

# Annual Report 2022



**Danish Refugee Council (DRC)**

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Business Registration No.: 20 69 93 10 | Founded: 1956 | Registered Office: **Copenhagen**

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**Charlotte Slente, Secretary General**

Patron:

**Her Royal Highness Crown Princess Mary**

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Annual Council Meeting:

**Ordinary Annual Council Meeting 31 May 2023**

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These 24 organisations were members of the Danish Refugee Council in 2022:

ADRA | Amnesty International | CARE Denmark | Confederation of Danish Employers |  
The Danish Chamber of Commerce | Danish People's Aid | Danish Authors' Society | Council of Danish Artists |  
Danish Youth Council | The Danish Union of Teachers | The Danish Musicians' Union |  
The Jewish Community in Denmark | FH, Danish Trade Union Confederation | FOA |  
Danish United Nations Association | DanChurchAid | HK Denmark | Women's Council in Denmark |  
ActionAid Denmark | Oxfam IBIS | Save the Children, Denmark | St. George's Guilds in Denmark |  
The Intercultural Christian Centre Denmark | UNICEF Denmark

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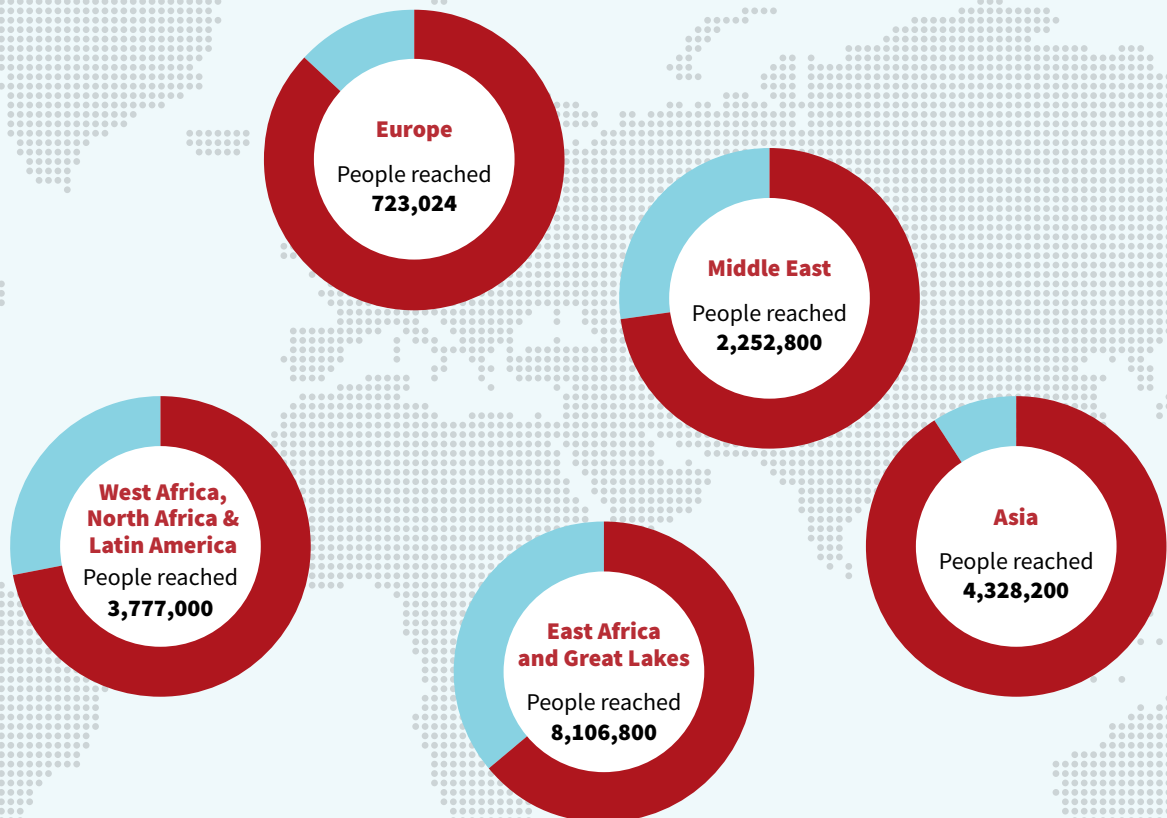
## Financial Highlights

DKK in millions	2022	2021	2020	2019	2018
<b>Income-generating activities</b>					
Public and private funds collected (restricted)	3,177	2,938	2,990	2,895	2,671
Private funds collected (unrestricted)	96	86	74	79	76
Income from own activities	28	99	157	211	371
<b>Total income from income-generating activities</b>	<b>3,301</b>	<b>3,123</b>	<b>3,221</b>	<b>3,185</b>	<b>3,118</b>
Expenses related to income-generating activities	3,085	2,841	2,868	2,789	2,593
Expenses related to own activities	23	106	190	223	356
Net financial income/expenses	4	-20	-9	-12	-10
<b>Result from income-generating activities</b>	<b>189</b>	<b>196</b>	<b>173</b>	<b>185</b>	<b>179</b>
Administrative expenses*	175	163	168	205	211
<b>Result/loss before special-purpose activities</b>	<b>14</b>	<b>33</b>	<b>5</b>	<b>-20</b>	<b>-32</b>
Special-purpose activities	7	8	9	9	14
<b>Profit/loss for the year</b>	<b>7</b>	<b>25</b>	<b>-5</b>	<b>-29</b>	<b>-46</b>
<b>Balance Sheet</b>					
Non-current assets	3	1	1	1	2
Current assets	1,846	1,317	1,090	1,046	959
<b>Total assets</b>	<b>1,849</b>	<b>1,318</b>	<b>1,191</b>	<b>1,047</b>	<b>961</b>
Equity-distributable funds	392	385	360	364	384
Equity-restricted funds	0	0	0	1	10
<b>Total equity</b>	<b>392</b>	<b>385</b>	<b>360</b>	<b>365</b>	<b>394</b>
Provisions	88	69	70	66	62
Other liabilities	1,369	864	761	616	505
<b>Total equity and liabilities</b>	<b>1,849</b>	<b>1,318</b>	<b>1,191</b>	<b>1,047</b>	<b>961</b>
<b>Financial Ratios</b>					
Profit margin on collection funds and income-generating activities	5.7	6.3	5.4	5.8	5.7
Administrative expense ratio*	5.3	5.2	5.2	6.4	6.8
Special-purpose activities ratio	0.2	0.2	0.3	0.3	0.4
Consolidation ratio	0.2	0.8	-0.1	-0.9	-1.5
Safety margin	11.9	12.4	11.2	11.4	12.5
Equity ratio	22.1	29.2	27.9	34.9	41.0
Share of restricted funding	96.2	94.1	92.8	90.9	85.6

\***Administrative expenses.** The Danish Refugee Council calculates administrative expenses as total HQ expenses plus the year's capacity-building investments and strategic initiatives.

# Global Results

## People Reached



### Breakthrough 1

DRC supported people affected by conflict and displacement to seek safety and claim basic rights



### Breakthrough 2

DRC supported people affected by conflict and displacement to pursue self-reliance

**The regional figures of total people reached are presented according to DRC's regional offices: Asia / Europe / Middle East / East Africa & Great Lakes / West Africa, North Africa & Latin America.**

The data is collected at country level. The total number of people reached per country has been divided into the two breakthroughs by assessing which support services have been the most dominant for the respective populations. The figures do not, therefore, provide details on DRC's multifaceted support to the people it serves, which in many cases covers assistance linked to both breakthroughs. Because of the non-comparable country contexts DRC is operating in and the respective populations' different needs, it is also not possible to distinguish between unique reach of 2022 and people served from previous years.

DRC figures exclude people reached through mass media behavioral change/ educational campaigns. For instance, in Ukraine, Poland and Kosovo mass media campaigns reached approx. 2,590,000, but is excluded from the final people reached figure presented.





## Foreword

In 2022, the world reached a tragic milestone: the number of men, women and children who have been forced to leave their homes passed 100 million. Behind this incomprehensible and faceless figure are 100 million lives disrupted by war, violence or persecution.

With these continued high levels of displacement and seeming lack of solutions, the critical work of DRC, carried out by 8,000 staff in 41 countries, remains imperative – whether it is ensuring documents for refugee children to register for school in Colombia or Lebanon, providing mine risk education to more than two million people affected by war in Ukraine, delivering acute emergency aid including food, cash vouchers or hygiene kits for people who have lost everything in Bangladesh and Kenya, or providing legal aid and integration services in Denmark. Across our operations, we reached more than 19 million people with crucial assistance in 2022.

Also in 2022, we saw several new crises emerge, including the largest refugee crisis in Europe since World War II, when the war in Ukraine escalated, forcing 14 million to seek refuge in other parts of the country, neighbouring states, and across Europe. The international response to the crisis in Ukraine has been historic. In times when closed borders, walls and fences are becoming normalised, the willingness to provide immediate support and protection for the millions affected has been significant. It demonstrates what is feasible when the political will is there. DRC is providing humanitarian assistance across Ukraine with a focus on protection and support to people in newly liberated areas, support for humanitarian mine action and early recovery. DRC has established operations in Poland and Moldova, where we are supporting local organisations and institutions in their efforts to host refugees, and in Denmark we are providing ample support for integration of Ukrainian refugees, including through an extensive network of DRC volunteers.

We also witnessed how – in the immediate aftermath of the conflict's violent escalation – local civil society actors in Ukraine, as well as in neighbouring countries, Denmark and beyond, were the first to set up soup kitchens, collect clothes and offer shelter to the displaced by opening their private homes. This was yet another reminder why localisation is a key component of our Strategy 2025. The vital role played by local actors everywhere we work and our responsibility to support and complement their dedicated work cannot be underestimated.

Unfortunately, the same attention was not granted to the too-many protracted and forgotten crises around

the world. Also seemingly forgotten was the fact that neighbouring countries in the global south continue to host the vast majority of the world's displaced. Better and more equal responsibility-sharing for the world's displaced remains a central advocacy priority, including in efforts related to the implementation of the Global Refugee Compact.

In Afghanistan, where DRC has been working for more than 20 years, an already dire situation evolved into a humanitarian disaster of unprecedented scale, with 24.4 million people – more than half of the population – in need of humanitarian assistance. Decades of war compounded by recurring natural hazards, including yet another drought in 2021, the worst in 27 years, further deepened poverty and depleted resilience among the entire population.

Across DRC operations, not least in the Horn of Africa, we have seen how climate change burdens the most vulnerable populations in displacement settings with severe consequences. Areas of Somalia, Kenya and Ethiopia saw the most devastating drought in recent decades bring hunger to millions of people, while other areas such as Bangladesh and South Sudan were plagued by heavy floods. This underlines why 'Go Green' is a key strategic component of DRC's Strategy 2025. Strengthening adaptation to climate change and building resilience among vulnerable communities – as well as reducing our carbon and environmental footprints throughout operations and programming – are core focus areas for DRC.

In connection to the roll-out of the strategy, DRC also began implementing a larger organizational transformation with the aim of increasing efficiency, improving coordination, empowering regional leadership, and ultimately providing greater support to those affected by displacement. As humanitarian needs continue to rise and the humanitarian space shrinks, we need to continuously evolve and adapt to ensure that we continue to provide the best possible assistance to those we are committed to support.



**Agi Csonka**  
DRC Chair

**Charlotte Slente**  
Secretary General

# DRC's Strategy 2025

In 2021, DRC launched its Strategy 2025, aimed at intensifying its fight against systemic inequality and structural discrimination against conflict- and displacement-affected persons. At the heart of the strategy is a redoubled focus on two strategic break-

throughs that guide all of DRC's work. These breakthroughs are overall strategic goals and represent the changes which DRC desires to see for conflict- and displacement-affected persons all over the world.

## Strategic Breakthroughs

### Increased protection Equal to others

People affected by conflict and displacement must be able to **seek safety and claim basic rights**

**DRC's Goal:**

By 2025, DRC will have supported (directly or indirectly) 15 million people affected by conflict and displacement to seek safety and claim basic rights

### Enhanced inclusion On par with others

People affected by conflict and displacement must be able to **pursue self-reliance**

**DRC's Goal:**

By 2025, DRC will have supported (directly or indirectly) 13 million people affected by conflict and displacement to pursue self-reliance

A number of strategic components support these breakthroughs, guiding the direction and efforts of DRC either as Strategic Programme Initiatives directly supporting DRC's country operations, as Foundational Strategic Priorities to be leveraged as DRC delivers on its main goals of increased protection and enhanced inclusion, or as Organisational Principles that guide how we work.

## Strategic Components

### Strategic programme initiatives

- Expanding access to legal aid
- Improving protection of the hard-to-reach
- Reinforcing climate and conflict resilience
- Supporting better market access for all

### Strategic priorities

- Impactful advocacy based on more evidence
- Stronger partnerships & alliances
- Better value for money and more sustainable financing

## Organisational principles

Be accountable | Include | Go local | Go green | Go digital





## Implementation of Strategy 2025

Each DRC country office, regional office, and headquarters department has developed a strategic plan, outlining their contribution towards reaching the two breakthroughs. Global leads have been assigned to each of the strategic components (Strategic Priorities, Strategic Programme Initiatives, and Organisational Principles), and they are developing the global frameworks necessary to implement the strategy, fostering relevant partnerships, hiring to expand global capacities, and assisting with in-country implementations. For each of the Strategic Programme Initiatives, multiple country operations are working to establish role model projects for strategic programming.

## Where we are

DRC has committed to documenting the number of people reached through Strategy 2025. In 2022, 19,176,300 people were reached by DRC and its partners (compared to 11,820,200 in 2021). The support provided ranged from acute emergency assistance addressing immediate needs and creating and supporting safer environments to interventions supporting livelihoods, stronger communities, and enhanced resilience to climate and conflict, with all initiatives designed to reinforce DRC's strategic breakthroughs.

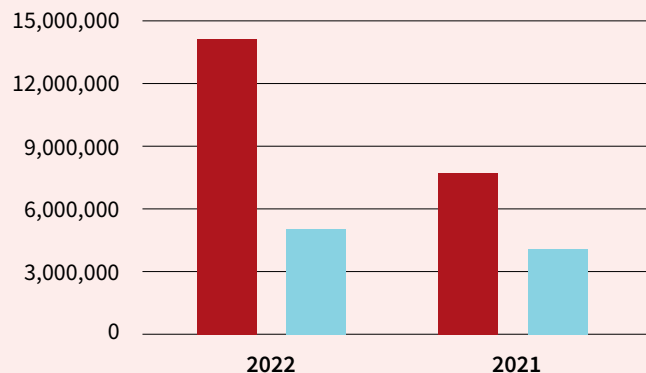
### People reached under each breakthrough

The support provided under

**Breakthrough 1 Increased Protection** reached 14,123,500 people in 2022.

**Breakthrough 2 Enhanced Inclusion** reached 5,052,800 people in 2022.

In 2021, the numbers were 7,737,500 for Breakthrough 1 and 4,082,700 for Breakthrough 2.



- The chart includes unique people reached in 2022 as well as people supported over multiple years.
- DRC figures exclude people reached through mass media behavioral change/ educational campaigns. For instance, in Ukraine, Poland and Kosovo mass media campaigns reached approx. 2,590,000, but is excluded from the final people reached figure presented.
- The significant increase from 2021 to 2022 is, among others, influenced by a) missing results from country operations (Afghanistan, Ethiopia, Greece, Kosovo, Moldova, Romania, Tunisia, and Ukraine and 2) indirect reach was for the majority of country operations first included in reach calculations in 2022.
- In most instances, indirect reach estimates of 2022 are based on average household size; total population of community, camp or similar.

# Examples of DRC's work with its strategic components

## Go Local:

### Localisation at DRC

In its Strategy 2025, DRC commits to supporting people affected by conflict and displacement by building self-sustainable local capacities and sustainable local development into our programming and operations. In pursuit of an appropriate, accountable and sustainable response, DRC seeks to ensure that our operations complement and reinforce, rather than replace, national and local response systems and mechanisms as well as support local stakeholders (civil society, state actors, private sector) who are committed to the fulfilment of rights of people affected by conflict and displacement as the key drivers of change.

#### 3 examples of DRC localisation efforts

##### Building Capacities of National NGOs in Yemen

To strengthen the humanitarian response in Yemen, DRC implemented a strategic capacity-building project centered around supporting capacity development of national NGOs. Through a diverse set of support interventions, the project sought to strengthen local expertise and enhance programmatic quality, scope, support systems, and resource mobilization for 23 national NGOs. DRC also provided financial support to 12 fully partner-led projects. Some of the NGOs which benefitted from the project are now strategic partners for DRC, and DRC has expanded its partnership-based programming in Yemen across all sectors.

##### Enhancing response capacities of local partners with hard-to-reach access in the Sahel region

Through the FLASH (First Local Humanitarian Alliance in Sahel Hotspots) project, DRC, along with other humanitarian actors, acts as a funding and coaching resource supporting the preparedness of local civil society organisations to respond to the needs of displaced populations in Mali, Burkina Faso, and Niger. By empowering local actors, the objective is to improve the humanitarian response in several hard-to-reach areas, where few international organisations are present.

##### Scaling up protection assistance in Poland by partnering with civil society actors

In Poland, following the sudden refugee influx from Ukraine after February 24th 2022, DRC reached out to local civil society and expert organisations in locations seeing the highest numbers of arrivals, where state services were insufficient. Expanding from 3 to 15 diverse partnerships, DRC and its partners launched a comprehensive response, including protection counselling, legal aid, child protection, and referrals.



## Go Green: Greening DRC

In Strategy 2025, DRC commits to respond to the global climate crisis and environmental degradation by systematically working to increase the climate resilience and adaptive capacities of people affected by conflict and displacement, to reduce the carbon footprint of our operations and programming, and to advocate for the rights of persons affected by displacement and conflict in situations negatively affected by climate change or environmental degradation.

### Examples of DRC's efforts to Go Green

#### Building climate resilience and adaptive capacities

Introducing regenerative practices and alternative energy sources throughout DRC's programming supports building resilience towards drought, flooding, and other extreme weather events that pose a threat to the livelihoods of the people we serve. Some examples of these initiatives are:

- The Kigoma region is one of the poorest areas in Tanzania, yet hosts close to 240,000 refugees and asylum seekers, mainly from Burundi and DR Congo. In response to the stress this poses to scarce natural resources in the area, DRC introduced biomass briquette production as an alternative to firewood, passive water harvesting for the construction of permagardens, and tree nurseries in response to deforestation, with the latter project successfully reforesting 1.6 million trees in 2022.
- In 2021, South Sudan faced the worst flooding seen in 6 decades, impacting nearly a million people. As a response to increasingly frequent and extreme flooding events in the country, DRC has introduced regenerative agricultural practices in the form of 'Floating Vegetable Gardens', which contribute to building livelihood resilience in the inundated areas.
- DRC responds to drought-induced displacement in Somalia using a drought-displacement simulation model developed together with IDMC (Internal Displacement Monitoring Centre), allowing DRC to simulate how changes in forecasted rainfall can lead to displacement among pastoralist communities in the future and thus better anticipate the needed response. By implementing these anticipatory actions and supporting communities ahead of a drought, the project mitigates and reduces the humanitarian impacts of the climate event, including displacement and food insecurity.

#### Reducing DRC's carbon footprint

DRC's humanitarian supply chain, which entails the procurement, transport, and warehousing of goods, easily compares to that of a large international logistics company. As such, greenhouse gas emissions from transportation, packaging etc., represent a large percentage of the DRC carbon footprint. Consequently, DRC is taking a leading role in the WREC Project: Making the Humanitarian Logistics Sector More Sustainable, in which, in collaboration with other INGOs, participating organisations and experts adopt good environmental practices to promote and sustain safer, less polluted environments for crisis-affected communities.

# DRC's Humanitarian Activities



## Asia

In 2022, the Asia region witnessed a continued deterioration of the protection environment for forcibly displaced populations, leaving the goal of achieving durable solutions to displacement and protection risks even further away.

### Bangladesh

Since fleeing deadly violence in Myanmar in August 2017, 952,309 Rohingya refugees remain completely aid-dependent in Bangladesh. They are spread across 33 settlements collectively referred to as the largest refugee camp in the world.

As international attention dissipates and funding plummets, opportunities for education and employment are woefully inadequate. The Rohingya refugee crisis is now considered a protracted crisis since no immediate solution is visible after 5 years of displacement, and the political situation in Myanmar has further eroded hope for a safe, voluntary and dignified return for Rohingya refugees. Living conditions in the camps have deteriorated significantly, and Rohingya refugees do not enjoy freedom of movement, the right to work, or access to markets. Uneducated, unemployed,

frustrated young boys and men are often drawn into criminal gangs as an easy way to earn an income.

Moreover, 90 million Bangladeshis (56 % of the population) live in “high climate exposure areas”, and over 1 million are temporarily displaced each year due to the sudden onset of hazards. Around 4 million IDPs live in the cities, in over 5,000 slums. Unemployment, conflicts, and the impacts of climate change are primary push factors for internal displacement in Bangladesh.

Against this backdrop, DRC has reached 279,184 individuals, of which 76% are Rohingya refugees and 24% members of host communities, from a total of 1.5 million people in need (952,000 Rohingyas and 550,000 host community members affected by the Rohingya influx). DRC provided life-saving and protection assistance in 10 camps and three host community unions by implementing Economic Recovery, Camp Coordination and Camp Management, Shelter and Site Development and Protection (GBV, Child Protection and General Protection) programmes, thanks to the financial support of DANIDA, ECHO, IOM, UNHCR, and GAC.



## Afghanistan

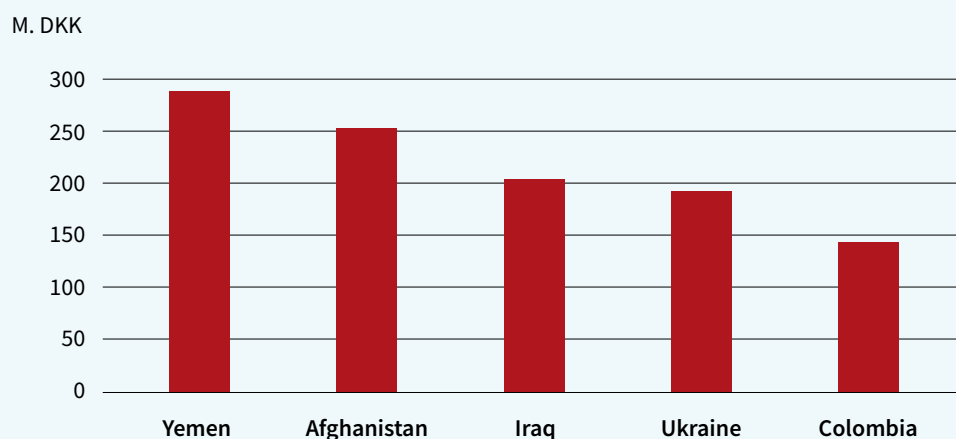
Almost five decades of protracted political instability has led Afghanistan into an economic recession that has 'propelled the social, religious, and ethnic volatility in the country'. The Islamic Emirate of Afghanistan (IEA) takeover in August 2021 resulted in the cessation of armed fighting in most parts of the country for the first time in decades, but further deepened the already vast and complex conflict and political crisis, adding the collapse of state institutions to the ongoing human rights violations and persecutions along gender, ethnic, and religious lines. Afghanistan also has one of the highest levels of Explosive Ordnance (EO) contamination in the world, and this legacy of conflict continues to claim innocent lives, maim, and cause psychosocial distress for the population, disrupting local livelihoods and impeding the ongoing humanitarian response. The worst drought in three decades and associated severe water shortages have further compounded the situation, making Afghanistan one of the most complex crises of our age.

In 2022, DRC had greater access to hard-to-reach communities and explosive ordnance contaminated sites than ever before, representing a unique window

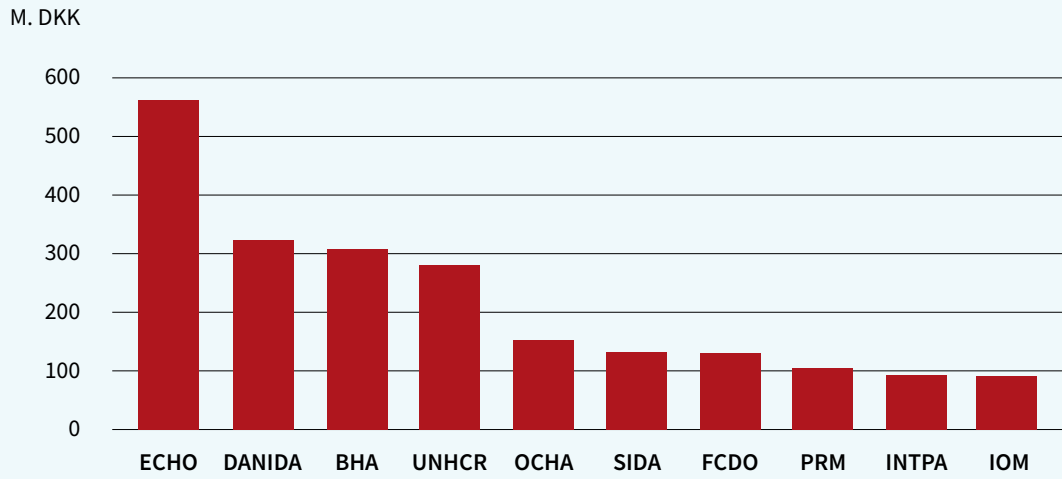
of opportunity to expand protection, resilience-focused assistance, and clearance efforts rapidly and significantly – including into areas that have seen little to no humanitarian response in the past. Responding to the increase in needs and the expansion of operational space, DRC Afghanistan scaled up its operation by more than 135% and reached 2,950,000 individuals as direct or indirect beneficiaries.

Throughout 2022, DRC worked to diversify its portfolio from services focused on meeting the emergency needs of displaced populations to a resilience-oriented portfolio aimed at addressing complex drivers of needs spanning from protracted conflict to climate change across 18 out of 34 Afghan provinces. The key focus of the mission in 2022 was integration. By leveraging the complementarities of this complex and diverse portfolio – including Protection, Multipurpose Cash Assistance, Economic Recovery, Shelter and Settlements, Camp Coordination and Camp Management, and Humanitarian Disarmament and Peacebuilding – DRC Afghanistan focused on promoting favourable conditions for shock- and displacement-affected communities to seek safety, claim their basic rights and pursue self-reliance.

### 5 Largest Country Operations, 2022 (turnover)



### Top 10 Individual Donors in 2022



### Turnover by DRC Region in 2022

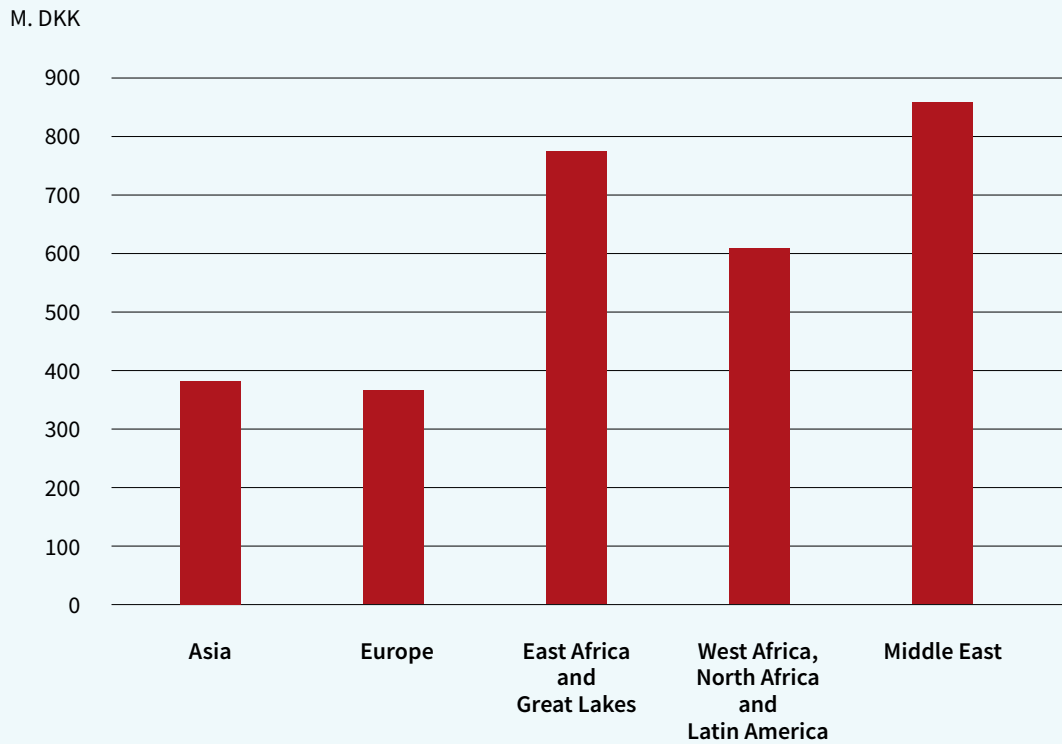




Photo: Jan Garup

## Europe – focus on Ukraine

In the early morning hours of 24 February 2022, the people of Ukraine saw the first signs of a new offensive led by the neighbouring Russian Federation, when a so-called ‘Special Military Operation’ was launched. The subsequent chain of events soon turned eight years of frozen conflict primarily affecting the eastern Donbas region into a full-blown war. Since then, the escalating conflict has created a devastating humanitarian crisis, with mass displacement affecting Ukraine and the entire European continent, and significant ramifications for global safety and geopolitics.

The war in Ukraine has caused extensive loss of life and injured thousands of innocent people, with numbers growing by the day. It has left homes and critical civilian infrastructure in ruins, undermined livelihoods, and continues to cause immense human suffering. More than one-third of Ukraine’s pre-war population of 44 million is no longer living where they called ‘home’ before the 2022 conflict: 5.9 million Ukrainians are internally displaced, with a further 8 million having fled across borders, to be hosted in neighbouring countries and across Europe. The speed and scale of the initial mass displacement from Ukraine in early 2022 is comparable to the displacements of World War II.

One year on, the security situation across the large territory of Ukraine is rapidly deteriorating. Intense fighting, shelling, and extensive contamination by explosive remnants of war have triggered a grave and evolving humanitarian crisis. Movement and multiple

displacements of people continue throughout the country and into neighbouring states, and vulnerable Ukrainian individuals and entire communities are trapped in encircled towns and cities without food, water, medical care, power, or safe passage. They are daily witnesses to severe destruction and damage to civilian infrastructure and residential buildings.

Humanitarian needs and access challenges remain acute across Ukraine. Also needs among Ukrainians beyond the borders of their country, continue to grow. This is also reflected in the rapidly growing number of people who have exhausted their human and financial coping mechanisms, increasing the need for humanitarian aid. Every second Ukrainian now depends on humanitarian aid. Access to people in need is critical, but also remains difficult, being significantly hampered in areas affected by conflict and active hostilities. Around 50% of the power grid was damaged during this second winter of war, and many Ukrainians now find themselves in areas where access to basic services, safe drinking water, electricity and heating is interrupted or in many places simply absent.

In safer areas of Ukraine and across borders in Poland, Moldova, and Romania, temporary protection, shelter, and financial support is generously offered to the millions of displaced people. Many have continued their journeys, seeking refuge in other European countries, where they are hosted, supported, and integrated in the pursuit of more durable solutions to their displacement.

## DRC Ukraine Crisis Response

### – the first phase and initial emergency response

In the immediate days after the escalating conflict sparked by the offensive on 24 February 2022, DRC launched its Ukraine Crisis Response Plan. The plan was based on the existing DRC presence across Europe as well as immediate efforts to establish a presence in three of the countries bordering Ukraine to the west, namely Poland, Moldova, and Romania. As such, the Ukraine Crisis Response was key to enabling a rapid and efficient emergency response, with interventions structured around four pillars: activities within Ukraine, in some of the neighbouring countries, across wider Europe, and in Denmark.

**Ukraine:** Operating within Ukraine since 1998, DRC was able to swiftly scale up and adapt its operations in Ukraine to deliver life-saving assistance and emergency response to people affected by the conflict. In Ukraine, DRC implemented directly and through a vast network of local partners, civil society organisations and private initiatives.

**Neighbouring countries:** During 2022, DRC registered and established active presences in Moldova, Romania, and Poland to assist people from Ukraine crossing borders in search of refuge and international protection in these countries, or as they transit towards other parts of Europe.

**Wider Europe:** Already present in countries across Europe, DRC was able to respond and scale up its existing operations in Bosnia and Herzegovina, Georgia (South Caucasus), Greece, Italy, Kosovo, and Serbia. Here, DRC engaged in asylum counselling, protection, reception, and inclusion support for people arriving from Ukraine.

**Denmark:** For information on DRC efforts in Denmark, see the section on DRC Integration – services for refugees from Ukraine.

**Working with Diaspora:** Recognising the immense mobilisation of the Ukrainian diaspora globally and the strong impact their engagement has for crisis-affected Ukrainians, the Diaspora Emergency Action &



Coordination (DEMAC) initiative – created and hosted by DRC – continues to lead a coordination structure to strengthen coordination with Ukrainian diaspora organisations around the world vis-a-vis key humanitarian actors in country to support a better overall response.

## Developing the Ukraine Emergency Response

### – addressing increasing and evolving humanitarian needs during 2022

DRC's many years of experience in Ukraine within protection, including legal aid, economic recovery, and humanitarian disarmament and peacebuilding activities, has created a strong platform for engagement with communities and local authorities. With this as a critical stepping-stone, DRC and its partners were able to rapidly adapt to the new situation, to adjust and scale up lifesaving activities, and to help facilitate an effective, broad, and timely humanitarian response by



providing a combination of sectoral activities. During 2022, DRC assisted conflict- and displacement-affected people in Ukraine in coping with the effects of the escalating crisis by:

- Supporting Ukrainian authorities, civil society, and the UN to respond to emergency needs
- Directly implementing and supporting the activities of local actors engaged in delivering aid as part of a timely and relevant protection and humanitarian operation

**Achievements in Ukraine during 2022**

During 2022, DRC launched multi-sectoral support to meet the most pressing needs of people in Ukraine. A year later, DRC has reached over 3 million people with support across 23 out of Ukraine’s 24 oblasts, including services and aid such as Protection and Legal Assistance, Economic Recovery, Cash Assistance, Non-Food Items, Humanitarian Disarmament and Peacebuilding, and Shelter.

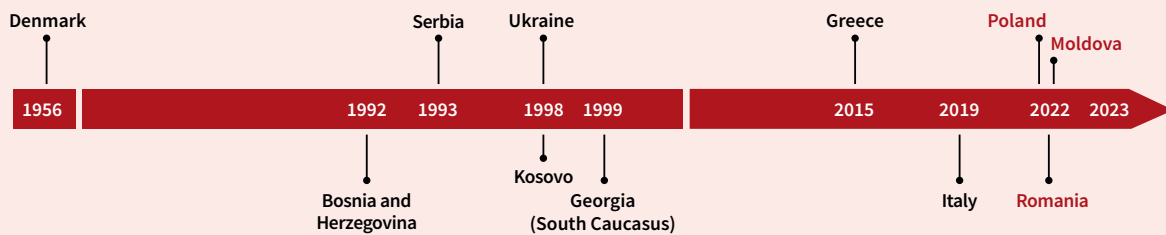
**DRC Europe**

By the end of 2022, DRC was present in 10 countries across Europe, with operations in Poland, Moldova and Romania established in the wake of the war in Ukraine – including at arrival hotspots, along migration routes, and in destination countries to assist displaced populations and the communities hosting them.

DRC programmes and activities in Europe range from emergency responses and life-saving aid to engagement

in the pursuit of durable solutions to displacement. They take place across multiple sectors, including Protection, Economic Recovery (ER), Humanitarian Disarmament & Peacebuilding (HDP), Shelter & Settlements (SS), and Camp Coordination & Camp Management (CCCM).

DRC also delivers support and services responding to needs related to Water, Sanitation & Hygiene (WASH), Education, and Health.



**Mixed Migration**

Through its own presence and in collaboration with local partners, networks and initiatives, DRC is well-positioned to engage in a diverse range of efforts related to Mixed Migration – from actual humanitarian responses and provision of protection services to engagement in monitoring, documentation, research, and advocacy efforts.

Providing evidence of refugee and migrant pushbacks at EU borders is a long-term area of focus for DRC. The

Protecting Rights at Borders (PRAB) initiative is formed by protection and legal aid organisations focusing on human rights compliance at the EU’s external and internal borders. The PRAB partners have solid field presence in the countries of operation, enabling direct access to victims of pushbacks, as well as longstanding experience in strategic litigation.

All PRAB reports, including ‘Beaten, punished and pushed back’ (based on 2022 data and evidence), are available online.



## Middle East

The Middle East continues to be a region where geopolitical interests, regional and global rivalries, and access to natural resources intersect with aid responses. Over 6.8 million Syrians live in displacement in neighbouring countries 12 years after the crisis in the country began. Millions more remain displaced inside Syria, while across Iraq and Yemen hundreds of thousands of families are still seeking a durable solution to their displacement.

These political interests also impact the space available for aid and protection operations for those in displacement. For example, as refugee-hosting countries have experienced economic downturns, political and social rhetoric has often been turned against refugee populations. In Yemen, while a UN-backed truce first agreed in April 2022 has reduced overall violence levels across the country, limited economic opportunities and increased costs of basic commodities mean affected populations still have little opportunity to begin rebuilding their lives. In Iraq, there remains a significant population still living in displacement with limited prospects for achieving durable solutions due to a variety of complex factors, including perceived affiliation with ISIS and a lack of access to critical civil and legal documentation.

Economic crisis continues to affect the entire region. In Syria, this has resulted in more people falling under the poverty line and, as income-generating activities and service availability become limited and the cost of basic commodities and services increases, more people requiring aid assistance. The politicised nature

of the crisis in Syria continues to present challenges to getting equitable aid to people that need it the most.

While 2022 saw a reduction in active conflict across the region, the presence of Explosive Ordnance (EO) remains a deadly legacy of conflict for civilians, hindering aid provision, as well as access to resources and basic services. DRC teams work to support national authorities in removing the threat of EO, operating in accordance with best international practice and in line with international mine action standards. Families across the region continue to face daily risks of injury or death from EO while seeking to access essential services or waiting for the affected land to be cleared for productive, often agricultural, use.

Within these environments, DRC has continued to provide assistance directly and with local partner organisations in our core sectors of Protection, Economic Recovery, Shelter & Settlements, and Humanitarian Disarmament and Peacebuilding.

### Providing protection

Although protection risks linked to active conflict have reduced, the protection environment across the region is affected by the protracted nature of displacement and the economic situation in each country. In Jordan, Türkiye, and Lebanon, the risk of refoulement steadily increased during 2022, often linked to domestic political and economic dynamics. Despite significant efforts by host governments to assist refugees, many still face systemic rights violations, particularly regarding denial of access to services and economic opportunities.

This is primarily linked to restricted access to legal status, which is a pre-requisite to accessing most services. Denial of access to services further exacerbates pre-existing vulnerabilities.

Threats to physical security and indiscriminate attacks on civilians are prevalent across Iraq, Syria and Yemen, with evidence indicating that civilians are specifically being targeted. Death and injury of male heads of household exposes women to risks of GBV, including forced marriage. Marginalised groups such as the Muhamasheen in Yemen or people perceived to be ISIS-affiliated in Iraq have faced additional discrimination and denial of access to services such as food, health, and education.

While protection needs in the region remain vast, DRC faces growing challenges in accessing crisis-affected populations with protection programming. Our ability to implement integrated programming between protection and other sectors therefore becomes critical in bringing protection assistance to the people who need it. DRC's teams continue to engage displacement-affected populations with a range of protection assistance, including the provision of legal aid and psychosocial support services, child protection interventions, and actions to prevent gender-based violence and support its survivors.

In Iraq, DRC prepared for the closure of the humanitarian architecture and the shifting of more responsibility to bodies at national and local levels, including under the Durable Solutions Task Force architecture. DRC led the development of policy work exploring particular risks faced by undocumented individuals, highlighting programmatic, response strategy, and government actions needed to restore documentation and support vulnerable populations in accessing essential services and claiming their rights.

### **An economic recovery from crisis**

Displacement-affected populations continue to experience additional challenges to earning an income, due to a variety of factors, including restricted access to the labour market in displacement, destruction of productive assets during conflict, and a lack of access to financial services and skills development, which

all come on top of the economic downturn across the region.

DRC's vision for the region is of an inclusive economic recovery from crisis, which is why our work supports women, people living with disabilities, and those in displacement to enter market systems and participate in income-generating activities. As lead of the Resilient Youth Socially and Economically (RYSE) consortium in Jordan, DRC has sought to deliver a holistic package of measures to support families out of poverty, through a 'graduation approach'. This has involved steady engagement with the Government of Jordan, as well as donor governments, to share lessons learnt and provide a foundation for further scaling this approach.

In Iraq, Syria, Lebanon, Türkiye, Jordan and Yemen, DRC continues to support small business owners to develop, create decent employment for themselves and others, and to access financial services. Restrictive policies, economic downturn and conflict, alongside years of crisis and displacement mean many families have used up their savings, do not have access to financial services, and have lost access to productive resources that would enable them to resume their livelihoods. DRC provides both technical and financial assistance to support people in resuming their livelihoods and creating opportunities for other people in need, which in turn contributes to strengthening local market systems.

### **Reducing the threat of mines**

Across the Middle East, the conflicts in Iraq, Syria, Lebanon, and Yemen have resulted in some of the highest levels of mine contamination in the world. As of the end of 2021 around 998 km<sup>2</sup> of Hazardous Areas containing legacy Antipersonnel Mined Area in the Federal Iraq and around 210 km<sup>2</sup> of Hazardous Areas containing legacy Antipersonnel Mine area in the Kurdistan region that have yet to be cleared by February 2028.

This contamination also continues to hamper progress towards durable solutions. It restricts movement and access to resources and services, and prevents families from using land that could support them in earning a living. IDPs, refugees, and returnees are

constantly exposed to danger by being forced to settle in areas where explosive ordnance remains, particularly improvised explosive devices in urban areas. DRC teams in Iraq and Yemen work on surveying land to understand the magnitude of the contamination and to support national authorities in clearing these remnants of war, while teams in these countries and Syria provide education and awareness-raising

sessions to encourage safe behaviors in people and communities, with the aim of reducing the risk of EO accidents. However, complex access negotiations, limited funding, and weak or non-existent mine action authorities continue to limit our work and the work of other mine action operators, sometimes limiting our response to only clearing life-threatening EO.



## East Africa and the Great Lakes

The East Africa and Great Lakes region (EAGL) is one of the most displacement-affected regions of the world, and includes four of the world's top ten refugee countries of origin. By the end of 2022, UNHCR recorded over 22.5 million forcibly displaced people in the EAGL region, including 5,321,305 refugees and 17,229,732 IDPs. This means that 5% of the regional population has been forced to flee their homes.

Those figures are comparable to the record high of 2021, with displacement primarily caused by protracted conflict and extreme weather patterns. DR Congo alone is home to over 10% of the 53.2 million IDPs worldwide, while 7% of the world's 32.5 million refugees originate from South Sudan.

Additionally, internal displacement in Ethiopia has more than tripled since 2019.

### **Extreme weather patterns linked to climate change are increasingly driving displacement and food insecurity**

While conflict remains the main driver of cross-border displacement, extreme weather patterns including drought and flooding also lead to increased displacement and acute food insecurity. Djibouti, Ethiopia, Kenya, Somalia and South Sudan are disproportionately affected. The increased frequency, severity, and overlapping of climactic shocks in the past 10 years have left communities with little time to engage in traditional recovery activities and to replenish coping mechanisms.



## **Drought**

At the end of 2022, Djibouti, Ethiopia, Kenya, and Somalia were facing their longest and most severe drought on record, with no less than five consecutive failed rainy seasons. Combined with insecurity and macroeconomic volatility, the impact of this extended drought has been devastating. Over the course of 2022, the number of people facing food insecurity because of the drought almost doubled from 13 million to 22 million. Close to 40% of the population of Somalia is acutely food insecure, and 320,000 people are facing catastrophic levels of hunger.

1.7 million people have been internally displaced from their homes because of the drought. Over 100,000 new asylum seekers from Somalia have been profiled in Dadaab camp in Kenya, with full registration started in March 2023. The IFO2 camp in Dadaab, which closed in 2019, has been officially re-gazetted in response to this new wave of displacement. DRC has played a leading role in discussions around the new arrivals and is one of the key implementing agencies in the newly re-opened camp.

The drought disproportionately affects women and children, heightening the risk of gender-based violence (GBV), sexual exploitation and abuse, and severe and long-lasting malnutrition, while also hampering children's access to education and exacerbating all the protection risks related to a lack of sanitation facilities. DRC declared the drought an organizational Priority Emergency in July 2022. In Ethiopia, Kenya, and Somalia, DRC supported over 321,000 people in 2022 through an integrated, multi-partner approach combining camp management, protection, WASH, cash and non-food items. Unconditional cash transfer was, where markets allowed, a key element in the response.

Conflict in Somalia hindered access to many people of concern. DRC therefore piloted and scaled-up a hard-to-reach (H2R) strategy to increase access and improve service delivery to people living in areas controlled by non-state armed groups. The strategy covered direct DRC interventions as well as provisions to influence the wider humanitarian community's ways of working – including advocacy efforts for a “no

regrets” policy. DRC also led a vulnerability-targeting exercise to ensure the inclusion of the most vulnerable and marginalised communities in the response. By the end of 2022, DRC managed 166 IDP sites across five districts of Somalia, with a total population of over 300,000 people displaced by drought and/or conflict. DRC scaled up its operations to match these needs, focusing on the four sectors prioritized by the Humanitarian Country Team.

In Kenya, DRC provided life-saving assistance including WASH and multi-purpose cash assistance, but also contributed to longer-term resilience and self-reliance efforts. DRC delivered effective support to pastoralists to maintain herds in the region via the provision of water points, fodder, vaccination, and treatment. In addition, DRC conducted a protection rapid needs assessment in Turkana, Garissa, and Mandera counties to understand the impact of the drought on the protection environment.

DRC Ethiopia provided comprehensive and all-inclusive WASH services to drought-affected communities including water trucking, latrine construction and rehabilitation, and the establishment of water management committees. DRC also provided multi-purpose cash assistance and non-food items.

## **Flooding**

Two-thirds of South Sudan experienced flooding in 2022 thanks to record-breaking rains for four consecutive years. Over 1.1 million people have been impacted according to WFP, with thousands forced to leave their homes. Combined with the country's economic decline and ongoing conflict, these floods have pushed 6.6 million people – over half of the total population – into crisis levels of food insecurity or worse. Among them, an estimated 61,000 people face catastrophic levels of food insecurity.

Floods have significantly increased humanitarian needs while concomitantly making access to people of concern extremely challenging, as they often render roads impassable, leaving only boats and airstrips as lifelines for assistance. DRC's Mobile Response Team has therefore become a pivotal element of DRC's integrated intervention in hard-to-reach areas. Using boats

and walking, the team provides protection, WASH, and S/NFI assistance to people affected by the floods.

In order to adapt agricultural techniques to the recurrent flooding and to fight food insecurity, DRC promotes flood-adaptative techniques such as floating and chinampa (raised bed) gardens, as well as the use

of climate-resilient seeds and crop varieties. DRC also works with communities in South Sudan to mitigate the impact of climate change through permaculture training, the production of bio-briquettes and bio-based pesticides and insecticides, and the promotion of increased environmental awareness.



### West Africa, North Africa and Latin America

In 2022, DRC delivered humanitarian assistance in 9 countries in West & North Africa: Algeria, Burkina Faso, Cameroon, Libya, Mali, Niger, Nigeria, Central African Republic, and Tunisia. All of these countries are affected by a wide range of complex and negative factors, including protracted refugee and displacement crises, armed conflict and violence against civilians, climate change and extreme weather conditions, food insecurity, and political and economic instability – all of which are driving millions of people into displacement.

In 2022, as part of the organizational transformation, DRC's country operations in Mexico, Colombia and Venezuela joined forces with West & North Africa to form the new WANALA region. Latin America faces one of the world's most complex displacement situations with countries simultaneously serving as departure, transit and host destinations for migrants, refugees, and asylum seekers. According to UNHCR, a staggering

42% of all new asylum applications globally – 2 out of 5 applications worldwide – were submitted by individuals from countries in Latin America and the Caribbean.

### Central African Republic – A protection crisis

A displacement and humanitarian crisis that rarely makes the headlines is that of the Central African Republic (CAR). For more than a decade, CAR's population has suffered from extreme levels of violence and widespread human rights violations, including torture, sexual and gender-based violence, extrajudicial executions, forced disappearances, illegal taxation, arbitrary arrest, and forced recruitment into armed groups. Consequently, hundreds of thousands of lives have been lost and uprooted. By the end of 2022, more than 741,000 civilians were living as refugees in neighboring countries and more than half a million were internally displaced, many of whom have been displaced multiple times. Further, CAR has one of the highest proportions of food-insecure people in the world, with almost 50% of the country's 6.1M

people classified as critically food-insecure, and more than 600,000 on the brink of famine. In 2022, DRC responded to this crisis through emergency response, including Food Security and Economic Recovery Programmes, and through protection activities.

CAR has an alarmingly high prevalence of sexual and gender-based violence, and thousands of women and girls have survived rape, sexual exploitation, and abuse. To respond to these protection risks, DRC works with displacement- and conflict-affected returnees, internally displaced people, and host communities in the country's capital Bangui and in the districts of Ouham, Ouham-Pendé, Lim-Pendé, and Ouham-Fafa. Throughout 2022, DRC's teams registered more than 4,100 protection cases and provided a comprehensive protection response, including psychological first aid, psychosocial support with individual protection assistance, dignity kits for survivors of gender-based violence, and referrals to other appropriate response services. Further, DRC's teams reached more than 14,000 individuals through sensibilization activities.

### **The Sahel – an epicenter of displacement**

Recent years have seen a dramatic collapse in the security situation in the Central Sahel region, where armed violence continues to soar across Burkina Faso, Mali, and Niger. Today, the region faces an unprecedented displacement crisis, with almost 3.9 million refugees and displaced persons. In 2022, Burkina Faso alone accounted for one of the fastest-growing displacement crises in the world, with one in 12 civilians being displaced. The humanitarian situation in the Central Sahel also continued to drastically decline and an estimated 16.1 million people needed lifesaving humanitarian assistance across Mali, Burkina Faso, and Niger in 2022.

In all three country operations, DRC applied a holistic approach in its programming: by providing lifesaving humanitarian assistance including Food and Non-Food Items, Shelter & Settlement Support, and Water, Sanitation and Hygiene; by implementing economic recovery activities that aim at strengthening livelihoods and the financial and nutritional resilience of affected populations; by carrying out humanitarian disarmament

and peacebuilding activities which aim at addressing local conflict dynamics and strengthening social cohesion; and by providing protection responses to at-risk individuals and/or victims of violations.

Several of DRC's programmes were implemented in partnership with local and national actors through trans-border projects such as SHIFT – Supporting Host communities and IDPs to Facilitate sustainable Transition towards inclusive solutions. By the end of 2022, 7,100 individuals, of whom 85% were age 24 or below and 42% were female, had received social safety net assistance through SHIFT's graduation program. The program aims at supporting the resilience of extremely poor youth and their households by enabling them to gradually emerge from poverty to self-reliance.

### **Colombia – a multitude of challenges**

Venezuelans account for the vast majority of displaced persons in Latin America, and more than 7 million people have fled the country since 2014. Venezuela's neighbor Colombia has been the primary destination of refuge and as of 2022, 2.9 million refugees and migrants from Venezuela lived in Colombia. Additionally, Colombia still suffers from decades of internal conflict and has one of the world's highest numbers of internally displaced persons – 8.3 million Colombians have been displaced inside their country.

DRC has developed strong technical and operational expertise, experience, and adaptability to Colombia's fluid context that includes armed conflict, displacement, natural disasters, and mixed migration. Working from 10 area offices in Colombia, DRC's 500 staff members spent 2022 responding to the complex crisis through a wide variety of interventions. These included monitoring and addressing protection needs, Legal Aid, Economic Recovery, Labor Market Inclusion, and Food Security, complemented by Cash Assistance, Water, Sanitation and Hygiene, and Disaster Risk Reduction and Preparedness, through a protection lens. DRC is also working to return safe land to communities through the identification and clearance of mine- and explosive ordnance-contaminated land, and through providing Explosive Ordnance Risk Education to affected communities.



# DRC's Advocacy and Policy Engagement

## Maintaining principled humanitarian engagement and access

A growing number of conflict- and displacement-affected people live in circumstances that do not allow them to access basic protection and assistance in accordance with their rights. A variety of constraints limit their ability to do so, including environmental and infrastructural factors, conflict and hostilities affecting the delivery of basic services, and bureaucratic impediments imposed by authorities or other actors which render access to populations in need more challenging.

Through humanitarian advocacy and diplomacy, DRC seeks to improve access to humanitarian aid to all in need, and to influence decisionmakers and leaders to act in the interests of affected populations and in accordance with humanitarian principles. Humanitarian diplomacy is key in mobilizing duty-bearers around the maintenance of principled humanitarian

engagement under often highly politicized and difficult circumstances. DRC advocates for a principled and coordinated approach to access, realizing that the unprincipled actions of one humanitarian actor have the potential to jeopardize access for the entire humanitarian community.

Throughout 2022, DRC intensified its efforts to counter access constraints and improve the quality of access to and for people in hard-to-reach areas, both at a global policy level, but also in relation to specific country contexts. DRC has increased its engagement in global coordination fora with the purpose of further unpacking access constraints by coordinating and sharing information across various platforms, including with OCHA and ICVA. Additionally, DRC is undertaking research which aims to support a global advocacy initiative around improving access to and for hard-to-reach populations.





### Ensuring unity in the response to the ban on female employees in Afghanistan through humanitarian diplomacy

Confronted with the devastating ban on Afghan female employees issued by the de-facto authorities in Afghanistan on 24 December 2022, DRC temporarily suspended activities while dialogue was initiated with Taliban representatives on a solution that would allow for the continuation of critical provision of humanitarian assistance in Afghanistan.

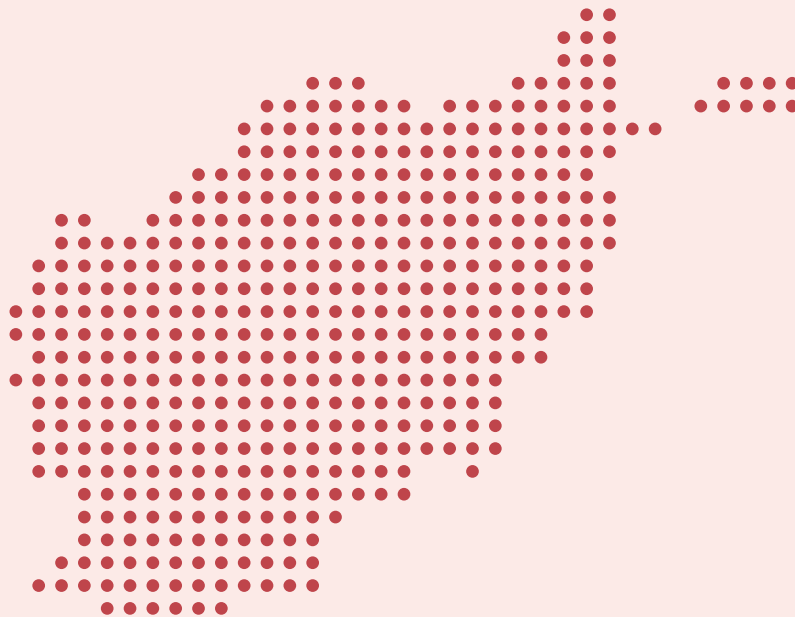
Following the ban, DRC engaged with the humanitarian community both inside and outside of Afghanistan, including at HQ and in relevant capitals, to formulate a coherent, principled response amongst all humanitarian actors.

Efforts included outreach to the Secretary General of the UN, Antonio Guterres, as well as interactions with the Emergency Relief Coordinator, Martin Griffiths, alongside engagement with the IASC Principals through meetings and during their mission to Afghanistan. DRC participated in developing the messaging, taking part in meetings with high-level UN delegations to Afghanistan and advocating for a revocation of the ban, as well as being a core member of the NGO group advocating with donors to continue their engagement

and support whilst providing flexibility and time to identify solutions. The Secretary General met with UN High Commissioner for Refugees Filippo Grandi, assuring alignment of action and messaging around continued principled humanitarian responses in Afghanistan.

At the EU level, a joint interagency letter was sent to Commissioner Lenarčič, Commissioner Urpilainen, and HR/VP Borrell on the situation in Afghanistan, reiterating the joint advocacy messages. The letter resulted in a meeting with Commissioner Lenarčič to elaborate on key messages, including on the need for support and unity from the UN. This messaging was further shared when the Commissioner met with UN Deputy Secretary General Amina Mohammed prior to her visit to Afghanistan.

Mirroring research conducted in Yemen, DRC has supported research in Afghanistan about how organizations pursue principled humanitarian action in the delivery of assistance, while maintaining adherence to the core humanitarian principles. Findings will be broadly disseminated and will inform various advocacy opportunities for Afghanistan and support principled humanitarian action in other challenging operating contexts.



## Challenging responsibility-shifting and restrictive asylum policies

Global solidarity with refugees has seen a profound deterioration in recent years and we are witnessing a shrinking asylum space across the world, with the proliferation of non-inclusive policies focused on closing borders and disregarding obligations set out in the 1951 Convention.

Political proposals that seek to address displacement through responsibility-shifting rather than responsibility-sharing are reoccurring and frequent. The consequences of restrictive policies, border closures, and the evasion of responsibility for refugee protection are evident across DRC's operations, including the Rohingya refugees stranded in the Bay of Bengal, refugees and migrants in limbo in Mexico at the northern border with the US, and the violent and systematic pushbacks at the EU's external borders.

The ever-expanding accounts of extreme and restrictive policy measures that exacerbate the risks and vulnerabilities of, and deny safe haven to, refugees – some of which are in direct violation of international law – are well-documented, including by DRC.

To counter this trend of responsibility-shifting, DRC proactively contributes to maintaining sustained joint civil society pressure on policymakers at the national, regional, and global levels through promoting and bringing forward documentation of rights violations and evidence-based policy recommendations in high-level policy events, written publications, and media engagement, as well as in targeted bilateral engagement with key stakeholders and policymakers at all levels. DRC also collaborates and engages with research institutions on the broader risks and ripple effects of externalisation policies for the global refugee system, including through policy events and written publications.

## No safe haven: collaborative, regional response to the plight of Rohingya refugees

The plight of Rohingya refugees displaced in southeast Asia illustrates states' continued attempts to evade responsibility for refugee protection. In 2022, more than 3,500 Rohingya attempted to cross the Bay of Bengal by boat. Of this number, approximately 350 went missing at sea, presumed drowned.

Towards the end of 2022, the world witnessed dramatic scenes as multiple boats moved around the Andaman Sea, unable to disembark. To address the immediate crisis of the Rohingya refugees, a collective and collaborative advocacy push was made in December 2022-January 2023. With the existing partnerships of the Protecting Rohingya Refugees in Asia (PRRiA) project as the platform, partners intensified operational coordination and bilateral information-sharing with donors, governments, and other key stakeholders about the location of boats and efforts being made

to locate and rescue those on board. In addition, stakeholders shared and disseminated targeted strategic advocacy messages for host governments, international agencies, and the humanitarian community. The Asia Displacement Solutions Platform (ADSP), of which DRC is a founding partner, effectively channelled key messages into the Regional Rohingya Advocacy Forum for further amplification.

As a result of this coordinated effort, there was a noticeable streamlining of messages by key actors, including UNHCR, some host states, INGOs, and NNGOs. Furthermore, policy dialogue around regional and global opportunities was strengthened and amplified, particularly pertaining to two key processes – the Bali Process and the Global Refugee Forum (GRF), and a greater space for influence and policy impact was established.



## 2022 – a year marked by the war in Ukraine

2022 was indelibly marked by the war in Ukraine. Advocacy efforts focused on the mounting humanitarian needs inside Ukraine, as well as the displacement situation in neighbouring countries, wider Europe, and Denmark, but the global ramifications of the Ukraine crisis were also increasingly evident and required urgent action to mitigate the humanitarian consequences.

### Advocacy efforts thus followed three tracks:

1. Response to the humanitarian situation in Ukraine (including respect for IHL, engagement related to the use of cluster munitions and explosive weapons in populated areas, humanitarian access, scale-up of protection and relief, including support to local partners and coordination)
2. Response to the refugee situation in neighbouring countries and other host countries in Europe (including access to protection without discrimination, mobilization of solidarity and responsibility-sharing in the EU, as well as

effective access to rights under the EU's Temporary Protection Directive and the parallel temporary protection scheme in Denmark)

3. Response to the wider implications of the war in Ukraine (including redirection of aid, the global food crisis, and consequences of sanctions in other countries)

The first European Humanitarian Forum (EHF) in March 2022 provided an early opportunity for the Secretary General to raise concerns in bilateral high-level meetings with UNHCR, OCHA, the Danish Permanent Representation, members of the European Parliament, and DG HOME on the Ukraine response.

In addition to bilateral advocacy engagement, DRC proactively engaged in policy dialogues, including in Geneva and Brussels, and specialists across the organisations contributed proactively to joint advocacy efforts for the improvement of the response, including supporting and working closely with the Ukrainian diaspora.









# Legal Aid and Asylum Work in Denmark

DRC's Asylum Department provides legal aid services to asylum seekers at all stages of the Danish asylum procedure. This includes return counselling regarding the options available to rejected asylum seekers and repatriation counselling for refugees and immigrants who hold a residence permit but wish to return voluntarily to their home country.

In 2022, the number of asylum seekers in Denmark reached 4,591, representing a significant increase compared to 2,099 in 2021. 2,069 Ukrainian nationals applied for asylum in Denmark in 2022, accounting for most of this increase. The Danish Parliament adopted a special law granting residence permits to Ukrainian nationals fleeing the war on 16 March 2022. 32,810 Ukrainian nationals were granted residence permits under this law in 2022.

In 2022, DRC represented 203 asylum seekers in Denmark under the Dublin procedure. Since 2014, DRC has provided legal representation to asylum seekers under the Danish Dublin procedure with the objective of supporting asylum seekers' legal right to due process. In the Dublin procedure, it is decided in which European country an asylum application will be processed. Due to the complexity of the cases in 2022 – not least due to the refugee situation in Europe after the start of the war in Ukraine – many cases were referred to a full board hearing at the Refugee Appeals Board. In 2022, DRC published two country reports on conditions for Dublin procedure returnees in Croatia and Italy. In 2022, DRC processed 198 cases under the 'manifestly unfounded' asylum procedure, an increase from 2021. Georgians and Moroccans represented the primary nationalities referred to the manifestly unfounded procedure in 2022, but 50 different nationalities were referred to the procedure overall. When the Danish Immigration Service considers an application to be manifestly unfounded, the asylum seeker is prevented from appealing to the Refugee Appeals Board. In such cases, DRC has an interview with the



asylum seeker and has the option of vetoing the manifestly unfounded designation. In case of a DRC veto, the case will be referred to the normal procedure, including the right of appeal to the Refugee Appeals Board. In the manifestly unfounded procedure, DRC plays an important role to ensure due process of law.

DRC offers free, independent and high-quality legal counselling to all asylum seekers in Denmark, from early information on what to expect and what to be aware of in the asylum procedure, to individual counselling during the procedure and after receiving a final decision on asylum. Individual legal counselling is also available to persons at risk of having their residence permit in Denmark revoked, particularly Syrians. The purpose of our legal counselling is to contribute to correct decisions on asylum and for asylum seekers to understand the procedure and the decisions made by Danish authorities. Counselling is provided both in groups and on an individual basis. 5,203 individual legal counselling sessions were carried out at physical meetings in our office in Copenhagen, in detention facilities, or at asylum centres across Denmark, and via telephone, video meetings or e-mail.

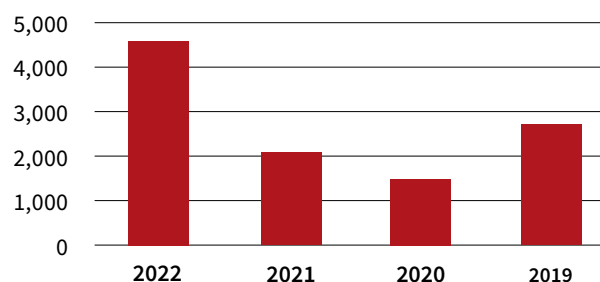
In 2022, DRC Asylum provided legal counselling to Ukrainian nationals, primarily regarding the special law and asylum. To secure access to legal counselling for this population, a Ukrainian translator was made available on our telephone hotline twice a week. Out of 3,359 telephone conversations, 876 concerned Ukrainians.

DRC provides impartial and non-directive return counselling to rejected asylum seekers with the purpose of empowering them to make an informed decision about their future. In 2022, DRC initiated 496 new counselling sessions with rejected asylum seekers. The biggest groups seeking return counselling were Iranians, Iraqis, and Afghans. During the same period, DRC supported 88 persons seeking reintegration support through a local reintegration partner and assisted 9 vulnerable persons who were not eligible for reintegration support with small acquisitions to improve their possibilities for a dignified and sustainable return. The biggest groups applying for support through DRC were from Somalia, Iraq, and Armenia. In 2022, DRC assisted 18 victims of trafficking with reintegration assistance, with the majority coming from Thailand and Morocco. As of 2022, DRC Asylum has signed partnership agreements with local NGOs in close to 30 countries to provide reintegration assistance. DRC is the only Danish service provider of reintegration assistance through local partners, except for reintegration assistance to Afghans and Somalis, for whom the Danish authorities are responsible for the partnerships. During the year, DRC conducted a partner identification mission to Morocco and three monitoring missions to Thailand, Uganda, and Armenia to visit the local partners and returnees.

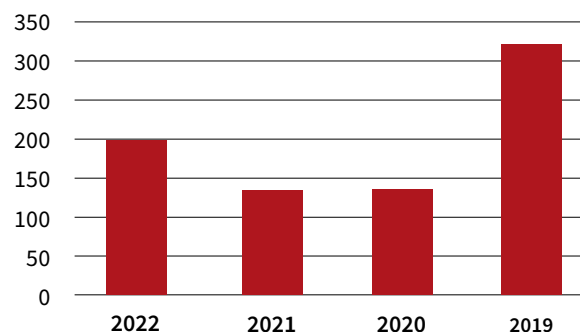
### Repatriation

In 2022, 315 refugees and immigrants received economic support according to the Danish Repatriation Act. This is significantly fewer than the number of persons who left Denmark in 2022 (426). The decrease is caused by fewer Syrians repatriating, mainly due to the serious challenges related to performing bank transactions with economic support to persons who repatriate to Iran and Syria, due to international sanctions. Many Syrians express that their return is not sustainable without the possibility of receiving this economic support in Syria, which is why many Syrians are awaiting a solution. DRC is continuously advocating to find solutions to these challenges by raising awareness with the Ministry of Immigration and Integration and other stakeholders involved in repatriation work in Denmark. DRC initiated 751 new repatriation cases and undertook more than 2,300 counselling sessions in 2022.

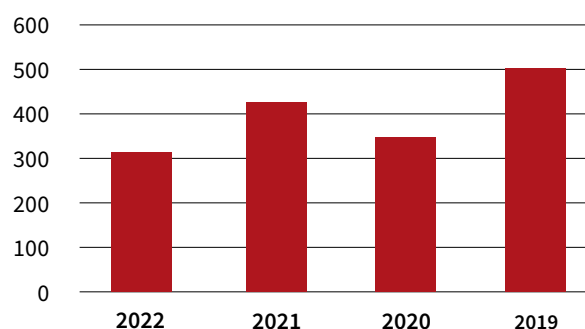
### Number of asylum applications filed in Denmark, 2019-2022



### Number of cases in the manifestly unfounded procedure, 2019-2022



### Number of persons who have repatriated, 2019-2022



# Integration Work in Denmark



Photo: Thomas Søndergaard

## Services for refugees from Ukraine

2022 turned out very differently for DRC's integration work in Denmark than expected. During 2022, almost 33,000 refugees from Ukraine were granted temporary residence permits under the Special Act on displaced persons from Ukraine. DRC has to a large extent supported and helped municipalities and refugees with reception and inclusion of these refugees in Denmark.

DRC has experienced an overwhelming interest from partners and foundations in creating a good framework for the reception of refugees from Ukraine in Danish society. DRC has therefore also been able to initiate a wide range of professional services and integration efforts via our nationwide volunteer network, as well as providing consultancy, advice, and information for volunteers, professionals, national and local partners, and of course for the refugees themselves.

DRC's network of more than 6,000 volunteers has been in contact with and supported more than 10,000 refugees from Ukraine. Volunteer groups across the country

have created social activities, language trainings, and everyday counselling in the local communities.

DRC has implemented psychosocial interventions to help adults and families cope with trauma and insecurity. This has been done, among other ways, through DRC's MindSpring programme for children, young people, and parents with a refugee background, which approximately 300 Ukrainians have participated in, and which DRC has carried out in collaboration with a number of municipalities, schools, housing organisations, etc. DRC has also screened the qualifications and competences of almost 400 unemployed Ukrainians in 11 municipalities and made sure that the participants had a CV prepared for their job search.

Throughout the period, DRC has endeavoured to provide high-quality online information and introductory material. DRC has disseminated online FAQs on asylum, the Special Act, and integration, as well as information on counselling opportunities. DRC has created a separate website, Ukrainian-in-Denmark,

which contains introductory films about Danish society and life in Denmark in Danish, Ukrainian and Russian. In 2022, the website had almost 18,000 visits by 4,400 unique users.

DRC has provided advice to refugees, volunteers and professionals regarding psychosocial challenges and the rights of refugees from Ukraine. Among other things, DRC has received approximately 170 calls on its psychosocial hotline, where Ukrainians can get guidance and advice in their native language. DRC's services for children and families have provided many individual therapeutic sessions and have established long-term psychosocial courses in collaboration with the refugees' municipalities of residence. The Ukraine Hotline has received more than 1,100 calls. The hotline offers information about the refugees' rights after they have arrived in Denmark and gives advice on what people who want to help can do. The Knowledge Center for Vulnerable Refugees (CUF) held 70 individual counsellings of mainly professionals but also volunteers by phone or email regarding the reception of Ukrainian refugees in the municipalities. CUF has also held a number of courses and presentations for Ukrainian refugees after the launch of the website [Ukrainian-in-Denmark.dk](http://Ukrainian-in-Denmark.dk)

In 2022, DRC held presentations, seminars/webinars, and courses related to the reception of Ukrainian refugees for approximately 2,200 professionals working with refugees and a large number of volunteers. Furthermore, Knowledge & Development held 15 network meetings for approximately 65 municipalities, where refugees from Ukraine were also in focus.

### Projects

In May 2022, DRC Integration adjusted its internal organisational structure with the establishment of Projects as an independent section which comprises all development projects across DRC Integration. The ambition is to ensure a coordinated focus on operation, innovation, and development of projects across the sections of DRC Integration and thus attract even more development projects and strategic partnerships. In addition, DRC Integration has strengthened the organisation around the Strategic Forum for Development with management representatives from all units and a

Project Development Forum with all project managers in DRC Integration. The purpose is to work with an increased focus on the development of new cross-disciplinary projects in DRC Integration that contribute to knowledge, innovation, and improved practice in the field of integration.

In addition to the newly started projects for refugees from Ukraine, Projects has managed a broad portfolio targeted at refugees and people from ethnic minority backgrounds in Denmark. Projects reached 4,500 people of concern in 2022. The projects are funded by private foundations or ministerial pools and fall within the focus areas of: school and leisure, refugees in employment, trauma and mental health, and well-being and inclusion. Among the projects are MindSpring – a psychosocial group programme for refugees, leisure efforts targeted at refugee children's participation in local club activities, strengthened local communities for elderly people with a refugee background, and network matches between volunteers and refugees affected by trauma.

### Employment

In addition to the occupational screening of refugees from Ukraine, more than 700 people from 21 different municipalities participated in mentoring or team courses as part of DRC's employment initiatives in 2022. There has been an increase in the number of employment-related assignments in the Central Denmark Region on the basis of a major agreement with Aarhus Municipality on employment teams for women who need a special effort to move closer to the labour market. In the Region of Southern Denmark, the number of tasks has been decreasing due to a decrease in unemployment and budget cuts in several municipalities. Screenings of unemployed Ukrainians, carried out by Employment, have led to new collaborations with several municipalities on concrete initiatives.

### Children & Family

In 2022, Children & Family worked with interventions in about 100 families in 11 different municipalities. Compared to 2021, this represents an increase in the number of cases of approximately 25%. The vast majority of Children & Family's assignments are solved in and around Odense Municipality and the City of



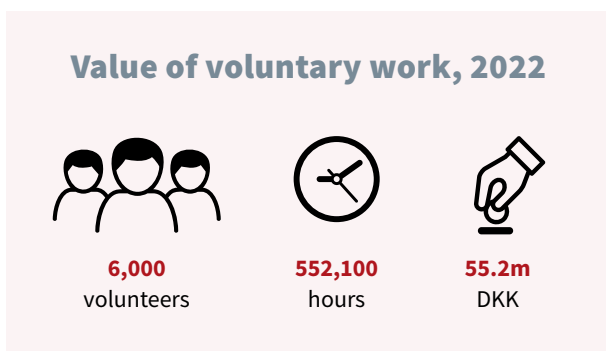
Copenhagen, with which DRC has supplier agreements. Children & Family has also been responsible for the psychosocial hotline and MindSpring program for refugees from Ukraine. When working with children, adolescents, and adults with trauma symptoms, DRC Integration uses the Neurosequential Model of Therapeutics (NMT). Children & Family contributed to the introduction of NMT in 2022 in all departments of DRC Integration, and has been training more therapists in the approach to maintain DRC's organisational certification.

**Volunteer**







In 2022, 21,630 persons benefitted from one or more of DRC's volunteer-based services. That is 4,293 more than in 2021. Among other things, the increase is due to a significant increase in inquiries for local everyday counselling, and a greater demand for the volunteer counsellors' legal advice. The situation in Ukraine and the large influx of Ukrainian refugees has most likely contributed to a greater demand for advice in general. The number of volunteers in Volunteer increased from 5,951 to 6,055 over the course of 2022.

The value of this voluntary work is significant, totalling DKK 55.2 million. This corresponds to 6,000 volunteers contributing two hours per week for 46 weeks per year.

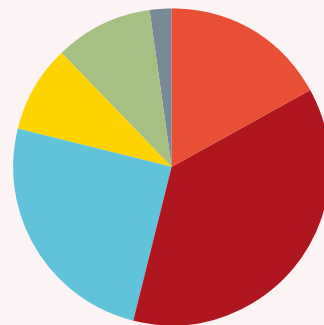
Everyday counseling is an activity that has grown significantly in 2022. Here, volunteers help to explain one's opportunities and rights when interacting with the Danish system and society. Everyday counselling has helped refugees to understand letters from the municipality, book an appointment with the doctor, fill out forms and CVs, set up a bank account, etc.



**Users of volunteer activities, 2022**

-  Help with homework for children, young people and adults: **4,334**
-  Language training and support for studies for adults: **9,363**
-  Counselling on everyday problems: **6,385**
-  Network families and network persons: **2,299**
-  Legal counselling: **2,500**
-  Other activities: **556**

Number of volunteers in 2022: **6,055**  
 Number of voluntary activity users in 2022: **21,630**



In 2022, DRC's volunteers made a great effort to welcome refugees who have experienced war and, in many cases, have relatives in their home country who are not safe. In 2022, there was an extra need for supervision and sparring regarding the role of volunteer in order to handle the dilemmas, reactions, and experiences that result from being in contact with vulnerable refugees. DRC has offered both 1:1 interviews as well as courses and presentations aimed at preventing mental strain and giving good advice on how to support each other in difficult situations. All the offers have been well attended.

Volunteer's services are made possible by an operating grant from the Danish Agency for International Recruitment and Integration (SIRI) as well as funds from various foundations. Distribution funds from the National Board of Social Services have also made it



possible to organise specific activities supporting refugees and others with ethnic minority backgrounds. A concrete example is that DRC, in collaboration with Danish Refugee Council Youth (DFUNK), supported young people in building social and voluntary networks and communities through summer and weekend camps, food-sharing communities, education and job workshops, democracy-promoting efforts, and dialogue events. The allocation funds have also made it possible to support DRC's advocacy work in Denmark.

### Knowledge & Development

For the first two months of 2022, Knowledge & Development continued to provide information on all aspects of COVID-19 in the hotline's six most used languages: English, Polish, Arabic, Urdu, Serbian, and Kurmanji.

In 2022, Knowledge & Development held more than 50 courses, lectures, presentations, and webinars for approximately 2,800 professionals, students, and volunteers. Apart from the previous mentioned focus on knowledge about refugees from Ukraine, it also included courses on the reception of newly resettled quota refugees from DR Congo and Burundi, and on more general topics, such as the reception of children and youth with refugee backgrounds, or supporting persons affected by trauma.

The Knowledge Centre for Vulnerable Refugees, which is part of Knowledge & Development, participates in the research project "Reorienting Integration", in collaboration with the Department of Anthropology at Aarhus University. The project investigates how quota refugees from DR Congo are received and settle in Denmark. A first study was conducted, and a report was published in 2022 containing recommendations for the municipalities receiving quota refugees.

The Knowledge Center for Vulnerable Refugees has also, in collaboration with the Department of Anthro-

pology at Aarhus University and the Danish Agency for International Recruitment and Integration (SIRI), produced 10 short introductory videos in Kinyarwanda that introduce quota refugees to practical daily life in a Danish context. The themes include the introduction of the modern apartment, shopping, neighbors, and public transport. The films are intended both as support for the quota refugees when they have to cope with a new everyday life in Denmark, and as a help to the municipalities' reception of quota refugees, and the large information-sharing task that this entails.

The Knowledge Center for Vulnerable Refugees has also carried out a qualitative study about the living conditions and needs of elderly people with a refugee or minority-ethnic background – based on interviews with 40 elderly persons.

Within the campaign "Right to Equality", and in partnership with the City of Copenhagen, DRC has also conducted 20 courses for minority citizens in Copenhagen.

Knowledge & Development has further cultivated the weekly newsletter for professionals, which has more than 2,600 subscribers, and DRC Integration's LinkedIn account, which has almost 11,000 followers.

In 2022, Knowledge & Development released several publications:

- Legislative handbook
- Children with a refugee background in daycare and schools (handbook for professionals)
- Leaflet for refugees in Ukrainian (and Russian): Experiencing war and fleeing
- Leaflet for refugees in Ukrainian (and Russian): How to help a child with trauma
- Films from webinars on the reception of Ukrainian refugees
- Podcast about Brain-Works (NMT-interventions for children and youth)

# Private Fundraising and Partnerships

DRC's strategic goal is to increase protection and enhance inclusion for the many displaced people in the world. Funding from various sources, including more long-term funding, is becoming pivotal to supporting sustainable humanitarian action and development.

Revenue from private fundraising increased from 2021 to 2022. This was primarily due to the conflict in Ukraine, where many private donors generously supported DRC's Ukraine response. DRC took part in various public activities and venues supporting the Ukrainian population. In addition, DRC received increased funding from private sector companies who donated to DRC's Ukraine response.

DRC received DKK 195 million from private foundations in 2022, and DKK 137 million from private individuals and companies.

DRC's national door-to-door collection contributed DKK 13 million in 2022, compared to DKK 11.1 million in 2021. The increased income in 2022 can be attributed to high levels of participation among collectors and digital initiatives focusing on women's rights in this year's campaign.

## Investing in Private Fundraising

DRC continues to pursue a focused fundraising program to generate both restricted- and non-restricted donations supporting emergency crisis and program activities in field operations. This has proven to be a success, establishing a donor community of more than 240,000 engaged individuals, of whom 60,500 donate on a regular basis.

To pursue new funding streams, DRC has initiated a private fundraising pilot outside of Denmark. Focusing on engagement from a global audience, DRC is testing outreach in different markets to assess the possibility of scaling up private fundraising activities internationally. The program has attracted approximately 45,000 private

individuals who engage with DRC and is moving forward with increased capacity in the years to come.

## Private Foundations

Private foundations are increasingly keen to advocate for displaced persons and solve the complex and protracted challenges they face. DRC's multi-stakeholder partnerships are important in this regard. Thanks to the valued partnership with Ole Kirk's Foundation's Global Emergency Relief Pool, in 2022 DRC was able to make a difference for more than 126,000 vulnerable children, mothers, and their families in acute crisis – including around 50,000 people affected by the war in Ukraine.

The Russian invasion of Ukraine, forcing millions of people to flee and seek protection in neighboring countries and across Europe, affected everyone – including the foundations. DRC experienced rapid and significant support from foundations contributing towards our humanitarian crisis response – including from foundations that normally do not support our international work. Our dialogue and cooperation with these foundations has become even closer, also in relation to other crises such as the drought and famine in the Horn of Africa.

In partnership with the Novo Nordisk Foundation, DRC continues to work with and for conflict-affected youth. Improving meaningful participation, skills development, and enhancing pathways to sustainable livelihoods are key elements of these initiatives. In 2022, the Novo Nordisk Foundation and DRC youth project in Jordan (RYSE) exceeded its target of empowering 25,000 young people, while working with government and the private sector to enhance employment opportunities for young people. The insights and results from this program are inspiring new initiatives across DRC's operations.

# Financial Management Review

2022 has delivered a year of mixed results reflective of the varying political, environmental and social challenges facing the contexts DRC works in. The conflict in Ukraine elevated the fundraising initiatives to fund DRC's life-changing work in Ukraine and surrounding countries to an unprecedented level. However, funding overall has been impacted by fluctuating exchange rates across DRC's core currencies and steadily increasing inflation across the globe. The increase in revenue from DKK 3,123 million in 2021 to DKK 3,301 million in 2022 is positive given the unpredictable year, but was behind budget expectations for the year.

In Denmark, the funding landscape for DRC's Danish operations has also evolved. At the end of 2021 the Lærdansk and Tolkeservice operations ceased. Therefore, 2022 was the first full year with a significant reduction in income generating activities managed under the Integration department. As expected, income from Integration activities decreased by 50% from DKK 137 million in 2021 to DKK 69 million in 2022. However, the department doubled the positive contribution to DRC's flexible funding, increasing to 8 million DKK, resulting in an overall negative contribution after administration and management costs of DKK 6 million. This is a significant decrease from the negative contribution in 2021 of 15 million DKK.

Across DRC's international operations the result for the year varied, with some regions performing close to budget and other regions significantly under budget. Overall income from international operations, which represents 94% of DRC's total income, was 9% below budget but still DKK 227 million higher than 2021. Positively, due to a higher overhead of 6.2% as a percentage of total income for the year, the total amount accounted for overheads was not significantly impacted. The overheads earned on donor funding make up a significant proportion of DRC's flexible funding, and therefore impact the availability of funds for the

administrative management of the organisation and capital growth.

DRC's ERP system, DRC Dynamics, continued to be rolled out to all operations and further developed in 2022. Through the use of BI, the benefits of the new system are being realised, and DRC has increased transparency and improved usability in decision-making and reporting to stakeholders. The web-based system has also proven hugely beneficial as DRC continues to work under a hybrid model post-pandemic, with more staff working remotely. This has also helped to improve the remote management of complex operations where access to certain locations is limited.

In the second half of 2022, fluctuations in the exchange rates between DRC's core currencies had a noticeable impact on project implementation. The main impact was the decreased purchasing power of local currencies due to the strengthening US dollar against other major currencies, resulting in a reduction of available funds to meet the objectives for which the funds were provided. Several initiatives were introduced to address the core risks and to ensure the future financial sustainability of DRC's programming activities. Currency exchange rate fluctuations remain a key financial risk for DRC and there is a continued focus on implementing and exploring different risk mitigation strategies.

In the early part of 2023, the earthquake in Türkiye and Syria triggered an increase in public donations and funding from private and institutional foundations. While the funding is in line with expectations relative to the devastation caused, it is not expected to have an ongoing impact on the overall funding environment for DRC. There have been no other events after the balance sheet date that would have a material impact on the analysis and commentary of this Annual Report.





# Employee Focus



In 2022, DRC scaled up operations in Mexico and opened several new country operations in Venezuela, Poland, Romania, and Moldova, with the aim of increasing our response to the displacement crisis in Venezuela and the conflict in Ukraine.

After the disruptions to our operations in Afghanistan following the change in government in August 2021, we had resumed our activities by the outset of 2022. Our workforce increased significantly, from 789 employees to 1,073, particularly amongst national employees, who made up 97% of our country operation.

## Post-COVID and the New Normal

In the aftermath of the COVID-19 pandemic, DRC implemented measures surrounding remote working and the physical workplace. The Duty Station Policy, an integral part of DRC's HR Strategic Plan 2025, emphasizes the importance of a physical workplace. It aims to reinforce our organisational culture, encourage innovation, maintain strong relationships, and foster closer collaboration among staff. However, DRC also aims to attract and retain critical experts and strategic positions by offering flexible work arrangements subject to manager approval and assurance of the employee's well-being. This included a special contract modality, Employer of Record, for exceptional cases that allow an employee to work remotely outside of a country that we operate in.

DRC continued to recognize and support volunteers and irregular workers, who play a central role in the organisation's operations, through different initiatives. In 2022, we kept our commitment to local partners and communities to introduce a framework that streamlined our values of accountability and responsi-

bility in engaging with all types of staff across international operations. The new Irregular Workers Policy is focused on this responsible engagement supported by clear terms.

## Driving Digital Innovation and Efficiency

DRC responded to key trends in the global digital landscape impacting DRC, the global NGO sector, and the technologies which pose opportunities/risks for organisations and broader societies. We continue to work to attract partners and donors to support our digital initiatives and realize DRC's IT Strategic Plan 2025.

One of our major focus areas in 2022 was on cyber security, where DRC has been leading in the Protection Information Management field. We strengthened our efforts to protect DRC's data and that of the people of concern who we work with through employee awareness programmes. GDPR compliance is also a key focus, and DRC introduced a tool for monitoring and tracking to ensure global oversight.

DRC's 'Go Digital' strategy is the foundation of our plan to incorporate digital opportunities in our global programmes through safe interactions with people of concern and ensuring digital literacy among staff. As our organisation often faces connectivity challenges in some of our operations such as Mali, Niger, Burkina Faso, and others, we explored LEO satellite connectivity options to create digital efficiencies as technology becomes available. Parallel to this effort, DRC also focused on the continued adoption of a global ERP and common tool portfolio to achieve a simple and efficient digital workplace.



# Workforce at DRC

In 2022, DRC employed 8,011 employees, representing 99 nationalities. Of these, 7,035 were national employees in international operations and 461 were expatriate employees, with East Africa and Great Lakes (EAGL) region being the largest in terms of workforce, followed closely by the Middle East. There were 515 employees at HQ in Copenhagen and in local Danish operations, and the total number of full-time equivalent employees in Denmark was 389. Danish operations also included 25 mentors. DRC deployed 97 stand-by and resettlement roster staff.

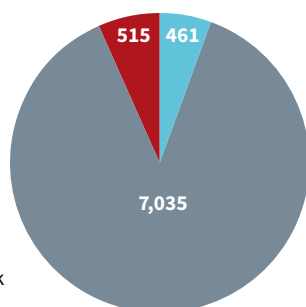
DRC advertised about 3,400 vacancies in 2022, receiving around 240,000 applications in total, with an overall employment turnover of 37%.

As DRC embarked on Strategy 2025, the regions were restructured to ensure we would better support the organisation, specifically country offices. This change saw the 6 regions merged into 4: East Africa and Great Lakes (EAGL), Middle East, West-North Africa & Latin America (WANALA) and Asia & Europe\*.

\*Due to the conflict in Ukraine, the merging of the Asia and Europe regions was postponed to May 1<sup>st</sup>, 2023.

## Total Employees, 2022

- International operations, expatriate employees
- International operations, national employees
- Employees in Denmark\*



\* The FTE in Denmark is 389

## Building Engagement and Culture

DRC's staff engagement platform, DRC Voices, was successfully rolled out across all country operations in 2022, with 5,000 employees completing 12,000 surveys with 82,500 comments, resulting in a record-high response rate of 76%. The global engagement score saw a steady increase throughout the year, reaching 7.7 out of 10 by the end of the year. We received 1,149 exit forms from departing staff, indicating a record-low 2% indicating that they would not recommend DRC as a potential workplace.

To further enhance representation, equity and a sense of inclusion in our operations, DRC hired a Global Diversity & Inclusion Specialist while establishing a comprehensive plan spanning the 2025 strategic period. Several initiatives were launched in 2022, including policy reviews, various talent initiatives, as well as staff awareness-building and training packages.

## Employee Learning and Development

In 2022, DRC further accelerated toward our goal of improving the efficiency and inclusiveness of our employee onboarding processes. We developed and introduced new mandatory training courses in three languages, which were completed by over 1,700 employees. Additionally, our emphasis on safeguarding, ethical behavior, and accountability was strengthened with 2,300 employees completing the online Code of Conduct courses.

Our global induction program underwent a major revamp, with the first 100 participants attending in 2022. DRC also developed an interactive tool, Learning Pathways, which enables employees and managers to tailor training plans according to specific job requirements. Over 900 employees have accessed the Learning Pathways, demonstrating a keen interest in self-service tools that support employee growth and development.

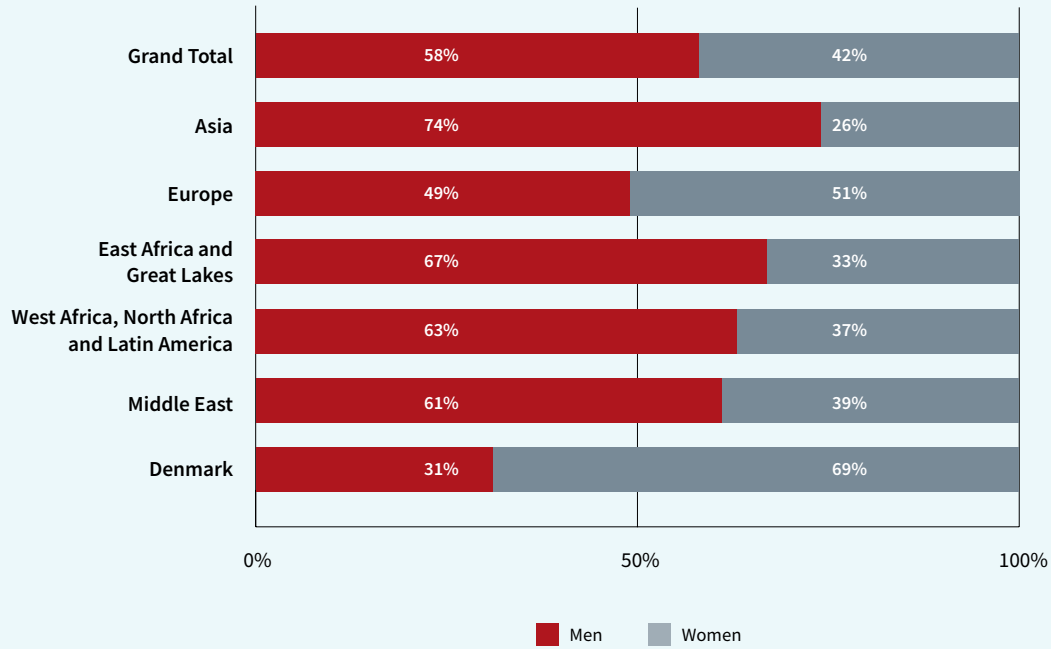
## Employees by Region, 2022

Region	Expatriates	%	National Employees	%	Total
Asia	50	3.6	1,318	96.4	1,368
Europe	28	4.2	643	95.8	671
East Africa and Great Lakes	121	5.9	1,918	94.1	2,039
West Africa, North Africa and Latin America	164	9.1	1,641	90.9	1,805
Middle East	98	6.1	1,515	93.9	1,613
Denmark & HQ	0	0	515	100	515
<b>Total</b>	<b>461</b>	<b>5.8</b>	<b>7,550</b>	<b>94.2</b>	<b>8,011</b>

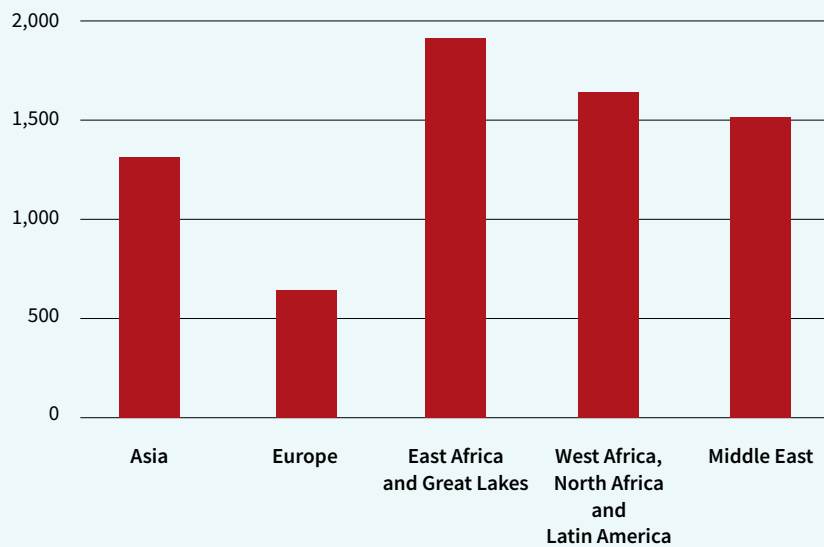




### Employees by Gender, 2022



### Locally Employed Staff in International Operations, 2022



Excluding Danish operations

# Safeguarding & Code of Conduct

DRC has had a Code of Conduct since 2007, and a Code of Conduct Reporting Mechanism (CoCRM) since 2012. They are cornerstones of DRC's commitment to accountability and integrity.

**The Code of Conduct** was revised in December 2022. It is now being rolled out in the contract of all members of DRC's global workforce. It maintains explicit adherence to the 'IASC 6 Core Principles' (PSEA) and the Core Humanitarian Standards (CHS).

The CoCRM functions as a **Whistleblower mechanism** in which a breach or a concern relating to the Code of

Conduct may be reported confidentially. The CoCRM is accessible to all, including anonymous persons. In 2021, it was adapted to the Whistleblower Act, and in 2022 the CoCRM was partially restructured in order to professionalise investigations and resource safeguarding.

Since 2018, **the number of Reports of Suspected Misconduct** (RSMs) received has continuously and steadily increased. This is an important sign that the CoCRM is trusted. The important developments made have heightened reliance and visibility in DRC's reporting mechanism.

	2017	2018	2019	2020	2021	2022
<b>Total Reports of Suspected Misconduct</b>	231	365	449	518	582	654

Number of RSMs received in the CoCRM since 2017. Despite the continuous increase, the overall number of investigations and preliminary assessments has remained steady over the last two years.

In 2022, DRC launched 137 investigations compared to 139 in 2021. Investigations are initiated in the most severe situations (fraud & corruption, SEAH, discrimination, etc.).

Type of Misconduct	Total	%
<b>Corruption / fraud</b>	262	22.6%
<b>Abuse of authority</b>	238	20.6%
<b>Breach of duty</b>	229	19.8%
<b>Workplace harassment</b>	120	10.4%
<b>Unspecified</b>	103	8.9%
<b>Racism / Discrimination</b>	44	3.8%
<b>Sexual exploitation &amp; abuse</b>	43	3.7%
<b>Sexual harassment</b>	41	3.5%
<b>Other</b>	34	6.6%
<b>Total</b>	<b>1157</b>	

The misconduct most complained about in 2022 was fraud & corruption, because this category has a very broad scope.

**Investigation trainings** have been designed and piloted in order to scale resources up. The four-day training also embeds DRC's survivor-centred approach. 54 investigators have been trained so far.

DRC continues to focus on the **Prevention of Sexual Abuse, Exploitation and Harassment** (PSEAH) and has established a PSEAH taskforce which reports to DRC's CHS Steering Committee. This taskforce brings institutional support to the Safeguarding (PSEAH) Global Advisor, together with the appointment of Safeguarding & Code of Conduct Regional Coordinators (ReSCOs) in each region.

# Risks



DRC operates in challenging environments around the world to fulfil its mission and vision and serve its People and Communities of Concern. These environments require that DRC effectively manage the risks associated with maintaining the pursuit of our objectives.

DRC manages a wide range of risks identified at the global level and within specific operational contexts. Though not covered in detail below, DRC continues to face countless safety and security risks due to the many varied and often-hazardous humanitarian contexts around the world in which we work. Such risks may relate to health (e.g. the COVID-19 pandemic persistent throughout 2022); civil unrest; crime; armed conflict; kidnapping; serious injury; fatalities; and more. Maintaining the health, safety, security, and wellbeing of our staff remains a top priority. To better face these risks, DRC initiated a global project in 2022 to adopt a new, robust digital tool to achieve common risk management goals, such as greater first line ownership of risks, enhanced collaboration, prioritising transparency, and boosting efficiency.

Based on the information extracted from our risk registers, the below provides a general overview of the risks faced in 2022 and DRC's response to them. The risks DRC faces are broadly categorised into operational, financial, legal and compliance, ethical, and fiduciary risks.

## Operational Risks

Operational risks mostly relate to DRC's ability to reach People of Concern and deliver its programmes

effectively, an ability which can be hindered by ongoing conflict, lack of infrastructure, natural disasters, or restrictions on staff movement. Such risks are widespread in DRC's international operations. To mitigate these risks, DRC has developed a Global Access Strategic Plan to provide direct support to operations facing humanitarian access barriers, and continues to both strengthen partnerships with local actors and streamline its logistics and supply chains.

An organisational transformation process initiated in 2021 to improve accountabilities, responsibilities, and decision-making saw DRC implement new and improved processes during 2022. Furthermore, DRC has placed a greater emphasis on retaining and attracting competent staff to reduce capacity gaps and enhance staff engagement in its operations. Another critical step taken to overcome project management capacity deficiencies has been to establish clearer and improved procedures and guidelines based on compliance requirements and best practice, thereby better enabling and harnessing the skills and abilities of our staff.

## Financial Risks

The main financial risk faced by DRC is financial instability, which hinders DRC's ability to carry out our programmes and often stems from a shortage of, or decrease in, flexible funding. This leads to increased reliance on restricted funding, which limits the flexibility required to effectively address unanticipated challenges DRC faces in various operational contexts. Another external risk beyond DRC's control is the fluctuation of

currency exchange rates and high inflation, linked to the fact that DRC often bears most of the associated costs when it receives funding in one currency but must implement activities in another.

In response, DRC continuously explores new funding sources, advocates for increased funding from current donors, and closely monitors its liquidity and expenditures to ensure the sustainability of our operations.

### **Legal Compliance Risks**

DRC must operate in compliance with diverse legislative frameworks and in line with international humanitarian principles. This can sometimes be difficult due to the complexity of laws and regulations across DRC's operations and when (inter)national compliance requirements put our principles under pressure. DRC must abide by international sanctions and counterterrorism measures imposed on state and other actors. More specifically, DRC faces a limited ability to bring funds into sanctioned countries to finance operations. This issue can also limit the availability of suppliers and service providers as well as implementing partners.

Ensuring that information is accurate, up to date, and compliant with the EU General Data Protection Regulation poses a particularly challenging set of risks in DRC's international operations. To respond to these risks, DRC started the implementation of 1) a robust system to ensure the accuracy and reliability of our information, and 2) measures to protect the confidentiality of sensitive information. These initiatives require significant resources and effort to be implemented effectively in all countries where DRC operates.

To mitigate legal and compliance risks more generally, DRC works to ensure that its programmes and activities comply with local laws and regulations through the increased use of staff with relevant expertise and positive relationships with local authorities. DRC also aims to further strengthen monitoring measures to optimally ensure compliance with internal policies and procedures.

DRC endeavours to be registered in all countries where DRC has a legal obligation to do so. Local legislation concerning humanitarian organizations often changes

with short notice and DRC continuously adjust its registrations to meet new legal obligations.

### **Ethical Risks**

DRC is committed to the safety of our staff and People of Concern, and constantly strives to ensure that the assistance it delivers is consistent with humanitarian principles. This includes minimising harm caused by unethical behaviour, such as breach of duty, conflict of interest, discrimination, and sexual exploitation, abuse, and harassment. Globally, and especially where vulnerable populations are exposed to high risks of exploitation, DRC continues to bolster its efforts to safeguard rights.

DRC is also mindful of, and implements stringent measures to control for fiduciary risks, such as fraud, with extra attention paid to such risks in operational contexts perceived to be prone to high degrees of corruption.

DRC strives to foster a culture and practice of prevention, detection, and response to combat misconduct. Key to this effort is DRC's promotion of reporting misconduct through our Whistle-blower System and Code of Conduct Reporting Mechanism, complemented also by effective Community Feedback Mechanisms, and our work to increase capacities to respond to such reports appropriately. Further information is provided in the 'Code of Conduct' section of this report (p. 42).

### **Closing Remarks**

DRC endeavours to realise advancements and improvements to its risk management processes while also monitoring existing areas that require sustained attention, particularly since improvements in certain areas inevitably require additional resource allocations and can take time. Such areas include regularly evaluating the organisation's risk appetite as a fundamental component of the risk management process and incorporating risk management more thoroughly throughout the organisation.



# Management Statement on the Annual Report

The Executive Committee and the Executive Management Team have today considered and approved the annual report for the financial year of 1 January – 31 December 2022 for the Danish Refugee Council.

The annual report has been prepared in accordance with the requirements of the bylaws, the accounting provisions of the Danish Financial Statements Act governing reporting class A entities subject to the adjustments caused by the special nature of the organisation, and ISOBRO's financial reporting guidelines for fundraising organisations.

Fundraising is conducted in accordance with “Indsamlingsloven” and related “Bekendtgørelse nr. 160 af 26. februar 2020”.

In our opinion, the financial statements give a true and fair view of the organisation's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January – 31 December 2022.

We also believe that business procedures and internal controls have been established to ensure that the transactions covered by the financial statements are in accordance with appropriations granted, laws and other regulations, agreements entered into, and usual practice, and that due account has been taken of financial considerations in the management of the funds and operations of the organisation covered by the financial statements.

In addition, in our opinion, systems and procedures have been established that support financial prudence, productivity, and efficiency.

Furthermore, in our opinion, the management's review provides a fair review of developments in the organisation's activities and financial position and a description of the special risks that can affect the organisation. The annual report is recommended for approval by the Annual Council Meeting.

Copenhagen, 9 May 2023

**Charlotte Slente**  
Secretary General

**Andrew Clarke**  
Interim Chief Financial Officer

## The Executive Committee of the Danish Refugee Council

**Agi Csonka**  
Chair

**Kim Simonsen**  
Vice Chair

**Bettina Bach**

**Juliane Marie Neiiendam**

**Karen Faarbæk de Andrade Lima**

**Mette Fejfer**

**Sophie Rytter**

**Ulla Næsby Tawiah**

**Vagn Berthelsen**

# Independent Auditor's Report

## To the Council and the Executive Committee of the Danish Refugee Council

### Opinion

We have audited the financial statements of the Danish Refugee Council for the financial year 1 January to 31 December 2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the requirements of the bylaws, the accounting provisions of the Danish Financial Statements Act governing reporting class A entities subject to the adjustments caused by the special nature of the Organisation, ISOBRO's financial reporting guidelines for fundraising organisations and the Danish Executive Order No 1292 of 15 June 2021 on the grant application pool for national social organisations.

In our opinion, the financial statements give a true and fair view of the Organisation's financial position at 31 December 2022 and of the results of its operations and cash flows for the financial year 1 January to 31 December 2022 in accordance with the requirements of the bylaws, the accounting provisions of the Danish Financial Statements Act governing reporting class A entities subject to the adjustments caused by the special nature of the Organisation, ISOBRO's financial reporting guidelines for fundraising organisations and the Danish Executive Order No 1292 of 15 June 2021 on the grant application pool for national social organisations.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as generally accepted public auditing standards as the audit is based on the provisions of the audit instructions on performing audits in connection with the Partnership Organisation's management of subsidised activities in developing countries. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report.

We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the requirements of the bylaws, the accounting provisions of the Danish Financial Statements Act governing reporting class A entities subject to the adjustments caused by the special nature of the Organisation, ISOBRO's financial reporting guidelines for fundraising organisations and the Danish Executive Order No 1292 of 15 June 2021 on the grant application pool for national social organisations, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with ISAs and additional requirements applicable in Denmark, and generally accepted public accounting standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, and generally accepted public accounting standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

**We also:**

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Statement on the management's review**

Management is responsible for the management's review.

Our opinion on the financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management's review and, in doing so, consider whether the management's review is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management's review.

## Report on other legal and regulatory requirements

### Statement on compliance audit and performance audit

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with the appropriations, laws and other regulations, agreements and usual practice, and that financial consideration has been made when managing the funds and operations covered by the financial statements. Management is also responsible for establishing systems and processes supporting economy, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audit as well as performance audit of selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters

to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the appropriations, laws and other regulations, agreements and usual practice.

In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and operations covered by the financial statements.

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this in this statement.

We have no material critical comments to report in this connection.

Copenhagen, 9 May 2023

**Deloitte | Statsautoriseret Revisionspartnerselskab | Business Registration no. 33 96 35 56**

**Henrik Wellejus**  
State-Authorised  
Public Accountant  
MNE No. 24807

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State-Authorised  
Public Accountant  
MNE No. 24730



**Income Statement 1 January – 31 December**

Note		2022 DKK ´000	2021 DKK ´000
	<b>Income-generating activities</b>		
2	Public and private funds collected (restricted)	3,176,850	2,938,478
3	Private funds collected (unrestricted)	96,564	86,032
4	Income from own activities	28,006	98,852
	<b>Total income from income-generating activities</b>	<b>3,301,420</b>	<b>3,123,362</b>
5, 10	Expenses related to income-generating activities	3,084,662	2,840,526
6, 10	Expenses related to own activities	22,944	106,068
7	Net financial income/expenses	4,478	-19,770
	<b>Result from income-generating activities</b>	<b>189,336</b>	<b>196,539</b>
8, 10	Administrative expenses	174,719	163,432
	<b>Result before special-purpose activities</b>	<b>14,618</b>	<b>33,106</b>
9	Special-purpose activities	7,337	7,699
	<b>Result for the year</b>	<b>7,280</b>	<b>25,407</b>
	<b>Result for the year is transferred to equity as follows:</b>		
	<b>Unrestricted funds</b>	<b>7,280</b>	<b>25,407</b>
	<b>Total distribution of result</b>	<b>7,280</b>	<b>25,407</b>

**Balance Sheet as of 31 December**

Note		2022 DKK '000	2021 DKK '000
	<b>Assets</b>		
	Property, plant and equipment	0	0
	Motor vehicles	3,289	646
	Fixtures and fittings and IT	60	60
	<b>Total property, plant and equipment</b>	<b>3,349</b>	<b>706</b>
11	<b>Total non-current assets</b>	<b>3,349</b>	<b>706</b>
	<b>Current assets</b>		
	<b>Receivables</b>		
	Project aid	562,023	575,172
	Trade receivables	9,174	18,688
	Other receivables	110,881	43,664
	Government allocations, etc.	2,475	1,741
	Prepayments	13,975	10,164
	<b>Total receivables</b>	<b>698,528</b>	<b>649,429</b>
12	<b>Cash and cash equivalents</b>	<b>1,147,982</b>	<b>668,078</b>
	<b>Total current assets</b>	<b>1,846,510</b>	<b>1,317,507</b>
	<b>Total assets</b>	<b>1,849,859</b>	<b>1,318,213</b>
	<b>Equity and liabilities</b>		
	<b>Equity</b>		
	Unrestricted funds	392,653	385,373
	<b>Total equity</b>	<b>392,653</b>	<b>385,373</b>
13	<b>Provisions</b>	<b>87,786</b>	<b>69,332</b>
	<b>Current liabilities other than provisions</b>		
	Trade payables	68,344	23,844
	Project aid, unexpended grants	1,215,204	786,064
	Government allocations, etc.	147	67
14	Other payables	85,725	53,533
	<b>Total current liabilities other than provisions</b>	<b>1,369,420</b>	<b>863,508</b>
	<b>Total equity and liabilities</b>	<b>1,849,859</b>	<b>1,318,213</b>

Note 15 Other liabilities

Note 16 Related parties

## Statement of Changes in Equity for 2022

### Equity

	Unrestricted funds (DKK '000)	Total equity (DKK '000)
Balance at 1 January	385,373	385,373
Result for the year	7,280	7,280
<b>Balance at 31 December</b>	<b>392,653</b>	<b>392,653</b>

## Cash Flow Statement for 2022

Note	2022 DKK '000	2021 DKK '000
<b>Assets</b>		
	11,758	5,637
11 Result for the year before financial income/expenses	194	91
11 Depreciation, amortisation and impairment losses	-49,099	46,722
Increase/decrease in receivables	18,454	-848
Increase in provisions	505,912	102,892
Increase/decrease in liabilities other than provisions	<b>487,219</b>	<b>154,494</b>
7 Net financial income/expenses	-4,478	19,770
<b>Cash flows from operating activities</b>	<b>482,741</b>	<b>174,264</b>
11 Acquisition of property, plant and equipment	-3,184	-344
11 Disposal of property, plant and equipment	347	361
<b>Cash flows from investing activities</b>	-2,837	17
<b>Cash flow for the year</b>	<b>479,904</b>	<b>174,281</b>
12 Cash and cash equivalents at 1 January	668,078	493,797
12 <b>Cash and cash equivalents at 31 December</b>	<b>1,147,982</b>	<b>668,078</b>

## Note 1

### Summary of Significant Accounting Policies

The Annual Report of the Danish Refugee Council (DRC) for 2022 has been presented in accordance with the requirements of the bylaws, the accounting provisions of the Danish Financial Statements Act governing reporting class A entities subject to the adjustments caused by the special nature of the Organisation, and ISOBRO's financial reporting guidelines for fundraising organisations.

#### Basis of recognition and measurement Assets and liabilities

Assets are values owned by DRC or amounts owed to the Organisation, be it cash, bank deposits, fixtures and fittings or IT equipment, etc. Amounts owed typically arise from trade receivables or other transactions for which payment does not take place until after the balance sheet date. Amounts owed to the Organisation also include firm grant commitments provided by third parties prior to the balance sheet date but which will not be paid until after the balance sheet date.

These amounts are also expenses paid prior to the balance sheet date concerning services etc. received in the period after the balance sheet date, such as rent, insurance premiums, subscriptions, etc.

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Organisation, and the value of each asset can be measured reliably. Liabilities are amounts owed to others, e.g. amounts owed for goods or services provided before the balance sheet date but will not be paid until after the balance sheet date as well as payroll-related items withheld on wages and salaries paid. Liabilities also include the value of services that DRC is under an obligation at the balance sheet date to provide to third parties. Such obligations may be to provide certain services that have not been rendered at the balance sheet date in return for consideration received before the balance sheet date.

Liabilities are recognised in the balance sheet when the Organisation has a legal or constructive obligation

as a result of a prior event, and it is probable that future economic benefits will flow out of the Organisation, and the value of the liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that might arise before the time of presentation of the Annual Report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered on recognition and measurement.

#### Accounting estimates and judgements

Determining the carrying amount of certain assets and liabilities is subject to estimation and judgement. Future results will therefore be affected in so far as actual circumstances prove to differ from previous estimates and judgements. Estimates and judgements are based on assumptions, which are considered reasonable by Management. The principles for making accounting estimates material to financial reporting are consistent with those applied in previous years. The most significant accounting estimates are related to provisions.

#### Income and expenses

Income is amounts that have increased the Organisation's equity, i.e. the value of transactions, events etc. that has increased the Organisation's net assets. Income from income-generating activities includes public funds collected, private funds collected and income from own activities.

Expenses are amounts that have been spent by the Organisation and so reduced its equity, i.e. the value of transactions, events etc. that has reduced the Organisation's net assets. Examples of such expenses are expenses related to income-generating activities, expenses related to own activities and expenses related to foreign currency translation adjustments. These expenses also comprise administrative expenses which include annual depreciation of the Organisation's property, plant and equipment. Recognition of income in the income statement is effected as described below for each financial statement item.



## Income Statement

### Income from income-generating activities

Income of the Organisation comprises public and private funds collected as well as income from own activities.

### Public and private funds collected (restricted)

Public funds collected comprise Danish and foreign institutional donors or authorities or private donors with whom a contract has been entered into. Such funds are recognised as and when utilised.

### Private funds collected (unrestricted)

Private funds collected comprise contributions by private donors and enterprises by way of various collections and events, inheritance and gifts, and membership fees from member organisations. Such funds are recognised as income when received or when the fundraising results are available.

### Income from own activities

Income from own activities comprises consultancy services provided in integration matters. Income is recognised at the time of provision of services to the recipient.

### Expenses utilised for income-generating activities

Expenses utilised for income-generating activities comprise expenses directly attributable to the organisation of various fundraising events, expenses incurred for international activities, and expenses related to the Organisation's work with volunteer networks and asylum counselling etc.

Expenses related to own activities comprise expenses directly attributable to income-generating activities. Expenses related to own activities arise from the performance of various consultancy activities. The expenses include wages and salaries, rent, other external expenses as well as amortisation and depreciation directly attributable to the individual activities. Expenses are charged to the income statement when incurred, and they are subjected to usual accrual accounting so as to cover the financial year to which they relate.

VAT refunds are recognised as income when received and recognised for proportionate reduction of the respective types of expenses as the refunds are considered an adjustment of amounts previously charged to the income statement.

In so far as expenses regarding international and Danish institutional donors and public authorities

exceed the funds collected, any overspend is covered by the Organisation.

### Net financial income or expenses

Financial income or expenses comprise interest income or expenses and realised and unrealised foreign exchange gains or losses. These items primarily arise from foreign currency translation adjustments related to the income-generating activities, for which reason they are presented within these activities.

### Administrative expenses

Administrative expenses are calculated as total HQ expenditure, including HR, IT, finance, rental expenses, etc. Capacity-building expenses and expenses for strategic initiatives launched during the period are included in this financial statement item.

### Expenses related to purpose-specific activities

Special-purpose expenses comprise expenses for the Organisation's General Secretariat, which is responsible for e.g. advocacy projects and the Organisation's own contribution to relief projects.

## Balance Sheet

### Property, plant, and equipment

Buildings, leasehold improvements, motor vehicles, fixtures and fittings are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, any costs directly attributable to the acquisition, and any preparation costs of the asset until the time when it is ready to be put into operation. The basis of depreciation is cost plus revaluation and minus estimated residual value after the end of useful life.

Depreciation is provided according to the straight-line method based on the following assessment of the assets' expected useful lives:

<b>Buildings</b>	<b>3-5 years</b>
<b>Leasehold improvements</b>	<b>3-5 years</b>
<b>Motor vehicles</b>	<b>2-4 years</b>
<b>Fixtures and fittings and IT</b>	<b>2-4 years</b>

Depreciation is recognised in the income statement in the line items "Expenses related to own activities" and "Administrative expenses", respectively. Assets costing less than DKK 50,000 are expensed in the year of acquisition. All acquisitions financed by collected funds are charged to the income statement at the time of acquisition in so far as they took place at the donor's

expense. Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

#### **Project aid receivable from public and private funds**

Funds utilised, but not received at the time of use are recognised as a receivable in so far as a right to such funds has been obtained at the balance sheet date.

#### **Receivables**

Trade receivables are measured at amortised cost, which usually equals nominal value less write-downs for bad and doubtful debts.

#### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

#### **Equity**

Equity is composed of unrestricted capital and restricted capital. Restricted capital consists of DRC's relief pool and funds designated for special strategic purposes, which at the end of the financial year have been released for use in the subsequent financial year. Unrestricted capital consists of retained earnings that do not represent restricted funds.

#### **Provisions**

Provisions comprise expected expenses related to the discontinuance of operations. Provisions are recognised when, as a result of a past event, the Organisation has a legal or constructive obligation, and it is probable that an outflow of economic resources will be required to settle the obligation. Provisions are measured at net realisable value.

#### **Project aid payable from public and private funds**

Funds that are received before the time of use but with no expenses having been incurred at the balance sheet date that are equivalent to the funds received, are recognised in the balance sheet as current liabilities.

#### **Deferred income**

Deferred income comprise payments received concerning income to be recognised in subsequent financial years.

#### **Other liabilities**

Other liabilities are measured at amortised cost.

#### **Foreign currency translation**

Foreign currency transactions are translated on an ongoing basis applying the daily updated exchange rates provided by OANDA. If donors require project-specific exchange rates according to contract, then such rates are used in so far as they do not vary significantly from the transaction date exchange rate.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the 31 December 2022 exchange rates provided by OANDA.

Exchange differences arising between the rate used on the transaction date and the settling rate in effect at the payment date are recognised in the income statement in the line item "Net financial income and expenses".

Non-current assets acquired in foreign currencies are measured at the exchange rates in effect at the transaction date.

#### **Financial ratios**

Financial ratios are calculated in accordance with the recommendations of the sectoral organisation ISOBRO. Financial ratios presented in the management's review have been calculated as follows:

Financial ratios	Calculation formula	Financial ratios reflect:
Profit margin on collection funds and income-generating activities	$\frac{\text{Profit from income-generating activities} * 100}{\text{Income from income-generating activities}}$	The profit margin on collection funds reflects the share of funds recognised as income in the reporting period that remain for the Organisation net of expenses directly attributable to the generation of income.
Administrative expense ratio	$\frac{\text{Administrative expenses} * 100}{\text{Income from income-generating activities}}$	The administrative expense ratio reflects the share of the Organisation's total income incurred for administration and similar expenses.
Special-purpose activities ratio	$\frac{\text{Expenses related to special-purpose activities} * 100}{\text{Income from income-generating activities}}$	The special-purpose activities ratio reflects the share of the Organisation's total income incurred for special purpose activities in the reporting period in the form of expenses incurred that are directly attributable to the relevant activities.
Consolidation ratio	$\frac{\text{Profit/loss for the year} * 100}{\text{Income from income-generating activities}}$	The consolidation ratio reflects the share of the Organisation's total income incurred to consolidate its assets.
Safety margin	$\frac{\text{Equity} * 100}{\text{Total expenses for income-generating, special-purpose and general activities}}$	The safety margin reflects to what degree equity at financial year-end can accommodate the expenses of the Organisation.
Equity ratio	$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$	The equity ratio reflects the Organisation's financial strength.
Share of restricted funding	$\frac{\text{Restricted funds collected} * 100}{\text{Income from income-generating activities}}$	The share of restricted funding reflects the share of funding of the Organisation that is based on grants etc. from public authorities and private donors.

### Headcount

The average headcount in Denmark has been calculated based on the number of hours reported from the Organisation's payroll system to the Danish Tax Agency. Subsequently, the number of hours for employees in Denmark has been converted into job years based on an average of the annual number of 1924 hours per full-time employee. The number of employees remunerated abroad is based on the number of employees registered in the Organisation's ERP system. Volunteers are not included in this number.

### Cash Flow Statement

The purpose of the cash flows statement is to provide information about the Organisation's cash flow for the financial year.

The cash flow statement is divided into cash flows regarding operating and investing activities and discloses where the funds come from, how they are spent, and what the cash generated from operating activities is invested in.

Cash flows from operating activities are calculated in accordance with the indirect method on the basis of profit/loss for the year before financial income and expenses, adjusted for non-cash operating items and working capital changes. For example, an increase in liabilities and payables would reflect saved outflow of cash and cash equivalents, for which reason such increase would be regarded as cash inflow. Similarly, a decrease in an amount receivable would reflect net receipts, for which reason this too would be regarded as cash inflow.

**Note 2**

	2022 DKK '000	2021 DKK '000
<b>Public and private funds collected (restricted)*</b>		
Project aid, pools etc.*	3,133,232	2,896,047
Funds from the DMII * * *	3,800	3,800
Funds from the DMII: Grant for volunteer work * * *	11,161	12,177
Funds from the DMII: Grants for asylum counselling, documentation etc, * * *	19,920	17,355
Funds from the DMII: Repatriation * * *	4,100	4,100
Funds from the DMII: Centre for Vulnerable Refugees * * *	1,100	1,100
Allocation funds**	3,537	3,899
<b>Total public and private funds (restricted), total</b>	<b>3,176,850</b>	<b>2,938,478</b>

\*Funds from the 2022 national charity event “Danmarksindsamlingen” total DKK 6.4 million (incl. 5th instalment from 2021 of DKK 400k, which was transferred to the countries in early 2023). DKK 5.9 million has been transferred to the “Syriske Flygtninge børn i Tyrkiet og Libanon påvirket af corona krisen” and DKK 0.5 million was spent by DRC on administration in 2022.

A total of DKK 6.1 million (also including the amount from 2021) was spent in 2022, leaving DKK 4 million to be spent in 2023, which is included in the item “Current liabilities other than provisions”.

In addition, DRC has conducted restricted campaigns supporting country operations: Earmarked funds in the amount of 7 million DKK were received for Afghanistan, Horn of Africa region, Cox’s Bazar in Bangladesh, Syria, Bosnia & Herzegovina, Colombia, DR Congo, Tanzania, Tunisia, Yemen and Integrationsnet in Denmark. 5.8 million DKK has been transferred to the countries, and 3 million spent in the countries in 2022, and the balance (2.8 million DKK) will be spent in 2023. To this should be added DKK 1.2 million spent by DRC in 2022 on the administration of the project and supporting the Ukraine response in 2022.

\*\*The grant of DKK 3.5 million granted in 2021 was utilised in 2022 in accordance with the Organisation’s objectives. The funds were allocated to projects concerning voluntary social activities and national advocacy projects. The grant of DKK 6.1 million provided in 2022 was approved for carry-forward to 2023 and has been recognised in the line item “Other payables” in the financial statements for 2022.

\* \* \* Funds from the DMII= Danish Ministry of Immigration and Integration



**Note 3**

	2022	2021
	DKK '000	DKK '000
<b>Private funds collected (unrestricted)</b>		
Private donations	70,395	71,345
Other events	12,866	3,065
Annual national collection	13,014	11,333
Membership fees from membership organisations	289	289
<b>Total private funds collected (unrestricted)</b>	<b>96,564</b>	<b>86,032</b>

**Note 4**

	2022	2021
	DKK '000	DKK '000
<b>Income from own activities</b>		
Income from sales of consultancy services	28,006	44,129
Income from local authorities, etc.	0	54,723
<b>Total income from own activities</b>	<b>28,006</b>	<b>98,852</b>

**Note 5**

	2022	2021
	DKK '000	DKK '000
<b>Expenses related to income-generating activities</b>		
<b>Expenses related to fundraising activities</b>	<b>43,156</b>	<b>34,441</b>
<b>Project-related expenses:</b>		
Projects, pools, etc.*	3,005,225	2,771,353
	<b>3,048,381</b>	<b>2,805,794</b>
<b>Expenses related to the Danish Ministry of Immigration and Integration:</b>		
Volunteer work	11,161	12,177
Asylum counselling, documentation, etc.	19,920	17,355
Repatriation	4,100	4,100
Centre for Vulnerable Refugees	1,100	1,100
	<b>36,281</b>	<b>34,732</b>
<b>Total expenses related to income-generating activities</b>	<b>3,084,662</b>	<b>2,840,526</b>

\*DKK 124 million thereof relates to Danida single projects, DKK 29.5 million relates to FCDO and DKK 1.6 million relates to UNODC as specified on page 61.

**Note 6****Expenses related to own activities**

Other external expenses	6,890	31,560
Payroll costs	16,054	74,508
<b>Total expenses related to own activities</b>	<b>22,944</b>	<b>106,068</b>

**Note 7**

	2022 DKK '000	2021 DKK '000
<b>Net financial income/expenses</b>		
Net interest income/expenses	-3,143	350
Net other financial income	7,621	-20,120
<b>Total net financial income/expenses</b>	<b>4,478</b>	<b>-19,770</b>

**Note 8**

	2022 DKK '000	2021 DKK '000
<b>Administrative expenses</b>		
Other external expenses	50,565	41,272
Payroll costs	124,154	122,160
<b>Total administrative expenses</b>	<b>174,719</b>	<b>163,432</b>

**Note 9**

	2022 DKK '000	2021 DKK '000
<b>Special-purpose activities</b>		
Allocation funds	3,537	3,899
General Secretariat	3,800	3,800
<b>Total special-purpose activities</b>	<b>7,337</b>	<b>7,699</b>

**Note 10**

	2022 DKK '000	2021 DKK '000
<b>Payroll costs</b>		
Wages and salaries	501,117	564,637
Wages and salaries, local project staff abroad	674,618	597,246
Change in provision for holiday pay obligation	-74	-867
<b>Total wages and salaries</b>	<b>1,175,661</b>	<b>1,161,016</b>
Pension contributions	42,668	44,359
Social security costs	59,099	60,727
<b>Total payroll costs</b>	<b>1,277,428</b>	<b>1,266,102</b>
Of this, remuneration to the Secretary General, including pension contributions	1,436	1,343
The Executive Committee is not remunerated.		
Number of job years in Denmark and expats, including UN expats	947	1,084
Local project staff abroad	7,023	6,452

**Note 11**

	Buildings (DKK '000)	Motor vehicles (DKK '000)	Fixtures / fittings / IT (DKK '000)
<b>Property, plant and equipment</b>			
<b>Cost</b>			
Carrying amount at 1 January	3,098	12,346	1,427
Additions	0	3,184	0
Disposals	0	347	0
<b>Carrying amount at 31 December</b>	<b>3,098</b>	<b>15,184</b>	<b>1,427</b>
<b>Depreciation and impairment losses</b>			
Carrying amount at 1 January	3,098	11,700	1,367
Depreciation and impairment losses	0	368	0
Depreciation and impairment losses, disposals	0	173	0
<b>Carrying amount at 31 December</b>	<b>3,098</b>	<b>11,894</b>	<b>1,367</b>
<b>Total carrying amount at 31 December</b>	<b>0</b>	<b>3,289</b>	<b>60</b>

**Note 12**

	2022	2021
	DKK '000	DKK '000
<b>Cash and cash equivalents</b>		
HQ	881,226	384,931
Cash and cash equivalents in Denmark	1,818	11,935
Cash and cash equivalents outside Denmark	264,939	271,212
<b>Total cash and cash equivalents</b>	<b>1,147,982</b>	<b>668,078</b>

**Note 13**

	2022	2021
	DKK '000	DKK '000
<b>Provisions</b>		
International termination benefit liabilities, etc.	26,614	24,061
International projects	31,600	20,769
Other	29,572	24,502
<b>Total provisions</b>	<b>87,786</b>	<b>69,332</b>

**Note 14**

	2022	2021
	DKK '000	DKK '000
<b>Other payables</b>		
Holiday pay	14,016	14,248
Other	71,709	39,285
<b>Total other payables</b>	<b>85,725</b>	<b>53,533</b>

**Note 15**

	2022	2021
	DKK '000	DKK '000
<b>Other liabilities</b>		
Rent	8,705	21,351
Guarantee commitments	100	100
<b>Total other liabilities</b>	<b>8,805</b>	<b>21,451</b>

**Note 16****Related parties**

The Danish Refugee Council is an umbrella organisation of non-partisan, voluntary national and international humanitarian organisations. Related parties are the Executive Committee and the Executive Management Team.



## Specifications to Note 5

Specification related to note 5 for Danida Single Projects, Foreign, Commonwealth & Development Office and UNODC

### Danida Single Grants utilised in 2022 in DKK ´000

Description	Reference no.	Amount
Winterization Project in Mykolaiv City	2022-29351	7,550
DANIDA_Bridging the prevention gap in JO and LBN	3SN-2022	4,558
Støtte til the Joint IDP profiling JIPS 2020-2021	2020-7481	379
Danida Christmas Calendar - BUK 2019-2020	2017-3403/3404	72
DAPP Livelihoods Jordan	F2 2016-188	373
Building Self-Reliance and Resilience in West Nile	2021-35114	5,689
Myanmars børn - Alle børn har rettighe	N/A	39
DANIDA SAHEL 2021	2020-44586	14,098
PD_GVA_MMC_Danida 21-22	2021 - 6231	2,059
Protecting the most vulnerable displacement and conflict affected Syrians	2020-34703	5,774
Energy and Environmental management in Nduta, Mtendeli and Nyarugusu camps and HC	2020-32311	12,573
Addressing Critical Protection Gaps through Integrated Protection and Economic Recovery Solutions	2021-41780	10,992
DMDP Fair Recycling: an inclusive and formalised plastic rec	2020-42139	2,258
UGA Management of the Implementation of NURI	DC 3264	57,593
<b>Total</b>		<b>124,007</b>

### Foreign, Commonwealth & Development Office (FCDO) utilised in 2022 in DKK ´000

Description	Reference no.	Amount
2019-2021 Burundian Refugee Assistance	204805-107	9
"Livelihoods Assistance Programme for Eastern Ukraine	205143-108	3,266
PD_GVA_H2H_Humanitarian Global Services	205255-104	6,147
Promoting Rights and Supporting Protection Needs in North East Nigeria	300432-102	425
Routes-Based Migration Response Programme	300196	937
Accountable Grant Agreement	300491	1,797
EMP Addressing Unsafe and Irregular Migration	PO 8470	16,880
<b>Total</b>		<b>29,461</b>

### United Nations Office on Drugs and Crime (UNODC) utilised in 2022 in DKK ´000

Description	Reference no.	Amount
Observatory on Smuggling of Migrants	GLOX64	1,095
Observatory on Smuggling of Migrants - South East Asia	N/A	257
Rapid Actionable Assesment of Human Trafficking and Migrant Smuggling	205255-104	277
<b>Total</b>		<b>1,629</b>



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