

An Independent Evaluation of UNHCR's Decentralization and Regionalization Reform - EXECUTIVE SUMMARY



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Executive Summary

In 2016, the United Nations High Commissioner for Refugees (UNHCR) set in motion one of the most far-reaching transformations in UNHCR's history, intended to enhance the agility and timeliness of its support to forcibly displaced and stateless persons. The transformation had several dimensions, at the heart of which was the aim to decentralize and regionalize the organization. This reform introduced a new organizational design, implemented through the (re)location of Regional Bureaux (RBx) from Geneva to strategic global locations, the redistribution of workforce, and the granting of new devolved authorities to senior managers in regions, Country Offices (COs), and Sub-Offices (SOs).

Six years after the reform's initiation, an independent evaluation was commissioned to assess its design, implementation, and outcomes. The evaluation's findings and recommendations are intended to contribute to ongoing adjustments and strategic refinements as UNHCR continues to adapt to an increasingly complex operational environment.

Objectives

The objectives of the Decentralization and Regionalization (D&R) reform can be summarized as follows:

- Work more effectively at the point of delivery by empowering COs with capacity, authority, support, and oversight.
- Enhance organizational agility and responsiveness to changing circumstances and needs, enabling UNHCR to respond faster and in a more flexible way to protection needs.
- Better support the goal of One United Nations (One UN) and the Global Compact on Refugees (GCR) by collaborating effectively with host governments and partners in countries and regions.

Evaluation scope and methodology

The evaluation focused on the D&R reform from its inception in 2017 to 2023, with particular focus on its implementation phase from 2019 to 2023. It has assessed changes within the four dimensions of a target operating model: strategy; people, organization and governance; processes; and technology.

Figure 1: Framework, anchoring the four pillars and the eleven D&R reform facets



The evaluation aimed to determine the relevance, coherence, sustainability, efficiency and effectiveness of the D&R reform. It covered macro-level design, implementation factors, and the reform's impact on operational effectiveness, agility, and support for broader goals of One UN and the GCR. The geographical scope included headquarters (HQ) and all UNHCR regions, with a focus on changes at regional, national, and sub-national levels.

The evaluation utilized a mixed methods approach. Secondary evidence was derived from an extensive documentation review, including internal strategic documents, organigrammes, evaluations and audits, as well as several existing quantitative data sources, that were used to perform trend analysis in various thematic areas. Primary evidence was collected through key informant interviews (KIIs) with more than 600 UNHCR stakeholders and individual interviews and focus group discussions (FGDs) across 30 operations including RBx, MCOs, COs, National Offices (NOs), SOs and Field Offices (FOs) in the seven regions. A total of 55 partner interviews were furthermore conducted, including UNHCR's strategic, funded partners and its major donors. To capture primary quantitative data, a survey employing a stratified sampling method was carried out with 385 respondents. Findings have been synthesized using triangulated data, across different data sources, stakeholders, and locations. A full description of the methodology and approach can be found in the main report and in the annex.

Findings

1) Strategy

Vision, Objectives, and Change Management: The D&R reform was characterized by a clear high-level strategic vision and rationale for placing stronger capacity at regional and country levels. The design principles of the reform were found to leverage UNHCR's Strategic Directions (2017-2021/2022-2026), and to embed the principles of the broader United Nations development system reform, furthering the overarching strategic objectives of both the United Nations system and UNHCR. The strategic vision was well articulated in terms of the organizational architecture with the establishment of seven RBx and with respect to moving capacities closer to the points of delivery.

A change management plan was developed for the reform, identifying the key challenges and lessons learnt from previous decentralization experiences inside and outside of UNHCR. While this conceptually set a foundation for the reform, the evaluation did not find evidence of a clearly defined end/target state and detailed costing for the reform. The consequence of this has been a sequential roll-out of process changes rather than one integrated transformation approach. This has impacted the overall effectiveness of the D&R implementation. Augmenting this was the lack of effective change management processes to pro-actively address and mitigate the change-related challenges identified.

In the absence of a D&R budget, the evaluation is constrained in its ability to comment on the cost of the D&R reform. There were high level assumptions stated in the design documents that the reform will, at minimum, be cost neutral in the medium and long-term due to rationalization of existing architecture at HQ and lower salary costs in locations outside Geneva. These were to be further analyzed. However, the evaluation team was unable to find any evidence of such costing analysis conducted during the later stage of the design phase of the reform. Therefore, to address this objective, the evaluation team has conducted a proxy analysis to evaluate the overall expenditure allocation and growth across different levels of the organization from 2018 to 2023. This analysis revealed that the increase in expenditure resulting from the (re)location of RBx and strengthening of CO/MCOs related to D&R was only partly offset by a reduction in HQ expenditure. Further details are available in the report.

Strategic Planning Process: In parallel with D&R, UNHCR reformed its strategic planning processes shifting to a multi-year planning and a new Results-Based Management (RBM) approach with an updated Global Results Framework and a new digital system (COMPASS) to measure outputs, outcomes, and impact at all levels of the organization. D&R aimed to support these shifts, and vice versa, by decentralizing decision-making authority to RBx and field operations thereby enhancing operational flexibility, effectiveness, and alignment in strategic planning. These aims have been partially achieved. The reform formalized RB involvement in COs' planning process through delegated authority to approve CO/Multi Country Office's (MCO) multi-year strategies within the new system. In practice, the evaluation found varying degrees of RB engagement based on size and capacity of both the RB and the respective CO/MCO. Challenges persist in aligning global priorities with regional/country contexts, highlighting the need for more guidance from HQ regarding the criteria for prioritization supported by a culture of greater accountability, authority and ownership at country level. The reform also allowed field operations to achieve greater autonomy in the development of context-specific results statements, albeit with constraints given the re-introduction of mandatory indicators. Finally, the reform empowered many SOs/NOs with greater authority, although its uneven implementation and the lack of clear roles, accountabilities and authorities (RAA) at sub-national levels remain challenges.

Resource Management: Resource management was considered an important aspect of the D&R reform, with decentralized authorities enabling better operational autonomy and agility and ultimately leading to more effective delivery to forcibly displaced and stateless persons. To enhance delegation of authority, a revised Resource Allocation Framework (RAF) was issued which was expected to bring decision making closer to the point of delivery. Evidence has indicated that the design of the RAF itself was coherent with the objectives of D&R and it addressed key challenges faced before the reform. However, the implementation and results achieved vis a vis the framework reveal a mix of successes and areas needing improvement. The revised RAF introduced increased budgetary authorities, which allows, for example, RB directors to allocate budget envelopes based on their regional priorities. However, as donor earmarking has increased, the ability of RB directors to utilize these authorities has been constrained. At country level, operations have been able to exercise their authority to make budgetary re-allocations, however, the need to send notification memos about the change to HQ/RB sometimes causes delays. Additionally, the delegation of international staff recruitment up to P4 level by RB directors has had limited impact on autonomy and speed of recruitment since approval of hiring remains centralized. In comparison, localized hiring for General Service (G) staff and National Officers (N) at CO/MCO level has been found to notably improve efficiency. Positive examples of autonomous closing and opening of sub-national offices by country operations were also found in alignment with the new authorities granted in the RAF.

2) People, Organization and Governance

Organizational Architecture: The D&R reform aimed to restructure UNHCR from geographic portfolios and 'desk' management at HQ to a regionalized structure with RBx established in seven regions; Europe (EUR), Asia and the Pacific (AP), Middle East and North Africa (MENA), the Americas (AME), Southern Africa (SA), West and Central Africa (WCA) and East and Horn of Africa and the Great Lakes (EHAGL). Staffing structures in all bureaux were based on a core organigramme, but adaptations were allowed based on contextual specificities. This provided bureaux with the flexibility to adapt to local needs, however, it also resulted in challenges with standardization and consistency in organizational structures and the configuration of functional pillars across RBx, which has affected cross-regional collaboration and staff onboarding.

The rationale for the locations chosen for the RBx is not well articulated in the design documentation. Whilst a rationale was presented based on factors including the size of operations, numbers and types of forcibly displaced and stateless people, logistics, United Nations system agencies and donor presence, no

alternative locations were modelled. The alignment of RB locations with key donor hubs has proven beneficial however, this presence varies across RBx leading to differing levels of engagement.

At the CO, SO and FO level, although not a direct consequence of D&R, the relevance of the UNHCR Handbook for Designing Field Presences has increased due to the absence of specific design guidance for national and sub-national structures during the reform. The handbook's guidelines are clear and have allowed organizational configurations to be customized at both national and sub-national levels to meet operational needs, demonstrating the advantages of flexibility. Nonetheless, challenges have arisen in field classifications and matrixed CO structures, which do not always conform to the guidelines.

Functions and Staffing: The D&R reform aimed to enhance UNHCR's effectiveness, responsiveness, and collaboration with partners by shifting decision-making closer to the point of delivery and reducing corresponding capacities at the HQ. By reinforcing capacity at regional and local levels, the reform sought to enable more targeted solutions to regional and country-specific challenges. The evaluation identified that the lack of a well-defined workforce strategy and a comprehensive, organization-wide needs and skills mapping has resulted in a limited understanding of what is needed or the extent to which D&R goals have been reached. The lack of clear benchmarks for the intended outcomes of D&R also constrain the ability of this evaluation to make robust assessments to this end. Analyses have been performed to the extent possible with the data available.

Based on design documents, it was expected that through rationalization of structures and functions and their integration into regional and local levels, HQ would be streamlined and reduced in size, while CO/MCOs should grow. From 2018 to 2023, CO/MCOs have experienced significant growth in absolute headcount, increasing overall at a 6 per cent compounded annual growth rate (CAGR), predominantly due to emergency response to specific crises. Similarly, RBx grew at 57 per cent from 2019 to 2020 (rollout) and by 7 per cent CAGR from 2021 to 2023. Despite overall workforce growth, the technical capacity allocated at country (including sub-national) levels continues to be perceived as insufficient due to resource constraints, budget dependencies, and complex humanitarian needs. While it is difficult to objectively assess optimal distribution of technical capacities under these constraints due to limitations in data, benchmarks, and end-state designs, it can be noted that: 1) the substantial presence and some growth of International Protection & Solutions, Operational Delivery, and External Relations functions within RBx and COs/MCOs and the creation of divisional outposted positions have helped increase technical capacities in the regions and field, and 2) the HQ workforce experienced some initial reductions, however, growth from 2020 to 2023 means that overall, between 2018 and 2023, there has been no significant change in HQ headcount. The increase in country operations' capacity has thus resulted from an increase in overall budgets rather than personnel movement from HQ.

In terms of capacity building, the evaluation acknowledges that D&R has enabled more contextually relevant and regionally adaptable training programmes, allowing regions to tailor learning to their specific operational challenges. However, challenges remain. Staff feedback across regions has highlighted a lack of in-depth training and skill development across functional areas, with limited global training programmes. While regional efforts, such as minimum annual training and communities of practice, are in place, both larger and smaller SOs reported limited capacity building opportunities in certain key areas. The absence of centralized training plans, clearly delineated responsibilities, quality assurance and oversight across entities has led to what looks like significant disparities in skills development at all levels. In the medium to long term, this could lead to incoherent global learning, uneven capacity development and variability in performance across decentralized structures.

Roles, Accountabilities and Authorities: The reform aimed to support efficient delegation of authority and accountability by creating a revised accountability framework defining clear RAA at each of the organization's levels, particularly between the RBx and HQ divisions and entities. UNHCR has sought to

enhance the framework's coherence and ensure its relevance through various iterations and refinements. The evaluation found notable differences across different levels of the hierarchy regarding the familiarity with respect to RAA, which has impacted the consistent application of the framework. One manifestation of this is the circumvention of the regional level in communication between COs and HQ. There are several factors that contribute to the differing familiarity and inconsistent application of the framework, including the inability of staff to see the relevance of the framework for their day-to-day tasks and responsibilities, the fact that there is no mandatory requirement for directors or representatives to operationalize RAA for functional teams, and the lack of specific RAA for heads of SOs/NOs despite their delegated authorities and accountabilities outlined in the RAF.

Technical Support and Oversight: The decentralization of authorities was intended to be accompanied by redefined oversight responsibilities placed at the three levels of the organization through the conceptual guidance of the three lines model, which distributes risk and oversight across an organization. This is consistent with the oversight model adopted by several United Nations system agencies, indicating adoption of leading practices in the design of D&R. However, evidence suggests that the practical utility of the model in UNHCR is limited, given its integration into the RAA framework which has its own set of challenges outlined above. In addition, the so-called second line (HQ divisions and RBx) is found to be primarily focused on providing technical support rather than fulfilling an active oversight role in most cases. The role and involvement of COs/MCOs, RBx and HQ divisions and entities in both the first and second lines of the model create further inconsistencies and overlaps. On a positive note, the introduction of decentralized controller, risk and evaluation functions at the regional level has enhanced reinforced decentralized oversight, suggesting positive strides towards addressing some of the shortcomings.

Culture and Ways of Working: Culture underpins the success of large-scale organizational transformations and has been mentioned as a key enabler of D&R throughout all interviews conducted. Nevertheless, the evaluation found that culture has not featured prominently in the design documents for D&R and there has been no dedicated workstream to address the required cultural transformation to go along with the D&R objectives. UNHCR's journey towards cultural transformation depends on addressing critical areas such as accountability, trust and transparency, a culture of support, collaboration, and organizational learning. To reach a global culture based on these values, it is crucial that leaders are shaping and activating the desired culture. Furthermore, the evaluation has identified a gap in institutionalized mechanisms to foster horizontal collaboration, exchange of good practices and cross-pollination of knowledge across regions that has resulted since regional desks moved out of HQ and into the regions. Fostering cross-regional collaboration as a shared responsibility of HQ and RBx is essential to the ability of the organization to refine UNHCR's service delivery in a volatile and ever evolving geopolitical landscape.

3) Processes

Partnerships: Partnerships are key to UNHCR's ways of working and are linked to one of the main objectives of D&R – bringing UNHCR closer to its partners. An analysis of workforce data revealed an increase in capacity in external relations functions across HQ, RB and CO/MCO, largely driven by the external relations strategy, policy and direction, and communications functions. Across regions and countries, there has been evidence of a positive impact of both geographical proximity and increased capacity in enhancing the visibility and relevance of UNHCR as a strong partner, allowing for more swift responses to strategic partner and donor demands. This is, however, dependent on the differing degrees of decentralization among some of UNHCR's global strategic partners and donors. The objective of incentivizing increased local fundraising through delegation of the authority to make corresponding increases to operating budgets has been found to be under-utilized. Reasons for this seem to be multiple, including lack of clarity regarding eligibility criteria of different funding sources for increasing budget envelopes.

Operational Delivery: D&R aimed to bring capacity and decision making closer to the point of delivery to enhance agility, adaptability and responsiveness to rapidly evolving circumstances on the ground. Effectiveness was intended to be strengthened by enhancing flexibility and authority for RBx and MCOs/COs and SOs across a broad range of areas. The evaluation prioritized analysis in several key areas including a) emergency preparedness and response, including resource allocation in situations of emergency; b) supply in emergency and non-emergency contexts; c) working with partners, with a specific focus on funded partnerships; and d) protection outcomes in line with the new RAA and dedicated protection capacity at the RB level.

In emergency response, the evaluation found that the D&R reform has resulted in a positive trend towards faster decision-making, adaptability, agility and enhanced coordination with stakeholders. The reform has also enhanced empowerment and contextualization in resource allocation decisions during emergencies. However, the level of empowerment varies across regions. It was pointed out in some operations that despite the authority delegated to representatives and heads of offices in the RAF, regular consultations with RBx and/or HQ still need to take place. In practice, HQ still decides on technicalities and amounts of budget envelope allocations to operations and retains final approval rights and oversight. It is crucial to recognize in this context that significant financial challenges stemming from reduced funding, prolonged emergencies, multiple crises, and earmarked funding, have complicated decision-making on emergency response resource allocation.

In the field of partnerships, the evaluation has found a substantial increase in agreements with funded partners, and specifically with local NGOs, from 2018 to 2023 in accordance with D&R goals. However, the increase cannot be directly attributed to the reform but must be seen in the context of the global humanitarian situation and commitments to localization. In supply, the majority of operations have experienced reduced procurement approval lead times as RBx have taken over processing. This points to enhanced agility and quicker decision-making in the field. In protection, geographical proximity due to the presence of RBx in the regions has enhanced contextualized knowledge on protection. At the same time, specific technical capacities in regions are variable and hard to track, which has been exacerbated by funding shortfalls and technical generalization in the workforce, leading to stretched capacities and so-called double-hatting. A detailed case study conducted in two thematic areas of protection has revealed that contextual workforce planning at operational levels has led to fragmented workforce strategy on protection skills, needs and distribution.

4) Technology

Technology Enablers: The systems developed through the Business Transformation Programme (BTP) were found to align with D&R objectives to improve operational effectiveness and to support the delegated authority and multi-stage approval processes required for an organization to operate in a decentralized model. However, during the initial D&R rollout, not all user requirements were considered and implemented. While the tools have stabilized over time, some key functionalities to enable D&R are still missing. The concurrent deployment of several BTP systems has led to gaps in user adoptability of tools due to various factors, including distributed ownership for training roll-outs of the systems across multiple divisions. This finding is in line with the most recent audit conducted on the BTP. The limitations of the BTP roll-out hindered ability to fully leverage D&R in a timely manner.

Conclusions

Below is a summary based on the three D&R objectives.

Work more effectively at the point of delivery by empowering COs with capacity, authority, support and oversight.

Over the period under review, COs have been empowered with greater capacity, authority, technical support and oversight. The revised RAF enables greater flexibility and enhanced authority to management in CO, SO and RB. As a result, there has been greater operational autonomy, through which some operations have been able to make structural changes in field presence, budgetary re-allocations and efficiency gains in local staff hiring. However, some implementation challenges remain, such as the full delegation of authority to RB for international hiring processes and budget reallocations and functioning incentives for local fundraising.

Overall, the increased capacity at country level combined with the reinforced technical support by RBx, where available, have been found to be key enablers for COs to undertake their responsibilities and authorities and to function effectively. Some issues remain in optimal matching of RB and CO capacities to ensure effective cooperation and technical support. In emergency response, some RBx have taken an intermediary role between HQ and COs, assimilating emergency policies and strategies to their respective regions. In protection, evidence suggests that the quality of response and service delivery are too nuanced and context specific to draw a conclusive statement about the reform's impact across the organization on protection outcomes. It was, however, found that geographical proximity of RBx in the region has enhanced contextualized knowledge and support on protection. In strategic planning, the involvement of RBx in country-level strategic planning has become more formalized as a result of the delegated authority to approve CO/MCO strategic plans. Most operations have experienced an increase in RB involvement, though the degree and nature of involvement varies based on regional priorities and capacities available in the operation and RB.

Enhance organizational agility and responsiveness to changing circumstances and needs, enabling UNHCR to respond faster and in a more flexible way to protection needs.

Evidence indicates that the geographical proximity of RBx has enhanced operational flexibility, adaptation and responsiveness to local needs. However, balancing global consistency with local adaptation remains a challenge and more decisive guidance from the center is needed. Its absence is partly attributable to a lack of clarity regarding roles and responsibilities in oversight and technical support between HQ, RBx and COs. This, along with a tendency to involve multiple layers of the organization in decision-making, can lead to lack of clarity, as well as ineffectiveness and loss of accountability. In emergency situations, the evaluation team has noted faster and more flexible responses to emergencies and efficiency gains in operations visited. Several key factors affected by D&R have contributed to this finding, including improvements in response times, increased empowerment of emergency staff, increased local adaptability and more real-time gathering of information on the ground through risk analysis and contingency planning. In external engagement, geographical proximity of RBx combined with stronger capacity at the regional and country level has enabled increased engagement with partners and regional platforms and swift responses to partner and donor demands, increasing agility on the ground in most cases. In supply, some operations have experienced reduced procurement approval lead times due to RB processing and revised thresholds, pointing to enhanced agility and quicker decision-making in the field.

Better support the goal of “One UN” and the GCR by collaborating effectively with host governments and partners in countries and regions.

The GCR was a key factor that influenced UNHCR's decision to launch the D&R reform as it recognized that sustainable solutions to refugee situations require more predictable and equitable responsibility sharing

at all levels and strong United Nations system-wide cooperation between humanitarian and development partners.

The relocation of RBx to the regions has enabled UNHCR to be closer to other United Nations system agencies at the regional level. In addition, the establishment of an External Engagement pillar in each of the seven RBx, coupled with reinforced capacity in external engagement functions at the regional and country level has been crucial for strengthening collaboration with strategic partners. Several interview partners reported “an observable effort on behalf of UNHCR towards a unified United Nations system approach to refugee responses” by collaborating towards the goals of One UN and the commitments of the GCR. A desk review of other evaluations and country visits reveal improvement in the collaboration between UNHCR and strategic partners, including United Nations system agencies, at both the national and global levels. Constraints remain, particularly in relations with agencies competing for the same resources in a similar operating sphere and in areas where partners do not have regional presence in the same locations. Additionally, UNHCR’s involvement in the United Nations Sustainable Development Cooperation Framework (UNSDC) process has been variable due to a differing mandate focus and potential coordination challenges with other United Nations agencies.

It is important to note that, although there is evidence of progress towards UNHCR’s increased visibility and relevance due to strengthened regional presence, the outcomes of stronger United Nations system collaboration cannot be attributed to D&R only. External factors such as the global policy shift towards working on mixed movements and the related GCR commitments have significantly contributed to this outcome and will continue to do so.

Recommendations

Recommendations suggested throughout the report have been consolidated into the following 13 key recommendations, which are elaborated with further details in the body of the report:

Recommendation 1: Review the existing planning processes and related consultative mechanisms with the intent to enable COs to prioritize between various global and regional priorities more effectively.

Recommendation 2: Further optimize the balance between flexibility and global coherence related to the Results-Based Management system by finetuning the core indicators.

Recommendation 3: Foster transparency and common understanding on resource allocation criteria and parameters for prioritization of emergency funds.

Recommendation 4: Further decentralize the underlying processes aligned to the authorities granted under the Resource Allocation Framework.

Recommendation 5: Improve coherence in organizational design of RBx and in classification of offices at the sub-national level.

Recommendation 6: Streamline coordination in a matrix organization to effectively service smaller operations.

Recommendation 7: Strengthen workforce planning to inform staffing structures and optimal staffing. This effort should be supported and informed by a comprehensive skills mapping exercise. The data on skills must be better captured, periodically updated, and made available for workforce planning and staffing.

Recommendation 8: Establish an organization-wide learning strategy, including clear responsibilities on training and minimum learning curricula in relevant areas to ensure consistency in learning outcomes and capacity across all regions.

Recommendation 9: Align Roles, Accountabilities and Authorities (RAA) with D&R architecture and ensure accountability of senior management for establishing clear responsibilities in their respective entities using the RAA as a starting point and for driving their socialization within their respective entities.

Recommendation 10: Translate existing frameworks (Roles, Accountabilities and Authorities/Three Lines Model) into specific regional oversight plans underpinned by risk assessments.

Recommendation 11: Prioritize desired changes in UNHCR's organizational culture to create an enabling environment for D&R.

Recommendation 12: Strengthen measures to capitalize on resource mobilization and partnership opportunities.

Recommendation 13: Delegate authority for user rights within the Business Transformation Programme in line with D&R principles.