

Independent Evaluation of UNHCR's Decentralization and Regionalization (D&R) Reform

Background of the Evaluation

From January to August 2024, an independent evaluation assessed UNHCR's Decentralization and Regionalization (D&R) reform (2019-2023), focusing on its design, implementation and outcomes across the organization. Our analysis centered on four key areas: **Strategy**; People, Organization and Governance; Processes and Technology—essential components of an effective organizational model, ultimately leading to actionable insights for enhancing the D&R framework. Within each key area, several facets of the reform were assessed based on the initiatives implemented.

How well has the D&R reform aligned its vision with UNHCR objectives and reformed resource management and strategic planning processes?



Strategy

VISION, OBJECTIVES, CHANGE MANAGEMENT

- Strong alignment of D&R with UNHCR strategic directions and UN reform
- Strong reform vision but lack of a well-defined target outcome and milestones to track progress
- Change process insufficient in engaging staff and fell short of addressing and mitigating the identified challenges and lessons learnt from previous decentralization experiences
- The lack of a D&R budget prevented the assessment of total cost of the reform. Expenditure distribution across the organization points to trends in line with the D&R objectives, with the share of operations, staff and administrative expenditure shifting from HQ towards country and regional levels, however, shifts are small in degree

STRATEGIC PLANNING PROCESS

- Reform of strategic planning processes, including the new results-based management system, aligned with and supported the objectives of D&R by decentralizing decision-making
- Increased involvement of Regional Bureaux in planning processes of Country Operations since the reform started, exercising delegated authorities and streamlining decision-making
- 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 and ownership at country level

RESOURCE MANAGEMENT

- Revised resource allocation framework (RAF) has enhanced autonomy, but donor earmarking and procedural challenges limit progress
- National staff recruitment is more efficient than before, while the impact on international recruitment is unclear
- Centralized approval processes hinder decentralization of recruitment and budget reallocation efforts

► Ensure that any future change initiatives undertaken under D&R will include the following principles

- Define a clear outcome with aligned process changes, culture, and technology
- Develop a change management strategy covering budget, scope, and risk mitigation
- Ensure strong communication throughout the process
- Implement continuous feedback mechanisms, scaled to the reform's scope and staff impacted

► Review planning processes to help Country Offices prioritize global and regional objectives more effectively

Key actions include:

- Establish a forum for Regional Bureaux/Country Offices to align prioritization criteria with HQ based on resources and trade-offs
- Facilitate discussions for Regional Bureaux Directors and Country/Multi-Country Offices Representatives to present multi-year plans and prioritization rationales
- Empower sub-national entities by building technical capacity for decentralized multi-year planning and resource allocation
- Optimize the balance between flexibility and global coherence by refining the use of core indicators

► Foster transparency in resource allocation by sharing budget criteria

Key actions include:

- HQ and Regional Bureaux proactively communicate funding parameters and donor earmarking to Country/Multi-Country Offices. Management clearly articulates guiding principles and criteria for resource allocation decisions
- Further decentralize processes that continue being centralized in line with RAF authorities
 - This includes:
 - Decentralize approval of international staff hiring (P1-P4) to Regional Bureaux Directors
 - Granting Regional Bureaux/Country Offices system access for budget allocation decisions, with built-in oversight approvals
- To mitigate potential risks:
 - Implement risk compliance dashboards to flag non-compliance in hiring and budget changes