lessons learned in 2020 was the importance of building local capacity and making sure activities are in line with communities’ needs and wants. NORCAP supported designing programmes that better engage with the communities they are intended to benefit.

In the Lake Chad area, NORCAP has worked with women’s associations, building their organisational, institutional and financial capacities. This has helped women speak out on issues concerning their lives, leading to boreholes being established in places where women can conveniently access them, and community leaders opening up for more dialogue on issues of gender-based violence and other harmful practices against women.

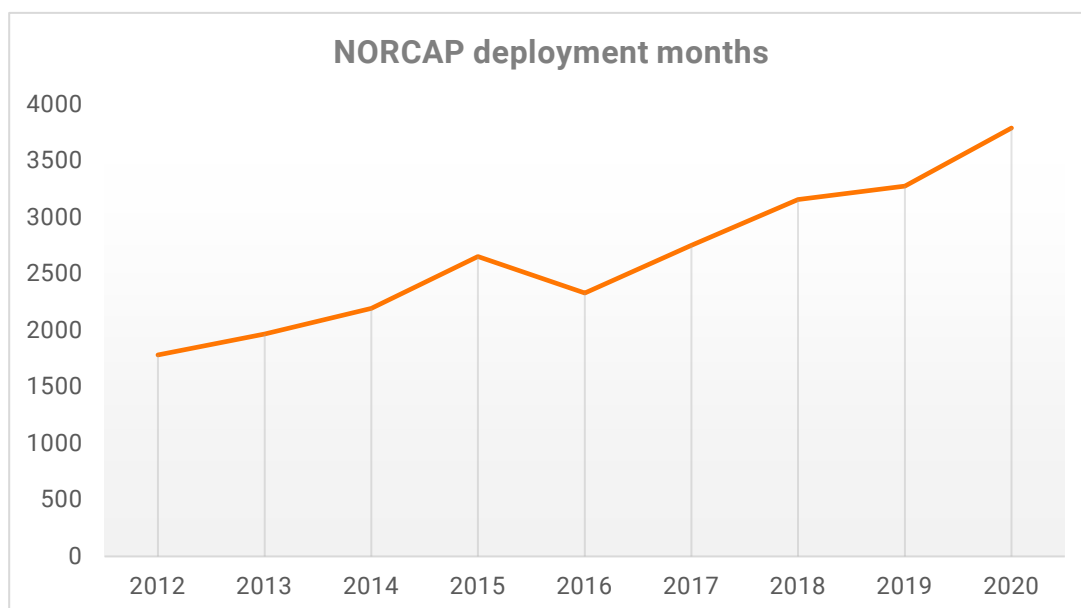
In Mali, NORCAP’s education expert trained 120 teachers on Covid-19 prevention and psychosocial support. Gender-based violence was a key topic during the training, which instructed teachers in how to uncover and respond to child abuse, and how to refer the children affected to national entities for support.

NORCAP has, together with partners, identified a need for more expertise, particularly when it comes to risk communication and accountability. This is important in order to combat information gaps on Covid-19, which have led to misconceptions, rumours and contradictory health advice. It will also serve to strengthen local and national responses to increasing needs.

One example of how experts have adapted to Covid-19 can be found in Colombia, where a NORCAP expert worked to support survivors of gender-based violence (GBV). GBV has been described as a second pandemic behind Covid-19, as lockdown and economic pressures have led to an increase in domestic and sexual violence worldwide.

NORCAP’s expert and a UNFPA colleague developed a new way of managing GBV cases remotely. UNFPA equipped case workers with phones, computers and headphones, and trained them on issues such as data protection and making remote referrals safe and confidential. The method proved successful, and the team was asked to share it with the rest of the humanitarian and development communities in Colombia and Venezuela, reaching out across the two sectors.

During 2020, NORCAP provided a record number of 3,793 person-months of expertise to partners in support of effective action, capacity building and coordination.



Advocating for the rights of displaced people

NRC's advocacy in 2020, both private and public, resulted in or contributed to significant changes to policy and practice that had a concrete positive impact on the lives of thousands of displaced people.

The Covid-19 pandemic significantly influenced NRC's advocacy work. Through public advocacy and media work, NRC brought attention to the vulnerability of displaced populations to the pandemic. NRC pushed for countries to ensure that humanitarian actors could continue to work in the face of travel restrictions and a suspension of commercial air traffic. Several countries introduced exemptions that allowed humanitarian assistance to continue, and the UN established air bridges.

While the pandemic's health impact on displaced populations has so far been less severe than feared, government measures to contain Covid-19 have had significant secondary impacts. Based on a survey of more than 1,400 conflict- and displacement-affected people, NRC's report *Downward Spiral* found that displaced populations had seen a significant reduction in their income since the pandemic broke out, and hence a reduction in their access to food, housing, and education.

The global pandemic also disclosed fundamental shortcomings with the international humanitarian financing system. In *Make or Break*, the first comprehensive study analysing how the humanitarian financing system responded to Covid-19, NRC showed that funds were lacking, that they did not reach those in need quickly enough, and that there was a lack of coordination between humanitarian and development actors. Key players in the humanitarian sector supported the recommendations from

the report such as the importance of engaging with international financial institutions, the need for increased quality funding, and the need to channel funding directly to implementing organisations.

Two concrete 2020 developments will help address some of these challenges. For the first time, the UN's Central Emergency Response Fund (CERF), which quickly distributes funds in an emergency to UN agencies, was allowed to also distribute funds to non-governmental organisations. The UN also decided to establish regionally hosted pooled funds to complement the Country-Based Pooled Funds (CBPF), another rapid way of distributing funds, where CBPFs do not exist.

NRC lobbied donors to increase flexibility and simplify the administrative requirements to allow aid to reach those in need quicker. Many donors introduced temporary measures for increased flexibility that NRC is arguing should be maintained beyond the pandemic. Some, such as UNHCR and OCHA, have introduced permanent changes that will allow more aid to flow more quickly to those in need. Simplification and harmonisation of donor requirements have been long-standing advocacy objectives for NRC.

Another continued advocacy objective for NRC has been to convince governments to clarify counterterrorism obligations so that they do not impede principled humanitarian action.

In the US, NRC led other organisations in a successful advocacy effort to improve conditions in the standard grant agreements that NGOs sign with USAID.

In the UK, NRC's advocacy efforts convinced the prosecutorial authorities to issue guidance in relation to NGOs and the UK counterterrorism and sanctions regimes, which will provide greater legal clarity and reassurance to NGOs. UK authorities also incorporated scope for humanitarian exemptions in the new law on sanctions regimes that it adopted post-Brexit.

With active involvement from NRC, the EU clarified for the first time, in guidance notes on Covid-19 and in other documents, that ultimate beneficiaries of humanitarian assistance should not be vetted against sanctions lists. French authorities have also made commitments to protect the humanitarian principles.

Finally, NRC highlighted with the rest of the humanitarian community the potential negative consequences of the US designating the *de facto* authorities in northern Yemen a terrorist organisation. Through concerted private and public advocacy, NRC advocated for exceptions to the designation that would safeguard humanitarian operations. While the Trump administration did make the designation, it was accompanied by unprecedented exceptions, and was ultimately revoked by the Biden administration.

Throughout the year, NRC continued to highlight violence affecting displaced populations in countries of operations, including in DR Congo, Yemen, Palestine, the Sahel region and Afghanistan. NRC supported the UN Secretary-General's call for a global ceasefire to fight Covid-19 by publishing a report that showed that armed conflict had forced more than 660,000 people to flee their homes since his call.

In the UK, NRC with other protection-focused organisations pushed the authorities to reaffirm their commitment to humanitarian principles, International Humanitarian Law, and humanitarian access in the final text of the UK's new policy on Protection of Civilians.

The NRC report *Breaking the Glass Ceiling* drew attention to the lack of protection funding and the specific protection risks for millions of people in the wake of Covid-19. Donors, including the US, Switzerland, Sweden, the Netherlands and Australia, committed to increase protection funding. NRC will ensure accountability through a stock taking exercise in mid-2021.

Through reports, press releases, opinion pieces and engagement with the media, NRC sought to draw attention to displaced people and their challenges. NRC's media reach in 2020 was 43 per cent higher than in 2019, and NRC continued to be one of the most outspoken organisations on behalf of displaced populations. NRC's annual publication of the ten most neglected displacement crises in the world drew significant attention once again in 2020. Nine of the ten countries were in Africa, with Cameroon topping the list. Sustained efforts to draw attention to the displacement crises in Burkina Faso, another neglected crisis, likely contributed to an increase in funding from USD 96 million in 2019 to USD 256 million in 2020.

NRC's Internal Displacement Monitoring Centre's annual report on the global number of internally displaced people showed that there had never been more people internally displaced than in 2020.

A particular focus of NRC's public advocacy efforts towards the end of the year was the outbreak of hostilities in the Tigray region of Ethiopia. NRC spoke out forcefully about the hostilities' impact on civilians, the resulting displacement, and the lack of humanitarian access to the affected areas.

NRC's advocacy efforts, alone and with others, also resulted in or contributed to concrete improvements at a national level in countries where we operate. For example, in Somalia, the government introduced a moratorium on forced evictions in 2020, leading to 66 per cent fewer evictions than in 2019. The government in Jordan introduced more flexible arrangements for work permits for refugees and made it easier for refugee children to enrol in school. In Tanzania, the government developed new registration procedures, which led to the registration of more than 13,000 refugee children for the first time, making it easier for them to access basic services.

The Borno State authorities in Nigeria agreed to pilot decongestion measures in the city of Dikwa, one of the state's most crowded hotspots. Reducing overcrowding in camps in northern Nigeria has been a longstanding advocacy objective for NRC. Authorities in the Sahel region, donors and diplomats agreed to separate military activity from humanitarian action, making conditions safer both for humanitarian actors like NRC and for the people they assist.

The UN Security Council renewed Resolution 2165 that provides for cross-border aid into Syria. In addition, the Brussels Conference on Supporting the Future of Syria and the Region in 2020 recognised NRC recommendations and messages on durable solutions as key priorities for the regional Syria crisis response.

Finance and revenue base

NRC's financial income continued to grow during 2020. Total income ended at NOK 5.46 billion, an increase of 17 per cent compared to 2019. This was partly driven by the reduced value of the Norwegian krone (NOK) versus other major currencies like the euro (EUR) and the US dollar (USD) as the impact of Covid-19 hit, but also the fact that NRC received more funding to respond to the effects of the Covid-19 crisis. NRC's budget for 2020 was NOK 5.06 billion.

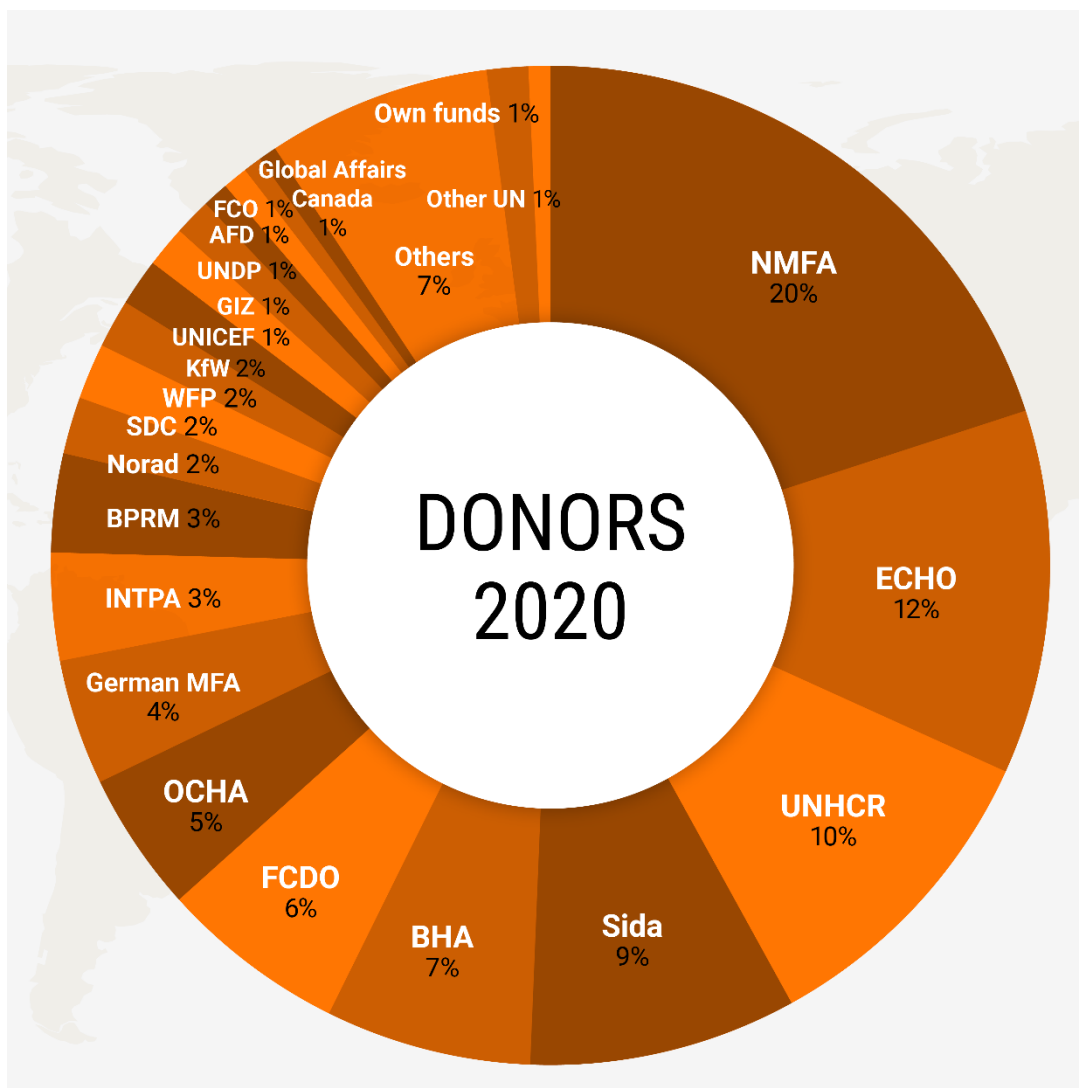
The annual accounts show a positive net result of NOK 72 million. This is NOK 70 million above the budget for the year. The financial status of NRC can be described as consistently healthy. The strong results are a result of reduced costs due to the pandemic (i.e. less travel and fewer internal seminars and trainings), strong cost control and higher income in the second half of the year. The result is added to NRC's equity and will enable the organisation to invest in its strategic priorities in the coming years.

Equity with internal restrictions was increased by NOK 31 million and other equity was strengthened by NOK 41 million.

By the end of the year, total current assets amounted to NOK 2.286 billion, against a short-term liability of NOK 1.781 billion. The debt ratio was 0.78, which is satisfactory. The organisation has no long-term debt and although there are large variations during a year, organisational liquidity is good. Surplus liquidity is invested in money market and bond funds, not in the stock market.

In terms of income, the volume from 2019 to 2020 grew in all parts of the organisation. The relative share of income continued to shift slightly from the Middle East region, with higher growth in Central and West Africa, as well as Asia, Europe and Latin America. NORCAP also saw a growth of 15 per cent.

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) (20 per cent), European Civil Protection and Humanitarian Aid Operations (ECHO) (12 per cent), UNHCR (10 per cent) and the Swedish International Development Cooperation Agency (Sida) (9 per cent) remained NRC's four largest donors and most important strategic partners. The US Bureau for Humanitarian Assistance (BHA, formerly OFDA) (7 per cent) became NRC's fifth largest donor followed by the UK's Foreign, Commonwealth & Development Office (FCDO) (6 per cent) and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (5 per cent). Funding from US and German donors, and donors with a development focus, continued to grow in 2020.



The effects of the Covid-19 crisis did not negatively impact the Annual Activity Accounts for 2020, nor the asset values. NRC has currently not seen significant reductions in the expected level of institutional donor funding for 2021 and is maintaining projections on the same level as for 2020. However, NRC expects that attracting governmental funding will become more challenging due to aid budgets being reduced or coming under increased pressure as a result of the pandemic. The UK (FCDO) has already announced a reduction in its aid funding. The challenges in implementation of activities have been and are still related to reduced access, lockdowns, curfews and travel restrictions. At the same time, NRC has succeeded in adapting and scaling up programme activities to respond to the Covid-19 crisis.

NRC was affected by the volatility and drop in the currency exchange rate of NOK versus USD, EUR and other currencies in 2020. 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

In 2020, NORCAP exceeded its budget, reaching a total annual expenditure of more than NOK 456 million. NORCAP secured a four-year Strategic Partnership Agreement with NMFA (2020–2023) totalling NOK 130 million per year. Fundraising efforts for NORCAP's priority areas, including cash, climate, education, and gender-based violence, increased in 2020, also among international institutional donors.

Private sector fundraising

Individual and corporate donations are a crucial source of funding for NRC. In 2020, NRC conducted fundraising activities towards the public in Norway, Sweden, Austria and Germany, and engaged in corporate partnerships globally. Private sector fundraising generated a total of NOK 251 million in revenue, compared to NOK 170 million in 2019.

The main income from individual fundraising came from regular donors. These are donors with direct debit agreements who give a donation each month to NRC. By the end of 2020, NRC had 47,691 individual regular donors in its four markets, which corresponds to an increase of 10 per cent from 2019.

Corporate partnerships, foundations and philanthropists contributed to NRC's work with NOK 99 million in revenue in 2020, compared to NOK 58 million in 2019. 70 per cent of the revenue from corporate partnerships is related to pro bono services. Corporate expertise and pro bono services make an important contribution to NRC's digital transformation and organisational development, as well as to innovation within its humanitarian programming.

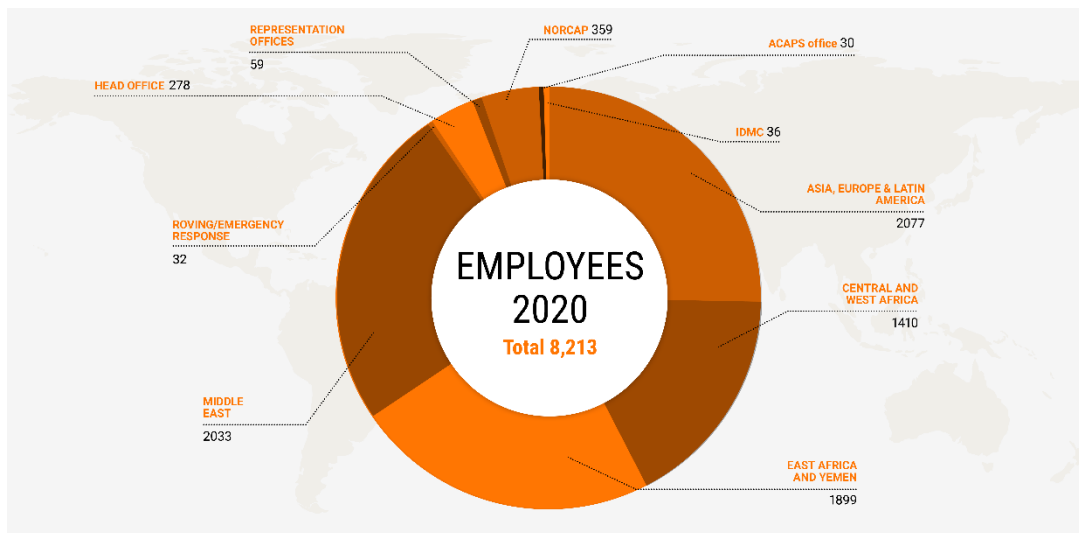
Private fundraising activities were significantly affected by the Covid-19 pandemic. Planned activities were cancelled or delayed due to the different regulatory restrictions in the countries where NRC conducts private fundraising. On the positive side, NRC saw increased giving patterns through its digital platforms and the income from both regular donors and one-offs was considerably higher than expected.

Human resources

NRC's Human Resources (HR) policy aims to ensure equal opportunities and rights, and to prevent discrimination based on ethnic origin, nationality, language, gender, sexual orientation, religion or beliefs.

At the end of 2020, some 15,000 people worked for or with NRC to deliver humanitarian assistance. A total of 8,213 were employees, including 7,000 national staff. Some 6,800 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 below:



Data per 31 December 2020. Excludes incentive, daily and other types of workers.

Nationality, gender distribution and immigrant backgrounds

NRC's 548 employees on international contracts represented 88 different nationalities in 2020. The two largest groups were employees from the United Kingdom and Kenya, followed by France, Italy and the United States. At the head office in Oslo, 36 per cent of the employees had non-Norwegian citizenship.

The gender distribution at the head office in Oslo was 63 per cent women and 37 per cent men at the end of 2020, while the managers at head office comprised 60 per cent women and 40 per cent men. The gender distribution among senior management at head office was 60 per cent women and 40 per cent men, and on the Board of Directors, there were six women and five men. Among staff in advisory roles and line managers at head office, men and women were at approximately even salary levels.

At the regional and country office level, the gender distribution was 52 per cent male and 48 per cent female among international staff. There were 63 per cent men and 37 per cent women among national staff.

At the representation offices, the gender distribution among national staff was 68 per cent female and 32 per cent male. Within expert deployments, the gender distribution among experts deployed was 50/50 male and female. At IDMC, the gender distribution was 69 per cent female and 31 per cent male.

One of NRC's strategic objectives for 2018–2021 is to strive for gender balance at all levels of management.

In recent years, there has been a positive trend when it comes to the proportion of female staff in management positions at country level, especially among country directors. By the end of 2020, 47 per cent of NRC's country directors were female, compared to 19 per cent in 2017.

In 2021, NRC will continue the work to improve its recruitment practices to ensure that more women are recruited to country and regional offices.

Equality and non-discrimination

NRC works actively for equality and non-discrimination, promoting equal opportunities regardless of gender, pregnancy, maternity or adoption leave, care responsibilities, ethnicity, religion, philosophy of life, disability, sexual orientation, gender identity and gender expression, and combinations of these areas.

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
162	91	36	14	19	10	2	1

NRC's equality and non-discrimination work is rooted in the organisation's strategies, tools and guidelines. NRC's HR policy has a strong focus on promoting equality and preventing discrimination, harassment, sexual harassment and gender-based violence. The Code of Conduct establishes NRC's commitment to non-discrimination, equal opportunity, fair employment, courtesy, dignity and respect for different customs and cultures. One of NRC's strategic objectives for 2018–2021 is to strive for gender balance at all levels of management. NRC's recruitment standards promote diversity by hiring people of different backgrounds, ages, nationalities, ethnicities and genders. When longlisting candidates, biographical data is hidden. The comprehensive and mandatory induction course for new staff, NRC Way Core, describes NRC's standards for ethical behaviour related to equality and non-discrimination. Diversity is stated as one of the guiding principles in the project of shaping the new "work normal" after Covid-19.

In 2020, NRC conducted a global Diversity, Equity and Inclusion (DEI) baseline study, which mapped its DEI efforts through a review of its policies, employee interviews, and benchmark interviews with peer organisations in the humanitarian sector. Findings from the baseline study will be used in 2021 to develop specific targets, policies and required actions on DEI for the next strategy period.

NRC regularly monitors its work towards achieving diversity, equity and inclusion. The Global Staff Survey 2018 revealed a reinforced need to focus on preventing sexual exploitation, abuse and bullying. As a follow-up, policies, trainings and resourcing were strengthened. The Code of Conduct and whistleblowing mechanisms were reinforced. In the Global Staff Survey 2021, 98 per cent of staff at Head Office stated that they did not experience sexual harassment and 83 per cent confirmed that they had not experienced bullying or harassment. The perceived commitment to inclusion and diversity in general is slightly lower at Head Office than for rest of organisation.

NRC will continue to strengthen efforts to ensure diversity, equity and inclusion among employees. Upcoming activities include:

- Line managers at Head Office will get a refresher course at the end of 2021 on their responsibility for ensuring a healthy working environment.
- A new life-phase policy is being drafted, with the aim of making it easier for staff to combine challenging work tasks with different life stages, acknowledging the value of a diverse workforce and an inclusive work life.
- The internal leadership programme to be held at the end of 2021 will focus on key leadership skills, including managing multicultural teams and duty of care.
- The Working Environment Committee (AMU) will regularly monitor gender distribution of sick leave and parental leave.
- The organisation will revise the HSE risk assessment procedure at Head Office, where risks related to harassment, dignity and integrity will be identified.

Based on the findings of the 2021 Global Staff Survey and in accordance with the global strategic objectives, NRC and employee representatives will during 2021 agree on how the organisation will further promote equality and non-discrimination. The process will follow the four-step model of 1) identifying risks; 2) identifying causes of these risks; 3) measures to counteract discrimination and contribute to equality and diversity; and 4) assessment of results. The following areas will have priority in 2021: recruitment, salary and working conditions, promotion and development opportunities, opportunities to combine work and family life, and prevention of harassment, sexual harassment and gender-based violence.

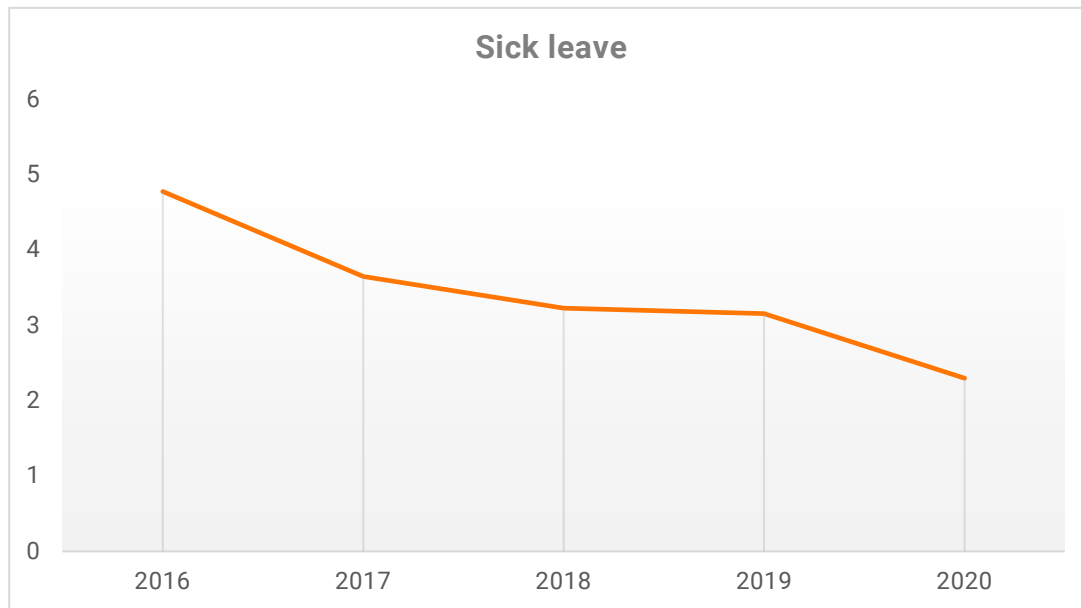
Duty of care

NRC has developed Duty of Care standards in the past that formed the basis for its Duty of Care work in 2020. Since the outbreak of the Covid-19 pandemic, the organisation has had a major focus on the safety, health and wellbeing of its employees and adjusted procedures and mitigation measures to address the new risks. This has included: the development of contingency plans; reviewing HR and health, safety and security (HSS) standards and procedures; adjustments to medical criteria; and a review of insurance packages, medical evacuation plans and medical services. NRC has provided psychosocial support to staff and have developed trainings and webinars on coping with Covid-19. Ensuring updated guidance and information is provided to NRC staff and managers has been an ongoing priority during the year. To respond to information needs, NRC developed a web portal and a series of guiding documents and Q&As for all staff and managers. Duty of Care will continue to be at the centre of NRC's HR and HSS work in 2021, with an even greater focus on employee health and wellbeing.

Sick leave

In 2020, the sick leave rate at the head office in Oslo was 2.30 per cent, compared to 3.16 per cent in 2019.

NRC followed up on the commitments set out in the Norwegian government’s Letter of Intent regarding a more inclusive working life (the IA Agreement) to facilitate an inclusive work environment for its staff.



Health, safety and security (HSS)

In 2020, HSS efforts were largely driven by the need to mitigate and adapt to the impact of the Covid-19 outbreak. Heavily impacted by travel restrictions, changes were made to meet emerging programmatic and community needs in areas where NRC operates, while operationally, many aspects of NRC management shifted into crisis mode globally. NRC was able to continue global operations through adapting contingency plans and medical evacuation plans. HSS set up a SharePoint site to streamline communications, training was adapted to include PPE guidelines and Covid-19 briefings, and an air-bridge booking team managed staff movement and evacuations.

NRC’s compliance reporting when it comes to health, safety and security issues has improved steadily over the last three years. Despite the severe impact of Covid-19, during 2020 NRC maintained a green compliance score across all regions for the first time with an average of 87 per cent compliance.

Compliance with training standards was particularly challenging in 2020 due to quarantine requirements, physical distancing rules and lack of travel possibilities for trainers and participants. Many face-to-face trainings could not be conducted, and NRC had to fall back on best effort levels. The focus in 2021 will be on conducting more training of trainers to increase the number of trainers in the field.

The HSS training unit, in cooperation with ICT, launched a new training reporting tool to generate better data on training, and 2021 will see a further improvement in the quality of data. In 2020, NRC conducted a total of 184 HSS trainings with 4,972 participants in its countries of operation. The most frequent trainings were Crisis Management Training (CMT), Field First Aid, and Hostile Environment Individual

Security Training (HEIST). The trainings that had the greatest number of participants were Field First Aid (481), followed by Personal Protective Equipment (364) and Situational Awareness training (316).

Incidents

In total, NRC registered 554 HSS incidents in 2020, which constitutes an increase of approximately 7 per cent compared to 2019. The majority of events were crime-related incidents, followed by safety and authority-related events. In the crime-related category, most of the incidents were theft and robberies, with 11 per cent of the incidents being rated as severe or critical. When reviewing the data from the past three years, the incident rate appears to be relatively stable.

The new incident reporting system (NRC Protect) was successfully launched in 2019. In 2020, migration of all data from 2008 onwards continued together with further improvements to the system. When this work is completed, NRC will have a better overview of all incidents across the organisation. NRC Protect will be further enhanced in 2021, particularly in the area of investigations and issue management.

HSS will also work to reduce the occurrence of road traffic accidents in 2021. While NRC registered a decrease in overall traffic accidents reported, with 61 incidents in 2020 compared to 92 in 2018, there was an increase in accidents with a critical impact (four in 2020, compared to one in 2018). The development of the incident reporting tool NRC Protect as well as the deployment of vehicle tracking through Terramar will support this effort.

Risk management

The role mandate for the Governance, Risk and Compliance (GRC) function was developed in 2020, including job descriptions and placement of risk and compliance staff at regional and country levels. By the end of the year, three out of four regional offices and 17 country offices had dedicated risk and compliance staff.

NRC has focused on further developing and improving the risk management framework and the data visualisation tools to monitor risk levels. Regular risk monitoring routines have been introduced, reassessing risk levels and mitigation measures tri-annually, and increasing the use of risk registers. Ongoing work to align existing risk assessment activities and methodologies, particularly to improve and simplify risk assessment at the field level, will continue in 2021.

NRC's first policy on Protection from Sexual Exploitation and Abuse (PSEA) and Sexual Harassment, and the corresponding PSEA and Safeguarding Glossary, were approved and translated into NRC's four working languages. Both documents were the result of a thorough consultation process. The policy guides staff and those NRC works with on the standards of behaviour expected, along with information on how and when to report a complaint.

NRC continuously manages a range of risks in its operations, and during the first trimester of 2020 the likelihood of most of these risks increased as the Covid-19 crisis

developed. As the crisis unfolded and stabilised, NRC managed to change this trend by adapting programme delivery modalities, adjusting to the new operational reality and successfully accessing humanitarian funding to respond to the crisis. This effort resulted in significantly reducing or controlling the likelihood of a range of risks, including financial deficit and failing to access the target population.

As in previous years, the risk of staff's safety and security has consistently been assessed as very high during 2020. NRC continued to invest in implementing and improving its Duty of Care standards and its Health, Safety and Security Risks Management System, while acknowledging that such investments will not necessarily lead to a significant decrease in the likelihood of the risk but can help reduce NRC's vulnerability to the risk.

Similarly, the risks of potential disclosure of confidential information and exposure of beneficiaries to further harm were consistently assessed at the highest risk level globally and NRC has focused on improving mitigation measures throughout the year. Further mitigations to reduce these risk levels will be implemented in 2021 and 2022.

Environmental impact

Awareness of the acute challenges presented by climate change is growing, while people already affected by displacement and conflict are among those facing the most severe consequences.

NRC sees a growing recognition amongst humanitarian actors of the need to address the impact of the sector's operations on the environment, as well as address how climate and environmental risks are affecting the people they serve.

NRC made a pledge at the Global Refugee Forum in 2019 to work towards making the organisation, the communities it serves and the wider humanitarian sector carbon neutral. NRC also pledged to support the UNHCR Challenge to provide all refugee settlements and host communities access to clean energy by 2030.

With support from the Grieg Foundation, NRC started work on turning these pledges into action in 2020 through a project called "Greening the Orange". While the objective of the project is primarily to reduce the environmental footprint of NRC's operations, the aim is also to contribute to a green shift for the wider humanitarian sector. NRC will seek to do this through an ambitious but gradual approach. NRC will explore solutions to common challenges in the sector, such as how to fund the greening of humanitarian operations and how to become carbon neutral through means other than carbon offsetting. The lessons learned from NRC's efforts will be shared with the wider sector and NRC will seek partnerships with other organisations where appropriate.

The Greening the Orange project started by establishing NRC's environmental baseline. Information on environmental impact was collected from all country offices, regional offices and representation offices including the head office. The information gathering focused on sources of CO² emissions such as flights, vehicles and use of diesel generators, as well as waste management and the practice of conducting

environmental assessments. This exercise was done with support from KPMG, and the results will be used to identify priority areas for improvement in NRC's Greening the Orange Strategy.

There are several existing initiatives in NRC focused on environmental impact that the project will seek to build on when defining the way forward. These include efforts to swap diesel generators for solar panels in field offices in South Sudan, Nigeria and Uganda, and efforts to bring solar power to schools in Jordan and Colombia. NRC's Innovation Fund has also supported internal projects that can benefit the environment, demonstrating that there is great enthusiasm among staff for finding new ways to address this challenge.

NRC continues to contribute to the greening of the humanitarian sector through NORCAP, which is providing technical energy expertise to the whole sector. In 2020, NORCAP supported 30 energy experts working with key humanitarian agencies to green their operations, increase energy access for refugees and other vulnerable populations, and strengthen collaboration and coordination within the sector through support for the Global Plan of Action for Sustainable Energy Solutions in Situations of Displacement. The work was further strengthened in 2020 by implementing three key elements of learning:

1. NORCAP launched the Female Accelerator Programme, to increase the number of women working as energy experts.
2. NORCAP organised a webinar in early April to discuss the main energy challenges during the pandemic, which resulted in a briefing paper.
3. NORCAP, together with Boston Consulting Group, produced a report on "Empowering Africa", which explores what measures are needed to accelerate the use of renewable energy among displaced and host communities.

Board of Directors

The following people constituted the Board in 2020:

- Harald Norvik (Chairman of the Board)
- Hege Marie Norheim (Deputy Chair)
- Kiran Aziz
- Lisa Ann Cooper (left in June 2020)
- Josephine Goube
- Walter Kälin
- Sturla Stålsett
- Claus Sørensen
- Amira Malik Miller (from September 2020)
- Anne Huser (Board member elected by staff)
- Sofia Janjua (Board member elected by staff) (from November 2020)
- Muktar Adan Abdi (Board member elected by staff)

The Board conducted five regular Board meetings, two extraordinary Board meetings, and two Board seminars, discussing 50 agenda items throughout the year.

The Board Audit and Risk Committee met five times in 2020. The committee assists the Board and management by providing independent oversight, advice and guidance on the adequacy of the organisation's:

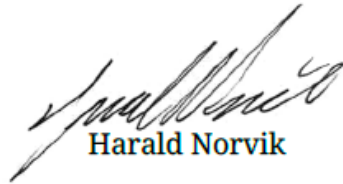
- risk management
- internal controls and frameworks for compliance and safeguarding
- internal audit activity, external auditors, and other providers of assurance
- financial statements and public accountability reporting

Board meetings and seminars in 2020 focused on, among other issues, Covid-19 response, increasing diversity, organisational development, strategic direction, and digital transformation. The Board evaluation in 2020 confirmed that the relationship between the Board and the administration is good and constructive.

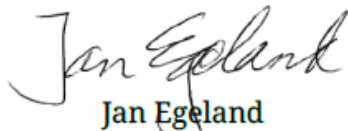
The Board confirms that the conditions for continued operations are fulfilled.

The Board thanks NRC's employees for their dedication and hard work throughout an especially challenging year due to Covid-19 and looks forward to continued cooperation in 2021.


Oslo, 11 May 2021



Harald Norvik
Chairman of the Board




Jan Egeland
Secretary General



Hege Norheim
Deputy Chair



Walter Kälin
Board member




Kiran Aziz
Board member



Sturla Ståsett
Board member




Joséphine Goube
Board member



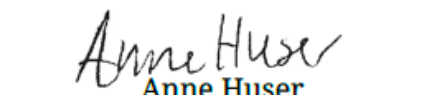
Claus Sørensen
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Amira Malik Miller
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Sofia Janjua
Board member elected by staff



Anne Huser
Board member elected by staff



Muktar Koshin
Board member elected by staff