An Independent Evaluation of UNHCR's Decentralization and Regionalization Reform

UNHCR
The UN Refugee Agency

UNHCR's Evaluation Policy confirms UNHCR's commitment to support accountability, learning and continual improvement through the systematic examination and analysis of organizational policies, strategies and programmes. Evaluations are guided by the principles of impartiality, credibility and utility, and are undertaken to enhance the organization's performance in addressing the protection, assistance and solution needs of refugees, stateless people and other persons of concern.

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Title of the evaluation	An Independent Evaluation of UNHCR's Decentralization and Regionalization Reform
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Locations/focus countries to be included	**Europe:** RB, Belgium MCO, Spain CO, Ireland NO **MENA:** RB, Saudi Arabia MCO, Jordan CO, Jordan Mafraq SO, Dubai NO **Southern Africa:** RB, Angola CO, Angola FO, DRC CO, DRC Goma SO **Eastern Horn and Great Lakes:** RB, Uganda CO, Uganda Arua SO **West and Central Africa:** RB, Nigeria CO, Nigeria Maiduguri SO, Central African Republic CO, Central African Republic Birao FO **Asia Pacific:** RB, Pakistan CO, Pakistan Quetta SO, Indonesia CO **Americas:** RB, Ecuador CO, Ecuador Guayaquil SO, Guatemala CO
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ABOD	Administrative Budget and Obligation Document
AHC	Assistant High Commissioner
AHC-O	Assistant High Commissioner-Operations
AHC-P	Assistant High Commissioner-Protection
AME	Americas
AP	Asia and the Pacific
APR	Annual Programme Review
ARA	Accountabilities, Responsibilities and Authorities
BTP	Business Transformation Programme
CAGR	Compounded Annual Growth Rate
CAT	Change Advisory Team
CBI	Cash-Based Interventions
CBP	Community Based Protection
CO	Country Office
CP	Child Protection
CPU	Child Protection Unit
CRRF	Comprehensive Refugee Response Framework
D&R	Decentralization and Regionalization
DAC	Development Assistance Committee
DER	Division of External Relations
DESS	Division of Emergency, Security and Supply
DFAM	Division of Financial and Administrative Management
DHC	Deputy High Commissioner
DHR	Division of Human Resources
DIMA	Data, Identity Management and Analysis Unit
DIP	Division of International Protection
DIST	Division of Information Systems and Telecommunications
DOAP	Delegation of Authority Plan
DPSM	Division of Programme Support and Management
DRS	Division of Resilience and Solutions
DSPR	Division of Strategic Planning and Results
ECG	Evaluation Core Group
EHAGL	East and Horn of Africa and the Great Lakes
EQ	Evaluation Question
ERM	Enterprise Risk Management
EU INPTA	European Commission International Partnerships
EUR	Europe
FGD	Focus Group Discussion

FO	Field Office
FRG	Field Reference Group
GBV	Gender-Based Violence
GCR	Global Compact on Refugees
GCS	Global Communication Service
GDS	Global Data Service
GLDC	Global Learning and Development Center
HC	High Commissioner
HCC	Headquarters Contracts Committee
HQ	Headquarters
HR	Human Resources
IDP	Internally Displaced Persons
IFAD	International Fund for Agricultural Development
IGAD	Intergovernmental Authority on Development
IGO	Inspector General's Office
IIA	Institute of Internal Auditors
INGO	International Non-Governmental Organization
IOM	International Organization for Migration
IPMC	Implementing Partnership Management Committee
ITB	Invitation To Bid
JIU	Joint Inspection Unit
JRB	Joint Review Board
KII	Key Informant Interview
KPI	Key Performance Indicator
LCC	Local Contracts Committee
LOMI	Letters of Mutual Intent
MCO	Multi-Country Office
MENA	Middle East and North Africa
MSRP	Managing Systems, Resources and People Management System
NGO	Non-Governmental Organization
NO	National Office
OCHA	Office for the Coordination of Humanitarian Affairs
OECD	Organization for Economic Co-operation and Development
OIOS	Office of Internal Oversight Services
OPS	Operations Expenditure
PgMO	Programme Management Office
PROMS	Project Reporting, Oversight and Monitoring System
PSP	Private Sector Partnership
QA	Quality Assurance
RAA	Roles, Accountabilities and Authorities
RAF	Resource Allocation Framework
RASCI	Responsible, Accountable, Supporting, Consulted and Informed
RB	Regional Bureau

RBM	Results-Based Management
RC	Resident Coordinator
RCC	Regional Contracts Committee
RFP	Request for Proposal
RFQ	Request for Quotations
RLO	Refugee-Led Organization
RO	Regional Office
ROA	Rapid Organizational Assessment
RPMB	Resource Planning and Management Board
RSD	Refugee Status Determination
SA	Southern Africa
SDGs	Sustainable Development Goals
SET	Senior Executive Team
SMC	Senior Management Committee
SMS	Supply Management Service
SO	Sub-Office
SPMS	Strategic Planning and Management Service
Sub-LCC	Sub-Office level Contracts Committee
TCS	Transformation and Change Service
TOM	Target Operating Model
ToR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations International Children's Emergency Fund
UNSDCF	United Nations Sustainable Development Cooperation Framework
USD	United States Dollar
WCA	West and Central Africa
WFP	World Food Programme
WHO	World Health Organization

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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 (see figure 1).

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

Strategy	People, Organization and Governance	Processes	Technology
Vision, Objectives, Change Management	Organizational Architecture	Partnership	Technology Enablers
Strategic Planning Process	Functions and Staffing	Operational Delivery	
Resource Management	Roles, Accountabilities and Authorities		
	Technical Support and Oversight		
	Culture and Ways of Working		

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) <u>Strategy</u>

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 on-boarding.

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 COs/MCOs, SOs and RBx. 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.

Background

1.1 Context and History of Decentralization and Regionalization Reform

1) UNHCR's mandate is to ensure international protection, deliver humanitarian assistance to forcibly displaced and stateless persons, and cooperate with governments to find lasting solutions to address their plight. In 2016, in order to effectively serve and deliver its mandate, UNHCR launched[1] an ambitious organizational reform process seeking to establish a new organizational design and ways of working for the organization, amid a humanitarian and political reality marked by staggering increases in displacement and protracted situations. The objective of the reform was to empower UNHCR staff to deliver on UNHCR's Strategic Directions (2017-2021)[2] and engage more effectively with a range of traditional and new partners along the humanitarian-development nexus, as enshrined in the New York Declaration (2016) and the subsequent GCR[3].

2) The organizational reform was guided by recommendations put forward in a 2017 Rapid Organizational Assessment[4] (ROA) which, inter alia, recommended that UNHCR should be more agile, adaptable and able to empower strong and integrated responses at the country level, in order to remain a relevant humanitarian organization fit for the future. Four out of thirty recommendations from the ROA addressed the regional structures of the organization[5]. Decentralizing and regionalizing UNHCR's operations was deemed crucial to enabling faster decision-making, agility and greater responsiveness at the point of delivery through strengthened collaboration with partners to better serve forcibly displaced and stateless persons[6].

3) This evaluation seeks to assess the appropriateness, coherence, effectiveness and outcomes of the D&R reform process at UNHCR, in terms of speed of decision-making, agility and responsiveness, while also identifying gaps and constraints from which to learn. The outcomes and recommendations of this evaluation are provided to strengthen D&R through an understanding the current state, focusing on the lessons learned and the way forward.

1.1.1 Objectives of D&R

4) The principle of the D&R reform is rooted in certain underlying assumptions about its outcomes. One assumption is that those closest to the point of operational delivery are inherently better positioned to understand the needs of forcibly displaced and stateless people and to make better decisions.

5) The multiple objectives of the D&R reform can be summarized as the following three overhead goals[7][8]:

- 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 UN and the GCR by collaborating effectively with host governments and partners in countries and regions.

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[1] UNHCR (2016) HC launches change process. Unpublished internal document.
[2] UNHCR (2017) Strategic Direction 2017-21.
[3] UNHCR (2018) Global Compact on Refugees.
[4] Manne (2017) Rapid Organizational Report. Unpublished internal document.
[5] The recommendations on decentralization included a reconsideration of the number of RBx and their country coverage, a new core design, structure, and staffing plan of the RBx, and a clarification of the existing regionalization policy. In addition, a number of recommendations addressed HQ, of which several were implemented before and during D&R.
[6] UNHCR (2019) Update on UNHCR reform to SCM 76th meeting. Unpublished internal document.
[7] Mannet (2017) Rapid Organizational Report. Unpublished internal document.
[8] UNHCR (2019) UNHCR's Transformation (2017-2019): Initial stock taking of what happened, when, how and why.

6)   The expected outcomes of this process include:

- Fully empowered, efficient and effective COs so that decision-making is as close as possible to the point of delivery.

- Empowered, accountable regional platforms for engagement, oversight and support to CO.

- Clear authorities and corresponding accountabilities at country, RBx and HQ levels.

- A lean, dynamic and forward-looking HQ.

1.1.2 Implementation and actions of D&R

7)   Throughout the conceptualization and implementation of the reform, several pivotal decisions[9] were made to reshape UNHCR's operational framework:

- Developing a new organizational strategy and planning approach.

- Repositioning seven new RBx in the field to enhance effectiveness and agility.

- Restructuring the organization's staffing model, emphasizing reinforced COs and decentralizing certain functions from HQ to RBx.

- Transferring certain resource mobilization and allocation authority to the regional and country levels.

- Modifying UNHCR's accountability framework, resulting in a reallocation of authority to align with the organizational changes.

8)   An overview of key initiatives undertaken as a part of or complementary to the D&R reform can be seen in figure 2.

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[9]UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Part I. Unpublished internal document.
UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Annex 3. Revised ARA. Draft Proposals. Unpublished internal document.
UNHCR (2018) Change management Team (2018). Regionalization and Decentralization: What will change? Presentation to SMC 21 September 2018. Unpublished internal document.
UNHCR (2018) Broadcast, 2018."Change management update - regionalization". Email from High Commissioner to All Staff at Headquarters and in the Field on 27 September 2018. Unpublished internal document.
UNHCR (2019) SMC Principals Meeting (17-18 January 2019). Summary of Key Decisions. Unpublished internal document.

Figure 2: Timeline of key initiatives undertaken as a part of or complementary to the D&R reform

	2016-2018 Pre-D&R	2018-2019 D&R Planning & Development	2019-2024 D&R Implementation
Peripheral Shifts / Structure & feasibility planning / Implementation	• Revision of ARA framework to RAAs • Adoption of Strategic Directions (2017-22) • Global Representatives Meeting (GRM) Geneva where Country Reps expressed concerns about bureaucratic complexity hindering engagement with displaced communities. This triggered HQ Review. • HQ review announced by High Commissioner • Risk Management 2.0 initiative launched by High Commissioner ★ • Adoption of Global Compact for Refugees (GCR) • Creation of DRS function in line with the strategic vision to expand UNHCR's work on the humanitarian development and peacebuilding nexus	• SMC meeting to finalize the RB structures ★ • Budget committee meetings and feasibility study of D&R • Revision of ARAs to RAAs to address clarity issues, subjectivity, complexity, and difficulties in application	• A new multi-year planning system introduced ★ • New RAF, organization structures, RAA issued • 3L of Defense (3LoD) model introduced to reflect revision of the framework by IIA • Official roll out of decentralized regional bureau and multi-country offices ★ • Draft KPIs developed to track D&R progress
External Trigger Events / Conceptualization & Design / Refinement	• Grand Bargain Commitment at the World Humanitarian Summit ★ • The New York Declaration- 193 member states signed up one plan for addressing large movements of refugees and migrants • Adoption of Sustainable Development Goals (SDGs) • Launch of UN Development System Reform	• One consolidated division called the Division of Strategic Planning and Results (DSPR) ★ • Interviews with Representatives to gauge the need and changes required under D&R • HC decision on detailed organization structures • Transformation of HR function into field driven model	• Revised RAF and RAAs (2019 and 2022) ★ • Revised policy on Emergency Preparedness and Response; and Planning, Getting and Showing Results • 3LoD model updated to 3L Model to enhance risk management and control responsibilities across different functions within the organization • Released an updated UNHCR Handbook for Designing Field Presences
Culture and Strategy Update / Operational Streamlining / Interlinked initiatives	• ROA report issued, endorsed and accepted which identified challenges and changes needed for UNHCR to be more agile and fit for the future • UNHCR Case for Change issued which included four change workstreams and D&R reforms ★ • Principles for culture change were endorsed to serve as living guidance for best practices ★	• Restructuring and deployment of seven Bureaux to regions and more than fifteen multi-country offices to field ★	• Adoption of Strategic Directions (2022-2026) • Data Transformation Strategy 2020-2025 • BTP go-live announced and launch of COMPASS to improve multi-year strategic planning • HQ RB staff realignment in lines of D&R • Culture Assessment 2024 • Establishment of Field Reference Group (FRG) to provide solutions for issues related to D&R ★

★ Milestones

1.2 Objective and Scope of the Evaluation

9) The purpose of the independent evaluation is to study the appropriateness (i.e., relevance), coherence, effectiveness, efficiency, sustainability and outcomes of UNHCR's D&R reform. The evaluation will provide evidence and lessons learnt in a retrospective analysis of the reform journey thus far, illustrating successes, challenges and recommendations, including the adjustments to structures, staffing, systems and processes necessary to realize the reform objectives.

10) The objectives of the D&R evaluation as set out in the Terms of Reference (ToR) will guide the evaluation's objective. These include:

- To ascertain the appropriateness of the design of the reform.

- To assess the effectiveness and efficiency of the reform implementation process.

- To determine which reform outcomes have and have not been achieved, and the extent to which the intended results of working more effectively at the point of delivery, agility and better supporting the goals of One UN and the GCR have or have not been achieved.

- To identify the factors that have influenced the reform design, process and outcomes, unintended consequences and the specific issues and lessons to be addressed moving forward.

- To determine how best the organization uses the positive experiences and correct course accordingly, as needed, in order to maximize the benefits of the change process moving forward.

1.2.1 Scope of the evaluation

11) The evaluation covers the period **2017 to 2023**, with a particular focus on the launch and implementation of the reform from 2019 to 2023. Documents prior to these dates have not been

reviewed systematically but only as deemed relevant. The evaluation is global, with country case studies that have been selected carefully against criteria from each of UNHCR's regions *(refer to annex 10.1 for further details on our sampling and selection of country case studies).*

12) The primary audiences for this evaluation are the High Commissioner (HC) and the Senior Executive Team (SET), with the aim being to provide evidence for organizational learning and accountability, and to inform any course correction that may be required to deliver the reform outcomes. The Transformation and Change Service (TCS), DHR, the RBx and the divisional directors and country representatives are also primary audiences, as critical actors in this reform process and parties needed to implement potential recommendations arising from the report. Secondary audiences include the member states of UNHCR and other stakeholders who provide financing and planning/budgetary oversight to the organization.

13) Past and ongoing parallel reforms, including the HQ realignment reform and Human Resources (HR) systems and business process reforms under the BTP, are out of scope of this evaluation. While there have inevitably been interlinkages among some of these reforms with D&R, especially as they relate to changes in processes and ways of working *(refer to annex 9.6 for discussion of risks and limitations with regard to causality)*, the evaluation has limited its review of these reforms to inquiries that help us understand their direct impact on the successful implementation of D&R.

1.3 Evaluation approach and methodology

1.3.1 Overarching approach

14) The evaluation approach is founded on a robust four-stage design, as outlined below *(and described in further detail in annex 9.1)*:

- Put the initiative into context through a review of the history of the D&R reform and characterize the initiative through a set of guiding principles for the evaluation.

- Develop an analytical framework through a Target Operating Model (TOM) framework.

- Create an evaluation matrix by identifying a set of areas of inquiry and sub-questions.

- Assessment of the TOM against the evaluation matrix to formulate findings and recommendations.

15) The analytical framework, evaluation matrix and the methodology have been described in detail in the subsequent sections.

1.3.2 Conceptual basis for the evaluation

16) The proposed analytical framework (TOM) for the evaluation (see figure 3) is structured to look at the various facets of the reform through the lens of the four dimensions of the defined operating model.

Figure 3: Analytical framework (see annex 9.2 for an enlarged view)
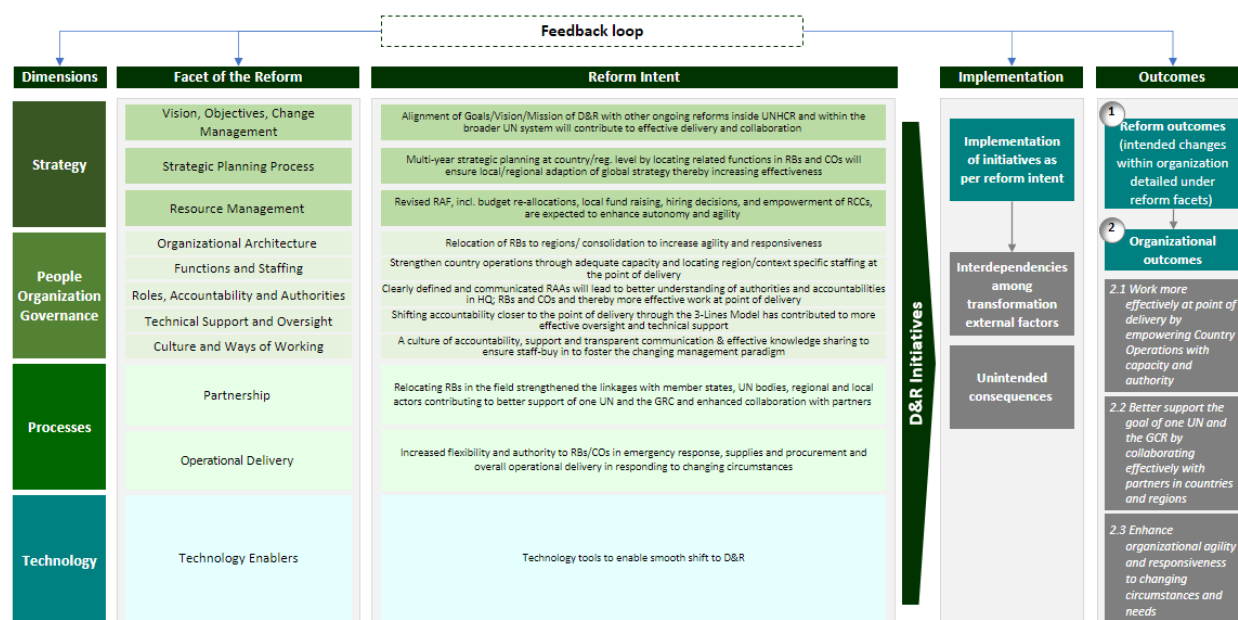
17) The evaluation utilizes the TOM framework as its analytical tool to assess: Strategy; People, Organization and Governance; Processes; and Technology. Initially, a Theory of Change (ToC) framework was considered during the preliminary phase of the evaluation, but this was subsequently revised to the TOM framework in collaboration with the Evaluation Office. While a ToC is generally used in United Nations evaluation practice, the TOM framework is better suited for analyzing and driving transformation within large organizations. The advantage of a TOM compared to a TOC is its usefulness in defining and describing, through the lens of four dimensions, the current and future state of how an organization operates to achieve its strategic goals, hence serving as a framework to drive organizational change. In this regard, the TOM framework offers the unique advantage of not only drawing conclusions based on retrospective analysis but also applying a forward-looking lens, with recommendations for course correction where required.

18) For this evaluation, the framework has been used to pinpoint specific reform areas, the so-called 'D&R facets', where the evaluation team found a specific intent for change under D&R[10]. The impact of the D&R reform on the broader TOM of UNHCR has thus been evaluated through these facets, grouped under the four dimensions of the TOM. This shall be a key differentiator of this evaluation, compared to previous applications of the TOM.

1.3.3 Evaluation matrix

19) The analytical framework serves as a foundation for investigating the effectiveness of the reform. The four Evaluation Questions (EQs) in turn offer avenues for assessing UNHCR's performance across different facets outlined in the framework[11]:

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[10] UNHCR (2016) Broadcast 'Headquarters Review/Revue du Siège du HCR'. Email from HC to All Staff at Headquarters and in the Field on 17 August 2016. Unpublished internal document.
   Mannet (2017) Rapid Organizational Report. Unpublished internal document.
   UNHCR (2018) The Case for Change - UNHCR Change Strategy.
   UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide decentralization and regionalization. Part I. Unpublished internal document.
   UNHCR (2018) Broadcast, 2018. 'Change management update – regionalization'. Email from HC to All Staff at Headquarters and in the Field on 27 September 2018. Unpublished internal document.
   UNHCR (2019) SMC Principals Meeting (17-18 January 2019). Summary of Key Decisions. Unpublished internal document.
   UNHCR (2019) Parameters and Design Considerations for the Creation of New Regional Bureaux in the Field. Unpublished internal document
[11] The evaluation team streamlined and adapted the structure of the original formulated EQ in the ToR to avoid duplications and ensure coherence.

- **EQ1 – Design principles, approach and implementation processes: How relevant, appropriate and feasible was the design and planning approach taken in the D&R reform? How effectively did UNHCR manage the reform process? What were the unintended consequences? What can be learnt to inform the future?[12]** The intent of this EQ is to understand the conceptual design of the various facets of the reform and to clarify the rationale and appropriateness, as per the reform intent. This will address the left-hand side of the analytical framework. Additionally, the implementation process and interdependencies for the reform are articulated here to evaluate whether the reform was implemented as per the intended design and to identify any challenges faced in the implementation process. The focus will also be on evaluating any interdependencies between different systems and identifying any unintended consequences of the reform, in alignment with the systems theory.

- **EQ2 – Reform outcomes: Have the intended results of the reform been realized?** This EQ aims to understand the extent to which the reform has achieved its intent in the context of each facet of the reform, as outlined in the analytical framework[13].

- **EQ3 – Organizational outcomes: To what extent has UNHCR delivered on the key intended strategic vision and outcomes of the reform?** This question tests the extent to which the reform outcomes have translated into the achievement of overall D&R goals for the organization, as outlined in the analytical framework[14].

- **EQ4 – Lessons and recommendations: What are the good practices that can be built upon, the effective aspects of the reform and the possibilities not considered?** The focus of this evaluation is not just identifying the issues faced but also providing forward-looking guidance on the next steps and recommendations to improve the outcomes of the reform, by identifying and capitalizing on existing good practices from across the organization.

20) The evaluation matrix presents the four EQs, with sub-questions and relevant evaluation criteria (Organization for Economic Co-operation and Development Assistance Committee criteria for evaluation), indicators/judgement criteria proposed to measure each sub-question, and proposed data collection and analysis methods and tools. The matrix has been revised considering the findings from the inception phase, in order to make it more comprehensive and to enable it to provide robust data-backed findings in the evaluation report *(refer to the annex 9.3 for the full matrix)*.

21) A set of probing questions relevant to each facet of the reform and area of inquiry has been developed based on background documentation *(refer to annex 10.4.2 for further details)*.

1.3.4 Evaluation methodology

22) The evaluation followed a multi-dimensional methodology for data collection, involving document reviews, KIIs, individual interviews and FGDs, a staff survey[15], country case studies and vertical case studies. Anchored in an inclusive approach, the overarching aim of data collection was not only to identify existing gaps and challenges in the design, implementation and outcomes of the reform, but also to discern emerging dynamics and good practices across various D&R facets and UNHCR entities.

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[12] In an effort to ensure a comprehensive analysis and reduce redundancy, the evaluation team decided to integrate EQ four (originally stated in the ToR as "Implementation processes and inter-dependencies: How UNHCR effectively and efficiently managed the reform process?") into EQ one ("Design principles and approach: How relevant, appropriate and feasible was the design and planning approach taken in the regionalization and decentralization reform and what can be learnt to inform the future?").
[13] Vision, objectives, change management; strategic planning process; resource management; organizational architecture; functions and staffing; roles, accountabilities and authorities; technical support and oversight; culture and ways of working; partnership; operational delivery; technology enablers.
[14] 1) To work more effectively at the point of delivery by empowering COs with capacity and authority, 2) To better support the goal of One UN and the GCR by collaborating effectively with partners in countries and regions, 3) To enhance organizational agility and responsiveness to changing circumstances and needs.
[15] The Evaluation Office opted for a stratified sample survey, as opposed to a global staff survey, for this evaluation. This approach was chosen to ensure data representativeness across all levels of the organization, prevent survey fatigue among employees, and ultimately allow for more robust and representative findings.

23) More than 600 UNHCR stakeholders have been consulted across 30 operations including RBx, MCOs, COs, NOs, SOs and FOs in the seven regions[16]. A total of 55 partner interviews were conducted including UNHCR's strategic, funded partners and its major donors[17]. To ensure confidentiality of qualitative evidence provided by staff, the locations of specific operations were disclosed on a case-by case basis in the findings and recommendations section below. To capture quantitative data, a survey employing a stratified sampling method was carried out, reaching 385 respondents. *The different data collection methods are discussed in more detail in annex 9.8.*

24) The findings section presented below provides a comprehensive analysis of the key results across each dimension and facet of the analytical framework, as detailed in the conceptual basis for the evaluation (section 1.3.2). This report structure was developed in consultation with the Evaluation Office, as it offers a clearer organization of the findings and subsequent recommendations based on the approach used. The 'Summary Response to Evaluation Question' section, followed by the 'Findings and Recommendations' section, is organized around the key EQs to allow interested readers to review findings directly under each EQ. *For further details on the dimensions and facets of the analytical framework addressed by each EQ, please refer to annex 11.*

Findings and Recommendations

2.1 Strategy

2.1.1 Vision, Objectives, Change Management

25) D&R presented a major shift in the traditional ways of working within UNHCR, aiming to move decision-making power into the regions. Attempts at decentralization had already been made before, however, previous attempts had not been deemed successful[18] as accountability and decision-making power remained centralized at HQ. It is useful to assess the D&R reform efforts against the backdrop of the challenges of previous reform attempts.

26) UNHCR has been looking for the optimal structure to deliver on its mandate, alongside many other United Nations agencies and international financial institutions, many of which have embraced the strategic shift towards decentralization (such as the United Nations Development Programme [UNDP], United Nations Children's Fund [UNICEF], the United Nations Population Fund [UNFPA] and the World Food Programme [WFP]). The process of decentralization across United Nations agencies, including at UNHCR, has been an evolutionary journey rather than a singular event, with adjustments driven by their distinct operational requirements and aligned with priorities in humanitarian and development assistance.

27) In 2016, following the adoption of new policy frameworks (the New York Declaration, the GCR and the Comprehensive Refugee Response Framework), UNHCR launched the D&R initiative as one of four parallel workstreams to drive UNHCR's transformation to remain relevant as a humanitarian organization, amid a volatile geopolitical context and calls from the international community for solutions to address the plight of refugees and migrants. These policy frameworks directly influenced

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[16] Europe: RB, Belgium MCO, Spain CO, Ireland NO; MENA: RB, Saudi Arabia MCO, Jordan CO, Jordan Mafraq SO, Dubai NO; Southern Africa: RB, Angola CO, Angola Dundo FO, DRC CO, DRC Goma SO; Eastern Horn and Great Lakes: RB, Uganda CO, Uganda Arua SO; West and Central Africa: RB, Nigeria CO, Nigeria Maiduguri SO, Central African Republic CO, Central African Republic Birao FO; Asia Pacific: RB, Pakistan CO, Pakistan Quetta SO, Indonesia CO; Americas: RB, Ecuador CO, Ecuador Guayaquil SO, Guatemala CO.
[17] External partners were often unable to provide the evaluation team with a "before and after the D&R reform" perspective, with some even being unaware of the D&R reform altogether.
[18] UNHCR (2018) Repositioning UNHCR in the field- Key Recommendations to guide Decentralization and Regionalization_ Annex 5_ Lessons learnt. Unpublished internal document.

UNHCR's approach by seeking to involve a wider range of stakeholders in the search for sustainable solutions, including development actors and the private sector.

28) The ROA commissioned by senior management in 2017 identified several recommendations that, if implemented in their entirety, would contribute to UNHCR retaining a fit for purpose structure in the future. Four out of 30 recommendations targeted D&R related objectives. In 2018, a change strategy was prepared based on these recommendations by a newly appointed Change Team, which outlined the approach for a broad organizational transformation effort built on several workstreams. One of these workstreams was titled 'Enhanced delegation/empowerment of the field' and referred to the adjustments in the organizational structure, delegation of authority and organizational culture that were needed to align with the increasingly decentralized and integrated United Nations development system[19]. The other three workstreams focused on interrelated themes and were defined as "solutions and inclusive ways of working", "strengthening and diversifying partnerships towards common outcomes for protection and solutions", and "simplification of processes and greater internal coherence towards implementation of the High Commissioner's Strategic Directions"[20]. In line with the vision for D&R, a stronger regional and sub-regional approach and contextualization of policy guidance, political analysis and relationship building in strategic locations were mentioned as key elements, in the background documents that describe the need for transformation to align UNHCR to its fit for purpose objectives[21]. Together, these four workstreams formed the renewed vision for UNHCR.

Finding 1: The design principles of D&R leveraged the framing of the intended outcomes enshrined in UNHCR's Strategic Directions (2017-2021[22]/2022-2026[23]) and showed strong alignment with the principles of United Nations development reform and decentralization efforts of United Nations sister agencies.

29) The desk review on the design of the D&R reform revealed ample evidence of strong alignment of D&R with UNHCR's Strategic Directions (2017-2021). The design philosophy and overarching principles of the D&R design are rooted in the underlying assumption that those closest to the point of operational delivery are inherently better positioned to understand the needs of forcibly displaced and stateless people. This approach aims to enhance the responsiveness and agility of operational delivery by shifting personnel and decision-making authorities closer to the field, while also strengthening the overall protection framework to facilitate the effective delivery of services (*refer to 1.1.2 Objectives of D&R*).

30) The design of D&R reveals an even stronger alignment with the renewed UNHCR Strategic Directions in 2022 (2022-2026[24]) and its eight areas[25] for additional, accelerated and targeted action. All the eight areas speak directly to commitments made towards working on refugee, migration and displacement topics in an integrated manner across the United Nations system, which is a key reform objective of D&R. They also call for increased decision-making authority, agility and responsiveness at the point of delivery. For example, area one addresses "protection in situations of mixed movements that requires collaboration with migrant focused agencies", such as the International Organization for Migration (IOM) and United Nations Network on Migration. Similarly, areas five and

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[19]UNHCR (2018) Repositioning UNHCR in the field: Key Recommendations to Guide Decentralization and Regionalization Part 1. Unpublished internal document.
[20]UNHCR (2018) The case for change – UNHCR change strategy. Unpublished internal document.
[21]UNHCR (2018) GRM session on country-level identity and catalytic role. Unpublished internal document.
[22] UNHCR (2017) Strategic Directions 2017-2021.
[23] UNHCR (2022) Strategic Directions 2022-2026.
[24]UNHCR (2022) Strategic Directions 2022-2026.
[25] The eight additional areas are: 1) Safeguard international protection, including in the context of mixed movements; 2) Strengthen accountability to the people we serve, especially women and children; 3) Reinforce efforts to strengthen gender-based violence prevention, risk mitigation and response; 4) Expand on, pursue and adapt options for resettlement and complementary pathways; 5) Mainstream development engagement in our responses from the outset, especially by building coalitions with development partners; 6) Grow our engagement on responses and solutions for internally displaced people; 7) Redouble efforts on statelessness so that the objectives of the #IBelong campaign are best pursued; 8) Proactively act to mitigate the effects of the climate change crisis on displacement and in line with our protection mandate. From: https://reporting.unhcr.org/unhcr-strategic-directions-2022-2026

six ("mainstreaming development engagement in our responses from the outset […] by building coalitions with development partners" and "growing engagement on responses and solutions for internally displaced persons)" and area eight (aiming to "proactively mitigate the effects of the climate change crisis on displacement") directly relate to the objectives of D&R and strongly align with the goals of One UN and the objectives of the GCR.

31) UNHCR's Strategic Dimensions aim to be operationalized through a Global Results Framework[26]. This framework details four impact areas, 16 outcome areas and five enabling areas meant to help operations across the organization to plan, work towards and report on the organization's priorities in a focused and concerted manner. The outcome areas of the results framework can be successfully mapped to the design principles and objectives of D&R. As all outcomes require strong United Nations system collaboration and an agile UNHCR organization to be able to quickly identify entry points and opportunities to collaborate with partners in the field and at regional and international levels, the reform's objectives are fully aligned with reaching them. Equally so, the five enabling areas in the Global Results Framework[27] strongly align with UNHCR's broader transformation agenda, of which D&R forms a crucial part.

Finding 2: The D&R reform was characterized by a strong strategic vision and an evolutionary design process. There was no clearly defined target state, encompassing the strategic vision with required adjustments to policies, processes, people and technology dimension at the outset. Hence, the corresponding change management plan fell short in addressing and mitigating the identified challenges and lessons learnt from previous decentralization experiences in a comprehensive manner.

32) The evaluation team found the D&R reform to be characterized by an evolutionary process, rather than by a comprehensively planned exercise at the outset. A detailed overview of the sequence of different past and present initiatives that directly and indirectly affect the D&R reform can be found in *section 1.1 Context and History of D&R reform, sub section 1.1.2, figure 2*.

33) While clear delineation of the D&R reform objectives is challenging, the evaluation team identified alignment and mutual reinforcement between the D&R reform objectives and various parallel reforms inside UNHCR,[28] which all evolved in iterative design and execution of initiatives following the recommendations of the 2017 internal organizational assessment, often centring around the principle of agility[29]. A comprehensive reform design, against which to assess the implementation and outcome of the reform, can thus not be discerned.

34) In the design phase of D&R, the Change Team had collected lessons learnt from UNHCR's prior reform processes through a desk review and interviews, as explained to the evaluation team during the KIIs and as observed in key documents[30] [31]. Furthermore, an assessment of selected similar United Nations sister agencies and their operational footprint at both HQ and field level was conducted

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[26] UNHCR (2022) Global Results Framework.
[27] 1) System and processes, 2) Operational support and supply chain, 3) People and culture, 4) External engagement and resource mobilization, 5) Leadership and governance.
[28] The parallel reform trends listed are the main ones identified by the evaluation team and may not be exhaustive.
[29] These include:
- The reform of UNHCR's RBM aimed to revise UNHCR's approach to RBM in a way that drives country-based planning through increased user defined elements, which is key to effective decentralized planning process.
- The BTP is a reform of UNHCR's business processes and (technological) systems, and has from the inception of D&R been considered a key enabler for practically devolving further authority to the field.
- The 'People management and human resources' reform, among other areas, focused on establishing strategic 'Human Resource Partners' in each of the new RBx, in alignment with the D&R reform.
- 'Data and Digitalization', while not explicitly mentioning goals aligned with the D&R objectives, are also key enablers for ensuring increased data-driven decision-making and systematic identification of risks across the organization.
- 'Risk Management 2.0' announced prior to D&R reform in late 2017, was subsequently aligned with the D&R framework, which included integration of risk management positions as core functions within the newly established RBx.
[30] UNHCR (2018) Repositioning UNHCR in the field: Key Recommendations to guide Decentralization and Regionalization_ Annex 5_ Lessons learnt. Unpublished internal document.
[31] UNHCR (2018) Decentralization and Regionalization Project Paper Final. Unpublished internal document.

to inform the exercise[32]. It should be noted that this assessment was primarily conducted in-house, given that the Change Team relied on minimal external support, which was engaged on a targeted, short-term basis to address specific needs during the process – for instance, in the preparation phase for the reform and to provide immediate assistance during a critical period, rather than long-term comprehensive support[33].

35) In the design documentation for the reform,[34] the Change Team identified key challenges faced in previous reforms, along with ideas on how to mitigate them. A key focus was on the need to truly delegate authority to empower country operations, as opposed to mere relocation of capacity and structures, as was done in the past. Cultural change was furthermore identified as an important instrument to shift mindsets and transform ways of working towards a decentralized model. The evaluation team also found evidence of key potential risks of implementing the D&R reform, having been identified by Enterprise Risk Management (ERM)[35] together with the Change Team, along with potential measures for mitigating these risks[36]. A review by the evaluation team of previous evaluations and audits of decentralization experiences across other United Nations organizations[37] revealed the following key challenges related to decentralization experiences of the past: 1) Lack of effective knowledge management and policy dialogue; 2) Lack of streamlining lines of command, lack of clarity about roles and responsibilities, in particular during complex emergencies; 3) Lack of organizational culture to enable delegated responsibility; 4) Lack of clarity on objectives, outcomes and goals of the transformation for internal management and communication purposes; 5) Challenges in adapting systems/technology to support the new design. A strong overlap of the above-mentioned challenges with challenges that UNHCR had identified in its background assessment can be found with the exception of effective knowledge management and technology adaptation to support the new organizational structure, which did not feature in the background documents for D&R.

36) Despite these robust assessments of challenges and risks of reforms inside UNHCR and in other United Nations agencies, the evaluation team did not find a comprehensive change management strategy/implementation plan to adequately and proactively mitigate the challenges identified.

37) The desk review and consultations with UNHCR staff revealed that a disproportionate focus of the planning phase of D&R was the organizational structure and the physical relocation of the RBx to the region, in contrast to underlying processes and technology changes. Given the design for D&R did not articulate a target state (or different target states per functional areas of the organization, i.e., emergency response, external engagement, protection, and so on) or a dedicated budget for the reform at the outset, changes to processes and technologies needed to accompany the strategy have been made in parallel and/or subsequently, rather than as part of one integrated transformation approach. Subsequent changes to policies and processes were done in an iterative manner, adjusting administrative instructions to meet the new requirements (i.e., RAA framework revision 2022, emergency preparedness framework 2023). While most of the new policies seem to have matured, many challenges reported to the evaluation team about the initial stage of the implementation are grounded in this sequential approach to change management as the underlying root cause. The situations reported can be summarized as instances in which the processes and technology did not

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[32] UNHCR (2018) Repositioning UNHCR in the field: Key Recommendations to guide Decentralization and Regionalization_ Annex 5_ Lessons learnt. Unpublished internal document.
[33] JIU (2019) Review of Change Management in the United Nations system.
[34] UNHCR (2018) Repositioning UNHCR in the field: Key Recommendations to guide Decentralization and Regionalization Annex 5 Lessons learnt. Unpublished internal document.
[35] Risks identified by ERM and the Change Team: Risk of fragmentation of UNHCR as an organization, misalignment between the various internal change initiatives, psycho-social risks for UNHCR colleagues affected by multiple change processes taking place simultaneously, simplification/review of systems and processes not synchronized (misaligned) with the implementation of D&R, lack of sufficient admin and HR resources to manage implementation of D&R within the current (2019) timeline, lack of effective KPIs.
[36] UNHCR (2019) UNHCR Main Risks of Decentralization and Regionalization Process. Unpublished internal document
[37] Inter alia: FAO (2004). Independent Evaluation of FAO's Decentralization, WFP (2003), Evaluation Office Review of WFP's Decentralization Initiative, UNFPA (2013). GRP audit report – FINAL, World Health Organization (2021). Evaluation of WHO Transformation, UN Women (2016). Corporate Evaluation of Regional Architecture, UN Women.

yet support the new structures put in place. Concrete examples will be outlined throughout the different sections *(refer to Roles, Accountabilities and Authorities/Technology Enablers sections)*.

Finding 3: While there is strong staff buy-in on the need for placing stronger capacity at regional and country level, there continues to be a varied understanding of the concrete D&R reform objectives across the organization, which is partially attributable to the absence of a clearly defined target state (finding 2).

38) FGDs and individual interviews conducted by the evaluation team with UNHCR staff across all regions and all organizational levels indicated an overwhelming majority of staff in strong agreement about the objective to bring decision-making closer to the field. There was strong agreement with the fact that the structure of UNHCR pre-D&R was not fit for purpose to operate in a decentralized environment aligned with United Nations system reform. While the vision for UNHCR to reform has been found to strongly resonate throughout the organization, there is limited clarity and differing views on the exact objectives and pathways to achieve this vision. The staff survey conducted as part of this evaluation exemplifies this fact. The most common D&R objective identified, by around 50 per cent of respondents, was 'Bringing decision-making closer to the field'. Yet, there was varied understanding on the two additional reform objectives[38] that relate to organizational agility and collaboration with partners. While around 12 per cent of respondents highlighted 'agility and speed of decision-making' as being the key goal of the reform, only 5 per cent of respondents considered stronger collaboration with United Nations and other partners as a key goal. KIIs conducted by the evaluation team pointed to this objective being seen as driven by external factors – i.e., policy agreements and commitments across the United Nations system and member states, rather than an identified goal of the D&R reform by UNHCR staff themselves. Other responses from staff regarding the goals of D&R highlight simplification, accountability, trust and cost saving.

Finding 4: The change management process involved frequent communications from the Change Team and senior leadership with staff. However, the effectiveness of the change process could have been reinforced by more extensive and meaningful consultations with country-based staff, with institutionalized feedback channels to receive inputs across all levels of the organization.

39) Large-scale transformation in a global organization requires staff buy-in and communication from top management. The reporting relationship established for the D&R initiative between the Change Team and the HC (for instance, the Director of Change Management reporting to the HC directly) is aligned with this principle. Similarly, the Director of Change Management also received regular guidance from the Deputy High Commissioner (DHC) for the entire change management process, which was key to ensuring the speed of the roll-out of the transformation and robust management oversight.[39] The different communication channels employed for D&R for staff can be divided into one-way communication and two-way communication channels. A dedicated information portal – or one-way communication platform – was set up on the intranet, with the objective to update all staff on the different change workstreams. The platform was accompanied by periodic all-staff broadcasts to communicate key developments linked to the D&R process. In May 2019, the Change Team and DER launched the first Transformation Brief, a regular update on new change-related developments. The brief was shared with colleagues at HQ and in the field via all-staff broadcast. These communication methods were proven to be effective in communicating key changes linked to D&R, substantiated by the field missions, which revealed a high degree of familiarity regarding the D&R reform. However,

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[38] 1) Work more effectively at point of delivery by empowering COs with capacity and authority, 2) Better support the goal of One UN and the GCR by collaborating effectively with partners in countries, 3) Enhance organizational agility and responsiveness to changing circumstances and needs.
[39] JIU (2019) Review of Change Management in the United Nations system: Chapter – Case summaries; UNHCR change process.

the staff survey, with a 15 per cent total respondent base,[40] indicated low familiarity[41] with the D&R reform. For two-way communication channels, the evaluation team found evidence of pre-D&R consultations through FGDs with staff from RBx desks, including Africa, Europe, Asia and the Pacific, Americas, and Middle East and North Africa. This was further supplemented by a sampling approach adopted by the Change Team, who conducted around 20 interviews with a cross-section of representatives of small and medium COs, large 'flagship' operations, and advocacy and fundraising-focused outposts in order to test the underlying assumptions regarding UNHCR's country presence globally. The evaluation team also found evidence of preparatory documents created to discuss the agenda of the Global Representatives Meeting in 2018, which was focused on gaining inputs on the "D&R Project". After the roll-out of D&R, there were plans to conduct regular surveys – however, the evaluation team only found evidence of an initial survey of approximately 2,750 respondents, with no subsequent surveys identified to assess ongoing needs. Other related surveys included assessments of COVID-19 impacts on D&R among country representatives, deputy representative and heads of SOs, as well as surveys conducted with the Field Reference Group (FRG) in 2022 to evaluate policy implementation, global initiatives and reporting requirements among senior managers. No further surveys for staff were carried out. Occasional Town Hall meetings, led by the HC, and some internal open forums held by the DHC allowed open discussion, questions and feedback from staff during the reform (live streamed on intranet portal for everyone[42]). This is substantiated by evidence from the field missions, which indicated that staff perceived the consultation as having been done from the top down through a sampling approach that focused mainly on senior leadership and a few seasoned United Nations staff (for instance, senior management were consulted on RAF, how D&R works, what authorities could be delegated). This is also highlighted in the Joint Inspection Unit (JIU) review[62] of UNHCR's change management process, which noted that staff in country-level offices were not sufficiently involved at the start of the process.

40) Despite several methods employed to communicate on key changes under D&R, a one-size-fits-all approach was employed, missing opportunities to tailor messages and relevant content on key changes to targeted group of audiences. While most staff reported to know of or have seen the broadcast that had been sent to all staff for instance, the relevance of the changes outlined in it to their daily work was perceived as marginal, apart from colleagues with physical relocation as result of the reform. The communication measures missed to convey relevance of the changes to staff in a meaningful manner, given that not all staff categories were affected by all the changes.

41) A 21-member FRG, composed of staff from each region and at each organizational level (SO, MCO/CO and RB), was established in 2020 as a sounding board for change initiatives in the field[43]. This was recognized as a positive initiative and instrumental body to ensure decisions taken were rooted in the experiences of practitioners. In the country visits, however, staff highlighted that that it was often unclear to them how and to what extent direct feedback from the FRG members or from staff themselves via Town Halls was included in the change management process. The reporting line of the FRG members was said to flow through the Assistant High Commissioner (AHC), who would liaise back with the SET. FRG feedback and concerns are addressed through FRG regular meetings, whereby divisions are invited to give feedback on specific issues raised and how they have been addressed. An annual report is equally prepared by the FRG Secretariat on status reports[44]. The Office of Internal Oversight Services (OIOS) Audit of 2021[45] noted that the perceived lack of feedback

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[40] The TCS team declared that tracking of the second survey form was halted due to the very low response rate. Additionally, some of the questions had become irrelevant as the implementation progressed, which further contributed to the decision to discontinue the survey.
[41] Rating of one to two, on a scale of one to five.
[42] UNHCR (2019) UNHCR's Transformation (2017-2019) An initial stock-taking of what happened when, how and why. Unpublished internal document.
[43] OIOS (2021) Advisory on implementation of the decentralization and regionalization reform. Unpublished internal document.
[44] The evaluation team did not manage to review the annual plans, as detailed information arrived late in the process.
[45] OIOS (2021) Advisory on implementation of the decentralization and regionalization reform. Unpublished internal document.

loop could potentially be attributed to the reporting relationship of the FRG to the SET[46] and not to the Transformation Governance Board, due to which no feedback was provided on its status or resolution.

42) While the Change Team employed multiple communication channels extensively during the implementation process, there was no evidence of a unified communication strategy to accompany the change management process. The overall change process could have benefitted from comprehensive change management support, rather than the requested ad hoc support, drawing insights from other large transformation processes and change management implementation plans, combining best practices and insights from both public and private sector organizations.

Finding 5: While indicators to track D&R outcomes have been defined, the absence of a target state did not allow for a definition of key milestones to track progress, which would have allowed for more effective performance monitoring and targeted course correction.

43) During the planning phase of D&R in 2019, identification of the right Key Performance Indicators (KPIs) was considered an essential component for large-scale transformations[47]. Hence, a set of KPIs were identified and intended to be tracked during the development phase of the D&R reform through a comprehensive mapping exercise, undertaken in collaboration with an external consulting agency to ensure reliability and validity. The KPIs were developed with the aim of measuring the five following dimensions: Improved organizational efficiency; improved organizational effectiveness; increased agility and responsiveness; capacity to convene and cooperate with partners; and improved capacity to address crises/situations of regional importance[48]. The KPIs consisted of survey-based and non-survey-based indicators, assessing transformation effectiveness and transformation perception. They were chosen due to their validity and availability for tracking results. The indicators and KPIs were furthermore mapped across four areas: Shift resources to the field; improve decision-making; confirm completion of D&R (one of the KPIs); and strengthen risk management[49]. Yet, there was a gap in the definition of a baseline or intermediate milestones against which to track progress effectively, which is connected to the absence of a concrete overall target state for D&R. This could have supported the development of measurable objectives and intermediary milestones.

44) The evaluation team was able to review two surveys conducted in 2019 to assess staff engagement regarding the D&R reform. In subsequent years, no additional surveys were found. In 2020, a third survey was targeted only to CO representatives, deputy CO representatives and heads of SOs, assessing the impact of COVID-19 on D&R. Regarding non-survey based KPIs, 11 KPIs have been tracked on an internal PowerBI platform hosted by the TCS, including key milestones reached[50] and quantitative measures tracking the success of D&R, such as distribution of staff across the organization and volume of regional (as opposed to central) procurement requests. Tracking of KPIs was thus not carried out systematically over a longer period for most of the measures originally defined – however, some measures of D&R progress are still being monitored today. While non-survey-based data has been tracked in the initial years of the reform, the evaluation team could not find a conclusive answer regarding the authority and central oversight of continued KPI tracking post-reform process in the organization. Although KPI indicators exist, the evaluation team was unable to find specific targets for each of the KPIs and noted a lack of continuous measurement throughout the

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[46] Under the leadership of the Assistant High Commissioner-Operations (AHC-O), the FRG (consisting of 21 colleagues from the seven regions) was established in late 2020 to identify specific issues, needs for clarification and solutions for issues relating to decentralization and regionalization. The FRG and its Secretariat work closely with the Director for Change and the TCS. In 2023, the FRG's focus will expand to include UNHCR's broader efforts to make the organization more agile, more efficient, more inclusive and more collaborative, as set out in Our Transformation. The FRG will also respond to specific feedback demands from the Transformation Governance Board and HQ-led initiatives, including policy development. In this respect, the FRG Secretariat will ensure information sharing between the stakeholders.
[47] Mannet (2017) Rapid Organizational Assessment. Unpublished internal document.
[48] UNHCR (2019) Decentralization and Regionalization: Strategic Map for KPIs. Unpublished internal document.
[49] UNHCR (2020) D&R KPI Overview. Unpublished internal document.
[50] For example, confirmation that former regional platforms have been replaced by the end of 2020, and that delegation frameworks have been revised and authorities delegated.

reform, which would have allowed for more effective monitoring of progress and would have enabled informed decision-making and adjustments.

45) Findings from country visits highlight that there is limited awareness by staff in RBx and field operations (MCOs, COs, SOs, NOs, FOs) regarding the KPIs being tracked, or their responsibilities or involvement in the data collection for tracking. This goes against the spirit of D&R, that ideally authority should be placed in accordance with requisite responsibility. While a central monitoring function of KPIs is key in any transformation project, there is an opportunity to delegate and decentralize the authority to track the KPIs to the regional and country levels to drive accountability and buy-in amongst staff for collective progress achieved. Constant monitoring and evaluating of the effectiveness and impact of the reform at various levels is crucial to reflect on successes and potential challenges. This allows for informed decision-making, accountability and the ability to adjust course as necessary.

Finding 6: In the absence of a dedicated and clearly articulated D&R budget or a clear objective on cost-effectiveness of D&R, a conclusive assessment on cost of D&R cannot be made.

46) While throughout the design documentation, cost-saving was never stated as an explicit aim of D&R, the evaluation has sought to explore the overall cost implications of this reform. Based on previous experiences, this endeavor was anticipated to be challenging – while prior evaluations within the United Nations system and international financial institutions have struggled to establish the cost neutrality of D&R reforms[51], a comparative 2019 study by JIU evaluating various change management projects across United Nations system revealed major weaknesses in budgeting and costing. It highlighted the lack of underlying business cases and that change efforts are often based on first principles-based cost-saving assumptions, which leave a gap in understanding and documenting the financial implications of large change management projects across United Nations system[52]. In general, evaluations conducted on decentralization reforms of other United Nations agencies concur that cost-saving measures, such as streamlining overlapping functions between HQ and regional level, must be implemented to complement the decentralization process, which is often found to be increasing costs due to hiring of additional workforce or office space to set up the new structure in the initial phase.

47) In the case of UNHCR's D&R reform, the 'Repositioning UNHCR in the Field' (UNHCR, 2018) paper noted that the proposed structural reforms – including the simplification and streamlining of processes and procedures, clarification of authorities and corresponding accountability, rationalization of existing architecture and repositioning of skilled colleagues – 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. In the same document, there was reference to "further costing that will be undertaken when more details are known about the future structures". However, the evaluation team was unable to find any evidence of such analysis being conducted during the later stage of the design phase of the reform (which included a baseline of current-state costs, budget for the reform, and key levers and assumptions to maintain cost neutrality). The ability to conclusively comment on cost-savings is further hindered by the absence of a dedicated D&R budget. Consequently, despite looking for data and evidence, the evaluation team was not able to isolate and track reform-specific expenditures. The evaluation team was also not able to find any detailed business case[53] that baselines and projects the cost of (re)location of RBx to field locations.

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[51] Inter alia: International Fund for Agricultural Development (IFAD) (2016). Corporate-Level Evaluation of IFAD's Decentralization Experience, WFP (2017). Report of the External Auditor on Decentralization.
[52] JIU (2019) Review of Change Management in the United Nations system.
[53] A business case is a document that outlines the justification for a proposed project or undertaking. It typically includes an analysis of the costs, benefits, risks and potential return on investment, providing decision-makers with the information needed to evaluate the feasibility and desirability of the project.

48) The financial implications of heightened administrative and operational burdens on RBx, increased oversight and controls given the delegation of authorities, as well as the potential duplication of functions, have not been fully analyzed or accounted for during the design phase of the reform, which complicates their assessment in hindsight. The cost of D&R also needs to be assessed together with investments in other overarching change processes, given the multiple touchpoints D&R has with parallel reforms, such as the BTP[54]. Finally, the ability to isolate D&R related costs is influenced by global economic fluctuations affecting operational costs in different regions, and the potential hidden costs of coordination, knowledge transfer and capacity building in new RB locations, not to mention increasing demands met by the organization.

49) **Expenditure analysis:** Considering the above limitations, the evaluation is constrained in its ability to conclusively comment on the cost baseline and therefore the cost neutrality of D&R. To illustrate how share expenditure has evolved through the reform, however, a proxy analysis has been conducted to evaluate the overall expenditure allocation and growth across different levels of the organization from 2018 to 2023 (see figure 4)[55]. For the purpose of this and all subsequent analyses in this report, the CO/MCO category also includes chiefs of mission, LOs, NOs reporting to MCOs and SOs, FOs and Field Units reporting to COs.

Figure 4: Total expenditure distribution and growth for HQ, RB and CO/MCO (2018-2023, USD mn)
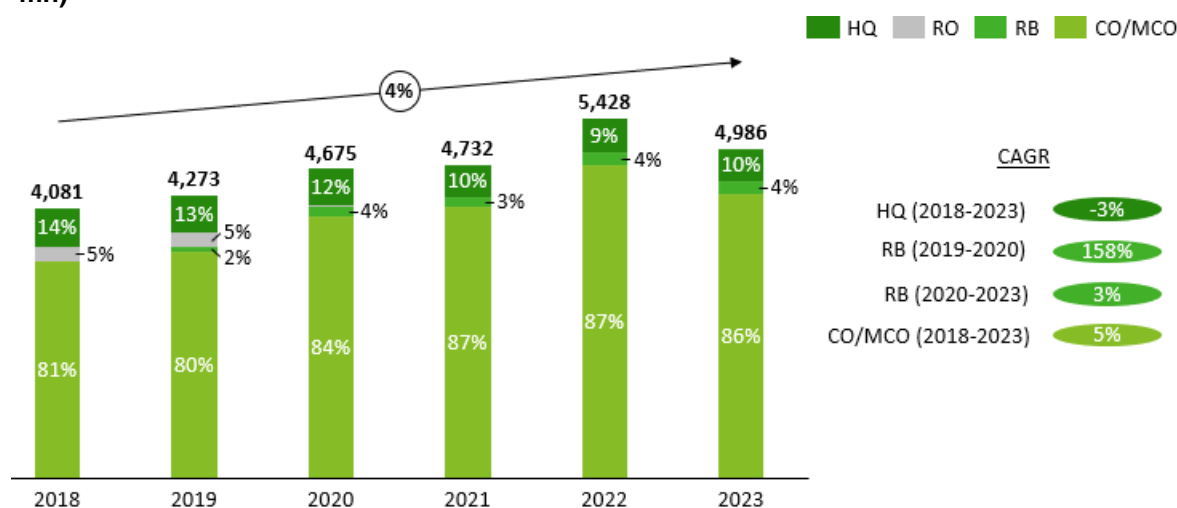
50) Total expenditure of UNHCR has grown at 4 per cent CAGR, a measure used throughout this report to assess average growth trends over time[56] from 2018 to 2023. The growth is driven by an increase in RB and CO/MCO expenditures. The growth in the expenditure of RBx (158 per cent CAGR from 2019-2020 and 3 per cent from 2020-2023) and COs/MCOs (5 per cent, 2018-2023) has primarily been contributed by an overall increase in the budget envelope, coupled with a marginal decrease in HQ expenditure (-3 per cent CAGR, 2018-2023). According to the initial design of D&R reform, all ROs were to be subsumed within RBx or MCOs/COs. This integration was effectively realized in 2020,

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[54] In 2019, UNHCR started to implement a BTP that aimed at exploring and implementing new ways of working and leveraging modern tools and cloud technologies to support back-office processes. This includes, among others, COMPASS, Workday, PROMS (BTP, UNHCR, 2021).
[55] Source: Expenditure data as of 31 December for each year from 2018 to 2023. Provided by UNHCR Division for Strategic Planning and Results, Annual Review and Budget Analysis Service from UNHCR Managing Systems, Resources and People (MSRP) and COMPASS, Deloitte analysis assumptions used in the expenditure analysis section are:
- All expenditures related to RB (i.e., regional desks pre-D&R) for the year 2018 are included in the HQ budget.
- The analysis explicitly excludes expenditures related to PSP initiatives, as these are not directly pertinent to the objectives and scope of the D&R reform.
- For the purpose of this analysis, expenditures related to regional activities and other operations for the year 2018 are included in the HQ budget. From 2019 to 2023, these expenditures are allocated within the RBx. It is important to note that these categories encompass a wide variety of activities, some of which may be more global or local in nature.
[56] CAGR is a measure used to indicate the smoothed annual growth rate over a specified time period, assuming a constant rate of growth. It is calculated by taking the nth root of the total percentage growth rate, where n is the number of years in the period being considered. CAGR is used as a measure because it accurately reflects the consistent rate of growth over the entire period and effectively normalizes fluctuations in the data, enabling a clearer assessment of long-term trends and performance.

following a partial roll-out of the D&R reform in 2019. In 2023, there has been a shift in expenditure, with a 1 per cent point movement of resources from CO/MCOs to RBx and HQ in the year 2023. The total expenditure consists of three categories: Operations (OPS), Administrative (ABOD) and Staff. The section below (figures 5, 6 and 7) provides a detailed breakdown and analysis of the growth of OPS, ABOD and staff expenditures across different organizational levels from 2018 to 2023.

51) **Operations Expenditure:** As shown in figure 5, operations expenditure has grown at 3 per cent CAGR from 2018 to 2023. The growth in operations expenditure has been largely driven by growth in CO/MCOs (3 per cent CAGR, 2018-2023) accounting for 95 per cent of the total operations expenditure in 2023. The HQ operations expenditure has decreased at 9 per cent CAGR, while RB has grown at 127 per cent CAGR from 2019-2020 and declined at 8 per cent CAGR from 2020-2023. Similarly, CO/MCOs have experienced a growth at 3 per cent CAGR from 2018-2023. This indicates a shift in the catalyst of delivery of services from HQ to RBx and CO/MCOs, in line with D&R objectives.

Figure 5: Operations expenditure distribution and growth for HQ, RB and CO/MCO (2018-2023, USD mn)
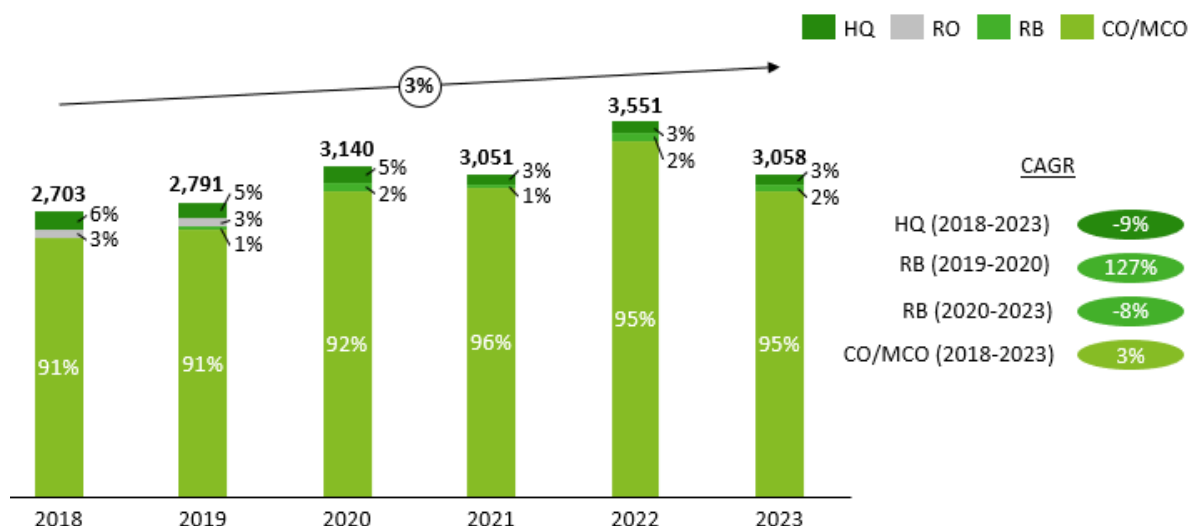
52) **Administrative Expenditure:** As shown in figure 6[57], UNHCR's administrative expenditure grew at 4 per cent CAGR from 2018 to 2023. HQ expenditure decreased at -3 per cent CAGR, while CO/MCOs grew at 9 per cent CAGR. RB expenditure surged at 70 per cent CAGR from 2019-2020, and 26 per cent CAGR from 2020-2023. The HQ proportion of total expenditure declined from 40 per cent to 28 per cent, while CO/MCOs increased from 53 per cent to 67 per cent, and RBx slightly increased from 7 per cent to 9 per cent.

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[57] Source: Expenditure data as of 31st December for each year from 2018- 2023. Provided by UNHCR Division for Strategic Planning and Results, Annual Review and Budget Analysis Service from UNHCR MSRP and COMPASS, Deloitte analysis.

Figure 6: Administrative expenditure distribution and growth (2018-2023, USD mn)
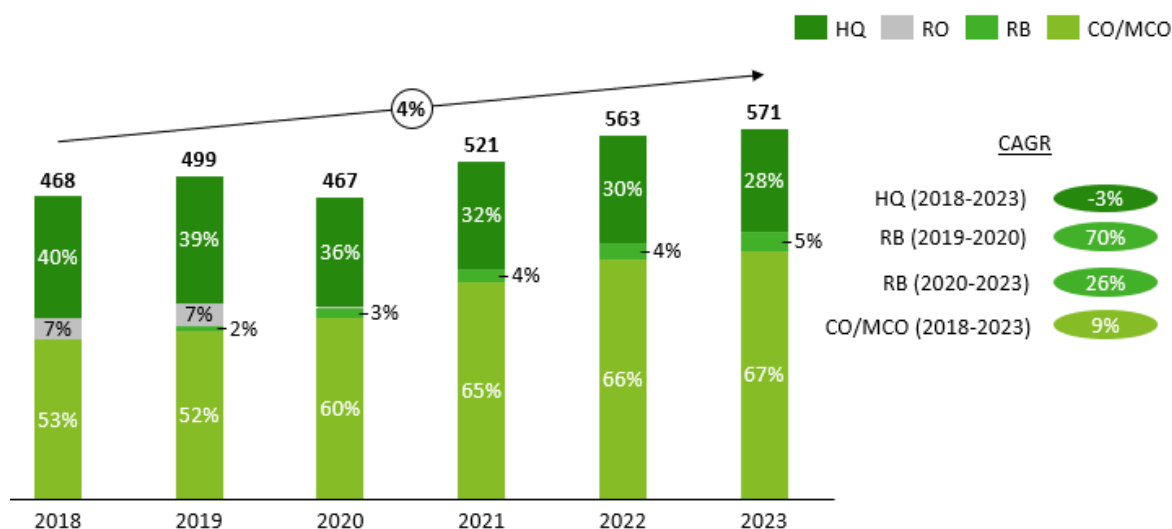
53) Several insights have emerged on the key administrative expenditure categories[58]:

- **HQ:** At HQ, contractual services[59] (4 per cent CAGR, 2018-2023) and temporary assistance[60] (1 per cent CAGR, 2018-2023) remained the largest expenses, collectively accounting for 71 per cent of HQ administrative expenditure in 2023. Travel costs, which constituted 9 per cent of HQ administrative expenditure in 2023, recorded an overall decline of 8 per cent CAGR from 2018 to 2023. This drop was primarily observed between 2020 and 2021 due to the COVID-19 pandemic – however, travel costs began to recover to pre-pandemic levels after 2021. Premises-related expenses, making up 7 per cent of HQ administrative expenditure in 2023, decreased at a CAGR of 9 per cent from 2018 to 2023, indicating improved efficiency in facility management. Between 2020 and 2023, BTP administrative[61] expenses amounting to approximately US$ 100 million constituted around 15 per cent of the total HQ administrative expenditure for the corresponding period.

- **RB:** Overall, the increase in RB administrative expenditure is mainly driven by an increase in temporary assistance and contractual services, which together form nearly 40 per cent of the RB administrative expenditure. Other major expenditure at RB level include travel, which constitutes approximately 20 per cent, and premises rent and maintenance, accounting for 11 per cent of annual RB administrative expenditure. As ROs were later merged into RBx, CO/MCOs or phased out, it is worth noting that the RO staff expenditure as of 2018 is higher than the RB staff expenditure over the years since the reform.

- **CO/MCOs:** The increase in CO/MCOs costs is driven by an increase in temporary assistance and contractual services, which together constitute nearly 30 per cent of the CO/MCO administrative expenditure. The other large drivers of the increase in administrative expenditure

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[58] Source for 2023: ABOD expenditure data as per Cloud ERP cost center tree and account tree. Provided by UNHCR Division for Strategic Planning and Results, Annual Review and Budget Analysis Service. For 2017-2022: UNHCR expenditure for 2017 to 2022, with historical cost centers (cost centers that were in force at each given time of expenditure) and by lowest level account expenditure for OPS, ABOD and STAFF. Provided by UNHCR Division for Strategic Planning and Results, Annual Review and Budget Analysis Service. Deloitte analysis.

[59] Contractual services: Data for 2023 includes expenditure on data processing and other contractual services to ensure comparability with data from 2018-2022.

[60] Temporary assistance (TA): Data for 2018 to 2022 includes expenditure on TA regular, separation costs and consultants, while 2023 includes affiliated workforce and individual contractors to ensure comparability with data from 2018 to 2023.

[61] Source: UNHCR (Division for Financial and Administrative Management), PowerBI - IT Projects, Version 1.21, updated 19 Jan 2022. Deloitte analysis. The data includes BTP ABOD and temporary consultants funded by the projects' budgets. It is important to note that this PowerBI report has not been updated since the Cloud ERP go-live and relies solely on MSRP data. Consequently, the data is current only up to the end of August 2023.

are non-expendable property[62] and joint United Nations activities, comprising 10 per cent and 7 per cent of total CO/MCO administrative expenditure, respectively.

54) **Staff Expenditure:** As shown in figure 7[63], staff expenditure has grown at 8 per cent CAGR from 2018 to 2023. This rise is primarily due to an increase in the overall budget. While the staff expenditure at HQ has remained largely stable, it has increased at the RB and CO/MCO levels, reflecting investments in enhancing field capacities. While HQ staff has not decreased notably as was planned as part of D&R, it has somewhat decreased proportionately, given the simultaneous growth of needs and capacities overall. As ROs were later merged into RBx, CO/MCOs or phased out, it is to be noted that the RO staff expenditure as of 2018 is higher than the RB staff expenditure over the years since the reform, as the RO staff were realigned at various levels of the organization. At an aggregate level of administrative and staff expenditures, the financial trends reveal significant shifts over the years across the organization *(refer to annex 1, figure 1 for illustration).*

Figure 7: Staff expenditure distribution and growth (2018-2023, USD mn)
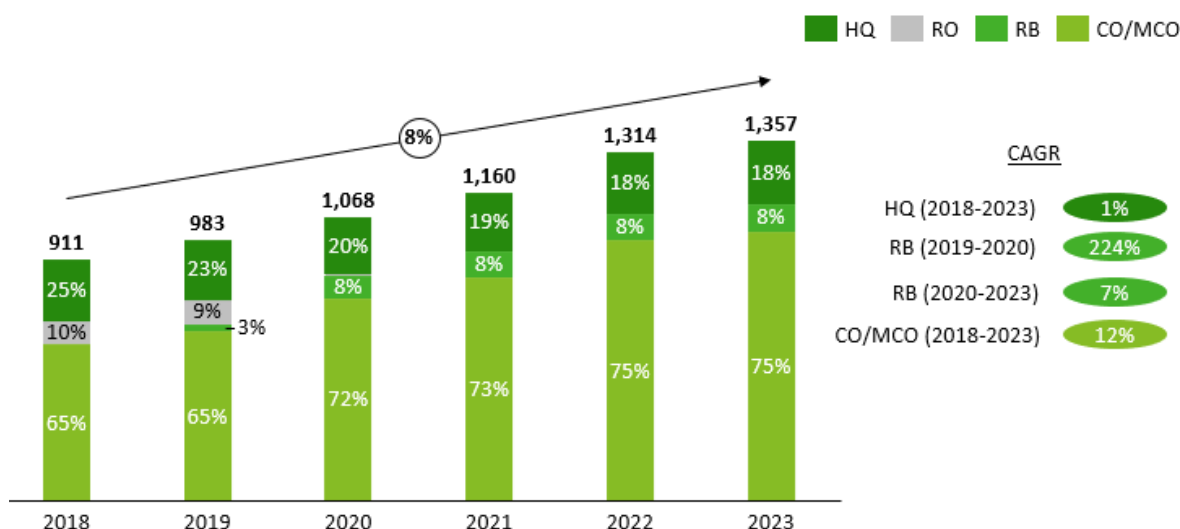
55) On an aggregate basis, the increase in administrative and staff expenditure from 2018 to 2023 is US$ 528.14 million, out of which US$ 270.14 million (51 per cent) has been incurred in 2018-2021 and US$ 276.1 million (49 per cent) has been incurred in 2022-2023. Based on data shared by Division for Strategic Planning and Results (Annual Review and Budget Analysis Service), the increase in 2018-2021 can be broken down into an increase in RB (US$ 92.53 million) and CO/MCO (US$ 239.67 million) expenditure. This is partially off-set by a reduction in HQ expenditure (-US$ 62.06 million). The Increase in CO/MCO and RB expenditure aligns with the objective of the D&R reform to strengthen capacity at regional and local levels. The question that remains is whether this has happened at a sufficiently meaningful level. There has been a total increase in expenditure, which is due to the growing humanitarian needs and demands, and has been funded through an increase in overall budget allocation. A detailed breakdown of the analysis per expenditure type illustrates:

- **HQ administrative and staff expenditure:** In 2019, some savings at HQ were offset by increased set-up costs for RBx. The increase in HQ administrative and staff expenditure in

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[62] Non-expendable property refers to expenditure on software and licenses.
[63] Source: Expenditure data as of 31 December for each year from 2018-2023. Provided by UNHCR Division for Strategic Planning and Results, Annual Review and Budget Analysis Service from UNHCR MSRP and COMPASS, Deloitte analysis.

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2023 can be attributed to increase in premises rental and maintenance expenditure (+US$ 3.9 million) and travel costs (+US$ 3.2 million).

- **RB administrative and staff expenditure:**
    - 2019: The 46 per cent year-on-year increase in expenditure is primarily due to the new RBx. The partial roll-out and implementation of D&R in 2019 led to incomplete integration of ROs and no apparent cost savings at HQ. The ROs were fully dissolved by the end of 2020[64].

    - 2021: The increase in RB expenditure was largely driven by the MENA RB, where the rise in ABOD expenditure was significant, and the WCA RB, with notable increases in staff expenditure. The increase in MCO expenditure is offset by a decrease in RO cost, due to the conversion of the last remaining RO, Hungary RO into Hungary MCO.

    - 2022: The year-on-year expenditure increase was largely due to EUR RB, which contributed US$ 4.5 million (13 per cent of the increase), split nearly equally between staff and ABOD costs, and Hungary MCO, which added US$ 14.1 million (41 per cent of the increase), also divided equally between staff and ABOD. These factors significantly drove the overall expenditure rise in 2022.

    - 2023: The rise in RB expenditure was mainly influenced by regional activities in MENA, particularly related to the cross-border situation in Northern Syria.

- **CO/MCOs administrative and staff expenditure:** From 2019 to 2021, 35 per cent of the increase in total CO/MCO expenditure was driven by the top five emergencies declared in that period[65]. In 2022, a significant 85 per cent of the increase in expenditure was driven by the top two emergencies of the time, Sudan and Ethiopia. The overall increase in expenditure for year 2022 was also primarily contributed by these two emergencies. In 2023, 41 per cent of the increase was driven by the top three emergencies[66].

Conclusion

56) The evaluation team found that there is strong alignment between the D&R reform at a strategic level to UNHCR's Strategic Directions and the broader United Nations reform objectives. That said, the design of the reform did not articulate a definitive target state that encompassed changes required to underlying processes, people, technology or dedicated D&R budget at the outset. The lack of a target state and detailed assessment with other change initiatives impacting D&R led to a situation where various changes to underlying and intersecting processes and technologies have been made sequentially, rather than as one integrated transformation approach, which impacted the effectiveness of the D&R implementation in the first phase. The absence of a clearly defined target state led to a situation in which the corresponding change management plan fell short in addressing and mitigating the identified challenges and lessons learnt from previous decentralization experiences in a comprehensive manner. Communication regarding the reform toward staff has been active – however, there was no cohesive communication strategy and messages were not tailored to each stakeholder group's needs, impacting the perceived relevance of the information. Opportunities for two-way communication were scarce, leaving staff with limited chances to participate or give feedback. Staff buy-in for the reform need was high, but understanding of its exact aims and means to get there vary across the organization. While determination of the total cost of the reform is not possible, expenditure distribution across the organization points to trends in line with the D&R reforms, with the

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[64] As per the intended design, it was planned that the seven new RBx would replace the existing configuration of some 16 ROs, the majority of which would be replaced or merged into MCOs, with a small number of others phased out over time (UNHCR, 2019). UNHCR's Transformation (2017-2019). Unpublished internal document.
[65] L3 Sudan, L3 Burkina Faso, L2 Lebanon, L3 Ethiopia, L1, L2 Mexico.
[66] L3 Chad, L3 South Sudan and L3 Ukraine.

share of operations, staff and administrative expenditure shifting from HQ towards country and regional levels. RBx do not show higher relative costs than prior regional structures.

Recommendations

57) To build on lessons learnt from this evaluation and decentralization experiences across other United Nations agencies, it is imperative that any future reform effort will include certain elements as minimum principles: a) Formulation of a detailed target state with dedicated underlying process changes and a people dimension, including culture and technology requirements, to accompany the organizational architecture and the overall strategic reform objectives; b) a comprehensive culture and change management strategy as a foundation for a change roadmap, with clear budget, scope and risk management (including mitigation plans); c) a comprehensive communication approach; and lastly d) the setup of a continuous feedback mechanism before, during and after the change initiative. The extent of feedback mechanisms to be established is proportional to scope and complexity and the number of staff concerned by the change.

58) This report outlines **two distinct options** on **how the recommendations in this evaluation might be addressed**. The first one centers around embedding the 13 recommendations into existing and ongoing UNHCR change initiatives, while the second option recommends a reinvigorated D&R programme to drive the required refinements (*refer to conclusion section for more details*).

2.1.2 Strategic Planning Process

59) The D&R reform was intended to influence the way programming reviews are conducted as a part of the strategic planning process. The 'Repositioning UNHCR in the Field'[67] (2018) paper recommended that when D&R is implemented, RBx should gain full authority to review and approve CO plans, moving towards decentralized strategic planning. Emphasizing the need to better prioritize and maximize outputs at the country level, UNHCR envisioned the adoption of a three-step approach (drawing parallels from other United Nations agencies like UNICEF): (a) HQ-led consultations with regional directors to align with global policies; b) consultations between regional directors and country representatives to define regional priorities; c) alignment of each country with two or three priorities from the regional list and assess based on quantifiable progress against the identified objectives. This approach intended to enable country operations to allow for better regional/local contextualization and prioritization of programmes. This was a key concern highlighted pre-D&R, wherein operations reported difficulties in contextualizing and prioritizing amid resource constraints[68].

60) Hence, in parallel with the implementation of D&R in 2019, several reforms linked to the strategic planning process were also launched. This included (a) the shift to a multi-year planning process; (b) a new RBM approach with an updated Global Results Framework to measure outputs, outcomes, and impact at a global level; (c) the BTP (including the launch of COMPASS, a new technical tool for multi-year strategic planning); d) simplification of processes. These reforms were to drive through the changes to strategic planning envisioned also as part of D&R. It is important to note that this evaluation will not go into the depth of parallel reforms, but rather evaluate how these are aligned with the intended objectives of the D&R reform, including increased involvement of RBx to guide better prioritization and provide oversight, and increased autonomy and flexibility to field operations to formulate contextually relevant strategies. Within this context, the following findings have emerged:

Finding 7: Involvement of RB 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

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[67]UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Unpublished internal document.
[68]UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Unpublished internal document.

involvement varies, based on regional priorities and capacities available in the operation and RB.

61) In alignment with the revised RAA (see section 2.2.3) and the reform intent of D&R, all field operations have reported that the RB directors are now able to exercise their delegated authorities to approve COs' strategies without additional HQ oversight. This is perceived to have streamlined the decision-making process. It is important to note that while RBx were always involved in the planning process of country operations, their involvement post-D&R has increased and became formalized, due to the delegated authority to approve CO/MCO strategic plans. For instance, several operations across regions have reported regular consultations with focal points in their respective RBx throughout the entire strategic planning process. Smaller operations (for example, Indonesia and Spain) especially appreciate the access to RBx and frequently engage in comprehensive consultations, particularly in technical areas like protection.

62) However, a few operations have also highlighted that they have limited engagement with RB for defining their strategic priorities. For instance, a large operation highlighted that there is limited need for engagement, since they have sufficient technical capacity and expertise within the operation. On the flip side, one operation that is focused on fundraising highlighted limited inputs provided by the RB, due to lack of local context/know-how available with the RB.

63) Additionally, as per the reform intent of D&R, it was expected that RBx will be able to guide the operations to better prioritize and contextualize global policies. However, in a decentralized organization, a globally articulated vision can clash with more contextualized regional and national priorities. Evidence from field operations indicated that there are significant variations in the interpretation of global priorities and approaches across different regions and thematic areas of focus. For instance, the RB in AME helped an operation to contextualize global strategies on public health to regional strategies through many meetings with focal points, which enabled them to adapt to the context of the CO. On the other hand, a few RBx highlighted difficulties in prioritizing among the eight areas of accelerated focus within UNHCR Strategic Directions 2022-26, along with other parallel HQ priorities, such as alignment with climate related initiatives, GCR and the Sustainable Development Goals (SDGs).

64) Currently, the RBx are supposed to develop their theory of change based on situation assessments, which should ideally guide prioritization. However, RBx have sought more support and guidance from the HQ divisions to better guide prioritization among the many global policies. This situation appears to be linked to a broader challenge around prioritization among multiple global and regional priorities linked with ownership and accountability, whereby RB directors and CO representatives are ultimately held accountable for prioritization taken, while multiple expected priorities are being handed down to them from above (further discussed in the section 'Culture and Ways of Working'). Field visits also pointed to evidence of operations preferring to engage in consultations and not take complete ownership for decisions taken (for instance, those related to prioritization in this case), which to a certain degree restricts their delegated authority.

65) Additionally, the multiple regions also have differing views on different priorities. For instance, it is widely acknowledged among UNHCR staff that regions have varied and nuanced views on the implementation of UNHCR's protection mandate in various contexts. This was particularly exemplified through the work on the routes-based approach addressing mixed movements in the Central Mediterranean route [69]. Working on mixed movements is an example requiring an exceptional coordination and joint prioritization effort across HQ divisions, regions and countries in a new area of

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[69] UNHCR (2024) Mapping of Protection Services: A routes-based approach to protection services along mixed movements routes: https://reporting.unhcr.org/western-and-central-mediterranean-situation-routes-based-approach-protection-services-along-mixed

work for which the Office of the Special Envoy had been established. The Office of the Special Envoy has provided a useful forum for the organization to ensure organization-wide coherence prior and post-D&R implementation. For UNHCR to continue to operate successfully in a decentralized organizational structure, a need for a formalized communication platform has been identified. This forum would serve as a critical enabler for the prioritization of organization-wide initiatives, similar to the routes-based approach, to enable the exchange of best practices across regions and to address emerging challenges in a timely manner. Such a forum also offers the potential to enhance clarity and mutual understanding across regions for specific priorities chosen. According to the staff survey, RBx have sought the maximum need for improvement in getting comprehensive policy guidance from HQ to effectively prioritize amid competing global imperatives. When asked to rate on a scale of one to five (five being the highest rating) the scope for improvement in this, RBx reported the highest average rating among given options (average rating of 3.8 by RBx regarding this area needing improvement, compared to 3.5-3.7 for other entities). This need is particularly pronounced among P1-P5 level staff, who are directly involved in executive decision-making processes (average rating of 4.1 by P1-P5 staff at RBx regarding improvement priorities, versus an overall average of 3.71).

66) Hence, post the D&R reform and changes in the strategic planning process, the role of RBx has formalized and grown, although with some variations across operations. However, RBx continue to face difficulties in supporting operations to prioritize among competing global and regional priorities and seek additional support from the HQ in guiding prioritization.

Finding 8: The D&R reform has enabled field operations to achieve greater autonomy, allowing for the development of context-specific strategies. However, constraints have been identified with the re-introduction of core indicators articulated in the results framework.

67) While COs and MCOs were always driving the strategic planning process for their own operations, the intent of the new planning approach was to enhance flexibility and autonomy of the operations in this process. This goal has partially been achieved.

68) **Flexibility associated with outcome, output and impact statements:** In the previous strategic planning process, operations had to select results statements from a pre-defined list in the system (FOCUS). This sometimes led to limitations in expressing the specific needs and context of the operation. For instance, in the earlier system, there were pre-set statements linked to shelter provision. If an operation wanted to add nuances related to the type of shelter in question (for example, transitional shelter, emergency shelter or temporary shelter), they were not able to make these changes. Evidence from country visits indicated that the new system gives more flexibility to operations to define their own output, outcome and impact statements, aligned with the situational analysis and vision of the operation. The staff survey also highlighted that more than 60 per cent of respondents at the COs/MCOs and NOs/FOs/SOs/Field Units agree or strongly agree that D&R has led to increased decision-making authority to COs/MCOs, leading to well developed and updated operational strategies as determined by local context/needs. This can potentially be linked to increased flexibility in defining output, outcome and impact statements.

69) **Balancing flexibility with global coherence through core indicators:** Measuring global outcomes according to the global results framework[70] is an ambitious objective for any large organization and merits an equal balance between organizational coherence and flexibility given to the regional and local level. Initially, with the roll-out of COMPASS, operations were given the flexibility to define their own indicators. This gave a lot of flexibility to the operations, but it also led to inconsistencies in reporting. For instance, evidence from country visits revealed that some operations developed more than 200 indicators against which they were reporting their results. This led to the re-introduction of

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[70] For more background and context, see UNHCR RBM and Global Results Framework: https://www.unhcr.org/what-we-do/build-better-futures/compass

centrally defined core-output indicators,[71] which are complemented by user-defined or good practice indicators that can be contextualized, similar to the previous FOCUS system. Operations now have to link their self-defined statements to the core output indicators, with the aim to thereby rebalance global consistency with local contextualization. Evidence from the field indicated that this framework is now serving as a functional guide for the operations to determine their strategic plans, just like in the previous system FOCUS.

70) However, reintroduction of core indicators caused operations to face familiar practical challenges encountered before the RBM reform. For instance, most operations indicated that they faced difficulties in managing many core indicators. Given that core output indicators have also become mandatory to report against as of 2024, a few operations reported that they would prefer not to add context-specific indicators in their upcoming planning cycle, in order to keep the total number of indicators manageable. Hence, this might limit the flexibility that the operations were granted in creating their own indicators[72].

71) Furthermore, operations reported that the core indicators are not adaptable to the different archetypes of the operations and their respective contexts. For instance, operations that were focused on fundraising reported issues in aligning the results framework to their core work. Other operations have also highlighted that the reporting on core indicators is constrained by the availability of adequate data in the country. This requires providing justifications for not utilizing the core indicators during every planning/reporting cycle, resulting in time-consuming back and forth communication with the RBx.

Finding 9: There is an uneven delegation of authority to formulate strategic plans across SOs/NOs due to multiple factors, including but not limited to technical capacity placed in each operation.

72) As indicated during country visits, following the D&R reform, new processes have granted many field operations (SOs/NOs) more autonomy and flexibility in resource allocation and decision-making processes. Multiple SOs and NOs have reported that they have the autonomy to define their contextually relevant strategies, sign partnership agreements and conduct their own risk assessments. For instance, in the NO in UAE, the protection officer was able to effectively collaborate with the Private Sector Partnership (PSP) team to create a fundraising strategy for their operation. In the Quetta SO, in Pakistan, the operation was empowered to define its own results statement and indicators, as well as sign its own local partnership agreements. This is further substantiated by the evaluation of UNHCR's engagement in situations of internal displacement,[73] which highlights that in Myanmar and Nigeria, the authority to develop localized strategies is delegated to FOs and SOs. However, evidence from country visits indicates that the delegation of authorities varies significantly across different regions. This inconsistency leads to uneven levels of empowerment and operational efficiency across different regions. For instance, one of the SOs visited as part of the country visits indicated that they do not manage their own finances or independently develop their strategic plans, due to lack of technical staff placed in the SO. Hence, all these processes were centralized in the CO. Additionally, one of the NOs visited indicated that the extent to which their priorities are considered depends on the priorities of the MCO and the relationship of the MCO with the NO head of office.

73) While the D&R reforms have successfully empowered many SOs/NOs with greater strategic autonomy, the need for standardized delegation of authority, starting with sufficient capacitation of offices to carry it out, becomes increasingly critical. This clarity will ensure that operational efforts are

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[71] Core output indicators became mandatory from 2024.
[72] Since core output indicators became mandatory in 2024, the evaluation team is unable to determine the actual impact of this change on result reporting at the time of the evaluation.
[73] UNHCR (2024) Evaluation of UNHCR's engagement in situations of internal displacement.

well-coordinated, enhancing efficiency in resource allocation and enabling more cohesive strategic alignment across diverse and complex operational environments.

Conclusion

74) Together with a revised strategic planning approach, the D&R reform aimed to support the transformation of UNHCR's strategic planning processes by decentralizing decision-making authority to RBx and field operations, thereby enhancing operational flexibility and effectiveness. The reform intent has partially been achieved. The reform formalized RB involvement in approving strategic plans through delegated authority to approve CO/MCO strategic plans, fostering consultations across regions but revealing varying degrees of engagement based on operational size and capacity. Challenges persist in aligning global priorities with regional nuances, highlighting the need for more guidance from HQ regarding the criteria for prioritization, supported by a culture of greater accountability and ownership.

75) The reform also enabled field operations to achieve greater autonomy, allowing for the development of context-specific statements, albeit with constraints associated with the re-introduction of the core-indicators, which limit the actual flexibility of operations to define their own indicators. Finally, the reform empowered many SO/NOs with greater authority, although inconsistently depending on factors such as uneven technical capacity (resources).

Recommendations

76) **Recommendation: 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 –** To address the continuous challenge of balancing global and regional priorities, a forum for RBx/COs to seek necessary guidance from HQ divisions could be institutionalized.

This could include:

- Alignment on a set of criteria for prioritization across competing global/regional priorities, with a view on trading-off costs and available resources and priorities agreed on.

- An opportunity for RB directors and CO/MCO representatives to engage in horizontal discussions across relevant HQ divisions, wherein the operations can present their multi-year plan and provide their rationale for prioritization among competing global/regional priorities in an open and transparent manner.

- The forum can help formalize existing informal exchanges to further cultivate an organizational culture of horizontal and vertical collaboration in an institutionalized manner. This will also promote a culture of learning/sharing of experiences/expertise across regions, while equally promoting a culture of accountability for decisions taken.

- In addition, artificial intelligence and generative artificial intelligence can be used in a complementary way to support COs, RBx and HQ in the resource and financial planning processes. Such tools can prove supportive, including for QA of country-specific documents and alignment of those into regional and global priorities, to strengthen the budget allocation process through systematic and automated inclusion of country, regional and global strategic priorities, as well as better alignment of policies and regulatory frameworks into regional and global strategic directions. As of quarter three 2024, these use-cases are a work in progress and developed jointly by RBx, COs and HQ *(refer to Annex 3 for specific use-case developed by Deloitte for UNHCR).*

77) **Recommendation: Empower of sub-national entities in multi-year planning** – Build technical capacity at the sub-national level to enable decentralized multi-year planning and resource allocation *(further discussed in the Functions and Staffing section).*

78) **Recommendation: Further optimize the balance between flexibility and global coherence related to the Results-Based Management system** – Fine-tune the mechanism for utilizing core indicators.

   This could include:

   - Review and consider reducing the number of core reporting indicators overall, to free up operations' capacity to add additional context specific indicators, as required.

   - Develop a systematic mechanism for overriding the core output indicators in case they are not applicable to the operation, so that operations do not have to provide justification for not utilizing the core indicator in each reporting cycle.

2.1.3 Resource Management

79) Resource management was considered an important aspect of the D&R reform, with decentralized resource management authorities enabling better operational autonomy and agility, and ultimately leading to more effective delivery to forcibly displaced and stateless persons. To achieve this objective of enhanced delegation of authority, a revised RAF was issued, which was expected to bring decision-making closer to the field.

80) Prior to the D&R reform, the entire resource management process was heavily centralized and certain areas of improvement in the previous RAF were highlighted in the design documents[74], as well as KIIs conducted by the evaluation team.

   - The resource allocation process at that time locked in budgetary allocations for each operation, thereby restricting operations from reallocating funds between budgetary pillars and within budget categories (operations, administrative and staff). This rigidity had limited their ability to adjust un-earmarked or loosely earmarked resources in response to evolving needs. To enhance regionalization and boost field-level agility, it was crucial to delegate more authority to the RB directors, country representatives and heads of SOs. Specifically, they needed to be empowered to reallocate funds and flexibly utilize un-earmarked or loosely earmarked regional funding to address priority areas effectively.

   - The previous budget allocation system disincentivized local fundraising for new initiatives and resulted in lengthy delays due to bureaucratic approval process. A need for greater engagement of CO representatives and RB directors with donors at the regional/local level was also identified.

   - UNHCR's HR management was complex and centralized. Hence, there was a need to reassess ways in which RB directors and CO representatives could benefit from streamlined HR procedures.

   - Allowing for higher procurement thresholds for Local Contracts Committees (LCCs) and Regional Contracts Committees (RCCs) was identified as a key area of review to ensure maximum delegation and decentralization.

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[74] UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Unpublished internal document.

81) The changes in the updated RAF aimed to enhance the agility and responsiveness of the organization through the following key changes[75]:

- Increased flexibility in the resource allocation process, including authorities to make budgetary changes – i.e., budgetary authorities to move funds between different pillars and categories delegated to a varying degree to RBx, COs/MCOs and SOs[76]/NOs.

- Increased authority to make structural changes – i.e., authority to open or close new FOs/Field Units or modify the status delegated to COs/MCOs, and authority to open/close new SOs or modify the status delegated to RBx.

- Additional authority for hiring international staff (up to P4 level) at RB, G/national staff at the COs/MCOs and GS positions (G1-G5 only) at SOs.

- Handling of emergency funds (*discussed in more detail in section 2.3.2 Operational Delivery*).

- Better incentives to mobilize resources locally *(discussed in more detail in section 2.3.1 Partnerships).*

- Increased thresholds for procurement *(discussed in detail in section 2.3.2 Operational Delivery).*

82) The intended objectives of the revised RAF have partially been achieved, with some positive examples of increased efficiency found across the organization. These are described below:

Finding 10: Even though budgetary authorities under the RAF allow RB directors to allocate budget envelopes based on regional priorities, these authorities are constrained due to donor earmarking.

83) As discussed previously, under the revised RAF, RB directors have the authority to allocate budget envelopes to different operations based on regional priorities, enhancing their strategic influence. The objective of this delegated authority was to ensure better resource allocation aligned with the priorities of the region, leading to optimal allocation to priority needs.

84) However, evidence from the RB visits indicated that this authority is constrained by the high level of donor earmarking of the funds (for instance, in RB EHAGL, of the US$ 64 million budget envelope, 65 per cent was already earmarked). During the budget allocation process, HQ communicates certain parameters or minimum thresholds to the RBx, which dictate minimum funding allocations/ratio of allocation to different pillars, budget categories and operations, according to the donor earmarking. Some operations have sought more transparency in terms of the criteria for defining these parameters. This is also substantiated by findings from the staff survey that indicated that adequate resource allocation to priority sectors has been least impacted by D&R, out of six initiatives in the field of strategic planning[77]c(average rating of 2.83 on a scale of one to five, five being strongly agree and one being strongly disagree). This is most strongly felt by respondents at RBx (47 per cent disagree or strongly disagree) and HQ (approximately 41 per cent disagree or strongly disagree) who are the key stakeholders involved in allocation of budget envelopes. These results are potentially attributable to the constraints associated with donor earmarking in the resource allocation process, as highlighted by the evidence from the field mission.

Finding 11: Country operations have been able to exercise delegated budget authority – however, procedural challenges sometimes hinder its full potential. The evaluation found

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[75] This represents a condensed summary. Full elaboration of changes can be found in the RAF framework.
[76] While NOs formally have the same authorities as SOs, their specific role can vary, ranging from a position more akin to a CO to something more akin to a SO, depending on their country context and operational priorities.
[77] When asked to rate the extent to which they agree or disagree on the various intended outcomes of D&R on strategic planning and resource management, 'Adequate resource allocation to priority sectors/objectives based on assessment of country needs and risks' got the least overall rating, compared to all other intended outcomes mentioned in the survey.

instances of effective use of delegated authority to make structural changes (for example, authority to open/close field units).
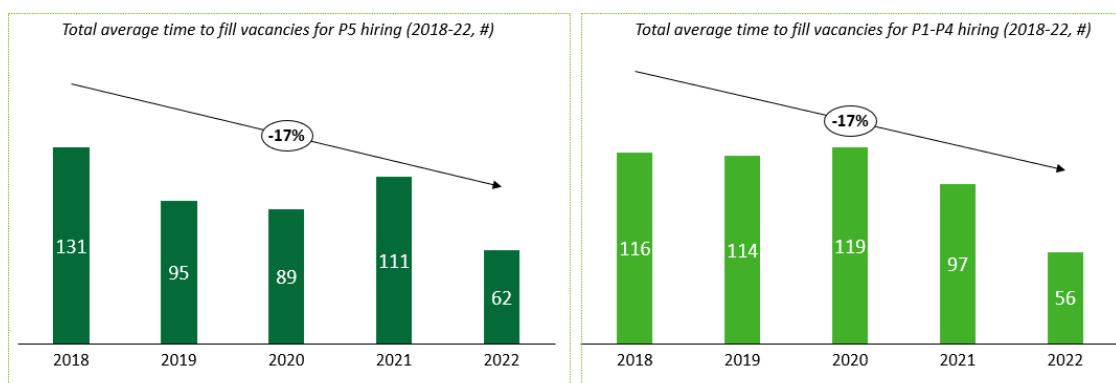
85) As per the revised RAF, country operations were granted the authority to manage their allocated budget. Country visits have indicated that this authority has been exercised by some operations. For instance, the Pakistan CO was able to move funds within the same pillar for the OPS budget without RB approval. Similarly, the Indonesia CO was able to move funds between ABOD to OPS as per delegated authorities. Other operations such as the Jordan CO and Uganda CO were able to move the funds as per the delegate authorities as well. However, country visits across operations indicated that while the authorities have been delegated, the operations need to notify the RB and HQ, since the changes are still made centrally in the system. Some operations faced delays associated with notification memos being sent to RB and HQ and the need for these memos to be updated within the system. Key informants from RBx and relevant divisions in HQ highlight that the notification memo is used as an instrument for mitigating risks by ensuring compliance with the RAF. Additionally, there are some operations which reported that despite the delegated authorities, there is a tendency to seek soft approvals from the RB before notifying any changes in the budget allocations, which can potentially be attributed to the culture of the operations.

86) With regard to the authority to make structural changes to the field presence (opening and closing of offices), a few examples in the field were found by the evaluation team to indicate that this authority has been realized. For instance, operations such as SO Guayaquil opened a new FO in Manta and when they requested the CO for this change, the CO was able to exercise its authority to open a FO in due time. Similarly, when there were budget cuts in the Ecuador CO, the representative was able to close some of the FOs and restructure part of the offices to effectively manage their budgets. Further investigation would be required to ascertain the extent to which this authority is or is not realized, given the relatively small sample assessed in this evaluation.

Finding 12: The delegation of authority for international staff hiring up to P4 level to RBx has shown limited impact on increasing operational autonomy, as international hiring processes remain centralized at HQ. Localized hiring procedures for G/NO staff at COs/MCOs have notably enhanced efficiency.

87) In terms of international hiring, while the RAF provides for delegated authority to RBx, evidence from country visits indicated that most of the operations have seen limited impact of this change in terms of increased agility or flexibility. This is because while the authority is delegated to RB directors, the process is still centralized at the DHR level, wherein operations can recommend the top hiring choices but all hirings need to be approved by the Joint Review Board (JRB). As per the decisions taken by the Senior Management Committee (SMC) Principal's meeting and feedback from the country visits, the JRB processes and DHR functions are centralized to ensure risk management and effective exercise of safeguards when warranted. HR partners from the field also highlighted that they have limited representation in the international hiring processes, which can potentially result in missing out on key local recommendations in the hiring procedures. This is further substantiated by the staff survey, according to which only 29 per cent respondents at RB level agree or strongly agree that establishment of hiring procedures has led to increased operational autonomy.

88) As illustrated in figure 8, there has been a noticeable decrease in the average time to fill vacancies in the regions[78]. However, there is insufficient evidence to definitively link this decrease to the increased delegation of authority to the field for P1-P4 hiring, given that a similar decrease can be observed for the filling of P5 vacancies, for which authority was not delegated.

Figure 8: D&R impact on speed of recruitment (Average # of days required to fill vacant positions, 2018-2022)

Total average time to fill vacancies for P5 hiring (2018-22, #)

2018	2019	2020	2021	2022
131	95	89	111	62

-17%

Total average time to fill vacancies for P1-P4 hiring (2018-22, #)

2018	2019	2020	2021	2022
116	114	119	97	56

-17%

89) Furthermore, from 2020 to 2022, 80 per cent of recruitments have taken less than 150 days, while around 93 per cent of recruitments taking more than 150 days are for the P1-P4 category[79] [80]. Based on this, the reduction in hiring time is likely due to improved operational efficiencies at the JRB resulting in decreased hiring times across all position grades, rather than being solely attributable to the impact of D&R efforts.

90) For local hiring processes (G/national staff), evidence from most of the field operations visited suggests that the process has become much more efficient at CO/MCO level due to the utilization of local assignment committees for exercising the delegated authorities. Staff from country visits reported that there have been efficiency gains and increased speed of recruitment due to these local assignment committees. This is further substantiated by the staff survey, wherein 46 per cent of the staff at COs/MCOs and 68 per cent of the staff at SOs/FOs/NOs/Field Units agree or strongly agree on the positive impact of D&R on increased operational autonomy due to the establishment of localized hiring procedures.

Conclusion

91) The revised RAF was designed to enhance operational autonomy and increase flexibility in resource management within UNHCR. Evidence has indicated that while the design of the RAF itself was coherent and addressed key challenges faced pre-D&R, the implementation and outcomes reveal a mix of successes and areas needing improvement. The reform has enhanced local staff hiring efficiency and allowed greater operational autonomy, through which some operations have been able to make structural changes in field presence and budgetary re-allocations. However, the authority for budget allocation has often been limited by donor earmarking, and operations seek more transparency on how the resource allocation decisions are made in the presence of this donor earmarking. Similarly, the effectiveness of decentralized hiring has often been limited by retained centralized control over international hiring processes. Moving forward, it will be crucial to address these issues to effectively implement a decentralized organizational model. Related recommendations have been articulated below.

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[78] Time to fill vacancies refers to the time required for filling the job opening starting from the day of the job requisition in the system.
[79] Source: Time to Fill Vacancies 2018-2022 (P1-P5, D). Data Provided by UNHCR, DHR People Analytics from Workday. Deloitte analysis.
[80] P1-P4 recruitments contributed approximately 85 per cent of total recruitments in 2020-2022.

Recommendations

92) **Recommendation: Foster transparency and common understanding on resource allocation criteria** – Drive greater transparency by sharing the criteria for allocation of budget envelopes.

    This could include:

    - Pro-active communication by HQ to RB and by RB to CO/MCOs respectively on the funding parameters of donor earmarking.

    - Clear articulation on guiding principles by management, along with criteria used in deliberations for prioritization of resource allocation decisions.

93) **Recommendation: Further decentralize the underlying processes aligned to the authorities granted under RAF** – UNHCR should further decentralize its existing processes that continue to be centralized.

    Consider decentralizing processes that continue to be centralized, with the objective to reach the full potential of D&R. This would include processes such as:

    - Approval of hiring of international staff (grades P1-P4) at JRB.

    - Provide system access to RBx/COs aligned with delegated authorities in the RAF – for example, budget allocation/re-allocation decisions taken. The system must have built-in approval functionalities to ensure oversight where required.

    Any further decentralization should be complemented by a plan for mitigation of risk linked to non-compliance associated hiring or resource allocation policy. This can be done through:

    - Systemic controls and risk compliance dashboards, which flag any hiring/budget change scenario not meeting policy requirements. HQ continues to exercise its second line oversight role.

    - Decentralized risk processes, with the responsibility and accountability of regional Senior Risk Advisors to ensure policy adherence.

    Both processes should be complemented by a decentralized plan for mitigation of risk associated with non-compliance with hiring or resource allocation policy, through enablers such as system-generated risk compliance dashboards, wherein HQ continues to exercise its second line oversight role.

2.2 People, Organization and Governance

2.2.1 Organizational Architecture

94) Organizational architecture, particularly within humanitarian organizations, plays a critical role in facilitating effective operational responses to diverse and complex challenges. The D&R reform aimed to restructure UNHCR architecture from geographic portfolios and 'desk' management at HQ to a more integrated regional structure, better aligned with region-based decision-making and programme planning, the GCR, United Nations system reforms and ways of working, clear lines of authority and accountability, and improved management and support to operations[81].

95) Before the D&R reform, several factors called for the regionalization of UNHCR's organizational architecture. Firstly, an increased tendency towards regionalization and intensified collaboration within the humanitarian field and United Nations agencies[82]. Secondly, an internal organizational

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[81] UNHCR (2019) SMC Retreat Key Decisions Summary. Unpublished internal document.
[82] UNHCR (2019) Change legacy piece. Unpublished internal document.

assessment in 2017[83] noted a widespread view that UNHCR's ROs that were in place at the time were not functioning effectively and that there was little clarity on their role. The structures of UNHCR's regional presence were heterogenous – staff were located partly in Geneva (in the pre D&R RBx) and in the regions (in ROs and field operations). This, in part, can explain the different design outcomes and effects that the reform yielded in the specific regions. Pre-D&R, there were five RBx, all located in Geneva[84].

- RB for Africa located in Geneva, with ROs in Dakar, Senegal; in Kinshasa, Democratic Republic of the Congo (DRC); and in Pretoria, South Africa.

- RB for AME located in Geneva, with ROs in Washington D.C, United States of America; in Panama; and in Buenos Aires, Argentina.

- RB for AP located in Geneva, with ROs in Almaty, Kazakhstan; in Bangkok, Thailand; and in Canberra, Australia.

- RB for EUR located in Geneva (director's office in Brussels), with ROs in Tbilisi, Georgia; in Sarajevo, Bosnia, and Herzegovina; in Stockholm, Sweden; in Brussels, Belgium; in Budapest, Hungary; and in Rome, Italy.

- RB for MENA (located in Geneva), along with a director's office in Amman, and a RO in Riyadh, Saudi Arabia. The Amman RB was created in 2013 in response to the Syria situation and later developed independently from the structure of the RB at HQ, including in terms of planning and reporting to the RB. In Geneva, support activities were delivered based on a traditionally instituted 'desks' structure. The Geneva RB was responsible for liaising (communication and coordination) with other HQ departments. The resource management and coordination unit in Geneva was responsible for RB's budget management and for providing financial, human and administrative resources to the field. The office in Amman was responsible for the Syria and Iraq situations and managed the MENA Protection Service, which had staffing resources both in Amman and Geneva and was responsible for the delivery of protection support activities region wide.

96) The authors of the internal organizational assessment concluded that many issues associated with the perceived shortcomings of the ROs could be solved immediately if the RBx were decentralized to their regions, provided that their number were simultaneously increased. Such a move would foster greater accountability and, if accompanied by systems and process reform, increase the agility of UNHCR at field level, thereby tying the replacement of ROs to a broader argument in favor of increased D&R.[85]

97) As part of the D&R reform, various initiatives were undertaken to address the envisaged organizational architecture. A series of initial design principles were broadly endorsed by the SMC to guide the development of the new organizational design:

- The CO and other field presences remain fundamental to UNHCR's overall organizational design.

- Representatives and heads of SOs/FOs are best placed to understand the needs of forcibly displaced and stateless people and to make difficult decisions regarding prioritization, de-prioritization and objective-setting within the envelope allocated by the center.

- True empowerment of COs should imply a greater delegation of authority from the center.

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[83] Mannet (2017) Rapid Organizational Assessment Report. Unpublished internal document.
[84] UNHCR (2017) Organizational Architecture 2017-2023. Unpublished internal document.
[85] UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Unpublished internal document.

- Authority and accountability for the management of operations should be devolved as far as possible to frontline managers within the strategic, policy and accountability frameworks established by the HC.

- UNHCR is one organization and there should be a core design for all regional entities, which should be the same everywhere. This design needs to be supported by common organizational systems and processes. In addition, there needs to be built-in flexibility to enable the decentralized entities to adapt to regional and country contexts.

- The RBx should be designed so that there are a manageable number of direct reports to each respective director.

- There should be the minimum number of necessary layers between the HC and the representative of a CO.

98) An increase in the number of existing RBx was identified as a critical enabler of an effective, efficient regionalized approach. The underlying assumption was that regional directors can only assume accountabilities for all strategic and operational decisions over a region of manageable size and complexity. To address this, a new regional structure was designed to include seven RBx in strategic locations in the field and to establish 15 MCOs. As per the D&R design, seven new RBx were moved into seven regions: EUR, MENA, AME, AP, EHAGL, WCA and SA. These RBx would oversee the COs, MCOs[86] and sometimes chiefs of mission or LOs[87] in the regions. SOs, FOs and Field Units report to their respective COs, while MCOs oversee NOs[88], LOs[89] and sometimes other country presences[90]. The seven RBx replaced the five RBx existing before D&R that were physically placed at HQ, while some MCOs replaced ROs that existed in the field.

99) This section will assess the evolution of organizational architecture from the onset of D&R, and its impact at the RB, CO and sub-national levels. *The practical implications of geographical proximity on operational outcomes have been covered in the sections on Partnerships and Operational Delivery.*

Finding 13: Regional flexibility provided during the design of D&R led to variations in the configuration of functional pillars in the regions.

100) As part of the D&R reform, various criteria were used to guide the creation of the new RB structure. A core RB organigramme *(refer to annex 4 for further details)* was developed to outline the functions that should be included in each RB. This organigramme was intended to be built around four functional pillars: Strategic Planning and Management Service (SPMS), External Engagement, Protection and Operations Management[91]. The following functions[92] were envisaged to be included in each of the four pillars: a) Strategic Planning and Partnerships – To serve as the RBx strategic engine responsible for setting region-wide priorities, managing and directing all regional resources, resource allocation and donor relations; b) External Engagement – To formulate and manage strategic communications, as well as partnerships including inter-agency partnerships; c) Protection – To provide oversight and support on contextually relevant regional priorities for the protection mandate; and d) Operations

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[86] MCOs are UNHCR presences with responsibility for UNHCR engagement in more than one country. However, contrary to RBx or the ROs that existed before them, they do not oversee COs that have an accredited staff member reporting to the regional director. MCOs oversee and support the activities of NOs within their area of responsibility.
[87] A Liaison Office is a UNHCR presence that engages with one or more institutions or organizations, not to a national government. These institutions or organizations are most often regional organizations, such as the African Union. A Liaison Office does not represent UNHCR to the national authorities where the Liaison Office is located. Most often, there is a separate entity at that location, a UNHCR CO, to undertake that function.
[88] A NO is a small UNHCR presence, covering a single country, located in its capital and headed by a UNHCR staff member who is not a representative (i.e., they are not accredited by the hosting government). A NO generally is not fully multi-functional. A NO normally has no subsidiary offices, such as FOs or Field Units. Diplomatic relations with the host country of a NO are undertaken by the representative of the MCO.
[89] NOTE: As per the UNHCR Handbook for Designing Field Presences (2023), heads of Liaison Offices normally report to the relevant RB they are under or, exceptionally, to the Executive Office. However, according to the evaluation's field work, some Liaison Offices also report to MCOs (for example, MCO Brussels and MCO Saudi Arabia) which works well in some cases.
[90] For example, in cases in which UNHCR has a presence in a country, but the presence is so small that it cannot be classified under any of the office categories.
[91] UNHCR (2019) Final Core Model RB Organigramme. Unpublished internal document.
[92] UNHCR (2019) Final Core Functional Organigramme. Unpublished internal document.

Management – To be responsible for supporting CO programmes in their daily operations and administration, fulfilling the RB responsibility as a second line of defense.

101) Recognizing the importance of contextual adaptivity, RB directors were given the responsibility to modestly adapt the core organigramme in their regions, following some predefined principles. It was agreed that RB structures would need to reflect different operational contexts, political and protection considerations, numbers of forcibly displaced and stateless people, and opportunities for resilience and solutions. Therefore, new RB directors would have the flexibility to adapt and regroup core functions to align with managerial practice and context-specific requirements. Common considerations for finalizing RB structures included the ability to better support COs and better positioning to align with GCR expectations and/or to realize more comprehensive refugee responses. It was further agreed that certain core functions related to current or future decentralization of systems and processes were non-negotiable and had to be retained[93].

102) Findings from the country visits highlighted that each RB has exercised the flexibility provided to them to contextualize the originally conceptualized design of their organizational architecture. This flexibility is particularly evident as the four functional pillars envisioned in the design vary across regions, tailored to regional priorities and contextual nuances. Some examples are highlighted below:

   a. **Strategic Planning** – At the regional level, a strategic planning pillar was designed to be established across all seven RBx, structured to include supply, programme, administration/finance and oversight (regional controller), and HR functions. With regional flexibility, these pillars have been contextualized. In RB AP and RB SA, the operations pillar is integrated within the programme team, which supports both protection and emergency operations alongside strategic planning coordination. Conversely, RB MENA lacks a distinct strategic planning pillar, with operations and strategic planning functions consolidated under the operations pillar. In RB EHAGL and RB WCA, programme and operations teams operate separately within the strategic planning pillar. Similarly, RB EUR and RB AME position the operations team within the protection pillar, with a separate strategic planning pillar. Additionally, the strategic planning pillar does not include management of donor relations in many regions as well, as originally envisaged.

   b. **Protection** – Dedicated protection pillars and specialized roles in critical areas were established within all seven RBx to facilitate protection outcomes, as per the regional context. Core protection roles, such as the role of Senior Protection Coordinators and Officers, are ubiquitous across RBx. There also exists notable flexibility in adapting the protection functions and areas of expertise to regional priorities and specific contextual needs. One example of the benefits of contextualization that was prominently mentioned is the integration of the resettlement function in the AME, EHAGL, WCA, SA and MENA's protection pillar, which contrasts with its absence in EUR and AP. The five aforementioned RBx serve as a hub for technical case management across their operations and divisions in HQ, unlike the other two regions that rely more strongly on centralized guidance from HQ on resettlement coordination. This regional customization has facilitated local communication and decision-making processes, which are crucial for navigating the region's unique resettlement challenges. The regional customization has also allowed RBx to enhance operational flexibility and responsive to local contexts to further protection response.

   c. **External Engagement** – Dedicated External Engagement pillars were included in the original RB design to ensure stronger integrated planning, oversight and monitoring of partnership activities at the regional and local level. These were designed to rectify concerns posed by the previous centralized partnership structure, which led to challenges in accommodating regional differences

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[93] UNHCR (2019) SMC Retreat Key Decisions Summary. Unpublished internal document.

and resulted in limited engagement with a diverse array of partners at the regional and local level. The desk review and country visits revealed that the seven RBx have a dedicated External Engagement pillar, with a similar structure covering communications, reporting, donor relations and strategic partnerships (donor relations is included in the External Engagement pillar, instead of the Strategic Planning pillar, unlike originally envisaged). Regions have shown some flexibility in structuring the teams in a fit-for-purpose way. For example, RB EHAGL, RB SA, RB AP, RB MENA and RB AME have inter-agency coordination covered in the External Engagement pillar, while in RB WCA and RB EUR it is covered under the Protection pillar. A one-size-fits-all solution has not proven to be the best fit for purpose, considering the unique challenges of each location. For PSP, although not included in the design for the External Engagement pillar, it has decentralized and maintains regional operations in five out of the seven regional RBx (AP, AME, EUR, MENA and one for the whole of Africa) and to specific priority countries with functions reports directly to the HQ.

d. **Operations Management** – Dedicated operations management pillars were envisaged at the RB level during the organization design, to provide operational and administrative support to RBx and COs. Feedback provided during country visits indicated that there are differences in the structure of the operations management pillar across RBx dependent on the unique needs and resources that have necessitated tailored solutions. Some RBx, such as MENA, have a dedicated operations support and coordination pillar, housing operational support, programme, supply, technical services, ICT, finance, project control, administration and situation coordination sections. Other RBx, such as EHAGL, SA and AP, have the operations function integrated into the strategic planning and management pillar and houses various sections (EHAGL – operational support, emergency, ICT, administration, finance, public health; SA – operational support, programme; AP – operational support, emergency, programme). In RB EUR, RB WCA and RB AME, the operations function is integrated within the protection pillar and houses various sections (EUR – operational support, interagency coordination, policy and programme, education, and shelter; WCA – operational support, emergency; AME – operational support). Given the different resourcing needs and local contexts, a one-size-fits-all approach to operations management structures and composition has proven impractical.

103) While regional flexibility on organizational architecture attends to regional demands and needs and has led to adaptable structures, there are challenges being faced, partly attributable to the lack of standardization and uniformity across different regions. Staff during country visits highlighted that regional flexibility causes difficulty in collaboration across RBx due to lack of uniformity in RB structures. This variation in organizational architecture further complicates the identification of corresponding focal points in other RBx. Further, the staff accounts have noted delays in rotational staff getting up to speed in a timely manner due to diverse RB structures, which further hinders them from performing their responsibilities in a timely manner. Moreover, they noted that that the rationale for regional differences is not always clear and there is an opportunity to implement more global standardization.

104) Another challenge highlighted by staff during country visits regarded the management of funded partnerships being covered within the strategic planning and management pillar across all RBx, rather than within the External Engagement pillar. While this cross-functional approach to partnership helps to leverage expertise and knowledge across pillars, field operations indicated several complications with this set-up, including communication and coordination challenges between pillars and duplication of efforts (inconsistent communication requests to partners/key focal points). At the level of COs, to effectively adapt to partners' needs at the local level, differences in structures within the External Engagement functions have been observed due to the significant diversity of donors and partners

across regions. For example, although funded partners have indicated a preference to engage directly with operations for project-related inquiries, the evaluation team found that they engage simultaneously with RB or MCOs, including for broader inquiries. Thus, this demand necessitates a robust vertical integration of external relations throughout all levels of UNHCR to guarantee consistency in messaging and coherence.

105) Similar mixed findings are observed in the staff survey, in which 48 per cent of staff said they were satisfied or somewhat satisfied with locally adapted and designed key staffing pillars in the RB as per the needs of each region, 37 per cent were dissatisfied or somewhat dissatisfied, and 16 per cent did not know or have no basis for judgement on the matter.

Finding 14: The rationale and appropriateness of the location and number of RBx is still subject to debate and not entirely clear. Continuous assessment is required to ensure optimal placement in a changing humanitarian development ecosystem.

106) In September 2018, the SMC Principals held a retreat to evaluate the feasibility of advancing with D&R initiatives, including the various criteria that were used to guide the creation of the new RB structure. An internal design document[94] details the various criteria used to evaluate feasibility of the RB locations. This included: Operational/protection considerations (numbers of forcibly displaced and stateless people and trends, cross-border aspects, medium and long term outlook, logistical access); political considerations (geo-strategic aspects, regional and sub-regional inter-governmental structures, networks/partnerships); United Nations presence (e.g. location of other United Nations regional entities or collaboration initiatives); managerial considerations (size of region, number of direct reports to director); political stability of future RB office location (security, quality of life, family duty stations and access to services); and resources (salary costs, regional staff in the region)[95]. Following this retreat, the HC approved several high-level decisions regarding regionalization, including increasing the number of RBx from five to seven. To better manage the geographic and operational complexity of Africa, it was decided to establish three distinct RBx for the continent, aligning with the practices of similar agencies.

107) When reviewing the documentation underlying the creation of the seven RBx, the evaluation team was unable to locate documentation detailing the business case for dividing the Africa Bureau into three and the rationale behind the selection of each RBx location, apart from the earlier mentioned statement that regionalization of UNHCR's pre-D&R RBx would require an increase of the number of RBx in order to ensure manageable geographical coverage per RBx. The evaluation team also did not find evidence of any alternative bureau structures being modelled.

108) Findings from country visits in Africa regarding the coverage of RBx were mixed. Some operations highlighted the need for three RBx due to large physical size/distance in Africa, language and culture differences within the continent, geopolitical considerations, unique logistical challenges and high caseloads. The large number of countries overseen by RBx, such as WCA and EHAGL, each with different set of requirements, also emerged as a challenge. However, other operations noted that the approach to having three RBx has resulted in duplications, lack of coherence, size and balance, integration within the continent, and high costs. RB SA was highlighted as managing fewer countries than the other two RBx, with the COs under its purview being smaller with the exception of DRC. However, DRC was noted to be physically distant from SA (some FOs and SOs are closer to EHAGL), not linguistically aligned (Francophone DRC vs Anglophone SA), and facing unique logistical challenges, bringing into question its placement in the RB SA, and the overall justification of the RB SA.

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[94] UNHCR (2018). The Case for Regionalization and Decentralization, Annex. Unpublished Internal Document
[95] UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Unpublished internal document.

109) Another challenge that was highlighted regarding RBx locations was their proximity to the biggest operations under them and, relatedly, the presence of major donors and partners in the region. In the SA region for example, the location of the RB in Pretoria is far from the biggest operation, DRC. This also affects the effectiveness of donor engagement and resource mobilization efforts by the RB, especially in combination with the lack of global donor presence, as well as direct interaction of RB with funded and strategic partners. Similarly, in RB MENA in Amman, most UNHCR donors are not present, given several partners did not decentralize to that location, leading to limited engagement opportunities on site from the side of the RB. At the same time, the Gulf Cooperation Council (GCC) region within MENA is emerging as a growing hub for local fundraising (for example, Islamic philanthropy). However, by virtue of not being placed in the GCC region, RB MENA has limited involvement and knowledge to facilitate local fundraising and provide oversight in GCC. In EUR, the RB is present in the center of donor gravitas, due to the presence of international organizations and permanent missions of all countries, yet physically removed from its major donor, the European Union (EU) in Brussels. In RB AP, the location in Bangkok does not overlap with the location of key fundraising pockets, such as Japan, South Korea and Australia. Hence, fundraising is done bilaterally through respective fundraising operations. In contrast, in AME (Panama City) and WCA (Dakar), the location of the RBx does coincide with the location of UNHCR's top donor locations, matching their presence with key donors, which is conducive to stronger engagement. Thus, the varying levels of donor presence in the countries where the External Engagement RB pillars are located is observed to impact the degree of engagement with donors across operations in the regions *(refer to the Partnership section for further details).*

Finding 15: In the absence of clear design guidance for country and field operations, D&R structures were adapted to contextualized organizational architectures at the CO, SO and FO levels. While the contextualization attends to country demands and needs, there are challenges being faced in field classifications and matrix CO structures.

110) The evaluation team was unable to find any documentation detailing clear impact of D&R on CO, SO and FO structures. Although not a consequence of D&R, the UNHCR Handbook for Designing Field Presences[96] has thus become increasingly relevant, given the lack of clearly defined instructions provided for CO and sub-national levels structures during the reform. The handbook provides guidance for structuring and staffing UNHCR COs, SOs, FOs and Field Units. Regarding both the country and field levels, this structural guidance illustrates the different types of offices, and organization of the management and functional teams within each office. It also highlights: The management positions at each office, including grades and titles; linkages between management and functions; function-specific details for functions that typically appear in a country operation (including grades, titles and size of teams, and how they link and report to management positions); sample organization charts for COs, SOs, FOs and Field Units; dashboards to assess current structures and staffing; and criteria for finding the right balance between UNHCR staff and affiliates in the total workforce.

111) The three main pillars in the sample organizational charts for CO, SO, FO and Field Units include Protection and Solutions, Operational Delivery and Administrative Support. A sample chart for MCOs is not provided because there is insufficient precedent to identify a typical MCO, as they are new as of January 2020 and are still in a process of transition from prior ROs or COs. Similarly, a sample organizational chart for a typical NO is not provided, because each varies so significantly by local context.

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[96] UNHCR (2023). UNHCR Handbook for Designing Field Presences

112) Findings from the evaluation team's visits to the sub-national level highlighted that the guidelines as provided by the handbook were sufficiently clear, and that organizational configurations at CO, SO, FO and Field Units have been customized according to local contexts, demonstrating the benefits of flexibility. However, some operations noted that there remains a discrepancy in the classification and leadership of FOs and SOs. For example, some offices in the AP, EHAGL and SA regions with substantial caseloads and staff numbers are still classified as FOs, despite being of a large size that would make them eligible for SO status. Meanwhile, smaller offices are categorized as SOs, with leadership at higher levels, creating inefficiencies in the management of resources and personnel. There is a need to further standardize the classification and leadership criteria for FOs and SOs to ensure that delegated authorities that are tied to office classifications are coherently applied across the organization.

113) Several operations pointed out the matrix organization structure of CO roles matching multiple RB roles and the resulting challenges that arise. For example, one programme manager in protection at a CO matches multiple highly-specialized focal points at a RB (gender-based violence [GBV], child protection [CP]), which can be overburdening for the CO officers. These operations indicated that the setup has been less efficient compared to the previous setup, with HQ desk officer roles where they had a single contact point and unity of command, which is perceived as more efficient.

Conclusion

114) While the original organization architecture design accorded RBx a certain level of flexibility based on certain core principles, the design proposed greater standardization than has been applied in practice. This has led to several challenges attributed to a lack of uniformity across different regions, such as difficulty in collaboration across RBx, delay for rotational staff to get up to speed in a timely manner and inconsistencies in ways of working. The three RBx in Africa, specifically RB SA, have also been a subject of question, due to the number of countries and size of operations per region.

115) Several challenges were also highlighted in the External Engagement pillar configuration. The management of funded partnerships, which also form a key part of UNHCR's engagement with third parties, is not covered under the External Engagement pillar but within the strategic planning and management pillar across all RBx, resulting in communication, coordination and duplication challenges. In addition, the varying levels of donor presence in the countries where the RBx are located is observed to impact the degree of engagement with donors across the operations in the regions.

116) At the CO, SO and FO levels, organizational configurations have been customized according to the Handbook for Designing Field Presences and local contexts, in the absence of clear design guidance for D&R structures. While the contextualization attends to country demands and needs, there are challenges being faced in field classifications and matrix CO structures.

117) Thus, UNHCR should consider the following to further enhance organization architecture:

Recommendations

118) **Recommendation: Improve coherence in organizational design of RBx and in classification of offices at the sub-national level** – Review the original design framework for RBx proposed during D&R considering current circumstances, and the lessons learned from various regions.
This could include:

- While allowing for flexibility, it is important to ensure adoption of a minimum structure that is globally consistent yet locally applicable.

- Any deviations from this minimum structure should be supported by a clear justification and rationale, endorsed and approved on a case-by-case basis by the SET.

- At the sub-national level, there is a need to ensure appropriate classification of SOs and FOs, as espoused in the handbook, to ensure standardization of delegated authority across all regions and at all levels. As per delegated authority in the RAF to the CO representative to decide on opening and closing of sub-national level offices, it is their primary responsibility to ensure such consistency, with oversight provided by the second line.

- An assessment may prove useful in moving forward on the viability of the number and location of RBx in Africa.

119) **Recommendation: Streamline coordination in a matrix organization to effectively service smaller operations** – In situations where the number of focal points at a RB significantly exceeds staff capacity/focal points at the country level, effective collaboration tools between CO/MCOs and RB/HQ focal points can help in addressing this challenge.

These could include:
- Streamlined coordination mechanisms within RBx to ease multiple reporting obligations, which arise from working in a decentralized, matrix organizational architecture, as compared to pre-D&R.

- Technology can be used as an enabler for such streamlined coordination in a matrix organization. Communication platforms and digital workspaces offer the potential to accommodate for asynchronous work, which alleviates the dependency on meetings, increases flexibility for staff to work at their own pace and schedules, including across different time zones, and increases productivity due to uninterrupted work.

2.2.2 Functions and Staffing

120) The D&R reform aimed to enhance UNHCR's effectiveness, responsiveness and collaboration by shifting decision-making closer to the field. By reinforcing capacity at regional and local levels, the reform sought to enable more targeted solutions to regional and country specific challenges. In 2017, an internal organizational assessment noted that UNHCR lacks policies on organizational design and workforce management that are necessary to bring out the minimum coherence needed. At the same time, this empowerment needs to be balanced, maintaining a coherent corporate-level organizational design and workforce strategy. The report recommended that UNHCR should develop a full-fledged workforce strategy[97] to ensure the right skills are in the right place and restructure the workforce accordingly. In 2018, a paper[98] laying out the foundations for D&R included the recommendation that technical and expert capacities should be positioned as close as possible to UNHCR's points of delivery, in order to ensure that UNHCR's responses would be as contextualized and agile as possible. These capacities should be placed within COs whenever practically feasible, but also at the regional level to provide pooled support, oversight and regionally relevant expertise to all operations under its remit. HQ was to retain a coordinating role at the center, becoming notably leaner in size and giving overhead strategic guidance.

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[97] A workforce strategy is a key part of any organizational design. A workforce strategy is based on the key and classic ambition of "getting the right people, with the right skills, to the right place, at the right time", with a focus on strategic roles and priorities. A workforce strategy sets out the vision for the global workforce: For instance, how it intends to staff its field offices and HQ units; lays out policy ratios to achieve the desired diversity and range of expertise; looks at career aspirations and paths; specifies the conditions under which one contract modality or another is used; outlines the policy on the "generalist versus specialist" debate; and indicates how to address key staffing challenges – for example, how to handle emergency demands in times of crisis. For example, in 2024, DESS and DHR issued Operational Guidelines on Staffing Emergencies to address the issues on emergency staffing (https://intranet.unhcr.org/en/policy-guidance/operational-guidelines/UNHCR-OG-2024-04.html - UNHCR intranet link)
[98] UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization - Part I. Unpublished internal document.

121) This newly-designed organizational structure implied a major reshuffling of both functions and capacities across the organization. To set the foundation for the new functional structure of the RBx, a model RB organigramme was developed in January 2019, detailing the core functions that should be included in each bureau *(see chapter on Organizational Architecture for more details).*

122) To ensure the strengthening of technical capacity in COs and RBx, a Change Advisory Team (CAT) was formed in February 2019 to assist the directors of the newly-defined RBx, the Annual Programme Review (APR) Secretariat and the SET in determining how best to (re)position context-specific and technical staff in the field. A mapping exercise was conducted in collaboration with colleagues from the Division of International Protection (DIP), the Division of Resilience and Solutions (DRS) and the Division of Programme Support and Management (DPSM) (now the Division of Strategic Planning and Results [DSPR]) to help determine where best to place positions representing each of these three divisions' fields of expertise across RBx and COs in an evidence-based manner. These recommendations were based on numerous consultations and an analysis of existing staffing gaps across RBx and COs, using identified criteria and accountabilities from each of the three divisions. The recommendations were issued in March 2019, and it was intended that they would help RB design, as well as CO, in the midst of planning in advance of the APR. While it was recognized that recommendations often exceeded budgetary realities, it was hoped that they would serve as a basis for a five-year effort to strengthen and reposition country operations to deliver on the GCR objectives.[99] Following the process, the SET authorized approximately 150 additional technical and context-specific positions, with roughly two-thirds positioned at the country level[100].

123) The first tranche of new positions within the RBx were advertised for P5-D1 grades in April 2019[101] and for P2-P4 in May 2019[102]. Positions for G staff and National Professional Officers were advertised in September [103] 2019, once the supervisors were assigned in each bureau. In April 2019, 'Administrative Instructions for Special Measures for Assignment in respect of Decentralization and Regionalization, UNHCR, 2019' were published, which provided flexibility in the application and recommendation processes to mitigate staff uncertainty and streamline the management of a high volume of vacancies, while ensuring that a due and transparent process is followed. These instructions included: (a) For staff impacted by position changes, a waiver for the requirement to complete one year in their current position before applying for newly advertised positions; and (b) a waiver of seniority requirements for applying for positions one grade higher than the staff's personal grade.

Finding 16: The lack of a well-defined workforce strategy and a comprehensive, organization-wide needs and skills mapping to inform the staffing structure post-D&R reform has resulted in limited understanding across the organization regarding the appropriateness and placement of current staffing structures and their correspondence with the intended outcomes of D&R. A lack of clear benchmarks also constrains the ability of this evaluation to make robust assessments of outcomes.

124) The evaluation found that there is lack of a well-defined workforce strategy to inform how staffing structures would evolve across HQ, RBx and CO/MCOs following the reform, consequently leading to multiple interpretations across the organization. The evaluation team was not able to find details or evidence for a D&R workforce strategy or a comprehensive technical and functional skills mapping

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[99] UNHCR (2019) Change Advisory Team. Regional Bureau of the Americas - Consolidated Recommendations of the Change Advisory Team (Corresponding document available for all regions). Unpublished internal document.
[100] UNHCR (2019) UNHCR's Transformation (2017-2019). Unpublished internal document.
[101] UNHCR (2019) Addendum 1 to the March 2019 Compendium – Special Vacancy Announcement - Decentralization and Regionalization positions. Unpublished internal document.
[102] UNHCR (2019) Addendum 3 to the March 2019 Compendium – Special Vacancy Announcement - Decentralization and Regionalization positions. Unpublished internal document.
[103] UNHCR (2019) Addendum 2 to the September 2019 Compendium – Special Vacancy Announcement - Decentralization and Regionalization positions. Unpublished internal document.

that would go beyond the three divisions involved in the CAT mapping, a finding already noted by a previous internal review.[104] Additionally, the previous internal review also noted that the allocation of staff resources across HQ, RBx and COs/MCOs was not based on an assessment of the necessary numbers and skills for timely delivery at all levels. There was also limited clarity on the effectiveness of the contextual positions created within the COs. Firstly, the number of positions created were less than the resource requirements of operations. Secondly, the selection criteria of the COs that benefited from these positions were unclear to many operations. Due to the above-mentioned reasons, there is a narrow understanding among interviewees at both HQ and field levels regarding the rationale and appropriateness of staff allocations at the HQ and RB levels. For example, through the KIIs conducted during country visits, the evaluation found that there is a strong perception that HQ is expanding in size, contrary to their expectations that staffing at HQ would become leaner following D&R reform. Their perception is based on the interpretation of D&R objectives to "move" decision-making closer to the field. Conversely, some informants at HQ perceive that RBx have grown disproportionately large, as opposed to the initial requirement, almost evolving into entities resembling "mini headquarters".

125) In the absence of a baseline, a clear workforce strategy and a defined end-state for the reform, the evaluation team is constrained in its ability to assess the extent to which the intended outcomes of workforce allocation and technical capacities have been realized across the organization.

126) The evaluation team has undertaken a general workforce distribution analysis to explore how the workforce[105] has evolved from 2018 to 2023. The workforce analysis includes: 1) A depiction of the distribution and growth of workforce across the organization from 2018 to 2023; 2) an analysis of the distribution of functions across the organization from 2018 to 2023 3) an analysis of the HQ outposted positions in RBx and COs from 2018 to 2023.

Finding 17: The absolute headcount in HQ has not changed significantly from 2018 to 2023, indicating that the intended reduction in HQ staffing, as outlined in the design documents, has not been significantly realized.

127) It was expected that through rationalization of structures and functions, and their integration into regional and local levels, HQ will be streamlined and reduced in size. The data analysis indicated that there was an initial reduction in HQ headcount due to regionalization of roles in 2019-2020 – however, since 2021, headcount in HQ has grown across divisions (largely driven by DHR and DER). Hence, the initial decrease in HQ headcount is offset by the subsequent increase, leading to no significant change in total headcount. On a proportionate basis, HQ is now 10 per cent of the total workforce in 2023, compared to 13 per cent pre-D&R. The ROs were fully dissolved by the end of 2020. As per the intended design, it was planned that the seven new RBx would replace the existing configuration

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[104] UNHCR (2019) Advisory on the implementation of the decentralization and regionalization process. Unpublished internal document.
[105] Throughout the 'Functions and staffing' section, 'workforce' refers to all individuals engaged with UNHCR in a working relationship, regardless of their contract type. This includes staff, affiliate workers and interns. Staff refers to all personnel employed under the staff rules of the organization with fixed-term, temporary, continuing, indefinite or permanent appointments, regardless of their contract length and regardless of their funding.
Source: Workforce data as of 31 December for each year from 2018-2023 (provided by Evaluation Office from UNHCR MSRP and Workday), Deloitte analysis.
Throughout the 'Functions and staffing' section, the assumptions used for calculation of workforce are outlined as follows:
- The workforce includes active staff and staff on temporary assignment, affiliates and interns.
- Workforce allocation across HQ, RB and CO/MCO is based on the respective cost center to which each position is allocated.
- HQ includes workforce deployed in Global Service Center (Budapest), Global Data Service (Budapest) and Liaison Office New York, in addition to central functions and divisions under HQ budgetary authority in Geneva.
- Due to data limitations, it is not possible to distinguish the accurate workforce of regional offices. Hence, the workforce in regional offices have been identified by location type, where the location listed as 'Regional Office' for 2018 and 2019 and can be treated as a proxy for the data.
- Workforce allocation for other United Nations agencies and operational reserve cost centers is determined based on their geographical location and office type.
- Regional activities and other operations cost center operations are considered part of the RB workforce for this analysis. It is acknowledged that it is a large variety of activities that fall in these categories, some of which are more global or local in nature.
Throughout the 'Functions and staffing' section, the exclusions used for calculation of workforce are outlined as follows:
- Workforce excludes secondments in/out, loans in/out, non-working staff in between assignments and special leave without pay.
- UNFLEET, MIP and GFM cost centers operate on separate funds, distinct from general UNHCR funding, and are not classified under the geographical typology used in this analysis.
- The PSP workforce has been excluded from this analysis as it operates outside the HQ, RB, CO structure, and is therefore structurally not directly related to D&R reform.
- Location type "For HR use only".

of some 16 ROs, the majority of which would be converted or merged into MCOs, and a small number of others that would be phased out over time.[106] The evaluation team was not able to find evidence detailing workforce realignment of each RO within the organization following the reform. The relative size of RBx has remained constant since 2020. Although the total headcount in RBx as of 2023 is lower than that of the ROs before the reform, this is consistent with the reform's design. Relative size of CO/MCOs has grown slightly since 2019, from 82 per cent to 86 per cent of total workforce. Proportions of affiliate workforce across the organization have not noticeably changed over the time period covered.

1) Distribution and growth of workforce across the organization from 2018 to 2023

128) Figure 9[107] outlines the total workforce and growth across HQ, RBx and CO/MCOs from 2018 to 2023. For this analysis, the CO/MCO category also includes chiefs of mission, LOs[108] and NOs reporting to MCOs, and SOs, FOs and Field Units reporting to COs.

Figure 9: Workforce distribution and growth for HQ, RB and CO/MCO (2018-2023, #)
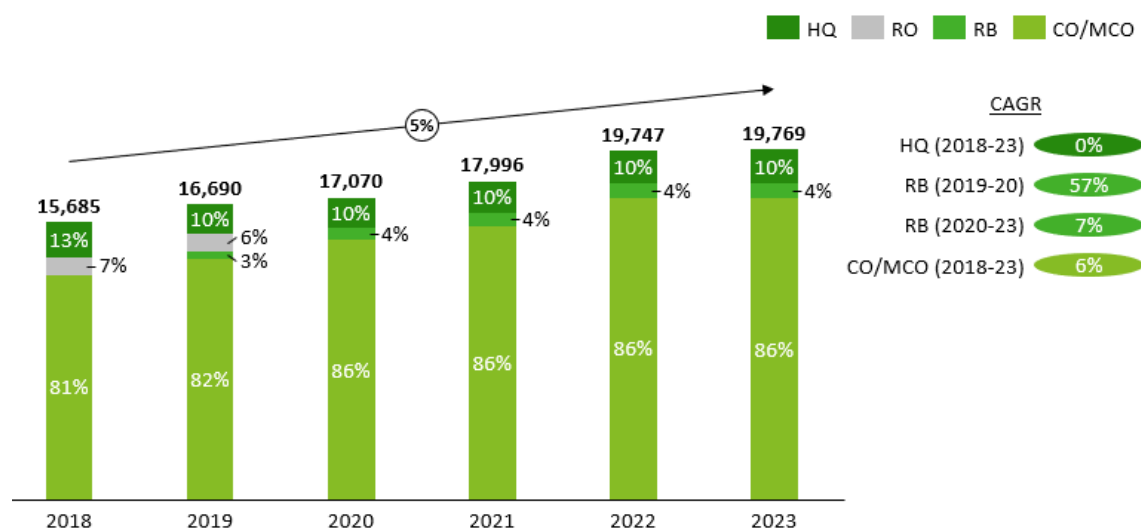
129) The total workforce has grown at 5 per cent CAGR from 2018 to 2023, largely contributed by growth in CO/MCO (6 per cent CAGR, 2018-2023) in absolute numbers, followed by RB (57 per cent CAGR from 2018-2020 and 7 per cent from 2020-2023) and negligible change in HQ (0 per cent CAGR, 2018-2023). It should be noted, both here and in the context of workforce growth overall, that a stable workforce in an environment of fast-growing humanitarian needs has different implications than in an environment of stable needs. The objective changes in workforce numbers can thus paint a different picture of actual capacity and needs when mirrored against exponentially growing numbers of forcibly displaced and stateless people and humanitarian crises.

130) **The initial reduction in HQ workforce due to regionalization of RBx in 2019 and 2020 has been counter-balanced by growth across most divisions beginning in 2020, ultimately leading to no significant change in total headcount.** The growth in divisions notably accelerated in 2022, primarily driven by growth in DER, DIP and DHR. By 2023, the HQ workforce returned to the levels observed prior to reform in 2018. In 2023, the two largest divisions, DHR and DER, accounted for 36 per cent of the HQ workforce and contributed the most to the increase in absolute numbers from 2018

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[106]UNHCR (2019) UNHCR's Transformation (2017-2019). Unpublished internal document.
[107] Source: Workforce data as of 31 December for each year from 2018 to 2023 (provided by Evaluation Office from UNHCR MSRP and Workday), Deloitte analysis.
[108] The Liaison Office in New York is structurally grouped under HQ.

to 2023. The workforce in DHR grew at 6 per cent CAGR from 2018 to 2022 and declined by 3 per cent in 2023 from 2022 levels. The evaluation team was unable to find clear evidence for the reasons of movement in the DHR workforce. However, audit advisories[109] point to two possible factors for some of this growth. Firstly, several positions were created within DHR in 2020 to strengthen the staff welfare function and were positioned in all RBx, particularly in response to the COVID-19 pandemic. Secondly, the Global Learning and Development Center (GLDC) added 23 new positions in HQ to strengthen the coverage of a larger population of staff in the field post-reform. The growth in the DER workforce has gradually increased at 8 per cent CAGR from 2018 to 2023, peaking in 2022, mainly driven by communications and donor relations functions. DIP, which constitutes 10 per cent of the current workforce, has remained unchanged. The Division of Emergency, Security and Supply (DESS), which constituted around 8 per cent of the HQ workforce in 2023, saw some reduction in 2020 due to a rationalization exercise undertaken by divisions in 2020. However, DESS has grown consistently since 2020. In 2019, DPSM, which constituted approximately 10 per cent of the total workforce as of 2018, was discontinued and the staff were partially absorbed into DSPR, with others, integrated into the newly established DRS. By 2023, DSPR accounted for 5 per cent of the total workforce, while DRS comprised 8 per cent of the total workforce. Over the same period, the Division of Financial and Administrative Management (DFAM), currently constituting 7 per cent of the workforce, experienced a 6 per cent CAGR between 2018 and 2023. Global Data Service (GDS), comprising 6 per cent of the total workforce, experienced a 125 per cent CAGR from 2018 to 2020, which can be attributed to the strategic investments in data management and analytics. Since 2020, the growth rate for GDS has slowed to a 6 per cent CAGR through 2023. The Inspector General's Office (IGO) headcount, making up 2 per cent of the total HQ workforce in 2023, has grown gradually at 7 per cent CAGR from 2018 to 2023, indicating strengthening of the Third Line over the years.

131) **RBx grew at a CAGR of 33 per cent from 2019 to 2021 and continued to grow at a 4 per cent CAGR from 2021 to 2023.** The regionalization of the RBx began in 2019 and was fully implemented in 2020. All RBx adapted the generic functional organigram to their regional contexts within the established parameters. However, internal adjustments to address capacity gaps continued until 2021. These reasons may explain the high growth rate observed from 2019 to 2021[110]. The diversity in workforce distribution and growth across RBx can be attributed to a number of factors, such as the number of emergencies declared, the number of operations, contextual complexity, caseload and the regional population size served by UNHCR. Below is a brief overview of RB workforce trends (*please refer to annex 2, figure 2 for full illustration).*

- EHAGL RB and EUR RB stand out as having the largest workforce, with EHAGL RB overseeing 11 operations and EUR RB managing 30.

- EUR RB has also grown the fastest between 2021 and 2023. Some of this growth can be attributed to the Ukraine crisis.

- MENA RB, which handles 17 operations, has experienced a largely stable workforce, which might owe to the fact that MENA is a special case among RBx, as a foundation of the RB was already in place before D&R as an outcome of the decision to move capacity to the region in response to the Syria crisis (Office of the Director, Amman).

- WCA RB, which covers 13 operations, grew significantly in 2021 and then remained stable until 2023.

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[109] UNHCR (2021) UNHCR response: The advisory on the implementation of the decentralization and regionalization process. Unpublished internal document
[110] UNHCR (2021) UNHCR response: The advisory on the implementation of the decentralization and regionalization process. Unpublished internal document.

- AME RB, which manages 14 operations, grew significantly in 2021 and has almost doubled in size since its operationalization. The growth in AME RB has been stabilized from 2021 to 2023.

- The AP RB, which has 18 operations, is one of the smallest in terms of total workforce. The growth in RB AP has been the slowest since operationalization until 2023.

- SA RB, which manages eight operations, is the smallest in terms of both workforce and number of operations and has shown modest growth through the years.

132) **Changes in the workforce at the CO/MCO level have been less apparent – however, the relative percentage of CO/MCO workforce compared to RB and HQ has increased slightly since 2019.** The CO/MCO workforce increased at 7 per cent CAGR between 2018 and 2021. According to a previous review, however, this growth was driven by country budget envelopes, rather than the relocation of staff from HQ[111]. The CO/MCO workforce peaked in 2022, having grown at 10 per cent between 2021 and 2022, and has remained unchanged from 2022 to 2023. The growth in 2022 can likely be attributed to the top two emergencies[112] *(refer to figure 7 for staff expenditure analysis).* Overall, the CO/MCO workforce increased at 6 per cent CAGR from 2018 to 2023. It should be noted that staffing at CO/MCOs is influenced by numerous factors outside of D&R, including operational context, strategic priorities, new emergencies, overall level of contributions and donor earmarking.

Affiliate workforce and staff distribution

133) The affiliate workforce[113] constitutes an important part of UNHCR workforce and has therefore been included in all the above analyses, even though the affiliate workforce do not occupy official staff positions. Given the different budgetary and contractual implications of affiliate workforce contracts, however, it is important to contrast the respective evolution of affiliate workforce and staffing trends. Changes in affiliate workforce mirror the same trends as those in staff, and the percentages of affiliate workforce compared to staff have stayed stable throughout the years 2018-2023 *(refer to annex 2, figure 3 for illustration).* Key observations are outlined below.

134) From 2018 to 2023, the proportion of affiliate workforce decreased by 2 per cent points. The distribution remained constant at 24 per cent from 2018 to 2020, but began to decline gradually starting in 2021, ultimately stabilizing at 22 per cent in 2022 until 2023. The staff headcount growth at 5 per cent CAGR from 2018 to 2023 is largely driven by a 6 per cent increase in 2019 compared to 2020 and an 11 per cent increase in 2022 compared to 2021. The staff growth has stabilized since 2022. The above analysis is further broken down by HQ, RB and CO/MCO *(refer to annex 2, figure 4 for illustration of HQ, RB and CO/MCO).*

- **Within HQ, staff decreased at -1 per cent CAGR from 2018 to 2023 and affiliates decreased by -1 per cent CAGR from 2018 to 2023.** Both staff and affiliate workforce decreased by over 15 per cent and 10 per cent, respectively, in 2019. The staff headcount remained relatively stable until 2021, followed by an 8 per cent increase in 2022 compared to 2021, and has subsequently stabilized since then. In contrast, the affiliate workforce showed consistent growth of 5 per cent CAGR from 2020 to 2023.

- **Within RBx, both staff and affiliate workforce increased from 2018 to 2023.** The most significant growth occurred during the transition years of 2019 and 2020, with staff growing by 57

[111] UNHCR (2021) The advisory on the implementation of the decentralization and regionalization process. Unpublished internal document.
[112] L3 Sudan and L3 Ethiopia.
[113] UNHCR's affiliate workforce is made up of individuals who have a working relationship with UNHCR but are not subject to the Staff Regulations and Rules of the United Nations. "Affiliates" include United Nations Volunteers (UNVs), individual consultants, individual contractors (including contractors under arrangements with the United Nations Office for Project Services [UNOPS] or another affiliate partner organization), fellows and deployees. (UNHCR, 2024. Administrative instruction on managing affiliate workforce). Unpublished internal document.

per cent and affiliates by 107 per cent. After 2020, both workforces grew at 7 per cent CAGR through 2023.

- **Within CO/MCOs, the non-affiliate workforce grew consistently at 7 per cent CAGR and affiliate workforce grew at 4 per cent CAGR from 2018 to 2023.** This growth in the affiliate workforce was primarily driven by a notable 9 per cent increase in 2019 compared to 2018, after which it grew steadily at 4 per cent CAGR through 2023.

135) In conclusion, no significant difference can be seen between the growth trends of the affiliate, as opposed to non-affiliate, workforce over the years of 2018 to 2023.

Finding 18: There has been a slight overall increase in the headcount of core functions that deliver services to the forcibly displaced and stateless persons. These include International Protection & Solutions, Operational Delivery, External Relations and Supply. The predominant increase is driven by the RBx and to a lesser extent by COs and MCOs. This trend aligns with the D&R objective of enhancing technical capacities at the field level. However, it is difficult to assess the extent to which it fulfils the D&R objective, as no clear quantitative goals were defined.

136) One of the stated aims of D&R was to move technical capacities closer to the field, in order to make the organization more reactive to realities in the field and more agile. Increased capacities should be placed primarily in the COs, but also in RBx as pooled resources, especially where resources were not sufficient to allow designated capacity in each CO.

137) The evaluation team identified multiple factors which impact technical expertise across the organization, as outlined below:

- The smaller operations often have to prioritize one technical function over another due to limited resources, which causes uneven capacities within functions, such as External Engagement and Protection.

- Although staff planning is integrated into the strategic planning process, the actual allocation of positions is dependent on the budget envelope provided to operations by HQ, which influences the prioritization of expertise at each level *(refer to the Strategic Planning section for more information).*

- As RBx are afforded the flexibility to adapt structures and required expertise based on regional priorities, and since RBx also approve operational budgets for COs, these regional priorities also shape operational priorities and staffing requirements in COs to some extent.

- HQ priorities, which determine budget allocation across the regions and COs, are governed by UNHCR Strategic Directions[114], multiple priorities originating from GCR and other global policy frameworks and evolving operational priorities based on global needs.

- The challenging prioritization is further impacted by donor priorities and respective earmarking, which constrains the margin of maneuver that operations have in the allocation of their budgets.

138) It is to be noted that there is no explicit definition of the term "technical capacities" given within the D&R planning documentation. Hence, the evaluation team has assessed how all of UNHCR's eight

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[114] UNHCR Strategic Directions (2017-2021), UNHCR (2021) UNHCR Strategic Directions (2022-2027).

functional categories [115] have evolved over the past years from 2018 to 2023, focusing on the distribution and growth trends of these functions at HQ, RBx and CO/MCOs.

2) **Functional distribution and growth from 2018 to 2023**

139) The section below will provide a detailed breakdown of each function within the organization and their growth from 2018 to 2023. Overall, International Protection & Solutions and Operational Delivery are the largest functions, constituting 57 per cent of the total workforce as of 2023. In terms of growth, External Relations function has grown the fastest at 15 per cent CAGR from 2018 to 2023, followed by HR, which has grown at 8 per cent CAGR from 2018 to 2023. This section of the functional analysis will further evaluate the distribution of each function across the various HQ, RBx and CO/MCOs from 2018 to 2023.

140) **Executive Management:** The Executive Management function includes a range of sub-functions in areas such as field management, risk management, evaluation. As illustrated in figure 10, on an overall basis, the Executive Management function has grown at 6 per cent CAGR from 2018 to 2023, driven by growth in heads of SOs/FOs and executive support staff. In terms of overall distribution, HQ accounts for 20 per cent of the total functional workforce as of 2023, with the Strategic Direction and Policy Development sub-function forming the largest part of the workforce. The increase in RBx is driven by the Strategic Direction and Policy Development sub-function. The increase at the CO/MCO level is driven by the increase in heads of SOs/FOs, which is also driving the overall growth of the Executive Support function. Although there were some shifts in the distribution from HQ to RBx and CO/MCOs between 2019 and 2022, the distribution has reverted to pre-D&R levels.

Figure 10: Executive management functional distribution (2018-2023, #)
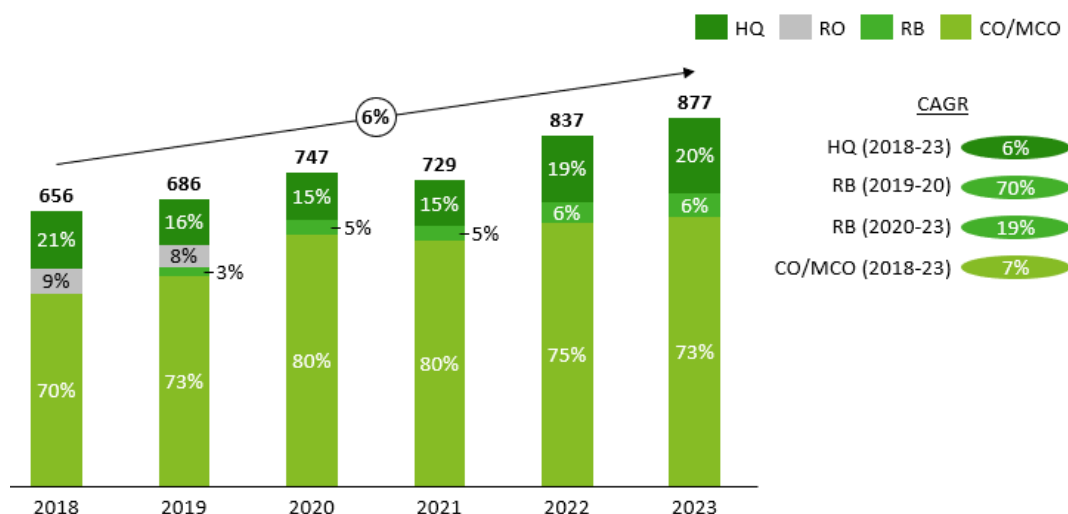
141) **International Protection and Solutions:** This function covers various sub-sections such as Legal Protection and Policy, Thematic and Operational Support and Durable Solutions. As shown in figure 11, from 2018 to 2023, the International Protection and Solutions function has grown at 10 per cent CAGR, primarily due to increases in CO/MCOs, in line with the D&R reform objective of enhancing

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[115] There are eight functional categories in UNHCR: 1) Executive and Management; 2) International Protection and Solutions; 3) Operational Delivery; 4) External Relations; 5) Administration and Finance; 6) Supply; 7) Human Resources; 8) Information Technology. Certain positions have not been assigned to a specific function due to data quality issues listed as "Unknown/Non-Standard" positions. For the purpose of this analysis, we will not address changes in Unknown/Non-Standard, unless relevant to changes in other categories. The functional distribution across the organization is based on the office type where the resources are being deployed.
Functional analysis assumptions:
- Workforce categorized under RO Bangkok after D&R took place have been re-categorized under MCO Bangkok.
- Workforce has been categorized using "Location Type" column from the data. For blank records, the given approach is used: a) Locations without HQ or RB office type have been included in CO/MCOs; b) Location: Amman ICT and RSH categorized into RO pre D&R and RB post 2019 c) Location Nairobi (RSC) categorized under HQ, similar to the treatment of other service centers.

technical capacities in the field. The distribution of total workforce at CO/MCO rose from 88 per cent in 2019 to 95 per cent in 2020 and has remained steady since. In contrast, only 3 per cent of the corresponding functional workforce is located in RBx. This limited presence in RBx might impair their ability to provide adequate technical support and oversight, leading to potential gaps in strategic support and coordination across regions *(please refer to the Technical Support and Oversight section for more details. The evaluation team has also conducted a subsequent deep-dive into the technical capacities of global thematic priority areas in Protection – CP and GBV – please refer to the Protection sub-section within Operational Delivery section).*

**Figure 11: International Protection and Solutions functional distribution (2018-2023, #)**
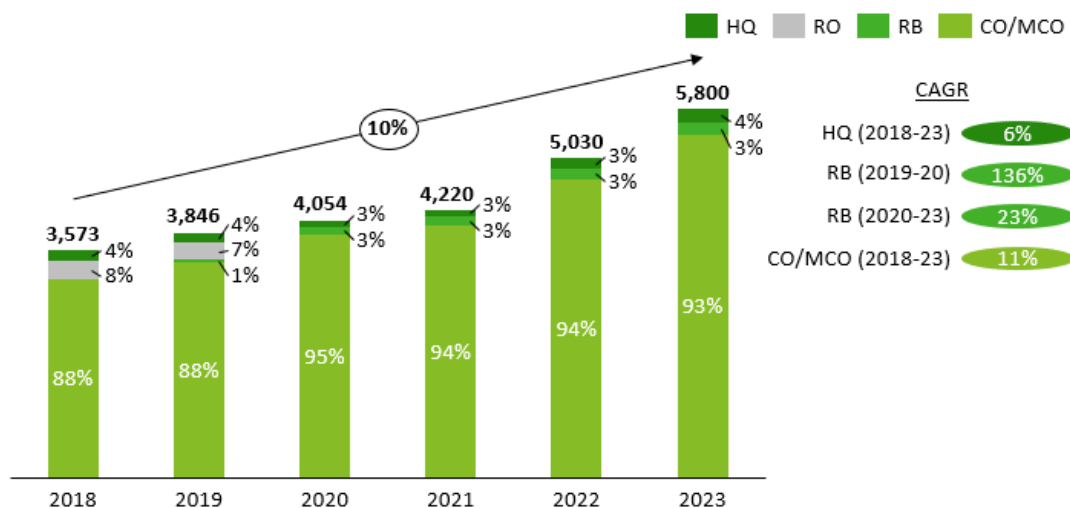
142) **Operational Delivery:** The Operational Delivery function includes various sub-functions such as Programmes, Technical Support and Project Management. As shown in figure 12, this function has experienced a 7 per cent CAGR from 2018 to 2023, with growth primarily occurring in CO/MCOs and RBs (8 per cent CAGR 2018 to 2023 and 21 per cent CAGR 2020 to 2023, respectively). The distribution shows a modest shift towards field presence, with CO/MCOs representing 92 per cent of the workforce in 2023, up from 90 per cent in 2018. The HQ presence has decreased from 6 per cent to 5 per cent over this period, while RBx maintain a small 4 per cent share. The concentration of Operational Delivery workforce in the field aligns with the D&R objectives that technical capacities should be placed closer to the field. The increased capacity in the field has led to increased responsiveness and agility. However, there are challenges noted in resource management which impact the quality of interventions at the point of delivery *(refer to the Operational Delivery section for a detailed analysis).*

Figure 12: Operational Delivery functional distribution (2018-2023, #)
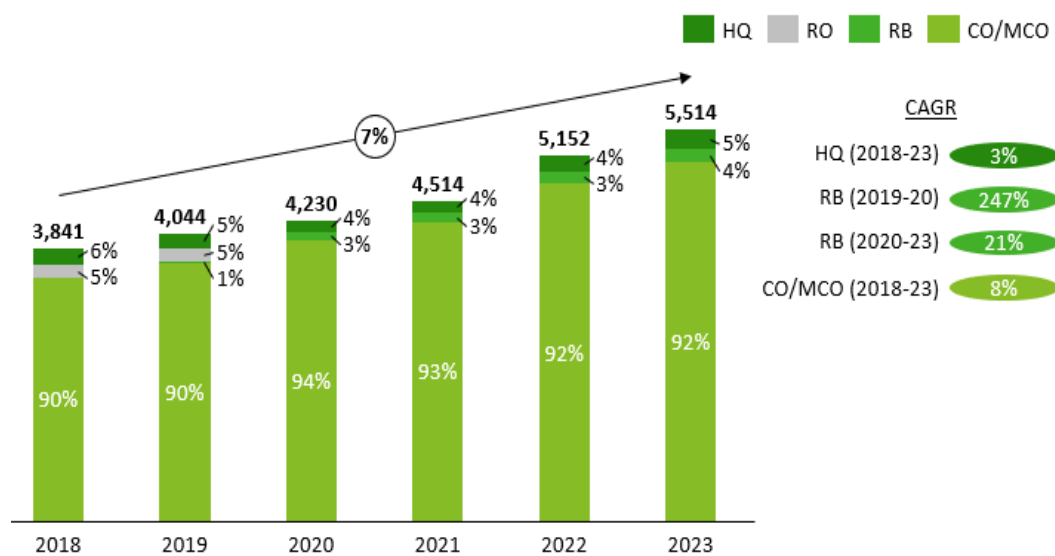
143) **External Relations:** The External Relations function includes Communication, Donor Relations, External Relations Strategy, Policy & Direction, and Government and Inter-agency sub-functions. The changes in the external relations workforce anticipated by the D&R reform are evident. As shown in figure 13, External Relations demonstrated the highest growth rate among all functions, with a 15 per cent CAGR from 2018 to 2023. This increase is primarily due to the expansion in the External Relations Strategy, Policy & Direction, followed by the Communications function. External Relations capacity has been firmly established in the RBx, representing 8 per cent of the total External Relations workforce in 2023, while CO/MCOs saw a 19 per cent CAGR growth from 2018 to 2023. RBx experienced the highest growth in External Relations workforce among all functions. Notably, HQ's External Relations workforce has also grown, primarily due to increases in the Communications team *(refer to the Partnerships section for a detailed analysis).*

Figure 13: External Relations functional distribution (2018-2023, #)
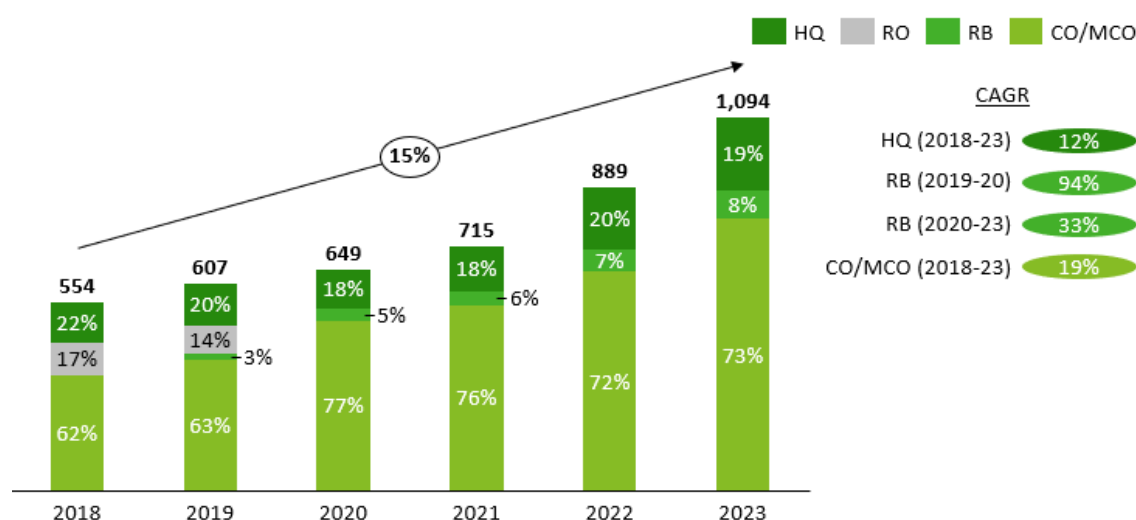
144) **Administration and Finance:** The Administration and Finance function includes various sub-functions such as Resource Management, General Administration, Finance Strategy, Policy & Direction. As shown in figure 14, from 2018 to 2023, this function experienced 3 per cent CAGR from

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2018 to 2023, primarily driven by expansion in RBx. The proportion of the Administration and Finance workforce in CO/MCOs rose from 87 per cent in 2019 to 91 per cent in 2020 and has remained stable since. This increase in CO/MCO capacity is complemented by a corresponding decrease in HQ capacity.

Figure 14: Administration and Finance distribution (2018-2023, #)
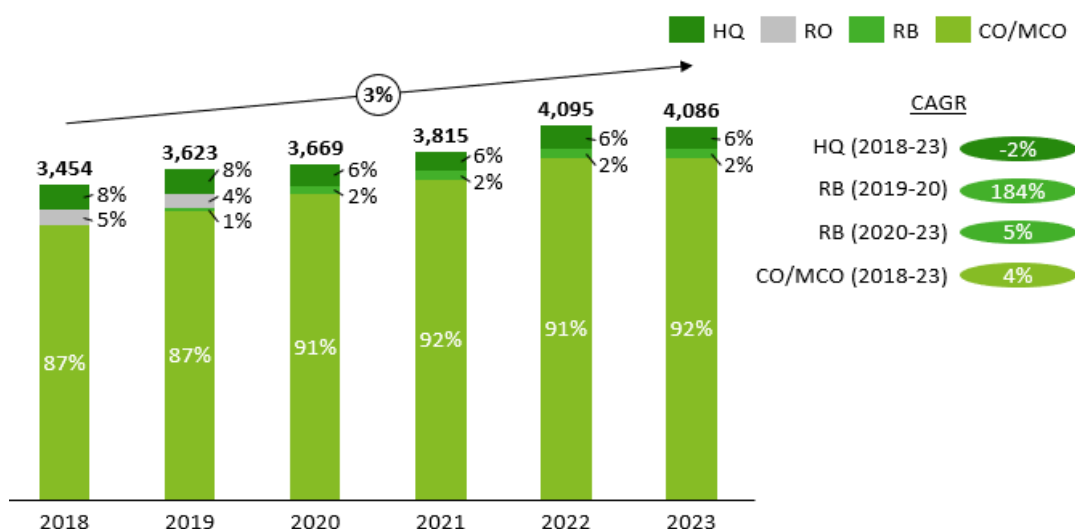
145) **Supply:** The Supply function includes various sub-sections such as Procurement, Asset management, Warehouse and Stock Management. As shown in figure 15, the supply function has increased at 7 per cent CAGR from 2018 to 2023. There has been an increase in both RBx and CO/MCOs, with a minor reduction in HQ. In terms of overall distribution, Supply workforce increased from 78 per cent in 2019 to 83 per cent in 2020 at CO/MCOs, with a corresponding decline in HQ in the same period *(refer to the Operational Delivery section for a detailed analysis on Supply).*

Figure 15: Supply functional distribution (2018-2023, #)
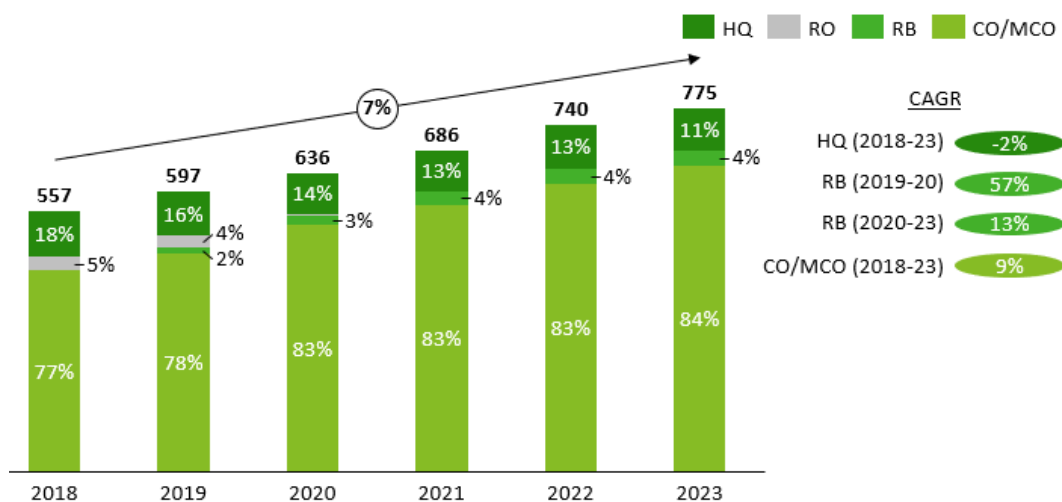
146) **Human Resources:** The HR function includes Workforce Management, Workforce Development, HR Operations and Staff Health and well-being. As illustrated in figure 16 on an aggregate basis, the HR

function has increased at 8 per cent CAGR from 2018 to 2023. This increase is driven by growth in CO/MCOs and RBx. The growth in RBx can be attributed to several reasons. Firstly, post-reform strategic 'human resources partners' have been assigned in each of the new RBx, with the responsibility of supporting operations to be more efficient and client-oriented in partnership with management, and have a functional reporting line to DHR for ensuring consistency in HR practices. Secondly, as discussed above, several staff welfare positions have been created in RBx as part of the RB structure, especially post-pandemic to support staff well-being. The growth in CO/MCOs is driven by the increased headcount in the HR Operations sub-function. The growth in HQ has been modest at 4 per cent CAGR from 2018 to 2023. In terms of overall distribution, 51 per cent of the total Human Resource workforce is placed in CO/MCOs, 42 per cent in HQ and 7 per cent in RBx. The CO/MCO Human Resource workforce increased from 42 per cent of the total Human Resource workforce in 2019 to 51 per cent in 2020 and has stabilized since then. A large part of this growth is attributed to a decrease in workforce placed at HQ.

Figure 16: Human Resources functional distribution (2018-2023, #)
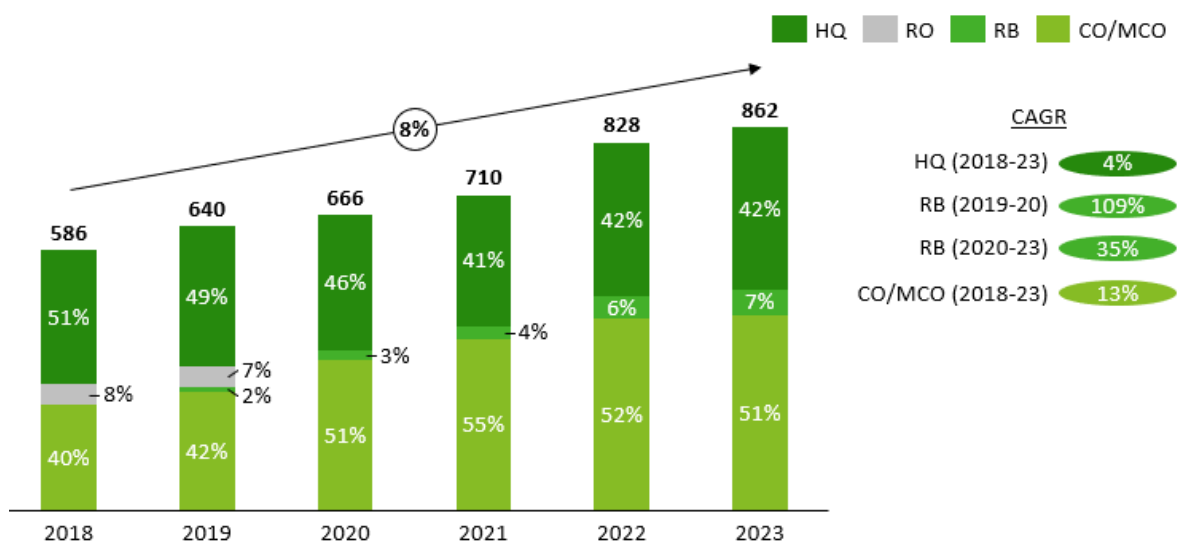
147) **Information Technology:** The Information Technology function includes IT Management and Oversight, IT Business Systems, Support and IT Operations sub-functions. As illustrated in figure 17, the HQ workforce increased by 8 per cent CAGR from 2018 to 2023, primarily led by an increase in the IT Systems Business Analysis sub-function. Similarly, the CO/MCO workforce has increased by 2 per cent CAGR from 2018 to 2023 due to growth in the IT Infrastructure Service Delivery Management sub-function headcount. Distribution-wise, the share of the IT workforce in CO/MCOs increased from 77 per cent in 2019 to 85 per cent in 2020 but began to decrease in 2021, stabilizing at 79 per cent from 2022 to 2023.

Figure 17: Information Technology functional distribution (2018-2023, #)
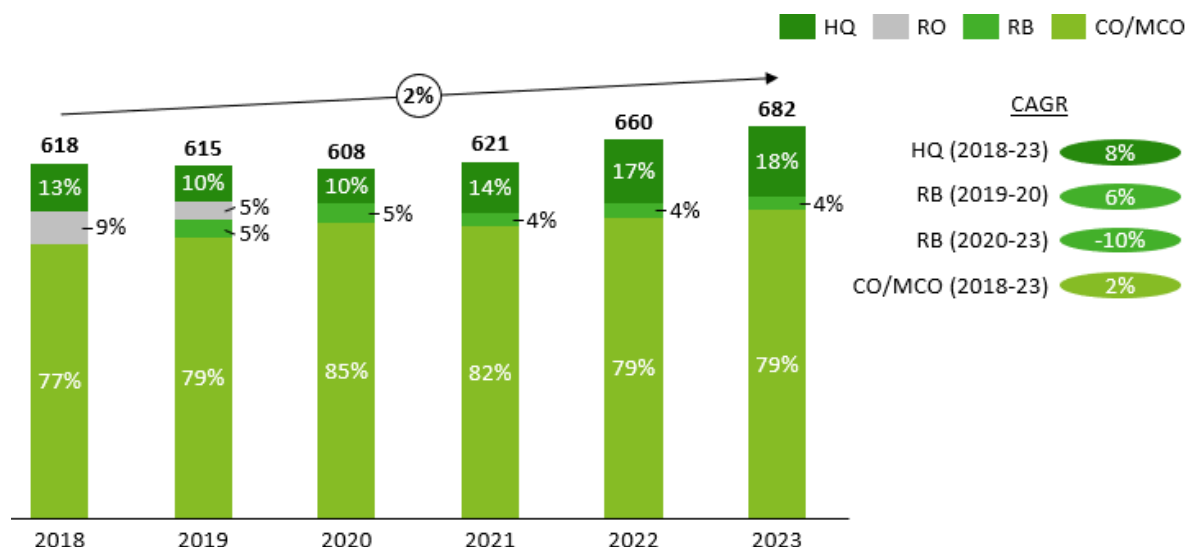
148) At an overall level, the following insights have emerged across HQ, RBx and COs (*please refer to annex 2, section 2.3, figures 5-8 for detailed graphs).*

149) Within HQ, while the overall workforce has remained constant, External Relations (12 per cent CAGR, 2018-2023) and Information Technology (8 per cent CAGR, 2018-2023) functions have grown the fastest. All other functions have experienced a slight growth, except for two – Administration & Finance and Supply, both of which have slightly decreased (by 2 per cent CAGR, 2018-2023).

150) In the RBx, after an exponential initial growth in all functions from 2019 to 2020 due to their establishment, the eight different functional groups have settled at a fairly stable distribution, with the largest share of the workforce in 2023 allocated to International Protection and Solutions (26 per cent) and Operational Delivery (26 per cent). The next largest functional groups are Administration and Finance (13 per cent) and External Relations (11 per cent), thus covering all four functional pillars of the core organigramme. The biggest proportionate growth in 2020-2023 has been observed in External Relations (33 per cent CAGR), HR (35 per cent CAGR) and International Protection and Solutions (23 per cent CAGR) functions. International Protection and Solutions has grown from 18 per cent of the total RB workforce in 2020 to 26 per cent in 2023. However, it should be noted that much of these increases may be due to the absorption of a large proportion of "unknown/non-standard" positions in 2019-2021, which may reflect that staffing arrangements were still finding themselves and uncategorized positions only later having been correctly assigned to their respective functional groups.

151) Similarly, within the CO/MCOs, the External Relations function has grown at 19 per cent CAGR from 2018 to 23. The relative size of the other functions has stayed fairly stable, with International Protection and Solutions (31 per cent), Operational Delivery (29 per cent) and Administration and Finance (22 per cent) remaining the largest groups in 2023, similar to the years preceding D&R. While the large proportionate size of International Protection and Solutions and Operational Delivery points to strong technical capacity in the field, in line with D&R objectives, the respective growth in each since 2018 (11 per cent CAGR for International Protection and Solutions and 8 per cent CAGR for Operational Delivery) has been largely driven by emergencies.

Finding 19: The divisional outposted positions across regions has grown marginally from 2018 to 2023. This indicates that HQ divisions continue to maintain a significant presence in the regions (RBx, CO/MCOs). The increase in outposted positions within RBx aligns with the D&R

objective to enhance regional capacities, but also includes challenges in realigning roles and maintaining effective oversight and coordination across the organization.

152) As part of the D&R reform, technical capacities were decentralized to the field, with managerial oversight shifted to the RBx and functional oversight remaining with HQ. During the design phase, certain functions, including HR, External Relations and Oversight, outposted several divisional positions to the field, such as HR officers (medical and staff welfare), Evaluation Officers and External Relations Communications Officers. The aim of placing HQ positions in the field was to develop region-specific capacities, enhance support for RBx and country operations, and strengthen their overall capacity. For example, establishing HR functions, such as health and well-being, within RBx aimed to address regional workforce challenges by providing strategic workforce advice and talent management[116]. Similarly, the deployment of Oversight and External Relations roles aimed to improve regional support and coordination.

153) Desk reviews and staff accounts from HQ and country visits indicated that the initial design of D&R aimed to retain existing field support capacities within divisions during the initial phases of the RB transition[117]. By mid-2020, it was expected that divisions and HQ entities would be realigned, in order to complement the newly established overlapping capacities now placed in the RBx. However, the actual implementation revealed inconsistencies, as several HQ positions remained outposted rather than reallocated within the organization[118].

154) Several benefits of the outposted positions were identified, including improved field-level assessments and enhanced policy formulation, due to closer integration of HQ with operations. However, challenges persist in effectively communicating the purpose of these positions to staff in RBx and CO/MCOs and in managing resource allocation, as some areas may be under-resourced or over-burdened. KIIs with RB staff corroborate these challenges, with staff also sharing concerns about the lack of clarity and rationale for positioning these roles within the RBx. There is a perception that these positions function more as an extension of HQ oversight, rather than as a complementary resource.

3) Divisional outposted workforce in RBx and CO/MCOs analysis (2018-2023)

155) The objective of the following analysis is to examine the evolution of outposted workforce[119] within the organization, focusing on their distribution across RBx and CO/MCOs and key trends from 2018-2023. It is to be noted that currently there is no formal definition of 'outposted' workforce within UNHCR. For the purpose of this analysis, outposted workforce is defined as workforce that is paid for by HQ, but located outside of HQ locations, as reflected in the workforce data from 2018 to 2023 utilized in the following analysis. Figure 18 illustrates the evolution of outposted workforce[120] from

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[116] UNHCR. (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Unpublished internal document.

[117] UNHCR (2019) SMC Retreat Key Decisions. Unpublished internal document.

[118] IGO (2021) Report – Second line oversight in UNHCR. Unpublished internal document

[119] Source: Workforce data as of 31 December for each year from 2018 to 2023 (provided by Evaluation Office from UNHCR and Workday), Deloitte analysis.

[120] HQ outposted workforce were identified in two steps. Firstly, HQ workforce is identified using cost center operations. Secondly, any HQ workforce located in any other office other than HQ (including Global Service Center, Budapest and Global Data Service, Copenhagen) are considered outposted workforce.

Assumptions:
- The workforce includes active staff and staff on temporary assignment, affiliates and interns.
- Workforce allocation across HQ, RB and CO/MCO is based on the budget authority of the respective cost center operations.
- HQ includes workforce deployed in Global Service Center (Budapest) and Global Data Service (Budapest) and Liaison Office New York, in addition to central functions and divisions under HQ budgetary authority.

Exclusions:
- Workforce excludes secondments in/out, loans in/out, non-working staff in between assignments on temporary assignment, secondments without pay and special leave without pay.
- UNFLEET, MIP and GFM cost centers operate on separate funds, distinct from general UNHCR funding, and are not classified under the geographical typology used in this analysis.
- The PSP workforce has been excluded from this analysis, as it operates outside the HQ, RB, CO structure and is not directly related to D&R reform.

Location type "For HR use only".

2018 to 2023. It shows the breakdown and growth of HQ outposted workforce by RBx and CO/MCOs from 2018 to 2023.

Figure 18: Outposted workforce distribution and growth (2018-2023, #)
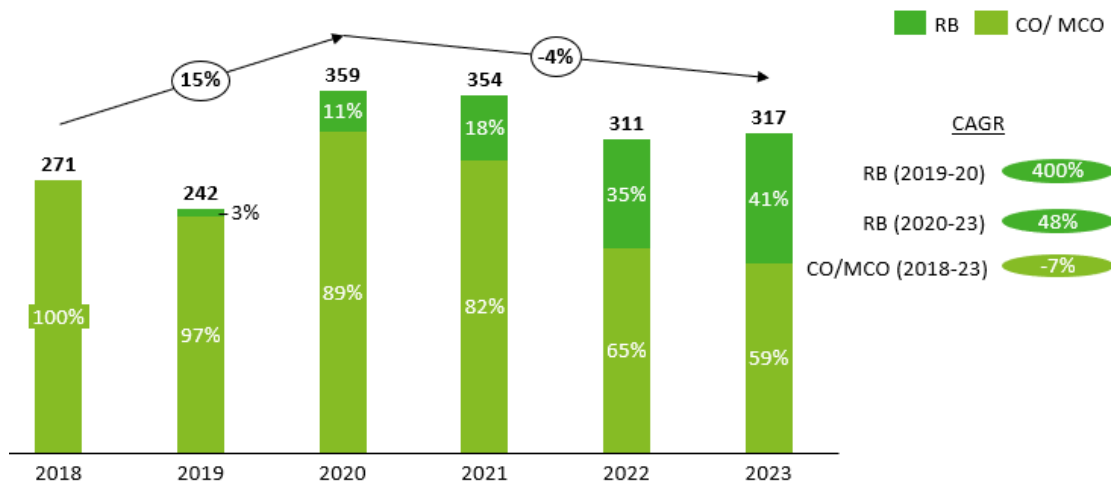
156) Overall, the data illustrates that the outposted workforce has slightly increased from 271 in 2018 to 317 in 2023, peaking at 359 in 2020. The increase in 2020 is majorly driven by an increase in the DER and DHR workforce outposted to the field. The growth of outposted workforce from 2018 to 2023 can be further broken down to show that the outposted workforce grew at 15 per cent CAGR from 2018 to 2020 and has declined by 4 per cent subsequently.

157) Figure 18 also illustrates the distribution and growth of outposted workforce split between RBx and CO/MCOs. From 2020 to 2023, the proportion of outposted workforce in RBx increased significantly, rising from 11 per cent to 41 per cent, increasing at 48 per cent CAGR. In contrast, the proportion of outposted workforce in COs declined from 89 per cent to 59 per cent of the total outposted workforce, registering a negative growth over the same period.

158) The divergent growth trends of the outposted workforce in RBx, compared to CO/MCOs, indicate that the observed increase in outposted positions within RBx primarily stems from the redistribution of these positions from COs/MCOs to RBx, rather than a significant expansion in the overall number of outposted positions within the organization. However, the evaluation team has not found evidence of a formal exercise or documented rationale supporting this shift.

159) The distribution of outposted workforce from various divisions shows notable trends in growth and proportion. As of 2023, 27 per cent of the outposted workforce consists of DER, which has experienced a growth rate of 14 per cent CAGR from 2018 to 2023. The DHR accounts for 16 per cent of the outposted workforce and has seen a substantial growth rate of 25 per cent CAGR over the same period. This increase in DHR is predominantly driven by the establishment of regional health and well-being teams in RBx at the outset of D&R between 2019 and 2020 and has remained relatively stable since 2020. DIP constitutes 9 per cent of the outposted workforce as of 2023, but has undergone a reduction in outposted workforce, with a negative growth rate of -13 per cent CAGR from 2018 to 2023. The IGO represents 8 per cent of the outposted workforce as of 2023 and has achieved a significant growth rate of 77 per cent CAGR (2018-2023). Meanwhile, the DESS covers 5 per cent of the outposted workforce as of 2023 and has experienced a decline of -25 per cent CAGR from 2018 to 2023. DFAM constitutes 4 per cent of the outposted workforce as of 2023 and has grown at a rate of 70 per cent CAGR from 2018 to 2023, marking the highest growth among all the divisions.

160) The increase in outposted workforce within RBx demonstrates alignment to the D&R reform goals of enhancing regional capacities. Nevertheless, the evaluation team cannot assess the extent to which the increase in outposted positions has achieved the intended outcomes and reform objectives, due to the absence of a clearly defined workforce strategy and target end-state. However, the fact that the number and duration of outposted positions has increased demonstrates that UNHCR has been unable to realign outposted roles as per the D&R design. Other feedback received includes challenges in maintaining consistent strategic oversight, as the high number of outposted roles can strain management and coordination efforts within and among field operations and HQ. Additionally, there is the potential for redundant positions at either level, which may lead to inefficiencies and reduced overall impact at the point of delivery.

Finding 20: Delegation of responsibility for training to regions has led to more contextually relevant and regionally adaptable training programmes. However, limited clarity as to who is responsible for training, quality assurance and the central oversight of learning programmes has resulted in uneven skills development across regions. In the medium to long term, this could lead to incoherent global learning and capacity development.

161) Capacity development and training remain critical areas for enhancement within UNHCR's operations. Feedback from staff across all organizational levels reported a lack of in-depth training and skills development opportunities across various functional areas. For example, across regions, annual training is delivered on external engagement together with DER and the Global Communication Service (GCS), and RBx provide capacity building through communities of practice. However, there is no global training programme on external relations, unlike protection and programme functions. Interviews from field operations indicated that both larger and smaller SOs have very limited training/capacity building opportunities, in areas such as strategic planning. A survey conducted by UNHCR FRG in June 2022 also highlighted the lack of training and expertise for staff/partners as the primary constraint to the implementation of the D&R reform.

162) Several contributing factors have emerged during interviews with UNHCR staff in HQ and field operations:

- **Lack of clarity in responsibility for capacity building:** The responsibility for capacity building initiatives on managerial and technical skills has not clearly been assigned or delegated within the D&R operating model. While the RAA delegate responsibility for capacity development to HQ divisions in each of the divisions' thematic areas, they also delegate responsibility for needs assessment and capacity development within the regions to RBx (and to COs for needs assessment within their operations). At the same time, the GLDC, which is part of DHR, is the central entity in charge of learning. According to the RAA, training for HR management and people management fall under the responsibilities of DHR. Along with this, DHR is responsible for developing and maintaining different learning opportunities across functional areas for the workforce and to support RBx with the delivery of training activities. GLDC provides two tracks of learning – functional learning in service of the divisions and a development track on people management, leadership development and performance management, which is a corporate mandate for HR. Apart from the above, there are no separate RAA for GLDC. This responsibility for capacity development thus seems to rest across HQ divisions, RBx, COs and the GLDC, but the division of tasks is not clear.

- **Regional variations in training:** Although no comprehensive data is available, insights from field interviews suggest that RBx have conducted various technical trainings tailored to specific operational contexts. These trainings address specific operational needs and demands. However, such trainings are often ad hoc or informal and vary region to region. For example,

the AP RB provided training to CO and SO staff on Refugee Status Determination (RSD) within the Protection function during emergency situations in Pakistan, when the CO required immediate resource scaling for a nationwide verification exercise. By contrast, a fundraising-focused operation in another region highlighted a lack of training associated with local fundraising, which is one of their key priorities. The evaluation team could not assess the full scope and extent of training programmes conducted by RBx, due to the lack of a centralized tracking mechanism for trainings. This limitation further hinders evaluating whether these capacity-building efforts were effective or met their intended objectives. Moreover, several RBx have also reported a lack of resources and capacity to conduct trainings for operations, effectively leading to inconsistent training experiences and outcomes across regions. Hence, as capacity building in functional areas is increasingly being delegated to regional levels, there is a significant variation in the frequency, delivery, access and content of training across regions.

- **Limited focus on functional and leadership development by the GLDC:** As per staff accounts from HQ, as well as KIIs and FGDs conducted during country visits, the GLDC focus in the past few years has mainly been providing virtual trainings related to technology transformations (such as Workday, COMPASS), with capacity building on thematic and functional areas having been delegated to the respective regions. While there are on-demand learning pathways and self-learning modules available to everyone on topics such as protection, finance and so forth, some aspects of core operational delivery (for example, fundraising) and leadership trainings are not yet available.

- **Absence of centralized oversight and monitoring:** The evaluation team was not able to find evidence of specific learning objectives, curricula, desired training outcomes or benchmarks to assess the effectiveness of training programmes related to overall desirable functional skills. Additionally, there was no evidence found on centralized monitoring and quality assurance of capacity building initiatives across the organization.

163) A previous evaluation[121] highlighted the need for more context-specific training, noting that the existing learning offerings were too general and traditional. To address these findings, several strategic actions were recommended. First, UNHCR should establish an agile and flexible learning structure to better respond to diverse training needs. Additionally, it was recommended that the organization facilitate critical connections and support decentralized learning by implementing a centralized QA system and that GLDC should shift its focus towards enabling both informal and formal learning, while also managing centralized learning programmes more effectively. The current evaluation acknowledges that progress has been made in developing more contextually relevant and regionally adaptable training programmes, allowing regions to tailor learning to their specific operational challenges. However, other recommendations regarding the development of an effective QA and central oversight system remain valid.

Conclusion

164) The D&R reform intended to provide effective solutions for regional and country-specific needs by increasing capacities at the regional and local levels, while reducing the corresponding capacity at HQ. However, the evaluation revealed the lack of a clear workforce strategy and an organization-wide needs and skills assessment to guide staffing structures after the reform. This has led to limited understanding regarding the appropriateness and placement of current staff, and their alignment with the intended outcomes of D&R. Additionally, the absence of clear benchmarks has made it difficult to assess the outcomes of increased capacity at CO/MCOs and RBx.

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[121] UNHCR (2020) Centralized Evaluation of UNHCR's Approach to Learning and Development.

165) Nonetheless, quantitative and qualitative insights reveal progress in aligning workforce distribution with the reform objectives, as indicated by workforce growth in CO/MCOs and RBx. Despite the increase, technical capacity at the country level continues to be perceived as insufficient, due to resource limitations and complex needs. While it is difficult to objectively assess optimal distribution of technical capacity due to limitations in data, benchmarks or end state designs, it can be noted that: 1) The creation of new roles at CO/MCOs and RBx, along with divisional outposted positions, has helped boost technical capacities; 2) the substantial presence and some growth of International Protection & Solutions, Operational Delivery and External Relations functions within RBx and COs/MCOs also reflects progress in enhancing technical capacities; 3) the HQ workforce experienced some initial reductions – however, growth from 2020 to 2023 (particularly in DHR and DER) meant that overall, between 2018 and 2023, there has been no significant change in the HQ headcount. The increase in country operations resulted from an increase in overall budgets, rather than personnel movement from HQ or RBx. We can thus note that capacity in CO/MCOs and regional levels has increased, in line with D&R objectives, and that actions have been taken to increase technical capacity in the CO/MCOs and regional levels. Capacity at the HQ level has not decreased to the degree envisioned. However, the absence of a clear end-state design makes it difficult to assess the extent to which the progress and placement of capacities aligns with the goals of the D&R reform.

166) In terms of capacity building, the evaluation acknowledges that progress has been made in developing more contextually relevant and regionally adaptable training programmes, allowing regions to tailor learning to their specific operational challenges. However, there are notable deficiencies. Staff feedback across regions has highlighted a lack of in-depth training and skills development across functional areas, with limited global training programmes, particularly in external relations. The absence of a centralized training plan, responsibilities, QA and oversight across entities has led to significant disparities in skills development at all levels. If unaddressed, it could result in an incoherent global learning framework, uneven capacity building efforts and variability in performance across decentralized structures in the medium to long term. Historically, capacity building has been integral to UNHCR's operations, and its importance is more pronounced within a decentralized structure to ensure equitable outcomes across all regions.

Recommendations

167) **Recommendation: 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.**

This should take the following form:

- In addition to existing decentralized workforce planning, reinforce a stronger global view of the existing workforce across locations (distribution of functions, role of affiliates, outposted divisional footprint, and so on) to allow for strategic recalibration and the balancing of regional and global priorities across the organization.

- To this end, improve the data quality on skills and current roles (including for those carrying out multiple roles and whether they are technical or non-technical) and make this available for workforce planning (for example, roles aligned to actual responsibilities, time allocation to single or multiple thematic interventions, self-declared skills) in order to enable better strategic workforce planning at global and regional levels.

- Assess current technical capacities, along with an assessment of critical funded partners' skills, to identify discrepancies between the current staffing structure, outline the technical expertise of decentralized functions, and allow them to make key choices to address capacity/capability gaps (for example, seeking support from funded partners or placement of technical capacities).

- Strengthen oversight and accountability to ensure that guidance and tools are used to ensure proper workforce planning once strategic plans are approved.

- Assess the future staffing structures of HQ to ensure alignment with evolving operational needs, once global change initiatives (such as BTP) are complete.

168) **Recommendation: 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.**

This could include:

- Establish a global minimum curriculum for selected functional areas – for instance, thematic areas in protection, external engagement or procurement and for trainings on systems, including BTP tools.

- Prioritize technical requirements for posts and operations, along with general career development, with functional workstreams having tailored learning and training plans to support operational needs.

- Clarify roles and responsibilities on training across regions and divisions.

- Establish a central oversight/tracking mechanism to track training implementation and outcomes.

- The following parameters shall be considered:

  o Standardized training modules are beneficial for large organizations to reach scalability, yet sufficient flexibility shall be given to regions and operations to contextualize and adapt capacity building/learning programmes as per regions/countries relevance/requirements.

  o The organizational learning strategy must include training sessions on the respective BTP enablers to close gaps in user adoptability.

  o The learning culture shall equally build in pathways for two-way communication between regions/operations and HQ, in order to ensure that leading learning practices and content are exchanged and circulated globally, which is linked to horizontal collaboration efforts and organizational culture more broadly.

2.2.3   Roles, Accountabilities and Authorities

169) One of D&R's intents was to establish the right RAA at the right organizational level to ensure effective decentralization of decision-making processes and responsibilities. By defining these in each entity within a new RAA framework, the reform aimed to support efficient delegation of authority and tasks and to clarify accountabilities, particularly between the RBx and HQ divisions and entities. The established RAA were also intended to ensure a clear application of the oversight model, the three lines model, which was developed by the Institute of Internal Auditors (IIA) to help organizations facilitate strong governance and risk management[122][123]. The two frameworks are intrinsically linked. Dedicated findings related to the three lines model will be discussed in section 2.2.4.

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[122] Institute of Internal Auditors (2020) The IIA'S Three Lines Model. An update of the Three Lines of Defence.
[123] UNHCR (2021) Overview of new 3L model. Unpublished internal document,

170) The RAA framework was established in late 2019 and came into effect in January 2020. This framework was built on and revised a previous accountability framework called the Accountabilities, Responsibilities and Authorities (ARA)[124][125]. A series of independent audits had previously highlighted confusion among staff regarding the ARA and pointed to organizational risks arising from the framework being overly complex and difficult to apply in a meaningful way. ARA existed at organizational, regional and country level, organized by functions (for instance, Strategic Planning, External Engagement), with roles and accountabilities defined all the way down from structures to the individual. However, after revision, the analysis pointed out the fact that accountabilities should be attributed to specific managerial positions and by functions/teams, rather than individuals. Therefore, the main change brought about by the new RAA framework was that roles were described as a function of a collective (COs, RBx or division/entity), and accountabilities and authorities were described as a function of the manager (CO representatives, RB directors, heads of division)[126].

171) The review of the 2019 version of the RAA that was initiated in September 2020 took into consideration recommendations stated by the United Nations Board of Auditors to ensure clear distinction between the first and second line of the model. An internal planning document clearly states that the line of RBx (the second line in the oversight model), with their dual role of providing support and oversight to field operations but also implementing regional strategies and projects, was found to be lacking clarity and in need of revision[127]. Extensive consultations with HQ, RB focal points and exchanges with CO representatives contributed to the outcome of the revision of the 2019 RAA framework. The review process was iterative, with the FRG being consulted three times and draft documents of the framework shared with HQ divisions and entities, RBx and COs to ensure continuous feedback and final validation [128].

172) Following the revised RAA framework in 2020 and its roll-out, as well as the initial roll-out of D&R, the IIA separately issued a revision of the three lines model. This, together with consistent feedback from across the organization highlighting confusion with the RAA as they were, initiated an additional review of the RAA by the TCS team in 2022[129].

173) As a result, the newly revised RAA framework in 2022 was launched for HQ divisions and entities, RBx and COs to ensure:

- Clearer differentiation of roles and removal of duplication.

- New important elements coming from Assistant High Commissioner of Operations (AHC-O) consultations, including the addition of the role of COs and RBx in the development of guidance and clearer oversight and support of RBx versus HQ divisions.

- The addition of new sections in different areas of work. For example, in external engagement, fundraising and communication sections were added. Additionally, in policy development, strategic planning and management, a new section on internal controls, risk management and oversight were also added[130].

174) The 2022 RAA document is organized by the essential areas of work in UNHCR. In each of area of work, key RAA are provided. Accountabilities and authorities relate only to RB directors, CO

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[124] UNHCR (2018) Decentralization and Regionalization (DR). (Project Paper). Unpublished internal document.
[125] UNHCR (2018) Repositioning UNHCR in the field – Key Recommendations to guide Decentralization and Regionalization. Annex 3. Revised ARA. Draft Proposals. Unpublished internal document.
[126] UNHCR (2019) Change legacy piece. Unpublished internal document.
[127] UNHCR (2022) Roles, Accountabilities and Authorities Frameworks – Update 2022. Unpublished Internal Document
[128] Ibid.
[129] Ibid.
[130] Ibid.

representatives and directors of divisions. Heads of SOs and NOs do not have dedicated RAA reflecting their authorities and accountabilities outlined within the RAF framework.

- **Roles** describe the key functions of the team to deliver the mandate.

- **Accountabilities** represent the deliverables that directors and CO representatives are answerable for.

- **Authorities** relate to the key decisions or actions the directors and CO representatives are empowered to take.

175) As illustrated by the various rounds of refinements and iterations, the framework states that the RAA were intended to evolve with organizational changes and are expected to be further updated over time[131]. In the documentation underlying the planning of the RAA, it is explicitly stated that the RAA are not expected to be sufficient to fully clarify respective roles and accountabilities of teams and individuals at activity/process levels across the organization. Instead, it was stated that the framework should be seen as a reference to "be elaborated and complemented by focused discussions on the details of the main processes". [132] Across the organization, there are a few complementary frameworks for a more detailed delegation of roles and accountabilities in specific sub-fields. Examples of such frameworks are the RASCI (Responsible, Accountable, Supporting, Consulted and Informed matrix) for programme cycle management and the Delegation of Authority Plan (DOAP), which is meant to ensure the segregation of duties within the organization's expenditure process. However, these additional frameworks have not been consistently applied across all sub-fields, and different frameworks have been applied which may raise questions of consistency. For this evaluation, findings related to RAA refer to the 2022 version of the RAA.

Finding 21: The RAA framework is not effectively utilized and applied across the organization, leading to varying degrees of familiarity due to two main reasons: a) There is no mandatory requirement/accountability for directors/representatives to operationalize RAA for functional teams; b) the framework does not include the RAA for SOs/NOs.

176) As per the staff survey, most staff across regions are relatively familiar with the RAA framework. However, it is important to note that the familiarity with the framework decreases with lower seniority. While 82 per cent of P4-D2 respondents are familiar with the RAA framework, this number drops to 61 per cent for G-P3 staff. These findings are consistent with qualitative insights from country visits across all regions. Indeed, the evaluation team found that there is limited awareness across lower seniority grades, with some staff unaware of RAA. The lack of awareness of the RAA among staff may be related to the perception that it is not directly relevant to them and instead more related to the authorities and accountabilities of RBx directors, CO representatives and heads of divisions. Some staff mentioned these documents as being "corporate documents" that do not affect their day-to-day work. Currently, there are no mandatory requirements for directors/representatives to operationalize RAA for their respective teams and make them relevant for each functional team.

177) Some good practices have been highlighted during country visits in two regions, aiming to support the devolved responsibilities and accountabilities for staff. In AME, at the country level, a representative held workshops to explain the consequences of D&R at all levels, including the delegated RAA. Some questions such as "What decisions can you take without consulting your supervisor?" were discussed specifically with heads of units. In EHAGL, the regional level reviewed the RAA and made them applicable and relevant to their operations and functions, ensuring effective application across all operations and levels. However, this exercise is not carried out systematically

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[131] UNHCR (2022) Roles, Accountabilities and Authorities (separate document for MCOs and COs, RBx and each HQ division). Unpublished internal document. See also UNHCR Intranet (2022) Roles, Accountabilities and Authorities. Date published: 14 Dec 2022.
[132] UNHCR Transformation and Change Service (2022) Presentation on the Review of the RAA to SET. Unpublished internal document.

by directors/representatives in every region and function, leading to varying degrees of utilization and application across the organization. The benefits of such contextualization have been observed by staff in the two regions that showed strong awareness of RAA for all staff members – however, no conclusion about the relative strength of the adoptability of the RAA compared to other operations can be made.

178) An additional way to drive further adoptability and to strengthen utility and accountability of the framework is by connecting the RAA with frameworks that directly affect the daily responsibilities and tasks of staff at all levels of the organization. Currently, feedback from operations and evidence from the desk review indicates that the RAA do not directly translate into individual performance objectives, rather that only certain competencies are inherited from the job descriptions (which are to varying degrees linked to the RAA). As individual performance objectives articulate the responsibilities of members of the workforce, their alignment with the RAA could prove to be an effective way to complement the usability of the framework, while at the same time strengthening a more robust and comprehensive performance assessment.

179) Following the RAF, SO and NO heads of offices have delegated authorities – for example, when it comes to financial resources, the management of positions in their operation and the acceptance of in-kind contributions. Yet, there are no specific RAA for their positions, which presents an inherent inconsistency. This concern was pointed out during the 2022 review of the RAA, where SOs requested separate RAA at the sub-national level. Although the evaluation team does not have evidence as to why the decision was made not to include sub-national level, these findings merit further attention. The implications of the missing authorities and accountabilities for SO and NO heads of offices are twofold. On the one hand, it contributes to a lack of clarity around the RAA as a framework and leads to its inconsistent application at the national level. On the other hand, it reduces the creditability of the delegated authorities of the SO/NO heads of offices in the RAF, given they are not accompanied with respective RAA.

180) Interviews during country visits revealed the inconsistent application of the RAA, with restrictive delegated authorities at the SO level. One decisive issue that came up, for instance, was an uneven application of budgetary authority across SOs. While some heads of SOs had separate budgetary authority and thus exhibited greater autonomy in day-to-day functions and decision-making, other SOs did not have budgetary authority, and this was centralized at the CO level instead. This will be further discussed in the *'Technical Support and Oversight' section.* Reasons for uneven practices of delegation of authority at sub-national level have been found to stem from a combination of factors, some of which pertain to context-specific considerations, such as high-risk scenarios and level of sensitivity deemed to lead to stronger involvement at CO level. Others pertain to limited capacity in SOs, where a delegation of authority is deemed impossible. The current inconsistency between RAF/RAA at the sub-national level reveals a broader question around the need for standardization of delegated authorities at the sub-national level.

181) To achieve more clarity and applicability of the RAA, UNHCR has started to include RAA directly into new policies under the lead of the TCS. For example, in the 2023 Policy on Resource Allocation and Management, [133] accountabilities and authorities are clearly defined for RB directors, CO/MCO representatives, heads of SOs and NOs, and heads of divisions. However, for the rest of the staff, a single general paragraph outlining the overall responsibility of staff to comply with the policy is included, curbing the applicability for individual staff. Additionally, the 2023 Policy on Planning for, Getting and Showing Results and the 2023 Policy on Emergency Preparedness and Response solely define the RAA for RB directors, CO/MCO representatives and heads of division, and not heads of

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[133] UNHCR (2023) Policy on Resource Allocation and Management.

SOs and NOs [134] [135]. Without having conducted a comprehensive review of all the existing UNHCR policies, the reviewed policies illustrate gaps and inconsistencies in translating the RAA into practical instruments for the functional teams. The evaluation team observed a large number of policies and guiding documents related to the RAA, which lead to complexity and make it challenging for staff to absorb the essential information and apply them effectively in their everyday work. Streamlining and consolidating key policies could help to simplify and ease use for all staff involved.

182) The various efforts to revise, translate or extend the RAA, without satisfactory success in reaching the objective to achieve additional clarity on roles and corresponding accountability, calls into question the adequacy of the RAA regarding their objective. A need for complementary measures in view of operationalizing the RAA for functional teams and strengthening performance reviews in line with RAA, as outlined above, could be a more effective way forward. Any measure taken must carefully weigh the advantages of additional policies, so as not to overburden the organization with additional policy documents that lack practical applicability. A re-consideration on whether reinforcing standardization or conversely abandoning the need for consistency in RAF/RAA at the SO/NO level is suggested, in light of the lessons learnt and experience with D&R.

Finding 22: The corporate dissemination activities of the RAA fell short in ensuring the proper adoption of the RAA framework across all levels of the organization. Complementary measures at the managerial level are required to operationalize the RAA beyond the director/representative level.

183) RAA were disseminated through an all-staff email (Global Broadcast) in 2019 and 2022. However, many staff across all regions mentioned never having seen relevant documents or dissemination activities related to their respective roles. Additionally, the evaluation team found an intent to develop a communication strategy to ensure broader socialization and understanding of the RAA – however, it is not clear whether this was launched[136]. While dissemination activities are the first step to ensure effective uptake and understanding of a new framework across the organization, regular reviews between teams and senior managers are crucial as a follow up and way of fostering a culture of accountability and recognition of the necessity of the framework *(refer to the section on Culture and Ways of Working for further details)* to ensure its successful adoption and alignment with organizational needs. In line with some good practices adopted by representatives and directors identified in paragraph 177, continuous efforts and leadership role models at all levels of the hierarchy of the organization are key to further drive adoptability of the framework and desirable behaviors.

Conclusion

184) D&R aimed to ensure that the established roles, authorities and accountabilities are appropriately positioned within the organization to facilitate the effective decentralization of decision-making processes and responsibilities, in accordance with the three lines model.

185) From the initial iteration of the ARA framework, it is evident that UNHCR has sought to enhance the framework's coherence and ensure its relevance, particularly considering the newly decentralized and regionalized organization. However, six years later, RAA are still not used in the way they were intended to. Evidence has indicated that, overall, senior managers are much more familiar with their RAA than staff, which impacts the consistent application of the RAA, including circumvention of the RB level in communication between COs and HQ. Several factors contribute to this differing familiarity and inconsistent application, including the lack of specific RAA for heads of SOs/NOs despite their delegated authorities and accountabilities outlined in the RAF, and the inability for staff to see the

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[134] UNHCR (2023) Policy on Planning for, Getting and Showing Results. Unpublished internal document.
[135] UNHCR (2023) Policy on Emergency Preparedness and Response.
[136] UNHCR (2022) Roles Accountabilities and Authorities Frameworks – Update 2022. Unpublished internal document.

relevance of using the framework for their day-to-day tasks and responsibilities. The dissemination activities were not sufficient to ensure appropriate adoption of the framework. Moreover, the successful implementation of the RAA is closely tied to organizational culture. Therefore, it is crucial to cultivate a culture of accountability and to acknowledge the necessity of the framework, in order to ensure its consistent application across operations and levels and ensure its successful adoption and alignment with organizational needs *(refer to the section on Culture and Ways of Working for further details)*.

186) The findings raise a central question about the usefulness and clarity of the design and whether further refinements are needed to ensure the RAA are implemented consistently across operations and levels, or if an alternative approach to clarifying roles and responsibilities and strengthening accountability, such as the closer alignment of RAA to performance review, might prove to be more impactful.

Recommendations

187) **To ensure effective use and application of RAA across all entities and levels, UNHCR could consider the following recommendations.**

188) **Recommendation: 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.**

This could include:

- Ensure effective use and coherence in applying the RAA across the organization through linking the RAA to individual performance objectives/ToRs of Directors/Representatives informed by the annual workplans and reviews to strengthen accountability.
- Enhance practical utility of the RAA for all staff by cascading the RAA beyond Director and Representative functions. Team/functional leaders should use their managerial responsibility and be given appropriate flexibility to link relevant RAA for their own staff/team members in line with functional responsibilities and measurable performance objectives reviews.
- Managers across organizational entities shall furthermore ensure familiarity with and effective adoption of the RAA within their respective entities by relying on strong socialization efforts, including contextualization according to local conditions.
- The change management process shall help managers contextualize the RAA for their individual entities, for example by organizing training sessions for managers to understand the framework thoroughly and their role in its implementation, translating the RAA for their function and or/operations across the hierarchy level.
- The change management process shall ensure regular feedback mechanisms for all leaders (i.e., surveys, periodic focus groups across or within functions, digital platforms for real time feedback) to gather input from staff about the framework's effectiveness and areas of improvement.

189) **Recommendation: Achieve full alignment of the RAA framework with D&R** – Ensure that the framework is aligned with the organization's decentralized operating model, in particular the roles and accountabilities.

- Consider inclusion of SO/NO level in the RAA framework to ensure clarity on delegation of authority at sub-national level, or conversely re-consider the utility/need for standardized delegation of authority at the sub-national level, considering the lessons learned from various regions.

2.2.4   Technical Support and Oversight

190) Organizational decentralization involves delegating authority and decision-making responsibilities from central management to lower levels within the organization. To ensure that this decentralization does not lead to a loss of control or oversight, it is crucial to implement enhanced operational oversight mechanisms. These mechanisms serve as a counterbalance, ensuring that delegated decisions align with organizational goals, standards and compliance requirements. Increased oversight helps maintain strategic coherence, monitor performance and mitigate potential risks associated with the broader distribution of decision-making power. While oversight and risk management models have existed pre-D&R, a need was identified to adjust the model to fit the delegated authorities in a decentralized model. The three lines model is a conceptual oversight and control framework used at UNHCR that is meant to complement the RAA (*see section on RAA*). The current three lines model was intended to provide high level guidance on how to identify and structure the interactions and responsibilities of the key players in UNHCR, to manage risk across the first, second and third line of oversight, and to improve alignment, collaboration and accountability while maintaining adequate controls and oversight, aligned with the decentralized organization[137].

191) The Three Lines of Defense (3LoD) model was first introduced by the IIA in 2011 as a reference model for oversight, accountability and risk management. The model provided a simple and effective way to enhance communications on risk management and control by clarifying essential roles and duties and was subsequently adopted by the United Nations and other organizations. In 2017[138], UNHCR formally adopted the 3LoD model, aligned to its specific needs and structure.

192) In 2018, the Independent Audit and Oversight Committee voiced strong support to strengthen the model and improve accountability by establishing an effective integrated internal control framework to identify more effectively the risks posed to the achievement of UNHCR's objectives and the requisite mitigation measures[139]. In addition, in line with the RAA section, an internal audit in 2018 highlighted that UNHCR's conceptual framework for defining ARA, the organization's previous accountability framework, left considerable room for individual interpretation and implementation regarding the roles and responsibilities of second line of defense entities (RBx)[140].

193) In July 2020, the IIA updated the three lines model, which allowed for more flexibility in adapting the original concepts to complex organizations. The updated model was later adopted by UNHCR in 2021, providing high level guidance on how to identify and structure the interactions and responsibilities of the key players in an organization, in order to improve alignment, collaboration and accountability while maintaining adequate controls and oversight. It is important to note that the revised three lines model was not intended to serve as a blueprint for addressing overlapping roles within or between teams and organizational units, which had caused confusion in its application. This issue was envisaged to be resolved through the RAA framework. Hence, this revision was aligned with the 2019 RAA framework. Through this evaluation, it was understood that UNHCR was adopting and adapting the IIA model according to the organizational and operational realities, such as the D&R reform, rather than innovating it beyond that[141].

194) The 2022 and most recently revised RAA,[142] which equally reflect the principles of the most current three lines model (2021) and ensure the provision of clarity of roles at different levels and the nature

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[137] UNHCR (2021) Overview of new 3L model. Unpublished internal document.
[138] UNHCR (2021) Overview of new 3L model. Unpublished internal document.
[139] OIOS (2018) Advisory review of the implementation of risk management and control responsibilities of functions considered part of the second line of defence at the Office of the United Nations High Commissioner for Refugees.
[140] Ibid.
[141] UNHCR (2021) The Three Lines Model In UNHCR. Unpublished internal document.
[142] UNHCR (2018) Repositioning UNHCR in the field: key Recommendations to guide Decentralization and Regionalization. Part 1. Unpublished internal document.

of technical support to the field, have been built with aim of building and ensuring trust between all levels and are structured as follows:

- **First line** roles are aligned with the delivery of products and/or services (including support functions), but also the establishment of internal controls and management of risks. In UNHCR, these roles correspond to those typically assumed by COs, but some are also fulfilled by RBx and HQ divisions/entities (for example, management of resources within the delegation frameworks and management of their own risks.)

- **Second line** roles provide complementary expertise, support and monitoring related to the management of risks by first line roles. In UNHCR, RBx and HQ divisions and entities typically assume the second line roles, but some are also fulfilled by COs (for example, project control, oversight and support roles with respect to SOs, FOs and Field Units).

- **Third line** roles provide independent assurance and advice to management on the adequacy and effectiveness of governance and risk management. The internal, independent oversight entities (such as IGO, OIOS, Evaluation Office) assume the third line roles, further complemented by external assurance providers (such as the United Nations Board of Auditors and JIU, UNHCR's Independent Audit and Oversight Committee).

Finding 23: HQ, RBx and COs are involved in both the first and second line roles, depending on the regional and operational requirements. The practical utility of the three lines model is limited, given the reliance on RAA to clarify the roles and responsibilities for monitoring, support and oversight across different entities.

195) As discussed previously, the intention of the earlier 3-LoD model was to have three separate and clearly identified roles for each of relevant organizational entity (for instance, HQ, RBx and COs) to discourage the combination of lines within one entity or within one staff member, and to better understand and distribute roles and responsibilities between existing support and oversight functions. This framework enabled a clear distinction between the role of three entities, while minimizing overlaps. However, practical application of the 3-LoD model proved to be difficult, since it was used as an organizational design principle, at times resulting in compartmentalized structures taking "discouragement of combination of lines within one entity or an individual" to an extreme[143].

196) Hence, the revised three lines model was adopted in 2021, which did not significantly change the roles[144] within the lines but rather emphasized the flexibility for HQ, RBx and COs to perform first and second line roles based on the operational context. The interplay of interactions among the different entities (particularly in first and second line roles), as envisaged in the design documents,[145] have been highlighted below:

- **RBx and COs**: Although the main function of RBx was to oversee and support country operations within their respective regions, it was recognized that regions can encompass a variety of country presences. These can range from extensive and complex operations to smaller offices that are primarily focused on advocacy. Each type of operation will have distinct operational and risk profiles, staffing structures and capacities, necessitating varying degrees of oversight and support from the RB.

- **HQ and RBx:** Within the RBx and divisions, the overarching principle is that divisions are primarily responsible for establishing organization-wide standards, including policies, guidance, systems, processes and tools. In contrast, RBx are primarily tasked with overseeing and

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[143] UNHCR (2021) The three lines model in UNHCR. Unpublished internal document.
[144] UNHCR (2021). The three lines model in UNHCR. Unpublished internal document.
[145] IGO (2021) Report – Second line oversight in UNHCR.

supporting COs within their geographic regions to ensure the effective implementation of these standards in the field and in contextualizing and adapting them to the operational context, as well as establishing regional strategies within these broader frameworks.

- **HQ and COs:** HQ may also undertake direct first line responsibilities when necessary, such as global procurement. Technical support for field operations may be offered by HQ divisions, depending on the specific expertise required and its location.

197) Evidence from the field suggests that the flexibility provided under the revised three lines model has been realized in practice.

- In the first line, the roles are typically assumed by COs, but some are fulfilled by the RBx and HQ divisions and entities.

- In the second line, RBx, HQ divisions and entities typically assume the second line roles, but some are also fulfilled by COs (for example, project control, oversight and support roles with respect to SOs, FOs and Field Units).

198) As discussed previously, this is often determined by various factors, including nature of the function, size of the operation and the technical capabilities available, the frequency of proactive outreach by the operations to the RB, the level of complexity of individual operations, and the level of experience of the representative and the seniority of operations' staff. In fact, during the country visits, several findings have emerged regarding the varied involvement of COs, RBx and HQ in the first and second line roles. For instance, in certain operations in EUR, AME and MENA, the field operations have more experienced and senior technical staff than the RB, which inhibits their ability to effectively provide technical support in the CO on specific technical areas, due to lack of experience or specialized skillsets. Conversely, a few smaller operations are facing an issue of skewed oversight over technical support. This is due to the senior hierarchy of RB focal points, compared to counterparts in COs. As a result, there is hesitation among junior CO staff to reach out to RBx for hands-on support.

199) Unlike a uniform three lines model, which would standardize all technical capacities across all RBx, not all functions are decentralized at the regional level. The first and second line role is not consistent across all entities because currently some functions are driven in a more centralized manner at HQ (for example, resettlement). In these cases, operations must reach out to the HQ through their respective RBx or directly, based on their specific needs. This demands a more active collaboration between HQ and CO levels than would generally be required in the decentralized organizational structure.

200) Additionally, different operations have varying requirements depending on their size and caseload. Evidence from the country visits suggested that while larger operations are well-equipped with their own staffing and technical experts, requiring less day-to-day oversight and technical support, smaller operations often need more direct support from the RB/HQ (second line) to enhance their capacity at the CO/SO level. This variability can lead to inconsistencies in the level of oversight and technical support and support provided by RBx, potentially impacting the effectiveness of smaller operations if not addressed equitably. Similarly, as discussed in the 'Roles, Accountabilities and Authorities' and 'Strategic Planning Process' sections, the application of the three lines model at field operations level has been found to be volatile depending on factors such as technical capacity placed in the SO. As a result, when capacities are constrained, decision-making is centralized at the RB or CO level. The centralization at RB and CO level was found to be particularly common across smaller operations in all regions. For example, in the SA region, COs frequently assume responsibilities and decision-making roles typically reserved for SOs and FOs. Similar patterns have been observed in some operations within the MENA region, largely due to lack of resources and capacity within the operations.

For instance, one of the SOs visited as part of the country visits indicated that they do not manage their own finances or independently develop their strategic plans, due to lack of technical staff placed in the SO. Conversely, the evaluation team found that some COs in AME have significant programmatic, budgetary and field authorities (for instance, authority to accept the opening of a FO in a SO), which overall streamlines decision-making, as the CO is able to perform its second line role vis a vis the SO and does not rely on RB to occupy this role.

201) Furthermore, there are also instances in emergency situations where RBx have been obliged to serve as the first line role of programme delivery and implementation, which goes against the three lines model that envisions COs performing this. This has been attributed to lack of resources in smaller COs in AP, SA and EHAGL. While the additional support is appreciated, it has put a strain on RBx emergency resources. Similarly, the evaluation of the regional refugee response to the Ukraine crisis[146] highlighted that the RB played more of a frontline role than a supporting role. Though needed in the first weeks and beneficial to the timeliness of the response, it also led, as the response unfolded, to a high degree of centralization and a perception of the RB acting as a bottleneck, given the RB was not necessarily staffed and structured to be a front-liner. The RB role was attributed to the Ukraine situation being unprecedented in scale, and the rapidity and complexity of events unfolding. In addition, UNHCR did not have a previous physical presence in some of the countries of the regional response, hence the RB played a role more central than it would have in other circumstances.

202) These blurred lines can sometimes lead to duplication of efforts and lack of clarity for the field operation. One SO of a large operation highlighted that there have been instances wherein the blurred first line roles resulted in the RB and field operations creating their own separate (but duplicative) tools to address the same problem during an emergency. Similar findings were observed in previous evaluations. The evaluation of the L3 emergency in Ukraine[147] noted that HQ was playing a central role, which was beneficial to the timeless of the response, but also created misalignments between the RB and HQ, leading to contradictory information being received from COs (for example, on the scale of community-based interventions). Moreover, in the OIOS Audit on RB EHAGL, operations requested clarity on the role of RB and HQ divisions, particularly in emergencies spanning more than one country[148].

203) While the current three lines model has offered a lot of flexibility in the definition of the three lines roles across the three entities, field operations have reported that this flexibility has created inconsistencies, reduced clarity across operations and led to potential duplication of responsibilities across levels. As per the staff survey, approximately 55 per cent of staff across levels and regions are moderately or very familiar with the three lines model. Despite the familiarity of the framework with a majority of respondents, evidence from the field suggests that the three lines model is rarely utilized in practice in the field. The practical challenges highlighted in the application of this model can potentially explain the disconnect between familiarity and practical utilization. Moreover, unlike what was originally envisaged, the RAA framework proved to be inadequate in addressing the highlighted challenges, as discussed in the 'Roles, Accountabilities and Authorities' section.

204) Hence, the practical challenges with the utilization of the three lines model and its reliance on RAA to translate into actual roles and responsibilities call into question the utility of the three lines framework overall.

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[146] UNHCR (2023) Evaluation of UNHCR's Level 3 Regional Refugee Emergency Response to the crisis in Ukraine.
[147] UNHCR (2023) Evaluation of UNHCR's Level 3 Regional Refugee Emergency Response to the crisis in Ukraine.
[148] OIOS (2023) Audit Regional Bureau EHAGL. Unpublished internal document.

Finding 24: The role of the second line (HQ divisions and RBx) continues to be tilted towards providing technical support, rather than active oversight. Positive trends have been noted, which suggest further strengthening of the third line roles post-D&R.

205) Oversight is an integral part of management, ensuring that planned activities and projects are on-track, in terms of timelines, effectiveness, efficiency and compliance with relevant policies and procedures. However, as oversight is not a specialized full-time function, but rather designed to be a shared responsibility across UNHCR staff, the ability for HQ divisions and RBx to provide all three of their responsibilities (strategic direction, oversight and support) is naturally a balancing act. Across HQ and the regions visited, the evaluation team found that the divisions and RBx reported that their capacity was primarily taken up by the task to offer technical support, especially for smaller field operations with less capacity, rather than providing oversight. Findings from across all regions indicate that the oversight role is largely interpreted as a 'reactive' role, servicing requests and queries from operations that are reaching out.

206) The current reactive approach to fulfil the oversight role of the second line has led to situations of misalignment with global policies, inefficiencies and suboptimal implementation of programmes in certain instances. Limited evidence from the evaluation team's interviews suggests instances of proactive action at the national level, in the area of protection that did not align entirely with UNHCR's global HQ positioning. There have been reported cases of UNHCR's position on policy or legislative changes being communicated in a country where UNHCR operates without second line approval, despite potential conflict with regional and/or global policies/priorities. Additionally, in the area of partnerships, there have been instances where various regions have attempted implementing new partnerships with the private sector without receiving the expected and required support by their RBx, subsequently resulting in non-adherence to standard procedures by HQ. In emergency response, some operations noted that the intermediary second line role of the RB has added additional layers and bureaucracy, thereby curbing the autonomy of COs rather than leading to empowerment. A primary issue identified was the extended lead time required for approvals, which often stemmed from limited capacity for oversight within the RB, although other reasons were also identified *(please refer to the Operational Delivery section).*

207) Operations across regions do generally acknowledge the regular presence of technical support and guidance from the RBx, which they deem as being helpful. RBx are able to provide clear answers to requests that are seen as more contextualized and more practical than those from HQ (for instance, regional proposals, assimilating policies and strategies). This finding is consistent across all regions. This can be explained by several reasons, including the local contextual knowledge and regional expertise hosted at RBx, and the geographical proximity in some regions, such as AME and EHAGL. As a result, the MCO/CO to RB relationship is seen as being more useful and formalized compared to pre-D&R. For example, in emergency response, RBx have demonstrated their capacity to undertake an intermediary and filtering role between HQ and COs, assimilating emergency policies and strategies, and enabling COs to function effectively in their operational capacity thanks to the technical support and expertise provided by the RBx. Additionally, the RBx have proven instrumental in planning reviews, sound boarding, and the coordination of responses and advocacy efforts across these regions. As per the staff survey, 57 per cent of respondents across regions and operations believe[149] that D&R helped reinforce technical capacity for field operations.

208) There are advantages and disadvantages in the separation of roles for technical support from oversight. The advantage of separation of roles mainly pertains to reduced conflict of interest, in particular in situations where the second line is strongly involved in first line activities and is hence

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[149] Refers to respondents who were somewhat satisfied or satisfied with the outcome of D&R on a five-point scale.

less likely to take an objective stance on oversight. Enhanced trust and confidence by staff and external stakeholders in UNHCR oversight and risk management may be another argument for separation of roles.

209) The advantages of keeping the roles together, on the other hand, include enhanced communication, coordination, joint solutioning, reduced silos, efficient and real-time feedback, and streamlined processes. These advantages seem to outweigh the drawbacks of not separating the two roles. The effectiveness of the integrated model does, however, strongly depend on individuals and therefore must be accompanied by an organizational culture that supports trust and accountability (*see the Culture and Ways of Working section*). Both oversight and support are fundamentally human activities, in the sense that assessing information, weighing options, taking decisions and ensuring the quality of management is related to managerial capability and having the right expertise and managerial skills. This requires capacity building at an early career stage to develop future leaders to occupy the various positions that form the second line. In addition, an adequate combination of capacities is key to enabling RBx to provide the dual role that is expected from the second line, which is further discussed in the *Functions and Staffing section.*

210) Unlike the second line role which is distributed between HQ, RBx and COs, and is focused on support, monitoring and guidance, the third line role solely provides assurance and advice to UNHCR and includes the IGO, OIOS and ES. While a detailed analysis of the third line was not part of the scope of this evaluation, workforce data analysis by the evaluation team indicates that the IGO, making up 2 per cent of the total HQ workforce in 2023, has grown gradually at 7 per cent CAGR from 2018 to 2023, indicating strengthening of the third line over the years.

Finding 25: The introduction of the Senior Risk Advisor and Regional Controller roles at RB level has enabled better risk identification, mitigation and control, contributing to more effective oversight to field operations.

211) As a result of D&R, several initiatives were undertaken to enhance risk management, including the designation of regional positions (for instance, the Regional Controller and the Regional Senior Risk Advisors). The regional controllers are responsible for compliance and oversight broadly in finance and administration, and lead the audit engagement, while senior risk advisers are responsible for the compliance and oversight of the ERM policy and supporting risk management efforts across a wide spectrum of risks, in line with the ERM approach. Additionally, several COs and SOs also designated Risk Advisors for their operations. One of the reasons for having risk advisors in COs is that, within the three lines model, risk management is primarily a first line management activity, while the second line ensures effective risk oversight. In this context, COs are responsible for the creation of risk registers for their operation, whereas RBx provide the oversight needed. Across regions, the evaluation team found that both the regional controllers and the senior regional risk advisors have had a crucial role in ensuring that field operations are provided with the right guidance and support to manage risks effectively. For example, in a few regions, as part of the oversight role of the regional controller, certain irregularities were identified in the procurement carried out at the local level through LCCs. Based on these identified irregularities and risks, risk mitigation plans were developed, and actions taken.

212) Evidence from the country visits also indicated that the operations undertake emergency risk analysis for new or escalated emergencies at least once a year within the annual risk review. They determine a ranking of high, medium or low for each agreed emergency scenario, based on its likelihood and potential impact. Given the sometimes unpredictable nature of emergency events and the essential need for emergency preparedness, the operations constantly monitored the risks and maintained an ongoing review of any potential, new or escalating emergency risks, ensuring that the risks are

captured and kept up to date under the ERM's Operational Risk Register. This has enabled faster mobilization and deployment of capacities in field locations as well *(please refer to the Operational Delivery section).* According to the staff survey, 45 per cent of respondents agree or strongly agree that there are more precise emergency risk assessments now than prior to D&R, while 35 per cent are neutral, and the remaining 17 per cent disagree/strongly disagree.

213) While a closer evaluation of the risk management function is out of scope for this evaluation, some indications of increased collaboration between programme officers, regional controllers and regional risk advisors across RBx and operations have been observed in early risk assessments. Such efforts are to be increased towards the management of risk in a decentralized model. To further assess the effectiveness of the three lines model in practice, the frequency of proactive risk mitigation by the second line of defense, compared to the frequency of corrective measures taken post-incident, could be considered.

Conclusion

214) D&R intended to relocate RBx and decentralize decision-making from the traditionally centralized positions in HQ to RBx and field operations. The decentralization of authorities was intended to be accompanied by increased oversight responsibilities placed at various levels of the organization. Evidence from the field suggests that the revised three lines model has been applied as per the intended design (for instance, sufficient flexibility has been provided to COs, RBx and HQs to assume first and second line roles). However, the role and involvement of MCOs/COs, RBx and HQ divisions and entities in both the first and second lines of the model raises a central question about the adequacy of the design of the model to ensure effective decentralization, as these dual roles create inconsistencies and overlaps across regions and operations, due to unclear roles and responsibilities in regard to oversight and support.

215) Additionally, as a consequence of D&R, RBx have assumed more responsibility for the provision of additional technical support with regard to MCO/COs. Evidence suggests that the role of HQ and RBx is generally found to be tilted towards providing technical support, rather than the provision of active oversight – with a few exceptions where the reverse dynamic can be observed. This reactive approach has sometimes led to misalignment with global policies and inefficiencies, impacting the overall coherence of the organization. Conversely, the introduction of roles such as senior risk advisors and regional controllers has enhanced risk management and oversight, suggesting positive strides towards addressing some of the model's shortcomings. Below are a number of recommendations to strengthen the technical support and oversight role within UNHCR.

Recommendations

216) **Recommendation: Translate existing conceptual guidance (RAA/three lines model) into specific oversight plans underpinned by risk assessments[150]** – Translate the existing conceptual guidance as per the three lines model for the division of responsibilities between RBx and HQ into the RAA. This should outline how the roles of both HQ and RBx compliments the role of the CO/MCOs in strategic planning and oversight. By virtue of the complimentary nature of their roles, the input provided by both HQ and RBx must contribute towards the strengthening of plans for each CO/MCO under the respective jurisdiction (and keep in line with the role the HQ and RB may play as the first, second or third line of defense).

In this context, the role played by HQ/RBx must also be contextualized (within the three lines model) to ensure there is no conflict of interest between technical assistance provided and the oversight/risk

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[150] This recommendation is aligned with other recommendations from OIOS audits (see OIOS reports 2023/059 and 2023/025), which recommend criteria against which to prioritize the support and or/ oversight provide to COs.

management role played. This should be clarified, documented and published during planning cycles to ensure transparency in the process.

This recommendation is aligned with other recommendations from OIOS audits[151]. These audits further recommend criteria against which to prioritize the support and or/oversight provide to COs. ERM identified a need to develop an overall methodology to address the risk-based monitoring across all RBx.

2.2.5 Culture and Ways of Working

217) Culture underpins the success of organizational transformation and has been mentioned as the most prominent enabler of D&R throughout all interviews conducted by the evaluation team. In UNHCR, culture is described as an expression of "how we do things", shaped by values and beliefs and the structures, processes and policies in place[152]. One of the earlier design documents[153] for D&R articulates that the intent of the reform is to build a culture which supports the D&R efforts. The intent has further been defined from the perspective of the CO, RB and HQ level. The three themes outlined below have been inferred through the design documents previously mentioned and interviews conducted by the evaluation team, where they consistently emerged.

- **Culture of accountability**: Senior managers must lead by example, delegating decision-making authority to the FOs and managing performance actively. Accountability involves trusting managers to handle issues independently and holding them responsible for their performance. A culture of accountability depends on the development of the right performance management frameworks within established parameters to track progress against stated goals. This is further supported by establishing formal feedback mechanisms to evaluate whether support needs have been adequately met, assess the quality of performance and collaboration from both sides, and identify opportunities for further improvement.

- **Culture of transparency**: Transparency in decision-making is considered crucial to enabling the development of a culture of trust and transparency. Managers should clearly communicate expectations and performance metrics, while leaders must openly discuss issues and challenges. Propagating a culture of transparency also depends on clear communication between HQ, RBx and field operations.

- **Culture of collaboration**: Leaders must enable a support environment by providing field operations with the necessary resources and guidance, facilitating communities of practice and reinforcing a collaborative approach. This includes:

    - **Vertical collaboration (between HQ, RBx, COs)**: Collaboration between HQ and RBx, as well as RBx and field operations, to ensure alignment between support and implementation and to foster communities of practice to share knowledge and best practices within the regions, as well as integrating feedback to continuously improve organizational effectiveness.

    - **Horizontal collaboration (among different RBx and COs)**: Increased collaboration among RBx in different regions, cross-pollination of ideas and meaningful exchanges.

218) The importance of bringing cultural change has been highlighted in multiple previous organizational reviews and communications to the staff, prior to the launch of D&R. A 2017 internal organizational assessment identified UNHCR's organizational culture – encompassing how staff interact and work together – as a crucial factor influencing the success of UNHCR's transformation efforts. The report

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[151] See OIOS reports 2023/059 and 2023/025.
[152] UNHCR (2023) Rationale for Culture Assessment. Unpublished internal document.
[153] UNHCR (2018) Repositioning in the field – Key Recommendations to guide Decentralization and Regionalization. Unpublished internal document.

underscored that without a shift in behaviour among senior managers to align with the desired culture, the change initiative is likely to falter. It argued that the identified issues are systemic, deeply rooted in the organization's systems and culture. This diagnosis was broadly endorsed by the SMC and other managers and staff consulted. Furthermore, the report highlights that the success of the proposed changes is heavily contingent on cultural support – if the culture does not embrace the changes, their success is unlikely. Similarly, the PricewaterhouseCoopers (PwC) review of DHR[154] strongly advised the division to encourage work behaviors and norms that foster a culture of performance. Additionally, the HC had asked all staff to consider how their individual use of power – at all levels – may be perceived by their colleagues. Additionally, a lack of focus on cultural change was identified as a key reason for the failure of UNHCR's effort to decentralize and regionalize in the 1990s and year 2000[155].

219) Despite the clear appreciation for the importance of cultural change, the evaluation team found that no dedicated workstreams or initiatives were articulated in the design documents on culture as part of the initial design of the D&R reform. In the absence of a clear list of initiatives, the evaluation team will not be able to assess the appropriateness of design and implementation. Instead, the subsequent section will focus on evaluating the key determinants of culture in UNHCR and the extent to which expected outcomes have been achieved up until now, in terms of building the right culture of accountability, trust and transparency, and support and collaboration.

Finding 26: There is widespread appreciation for the importance of culture as a key enabler for D&R. However, the absence of defined workstreams and key initiatives to positively affect cultural change has led to an absence of the necessary incentives and institutional mechanisms to reinforce the needed behavioral change for enabling D&R.

220) **Building a culture of accountability:** As previously discussed, a culture of accountability was identified as a key area of priority to ensure that managers can step up to their delegated authorities and be held accountable for the same. Post-implementation of the D&R reform, the revised RAA were supposed to serve as the key guidance framework for clearly defining the accountability of heads of divisions, RB directors and country representatives. As discussed previously *(please see the section on Roles, Accountabilities and Authorities),* the revised RAA framework is reported to have a varying degree of familiarity and understanding among the staff in different regions. The extent of application of the RAA (the extent to which authorities are delegated and accountability entrusted) depends greatly on the personality and values of the leader. Similarly, the country visits indicated that the level of delegation of authority and accountability entrusted to sub-national entities (such as SOs/NOs) depends on the personality of the representative overseeing the MCO/CO that the SO/NO reports to.

221) This is partially attributable to the absence of the right incentives placed in the regions to adopt the RAA when they were rolled out, which has led to a highly individualized interpretation and adoption of them. The evaluation team was unable to find evidence of any incentive given or enablers put in place for the adoption of the RAA in the field. For instance, there were no links established between RAA and the performance management system, nor any incentives given to leaders to socialize them among their staff. Evidence from the field also suggested that factors unrelated to D&R, such as frequent staff rotations, have served as a deterrent against building a culture of accountability.

As highlighted in the previous section, the presence of a feedback mechanism is also a potential enabler for driving accountability in the system. However, the evaluation team has not been able to identify any formal feedback mechanisms established between different entities (RB pillar and relevant HQ division or RB pillar and relevant focal points in COs). Key informants from the field have substantiated the fact that there are no formal feedback mechanisms established that could potentially drive more accountability and

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[154] PwC (2018) Review of UNHCR's Division of Human Resource Management. Final report.
[155] UNHCR (2018) Repositioning in the field – Key considerations to guide Decentralization and Regionalization. Unpublished internal document.

trust in the organization. Consequently, when staff were asked during the country visits about their experiences, some of the quotes used to describe the culture of accountability in place included "No one wants to take accountability for anything" and "Everyone prefers to get the buy-in from everyone to ensure that they are not held accountable/penalized for failures." The need for improvement in fostering a culture of accountability is also highlighted in the staff survey, wherein staff were asked to rank from one to four their top priorities for a future positive shift in UNHCR's culture, to better achieve the goals of D&R[156]. A culture of accountability was identified as one of the top two priorities for change by respondents of the survey. This is not significantly different from what was identified as the current state in the 2017 internal organizational assessment or the early design documents guiding the implementation of D&R[157] that also highlight accountability as a cross-cutting theme. Hence, in the absence of the right incentives and systemic enablers, the culture of accountability within UNHCR has not significantly changed post-D&R.

222) **Building a culture of transparency:** A culture of transparency remains a cornerstone for enhancing organizational effectiveness and stakeholder trust. To enhance transparency, two key enablers are relevant to D&R: a) Inclusion of stakeholders from the field in decision-making processes, especially related to large scale transformations; b) increased communication regarding the rationale for decision-making.

- As far as the inclusion of stakeholders in the decision-making process around D&R is concerned, there has been mixed evidence from the field. As highlighted in *the section on Goals, Vision and Mission*, consultations were focused on the senior leadership across RBx and COs, with limited involvement of staff from the field. The FRG was recognized as a positive initiative to gather inputs from the field and drive more transparency in the decision-making process. However, some FRG members pointed out that it was not clear to the staff to what extent their feedback was included in the final decision-making process. Evidence from the field also supports the prevailing perception that the views and feedback from the field were not considered while formulating the design of any new transformations. A need to increase overall transparency in UNHCR, most notably regarding the general budget allocation process, has likewise been noted in several instances, including the 2017 internal ROA and numerous interviews conducted in the context of this evaluation.

223) In terms of communication, there was early recognition in D&R design documentation of the importance of concerted communication efforts to promote acceptance and ownership of D&R among staff. As detailed previously, various communicative initiatives (e.g. Transformation Brief, all-staff emails, Town Halls) were carried out, but no overarching communication strategy or related mechanism to track success was evident, and feedback from FGDs and interviews during the evaluation visits indicated a lack of consistent communication on important D&R initiatives and new and/or updated frameworks, such as the RAA framework, in line with the D&R reform. Before the roll-out of the RBx, there was a kick-off workshop organized for colleagues moving into the regions, but this was only for RB management and divisions. A socialization workshop was intended to be held in each region soon after the roll-out of the RBx, to help address 'pain points' and foster communication among colleagues. However, most of these were unfortunately cancelled due to the onset of COVID-19.

224) In the absence of sufficient consultations and communication between HQ and field operations about D&R, there has not been a significant positive impact of D&R on building a culture of transparency in UNHCR, nor did a culture of transparency help carry the reform or its ownership among staff. In the staff survey, out of the four priorities for cultural change (*as discussed in the section on Culture and*

[156] The four options given to the respondents were: "Culture of Accountability", "Culture of Support", "Culture of Transparency" and "Culture of Trust".
[157] UNHCR (2018) Repositioning UNHCR in the Field: Key Recommendations to guide Decentralization and Regionalization, parts 1 and 2.

Ways of Working, in the sub-section Culture of Accountability), building a 'Culture of Transparency' was recognized as the top priority for a future positive shift in UNHCR to enable the objectives of D&R, further pointing to a lack thereof among staff.

225) **Building a culture of support** is crucial for fostering collaboration and effective decision-making within UNHCR. It ensures a psychologically safe environment and ultimately helps to foster trust, self-management and empowerment across staff. In this section, we will be looking at the impact of D&R on building a culture of support and collaboration through the following two lenses:

226) **Vertical collaboration (for instance, collaboration within regions):** Vertical collaboration in the context of this evaluation refers to the collaboration between HQ and field operations, RBx and field operations and COs/MCOs to SOs/NOs. As per the three lines model, HQ's role is primarily focused on providing normative guidance and policy support within the decentralized organization, while RBx are supposed to provide technical support and oversight over the field operations. The three lines model or the RAA built in correlation with it did not extend to sub-national entities (here including NOs, which are a national presence, but whose heads are not accredited as official representatives to their country of location), which were considered an extension of the COs/MCOs and intended to perform first line functions.

- HQ to RBx/COs: Both positive and negative examples have been highlighted in the country visits regarding the role of HQ in providing policy support and guidance. For instance, there have been positive examples highlighted of HQ divisions driving greater collaboration across different operations within a region. In the Europe region, HQ (for instance, DER) has reported to be organizing regular meetings with operation across the region (for instance, HQ, RBx, CO/MCOs and NOs) for the External Engagement function to drive better alignment with regional and global priorities. On the other hand, as elaborated in the *section on Strategic Planning Process*, multiple RBx have sought more support and clarity from HQ on prioritizing among competing global priorities.

- RBx to COs: Field operations have also noted a positive impact of D&R on driving better collaboration and the level of support provided by RBx to field operations. Prior to the implementation of the D&R reform, the RBx were placed in the HQs, with limited technical capacity. Following the implementation of the D&R reform, it was expected that the level of collaboration between RBx and field operations would improve by the virtue of being placed closer to the point of delivery with increased technical capacity. As discussed in the *sections on Operational Delivery and Partnerships,* the AME, AP, WCA and EHAGL regions have particularly noted an increase in the collaboration and communication between the operations and their respective RBx, driven by closer RB presence, reduced time zone differences and shorter flight times. The operations have experienced easier approachability and accessibility of regional focal points, and the ability to tailor policies, strategies and operational procedures to local nuances facilitated by RB missions.

- MCOs/COs to sub-national level: There were positive examples highlighted of SOs/NOs receiving guidance and support from COs/MCOs in all regions, yet the evaluation team has not found sufficient evidence to link this as a direct outcome of D&R, given these instances of support were reported equally for the pre-D&R period.

227) **Horizontal collaboration (for instance, collaboration across regions):** The exchange of knowledge across regions is essential for developing and refining UNHCR's efforts in a volatile and evolving geopolitical landscape. The evaluation team has looked at regional collaboration efforts through the lens of a) inter-regional collaboration driven by HQ and b) inter-regional collaboration driven by RBx.

- Evidence from the field missions indicate that both RBx and COs require regular access to HQ divisions to facilitate the transfer of knowledge and ensure that global approaches are informed by regional and local realities, with local approaches aligned with global priorities. There have been positive examples highlighted of division-led cross-regional alignment – for instance, Protection Pillars within RBx and COs regularly interact with both DIP and DRS to ensure that there is cross-regional alignment of priorities and sharing of best practices across regions. Additionally, one large operation highlighted that a local cash-based interventions (CBI) tool developed by the operation was replicated with a global tool, which was rolled out across regions. Similarly, the recent initiative by DSPR to coordinate and exchange information between several RBx on a regular basis to foster cross-regional exchange has been much appreciated by the operations. However, the majority of the staff interviewed from the RBx and field operations have not noted any significant difference in this collaboration between divisions and operations pre- and post-D&R.

- Prior to the implementation of the D&R reform, all the RBx were placed in HQ. Evidence from the RB country visits indicate that this enabled the development of informal networks for exchange of information between different regions. These informal networks were key to the exchange of good practices and cross-pollination of ideas between different regions. However, post-D&R, since the RBx have regionalized, these informal networks have therefore become weaker. Some good examples of cross-regional collaboration were highlighted, especially for fundraising efforts, wherein fundraising operations were able to collaborate with operations in different regions to raise earmarked funds from donors. However, interviewees in the country visits did not highlight many examples of cross-regional collaborations beyond fundraising efforts. Lack of inter-regional collaboration can potentially reduce the exchange of good practices and lessons learned from different operations with similar needs. Establishing a dedicated forum and assigning a key convener for knowledge exchange would help ensure that effective practices can be replicated and enhanced, thereby ensuring efficient use of resources, building networks across practitioners and fostering innovation *(please refer to recommendation 2 in the Functions and Staffing section for further details on learning culture).*

228) As a result, UNHCR's journey towards cultural transformation hinges on addressing critical areas of accountability, trust and transparency, as well as support and collaboration. Furthermore, most operations visited have echoed the sentiment that the success of D&R still depends on the personality of the leaders in the operation. Leaders are instrumental in shaping and activating the desired culture, as they have a high level of influence over the workforce, making it important that they commit themselves to the values and behaviors promoted within UNHCR and actively model what is acceptable, expected and desired. The relevance of strong horizontal collaboration across regions has emerged as a success factor for D&R to enable UNHCR to become a learning organization that builds on experiences and best practices.

Finding 27: The COVID-19 pandemic negatively influenced, to some degree, the implementation and outcomes of the reform, while equally shedding light on the potential benefits of D&R.

229) The COVID-19 pandemic has affected regions and operations throughout UNHCR to varying degrees. Evidence from country visits highlights both positive and negative impacts of COVID-19 on the implementation and expected outcomes from the D&R reform. However, the evaluation team has not found enough evidence on the positive impact of decentralized and regionalized at the point of delivery during the covid-19 crisis.

230) By early 2020, the new RBx and their staff were scheduled to transition to field locations. Shortly after this, workshops were planned for each region to address questions, resolve issues and clarify any possible misunderstandings that may arise during the early implementation of the D&R reform. These workshops were intended to facilitate a smoother continuation of the reform process. In March 2020, the outbreak of COVID-19 drastically changed the roll-out of D&R, bringing global activities to a standstill. Consequently, all staff, regardless of their location, had to transition to remote work, making digital communication and collaboration essential. Prior to the onset of COVID-19 lockdowns, only one workshop, conducted in Panama, was completed to assist with the implementation of the D&R reform. The remaining workshops were subsequently cancelled. For up to two years after this, travel restrictions made it difficult to visit specific locations, and the global lockdowns impacted the coherent roll-out of planned interventions/activities as part of the D&R reform. Key informants from the country visits mentioned that given the roll-out of the RBx and the decentralization of authorities overlapped with onset of COVID-19, staff were not able to solely focus on familiarizing themselves with their new roles and responsibilities. As a result, a shared understanding of decentralization could not be established. Hence, the interpretation of decentralization has become highly dependent on the individual priorities and directors/representatives. Additionally, in time of crisis or uncertainty, there is a tendency to revert to central decision-making for swift decisions and clarity, in search of answers and protection for decisions made. This was the case during the COVID-19 pandemic, when the need for swift and coordinated responses led to a temporary re-centralization of authority at HQ in order to effectively manage the immediate impact of COVID-19 on the organization.

231) Remote work and virtual collaboration became more prevalent through the pandemic, with operations also embracing technologies as a key communication tool after it ended, compared to pre-D&R. Across regions, country visits have highlighted that there has been an increased reliance on virtual collaboration tools, such as video conferencing and project management platforms. This has facilitated remote teamwork and helped with information sharing and communication.

Conclusion

232) Throughout all interviews conducted by the evaluation team, culture has been identified as the most prominent and key enabler of D&R, having been neglected in previous UNHCR reform programmes and thus led to their limited success. Although culture featured in one of the early design documents of D&R, there was still no overarching strongly established strategy on culture that would have been endorsed and followed through on a high level. Leaders play a crucial role in driving change, and it is important to further enable their ability to serve as role models and ensure that the necessary behaviors are in place to effectively enable the implementation of D&R. Additionally, some of the earlier workshops and change management efforts intended to build the right institutional and cultural enablers for making D&R work were negatively impacted due to the onset of COVID-19. This has resulted in significant regional variations in the way culture has evolved across different operations and regions, driven by individual personalities and the extent of deliberate efforts made by leaders. The cultural measures taken should align with other change management initiatives, accompanied by ongoing progress monitoring and identification of potential areas for further improvement.

Recommendations

233) **Recommendation: Prioritize desired changes in UNHCR's organizational culture to create an enabling environment for D&R** – The cultural assessment currently underway (2024) presents an opportunity to integrate D&R-related elements.

This could include:

- Develop trainings and seminars to foster professional skills development across all levels of the organization. For directors, representatives and managers, institutionalize development plans to foster professional skills development, ensuring a focus on empowerment, accountability and role modelling. These leadership initiatives should be designed to align with the cross-cutting priorities of the United Nations leadership framework, leveraging its key elements to drive organizational growth and effectiveness.

- Implement a 360-performance feedback mechanism for all staff.

234) **Recommendation: Link RAA with performance management reviews** – Link performance management with the RAA to further enhance a culture of accountability, a formal feedback mechanism between HQ and RBx and RBx and respective field operations, and a meaningful forum within existing structures to facilitate exchange and alignment on global priorities that require cross-RBx collaboration in a decentralized structure.

2.3 Processes

2.3.1 Partnership

235) In order to fulfil its mandate, UNHCR cooperates with a number of different types of partners. These partners play different roles in the humanitarian system and represent a wide range of different interests. For the purpose of this report, we have divided them into three categories:

- **Strategic partners** are actors with whom UNHCR collaborates to provide protection, assistance and durable solutions for forcibly displaced and stateless persons, but from whom it does not receive funding, including regional inter-governmental organizations, governments, development actors, other United Nations agencies and international financial institutions.

- **Donors** refers to all entities making voluntary contributions to fund UNHCR's work, earmarked or non-earmarked, including governments, intergovernmental entities, United Nations donors, international financial institutions and foundations.

- **Funded partners** refers to all entities who receive financial support or funding from UNHCR, and to which UNHCR has entrusted the implementation of projects specified in a signed partnership document or grant agreement, along with the assumption of full responsibility and accountability for the effective use of resources and delivery of outputs as set forth in such a document. Funded partners could be governmental, intergovernmental or non-governmental bodies, United Nations organizations, local non-governmental organizations (NGOs), international non-governmental organizations (INGOs), refugee-led organizations (RLOs) or other international organizations and entities working in collaboration with UNHCR to support its mission.

236) While these categories are distinct in theory, in practice some partners may align with more than one category. Funded partners of UNHCR have been recognized as strategic partners and, likewise, donors can be considered strategic partners when participating in joint advocacy initiatives.

237) This section assesses the changes and outcomes of D&R for UNHCR's engagement with strategic partners and donors. The outcome of D&R on funded partners will be discussed in the section on Operational Delivery.

238) The aims of D&R in the field of external engagement were twofold. Firstly, by placing RBx in their respective regions, visibility and presence of UNHCR in each of the regional hubs and their respective fora was to be strengthened. Secondly, by increasing workforce capacity in the field of external relations in both the regions and the country operations, technical capacities were to be placed closer

to the field, thus enabling more effective and adaptive collaboration with partners. In the RB structures, a separate External Engagement pillar was embedded to ensure coherent support across the region. These pillars covered the fields of communications, reporting, donor relations and strategic partnerships *(please refer to the Organizational Architecture section for further information on the External Engagement pillar).* In addition, a concerted effort was made to place colleagues working on development cooperation and solutions throughout the operations. In 2019, the CAT gave specific recommendations of positions related to solutions to be placed in the field[158]

239) Additionally, RB directors, CO representatives and chiefs of mission were given authority to increase the operating budgets of country operations, based on funds raised locally from select public and private sources[159]. This was undertaken to encourage greater engagement of CO representatives and RB directors with donors at regional/country level, within the framework of annually allocated resources and the appropriation for their respective regions[160].

Finding 28: External relations capacity has increased across HQ, RBx and CO/MCOs. This increase is largely driven by an increase in External Relations Strategy, Policy, and Direction and Communications functions. However, the continued centralization of donor relations at HQ indicates a need for ongoing balance between HQ and field coordination.

240) There has been a shift in the external relations workforce as envisaged by D&R. Figure 13 in the *Functions and Staffing* section (2.2.2) demonstrates the growth of the external relations function across HQ, RBx and CO/MCOs. It can be seen that the shifts in the external relations workforce envisaged by D&R have clearly taken place. On an overall basis, the external relations workforce has grown at 15 per cent CAGR from 2018 to 2023. This growth is largely driven by an increase in headcount in External Relations Strategy, Policy, and Direction and Communications functions.

241) While capacity in external relations has been firmly established in the RBx (8 per cent of the total external relations workforce in 2023), external relations capacity in the CO/MCOs has also increased by a 19 per cent CAGR between 2018 and 2023. Growth of the external engagement workforce in RBx has been the largest among all functions. Interestingly, next to the growth of the workforce in the RBx and COs, the external engagement workforce has also increased at HQ, indicating that capacities in HQ have also remained or even increased in strength. The increase is mostly driven by an increase in communications workforce. Within HQ, it is notable that 70 per cent of the donor relations workforce is located here, which corresponds with findings from qualitative interviews indicating that a significant portion of donor relations activities still requires coordination at the HQ level.

Finding 29: Geographical proximity, combined with stronger external engagement capacity at the regional/country level, has enhanced UNHCR's visibility and relevance, establishing UNHCR as a strong partner and enabling swift responses to strategic partner and donor

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[158] UNHCR (2019) Change Advisory Team Recommendations Americas; East Horn; MENA; RBAP; Southern Africa; West Africa. Unpublished internal documents. UNHCR (2019) Draft TORs Bureau Transition Task Team. Unpublished internal document.
[159] For funding raised locally from sources administered by United Nations entities (including all types of pooled funds, such as central emergency response funds, country-based pooled funds, multi-partner trust funds, and so on) and funding from inter-governmental organizations (including regional inter-governmental financial institutions and regional integration/cooperation entities), funding is to directly result in an increase of operating budget, according to the RAF 2023.
For contributions from development actors, country operations are encouraged to seek contributions to fund activities within their existing operating budget and contributions are part of the income forecast, whenever these are already known. However, country operations are authorized to request increases to their operating budget from funds coming from these sources when necessary.
In the case of private sources (local chapters of new global partners and local private sector fundraising), local fund-raising should fund existing operating budgets but is allowed to lead to budget envelope increases, if necessary to enable cooperation with a given partner.
The authority to increase the operating budget for country operations is delegated to representatives and chiefs of mission for funds raised from sources administered by United Nations and from local representations of inter-governmental organizations, as well as from development actors. The authority is delegated to RB directors for funds raised from inter-governmental organizations, as well as from development actors.
For funds raised from local chapters of new global partners and local private sector partners, authority to increase operating budgets for country operations is delegated to both representatives and chiefs of mission and RB directors for operations within their region.
[160] UNHCR (2019) Resource Allocation Framework. Annex B. Unpublished internal document.

demands. This benefit is constrained by the varying level of decentralization among UNHCR's global strategic partners and donors.

242) Overall, the regionalization of the seven RBx and the establishment of an External Engagement pillar in all RBx has improved adaptability and flexibility in approaching field operations, by fostering a deeper understanding and responsiveness to local and regional contexts. This has been evidenced by an increased frequency of exchanges at regional and local levels, improved engagement in regional platforms, inter-agency meetings and partners' meetings, all facilitated by the ground presence and improved time zone alignments. Although COs and SOs have been the main point of contact for engagement with strategic partners and donors pre- and post-D&R, geographical proximity of RBx to both field operations and strategic partners and donors has enhanced the quality and frequency of interactions. This geographical proximity has contributed to swift responses across regions, as indicated by interviews with UNHCR staff and strategic partners and donors[161]. As per the staff survey, more than 70 per cent of respondents in the RBx believe that the physical relocation of RBx in the regions positively impacted partnerships with partners at the regional level.

243) According to feedback from strategic partners[162] and UNHCR staff, ground presence has proven crucial for gaining comprehensive understanding of beneficiary needs, which cannot be fully grasped from HQ alone. This enables information coming from HQ to be rationalized, interpreted and aggregated at field level. Additionally, it has led to expedited decision-making and nurtured collaborative teamwork between RBx, field operations and strategic partners, thanks to the proximity and direct engagement with local contexts. Evidence from country visits suggests that geographical proximity of RBx has allowed for more effective and immediate communication and a better coordination of regional initiatives and has proven beneficial for inter-agency collaboration. The RBx' proximity to operations has generally improved their understanding of local contexts and operational challenges in most visited regions, enabling more responsive and context-specific oversight. For example, in the SA region, it was mentioned that D&R has enabled UNHCR to better understand the DRC context in specific operations such as Kinshasa and Goma, including logistics challenges and the nature of specific conflicts, despite the distance. Some regional initiatives[163] were reported by staff in the region as having been catalyzed by the RB and as being attributable to the UNHCR regional director and representative's presence at regional level and local level, as well as the role and interaction of UNHCR with the UN Resident Coordinator (RC). While the increased collaboration with strategic partners is also a central expected outcome of recent developments in the humanitarian realm, including increased mixed movements and implementation of the GCR, there is thus evidence to show that the presence of RBx in the field has facilitated this process.

244) Additionally, the geographical proximity of RBx to other strategic partners, including United Nations agencies in the region, contributed to increased visibility and enhanced collaboration across all regions. Strategic partners reported an observable effort on behalf of UNHCR towards a unified United Nations system approach to refugee responses and protection, by collaborating towards the goals of One UN and the commitments of the GCR. A desk review of other evaluations also reveals improvement in the collaboration between UNHCR and strategic partners, including United Nations agencies, at both the national and global levels – for example, the 2023 agreement between UNHCR and IOM for a route-based approach to migration and displacement, and the renewed collaboration

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[161] A total of 55 partners (strategic partners, funded partners, donors) to UNHCR have been interviewed across the 7 regions.
[162] Please note that external partners were often unable to provide the evaluation team with a "before and after the D&R reform" perspective, with some even being unaware of the D&R reform altogether.
[163] Some regional joint initiatives are: **EUR:** Afghan Admission Programme; **MENA:** Syria Regional Refugee & Resilience Plan (3RP), UNFPA and UNHCR to support government entities, particularly in areas like shelter and equipment provisions for women's department; **AP:** Joint agreement with UNICEF on Blueprint collaboration with refugees and migrants on Rohingya caseload; **AME:** Safe Mobility Initiative and R4V with IOM and Agreement with UN Women, Programme Support Group coordinated by the DCO and including regional presence from other UN agencies, to support country teams with the development of their UNSDCFs; **EHAGL:** Close collaboration with the Intergovernmental Authority on Development (IGAD) to implement the GCR, involvement in the Intergovernmental Authority on Development regional platform including stock taking meetings and taking parts in regional commitments; **WCA:** Collaboration with IOM to develop a regional framework to develop priorities. This was driven by a 221 global HQ agreement framework between the two agencies; **SA:** World Refugee Day, a joint initiative with Lawyers for Human Rights.

frameworks with UNICEF and WFP, focused on shared objectives like CP and basic needs assistance[164]. The evaluation of UNHCR's engagement in situations of internal displacement[165] highlights several aspects of the collaboration between UNHCR and IOM, especially within the context of the cluster approach, wherein UNHCR and IOM worked together under the cluster system to improve the coordination and delivery of humanitarian assistance to enhance the protection of internally displaced persons (IDPs) and streamline support efforts across various sectors. However, there are still some constraints, particularly for agencies competing for the same resources in a similar operating sphere, while donors interviewed stressed a demand for even closer collaboration regarding data sharing and policy approaches to mixed movements. Situations of internal displacement and cluster system were out of scope for this evaluation, hence no assessment as to the impact of D&R in these situations can be made.

245) Country visits across all regions indicated renewed efforts in moving towards strengthened development partnerships, with examples of increased collaboration and engagement with key development partners, including European Commission International Partnerships (EU INPTA) and the World Bank, as well as foundations and the private sector. However, the evaluation team does not have enough evidence to isolate this finding to D&R, and a desk review also reveals the complexities of integrating humanitarian and development efforts to improve synergies. For example, UNHCR has faced challenges in being fully active within the United Nations Sustainable Development Cooperation Framework (UNSDCF) processes, which can stem from several factors. UNHCR's primary focus remains immediate humanitarian protection assistance, which can sometimes limit its involvement in broader development frameworks, such as UNSDCF, focused on sustainable development and long-term integration strategies. Additionally, effective participation in UNSDCF requires strong coordination with other United Nations agencies. However, as mentioned above, some United Nations agencies have differing priorities and operational strategies, which can lead to misalignment in joint planning efforts and limit UNHCR's engagement in UNSDCF processes[166].

246) However, although regionalization has allowed UNHCR to engage more with strategic partners by being closer to the field, the positive effects of this move are thus also bound by the degree of regionalization of UNHCR's strategic partners, which is not always equal to that of UNHCR. For instance, in the MENA region, some strategic partners are based in Cairo, Egypt (for example, UN Women and IOM), while UNHCR's RB is based in Amman, Jordan and collaboration is still virtual. Similarly, in the AP region, the geographical coverage of UNICEF is not the same as the geographical coverage of UNHCR's RB – for instance, four UNICEF ROs cover the region covered by RBAP. These circumstances may curtail the benefits drawn from physical relocation of the RBx, as partners that UNHCR wishes to collaborate with are not physically in the same location.

247) Donors across regions have also highlighted an increase in opportunities to interact at regional level. Some key donors in AP, AME and EHAGL have indicated improved access to RBx in the region, with issues that can be directly addressed at the regional level and the engagement of RBx in high-level strategic initiatives. Moreover, key donors have emphasized heightened interactions at the regional level, including active participation in regional reviews and meetings involving RB staff. However, the significance of geographical proximity is less pronounced compared to that for strategic partners. For example, operations in EUR, AP, AME and Africa still indicated substantial HQ involvement, alongside the RB, in most affairs related to interactions with UNHCR's top donors. The evaluation team has examined several potential reasons for this. While a general trend towards regionalization can be observed among top donors to UNHCR, not all donors that UNHCR is engaging with have decentralized their decision-making on funding to the regional level. Some donors interviewed as part

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[164] UNHCR (2023). Global Report. Strategic partnerships
[165] UNHCR (2024). Evaluation of UNHCR's engagement in situations of internal displacement
[166] UNHCR (2023) Global Report. Strategic partnerships.

of this evaluation reported that decision-making on funding is still centralized at the capital level, through permanent missions or representation in Geneva and/or New York. This leads to a consistent requirement for strong engagement at HQ level, owing to the complex donor landscape, which is marked by diverse organizational structures among donors. Additionally, key donors interviewed by the evaluation team also voiced a strong interest to engage with UNHCR at country, regional and HQ level simultaneously, depending on the nature of their request, with a preference of dealing with requests closest to the operation in question. This finding suggests that COs, RBx and donor relations at DER can all take part in first line roles when engaging with donors, which reduces clarity across operations and leads to potential duplication of responsibilities across levels *(please refer to the Technical Support and Oversight section for further details).* The internal organizational assessment commissioned in 2017 observed a general tendency for competitive mindset in the management of donor relations, with the division of DER in HQ protecting relationships with individual partners and donors, despite the relationship or partner in question cutting across various functions[167]. This presents a dual imperative for UNHCR to establish coherence and consistency across regions in donor engagement, while also demanding heightened agility in targeting donors at multiple levels (HQ, regional, local) simultaneously.

Finding 30: From 2018 to 2023, there was little to no diversification of donors.

248) The D&R reform was anticipated to facilitate the attraction of new donors through regionalization, creating opportunities to engage with a broader range of potential funders, dispersed across different geographical locations.

249) According to figure 19[168], there has been little to no diversification among categories of major donors to UNHCR from 2018 to 2023. However, contributions from government donors have shown an increasing trend of 3 per cent CAGR across the six years.

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[167]Mannet (2017) Rapid Organizational Assessment. Unpublished internal document.

[168] Source: UNHCR, Division of External Relations. DRRM BI PowerBI. Annual Trends, Funds Dataset. Deloitte analysis. For the years reflected in the graph, the donor categories include the following donors/funding types:
United Nations: Central Emergency Response Funds, Country-based Pooled Funds, Multi-Partner Trust Funds, United Nations entities, other types of funds administered by such entities.
International governments: Intergovernmental organizations and international financial institutions, such as African Development Bank, African Union, Arab Bank for Economic Development in Africa, Corporacion Andina de Formento, European Union, Intergovernmental Authority on Development, Islamic Development Bank, Organisation Internationale de la Francophonie, World Bank.
Gov: Governments.
Private sector: Diverse private donors from different Member States.
National partners: Miscellaneous donors from different Member States provided via local National Partners.

[168] UNHCR National Partners are independent, non-governmental organizations that conduct private sector partnership activities on behalf of UNHCR within their individual countries. They are established in accordance with the laws of the country in which they operate and focus on raising awareness and funds for UNHCR. UNHCR has national partners in nine countries: Australia, Japan, Spain, Sweden, Germany, USA, Argentina, Switzerland and the United Kingdom. Funds gathered through national partners should be considered as part of private sector fundraising.

Figure 19: Total donor contribution by type (2018-2023, USD mn)
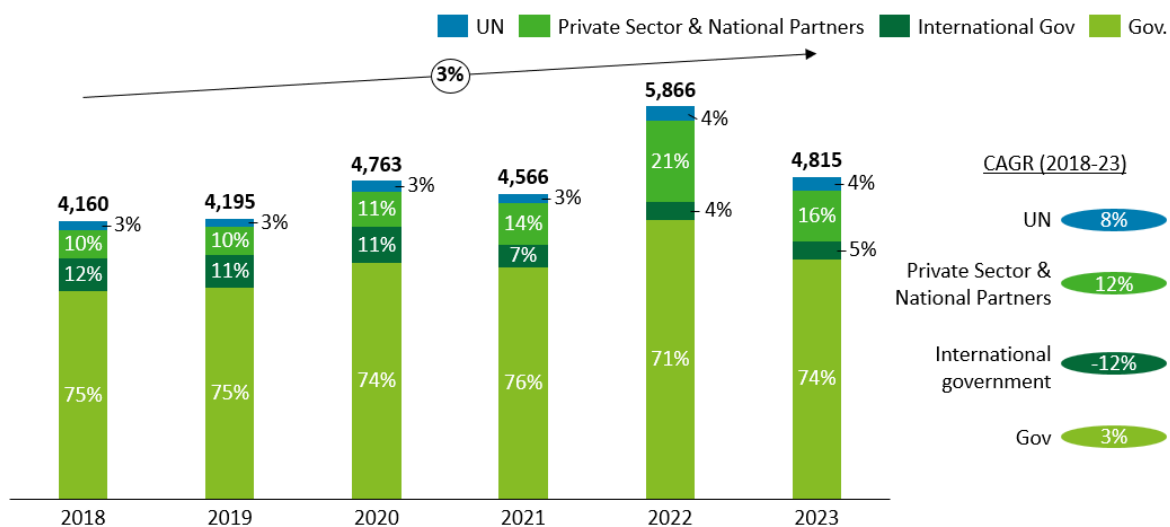
250) In figure 20[169], we can see that the United Nations remains the largest donor and has grown over the last five years, while Japan and Denmark have emerged as the highest growth contributors to overall funding growth. It remains to be assessed in the future years the trends of donor diversification.

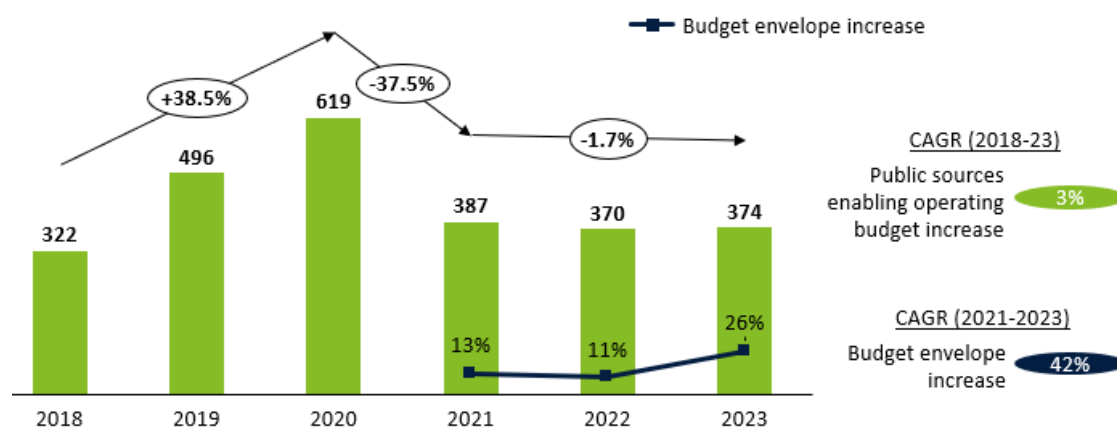**Figure 20: Total governmental donor contribution by region (2018-2023, USD mn)**
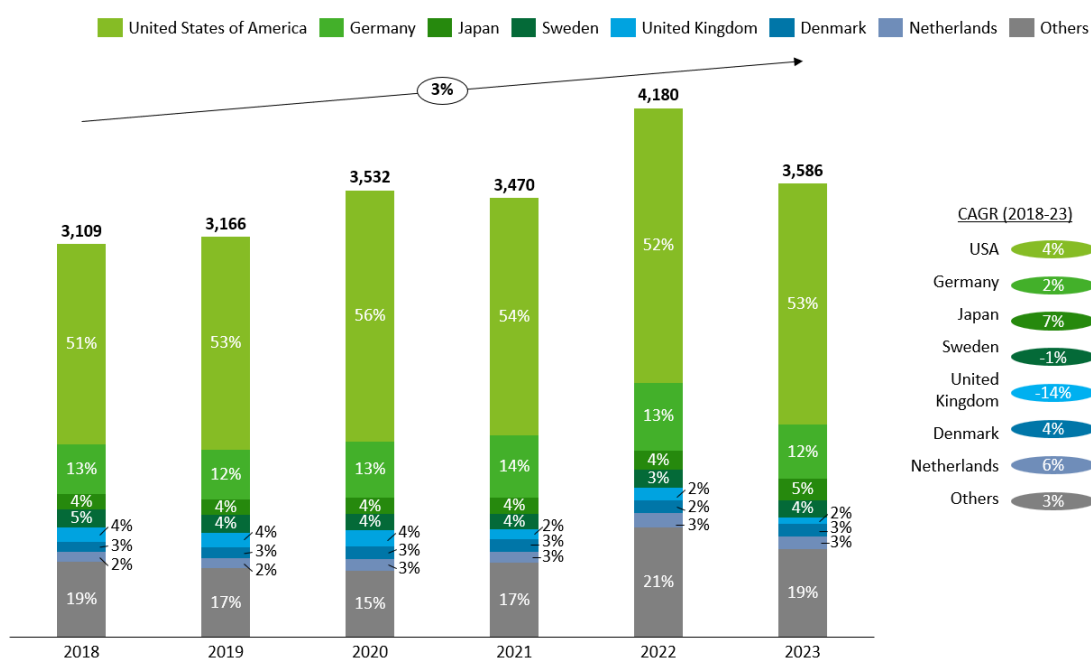
Finding 31: Although RB directors and MCO/CO representatives were given the authority to increase country operations' operating budgets, following locally-raised funds from certain

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[169]Source: UNHCR, Division of External Relations. DRRM BI PowerBI. Annual Trends, Funds Dataset. Deloitte analysis.

sources[170] in order to incentivize increased local fundraising, there is limited evidence of increased funds raised and subsequent increases in local budgets. Reasons for this seem to be multiple, including a lack of clarity about the eligibility criteria of funding sources and lack of certainty regarding how the funds will be allocated.

251) The updated RAF as part of D&R aimed to enhance agility and responsiveness through increased flexibility and better resource mobilization, including empowering RB directors and CO representatives to raise their budget as a function of locally-raised funds.

252) The understanding of the RAF across the organization has matured across the years of D&R, and it is now found to be well respected and understood at director and representative level and across staff involved in its direct implication in their daily work.

253) However, although the evaluation team found evidence of strong willingness at regional and local level to develop strategies to secure local funding, the operationalization of the RAF for local fundraising remains untapped. There is evidence across regions of competing instructions regarding local fundraising and a lack of certainty regarding how the funds will later be allocated within a particular operation.

254) Figure 21[171] illustrates the amount of local funds raised[172] from public local sources mentioned in the RAF and governments from 2018 to 2023, as well as corresponding increases in budget envelopes due to funds raised locally from 2021 to 2023[173].

Figure 21: Local fundraising from sources qualifying for operating budget increase, according to the RAF (2018-2023, USD mn), budget envelope increase (% of funds raised, 2021-2023)

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255) Overall, local fundraising[174] has increased at 3 per cent CAGR from 2018 to 2023. The data analysis indicates that the amount of local fundraising grew substantially from US$ 322 million in 2018 to US$ 619 million in 2020, registering 38.5 per cent CAGR. However, there was a sharp decline in 2021 of 37.5 per cent compared to 2020 levels, likely due to COVID-19 restrictions. After 2021, the value of locally-raised funds has remained fairly stable. Based on the KIIs and FGDs during country visits, the observed decline in fundraising activities between 2020 and 2021 can be attributed to two primary factors. First, the onset of the COVID-19 pandemic significantly impacted local fundraising efforts for the years 2021 to 2022. The global lockdowns severely restricted physical interactions, which are essential for ground-intensive fundraising activities, such as meetings and events. Consequently, the pandemic undermined the ability to conduct effective in-person fundraising initiatives. From 2021 to 2023, local fundraising declined at -2 per cent CAGR.

256) There is a risk of missed opportunities to raise additional funding through public and government sources, due to limited incentives or limited clarity of procedures for local fundraising among operations. According to KIIs during country visits, local fundraising opportunities are constrained by a lack of clarity and frequent changes in the RAF eligibility criteria and the global funding landscape. This has led to ongoing discussions between regions/operations and HQ concerning the eligibility criteria for locally-raised funds that contribute to increasing their operating budget. The evaluation of UNHCR's response to multiple emergencies in the Central Sahel Region have also highlighted that lack of information and understanding regarding the increase in the budget envelope and its associated criteria has posed challenges[175].

257) This issue is further exacerbated due to the recent funding situation, which has led to situations where operations had to miss out on donations in specific thematic areas. According to accounts, one large operation even mentioned preferring accepting in-kind contributions over monetary contributions, due to concerns that monetary contributions might be restricted or inaccessible. Based on interviewees in HQ, other factors such as the capacity to prepare funding proposals, competition across United Nations agencies for the same funds and contractual obstacles are also significantly responsible for the limited local fundraising success.

258) As can be seen in figure 21, budget envelope increases due to local fundraising only represent about 26 per cent of the total local funds raised in 2023, which means that only a limited percentage of the funds raised locally flow into budget envelope increases. Nevertheless, it should be noted that despite the decline in local fundraising from 2021 to 2023, there has been a substantial growth of the budget envelope increases made from local fundraising at 42 per cent CAGR from 2021 to 2023, which seems to indicate that budget envelope increases from locally-raised funds are increasingly taking place. This points to a positive trend in authorities being exercised according to how they were granted within the RAF.

259) When comparing regional trends in local fundraising, as illustrated in figure 22, one can note a significant regional disparity. AP, AME and SA have emerged as the fastest-growing regions for local fundraising post-D&R, while AP and EHAGL are the largest contributors to locally-raised funding overall (note the difference in sizes of the operations). For EUR, the sharp decline in 2023 from 2022 can be attributed to the reduction in funds being raised for the Ukraine crisis. This can also be attributed to the fact that there are a few United Nations funds in EUR for which the RAF is applicable, subsequently leading to an increase in locally-raised funds in 2022. The amount of local fundraising

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[174] Assumptions:
- Local fundraising: It is assumed that local fundraising includes funds raised locally from public and government sources.
- Regional distribution: Local funds raised from Qatar between 2019 and 2022 were originally categorized under the overall region category in the data. For the purpose of this analysis, these funds have been classified as raised in the MENA region.
- Budget envelope increase: It is assumed that the increase in budget envelope is attributable to funds raised locally from public and government sources.
- HQ and global programmes: It is assumed that it includes local funds raised by HQ and divisions from public and government sources.
Data limitations: Budget envelope increase – Distribution by type of source not available.
[175] UNHCR (2022) UNHCR's response to multiple emergencies in the Central Sahel Region: Burkina Faso, Niger, Mali.

is dependent on several factors, such as operational context, presence of donors and number of emergencies, which can impact regional fundraising dynamics.

Figure 22: Local fundraising by regions (2018-2023, USD mn)
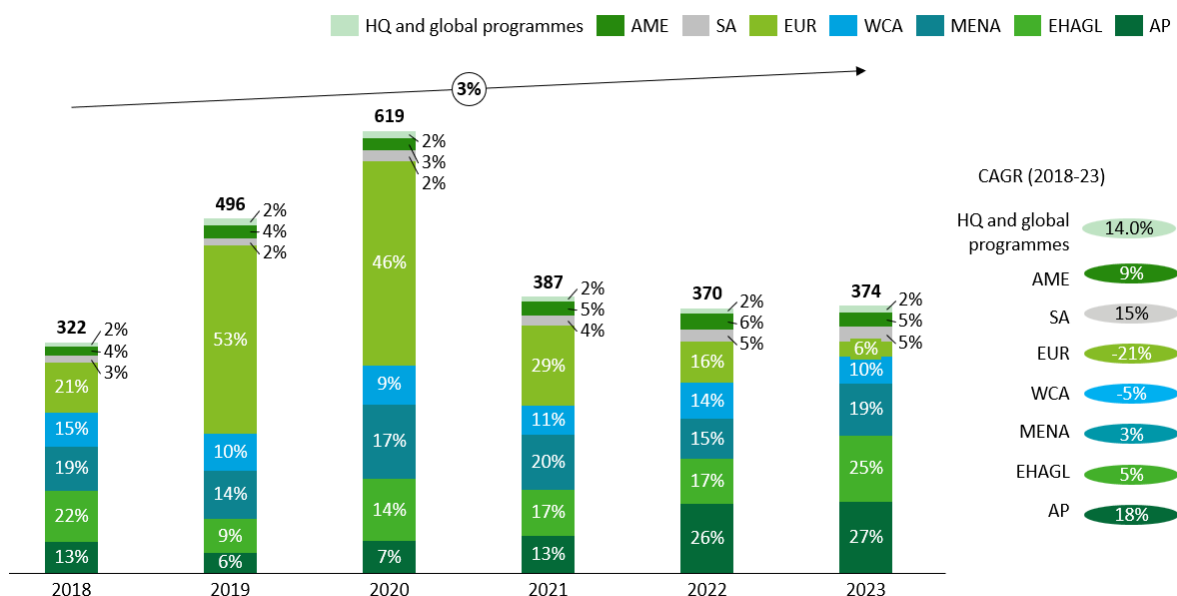
Conclusion

260) The D&R reform aimed to bring UNHCR closer to its partners and to strengthen ties with Member States, United Nations bodies, regional and local actors, and fora. Additionally, the revised RAF, as a result of D&R was designed to increase incentives for local fundraising.

261) Overall, the reform has largely achieved its objectives around external engagement. Evidence has indicated that the relocation of RBx to the region and the establishment of an External Engagement pillar, with reinforced capacity at the regional and country level, has been beneficial in enhancing collaboration with strategic partners and donors across all the regions. UNHCR has evolved effective ways in collaborating within the United Nations ecosystem, enabling UNHCR to swiftly identify and occupy political space to seize new opportunities. However, local fundraising represents an area of underutilized potential, where the introduction of additional incentives at the regional and local levels to encourage stronger involvement in resource mobilization, coupled with institutionalized collaboration across all levels of the organization, could deliver better results.

Recommendation

262) **Recommendation: Strengthen measures to capitalize on resource mobilization and partnership opportunities.**

This could include:

- Clarifying and simplifying the rules regarding underlying eligibility for budget envelope increases from local fundraising. The revised RAF (revision 4, 2024) has taken a step in the right direction by allowing automatic increase of budget allocation for operations which mobilize funding from certain public and private sources, in particular of development sources in line with UNHCR strategic objectives.

- Bringing collective know-how on donors across all levels of the organization to ensure a coherent approach with a donor-centric view (for example, reporting requirements, strategic priorities). A robust vertical integration of all organizational functions related to donor engagement is needed to foster collective intelligence and expertise. One strategy to elevate UNHCR's harmonized approach to engaging with donors in a decentralized setting involves establishing cross-functional account teams that unite external engagement staff around the same donor across various levels.

- Further incentivizing the involvement of RB directors and CO representatives in local fund-raising through various means including KPI frameworks on fundraising objectives at the regional and local level.

2.3.2 Operational Delivery

263) D&R aimed to bring capacity and decision-making closer to the field to enhance agility, adaptability and responsiveness to rapidly evolving circumstances on the ground. Effectiveness at the point of delivery was intended to be strengthened by enhancing flexibility and authority for RBx and MCOs/COs/SOs in various areas and is therefore a broad area for analysis. This section discusses: a) Emergency preparedness and response, including resource allocation in situations of emergency; b) supply in emergency and non-emergency contexts; c) working with partners across the United Nations ecosystem, with a specific focus on funded partnership agreements; and d) protection outcomes in line with the new RAA and dedicated protection capacity at the RB level (please *refer to the Roles, Accountabilities and Authorities section*)[176].

264) Within emergency response, D&R aimed to strengthen preparedness and response times. A framework of RAA for emergency preparedness, with stipulated roles and responsibilities for HQ, RBx and COs, was implemented. The framework empowered COs to proactively prepare for emergencies based on risk analysis, while RBx were to be accountable for overseeing emergency preparedness and risk analysis for complex situations affecting multiple countries. In line with the policy on Emergency Preparedness and Response, there are guidelines on UNHCR emergency levels 1, 2 and 3, which clearly specify procedures and responsibility at the three levels, including but not limited to: Emergency preparedness; declaration of an emergency; confirmation of leadership; emergency cells; specialist cells; working groups; HR; emergency reserve budget; supply; partnership agreements; post emergency; and evaluation. A comparative table[177] of the various procedures applicable during the three UNHCR emergency levels is included in *annex 6.*

265) In the field of supply, the implications of cases of financial losses and delayed delivery of goods and services pre-D&R had emerged as recurring challenges, based on evidence from past evaluations. Through D&R, rules and procedures were clarified and simplified, outlining the roles and responsibilities of different actors at all levels. New thresholds for procurement were established, along with the creation of Contracts Committees for new thresholds, decentralizing decision-making and enhancing efficiency in procurement processes[178].

266) Within the broader protection work of UNHCR, a need for the provision of protection expertise and accountability closer to the field to enable more tailored interventions adapted to regional and local needs had been identified in the planning of D&R. A dedicated protection pillar was integrated in the new RBx, aimed at ensuring stronger, more integrated and comprehensive planning and technical

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[176] It is important to note that for the purpose of this evaluation, the focus area was on UNHCR's work on protection in refugee situations, while those relating specifically to internally displaced people is out of scope.
[177] UNHCR (2023) Comparative Table of UNHCR Emergency Levels. Unpublished internal document.
[178] UNHCR (2021) Administrative Instruction on Procurement.

capacity, including towards long-term durable solutions, with the overarching goal of strengthening protection outcomes at the point of delivery.

267) Relocation of protection capacity in RBx and country operations was equally expected to strengthen collaboration with partners. To strengthen cooperation with UNHCR's funded partners at different levels of the organization, UNHCR furthermore established a new partnership management procedure in September 2023, four years after the initial roll-out of D&R. While providing a unified framework and overall direction on partnership management processes throughout the reformed strategic programme management cycle, the procedure aims to enhance UNHCR's effectiveness and capacity in delivering results through robust, diverse, and meaningful partnerships, by placing responsibility and authority on representatives in emergency situations, allowing them to temporarily suspend competitive selection for new partnership agreements in favor of increasing agility and speed.

Finding 32: Overall, there is evidence that D&R has resulted in a positive trend towards faster decision-making, more adaptable and agile emergency responses, and enhanced coordination with stakeholders during emergencies. However, there is mixed evidence of empowerment in resource allocation during emergencies.

268) **Effectiveness of emergency response:** Current organizational capacities are being stretched to a maximum in emergency response. In August 2023, UNHCR was responding to 26 active emergency declarations, representing the highest number of emergencies active at any one time before 2023. In 2022, at the height of displacement globally, UNHCR was responding to eight active Level 3 emergencies simultaneously (including the Afghanistan, Ethiopia and Ukraine situations). In 2023, the majority of emergencies declared were under the oversight of two RBx, with around 40 per cent of emergencies under the purview of RB WCA, and a further 25 per cent for countries covered by RB EHAGL. As humanitarian crises increase in scale and complexity, emergency situations spanning not only several countries but also several RBx, that require enhanced coordination and clear division of responsibilities, are becoming increasingly more relevant[179]. Feedback provided during country visits indicated that the reform has led to faster, more flexible and more agile responses to emergencies and efficiency gains in operations visited. Operations in MENA, AP, WCA, SA and EHAGL noted improvements in response times, more empowered emergency staff, better local adaptability and more real-time gathering of information on the ground through risk analysis and contingency planning. Following D&R, DESS also facilitated the concept of a "first responder mechanism", proposing that all RBx create and maintain local rosters.

269) In DRC, which is a logistically very challenging operation, during the M23 situation, there was quick deployment of CO staff for six months. UNHCR staff on the ground reported that they were quicker to partner with other stakeholders and actors. The Emergency Cells established by the RB proved effective in coordinating support for the CO and ensuring that relevant issues and requirements were rapidly addressed, in order to enable a timely and effective response. These positive gains were also observed during the L2 emergency in South Kivu.

270) Whereas evidence from country visits suggests that the reform has enhanced responsiveness and faster decision-making, the staff survey presents mixed findings. A total of 52 per cent of respondents agree or strongly agree that the reform has enhanced responsiveness and faster decision-making regarding emergency situations, while 27 per cent are neutral and the remaining 21 per cent disagree or strongly disagree, indicating some reservations from these staff on the positive impact of D&R on emergency responsiveness. This may be due to conflicting trends arising from resource constraints, and rising needs on one hand and increased efficiency on the other.

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[179] UNHCR (2023) Emergency Preparedness and Response – Recurring Issues & Lessons Learned. Unpublished internal document.

271) **Coordination with other United Nations agencies and stakeholders during emergencies:** The GCR, a key factor that influenced decision-making towards the D&R reform, recognizes that a sustainable solution to refugee situations cannot be achieved without international cooperation, including with United Nations agencies and development partners[180]. In line with the GCR, the Emergency Policy envisions that UNHCR's emergency preparedness and response shall be designed and delivered as inclusive, collaborative undertakings, involving governments, civil society, local and international NGOs, United Nations agencies, development actors, international and regional financial institutions, the private sector and the media, as well as refugees, IDPs, stateless persons, returnees and other persons of concern.

272) Feedback provided during country visits indicated that there is improved collaboration and cooperation with key United Nations partners, and better value addition and engagement (for example, with IOM, WFP, Office for the Coordination of Humanitarian Affairs [OCHA] and UNICEF) across various regions during emergencies. Faster engagement with funded partners, strategic partners and donors during emergencies has also been demonstrated in operations such as Ethiopia, Ukraine, the Sahel Region and DRC, among others. The operations have been able to implement the special partner management procedures outlined in the Emergency Policy that apply at all emergency levels for the duration and extension of the declaration, including taking decisions on partner selection upon the recommendation of the Implementing Partnership Management Committee (IPMC) without the need to launch a new call for expression of interest, and leveraging Letters of Mutual Intent (LOMI) to allow activities to commence while the standard agreement is being negotiated.

273) This is consistent with findings from other evaluations, such as the evaluation of UNHCR's response to the L3 emergency in Ethiopia, where effective engagement with funded partners during emergencies was highlighted. Furthermore, the evaluation of UNHCR's response to the COVID-19 pandemic and the evaluation of UNHCR's response to the L3 emergency in Afghanistan indicated that UNHCR has been able to build on long-standing relationships and mutual respect with a number of strategic and technical partners[181]. Another example of a L3 emergency[182] also states that bringing operations and decision-making closer to the field enables better real-time gathering of information on the ground, due to improved collaboration with locally-based stakeholders, including governments, United Nations agencies, international agencies and donors.

274) **Resource management during emergencies:** The RAF sets out the authorities related to the management of approved resources, including to senior managers in SOs, NOs, COs/MCOs, RBx and at HQ. The framework also provides general provisions for the access to the Operational Reserve and Emergency-Reserved Budget. The Emergency-Reserved Budget provides immediate access to resources to cover emergency preparedness and response in the short term, giving the operation time to analyze needs and submit a request for additional resources, if required[183].

275) Feedback received during country visits indicated that the RAF offers an opportunity for enhanced and efficient allocation of resources across various levels within the organization in the context of emergency response. At the CO level, operations elaborate resource requirements from the start of an emergency, based on planning with partners and with the support of the RBx, DESS, DSPR and DER. These requirements form the basis for supplementary budgets and resource mobilization strategies. At the regional level, RB directors have been granted authority to transfer appropriations from the Operational Reserve and/or to allocate budget from the Emergency-Reserved budget for requests of up to US$ 5 million per country. The inclusion of operational reserves, along with recent adjustments to the regulations governing the use of these reserves for sudden onset and emerging

[180] UNHCR (2018) Global Compact on Refugees.
[181] UNHCR (2023) UNHCR's response to COVID-19 Pandemic, Evaluation of UNHCR's Response to the L3 Emergency in Afghanistan.
[182] UNHCR (2021) Evaluation of UNHCR's L3 Emergency Response to Cyclone Idai.
[183] UNHCR (2023) Resource Allocation Framework Administrative Instruction.

crisis situations, has enhanced UNHCR's ability to swiftly mobilize resources to address emergencies according to evaluation findings. This was evidenced in RB EHAGL and RB WCA, where resources were promptly released during emergencies in Sudan and Chad respectively, facilitating timely responses. Similarly, the evaluation of the L3 emergency in Afghanistan observed that the response was very efficient in deploying timely and adequate resources to meet emergency needs. UNHCR deployed increased financial resources rapidly compared to other agencies, with RB AP and HQ playing a key role[184].

276) However, while the general trend shows positive outcomes, it is evident that significant resource constraints are being faced due to reduced funding, prolonged emergencies, multiple crises and donors increasingly stipulating the specific utilization of their resources through earmarked funding, thereby complicating emergency response resource allocation. Whereas the Emergency Policy cites that emergency appropriations and budget envelope allocations should be transferred no later than 48 hours from the date of the request, several operations reported delays in funding or insufficient funding. Throughout EUR, AP, EHAGL and SA, requests for funds have been denied, delayed or partially approved without clear justification. Several operations noted that requestors were not meaningfully included in the final discussions, with clear explanations for denials not provided, which goes against the principle of D&R on shared but differentiated responsibility for decision-making and accountability across levels in a decentralized working model.

277) There were also mixed findings on the level of empowerment in decision-making, as envisioned in the updated RAF. Some operations have noted positive benefits. For example, in Thailand, the representative and heads of SOs are empowered to make resource allocation decisions based on local knowledge during emergencies. However, it was pointed out across some other regions 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, and HQ still decides on technicalities and amount of budget envelope allocations to operations, while equally retaining final approval rights and oversight. At a time when resources and funding are reduced, there is a need to better communicate resourcing decision-making processes and ultimate decisions for staff to gain a deeper understanding of the application of RAF on emergencies within the context of constrained funding. Similar mixed findings were observed from the staff survey. Whereas 40 per cent of respondents agree or strongly agree that the reform has resulted in faster mobilization of resources during emergencies, 35 per cent are neutral, with the remaining 24 per cent disagreeing or strongly disagreeing.

Finding 33: There is mixed evidence on the impact of D&R on supply. Some operations have experienced reduced approval lead times, pointing to enhanced agility and quicker decision-making in the field. There are, however, some outliers in procurement approval lead times across different regions, suggesting varying levels of efficiency and operational challenges.

278) The scale of procurement conducted by UNHCR has increased substantially in recent years, and a significant proportion of the organization's annual budget is dedicated to the procurement of goods and services. This requires efficient and effective procurement processes, the appropriate management of procurement activities and the effective stewardship of related resources.

279) As part of the D&R reform in supply generally, Contracts Committees for new thresholds were established. There was an increase in upper thresholds for RCCs and head of the Supply Management Service (SMS) to US$ 1,500,000, and for SO-level Contracts Committees (Sub-LCCs) of US$ 100,000 to empower regional and field teams and shorten the lead time required to set up

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[184] UNHCR (2023) Evaluation of UNHCR's Response to the L3 Emergency in Afghanistan.

committees. Further, D&R facilitated the establishment of regional stocks, which has been implemented in AME, AP, EUR and MENA.

280) Figure 23 illustrates analysis of the procurement approval requests raised at the Headquarters Contracts Committee (HCC)/SMS and RCC from 2019 to 2022[185]. The analysis focuses on RCCs and SMS, as there was limited data available for country and SO levels. The data indicates that there has been an increase in both the volume and average transaction value of approval requests being raised at the RCC, which can likely be attributed to the increased thresholds at the RB level. The growth in volume of requests being raised at RCC (54 per cent CAGR, 2019-2022) is much higher compared to HCC/SMS (4 per cent CAGR, 2019-2022). This implies increased agility in procurement at the regional level.

Figure 23: Total procurement approval requests (2019-2022, # of requests, average transaction value of requests in USD mn)

281) Figure 24 illustrates analysis of the weighted average procurement approval lead time (number of days from the date of submission by a requesting unit to the date of the decision by the Committee on Contracts) by region during non-emergency situations[186]. As can be seen in this analysis, procurement approval lead times are typically shorter at regional levels compared to HQ, pointing to enhanced agility and quicker decision-making through regionalization of the process. There are some outliers in procurement approval lead times across different regions, suggest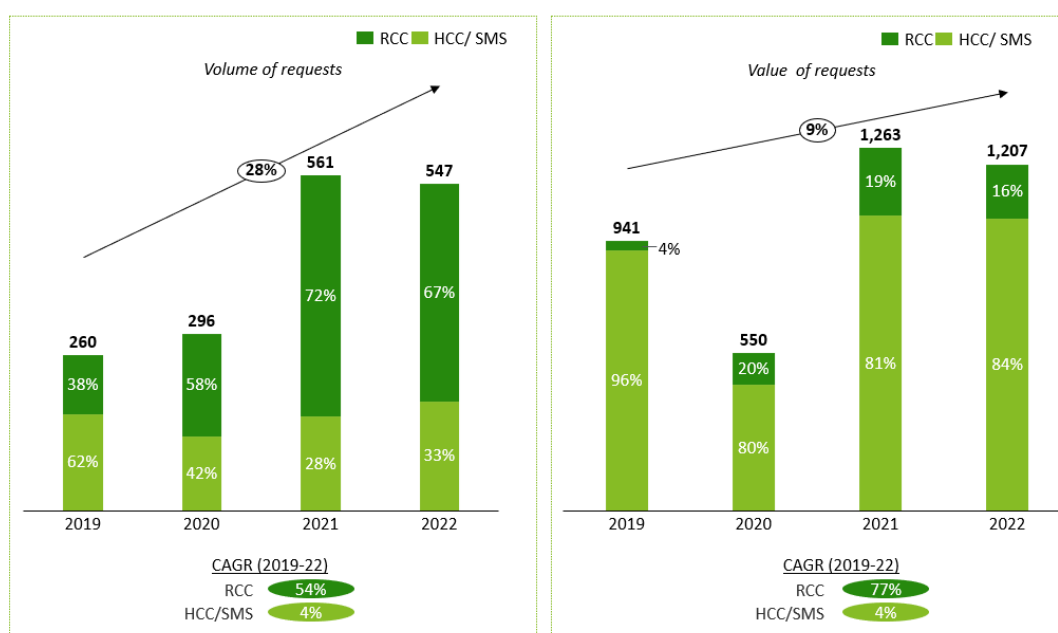ing varying levels of efficiency and operational challenges. The average procurement approval lead time for RCCs in all regions, except for EHAGL, has been lower in comparison with HCC. It should be noted that the data available for the analysis is limited to the time frames of July 2019 to October 2020 and January 2020

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[185] Data Source: UNHCR, Division of Emergency, Security and Supply, Supply Management Service. HCC RCC requests from 2019 Q3 to 2023 Q3, Deloitte analysis. The analysis does not include the years 2018 or 2023 due to data unavailability, caused, among other things, by changes in UNHCR systems (BTP).
[186] Data Source: UNHCR, Division of Emergency, Security and Supply, Supply Management Service. Procurement Reporting from SMS and all Bureaux, January 2020 to September 2023 and July 2019 to October 2020 (two separate data files). Deloitte analysis.
Assumptions:
- All cases, except where the emergency column is marked "True" or "Yes", are considered as non-emergency cases.
Limitations:
- Data for all regions and all years is not entirely available. For example, AP data for 2022, SA data for 2022 and 2023, and EHAGL data for 2019 was unavailable.
- Data format Issues: EUR, AME and MENA regions did not have data in a usable form to derive lead times.
Exclusions:
- Certain data entries in HCC/SMS data were ignored due to inconsistencies, such as date of decision being prior to the date of case submission.

to September 2023, with several data points missing across the regions. Results may therefore not accurately represent the actual situation encountered on the ground.

282) For emergency durations and extensions, the Emergency Policy sets out special supply procedures applicable: The Request for Quotations (RFQ) ceiling and LCC procurement authority is US$ 750,000 if the most senior supply officer in the country operation is graded P4 or above; the procurement approval authority of the representative is US$ 250,000; and the minimum floating periods for formal method of solicitation processes may be shortened to respond to urgent needs (Request for Proposal [RFP] – minimum two weeks; Invitation To Bid (ITB) – minimum one week; RFQ – no minimum timeframe). The Global Stock Management is maintained to provide Core Relief Items (CRIs), security equipment and other materials as needed and the Global Fleet Management, in cooperation with DESS, ensures expeditious delivery of vehicles to the operational areas. COs are recommended to prioritize local procurement over international procurement where conditions allow and, where there are regional connections, RB-led fundraising is encouraged.

Figure 24: Weighted average procurement approval lead time for non-emergencies by region (2019-2023, number of days)
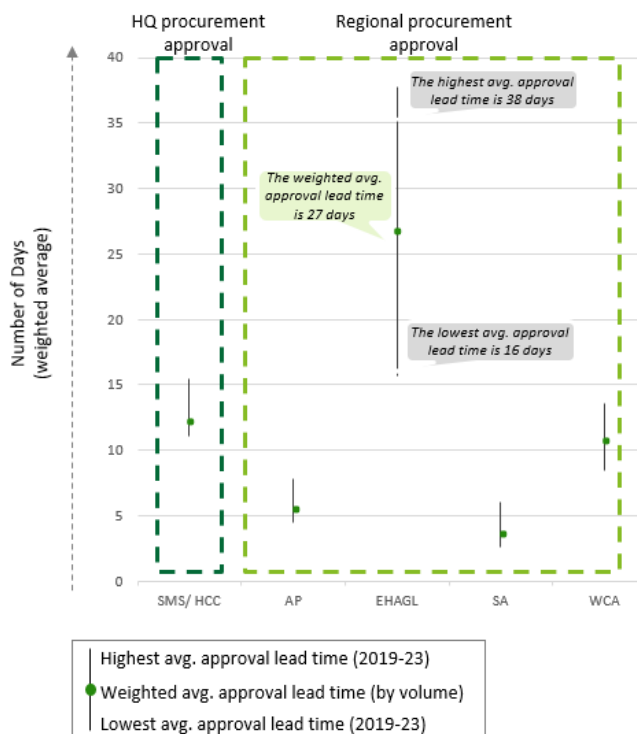
283) Figure 25 illustrates analysis of the weighted average procurement approval lead time (number of days from the date of submission by a requesting unit to the date of the decision by the Committee on Contracts) by region during emergency situations[187]. For emergency-related procurements, due to data limitations, data for only a few regions (AP and EHAGL) was available. According to the

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[187] Data Source: UNHCR, Division of Emergency, Security and Supply, Supply Management Service. Procurement Reporting from SMS and all Bureaux, January 2020 to September 2023 and July 2019 to October 2020 (two separate data files). Deloitte analysis.
Assumptions:
- All cases, except where the emergency column is marked "True" or "Yes", are considered as non-emergency cases.
Limitations:
- Data for all regions and all years is not entirely available. For example, AP data for 2022, SA data for 2022 and 2023, and EHAGL data for 2019 was unavailable.
- Data format Issues: EUR, AME and MENA regions did not have data in a usable form to derive lead times.
Exclusions:
- Certain data entries in HCC/SMS data were ignored due to inconsistencies, such as date of decision being prior to the date of case submission.

available data, average procurement approval lead time at AP for emergency related procurement is lower than at HCC, while the average approval lead time at EHAGL is higher than HCC. It is worth mentioning that all emergency contexts and resourcing vary across regions, and RCC work is organized differently and results can therefore not be directly compared.

284) This is in line with the evidence collected from country visits, wherein certain operations in the AP region have reported reduced approval lead times and enhanced efficiencies and flexibilities in areas such as advertisement, technical assessment and financial evaluation of procurement requests, attributed to the activities of RCCs and the establishment of a regional stock in Termez. On the other hand, feedback from EHAGL indicates that the approval lead times for procurement are highly dependent on the availability of supply officers at P4 level and above, who have the right for approval of procurement through the RCCs, which has been addressed by strengthening capacity and approval authorities.

Figure 25: Weighted average procurement approval lead time for emergencies by region (2019-2023, number of days)
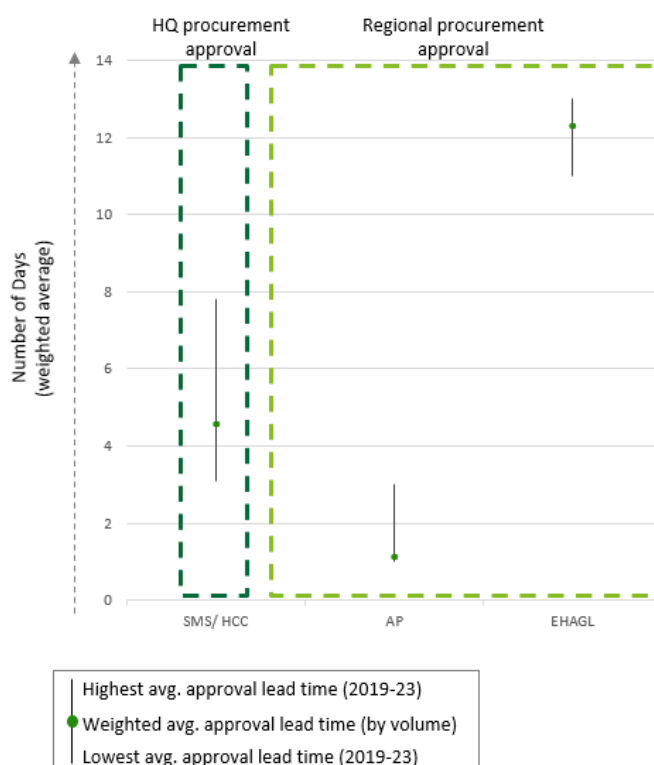
285) The mixed findings are further substantiated in the staff survey, wherein 48 per cent of respondents agreed or strongly agreed that the reform has resulted in quicker approvals of procurement requests, 33 per cent are neutral and the remaining 19 per cent disagree or strongly disagree.

286) Hence, it can be concluded that while the increase in thresholds for the RCCs has led to a positive impact on regional procurement, there are some outliers driven by operational and context specific factors in both emergencies and non-emergencies.

287) The UNHCR Supply Strategy 2024-2030[188] highlights a new supply operating model. The envisioned distribution of roles in the model is as follows: HQ – Restructure and elevate through strengthening

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[188] UNHCR (2024). Supply Strategy 2024 - 2030

strategic capabilities and leading all international transactions; RBx – Standardize and strengthen through leading complex local procurement and effective second line of support; and COs – Remove complexity and pressure through standardizing local procurement and refocusing local logistics and inventory. The model further provides a segmentation of supply functions across HQ, RBx and COs. This model came into effect in April 2024, and thus it is not possible to fully evaluate outcomes of these latest changes on the efficiency of procurement.

Finding 34: There has been an increase in Partnership Agreements from 2018 to 2023. However, it cannot be directly correlated to the effect of D&R, but rather the evolution of the humanitarian situation globally, including the Grand Bargain commitment and the GCR.

288) From 2018 to 2023, the total number of funded partnership agreements of UNHCR has increased at a 2.2 per cent CAGR, from 1,656 in 2018 to 1,850 in 2023, largely driven by agreements with local NGOs and grant agreements. While there is an increase in the number of partnership agreements signed, it is not possible to correlate this increase to the effect of D&R, as there have been significant concurrent changes and developments in the humanitarian field and related policy environments. For example, the Grand Bargain commitment and the GCR both call for stronger engagement of local actors and RLOs within humanitarian work. Given one of the key accountabilities of country representatives is to ensure that partnership selection advances UNHCR's Grand Bargain commitments, this can in part explain the growth in agreements signed with local NGOs.

289) While we can observe a development in UNHCR's work with funded partners that goes into the intended direction under D&R, we cannot reliably conclude that this is a direct outcome of the reform. We can, however, note that work with funded partners is developing in the direction intended under both the GCR and D&R within the current decentralized organization.

Finding 35: Geographical proximity, due to presence of RBx in the region, has enhanced contextualized knowledge on protection. The inconsistent distribution of technical capacities on protection and the trend towards generalist profiles, however, poses a risk towards effective workforce planning and the strategic deployment of resources to meet operational and contextual needs.

290) **Impact of geographical proximity on protection:** Though geographical proximity generally enhances protection coordination, the extent of agility can vary widely. According to interviews during country visits, in the WCA region, improved collaboration of the RB with governmental and non-governmental partners has streamlined protection operational procedures and encouraged advocacy efforts. In AME, the geographical proximity of the RB with the field and the same time zones have significantly improved the ability to tailor policies and engagement strategies on protection. The RB has facilitated missions and enhanced mutual understanding with external stakeholders, leading to better engagement and advocacy with governments. Similarly, RB MENA also facilitated GBV training as physical missions to certain COs and SOs in the region, which was reported to be very useful by field staff. In the AP region, the RB has played a crucial role in guiding operational and procedural standards during the Pakistan refugee crisis by helping set up registration processes, train new staff, share guidelines and SOPs, and share best practices with the CO and SO.

291) Similarly, CBP has benefitted from stronger decentralization as CBP mechanisms rely on harnessing local knowledge, enabling a context-specific response finely attuned to the needs of the population. Across various regions, the strengthened presence of UNHCR at the local and regional levels under D&R has proven beneficial for inter-agency systems, as reported by UNHCR staff and strategic partners alike, serving as a crucial platform for developing inclusive approaches and monitoring.

292) The RBx' proximity to operations has generally improved their understanding of local contexts and protection operational challenges in most visited regions, enabling more responsive and context-specific technical support and oversight. The geographical proximity of RBx has also enabled customization of global policies to local needs, as noted above. However, the benefit of proximity has limitations for larger regions, such as AP, MENA and EUR, covering up to 30 operations with varying priorities and challenges, since the benefits of proximity do not automatically extend to more distant locations. Knowledge of these contexts must be developed through frequent interactions and country visits. The challenges previously discussed related to unclarity of RAA (*see RAA 2.2.3*) are accentuated in protection, whereby protection decisions frequently have regional and global implications and require a coordinated approach across the organization to uphold global policies. Vertical integration throughout all levels of the hierarchy through effective application of the RAA model is key for successful protection outcomes.

293) **Impact on technical capacities in protection:** Within protection, the workforce is pivotal for driving outcomes at the point of delivery. On an overall basis, there has been an increase in workforce within International Protection and Solutions and Operational Delivery functions *(please refer to the Functions and Staffing section above)* – however, the capacity across regions and levels is uneven. The quality of protection interventions in thematic areas, such as CP and GBV, heavily relies on the expertise of the workforce due to the need for specialized knowledge and skills, such as knowledge of protection frameworks[189], psychological support techniques and cultural sensitivity. One of the D&R objectives was to move such technical capacities[190] closer to the field, in order to enhance agility and responsiveness to the point of delivery. This need for increased technical capacities at the field has, however, been counteracted by opposing trends in workforce planning, most notably a 2020 harmonization of specialist positions into generalist positions by DHR and recent budget restraints and staff rationalization. This has resulted in a gap in specialized protection areas at both regional and country levels. A case study has been conducted to examine the specialist capacities in two thematic areas of protection, CP and GBV[191], in which specialist capacity has been found crucial for successful protection interventions[192]. The findings from these two case studies may be applicable to the other thematic areas of protection.

294) **Case study summary** *(please refer to annex 5 for detailed analysis):* As highlighted during interviews at HQ, a significant portion of the CP workforce for UNHCR are not specialists' positions. According to consultations with the Child Protection Unit (CPU), approximately three-quarters of the CP workforce comprises of general protection or CBP staff who have child protection as one (among many) responsibility. This broad range of duties presents a considerable constraint on their ability to effectively execute their responsibilities in CP. It was also highlighted that, in areas like GBV and CP, the staff profiles/expertise required is specialized and different from other areas of protection. Hence, when staff are required to cover multiple areas, it can be challenging to find all these competencies in one staff member. Furthermore, the data reveals a significant gap in dedicated capacities available at RB and CO/MCO levels. Specifically, RBx have a limited number of dedicated workforce relative to the substantial need for dedicated workforce to support the CO/MCOs. This shortage of expertise at RBx often results in insufficient support for CO/MCOs from RBx, necessitating intervention from HQ with technical assistance, which is not in line with the RAA. The KIIs conducted during country visits and interviewees at HQ also corroborate the above finding. In a decentralized model, it is crucial

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[189] UNHCR (2012) Child Protection – A Framework for the Protection of Children. The six goals are: 1) Girls and boys are safe where they live, learn and play; 2) Children's participation and capacity are integral to their protection; 3) Girls and boys have access to child-friendly procedures; 4) Girls and boys obtain legal documentation; 5) Girls and boys with specific needs receive targeted support; 6) Girls and boys achieve durable solutions in their best interests.
[190] There is no explicit definition of the term "technical capacities" given within the D&R planning documentation.
[191] CP and GBV were selected as case studies through a sampling procedure. There are also many other fields of protection that are relevant, and these findings should be extrapolated, to the degree possible, to them.
[192] UNHCR (2021) Evaluation of UNHCR's Child Protection Programming (2017-2019), (2019). SGBV response, risk mitigation and prevention in humanitarian crises: A synthesis of findings from evaluations of UNHCR operations 2019.

that expertise be allocated in alignment with the intended outcomes. The data reveals that there is a pressing need for more consistent and specialized expertise at both local and regional levels within CP and GBV.

295) The analysis above is based on the data of positions that explicitly mention GBV or CP in their job titles. However, since 2020, many of the specialist positions have been converted either into general protection functions or are covering multiple thematic areas, also referred to as "double-hatting". The double-hatting is not visible in official workforce data, which poses a challenge to efforts to confirm it quantitatively. While there are some dedicated GBV and CP positions (with GBV or CP in the title), according to staff accounts, there is currently no mechanism to capture the percentage of time staff with general protection or CBP titles spend on GBV. This obscures the visibility into the level of technical expertise available in each region, which affects effective workforce planning and the strategic deployment of resources to meet operational and contextual needs. Although the practice of double-hatting or rationalization is not intrinsically linked to D&R, as per qualitative evidence collected during country visits, the prevalence of double-hatting has increased in recent years. For example, within protection, staff across all regions reported instances where technical experts covering one thematic area are now covering two functional areas and, in some cases, covering up to three functions.

Conclusion

296) UNHCR has delivered on D&R's intended outcomes of increased agility and responsiveness, as evidenced by findings highlighting expedited and more adaptable responses to emergencies, efficiency improvements and enhanced coordination with stakeholders during emergencies. Operations have observed enhancements in response times, increased staff empowerment in emergency scenarios, improved local adaptability, accelerated information gathering, and improved collaboration and cooperation with United Nations agencies and other stakeholders. However, whereas the reform has enhanced flexibility, empowerment and local contextualization in resource allocation decisions during emergencies, the level of empowerment in decision-making as espoused in the RAF still varies across the regions.

297) The impact of D&R on supply varies. Analysis conducted reveals that procurement approval lead times are typically shorter at regional levels compared to HQ, pointing to enhanced agility and quicker decision-making in the field. While some operations have experienced reduced approval lead times, there are exceptions in procurement approval lead times across different regions, suggesting varying levels of efficiency and operational challenges. In sum, although an increase in thresholds for the RCCs has led to a positive impact on regional procurement, there are still significant regional disparities driven by operational and context specific factors.

298) With regards to partnership agreements, the evaluation team could not reliably conclude that the increase in partnership agreements from 2018 to 2023 is directly correlated to the effect of D&R, but rather the evolution of the humanitarian situation globally, including the Grand Bargain commitment and the GCR. It is, however, noted that work with funded partners is developing in the direction intended under both the GCS and D&R, within the current decentralized organization.

299) Within protection, the recent trend towards workforce rationalization, driven by internal and external factors, has led to the consolidation of technical positions and increased double-hatting. This approach, while addressing resource limitations, has resulted in more generalized technical capacities across the organization. For example, one technical expert previously working in the field of GBV is now covering both GBV and CP as their actual responsibilities. The data and staff accounts reveal that contextual workforce planning at operational levels has led to fragmented workforce strategy on the demand and distribution of protection skills across levels and regions. Moreover, the

current data to track workforce limits the ability to identify job specializations, percentage of time spent on multiple thematic areas and links between job titles and actual responsibilities, further hindering strategic workforce planning and resource allocation.

300) UNHCR could thus consider the following to further enhance operational delivery:

<u>Recommendations</u>

301) **Recommendation**: **Improve the data used for workforce planning for addressing gaps (for example, roles aligned to actual responsibilities, time allocation to single or multiple thematic interventions) to enable better strategic workforce planning at global and regional levels.**

302) **Recommendation: 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 captured, periodically updated and made available for workforce planning and staffing.

This should be formed as follows:

- In addition to the existing decentralized workforce planning, reinforce a stronger global view of existing workforce across locations (distribution of functions, role of affiliates, outposted divisional footprint, and so on) to allow for strategic recalibration and balancing regional with global priorities across the organization.

- To this end, improve the data quality on skills and current roles (including for those undertaking multiple roles and whether they are technical or non-technical) and make this available for workforce planning (for example, roles aligned to actual responsibilities, clearly defined tagging of areas of functional/technical expertise in workforce data, time allocation to single or multiple thematic interventions, self-declared skills) to enable better strategic workforce planning at global and regional levels.

- Assess current technical capacities, along with an assessment of critical funded partners' skills to identify discrepancies between the current staffing structure, outline the technical expertise of decentralized functions, and allow them to make key choices to address capacity/capability gaps (for example, seeking support from funded partners or placement of technical capacities).

- Strengthen oversight and accountability to ensure that guidance and tools are used to ensure proper workforce planning once strategic plans are approved.

303) **Recommendation: The prioritization of emergency financial resources requests by HQ RPMB (Resource Planning and Management Board) and RB directors, respectively, may merit establishment of a set of parameters based on which financial decision are being made** – The established criteria could be communicated to individual operations to improve transparency and allow understanding of the rationale for decisions taken.

2.4 Technology

2.4.1 Technology Enablers

304) In a parallel timeframe to the D&R reform, UNHCR introduced new software tools as part of a broader BTP, which intends to modernize and simplify UNHCR's processes, systems and tools between 2020 to 2024. The go-live of the BTP was completed by the end of 2023[193]. The BTP tools introduced included:

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[193] OIOS (2024) Audit of the progress in implementing the Business Transformation Programme for the Office of UNHCR.

- For management of UNHCR's funded partnerships: Project Reporting, Oversight and Monitoring System (PROMS).

- For donor relationship and contribution management: Synergy.

- For strategic planning, reporting, and monitoring: COMPASS.

- For finances and supply chain and management of earmarking: Cloud ERP.

- For human resource management, including payroll and performance management: Workday.

305) Given BTP was set out as a separate reform initiative to D&R, no specific BTP related targets were anchored in the D&R initiative. However, throughout the design process of D&R, it became apparent that these tools were anticipated to be instrumental in facilitating the D&R reform and supporting decentralized business operations. The key take-away from the Global Representatives Meetings held between 2016 and 2018 centered around a strong call from the field to simplify "bureaucratic processes and procedures", in order to strengthen UNHCR's agility and empowerment in the field, whereby technology has been identified as a key enabler[194].

306) UNHCR's management systems [195] were analyzed in a light review as part of an internal organizational assessment in 2017, which found fragmented systems and ever-increasing layers of processes. Previously, a simplification initiative between 2012 and 2014, which included the enabling technology, did not achieve the intended results due to various factors including an organizational culture and perception of favoring in-house solutions in software development, which offer considerable complexity and are often not aligned with industry best practice [196]. The key recommendation of the internal assessment in 2017 hence unsurprisingly, in line with the Global Representative Meeting, pointed to a need to "simplify", which had been a priority for two decades. The recommendation included a focus on re-engineering key processes essential for delivering UNHCR's mandate, with special attention given to "critical cross-functional processes".

307) The BTP programme launched in 2020 was UNHCR's answer to address systematic and underlying system challenges. The BTP programme set out to "improve processes and tools to support (…) teams and facilitate collaboration to provide better, faster and more effective protection and aid to the people UNHCR's serves"[197]through more effective, collaborative, fast, modern and simple tools. As communicated by the executive leadership, the overarching goal of the systems reform was to spend less time on lengthy processes and to free up resources and energy to assist forcibly displaced and stateless people[198]. To align technology with the D&R model, it is essential for technology tools to support delegated approval stages and multi-level collaboration, thus accommodating a decentralized organizational structure. The BTP tools play a crucial role in enabling the D&R reform, as does any technology component of an organization's operating model. The evaluation team has therefore conducted a brief analysis on the extent to which BTP tools have facilitated the achievement of D&R reform objectives. An evaluation of the BTP tools is outside the scope of this evaluation.

Finding 36: The functionalities implemented in BTP tools align with D&R objectives to improve operational effectiveness and enable delegated authority. However, during the initial D&R roll-out, not all user requirements have been considered and implemented. While the tools have stabilized over time, some key functionalities to enable D&R are still missing to date.

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[194] UNHCR (2018) Repositioning UNHCR in the field: Key considerations to guide Decentralization and Regionalization. Part 1.
[195] According to the ROA report, these mainly include strategy management, programme management including RBM focus, resource allocation, resource mobilization, emergency management, human resources, workforce management, financial management, refugee data management, partnership management, management of oversight.
[196] EC 66/SC/CRP.22 Update on UNHCR Structural and Management Reform VII. Management priorities.
[197] Ibid.
[198] UNHCR (2021) Broadcast Email: How will the Business Transformation Programme impact you? Unpublished internal document.

308) While all operations visited were able to provide the evaluation team with example of missing functionalities of BTP tools during its roll-out and thereby de facto limiting the authority delegated to RB and CO levels as part of D&R, some of these gaps have been improved and addressed since. The evaluation team hence found evidence of BTP tools enabling D&R objectives, which staff reported to have taken effect in 2022, though they were not able to reconstruct the exact dates. While the evaluation did not perform an in-depth evaluation of the benefits of each tool in every region visited, the majority of examples mentioned related to the benefits of technology in allowing for seamless sharing of information and collaboration across levels, which is key for working in a decentralized organization.

309) Despite the stabilization phase for the BTP tools, challenges with user requirements persist. From desk research, the evaluation team was not able to find evidence of technology tools mapped to business processes relevant to D&R, nor a requirements backlog as a consequence of D&R process changes (with the caveat that no detailed review of the BTP planning and design phase has been conducted in the scope of this evaluation, which hence had limited access to planning documents for the BTP programme). Equally, this evaluation did not find evidence for a framework/guiding principle for the allocation of user rights aligned with the decentralized RAA at RB and CO level. This is further substantiated in the OIOS BTP Audit (2024)[199], which noted the need for an overarching user management framework across BTP projects, aligned with their roles and responsibilities.

310) Evidence from operations visited points to some missing functionalities, which frequently result as a lack of such a mapping, in combination with a gap in considering the full 'user journey'[200] of the systems. While the potential and underlying rationale of the benefits of BTP for D&R and for UNHCR's fit-for-purpose vision is strongly recognized and appreciated by staff, the missing user functionality and user friendliness during the roll-out has significantly constrained the initial enthusiasm in using the tools. The "valley of despair" was quoted frequently in connection to the initial roll-out of BTP, prior to when missing functionalities had been rectified. The examples of missing user functionalities pertain to functionalities that remain centralized at HQ not corresponding to the decentralized authorities envisaged by D&R. For instance, extension of partnership agreements has been centralized at HQ post-launch of the new systems. Similarly, evidence from operations and the BTP audit points to the fact that limited number of licenses for COMPASS were granted to each operation and access had to be specifically requested from HQ, for instance, by the Data, Identity Management and Analysis Unit (DIMA) and external relations teams in multiple regions. This resulted in access mainly concentrated in HQ, which runs against the decentralized approach. Another example of current processes that tend to centralize controls at HQ is Synergy, which is not mandatory to use outside of HQ, given the recording of donor contribution is still centralized. However, there are plans for regional roll-out of synergy over 2024 and 2025, as announced in the management response to the BTP audit[201]. The mixed findings are further substantiated by the staff survey, which indicated that 50 per cent of respondents are somewhat satisfied or satisfied with the design of the technology tools as per the D&R reform.

311) In the absence of a concrete target state, the processes and technology required followed sequentially – rather than simultaneously – to changes in strategy and organizational structure. This partially explains the outcome of missing functionalities and delayed adjustments of systems to business processes witnessed by staff. This is consistent with the conclusion of the most recent BTP audit[202] (2024), which finds that beyond the labor-intensive workarounds that were required to customize systems to UNHCR's needs, the challenges in mapping and/or re-engineering business processes

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[199] OIOS (2024) Audit of the progress in implementing the Business Transformation Programme for the Office of UNHCR.
[200] A user journey map represents all the actions users complete inside the software to achieve their goals.
[201] OIOS (2024) Management response to the audit of progress in implementing the Business Transformation Programme for the office of UNHCR.
[202] Ibid.

were the key reasons for the descoping or deferring of important functionalities to after the initial go-live point.

Finding 37: The simultaneous roll-out of multiple BTP tools, coupled with distributed ownership across divisions, led to compressed timelines for training and lack of effective oversight over training outcomes.

312) The roll-out of tools such as PROMS happened concurrently or in close succession with other BTP tools, such as Cloud ERP and Synergy, the ownership of which was distributed across different HQ divisions[203]. The distribution of tools across HQ divisions requires significant coordination in training plans to ensure successful adoption. With the objective to conduct a staggered training approach and ensure coordination, all BTP projects had training plans guided by the Programme Management Office (PgMO) within the Division of Information Systems and Telecommunications (DIST) and were accompanied by a training plan. However, the BTP audit found that PgMO did not have a consolidated view of the extent of changes that staff would have absorbed from these trainings. Hence, the actual spread of knowledge and gaps in the adoption of tools remain unclear and no corporate follow-up action was initiated. Evidence from country visits suggest that the compressed timeline affected absorption capacity at all operations and reduced productivity of teams.

313) Despite the intent to conduct a phased approach to training to avoid overburdening end-users with training on too many tools in parallel, the crunched timeline impacted the capacity at the RBx to support operations in the adoption of the new tools. The suboptimal timing of training during the summer months, when many staff were on leave, further aggregated the situation, as was reported during country visits, as well as in the BTP Audit (2024)[204]. There is also a perception that the online sessions leveraged were not as effective as physical ones. Given the absence of a monitoring framework for gauging adoption of training content across staff, the evaluation team was not able to cross-triangulate the actual training outcomes with the perception of staff. This is partially related to the division of accountability for capacity development between RBx and divisions. For instance, in the case of COMPASS, the initial roll-out of the solution was supported by a training programme centrally developed by DSPR and implemented regionally by seven capacity building officers outposted to the RBx by DSPR. After the initial roll-out, some walk-in sessions to support with technical issues were provided centrally, but substantial regionally adapted and ad-hoc support was provided in the regions. While colleagues report sharing of best practices among the regions, there was no central coordination or tracking of these efforts, which makes it difficult to assess the respective level of support offered in each of the regions between 2021 and 2023. Yet, based on evidence from the country visits and the BTP Audit (2024), the evaluation team has inferred that suboptimal training planning and implementation have impeded the full adoption of the BTP tools to date. There were many examples of the negative repercussion of inability of staff to access and/or use the available tools, such as delays in producing donor reports. In some cases, RBx reported to have provided funding to COs for additional trainings for the use of Cloud ERP to mitigate the skills gap. Overall, the challenging roll-out of the BTP has shown some negative ripple effect on staff's perception of the productivity of the D&R reform, given that the two reforms are intrinsically linked. The tools serve as a key enabler of delegated authority (for instance, in strategic planning for approval of strategies created by the first line operations) and a lack of functionality fundamentally restricts delegated authorities in practice (for example, extension of partnership agreements, limited number of licenses and access to COMPASS/Synergy).

314) Overall, while improvements compared to the initial roll-out were reported throughout the country visits, staff continue to be concerned about the tools being time-intense to navigate and the continuing

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[203] Under the broader BTP framework, each division was given ownership of the technological solution for their respective fields of work.
[204] OIOS (2024) Audit of the progress in implementing the Business Transformation Programme for the Office of UNHCR.

challenges of tools that are not user-friendly or intuitive to use. BTP tools require iterative adjustments based on user feedback going forward[205].

Conclusion

315) The implementation of the new technology tools under the BTP aimed to support the D&R reform by enhancing operational efficiency and enabling decentralized decision-making.

316) The design of these tools generally supports reform goals. The improvements are reflected in positive staff feedback and field reports, indicating that the tools meet many of their intended functionalities. However, design issues have emerged that hinder the full realization of these objectives. The centralization of certain functionalities, such as access controls and the extension of partnership agreements, conflicts with the decentralized approach advocated by D&R.

317) The concurrent roll-out of multiple tools with distributed ownership across multiple divisions and the compressed training timelines have negatively impacted staff productivity and the tools' overall effectiveness to enable D&R. While stabilization has been reached, rectifying user functionalities is indispensable to achieve the intended benefits of operational efficiency in a decentralized model.

Recommendations

318) **Recommendation: Delegate authority for user rights within the Business Transformation Programme in line with D&R principles** – Respective divisions should formulate an overarching framework for user identity/access control for devolved decision-making, in collaboration with DIST. This recommendation is aligned with the recommendation made in the BTP audit. The identity and access controls should be informed by the RAA and forthcoming Accountability Framework within UNHCR. RAA should also be embedded within the Business Continuity Planning[206] of UNHCR to ensure safeguarding against potential software disruptions.

Summary response to evaluation questions

1) **Design principles, approach and implementation: How relevant, appropriate and feasible was the design and planning approach taken in the D&R reform and what can be learnt to inform the future? How effectively was it implemented? What were the unintended consequences? What can be learnt to inform the future?**

   What was the conceptual design of the reform, its rationale and how clear, compelling and well-aligned was it to the organization's strategy?

319) The conceptual design of the D&R reform was aligned with UNHCR's strategic directions. The evaluation found evidence of demonstrated strong alignment of D&R with UNHCR's Strategic Directions (2017-2021). The outcome areas of UNHCR's results framework[207] can be mapped to the design principles and to the objectives of D&R, as they require strong United Nations system collaboration and an agile UNHCR organization able to quickly identify entry points and opportunities to collaborate with partners in the field and at regional and international levels.

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[205] While COMPASS was launched in 2021, both PROMS and Synergy were launched end of 2023.
[206] UNHCR (2022) Business Continuity Planning (Emergency and Preparedness Handbook).
[207] The 16 outcome areas are: 1) Access to territory, registration and document; 2) Status determination; 3) Protection policy and law; 4) Gender-based violence; 5) Child protection; 6) Safety and access to justice; 7) Community engagement and women's empowerment; 8) Well-being and basic needs; 9) Sustainable housing and settlements; 10) Healthy lives; 11) Education; 12) Clean water, sanitation and hygiene; 13) Self-reliance, economic inclusion and livelihoods; 14) Voluntary repatriation and sustainable reintegration; 15) Resettlement and complementary pathways; 16) Local integration and other local solutions. From: https://www.unhcr.org/handbooks/assessment/design/defining-analytical-framework/global-results-framework

320) The GCR adopted in 2018 served as a key factor in influencing the decision-making towards the D&R reform, recognizing that a sustainable solution to refugee situations cannot be achieved without international cooperation, including with United Nations agencies and other humanitarian-development partners. The GCR has been identified as both a catalyst of D&R and a contributing factor to many of the other goals of D&R (stronger collaboration, decision-making at country level, agility). The GCR and United Nations development reform more broadly have been found to directly influence UNHCR's internal fit-for-purpose discussion by seeking to involve a wider range of stakeholders in finding sustainable solutions to many (protracted) crises, including development actors and the private sector, and in addressing the immediate and longer-term needs of refugees and host communities, as well as in supporting their resilience and self-reliance.

321) Despite this alignment of D&R with the broader policy objectives of the international community, the absence of a comprehensive target state in the planning phase of D&R was identified as a key factor that inhibited more clarity and measurable objectives of the reform intent, beyond the philosophical and conceptual objectives. As a result of this, the evaluation team found the D&R reform to be characterized by an evolutionary process, rather than by a comprehensively planned exercise at the outset, with various underlying adjustments to the strategic decision to decentralize following in a sequential manner (further discussed below in the question related to sequencing).

322) While the evaluation found broad recognition and buy-in on the objective of "bring decision-making closer to the field" among UNHCR staff, less clarity existed on the other reform objectives related to stronger organizational agility and collaboration across the United Nations system, which can be partially attributed to the lack of a clear target state.

To what extent was the approach taken demonstrably the most appropriate: Was relevant background research, including needs or capacity assessments, made and taken into account? Were alternative options modelled? Were lessons from past reforms in UNHCR and from other agencies evidentially taken into account and learnt from in the design of this reform?

323) Overall, the D&R reform process involved relevant background research and assessments informed by multiple sources:

- A targeted identification of challenges informed by previous decentralization experiences within UNHCR and other United Nations agencies.

- The evaluation team also found evidence of key potential risks of implementing the D&R reform which were identified by ERM[208] along with potential measures for mitigating these risks[209].

- However, while one of the earlier design documents discussed two scenarios or options for implementation of the D&R reform, the evaluation team was not able to find a detailed assessment or business case for these alternative models.

- Consultations prior to implementation, intended to undertake a needs analysis and obtain buy-in of the staff, were undertaken extensively. However, staff perceived them as being top-down and targeting a limited sample of people, rather than drawing on the collective institutional memory of the organization's broader staff.

- The design of KPIs to measure the effectiveness for the of the D&R reform involved a thorough mapping exercise conducted by the Change Team, which established KPIs across key dimensions such as organizational efficiency, effectiveness and crisis response.

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[208] Risks identified by ERM: Risk of fragmentation of UNHCR as an organization; misalignment between the various internal change initiatives; psycho-social risks for UNHCR colleagues affected by multiple change processes taking place simultaneously; simplification/review of systems and processes not synchronized (misaligned) with the implementation of R&D; lack of sufficient admin and HR resources to manage the implementation of R&D within the current (2019) timeline; lack of effective KPIs.
[209] UNHCR (2019) UNHCR Main Risks of Decentralization and Regionalization Process. Unpublished internal document.

324) Despite a generally robust assessment, the change management plan did not effectively manage to fully address all identified challenges, and faced challenges in implementation as highlighted below.

325) Cultural aspects related to the reform objectives, which were found to be crucial in the success of similar UNHCR programmes in the past. However, no comprehensive, overarching workstream on culture was designed or consistently implemented, even though culture featured as a reform objective in one of the early design documents of D&R.

326) During the implementation process, the Change Team employed multiple communication channels extensively, including broadcasts and Town Halls. However, there was no evidence of a unified communication strategy to accompany the change management process for the roll-out of D&R and the interconnections with other initiatives under the broader change programme (for example, the roll-out of BTP). Thus, despite widespread awareness of the reform, its relevance to daily work was not clearly communicated to staff affected, particularly to those staff members not directly affected by physical relocations but mainly by resulting process changes. Furthermore, the evaluation found that effective feedback channels for staff to report challenges throughout the early phase of implementation could have enhanced the effectiveness of the change programme and mitigated change fatigue resulting from intersecting factors, such as the various parallel reform programmes that were found to be challenging for staff to absorb in a condensed timeline.

327) Furthermore, the tracking of progress of D&R involved gaps. While indicators to track D&R outcomes have been defined at the outset, the absence of a target state did not allow for a definition of key milestones to track progress, which would have allowed for more effective performance monitoring and targeted course correction. The evaluation team also found limited awareness amongst staff in RBx and field operations (MCOs, COs, SOs, NOs, FOs) regarding the KPIs being tracked, or them having responsibilities or involvement in the data collection for tracking. Although initial tracking and validation of these KPIs were carried out, the process lacked sustained oversight beyond the early stages – the survey-based KPIs were measured only twice, with the second and last iteration taking place in 2020. Quantitative KPIs have been tracked until the end of 2023, however, they have been found to be significantly less comprehensive than the original list of KPIs defined.

Through which means did the design principles consider overall organization coherence, while allowing for local flexibility and decision-making? How effectively was the reform implemented according to its intended design, including the needs, risks and assumptions identified?

328) The design principles of the D&R reform sought to balance overall organizational coherence with the need for local flexibility and decision-making. The evaluation team evaluated the overall organizational coherence and flexibility from the perspective of key guidelines and policy frameworks related to RAA, the three lines model and the organizational architecture. There is evidence that significant progress has been made in implementing D&R reform – however, several challenges have emerged, which impact the realization of D&R's objectives and intended outcomes, as outlined below.

329) **RAA and three lines model:** From the initial iteration of the ARA framework prior to D&R, it is evident that UNHCR has sought to enhance the framework's coherence and ensure its relevance, particularly in light of the newly decentralized and regionalized organization. The revised RAA (updated in 2022) have provided greater details compared to their previous iterations, and are aligned with the revised three lines model. Despite the various efforts to enhance the clarity of the RAA, the evaluation found limited awareness of RAA across staff, especially among lower seniority grades. One of the reasons identified is lack of practical utility and relevance of RAA beyond managerial levels. RAA were found to be lacking beyond the national level, leading in part to a lack of clarity and inconsistencies in the application of delegated authority at SO/NO level. Therefore, while the RAA were meant to offer global

coherence in the delegation of authority and accountability, their unequal application across the organization leads to fragmentation of this coherence.

330) **Organizational architecture:** The creation of new RB structures was guided by multiple criteria, including operational, political and managerial considerations. A core RB organigramme was developed, based on four functional pillars, aiming to maintain organizational coherence while accommodating regional variations. This approach granted RB directors the flexibility to make contextual adjustments reflecting regional needs, while preserving minimum core functions essential for processes and responsibilities, as outlined in the design documents. This has led to some useful local adaptations of staffing pillars, allowing RBx to respond more appropriately to local realities. However, it has also fractured global organizational coherence, as offices struggle more to collaborate with one another across unfamiliar structures and colleagues in rotation take longer to get on-boarded. The rationale for regional differences is often unclear to staff. The varying structures of the four functional pillars (SPMS, External Engagement, Protection and Operations Management) across regions, while allowing for adaptation to regional priorities, have also contributed to inconsistencies in approach and potential inefficiencies. Staff have reported difficulties in understanding and navigating the different regional structures, which can impede knowledge-sharing and best practice dissemination across the organization. Additional issues include an unequal distribution of focal points and capacity between HQ and RBx, potentially creating imbalances in resource allocation and decision-making authorities.

How clearly and coherently has this reform fit and been sequenced with the wider set of corporate reforms and systems changes in working towards the organization's overall transformation? In what ways did external events, such as COVID-19, influence the reform and what implications has this had in terms of its effectiveness?

331) An internal organizational assessment, completed in early 2017, signaled the beginning of UNHCR's change process and led to the decision to place capacities, authorities and resources closer to the people it serves. In 2018, the D&R initiative was launched as one of four parallel workstreams that would drive UNHCR's transformation to remain relevant as a humanitarian organization in a volatile geopolitical context. These four workstreams were eventually translated into a set of parallel complementary reforms, aimed at transforming and modernizing UNHCR's way of working in the new global context. The evaluation team has found evidence that the objectives of these distinct areas of transformation at UNHCR are aligned and mutually re-enforcing with the intent and objectives of D&R. Yet, in the absence of a clearly defined target state for the D&R reform at the outset of the change, whereby the strategic vision is accompanied by required adjustments to policies, processes and technology requirements, the changes and updates to these dimensions were made sequentially rather than in parallel, leading to D&R implementation challenges in its early stages.

332) In addition to this, the D&R reform and other parallel reforms were impacted by the sudden onset of COVID-19, which impacted the roll of the D&R reform. Preparatory workshops were cancelled and travel was restricted, both of which were essential for the effectiveness of the reform's roll-out. This overlap with the pandemic onset prevented staff from focusing solely on familiarizing themselves with new roles and responsibilities, hindering essential communication and the establishment of a shared understanding of decentralization. Consequently, the interpretation of decentralization became highly dependent on the individual priorities of each RB, MCO and CO, and prompted to varying degrees a temporary re-centralization of authority to HQ for a coordinated response. On the other hand, the pandemic increased the use of remote work and virtual collaboration tools required to operate in a decentralized model, leading to a quick adoption of digital technologies as essential communication tools, even after the crisis.

How did UNHCR manage the reform with the aim of being cost neutral in the medium to long term? Have economies of scale been realized?

333) While an internal early document for D&R in 2018 noted that the "proposed structural reforms, including the simplification and streamlining of processes and procedures, clarification of authorities and corresponding accountability, rationalization of existing architecture and repositioning of skilled colleagues, will, at minimum, be cost neutral in the medium and long term", the evaluation team was unable to find any evidence of such analysis during the actual design phase of the reform. Equally, cost neutrality has not featured as a reform objective in any of the subsequent documents after the planning phase, nor been found in broadcast messages to staff about the objectives of D&R analyzed by the evaluation team. The absence of a detailed business case to baseline and project the costs associated with relocating RBx to field locations, and the absence of isolated tracking of D&R associated costs, have impeded the evaluation team from assessing cost neutrality of the D&R reform. Moreover, the evaluation team could not find any documentation on estimated financial impacts of increased administrative and operational burdens on RBx, additional oversight from delegated authorities and potential functional duplications during the reform's design phase. Evaluating D&R costs would require a consideration of investments of the broader UNHCR's transformation programme beyond the D&R workstream, given the multiple touchpoints with parallel reforms, notably the BTP. Due to data limitations, such an isolated cost consideration is not possible. Additionally, hidden costs may include expenses related to coordination, knowledge transfer and capacity building in new RB locations. Finally, isolating D&R costs from compounding factors such as global economic fluctuations and increased numbers and needs of forcibly displaced and stateless persons, and thus increased budgets and costs, is not possible.

334) Due to the above reasons, the evaluation team is not able to comment on the value for money of the reform, but did perform a proxy analysis to illustrate trends in expenditure. On an aggregate basis, the increase in ABOD and staff expenditure from 2018 to 2023 is US$ 528.14 million, out of which US$ 270.14 million (51 per cent) has been incurred in 2018-2021 and US$ 276.1 million (49 per cent) has been incurred in 2022-2023. Based on data shared by the Division for Strategic Planning and Results (Annual Review and Budget Analysis Service), the increase in 2018-2021 ABOD and staff expenditure can be broken down as an increase in RB (US$ 92.53 million) and CO/MCO (US$ 239.67 million) expenditure. This is partially off-set by a reduction in HQ expenditure of -US$ 62.06 million. The increase in CO/MCO and RB expenditure aligns with the objective of the D&R reform to strengthen capacity at regional and local levels. There has been a total increase in expenditure, which is due to the growing humanitarian needs and demands, funded through an increase in overall budget allocation.

335) Previous evaluations of decentralization reforms in United Nations sister agencies recommend the implementation and envisioning of cost-saving measures, such as streamlining overlapping functions between HQ and the regional level, in order to complement the decentralization process and offset costs incurred in the initial phase. They have, at the same time, noted the challenges observed for most United Nations agencies in establishing an underlying business case for cost neutrality for decentralization.

How clearly were the interdependencies between different elements of this reform, other change processes and the wider context, and running of the organization mapped and managed throughout the implementation process? To what extent were unintended effects identified and addressed?

336) Although D&R was one of the four interrelated workstreams, its interdependencies with other reforms and the broader organizational context were not fully managed during implementation.

337) Despite recognizing the importance of cultural change for D&R, the lack of defined workstreams and initiatives resulted in insufficient incentives and mechanisms to drive this transformation. Additionally, regional collaboration suffered post-reform, as informal networks weakened with regionalization, hindering cross-regional knowledge exchange. Establishing a dedicated forum for knowledge exchange could improve collaboration and innovation.

338) Regional flexibility in organizational architecture has allowed for contextually relevant structures but has also introduced challenges. Staff reported difficulties in inter-RB collaboration, delays in integrating rotational staff and performance inconsistencies. More global standardization could enhance coherence and efficiency.

339) Delegating training responsibilities to regional levels has led to more relevant programmes, but unclear responsibilities and limited central oversight have caused uneven skills development. This may lead to a fragmented global learning strategy over time.

340) The new software tools introduced under the BTP reform, intended to support D&R objectives, had a mixed impact. Initial roll-outs did not meet all user requirements and some critical functionalities are still incomplete. Better integration of BTP and D&R initiatives is needed to address evolving needs.

How has the organization addressed the intended changes in organizational culture and individual behavior as requisites in achieving the reform outcomes? What are some good examples of where this has taken place?

341) The reform did not include specific workstreams or initiatives focused on culture, despite culture being identified as a primary enabler of the D&R reform in all interviews conducted by the evaluation team. In the absence of a clear list of initiatives, the evaluation team was not able to assess the appropriateness of implementation. Rather, the evaluation team has been able to focus on evaluating the key determinants of culture in UNHCR and whether the expected outcomes have been achieved up until now in terms of building the right culture of accountability, trust and transparency, and support and collaboration.

342) Overall, the absence of appropriate cultural and institutional foundations has hindered the significant transformation of accountability and transparency within UNHCR, following the reform. Additionally, staff interviews conducted throughout this evaluation underscored the pivotal role of leaders in shaping and driving the desired culture, as their influence over the workforce is substantial. Hence, it is imperative for leaders to wholeheartedly embrace and exemplify the values and behaviors advocated within UNHCR, thereby setting the tone for what is acceptable, expected and desirable.

2) Reform outcomes: Have the intended results of the reform been realized?

To which extent and where has the reform delivered on establishing the right authorities (with accountabilities) and oversight placed at the right organizational level? Where are the good examples of this? What factors have influenced this?

343) By defining the correct RAA at each of the organizational levels in each entity, the reform aimed to support efficient delegation of authority and tasks and to clarify accountabilities in line with the regionalized structure, particularly between the RBx and HQ divisions and entities. The evaluation uncovered several positive outcomes and ongoing challenges in the application of key policies and frameworks, as outlined below.

344) **RAF:** The reform has achieved some of its objectives enabled through the RAF, particularly in enhancing local staff hiring efficiency and allowing greater operational autonomy. Some operations indicated at being able to make structural changes in field presence and budgetary re-allocations. However, some implementation challenges remain. For instance, the effectiveness of delegated

authority under the RAF for budget allocation and international hiring (up to P4 level) by RBx was often limited by donor earmarking and centralized control over international hiring processes, respectively. Similarly, while the evaluation team has found evidence of strong willingness at regional and local levels to develop strategies to secure local funding, the operationalization of the RAF for local fundraising remains an area with underutilized potential.

345) **Strategic Planning:** The involvement of RBx has become more formalized, with delegated authority to approve CO/MCO strategic plans, and most operations have experienced an increase in RB involvement, with some variation in engagement across regions depending on operational size and capacity. The reform also enabled field operations to achieve greater autonomy, allowing for the development of context-specific strategies, albeit with constraints associated with the re-introduction of the core-indicators. The introduction of core indicators under COMPASS aimed to balance flexibility with coherence, yet managing these indicators posed practical challenges. Finally, the reform empowered many SO/NOs with greater delegation of authority, although inconsistently depending on factors such as technical capacities available in the SO/NO.

346) **RAA:** Evidence suggests that the RAA framework is not effectively utilized and applied across the organization. As discussed in the design EQ above, there is varying levels of familiarity and inconsistent application across different hierarchical levels, most certainly arising from design and implementation challenges.

347) **Technical Support and Oversight:** As a consequence of D&R, RBx have assumed more responsibility for the provision of additional technical support with regard to CO/MCOs. Evidence indicates that this technical support from the second line is more tailored to regional needs and is particularly valued by smaller operations. Although a significant portion of staff understand the three lines model conceptually, the practical application of oversight remains uneven. This inconsistency is due to multiple factors, including varying capacities and resource levels across different operations, affecting the effectiveness of oversight. There is a general trend for both HQ and RBx to focus more on providing technical support, rather than active oversight, though there are exceptions where the reverse is true. This has resulted in an increased risk of policy misalignment and ineffectiveness in programme implementation. The role and involvement of CO/MCOs, RBx and HQ divisions and entities in both the first and second lines of the model raises a central question about the adequacy of the intent of the three lines model to support effective D&R. The issue of overlapping roles and responsibilities create inconsistencies in the application of the model across different regions and operations, resulting in unclear roles and responsibilities in regard to oversight and support.

__To which extent and where has the reform delivered on providing adequate resources and capacities at the right organizational level? Where are the good examples of this? What factors have influenced this?__

348) The reform has had a mixed impact on providing adequate resources and capacities at the appropriate organizational levels, with both successes and areas needing improvement.

349) The evaluation found that there was lack of a comprehensive workforce strategy to guide inform how staffing structures would evolve at HQ, RBx and CO/MCOs after the reform, leading to different interpretations within the organization. There has been an increase in CO/MCO and RB workforce aligning with the reform objective of moving capacities closer to the field. The increase in country operations resulted from an increase in overall budgets, rather than personnel movement from HQ or RBx. Furthermore, the HQ workforce experienced some initial reductions – however, growth from 2020 to 2023 (particularly in DHR and DER) meant that overall, between 2018 and 2023, there has been no significant change in HQ headcount.

350) However, despite the increase in workforce at regional and local levels, the evaluation has revealed ongoing challenges in allocating technical capacities closer to the field. These challenges stem from resource constraints in smaller operations, budget-dependent position allocation, varying regional priorities and complex global demands. The recent trend towards workforce rationalization, driven by internal and external factors, has led to the consolidation of specialized positions and increased double-hatting. This approach, while addressing resource limitations, has resulted in more generalized technical capacities across the organization. Additionally, the increase in divisional outposted workforce across regions post-reform indicates that HQ divisions continue to maintain a significant presence in the regions (RBx, CO/MCOs). While the increase in outposted workforce within RBx aligns with the D&R objective to enhance regional capacities, it also highlights challenges in realigning roles and maintaining effective oversight and coordination across the organization. Overall, the data analysis has revealed that there has been a small increase in the headcount of core functions that deliver services to the forcibly displaced and stateless persons. These include International Protection & Solutions, Operational Delivery, External Relations and Supply. The increase is driven primarily by the RBx and to a lesser extent by CO/MCOs. This trend is in alignment with the D&R objective of enhancing technical capacities in the field. However, it is difficult to assess the extent to which it fulfils the D&R objective, as no clear quantitative goals were defined.

351) Decentralization of capacity development to regions has led to more contextually relevant and regionally adaptable trainings. However, staff feedback highlights that there is uneven skills development across regions and levels of the organization, as a result of limited clarity on responsibility, quality assurance and central oversight of learning programmes. In the medium to long term, this could lead to an incoherent global learning and capacity building programme.

3) Organizational outcomes: To what extent has UNHCR delivered on the key intended strategic vision and outcomes of the reform?

To what extent has the reform better enabled UNHCR to support the goals of One UN and the implementation of the GCR? How is this evident, particularly at regional (inter-governmental, United Nations system engagement), national and sub-national (government, United Nations system engagement) levels? What factors have contributed to this?

352) The GCR policy framework was a key factor that influenced UNHCR's decision-making towards the D&R reform by recognizing that sustainable solutions to refugee situations require United Nations system-wide cooperation, in particular between humanitarian and development partners.

353) The relocation of RBx to the regions has enabled UNHCR to be closer to United Nations agencies at the regional level. In addition, the establishment of an External Engagement pillar in each of the seven RBx, coupled with reinforced capacity on external engagement at the regional and country level, has been crucial to strengthen 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. Desk review of other evaluations and country visits reveals improvement in the collaboration between UNHCR and strategic partners, including United Nations agencies, at both the national and global levels. Constraints remain, particularly for agencies competing for the same resources in a similar operating sphere. Additionally, UNHCR's involvement in the UNSDCF process has been limited, due to differing mandate focus and potential coordination challenges with other United Nations agencies.

354) 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 collaboration cannot be isolated to D&R. Rather, other external factors, such as the global

policy shift towards working on mixed movements and the related GCR commitments, have significantly contributed to this outcome.

Is there any evidence of increased effectiveness of UNHCR's work at the point of delivery, or of it being on the path to achieve this? To what extent has UNHCR been more agile and better able to respond to changing regional and local contexts? Are there examples of faster, more flexible responses to large-scale emergencies or unexpected needs at country level? If so, why? What other factors have facilitated or inhibited this?

355) Overall, UNHCR has delivered on the D&R intended outcomes of increased agility and responsiveness – however, some challenges persist across UNHCR key areas of work. Across regions and areas of work, there have been consistent findings on the role of D&R in enabling better contextualized know-how, increased physical proximity and greater time zone overlaps, which enable agility and increased effectiveness at the point of delivery. The role of RBx in providing additional technical support with regard to MCO/COs, where available, has been crucial in contextualizing knowledge to regional and country needs to ensure appropriate responses to changing regional and local contexts.

356) In emergency response, RBx have taken an intermediary and filtering role between HQ and COs, assimilating emergency policies and strategies, and enabling COs to function effectively in their operational capacity. Additionally, RBx have been able to successfully coordinate responses across regions in most cases. This increased technical support during emergencies has been fundamental in ensuring agile responses. The evaluation team has noted faster and more flexible responses to emergencies and efficiency gains in operations visited in MENA, AP, WCA, SA and EHAGL. Several key factors 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.

357) In supply, there are mixed findings. Some operations have experienced reduced lead times due to revised thresholds, pointing to enhanced agility and quicker decision-making in the field. There are, however, some outliers, driven by operational and context specific factors.

358) In external engagement, geographical proximity of RBx, combined with stronger capacity at the regional and country level, has enabled swift responses to partners and donor demands, increasing agility on the ground in most cases. Enhanced agility has been demonstrated by several factors, including the increased frequency of exchanges with UNHCR, improved engagement in regional platforms, inter-agency and partners' meetings by UNHCR due to on-the-ground presence, improved time zone alignment and increased capacity. However, it is important to note that while UNHCR has decentralized, many partners have not. These circumstances may curtail the benefits drawn from physical relocation of the RBx, as partners that UNHCR wishes to collaborate with are not physically in the same location or face practical challenges.

359) In protection, D&R aimed to regionalize the protection function by establishing a protection pillar in each RB, empower roles in local offices to tailor global responses to specific contexts, and increase capacity at the regional and country level, in order to effectively implement protection and solutions programmes and to ensure consistent application of regional and global strategies, priorities, policies and guidance at country level. The reform has yielded mixed results. While D&R has enhanced operational flexibility and responsiveness to local contexts, in protection-related matters balancing global consistency with local adaptation remains an ongoing challenge. One of the reason stems from lack of clarity around specific roles and responsibilities, in terms of oversight and technical support from HQ to RBx and from RBx to COs. Combined with an observed general tendency to involve multiple layers of the organization in decision-making, this can lead to ineffectiveness. Alongside clear

RAA, effective oversight is required to further support the reform objectives of decentralized decision-making on protection, without compromising global coherence or adherence to international law standards. Considering that most protection issues have regional and or/global implications, the importance of effectively operating in a decentralized model with clear RAA is accentuated.

4) Lessons and recommendations: What are effective aspects of the reform that can be leveraged as lessons learnt and recommendations to further advance the objectives of D&R?

360) The evaluation team noted various lessons and good practices that can be drawn to inform UNHCR's policies and processes in the future, and to ensure that outcomes are sustainable moving forward. Cross-functional approaches and collaborations between teams have resulted in successful outcomes. In external engagement, coordination between PSP and parallel external engagement teams led to a positive impact on GCC donor fundraising and resource mobilization. Realizing these benefits depends on the level of knowledge and expertise of RB directors/CO representatives and necessitates the mainstreaming of awareness and capacity building for resource mobilization across the wider organization. Similarly, cross-regional collaborations across RBx and COs in emergency response has led to more effective and faster responses to complex emergencies spanning multiple countries. In protection, the cross-regional collaboration efforts and platforms, where they exist, have resulted in more comprehensive solutions to address forcibly displaced and stateless persons through innovative approaches, such as a routes-based approach to address mixed migration knowledge sharing, needs identification and replication of approaches, where feasible. In strategic planning, the DSP platform has driven cross-regional coordination, contributing to good practice indicators standardization across RBx. Further, in external engagement, there has been strategic collaboration across RBx and COs with top donors to find strategic entry points on policy discussions with the EU, including unlocking further funding sources at a regional level.

361) The evaluation team also noted some good practices of leaders fostering a culture of accountability to ensure successful adoption of policies and alignment with organizational needs. A representative in AME held workshops to explain the consequences of D&R at all levels, including the delegated RAA. Some questions such as "What decisions can you take without consulting your supervisor?" were discussed specifically with heads of units to explain the RAA in practical terms. In EHAGL, the regional level reviewed the RAA and made them applicable and relevant to their operations and functions, ensuring effective application across all operations and levels. Some benefits of such contextualization have been observed by staff in the regions who showed stronger awareness of RAA compared to other operations visited, yet no conclusion about the relative strength of the adoptability of the RAA compared to other operations can be made. Continuous efforts and leadership role models at all levels of the organization are key to further drive adoptability of the framework and the desired culture for D&R.

362) **Three possible options for next steps** towards reaching the objectives of D&R are illustrated in figure 26. The **first option, the status quo,** assumes that the organization would **continue with the current change programme(s) towards UNHCR's transformation** as planned, and potentially refine initiatives based on feedback received and evolve change communication towards completion of D&R objectives.

Figure 26: Illustrative overview of possible options on the way forward on D&R
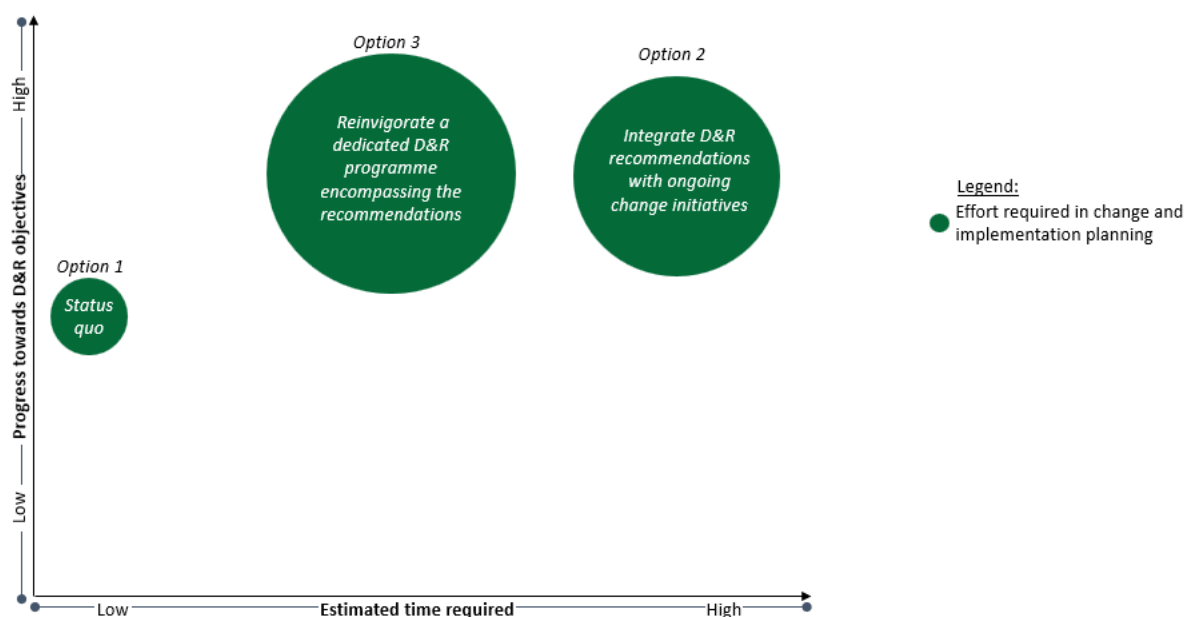
363) The **second option** outlines a scenario to address recommendations made by this evaluation by **integrating the 13 D&R recommendations into existing and ongoing UNHCR change projects**. This option presents the benefit of incorporating the vision and fundamental design principles of D&R into all transformation initiatives across the organization. At the same time, it takes a significant effort in change and implementation planning to achieve such cross-organizational change alignment with ongoing initiatives in different phases. By adopting this approach, existing programmes and forums may be leveraged, potentially streamlining resources for the organization in the medium term. However, potential risks associated with this approach include the fragmentation of change efforts and a longer time horizon for the changes to take effect, due to the presence of multiple non-D&R specific initiatives, each following separate processes and timelines and the required coordination efforts to monitor progress.

Success factors to implement this approach minimally include:

- Identify relevant ongoing change initiatives, which are related to D&R recommendation areas.

- Cascade the D&R recommendation into each of the relevant ongoing organizational change initiatives.

- Embed relevant D&R objectives/KPIs into the ongoing change initiatives identified.

- Ensure transfer of institutional know-how on D&R reform expertise and experience in the relevant Change Teams of ongoing change initiatives identified.

- Ensure aggregation of D&R progress achieved in ongoing initiatives through dedicated, central monitoring.

364) The **third option** describes how to address recommendations made by this evaluation, building on the previous D&R reform efforts by doubling down on existing efforts through a **reinvigorated D&R follow-up programme, encompassing the 13 D&R recommendations**. This dedicated programme will include a targeted change initiative to address the identified gaps in this evaluation, with dedicated

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resources and budget connected to measurable objectives and accountability structures. The advantage of this is a concerted approach, which increases speed to drive change towards the D&R reform objectives in a defined timeframe, as opposed to option two which, comparatively speaking, is expected to take additional effort in terms of implementation planning and timeline to operationalize. An advantage of this third option is that any outcomes of the initiative will be directly attributable to the D&R programme, which requires more effort to ensure in option two, whereby a central project management will be required to track efforts throughout various change initiatives. Furthermore, enhanced visibility on the D&R objectives and targeted communication about the change efforts, both internally and externally, can help in securing buy-in from stakeholders and maintaining momentum on the D&R reform objectives through the reinvigorated change programme.

<u>Success factors</u> to implement this approach minimally include:

- Cascading translation of clear target states for specific recommendation being addressed.

- A dedicated D&R follow-up budget connected to clearly defined objectives and timelines, accompanied by a robust KPI monitoring.

- Building on institutional know-how on D&R reform expertise and experience from existing Change Team members.

- Reliance on robust two-way feedback channels to receive direct user feedback of the staff affected by the changes, which will allow for iterative refinements during the change process.

- Integrate a dedicated culture and change management workstream, enabling desirable behaviors and transformation objectives.

365) Having outlined three possible scenarios, a combination of the different options may equally be considered – whereby areas for refinement which require a dedicated effort can be consolidated into a dedicated change programme, whereas recommendations which lend themselves to mainstreaming into existing organizational change initiatives will be integrated. Building on lessons learnt from this evaluation and multiple decentralization experiences across other United Nations agencies, it is imperative that any future reform effort includes elements as minimum principles to ensure effective transformation. These key factors include: a) The formulation of a detailed target state with required changes to underlying processes, people, organization and governance, culture and technology to accompany the organizational architecture, and the overall strategic reform objectives; b) a comprehensive change management strategy as a foundation for change roadmap, with central monitoring, clear budget, scope and risk management (including mitigation plans); c) a comprehensive communication approach; and lastly d) the setup of a continuous feedback mechanism pre-, during and post-change initiative. The level of feedback mechanisms to be established corresponds to the scope, complexity and number of staff affected by the change.

366) **Based on the above outlined findings and conclusions**, the subsequent section consolidates the recommendations mentioned in the findings into **13 overarching recommendations for action.**

Recommendations	How this could help in reaching D&R objectives	D&R facets
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.	The forum would facilitate input on prioritization through vertical and horizontal exchange	Strategic Planning Process

To address the continuous challenge of balancing global and regional priorities, a forum for RBx/COs to seek necessary guidance from HQ divisions could be institutionalized. The focus would be on the criteria for prioritizing among the competing global/regional priorities and for RBx/COs to present decisions taken. Embedding this forum as an integral part of the existing strategic planning process would enable more effective prioritization. The objective of such an institutionalized exchange would be to foster a culture of prioritization and accountability for decisions taken, while at the same time enabling institutional learning. This could include: • Alignment on a set of criteria for prioritization across competing global/regional priorities, with a view on trade-offs on costs and available resources and priorities agreed on. • An opportunity for RB directors and CO/MCO representatives to engage in horizontal discussions across relevant HQ divisions, wherein operations can present their multi-year plan and provide their rationale for prioritization among competing global/regional priorities in an open and transparent manner. • The forum can help formalize existing informal exchanges to further cultivate an organizational culture of horizontal and vertical collaboration in an institutionalized manner. This will also promote a culture of learning/sharing of experiences/expertise across regions, while equally promoting a culture of accountability for decisions taken.	across HQ divisions and RB pillars, strengthening mutual understanding and accountability in the strategic planning process. The forum would equally enable institutional learning and exchange of best practices across regions and address emerging challenges in a timely manner, and foster a culture of collaboration in a matrix organization.	
Recommendation 2: **Further optimize the balance between flexibility and global coherence related to the Results-Based Management system by finetuning the core indicators.** Fine-tune the mechanism for utilizing core indicators. This could include: • Reducing the number of core indicators overall, so that operations have the capacity to add additional context specific indicators, as required. • Developing a systematic mechanism for overriding the core output indicators in case they are not applicable to the operation, so that operations do not have to provide justification for not utilizing the core indicator in each reporting cycle.	Enhance the efficiency and relevance of results measurement, while granting additional flexibility to formulate context specific strategies.	Strategic Planning Process
Recommendation 3: Foster transparency and common understanding on resource allocation criteria and parameters for prioritization of emergency funds. Drive greater transparency by sharing the criteria for allocation of budget envelopes.	Strengthen proactive communication and thereby transparency regarding criteria applied in resource allocation	Strategic Planning Process; Resource Management;

This could include: • Proactive communication by HQ to RBx and by RBx to CO/MCOs, respectively, on the funding parameters of donor earmarking. • Clear articulation on guiding principles by management, along with criteria used in deliberations for prioritization of resource allocation decisions. • The prioritization of emergency financial resources requests by HQ RPMB (Resource Planning and Management Board) and RB directors, respectively, may merit establishment of a set of parameters based on which financial decision are made, which could be communicated to operations.	decision-making processes in the best interest of the organization. Such transparency is expected to foster a culture of accountability and trust across all levels of the organization.	Operational Delivery
Recommendation 4: Further decentralize the underlying processes aligned to the authorities granted under the RAF. Consider decentralizing processes that continue to be centralized, with the objective to reach the full potential of D&R. This would include processes such as: • Approval of hiring of international staff (grades P1-P4) at JRB. • Provide system access to RBx/COs aligned with delegated authorities in the RAF – for example, budget allocation/re-allocation decisions taken. The system must have built-in approval functionalities to ensure oversight where required. Any further decentralization should be complemented by a plan for mitigation of risks linked with non-compliance associated hiring or resource allocation policy. This can be done through: • Systemic controls and risk compliance dashboards, which flag any hiring/budget change scenario not meeting policy requirements. HQ continues to exercise its second line oversight role. • Decentralized risk processes, with the responsibility and accountability of regional senior risk advisors to ensure policy adherence.	Improve agility/speed of hiring decisions, while ensuring that the hiring is aligned with the context specific needs of the operation. Further, decentralizing hiring processes would imply empowerment of existing HR partner functions across regions, in alignment with D&R objectives.	Strategic Planning Process; Resource Management
Recommendation 5: Improve coherence in organizational design of RBx and in classification of offices at the sub-national level. Review the original design framework for RBx proposed during D&R, considering current circumstances and the lessons learned from various regions. • While allowing for flexibility, it is important to ensure adoption of a minimum structure that is globally consistent yet locally applicable. • Any deviations from this minimum structure should be supported by a clear justification and rationale, endorsed and approved on a case-by-case basis by the SET.	This will ensure global consistency, and enable cross-regional collaboration and flexibility in pillar placement to address specific contexts. Revision of classifications at sub-national level, along with the required resources, will ensure that current inconsistencies in	Vision, Objectives, Change Management; Strategic Planning Process; Organizational Architecture; Roles, Accountabilities and Authorities

• At the sub-national level, there is a need to ensure appropriate classification of SOs and FOs, as espoused in the Handbook for Field Presence, to ensure standardization of delegated authority across all regions and at all levels. This classification needs to be supported by an adequate allocation of capacity and resources to each office to carry out the roles and authorities designated under their respective office categories, including capacity and resources needed in Sub-Offices to carry out resource allocation and multi-year planning. As per delegated authority in the RAF to CO representatives to decide on the opening and closing of sub-national level offices, it is their primary responsibility to ensure such consistency, with oversight provided by the second line.	delegated authorities are rectified.	
Recommendation 6: Streamline coordination in a matrix organization to effectively service smaller operations. In situations where the number of focal points at RBx significantly exceeds staff capacity/focal points at the country level, effective collaboration tools between CO/MCOs and RB/HQ focal points can help in addressing this challenge. This could include: • Streamlined coordination mechanisms within RBx to ease multiple reporting obligations which arise from working in a decentralized, matrix organizational architecture, compared to pre-D&R. Technology can be used as an enabler for such streamlined coordination in a matrix organization. Communication platforms and digital workspaces offer the potential to accommodate for asynchronous work, which alleviates the dependency on meetings, increases flexibility for staff to work at their own pace and schedules, including across different time zones, and increases productivity due to uninterrupted work.	Enable RBx to better service the needs of operations of varied sizes and contexts and alleviate duplicative reporting obligations on CO/MCOs.	Organizational Architecture; Culture and Ways of Working
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. This should take the form of: • In addition to the existing decentralized workforce planning, reinforce a stronger global view of existing workforce across locations (distribution of functions, role of affiliates, outposted divisional footprint, and so on) to allow for strategic recalibration and balancing of regional and global priorities across the organization. • To this end, improve the data quality on skills and current roles (including for those undertaking multiple	This recommendation strengthens the reform by enabling adaptive staffing aligned with regional needs, while balancing delegated authorities and global priorities. Strengthening workforce planning, ideally combined with comprehensive skills mapping, will facilitate workforce planning, allowing for better visibility on workforce	Functions and staffing; Operational Delivery

roles and whether they are technical or non-technical) and make this available for workforce planning (for example, roles aligned to actual responsibilities, clearly defined tagging of areas of functional/technical expertise in workforce data, time allocation to single or multiple thematic interventions, self-declared skills) to enable better strategic workforce planning at global and regional levels. • Assess current technical capacities, along with an assessment of critical funded partners' skills, to identify discrepancies between the current staffing structure, outline the technical expertise of decentralized functions, and allow them to make key decisions to address capacity/capability gaps (for example, seeking support from funded partners or placement of technical capacities). • Strengthen oversight and accountability to ensure that guidance and tools are used to ensure proper workforce planning once strategic plans are approved.	strength and deployment for HQ divisions, RBx and country operations. These measures, accompanied by the required oversight to ensure proper implementation, will drive effective outcome-oriented planning.	
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. Establish a global minimum curriculum for selected functional areas – for instance, thematic areas in protection, external engagement or procurement, and for trainings on systems including BTP tools. Clarify roles and responsibilities on training across regions and divisions. Establish a central oversight/tracking mechanism to track training implementation and outcomes. The following parameters shall be considered: • Standardized training modules are beneficial for large organizations to reach scalability, yet sufficient flexibility shall be given to regions and operations to contextualize and adapt capacity building/learning programmes and regions/countries relevance/requirements. • The organizational learning strategy must include training sessions on the respective BTP enablers to close gaps in user adoptability. • The learning culture shall equally build in pathways for two-way communication between regions/operations and HQ to ensure that leading learning practices and content are exchanged and circulated globally, which is	An organization-wide learning strategy will ensure consistency in capacity building across all levels and regions of the organization, thereby ensuring efficiency and alignment towards organizational priorities and goals.	Functions and Staffing

linked to horizontal collaboration efforts and organizational culture more broadly.		
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. Ensure that the framework is aligned with the organization's decentralized operating model, in particular the roles and accountabilities. This process could include: • Consider inclusion of SO/NO level in the RAA framework to ensure clarity on delegation of authority at sub-national level or, conversely, re-consider the utility/need for standardized delegation of authority at the sub-national level, considering the lessons learned from various regions. Strong involvement of all managerial functions in driving adoptability of RAA – Prioritize the effective adoption of the RAA by relying on strong socialization efforts and involvement of managers across all functions and operations. This could include: • Ensure effective use and coherence in applying the RAA across the organization through linking the RAA to individual performance objectives/ToRs of Directors/Representatives informed by the annual workplans and reviews to strengthen accountability. • Enhance practical utility of the RAA for all staff by cascading the RAA beyond Director and Representative functions. Team/functional leaders should use their managerial responsibility and be given appropriate flexibility to link relevant RAA for their own staff/team members in line with functional responsibilities and measurable performance objectives reviews. • Managers across organizational entities shall furthermore ensure familiarity with and effective adoption of the RAA within their respective entities by relying on strong socialization efforts, including contextualization according to local conditions. • The change management process shall help managers contextualize the RAA for their individual entities, for example by organizing training sessions for managers to understand the framework thoroughly and their role in its implementation, translating the RAA for their function and or/operations across the hierarchy level.	These measures can drive adoptability of the RAA framework throughout all levels of the organization by ensuring that it is aligned with the organizational structure and that role models are adopting the framework and making it relevant to their specific context and function.	Roles, Accountabilities and Authorities; Technical Support and Oversight; Culture and Ways of Working

• The change management process shall ensure regular feedback mechanisms for all leaders (i.e., surveys, periodic focus groups across or within functions, digital platforms for real time feedback) to gather input from staff about the framework's effectiveness and areas of improvement.		
Recommendation 10: Translate existing frameworks (Roles, Accountabilities and Authorities/Three Lines Model) into specific regional oversight plans underpinned by risk assessments. Translate the existing conceptual guidance, as per the three lines model, for the division of responsibilities between RBx and HQ into the RAA. This should outline how the roles of both HQ and RBx compliment the role of the CO/MCOs in strategic planning and oversight. By virtue of the complimentary nature of their roles, the input provided by both HQ and RBx must be accretive to strengthen the plans for each CO/MCO under the respective jurisdiction (and keeping in line with the role that HQ and the RB may play as the first, second or third line of defense). In this context, the role played by HQ/RBx must also be contextualized (within the three lines model) to ensure there is no conflict of interest between technical assistance provided and the oversight/risk management role undertaken. This should be clarified, documented and published during planning cycles to ensure transparency in the process.	Context specific regional oversight plans can support a tailor-made approach to oversight and risk management, leading to more effective decision-making across RBx and HQ, enhancing the organization's ability to navigate and mitigate region-specific challenges.	Technical Support and Oversight
Recommendation 11: Prioritize desired changes in UNHCR's organizational culture to create an enabling environment for D&R. The cultural assessment currently underway (2024) presents an opportunity to integrate D&R related elements. This could include: • Develop trainings and seminars to foster professional skills development across all levels of the organization. For directors, representatives and managers, institutionalize development plans to foster professional skills development, ensuring a focus on empowerment, accountability and role modelling. These leadership initiatives should be designed to align with the cross-cutting priorities of the United Nations leadership framework, leveraging its key elements to drive organizational growth and effectiveness. • Implement a 360-performance feedback mechanism for all staff.	This would ensure the right institutional enablers and cultural incentives to foster a cultural shift across all levels of the organization.	Culture and Ways of Working
Recommendation 12: Strengthen measures to capitalize on resource mobilization and partnership opportunities. This could include:	Pooling know-how across operations can increase efficiencies in overall	Resource Management; Partnership

• Clarifying and simplifying the rules regarding underlying eligibility for budget envelope increases from local fundraising. The revised RAF (revision 4, 2024) has taken a step in the right direction by allowing automatic increase of budget allocation for operations which mobilize funding from certain public and private sources, in particular from development sources in line with UNHCR strategic objectives. • Bringing collective know-how on donors across all levels of the organization to ensure a coherent approach with a donor-centric view (for example, reporting requirements, strategic priorities). A robust vertical integration of all organizational functions related to donor engagement is needed to foster collective intelligence and expertise. One strategy to elevate UNHCR's harmonized approach to engaging with donors in a decentralized setting involves establishing cross-functional account teams that unite external engagement staff around the same donor across various levels. • Further incentivizing the involvement of RB directors and CO representatives in local fund-raising through various means, including KPI frameworks on fundraising objectives at the regional and local level.	resource mobilization efforts to serve donors' needs across regions, while KPI frameworks could streamline collaboration through shared targets and strengthened transparency, thereby increasing fundraising effectiveness.	
Recommendation 13: Delegate authority for user rights within the Business Transformation Programme in line with D&R principles. Respective divisions should formulate an overarching framework for user identity/access control for devolved decision-making, in collaboration with DIST. This recommendation is aligned with the recommendation made in the BTP audit.	The framework for system access distribution will be aligned with D&R principles and ensure decentralized ways of working, as per cross-cutting policy and culture of UNHCR.	Technology Enablers