Seventy-fourth meeting of the Standing Committee (5-7 March 2019)

Agenda item 3 (c) Oral update on UNHCR's operational regionalization plan

- In 2019, UNHCR will remain focused on its internal change management process aimed at enabling the Office to pursue its strategic directions for 2017-2021 in a more effective, efficient and accountable manner. It will progressively move towards a decentralized model, which is expected to be in place by 2020, with the devolution of authority to regional centres. This is in line with system-wide efforts and will serve to strengthen support for the implementation of the Global Compact for Refugees and other commitments.
- Implicit in this change process, is the recognition that protection and solutions must be driven at the local, national and regional levels. With this in mind, the overarching goals are to empower UNHCR operations to make appropriate decisions without unnecessary delay; to respond faster and in a more flexible way, especially at the onset of large-scale emergencies; to prioritize funds and determine where and how resources are invested; and to strengthen operational integrity by capturing context-specific knowledge and translating it into viable programmes. It will also allow UNHCR to become a stronger and more reliable partner in the collective effort to protect and assist refugees and other persons of concern; to advance strategic partnerships at the point of delivery, particularly with development actors; and to engage more consistently with States at the national and regional levels. A decentralized structure, with an empowered operational footprint and seven regional bureaux based in locations in the field, will also enable UNHCR is to ensure quality assurance and greater accountability.
- UNHCR's regionalization process is based on three central design premises: (1) strong country operations; (2), strong regional bureaux; and (3) a strong, more streamlined "centre" to drive institutional coherence and oversight. During the course of 2018, with the support of outside consultants, UNHCR undertook a review of its existing regional representations and service centres to ascertain what worked, what practices could be replicated in the new structure and what functions should be phased out at the regional level. The review was informed by previous regionalization efforts as well as by the experience of partner agencies.
- The resulting core structure for the seven regional bureaux is organized around the key pillars of 1) protection, 2) strategy and partnerships, 3) operations management, and 4) external engagement. In addition to the common core structure, each of the seven new bureaux will have unique features based on their respective operational contexts, political and security considerations, population groups and opportunities for solutions. The seven regional bureaux will be better aligned with the geographical coverage of partner agencies and the United Nations development system.
- The new organizational design supports the "three lines of defense" risk management framework, as well as numerous audit findings which highlight the need to clarify roles, accountabilities and authorities between headquarters and the field. The forthcoming annual programme review (APR) will allow UNHCR to assess how best to recalibrate staffing at the country, regional and headquarters levels to ensure that risks are adequately owned, managed and addressed, and that a robust 'third line' independent oversight capacity remains firmly in place centrally. A series of proposals to simplify systems and processes are also currently under consideration. A crossfunctional task team has been formed to undertake further consultations and take these initiatives forward.
- The transition was designed to ensure that the seven regional bureaux will be able to cover core functions, with the technical and context-specific expertise required. The field support capacities currently at headquarters will be retained through mid-2020 to ensure that emerging risks are identified and addressed, as the restructuring gradually takes place and the new bureaux and country operations adapt to the new ways of working. By then, the bureaux will be able to assume full accountability for quality assurance and support to country operations within their respective regions.

- Staff welfare considerations have informed the process throughout, and maximum flexibility will be extended to colleagues during the transition. A set of transitional support measures will be implemented to assist impacted staff members.
- The decentralization and regionalization process is considered a critical investment in the organization's ability to carry out the mandate with which it has been entrusted, rather than a cost-saving measure. The short-term costs associated with both the transition and the need to strengthen country operations in tandem with the regional bureaux will be covered from within the existing budget. In the medium to long-term, the initial costs are expected to be offset, in part, by efficiency gains, improved value for money and enhanced partnerships.
- The viability and effectiveness of the proposed new structures will be determined, in large measure, on the ongoing efforts to remodel UNHCR's institutional culture, to rethink where accountability lies and is enforced, and to work more collaboratively and inclusively both internally and with partners.

UNHCR, 4 March 2019