

# **Multilateral Organisation Performance Assessment Network**

## **Organisational Effectiveness Assessment**

### **United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)**

**Volume I  
December 2011**





## Preface

The Multilateral Organisation Performance Assessment Network (MOPAN) is a network of donor countries with a common interest in assessing the organisational effectiveness of multilateral organisations. MOPAN was established in 2002 in response to international fora on aid effectiveness and calls for greater donor harmonisation and coordination.

Today, MOPAN is made up of 16 donor countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, The Netherlands, Norway, Republic of Korea, Spain, Sweden, Switzerland and the United Kingdom. For more information on MOPAN and to access previous MOPAN reports, please visit the MOPAN website ([www.mopanonline.org](http://www.mopanonline.org)).

Each year MOPAN carries out assessments of several multilateral organisations based on criteria agreed by MOPAN members. Its approach has evolved over the years, and since 2010 has been based on a survey of key stakeholders and a review of documents of multilateral organisations. MOPAN assessments provide a snapshot of four dimensions of organisational effectiveness (strategic management, operational management, relationship management, and knowledge management). MOPAN does not examine an organisation's development results.

### MOPAN 2011

In 2011, MOPAN assessed five multilateral organisations: the Food and Agricultural Organization (FAO), the Inter-American Development Bank (IDB), the United Nations Environment Programme (UNEP), the United Nations High Commissioner for Refugees (UNHCR), and the United Nations Relief and Works Agency (UNRWA).

MOPAN Institutional Leads liaised with the multilateral organisations throughout the assessment and reporting process. MOPAN Country Leads monitored the process in each country and ensured the success of the survey.

<b>MOPAN Institutional Leads</b>	<b>Multilateral Organisation</b>
Norway and The Netherlands	Food and Agricultural Organization (FAO)
Spain and Denmark	Inter-American Development Bank (IDB)
Switzerland and United Kingdom	United Nations Environment Programme (UNEP)
Norway and Belgium	United Nations High Commissioner for Refugees (UNHCR)
Sweden and Finland	United Nations Relief and Works Agency (UNRWA)
<b>MOPAN Country Leads</b>	<b>Countries</b>
Canada and Australia	Bangladesh
Switzerland and Denmark	Bolivia
Germany and Spain	Brazil
France	Burundi
Spain	Ecuador
Germany and Finland	Nepal
Germany and Canada	Peru
Canada	Tanzania
Switzerland and Norway	Jordan
Norway and Austria	Lebanon
Ireland and Austria	Palestine
Switzerland and Norway	Syrian Arab Republic

## **Acknowledgements**

We thank all participants in the MOPAN 2011 assessment of the United Nations Relief and Works Agency (UNRWA). UNRWA's senior management and their staff made valuable contributions throughout the survey and document review processes and provided lists of potential survey respondents in each of UNRWA's fields of operation. Survey respondents contributed useful insights and time in responding to the survey. The MOPAN Institutional Leads, Sweden and Finland, liaised with UNRWA throughout the assessment and reporting process. The MOPAN Country Leads oversaw the process in the field and ensured the success of the survey. Consultants in the region provided vital in-country support by following up with host governments and peer organisations, as feasible, to enhance survey response rates.

## **Roles of Authors and the MOPAN Secretariat**

The MOPAN Secretariat, led by Germany in 2011, worked in close cooperation with the MOPAN Technical Working Group to launch and manage the survey. MOPAN developed the Key Performance and Micro-indicators, designed the survey methodology, coordinated the development of lists of survey respondents, and approved the final survey instruments. MOPAN also directed the design of the approach to document review. MOPAN oversaw the design, structure, tone, and content of the reports.

Universalialia and Epinion developed the survey instrument and carried out the survey and analysis. Universalialia carried out the document review and wrote the reports.

Epinion is a leading consulting firm in Denmark that analyses and evaluates data to support decision making. It conducts specially designed studies for public and private organisations based on data collected from an organisation's employees, members, customers, partners, and other sources. Website: [www.epinion.dk](http://www.epinion.dk)

Universalialia Management Group is a Canadian consulting firm established in 1980 that specialises in evaluation and monitoring for international development. Universalialia has made significant contributions to identifying best practices and developing tools in the fields of organisational assessment; planning, monitoring, and evaluation; results-based management; and capacity building. Website: [www.universalialia.com](http://www.universalialia.com).

## Acronyms

---

CBO	Community-based organisation
CHAP	Common Humanitarian Action Plan
COMPAS	Common Performance Assessment System
FIP	Field Implementation Plan
ICRC	International Committee of the Red Cross
JICA	Japan International Cooperation Agency
KPI	Key Performance Indicator
MI	Micro-Indicator
MOPAN	Multilateral Organisation Performance Assessment Network
MTS	Medium Term Strategy
OHCHR	Office of the High Commissioner for Human Rights
RBM	Results-Based Management
UNBOA	United Nations Board of Auditors
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNICEF	United Nations Children's Fund
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
WFP	World Food Programme
WHO	World Health Organization



## Contents

---

1. Introduction	1
1.1 MOPAN	1
1.2 Profile of UNRWA	2
2. Methodology – Common Approach 2011	5
2.1 Overview	5
2.2 Survey	6
2.3 Document Review	9
2.4 Strengths and Limitations of Methodology	9
3. Main Findings	12
3.1 Introduction	12
3.2 Overall Ratings	12
3.3 UNRWA Performance in Strategic, Operational, Relationship, and Knowledge Management	16
3.3.1 Overview	16
3.3.2 Strategic Management	16
3.3.3 Operational Management	25
3.3.4 Relationship Management	42
3.3.5 Knowledge Management	48
4. Conclusion	55

## Figures

Figure 2.1	UNRWA Survey Respondent Groups	6
Figure 2.2	Respondent Rating Scale	6
Figure 2.3	UNRWA - Distribution of Responses (n=130) on all Questions Related to Micro-Indicators	7
Figure 2.4	Number of Respondents and Total Population for UNRWA by Field of Operation and Respondent Group	8
Figure 2.5	MOPAN Ranges and Descriptions	8
Figure 3.1	Overall Ratings of Internal Effectiveness by Respondent Group	12
Figure 3.2	Overall Ratings on Key Performance Indicators (mean scores, all respondents and document review ratings)	15
Figure 3.3	Quadrant I: Strategic Management, Survey and Document Review Ratings	16
Figure 3.4	Quadrant I: Strategic Management, Mean Scores by Respondent Group	17
Figure 3.5	KPI-1: Providing Direction for Results, Ratings of Micro-Indicators	17
Figure 3.6	KPI-2: Corporate Focus on Results, Ratings of Micro-Indicators	19
Figure 3.7	KPI-3: Focus on Thematic Priorities, Ratings of Micro-Indicators	21
Figure 3.8	KPI-4: Field Implementation Plans with Focus on Results, Ratings of Micro-Indicators	24
Figure 3.9	Quadrant II: Operational Management, Survey and Document Review Ratings	27
Figure 3.10	Quadrant II: Operational Management, Mean Scores by Respondent Group	27
Figure 3.11	KPI-5: Aid Allocation Decisions, Ratings of Micro-Indicators	28
Figure 3.12	KPI-6: Linking Aid Management to Performance, Ratings of Micro-Indicators	30
Figure 3.13	KPI-7: Financial Accountability, Ratings of Micro-Indicators	32
Figure 3.14	KPI-8: Using Performance Information, Ratings of Micro-Indicators	35
Figure 3.15	KPI-9: Managing Human Resources, Ratings of Micro-Indicators	37
Figure 3.16	KPI-10: Performance Oriented Programming, Ratings of Micro-Indicators	39
Figure 3.17	KPI-11: Delegating Decision Making, Ratings of Micro-Indicator	40
Figure 3.18	KPI-12: Adherence to Humanitarian Principles, Ratings of Micro-Indicators	41
Figure 3.19	Quadrant III: Relationship Management, Survey Ratings	42
Figure 3.20	Quadrant III: Relationship Management, Mean Scores by Respondent Group	42
Figure 3.21	KPI-13: Adjusting Procedures, Ratings of Micro-Indicators	43
Figure 3.22	KPI-14: Supporting Inter-Agency Plans and Appeals, Ratings of Micro-Indicators	44
Figure 3.23	KPI-15: Contributing to Policy Dialogue, Ratings of Micro-Indicators	45
Figure 3.24	KPI-16: Managing the Cluster, Ratings of Micro-Indicators	46
Figure 3.25	KPI-17: Harmonising Procedures, Ratings of Micro-Indicators	47
Figure 3.26	Quadrant IV: Knowledge Management, Survey and Document Review Ratings	49
Figure 3.27	Quadrant IV: Knowledge Management, Mean Scores by Respondent Group	49
Figure 3.28	KPI-18: Evaluating External Results, Ratings of Micro-Indicators	50
Figure 3.29	KPI-19: Presenting Performance Information, Ratings of Micro-Indicators	52
Figure 3.30	KPI-20: Disseminating Lessons Learned, Ratings of Micro-Indicators	54

## Executive Summary

This report presents the results of an assessment of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) conducted by the Multilateral Organisation Performance Assessment Network (MOPAN). MOPAN assesses the organisational effectiveness of multilateral organisations based on a survey of stakeholders and a review of documents. MOPAN does not assess an organisation's development results.

The year 2011 marks the first occasion for MOPAN to involve humanitarian organisations in its common assessment. UNRWA was a bold choice, but a willing and supportive partner. MOPAN worked closely with UNRWA to revise the methodology and survey instrument.

UNRWA is a unique organisation within the UN. Its 30,000 staff members pursue a broad mandate in five fields of operation, serving, in 2011, 4.76 million<sup>1</sup> Palestine refugees (including their descendants) pending a solution to their plight. The Agency's services encompass education, health care, relief, camp infrastructure and improvement, community support, microfinance and emergency response, including in times of armed conflict.

In fulfilling its mission, UNRWA benefits from financial and in-kind support of donors; support from host governments in Jordan, Lebanon, and the Syrian Arab Republic; and support from the Palestinian Authority in Gaza Strip and West Bank. Host governments and the Palestinian Authority contribute to UNRWA's initiatives financially<sup>2</sup> and/or by providing services directly to Palestine refugees (e.g., education, health, housing, utilities, security, and social services). In the last 20 years, UNRWA has been operating under serious financial constraints due to several factors: the substantial increase in the refugee population,<sup>3</sup> which has not been followed by a similar growth in resources; underfunding of UNRWA's General Fund, through which the salaries of its almost 30,000 Palestinian staff are paid; donor's constraints in the allocation of earmarked funds; increases in salaries;<sup>4</sup> increases in the prices of food, fuel and commodities; unfavourable currency fluctuations; recent political instability in the region; and restricted access for humanitarian efforts.

Over the past three years, UNRWA has undertaken a number of reform efforts to improve its effectiveness, including an organisational development process, external reviews of its major programs, the introduction of results-based management, and a staff performance management system.

In 2011, MOPAN assessed UNRWA based on information collected at the organisation's headquarters and in all fields of operation: Gaza Strip, West Bank, Jordan, Lebanon, and the Syrian Arab Republic. MOPAN's survey targeted four categories of respondents: MOPAN members based in the field and at headquarters, host governments, and peer organisations. A total of 130 respondents participated in the survey. MOPAN's document review assessed UNRWA through an examination of publicly available corporate documents and programming documents from the fields of operation.

---

<sup>1</sup> Report of the Secretary-General on strengthening the management capacity of the United Nations Relief and Works Agency for Palestine Refugees in the Near East. Retrieved from: <http://unispal.un.org/UNISPAL.NSF/0/86EA0C29BAD9EE4F852578370053E73F>

<sup>2</sup> For example, reimbursement of the value-added tax to UNRWA by the Palestinian Authority.

<sup>3</sup> According to UNRWA Medium Term Strategy 2010-2015, the number of refugees has nearly doubled over the past 20 years.

<sup>4</sup> The salaries of UNRWA's Palestinian staff are indexed to the salaries paid by host governments to public servants. Thus, UNRWA must match any increases in the salaries of public servants.

MOPAN assessments provide a snapshot of four dimensions of organisational effectiveness (strategic management, operational management, relationship management, and knowledge management). The main findings of the 2011 assessment of UNRWA are summarised below.

### **Strategic Management**

In strategic management, MOPAN established criteria to determine if a multilateral organisation has strategies that reflect good practices in managing for results. Overall, the 2011 assessment found that:

- Strategic management is one of UNRWA's strengths. Survey respondents consider its focus on thematic priorities and its overall emphasis on managing for results to be adequate. The document review gave an even more positive assessment, indicating that UNRWA has the policies in place to move forward, although practice still lags intentions.
- UNRWA has made considerable progress in becoming a more performance-oriented organisation. Its Medium Term Strategy 2010-2015 introduces key strategies to achieve the mandate and UNRWA has developed corporate and field level results frameworks, including Field Implementation Plans that are focused on results and that incorporate thematic priorities. Some improvements need to be made, ranging from the need to articulate a policy on results-based management to improved phrasing of results statements and selection of indicators. Notwithstanding serious cultural and political challenges, UNRWA is mainstreaming most thematic priorities into its work and is addressing cross-cutting priorities related to protection, disability, human-rights, and gender equality.

### **Operational Management**

In operational management, MOPAN established criteria to determine if a multilateral organisation manages its operations in a way that supports accountability for results and the use of information on performance. Overall, the 2011 assessment found that:

- UNRWA's strongest performance in operational management relates to the Agency's adherence to humanitarian principles (which are central to its core values), its efforts in linking aid management and performance (a relatively new initiative that emerged as a result of the Organisational Development process), and various aspects of financial management (as part of the UN family, UNRWA has well-regarded financial accountability systems, though its efforts to assess and manage risks are relatively new and evolving; UNRWA has also made progress in results-based budgeting).
- UNRWA has initiated a process of decentralisation of the mechanisms for decision-making authority and responsibility to fields of operation. Several decisions related to human resources have already been delegated to the field. Notwithstanding this progress, the assessment findings suggest that there is still room for improvement, in particular with regard to defining roles and responsibilities between Headquarters and Field Offices.
- UNRWA has drawn on recent evaluations and other performance feedback to make shifts in its organisation-wide policies and strategies. At the field level, program planning has not yet fully capitalised on the use of performance information.<sup>5</sup> There is also limited evidence of a follow-up mechanism to ensure that evaluation recommendations are acted upon.

---

<sup>5</sup> The MOPAN assessment reviewed planning documents for the 2010-2011 biennium. Yet this was the first biennium under the new program planning approach. Subsequent plans should reflect more structured use of information on past performance.

- UNRWA is moving towards performance-oriented human resource management; while suitable policies are in place, implementation has not yet caught up.
- UNRWA continues to face difficulty in managing scarce resources – due in part to the volatile context, chronic underfunding over the past four biennia, and some donor constraints in the allocation of earmarked funds.

### **Relationship Management**

In relationship management, MOPAN established criteria to determine if a multilateral organisation is engaging with its partners in the field in ways that contribute to aid effectiveness. MOPAN criteria examine the organisation's procedures, track record on coordination and harmonisation with peers, and contributions to policy dialogue. Overall, the 2011 assessment found that:

- UNRWA operates in a very politically and culturally complex region. It has shown, overall, an adequate capacity to manage relationships with a variety of actors and has demonstrated its capacity to adjust its working procedures promptly to respond to changing circumstances and emergency situations.
- UNRWA works in collaboration with UN agencies, host governments, and community-based organisations. In Palestine, UNRWA is the leader of the Cash-for-Work Cluster and participates in a number of other clusters.
- It supports inter-agency plans and appeals by participating in joint planning initiatives and is harmonising procedures with other actors it collaborates with in the framework of joint missions, common needs assessments, implementation of humanitarian responses, and in sharing information with other partners.

### **Knowledge Management**

In knowledge management, MOPAN established criteria to determine if a multilateral organisation has reporting mechanisms and learning strategies that facilitate the sharing of information inside the organisation and with the development community. Overall, the 2011 assessment found that:

- UNRWA has increased its emphasis on evaluation and has made the evaluation function more independent. Improvements are needed in terms of quality and coverage of evaluations, and these are likely to be addressed if the Agency continues to move in the direction it has taken over the past three years.
- UNRWA's reporting on performance has improved, as evident in the Commissioner General's 2010 annual report to the General Assembly, which presents information on UNRWA's program performance in the outcome areas defined in its Medium Term Strategy. There may still be room for improvement in providing clear links between outputs and outcomes, and in reporting on programming adjustments made at the field level based on performance information.
- The Agency is giving more attention to recording lessons learned, but is not yet identifying and disseminating lessons learned from performance information and sharing lessons from practical experience.

## Conclusions

These conclusions look at messages that can contribute to dialogue between MOPAN, UNRWA and its partners.

- **UNRWA is a unique organisation in the UN family** – UNRWA combines the humanitarian dimensions of protection, the social support function of relief, and the agenda of human development to serve more than 4.76 million Palestine refugees (including their descendants) in five volatile, politically sensitive and conflict-prone fields of operation. The General Assembly has given no other UN Agency such a complex and ambitious mandate.
- **UNRWA delivers essential core services to Palestine refugees, with the support of knowledgeable and dedicated staff** – UNRWA is the source of most services in education, health, social assistance, and employment for the majority of Palestine refugees. It responds to emergencies and is praised by stakeholders for its support to a large number of refugees, including marginalised and vulnerable people.
- **UNRWA has demonstrated strategic leadership for organisational renewal** – UNRWA embarked on an ambitious process of organisational development and has made noteworthy improvements in all aspects of strategic management over the last several years in managing for results. It has the policies in place, and practice is catching up to the theory.
- **UNRWA serves a growing number of refugees while its resources are increasingly constrained** – UNRWA relies on voluntary contributions from governments and begins each year with a forecast deficit of almost \$50 million.
- **Although positive reforms are underway, UNRWA faces on-going challenges in operational management** – UNRWA's organisational development process has led to reforms that are likely to increase the effectiveness and efficiency of its operations, namely in results-based budgeting and human resources management. However, while policies and frameworks have been developed, full implementation will require training, support, leadership, financial resources, and time. Many of UNRWA's challenges are due to the size of the organisation, its mandate, and the context in which it operates. These challenges can lead to practices that undermine organisational efficiency.
- **UNRWA manages complex relationships in a challenging multi-cultural environment** – UNRWA supports transparency in its communications, despite the complexities of multiple languages and severe budgetary constraints. It is not easy to determine what needs to be communicated, in what form, and to which audiences and as a result some documents are not available on its website in the languages of key stakeholders.
- **UNRWA collaborates with UN partners and donors** – UNRWA harmonises its procedures with UN requirements, contributes to inter-agency initiatives, and plays a supportive role in policy dialogue. UNRWA works effectively with more than 60 bilateral and multilateral donors, each with its own constraints, requirements and interests. Nevertheless, some respondents consider that it needs to make greater efforts to communicate and coordinate with partners, such as UN agencies, host governments, the Palestinian Authority, and community-based organisations.
- **UNRWA has not sufficiently maximised its knowledge and experience** – As the senior UN agency dealing with Palestine refugees, UNRWA has knowledge that would be useful to a variety of stakeholders that has not yet been documented or shared. UNRWA could improve evaluation, reporting to its different audiences, and dissemination of lessons learned.

## Overall MOPAN Ratings of UNRWA

The chart below shows the ratings on the 20 key performance indicators that MOPAN used to assess UNRWA in 2011. These indicators were designed to measure organisational effectiveness (practices and systems), not development or humanitarian results on the ground. The indicators were adapted to the work of UNRWA to encompass its agenda of human development and its humanitarian dimensions. UNRWA received ratings of adequate on 17 of the 20 key performance indicators assessed by survey respondents, and document review ratings ranging from inadequate to very strong.

### STRATEGIC MANAGEMENT

KPI-1 Providing direction for results	3.97	5
KPI-2 Corporate focus on results	3.73	4
KPI-3 Focus on thematic priorities	3.95	5
KPI-4 Field implementation plans with focus on results	3.83	4

### Survey Respondents      Document Review

3.97	5
3.73	4
3.95	5
3.83	4

### OPERATIONAL MANAGEMENT

KPI-5 Aid allocation decisions	3.74	3
KPI-6 Linking aid management to performance	3.69	4
KPI-7 Financial accountability	3.84	5
KPI-8 Using performance information	3.61	3
KPI-9 Managing human resources	4.08	4
KPI-10 Performance oriented programming	3.56	6
KPI-11 Delegating decision making	3.26	4
KPI-12 Adherence to humanitarian principles	4.13	NA

3.74	3
3.69	4
3.84	5
3.61	3
4.08	4
3.56	6
3.26	4
4.13	NA

### RELATIONSHIP MANAGEMENT

KPI-13 Adjusting procedures	4.05	NA
KPI-14 Supporting inter-agency plans and appeals	3.98	NA
KPI-15 Contributing to policy dialogue	4.02	NA
KPI-16 Managing the cluster	3.90	NA
KPI-17 Harmonising procedures	3.95	NA

4.05	NA
3.98	NA
4.02	NA
3.90	NA
3.95	NA

### KNOWLEDGE MANAGEMENT

KPI-18 Evaluating external results	3.77	3
KPI-19 Presenting performance information	3.29	4
KPI-20 Disseminating lessons learned	3.31	3

3.77	3
3.29	4
3.31	3

Legend	
Strong or above	4.50-6.00
Adequate	3.50-4.49
Inadequate or below	1.00-3.49
Not assessed in the document review	NA



# 1. Introduction

## 1.1 MOPAN

This report presents the results of an assessment of the organisational effectiveness of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) that was conducted in 2011 by the Multilateral Organisation Performance Assessment Network (MOPAN). In 2011 MOPAN also assessed four other multilateral organisations: the Food and Agricultural Organization (FAO), the Inter-American Development Bank (IDB), the United Nations Environment Programme (UNEP), and the Office of the United Nations High Commissioner for Refugees (UNHCR).

### Background

MOPAN was established in 2002 in response to international fora on aid effectiveness and calls for greater donor harmonisation and coordination. The purpose of the network is to share information and experience in assessing the performance of multilateral organisations. MOPAN supports the commitments adopted by the international community to improve the impact and effectiveness of aid as reflected in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. MOPAN's processes and instruments embody the principles of local ownership, alignment and harmonisation of practices, and results-based management (RBM).

MOPAN provides a joint approach (known as the Common Approach) to assess the organisational effectiveness of multilateral organisations. The approach was derived from existing bilateral assessment tools and complements and draws on other assessment processes for development organisations – such as the bi-annual Survey on Monitoring the Paris Declaration on Aid Effectiveness and annual reports of the Common Performance Assessment System (COMPAS) published by the multilateral development banks. In the long term, MOPAN hopes that this approach will replace or reduce the need for other assessment approaches by bilateral donors.

### MOPAN assesses four dimensions of organisational effectiveness

MOPAN has defined organisational effectiveness as the extent to which a multilateral organisation is organised to contribute to development and/or humanitarian results in the countries or territories where it operates. It does not assess a multilateral organisation's contributions to development results.

Based on a survey of stakeholders and a review of documents, MOPAN assessments provide a snapshot of a multilateral organisation's effectiveness in four dimensions:

- Developing strategies and plans that reflect good practices in managing for development results (strategic management)
- Managing operations by results to support accountability for results and the use of information on performance (operational management)
- Engaging in relationships with direct partners and donors at the country level in ways that contribute to aid effectiveness and that are aligned with the principles of the Paris Declaration (relationship management)
- Developing reporting mechanisms and learning strategies that facilitate the sharing of knowledge and information inside the organisation and with the development community (knowledge management).

## Purpose of MOPAN assessments

MOPAN assessments are intended to:

- Generate relevant, credible and robust information MOPAN members can use to meet their domestic accountability requirements and fulfil their responsibilities and obligations as bilateral donors
- Provide an evidence base for MOPAN members, multilateral organisations and direct partners to discuss organisational effectiveness and in doing so, build better understanding and improve organisational effectiveness and learning over time
- Support dialogue between MOPAN members, multilateral organisations and their partners, with a specific focus on improving organisational effectiveness over time, both at country and headquarters level.

The MOPAN methodology is evolving in response to what is being learned from year to year, and to accommodate multilateral organisations with different mandates. For example, the indicators and approach for the 2011 MOPAN review of humanitarian organisations were adapted to reflect the reality of these organisations.<sup>6</sup>

## MOPAN assessment of UNRWA

This is the first time UNRWA has been assessed by MOPAN. UNRWA was a bold choice, but a willing and supportive partner. MOPAN worked closely with UNRWA to revise the methodology of the assessment, including its survey instrument.

## 1.2 Profile of UNRWA

Created as a temporary agency in 1949, UNRWA has maintained operations for 63 years. It has a long history of work in a very complex and unstable region and faces many political, social, religious, and financial constraints.

UNRWA was established by UN General Assembly resolution 302 (IV) of 8 December 1949 with a mandate to carry out direct relief and works programs for Palestine refugees pending a solution to their plight. The Agency began operations on 1 May 1950, and the General Assembly has repeatedly extended UNRWA's mandate, most recently until 30 June 2014.<sup>7</sup>

With 30,000 staff employees, the vast majority of whom are Palestine refugees, UNRWA serves a population of 4.76 million Palestine refugees (including their descendants) located in Lebanon, the Syrian Arab Republic,<sup>8</sup> Jordan, West Bank, and Gaza Strip.<sup>9</sup> More than 1.4 million refugees, around one-third of the total, live in 58 recognised camps, and UNRWA's services of basic humanitarian relief and human development are located in or near these areas. No other UN Agency has been given such a complex and ambitious mandate. UNRWA is supported by the UN, host governments, and many international donors, and works in a volatile, politically sensitive and conflict-prone context in five distinct fields of operation.

---

<sup>6</sup> MOPAN recognises the special nature of humanitarian assistance and its focus on saving lives and reducing suffering in natural and conflict-related disasters. The politically and time-sensitive nature of crisis response tends to focus greater attention on maintaining core humanitarian principles and on operational considerations such as speed of response, flexibility, and quality of coordination with other international actors over other development programming considerations such as sustainability and the thoroughness of longer-term planning. The MOPAN 2011 framework for assessing organisational effectiveness was adjusted accordingly.

<sup>7</sup> Res(A/65/422) 65/98. Assistance to Palestine Refugees

<sup>8</sup> Henceforth referred to as Syria in this report.

<sup>9</sup> MTS 2010-2015

## **Governance and structure**

UNRWA's chief executive officer is the Commissioner General, currently Filippo Grandi, appointed in February 2010, (an Under-Secretary-General of the UN) who is "responsible to the General Assembly for the operation of the program"<sup>10</sup> and who is advised by the Advisory Commission.<sup>11</sup> UNRWA is special in that host governments, donors, and beneficiaries assist and advise the Commissioner General. At the headquarters level, the Agency's operations are carried out by programmatic departments (education, health, microfinance, infrastructure, and relief and social services); operational departments (human resources, administrative and support, internal oversight, and legal affairs); and at the field level, by five field offices.

## **Strategy and services**

In 2010, UNRWA developed a medium-term strategy (MTS) covering the period 2010-2015 to operationalise its current mandate and better align field interventions with the Agency-wide objectives. The MTS articulates four main goals for refugees (acquire knowledge and skills, lead long and healthy lives, achieve decent standards of living, enjoy human rights to the fullest possible extent) and 15 strategic objectives that cascade down to the field level.

The Agency's services encompass education, health care, relief, camp infrastructure and improvement, community support, microfinance and emergency response, including in times of armed conflict. The number of refugees has increased dramatically while the resources available have increased at a slower pace, an imbalance that has affected the availability and quality of services UNRWA can provide.

In fulfilling its mission, UNRWA benefits from financial and in-kind support of donors; support from host governments in Jordan, Lebanon, and the Syrian Arab Republic; and support from the Palestinian Authority in Gaza Strip and West Bank. Host governments and the Palestinian Authority contribute to UNRWA's initiatives financially and/or by providing services directly to Palestine refugees (e.g., education, health, housing, utilities, security, and social services). UNRWA's ability to deliver services will continue to depend heavily on the willingness and ability of host governments to help shoulder the burden of safeguarding the rights and hopes of Palestine refugees to live lives of dignity.

## **Finances**

UNRWA is financed mainly by voluntary contributions from governments, which account for approximately 95 per cent of its income.<sup>12</sup> Currently, UNRWA has 219 international staff posts, 133 of which are funded from the UN Secretary-General's regular budget<sup>13</sup> and over 29,500 staff paid through UNRWA's regular budget. Because of its reliance on voluntary contributions, predictability of funds is difficult. Moreover, in the last 20 years, UNRWA has been operating under important financial constraints partially due to the substantial increase in the refugee

---

<sup>10</sup> UNGA res. 302(IV), 8 Dec. 1949, para. 9(a)

<sup>11</sup> The Advisory Commission is composed of 24 member states and three observers.

<sup>12</sup> UNRWA's budget consists of the Regular Budget and the Non-Regular Budget. The Regular Budget is divided into the three envelopes: General Fund, In-kind Basic Commodities, and Gaza Post Disengagement. The Non-Regular Budget has two categories of funds: projects and emergency appeals. The General Fund and projects are the main channels through which donors contribute to UNRWA.

<sup>13</sup> In Resolution 3331B(XXIX) of 17 December 1974, the General Assembly agreed that expenses relating to the emoluments of international staff in the service of UNRWA, which would otherwise have been charged to voluntary contributions, would be provided for under the Secretary-General's regular budget with effect from 1 January 1975 for the duration of the Agency's mandate.

population,<sup>14</sup> which has not been followed by a similar growth in resources,<sup>15</sup> as well as to increases in the price of food, fuel and commodities, and unfavourable currency fluctuations.

UNRWA engages in a delicate balancing act as it faces contradictory demands of different stakeholders. On the one hand, a growing beneficiary population coping with increasing living costs suggests the need for additional UNRWA resources; while on the other hand, donors are under pressure to demonstrate increasing efficiency within UNRWA as they face their own resource constraints in a period of economic turmoil.

### **Organisational development initiative**

In 2005, when the 2005-2009 medium term plan pointed to the declining performance of the Agency, the Commissioner General launched a comprehensive organisational development initiative to strengthen the Agency's capacity for program management and delivery. The initiative, carried out through a participatory process and preceded by a rapid organisational assessment, aimed at identifying areas for improvement. It was supported by a number of donors who pledged in excess of \$20 million in support over a three-year period. Although progress has been slower than expected, the 2010 evaluation of the initiative noted the results achieved in the period 2006-2009, which include:

- Program management: introduction of a program cycle management approach to planning
- Human resources management: new performance management system, leadership and management development program for senior field staff
- Organisational processes and systems: decentralisation of responsibility for procurement to the field and modernisation of ICT systems
- Leadership and management: strengthening of the executive office, new architecture for governance focused on the Advisory Commission and its sub-committees, and development of risk registers and mitigation plans at the field and department levels.

The organisational development process officially ended in 2009 and the Agency is now developing a plan for "sustaining change" to reinvigorate the enabling environment to support effective service delivery to Palestine refugees.

The UNRWA website is: [www.unrwa.org](http://www.unrwa.org).

---

<sup>14</sup> According to UNRWA Medium Term Strategy 2010-2015, the number of refugee has nearly doubled over the past 20 years.

<sup>15</sup> According to the UN Secretary General's report on strengthening UNRWA's management capacity, "UNRWA is in a financial crisis. Total programme requirements have been underfunded by an average of 12 per cent over the last four biennia. UNRWA starts each year with an average budget deficit of approximately \$50 million." Available at: <http://unispal.un.org/UNISPAL.NSF/0/86EA0C29BAD9EE4F852578370053E73F>

## 2. Methodology – Common Approach 2011

### 2.1 Overview

#### Background

In 2009, MOPAN began to apply a new methodology known as the “Common Approach,” which broadens and extends the reach of the annual assessments that MOPAN has conducted since work began in 2003. The Common Approach draws on a survey of stakeholder perceptions and a review of documents published by the organisations assessed and other sources to examine organisational systems, practices and behaviours that MOPAN believes are important for aid effectiveness and that are likely to contribute to development or humanitarian results in the field.<sup>16</sup> The assessment is structured around four areas of performance (called quadrants) – strategic management, operational management, relationship management, and knowledge management.

MOPAN’s methodology has changed significantly in the last two years and comparisons of this year’s assessments with previous assessments should take this into consideration. The following is a summary of the MOPAN methodology in 2011.<sup>17</sup>

#### MOPAN 2011

In 2011, MOPAN assessed the effectiveness of five multilateral organisations: the Food and Agriculture Organization (FAO) of the United Nations, the Inter-American Development Bank (IDB), the United Nations Environment Programme (UNEP), the United Nations High Commissioner for Refugees (UNHCR), and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

The assessment of UNRWA included perception data from MOPAN donors at headquarters and from respondents in the following fields of operation: the Gaza Strip, the West Bank, Jordan, Lebanon, and the Syrian Arab Republic (subsequently referred to as Syria).<sup>18</sup>

**Key Performance Indicators and Micro-indicators** – Within each performance area, organisational effectiveness is described using key performance indicators (KPIs) that are measured with a series of micro-indicators (MIs). UNRWA was assessed using 20 KPIs and 75 MIs. These indicators were adapted in 2010 to reflect the operational realities of humanitarian organisations.

The indicators were assessed using data from a survey and document review. The survey collected perception data from a variety of stakeholders, which are described in Section 2.2. The review of documents relied on a set of criteria that provided a basis for the assessment of each micro-indicator. The approach to document review is described in Section 2.3.

---

<sup>16</sup> Whether or not a multilateral organisation contributes to the achievement of results also depends on how it addresses development or humanitarian issues, the instruments it uses, the scale of its interventions, and the country contexts in which it operates.

<sup>17</sup> The full methodology is presented in Volume II, Appendix I.

<sup>18</sup> The standard MOPAN criteria for country selection include: multilateral organisation presence in-country, presence and availability of MOPAN members, no recent inclusion in the survey, the need for geographical spread. UNRWA and IDB required special considerations in 2011 because of their regional mandates.

The survey did not assess all micro-indicators; some were assessed only through document review. Consequently, some charts do not show survey scores for each KPI or MI. The full list of MIs assessed for UNRWA is provided in Volume II, Appendix V (KPI and MI Data by Quadrant).

## 2.2 Survey

MOPAN gathered stakeholder perception data through a survey of MOPAN donors, host governments, and peer organisations as shown in Figure 2.1. MOPAN donor respondents were chosen by MOPAN member countries. The host government and peer organisation respondents were identified by UNRWA.

**Figure 2.1 UNRWA Survey Respondent Groups**

Respondent groups	Description
Donors at headquarters	MOPAN member representatives based at headquarters in the MOPAN country or field of operation with oversight responsibility for the multilateral organisation MOPAN member representatives based at the permanent mission or executive board office of the multilateral organisation
Donors in the fields of operation	MOPAN member representatives in country/regional offices (including embassies) who are familiar with the multilateral organisation. MOPAN donors based in West Bank also cover the work of UNRWA in Gaza Strip.
Peer organisations	Field representatives of UN organisations and international NGOs that make significant investments in humanitarian programming, that operate at the country level, and that tend to coordinate work with UNRWA.
Host governments	Governments in the fields of operation selected for the assessment that receive the assistance of or host the activities of UNRWA. This group includes officials from line ministries, central ministries (such as planning, finance, etc.), and other government officials. In West Bank, the host government category is represented by Palestinian Authority representatives. In the Gaza Strip, the host government category is composed of respondents from community-based organisations (CBO).

The survey was customised for UNRWA and could be completed online in Arabic, English, or French, or offline (paper, email, or interview). See Volume II, Appendix II for the UNRWA survey. Individual responses to the survey were confidential to the independent consultants managing the online survey or collecting data offline in the field.

**Respondent Ratings** – Survey respondents were presented with statements describing an organisational practice, system, or behaviour and asked to rate the organisation’s performance on a scale of 1 to 6 as shown below.

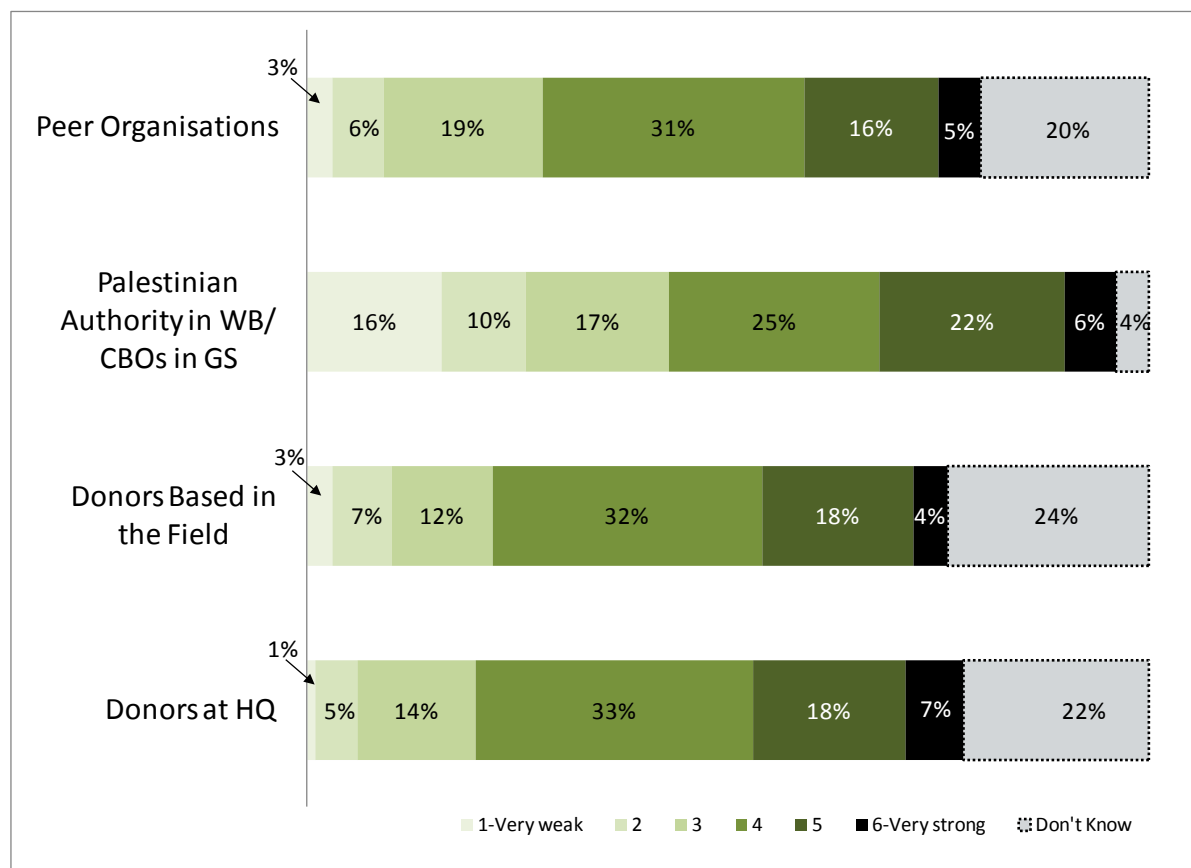
**Figure 2.2 Respondent Rating Scale**

Score	Rating	Definition
1	Very Weak	The multilateral organisation does not have this system in place and this is a source of concern.
2	Weak	The multilateral organisation has this system but there are important deficiencies.
3	Inadequate	The multilateral organisation’s system in this area has deficiencies that make it less than acceptable.
4	Adequate	The multilateral organisation’s system is acceptable in this area.
5	Strong	The multilateral organisation’s system is more than acceptable, yet without being “best practice” in this area.
6	Very Strong	The multilateral organisation’s system is “best practice” in this area.

In some cases, not all survey questions were answered, either because: 1) the individual chose not to answer, or 2) the question was not asked of that individual. In these cases, mean scores were calculated using the actual number of people responding to the question. As noted in the methodology (Volume II, Appendix I), 'don't know' survey responses were not factored into the calculation of mean scores. However, when the proportion of respondents answering 'don't know' was considered notable for a micro-indicator, this is indicated in the report.

The responses of various categories of respondents on the six choices, plus 'don't know' are summarised across all survey questions in Figure 2.3.

**Figure 2.3 UNRWA - Distribution of Responses (n=130) on all Questions Related to Micro-Indicators**



While there were responses in all six possible choices, relatively few responses overall were at the 'weak' end of the scale. Approximately one-fifth of the responses from peer organisation respondents and donor respondents were 'don't know,' which is not unexpected given the potentially more limited familiarity of these groups with the operational specifics of UNRWA covered in certain questions. Respondents from the Palestinian Authority in the West Bank and community-based organisations (CBO) in the Gaza Strip gave few 'don't know' responses and one-quarter of their responses were 'weak' or 'very weak.' (More data on distribution of responses for respondents can be found in Volume II, Appendix III.)

### Respondents and Response Rates

MOPAN aimed to achieve a 70 per cent response rate from donors at headquarters and a 50 per cent response rate among the population of respondents in the field (i.e., donors in the field and host governments and peer organisations in each field of operation). The number of respondents targeted in each category and the actual response rates are presented in Figure 2.4 below. Response rates of all categories of respondents, except host governments,

exceeded the 50 per cent target rate by a margin of over 20 per cent. The poor response of host government respondents is discussed in the subsequent section on limitations. While there are wide variations in the response rates by category and location of respondents, UNRWA survey results reflect the views of 130 respondents.

**Figure 2.4 Number of Respondents and Total Population for UNRWA by Field of Operation and Respondent Group**

Field of Operation	Actual Number of Respondents (Total Population)				
	Peer organisations	Host governments/ CBOs <sup>19</sup>	Donors based in the field <sup>20</sup>	Donors at headquarters	Total
Gaza Strip	7 (11)	7 (7)	-	-	14 (18)
Jordan	4 (5)	0 (2)	8 (10)	-	12 (17)
Lebanon	17 (24)	0 (2)	9 (13)	-	26 (39)
Syria	12 (14)	0 (3)	6 (12)	-	18 (29)
West Bank	12 (22)	4 (9)	16 (18)	-	32 (49)
<b>Total</b>	<b>52 (76)</b>	<b>11 (23)</b>	<b>39 (55)</b>	<b>28 (38)</b>	<b>130 (192)</b>
<b>Response Rate</b>	<b>68%</b>	<b>48%</b>	<b>71%</b>	<b>74%</b>	<b>68%</b>

### Converting Individual Scores to Mean Scores

As noted above, individuals responded to survey questions on a six-point scale where a rating of “1” meant a judgment of “very weak” up to a rating of “6” intended to represent a judgment of “very strong.” MOPAN calculated a mean score for each group of respondents (e.g., donors at HQ). Since the mean score for a group of respondents was not necessarily a whole number (from 1 to 6) MOPAN assigned numerical ranges and descriptive ratings for each range (from very weak to very strong) as shown in Figure 2.5.

**Figure 2.5 MOPAN Ranges and Descriptions**

Range of the mean scores	Rating
1 to 1.49	Very Weak
1.50 to 2.49	Weak
2.50 to 3.49	Inadequate
3.50 to 4.49	Adequate
4.50 to 5.49	Strong
5.50 to 6.00	Very Strong

Please note that the ranges are represented to two decimal places, which is simply the result of a mathematical calculation and should not be interpreted as representing a high degree of precision. The ratings applied to the various KPIs should be viewed as indicative judgments rather than precise measurements.

<sup>19</sup> In Gaza, this category is made up of community-based organisations (CBOs) and in West Bank by Palestinian Authority representatives. To provide transparency, the host government labels in the following figures have been changed as appropriate to reflect the actual sources of data.

<sup>20</sup> MOPAN members based in West Bank also cover the work of UNRWA in Gaza.

## Data Analysis

First level survey data analysis included calculations of mean scores, standard deviations, frequencies, 'don't know' responses, and content analysis of open-ended questions. The 'don't know' responses were removed from the calculation of mean scores, but the proportion of respondents choosing 'don't know' was retained as potentially useful data.

A weighting scheme was applied to ensure that no single respondent group or field of operation was under-represented in the analysis. Due to the fact that the numbers of survey respondents differ – both among respondent groups and among survey fields of operation – a weighting factor was applied to the survey data based on the survey response rate. The weighting was designed to give equal weight to: 1) the views of each respondent group, 2) the fields of operation where the survey took place, and 3) respondent groups within each field of operation where the survey took place. The mathematical basis for the weighting is described in Volume II, Appendix I.

Second level analysis examined differences in the responses among groups of respondents and among fields of operation and when significant differences were found, these are noted in the report.<sup>21</sup> For a full description of survey data analysis see Volume II, Appendix I.

## 2.3 Document Review

The document review considered documents provided by UNRWA, available on its web site, or available through other web sites of the UN system. For most micro-indicators, five criteria were established which, taken together, were thought to represent good practice in that topic area. The rating on any micro-indicator depends on the number of criteria met by the organisation. While the document review assessed most micro-indicators, it did not assign a rating to all of them (when criteria had not been established for best practice on that MI). Consequently, some charts do not show document review scores for each KPI or MI.

The document review and survey used the same list of micro-indicators, but some questions in the document review were worded differently from those in the survey. The document review and survey also used the same rating scale, but scores are presented separately on each chart in the report to show their degree of convergence or divergence.

## 2.4 Strengths and Limitations of Methodology

MOPAN continues to improve methodology based on the experience of each year of implementation. The following strengths and limitations should be considered when reading MOPAN's report on UNRWA.

### Strengths

- The MOPAN Common Approach is based on the core elements of existing bilateral assessment tools. In the long term, MOPAN hopes that this approach will replace or reduce the need for other assessment approaches by bilateral donors.
- It seeks perceptual information from different perspectives: MOPAN donors (at headquarters and in-country), direct partners/clients of multilateral organisations, peer organisations, and other relevant stakeholders. This is in line with the commitments made by donors to the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action regarding harmonisation, partner voice, and mutual accountability.

---

<sup>21</sup> The normal convention for statistical significance was adopted ( $p \leq .05$ ), and where significant differences were found, these are reported.

- It complements perceptual data with document review, thus adding an additional data source. This should enhance the analysis, provide a basis for discussion of agency effectiveness, and increase the validity of the assessment through triangulation of data sources.
- The reports undergo a validation process, including multiple reviews by MOPAN members, and review by the multilateral organisation being assessed.
- MOPAN strives for consistency across its survey questions and document review for each of the multilateral organisations, while allowing for customisation to account for differences between types of multilateral organisations.

### **Limitations**

#### **Data sources**

- The MOPAN Common Approach asks MOPAN members and the organisations assessed to select the most appropriate individuals to complete the survey. MOPAN sometimes discusses the selection with the organisation being assessed; however, MOPAN has no means of determining whether the most knowledgeable and qualified individuals complete the survey.
- The assessment did not obtain sufficient responses from host governments in Jordan, Lebanon or Syria, and therefore the assessment does not reflect their views. However, sufficient responses were obtained from community-based organisations in Gaza Strip and the Palestinian Authority representatives in West Bank.
- For data analysis purposes, the views of Palestinian Authority representatives in West Bank and of community-based organisations in Gaza Strip have been merged under one respondent group labelled “Palestinian Authority in WB/CBOs in GS”. These two groups of actors have quite different relationships with UNRWA, and this distinction clearly emerges in the survey results. The results of the survey for this respondent group should therefore be interpreted with caution.

#### **Data Collection Instruments**

- Three issues potentially affect survey responses. First, the survey instrument is long and a fatigue factor may affect responses and rates of response. Second, respondents may not have the knowledge to respond to all the questions (e.g., survey questions referring to internal operations of the organisation, such as external and internal audit practices, seem difficult for many respondents, who frequently answered ‘don’t know.’) Third, a large number of ‘don’t know’ responses may imply that respondents did not understand certain questions.
- The rating choices provided in the MOPAN survey may not be used consistently by all respondents, especially across the many cultures involved in the MOPAN assessment. One potential limitation is ‘central tendency bias’ (i.e., a tendency in respondents to avoid extremes on a scale). Cultural differences may also contribute to this bias as respondents in some cultures may be unwilling to criticise or too eager to praise.

#### **Triangulation of Data**

- The validity of assessments is enhanced when multiple data sources are combined. While the Common Approach combines a stakeholder perception survey and a review of documents that can provide corroborating data (e.g., evaluation reports), it does not include interviews, focus groups, and other data collection methods with the organisation’s staff or other respondents that could be helpful in analysing an organisation’s current results-oriented behaviours, systems, and procedures.

### **Data Analysis**

- MOPAN's practice of weighting responses according to the number of respondents in each category amplifies the voices of the smaller groups of respondents. The relatively large number of responses of UNRWA's peer organisations and donors, in contrast to the very small response of Palestinian Authority and community-based organisations (CBO) underscores the need for caution in interpreting comparisons of the scores on the charts involving the Palestinian Authority/CBO category.
- Unlike most organisations assessed by MOPAN, UNRWA has five distinct fields of operation that differ widely in context. While the assessment makes some observations of differences among fields, the relatively limited data available in some fields and for some categories of respondents suggests the need for caution in interpreting such differences, which are meant to be indicative rather than definitive.
- While the document review can comment on the contents of a document, it cannot assess the extent to which the spirit of that document has been implemented within the organisation (unless implementation is documented elsewhere).

### **Basis for judgment**

- Although MOPAN attempted to use recognised standards or criteria for what constitutes good practice for a multilateral organisation, such criteria do not exist for all of the MOPAN indicators. As a result, many of the criteria used in reviewing document content were developed for MOPAN in the course of the assessment process. The criteria are a work in progress and should not be considered as definitive standards.
- In the document review, low ratings may be due to unavailability of organisational documents that meet the MOPAN criteria (some of which require certain aspects to be documented explicitly).
- The MOPAN assessment produces numerical scores or ratings that appear to have a high degree of precision, yet can only provide general indications of how an organisation is doing and a basis for discussion among MOPAN members and other partners of the multilateral organisation.

Despite some limitations, the Assessment Team believes that the data generally present a reasonable picture of systems associated with the organisational effectiveness of multilateral organisations.

### 3. Main Findings

#### 3.1 Introduction

This chapter presents the findings of the 2011 MOPAN assessment of UNRWA. Findings are based on respondent survey data and document review.

- Section 3.2 presents overall ratings on the performance of UNRWA and summarises respondent views on its primary strengths and areas for improvement;
- Section 3.3 provides findings on each of the four areas of performance (strategic, operational, relationship, and knowledge management).

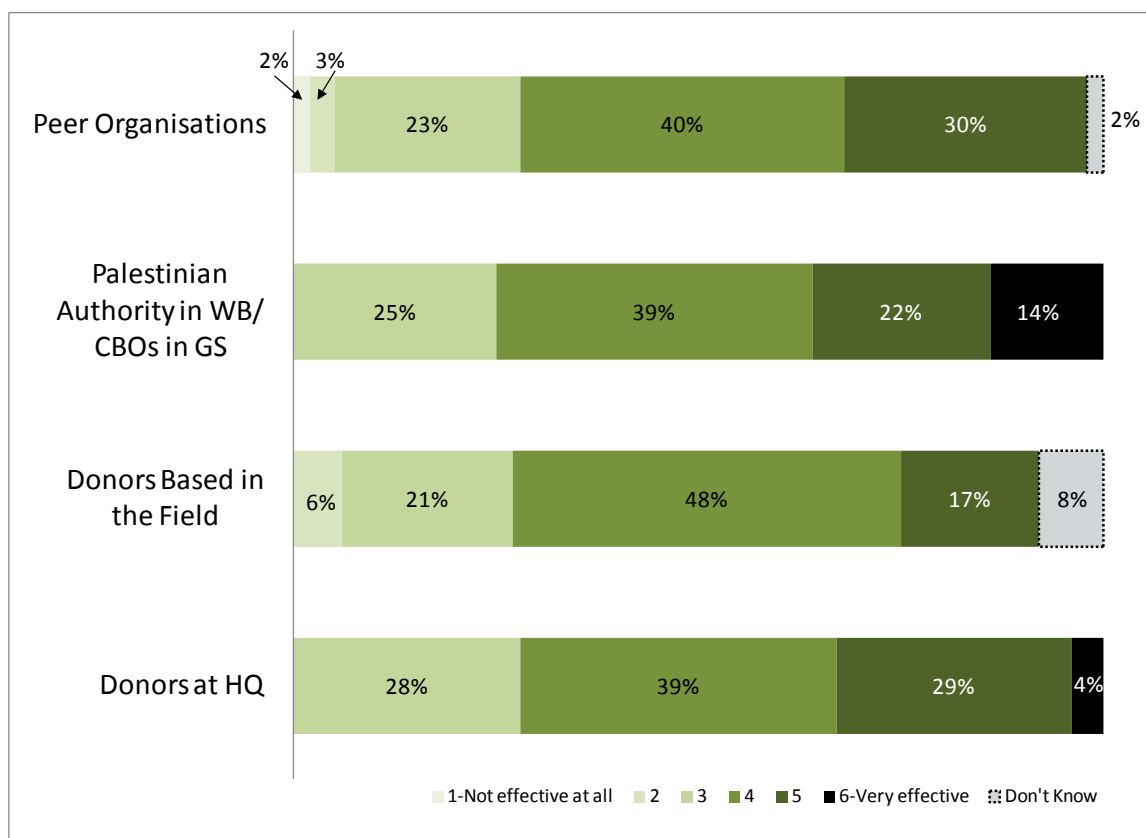
#### 3.2 Overall Ratings

This section provides a summary of overall ratings. It includes: survey respondent ratings of UNRWA’s overall internal effectiveness, survey respondent views on UNRWA’s strengths and areas for improvement, and survey and document review ratings for all key performance indicators.

##### Overall ratings of UNRWA internal effectiveness

MOPAN has defined ‘internal effectiveness’ as the extent to which a multilateral organisation is organised to support partners and beneficiaries to produce and deliver expected results. Respondents were asked, “How would you rate the overall internal effectiveness of UNRWA?” As shown in Figure 3.1, approximately 30 percent of most respondent groups considered UNRWA to be effective (ratings of 5 or 6), but only 17 percent of donors based in the field provided the same ratings.

Figure 3.1 Overall Ratings of Internal Effectiveness by Respondent Group



## Respondents' Views on UNRWA's Strengths and Areas for Improvement

The survey included two open-ended questions that asked respondents to identify UNRWA's greatest strengths and areas of improvement. All 130 respondents provided responses to both questions.<sup>22</sup> The comments are summarised below in order to illustrate the range of perceptions; they have been qualified by the approximate proportion of respondents holding such a view.

**Respondents in all categories consider UNRWA's greatest overall strengths to be the range, scope and quality of the services it provides to Palestine refugees; its clear mandate; and its knowledgeable and dedicated staff.**

UNRWA was commended for the services it provides to Palestine refugees by 40 per cent of the respondents (52). They noted that UNRWA reaches marginalised and vulnerable refugees not only in Palestine but also in four other countries in the region, and that it provides both short-term humanitarian services and longer-term development services in a wide range of sectors (e.g., education, health, relief, training, employment).

UNRWA's mandate was recognised as a strength by 26 per cent of respondents (34). They noted that UNRWA is the only agency with a clear and specific mandate to support Palestine refugees, distinguishing it from other UN Agencies, and that UNRWA provides a "survival kit" that "keeps Palestinians alive."

According to 21 per cent of respondents, UNRWA staff are one of its greatest strengths. They are seen as knowledgeable about the region, highly professional, purposeful and committed to their work.

**Respondents suggested that UNRWA needs to improve its operational management and internal and external communications and relations.**

Half of the respondents who commented on UNRWA's areas for improvement (65) pointed to the need for the Agency to improve its operational management. The most frequently cited areas were fundraising, human resources management (in terms of more training, increased salaries, and effective performance assessment), and the delivery of programs, particularly in education and health (in terms of quality and scope).

### Survey Respondent Comments on UNRWA Strengths

*UNRWA delivers inclusive services for Palestine refugees. In that, UNRWA is in some ways similar to the One UN model that we aspire to. (Donor at headquarters)*

*UNRWA is a crucial part of the Palestinian refugee's life and is a lifeline to refugees in some places. UNRWA's education and training programs are important to help Palestinians cope in their host countries and enjoy meaningful lives, despite their predicament. (Donor based in the field)*

*The organisation has taken a major initiative to step out of the box and think about its beneficiaries in their broader context. In that regard it showed a great deal of innovation to move beyond the basic relief and support functions to actually being an empowering agent. (Peer organisation)*

*The strong point of UNRWA is that it plays a complementary role for the health services in the Palestinian Territory. (Palestinian Authority /CBO representative)*

<sup>22</sup> Respondents who wrote "no comment" or something similar were filtered out of the analysis.

One-quarter of respondents (34) suggested that UNRWA needs to improve its internal and external communications and relations. Many respondents noted that improved communications with donors and better reporting on results are key factors in increasing funding for the Agency. They also commented that external communications and relations need to be improved to foster collaboration with other UN agencies and organisations working in the region with Palestine refugees and with the Palestinian authorities. Internally, better communications and relations among the field offices and headquarters are seen as a way to improve the efficiency and coordination of the Agency's operations.

While internal and external communications and relations were cited by most respondent groups as the second most important area for UNRWA improvement, Palestinian Authority /CBO representatives commented more frequently on the need for UNRWA to reduce bureaucracy.

#### Survey Respondent Comments on UNRWA Areas for Improvement

*Taking into account the limited number of donors, the fund raising side would need some rethinking. (Donor based in the field)*

*UNRWA's main area of weakness is its staffing policies and practices. This is a two-fold problem: 1) UNRWA's ability to attract, select and hire highly qualified individuals for leadership posts; 2) UNRWA's ability to identify and deal effectively with poor performance. (Donor at headquarters)*

*Working on networking with institutions in order to recruit graduates. UNRWA needs to work on networking with the institutions to work with them in their programs. (Palestinian Authority /CBO representative)*

*UNRWA has become an authority of its own. UNRWA has to deviate from being very centralized and sole player amongst UN agencies should allow for more coordination with the Palestinian National Authority (PNA), implement its reform strategies and plans and allow for more engagement of the PNA, other UN agencies and civil society. UNRWA has to work seriously on issues and concerns related to its staff as UNRWA does not abide by the rules and regulations and does not follow the ILO's international standards pertaining to workers' rights. UNRWA must create an enabling environment for social dialogue with the staff union of UNRWA and other unions such as the Palestine General Federation for Trade Unions (PGFTU) for there are serious issues and obstacles facing the workers of UNRWA. (Peer organisation)*

### Overall Ratings of Key Performance Indicators

Figure 3.2 shows scores from both the document review and the survey on the key performance indicators (KPI) of the MOPAN Common Approach. The grey bar presents the survey score, while the black diamond presents the document review score. For example, on the first indicator, "providing direction for results", UNRWA received a score of 4 (adequate) from the survey, and a score of 5 (strong) from the document review.

In the overall ratings from the survey and document review, UNRWA was seen to perform adequately or better on the majority of key performance indicators.

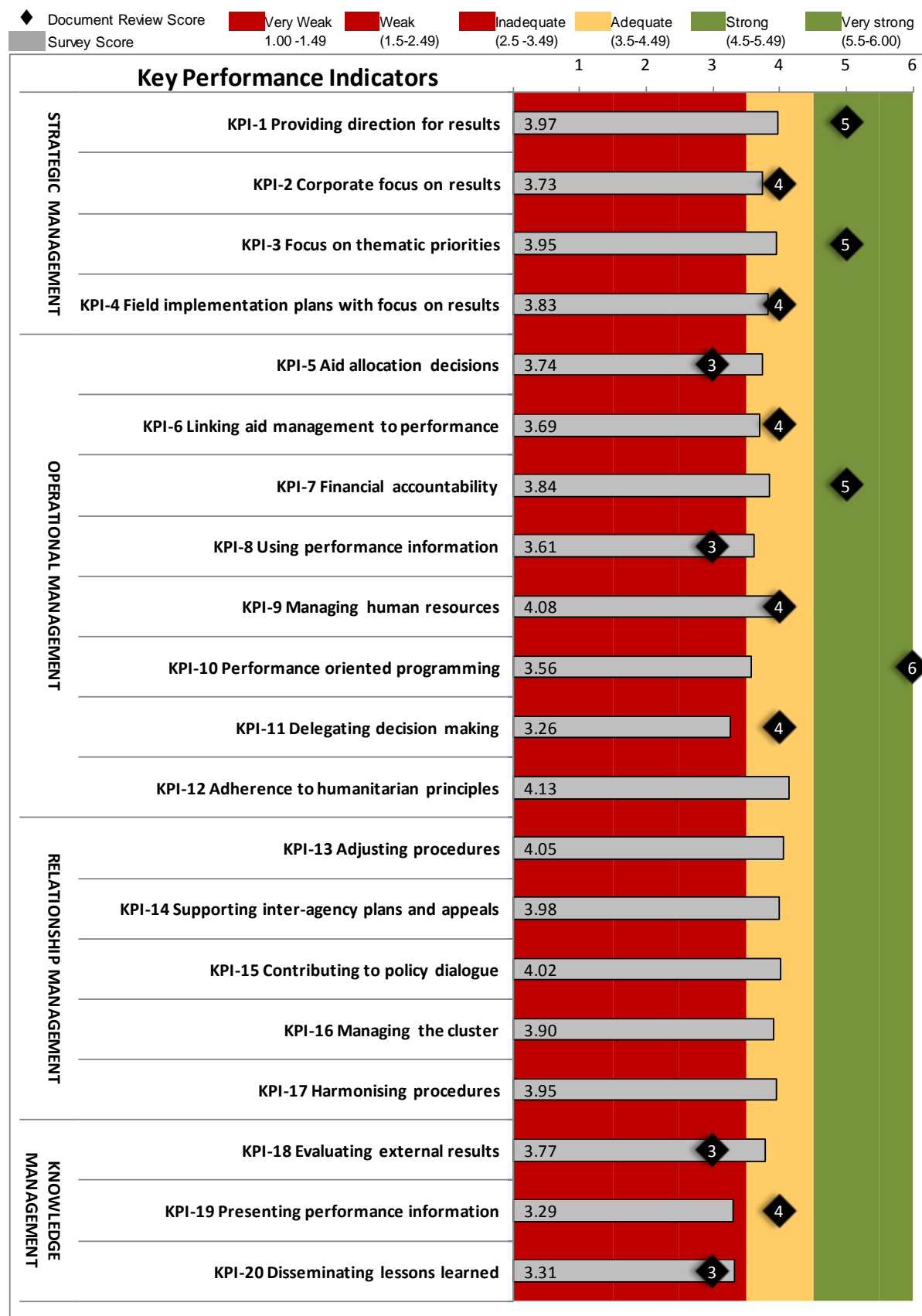
In the survey, UNRWA received scores of adequate or better on 17 out of 20 KPIs.

In the document review, UNRWA received scores of adequate or better on 10 out of 14 KPIs.<sup>23</sup>

The survey and document review ratings differed on nine KPIs – three of which were rated lower by the document review than by survey respondents, and the opposite for the remaining six. The reasons for these differences are discussed in the following sections.

<sup>23</sup> While most KPIs and micro-indicators were considered in the document review, not all were rated. See section 2.3.

**Figure 3.2 Overall Ratings on Key Performance Indicators (mean scores, all respondents and document review ratings)**



### 3.3 UNRWA Performance in Strategic, Operational, Relationship, and Knowledge Management

#### 3.3.1 Overview

This section presents the results of the 2011 Common Approach assessment of UNRWA in four performance areas (quadrants): Strategic, Operational, Relationship, and Knowledge Management.

The following sections (3.3.2 to 3.3.5) provide the overall survey and document review ratings for the KPIs in each quadrant, the mean scores by respondent group, and findings based on an analysis of survey and document review ratings in each quadrant.

When there were notably divergent ratings between survey respondent groups or between the survey results and document review ratings, these are noted. Where statistically significant differences among categories of respondents were found, these differences are noted.

The survey data for each KPI and MI by quadrant are presented in Volume II, Appendix V. The document review ratings are presented in Volume II, Appendix VI.

#### 3.3.2 Strategic Management

**Strategic management is one of UNRWA’s strengths. Stakeholders rate UNRWA’s strategic management as adequate on MOPAN’s criteria, and the organisation’s supporting documentation is judged to be in the range of adequate to strong.**

Figure 3.3 shows the overall survey and document review ratings for the four KPIs in the strategic management quadrant. UNRWA is judged by survey respondents in the mid-range of the adequate band. The documentation reviewed reveals even stronger performance, in the adequate to strong range according to MOPAN’s criteria. Stakeholders and documents support the assessment’s conclusion of a strong and transparent organisational commitment to results in UNRWA’s culture, planning, management, and communication with stakeholders, including the public. Furthermore, UNRWA is addressing cross-cutting priorities related to protection, disability, and gender equality, notwithstanding serious cultural and political challenges. Through its organisational development process, UNRWA has made noteworthy improvements in all aspects of strategic management over the last several years.

**Figure 3.3 Quadrant I: Strategic Management, Survey and Document Review Ratings**

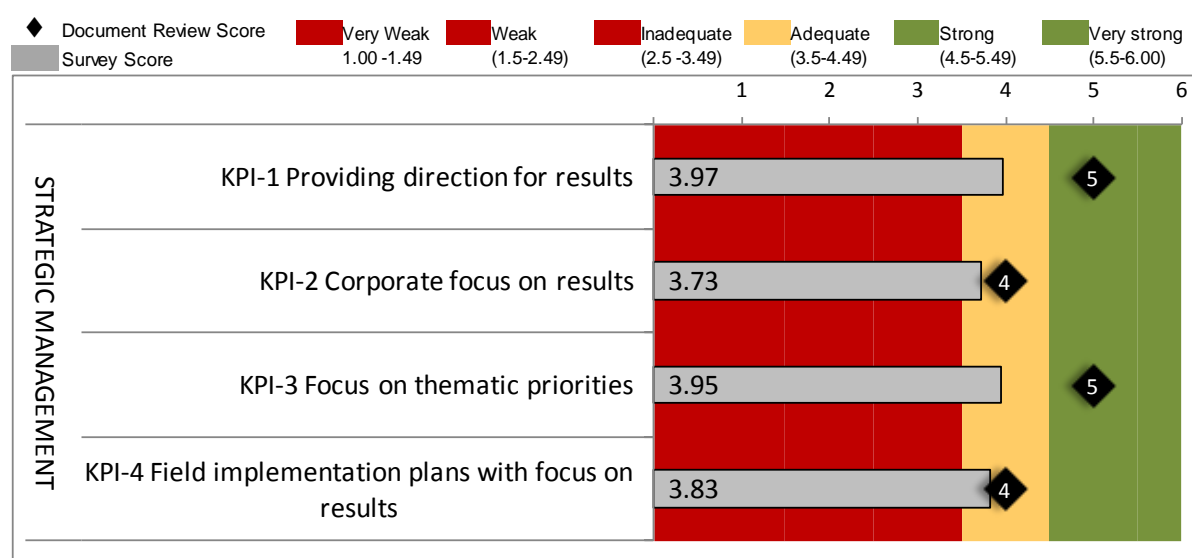
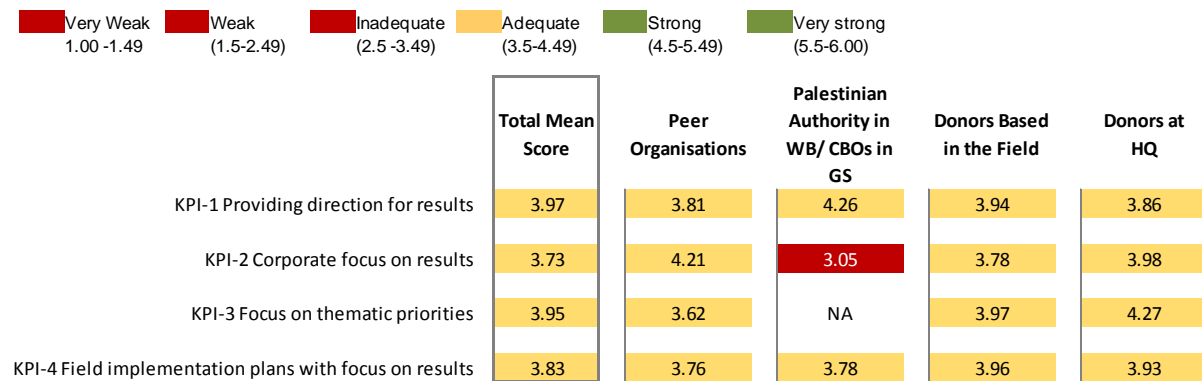


Figure 3.4 shows the mean scores for the four KPIs for all survey respondents, and by category of respondent.

**Figure 3.4 Quadrant I: Strategic Management, Mean Scores by Respondent Group**



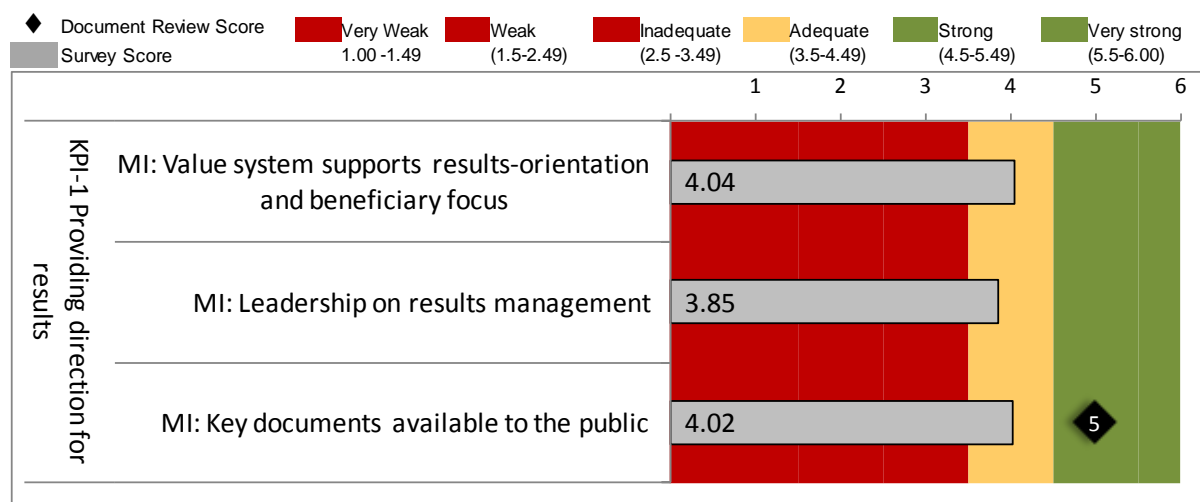
**KPI 1: Providing Direction for Results**

**Finding 1: Survey respondents rated UNRWA executive management as adequate in providing direction for the achievement of external/beneficiary focused results. The document review rated UNRWA as strong in making key documents available to key partners, including the public.**

Overall, survey respondents rated UNRWA as adequate on the three MIs in this KPI. The document review, which only rated the MI on availability of documents, gave UNRWA a score of strong.

UNRWA is seen to be providing adequate direction for results, in terms of supporting a results-orientation and beneficiary focus and in showing the required leadership on results management. The Agency’s practice of making key documents available to partners and translating these is also considered adequate.

**Figure 3.5 KPI-1: Providing Direction for Results, Ratings of Micro-Indicators**



### **MI 1.1 – Value system supports results-orientation and beneficiary focus**

The ratings on survey questions for this MI confirm that UNRWA supports a results-orientation and beneficiary focus. In their narrative comments on the organisation's greatest strengths, respondents particularly recognised UNRWA for its focus on beneficiaries. Survey responses on this indicator note UNRWA's adequate progress in fostering a culture that supports a focus on results. There were some variances across respondent groups, most notably respondents based in Syria tended to be more positive than respondents based in the other fields.

### **MI 1.2 – Senior management shows leadership on results management**

MOPAN donors at headquarters and host governments were the only respondent groups asked about the extent to which UNRWA's senior management shows leadership on results management, for which they both rated the organisation as adequate.

### **MI 1.3 – Key documents are available to the key partners, including the public**

The majority of survey respondents (64 per cent) rated the Agency as adequate or above in making key documents readily available to key partners, including the public, and the document review rated UNRWA as strong on this MI.

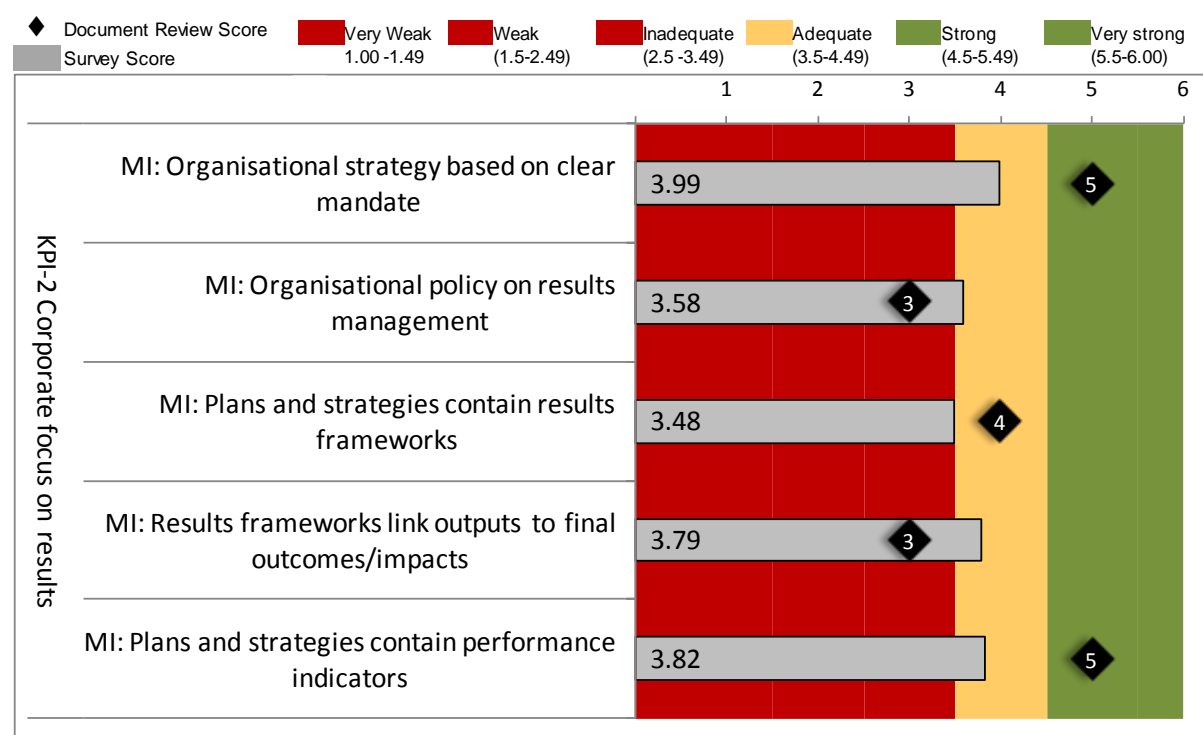
UNRWA documents that are not available on the Agency's website, or on a UN website, are made available to relevant stakeholders on the basis of their needs and intended use. UNRWA has a disclosure policy that specifies the types of documents that are made available to the public (such as evaluation-related documents) and those which are confidential (such as the minutes of meetings of the Advisory Committee on Internal Oversight meetings). UNRWA documents are made available in English, Arabic, French and Hebrew as required.

## **KPI 2: Corporate Focus on Results**

**Finding 2: UNRWA's organisational strategies were rated as adequate in terms of their focus on results. The document review suggests that UNRWA is in the process of strengthening its policy on results-based management, but that there is room to improve the quality of its results frameworks.**

Overall, survey respondents rated UNRWA as adequate on four of the five MIs in this KPI, the only inadequate rating being on developing plans and strategies that include results frameworks. The document review ratings vary from inadequate to strong.

UNRWA has made considerable progress in becoming a more performance-oriented organisation. Initiatives undertaken by the Agency include the development of corporate and field level results frameworks that operationalise its mandate, and the promotion of an RBM culture within the organisation through the development of systems, tools and training. Although some improvements need to be made in phrasing results statements and selecting indicators, the agency-wide development results framework (DRF) and management results framework (MRF) represent an important step that will allow the Agency to report on its overall performance in a consolidated and coherent way.

**Figure 3.6 KPI-2: Corporate Focus on Results, Ratings of Micro-Indicators**

### MI 2.1 – Organisational strategy based on clear mandate

The survey asked three questions on this MI: whether UNRWA has a clear mandate, whether its organisation-wide strategy (the medium-term strategy [MTS] covering the period 2010-2015) is aligned with its mandate, and whether the MTS rests upon a clear understanding of UNRWA's capacity to deliver. The majority of respondents (69 per cent) provided ratings of adequate or above, and 30 per cent were strong or very strong.

The review of documents supported the survey results and provided a rating of strong. UNRWA's mandate articulates three components: protection, human development, and relief; however, the balance among components is not specified, which can lead to issues when UNRWA has to choose among competing priorities. While there is no single document that articulates the mandate and all its nuances, the MTS 2010-2015 includes key strategies and activities to implement these components. UNRWA has made considerable progress in developing frameworks that operationalise its mandate.

### MI 2.2 – Organisational policy on results management

Donors at headquarters and those based in the field were the only respondent groups asked whether UNRWA ensures the application of results management across the organisation. The survey recorded mixed views on this question: 35 per cent of respondents rated the Agency as adequate or above and 35 per cent as inadequate or weak.

Strictly adhering to MOPAN criteria for the document review, UNRWA is rated as inadequate in promoting an agency-wide policy on results management – as the Agency does not have a policy, strategy, framework, or plan that describes the nature and role of results-based management (RBM) and no evidence was found in the documents reviewed of support provided to staff on RBM (through training or other initiatives), although UNRWA reports that such training has taken place as part of the organisational development process that began in 2006. A number of documents and systems have been developed and established to implement RBM. For example, the Agency has developed and implemented a promising

Results-based Monitoring System for biennium reporting that includes almost 200 output indicators related to 15 outcomes linked to the agency-wide strategic framework; however, it takes time for performance management systems to be fully institutionalised and RBM was operationalised only recently.

### **MI 2.3 – Organisation-wide plans and strategies contain results frameworks**

Peer organisations were not consulted on this micro-indicator.

Mixed views emerged from the survey data on UNRWA's capacity to include management results frameworks (MRF) and frameworks of expected results related to its mandate (i.e., human development and humanitarian results) in its organisation-wide plans and strategies: 43 per cent of respondents rated UNRWA's capacity as adequate or above and 35 per cent as inadequate or below.

According to the document review, UNRWA's capacity to include results frameworks in its organisation-wide plans and strategies is adequate. The Agency has a development results framework (DRF) that contains statements of expected humanitarian results, and also has an MRF. The DRF and MRF are the result of a complex harmonisation exercise that involved staff at headquarters and in fields of operation and that led to the development of a handbook of common outcomes, outputs, and indicators. Although there are areas for improvement in terms of phrasing of results statements, the Agency-wide DRF and MRF represent an important step that will allow the Agency to report on its overall performance in a consolidated and coherent way.

### **MI 2.4 – Results frameworks have causal links from inputs through to outputs/outcomes**

UNRWA was rated as adequate on this MI by donors at headquarters and in the field (the only respondent groups asked about this MI).

The document review gave UNRWA a rating of inadequate on this MI as the links from inputs to outputs and outcomes are often unclear or not plausible and levels of results are not clearly differentiated. However, as noted above, it takes time for performance management systems to be fully institutionalised; UNRWA's current system is a clear indication that the Agency is becoming a more performance-oriented organisation.

### **MI 2.5 - Performance indicators are included in organisation-wide plans and strategies**

Donors at headquarters and in the field were the only respondent groups consulted on this MI. Approximately 40 per cent rated UNRWA as adequate or above on whether performance indicators are included in organisation-wide plans and strategies.

The document review rated the Agency as strong on this MI as the majority of UNRWA performance indicators are relevant, clear, and measurable. In addition, some of the selected indicators are based on international indices (such as maternal and infant mortality rates, prevalence of anaemia, and vaccination rates).

### KPI 3: Focus on Thematic Priorities

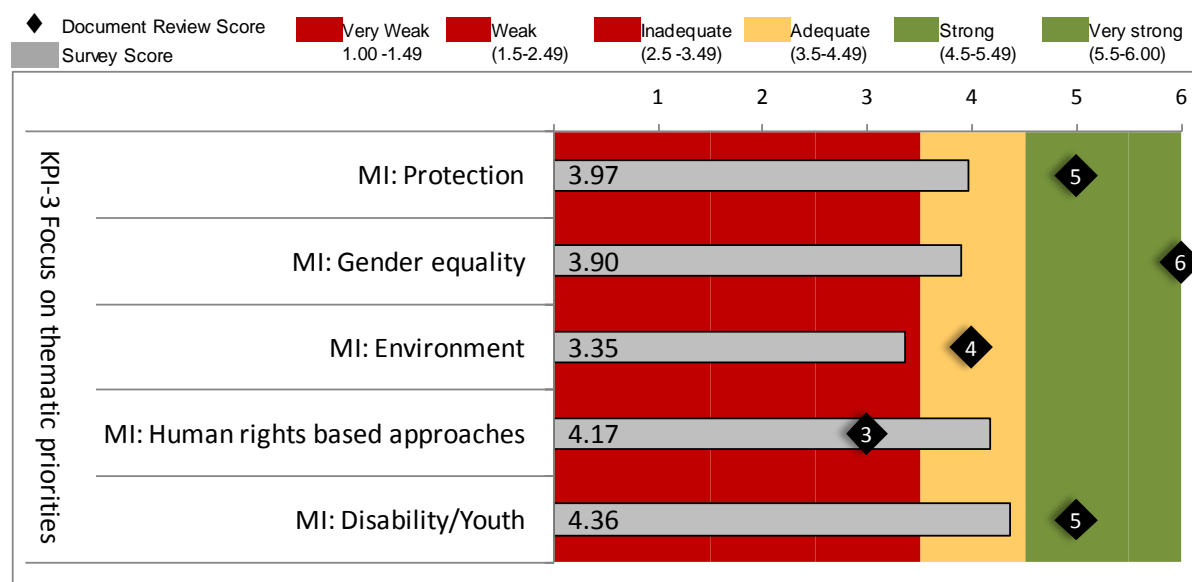
**Finding 3: UNRWA was rated as adequate or better by survey respondents for mainstreaming all thematic priorities but one (environment) into its work. The document review rated UNRWA as adequate or better for mainstreaming all thematic priorities but one (human rights-based approaches).**

The assessment looked at five cross-cutting themes identified as priorities by MOPAN and UNRWA: protection, gender equality, environment, human rights-based approaches, and disability and youth.<sup>24</sup> UNRWA's capacity to integrate these themes/focus areas varies.

Overall, UNRWA was rated as adequate by survey respondents<sup>25</sup> for mainstreaming protection, gender equality, human rights-based approaches, disability and youth, and as inadequate for mainstreaming environment considerations. The document review rated UNRWA adequate to very strong on four themes, but as inadequate in mainstreaming human rights-based approaches.

Some thematic priorities, such as disability and protection, have represented focus areas for the Agency for a long time and UNRWA policies and frameworks commit the Agency to integrating these themes in its programming and at an institutional level. For other thematic priorities, such as youth, human rights-based approaches, and environment, no policies or frameworks have been developed yet and/or less attention is given to building management capacities to support these themes/focus areas in the Agency's work.

**Figure 3.7 KPI-3: Focus on Thematic Priorities, Ratings of Micro-Indicators**



#### MI 3.1 – Protection

The majority of survey respondents (61 per cent) rated UNRWA as adequate or above in mainstreaming protection in its programmatic work. Scores of inadequate or below were given by 23 per cent of survey respondents.

<sup>24</sup> In the survey, youth and disability were grouped under the label "other priorities" and there were no separate scores for these groups. The document review, however, differentiated between the two groups and an average of the two scores is presented in the chart.

<sup>25</sup> Host government representatives were not asked about this KPI.

Donors at headquarters were more positive than other respondent groups and this difference was found to be statistically significant. Respondents from peer organisations were the least positive, with 34 per cent providing a score of inadequate or below, versus 14 per cent for donors at headquarters and 20 per cent of donors in the field.

The document review found that UNRWA maintains a strong focus on protection as a cross-cutting theme. Protection is identified in the MTS as a strategic objective, as a component of the UNRWA mandate, and as a cross-cutting theme. The most recent MTS commits UNRWA to developing its institutional capacity to support protection and including protection strategies in its programming.

### **MI 3.2 – Gender equality**

The majority of survey respondents (55 per cent) rated UNRWA as adequate or above in mainstreaming gender equality in its programmatic work. The ratings were similar across the three respondent groups: 51-61 per cent gave ratings of adequate or above and 29-37 per cent ratings of inadequate or below.

Strictly adhering to the MOPAN criteria, UNRWA was rated as very strong on this MI in the document review, which found that UNRWA maintains a strong focus on gender equality as a cross-cutting theme. Since 2005 the Agency has had a network of gender focal points at the field and department levels. Gender equality is identified in the MTS as both a strategic objective and a cross-cutting theme. The most recent MTS commits UNRWA to developing its institutional capacity to support gender mainstreaming as well as to including gender mainstreaming strategies in its programming. Gender Action Plans have been developed for the period 2010-2011 at the field level to implement the Gender Equality Policy and Gender Mainstreaming Strategy. UNRWA's Gender Policy requires the Agency to evaluate its commitment to gender mainstreaming and a review of its commitment was conducted by the Office of Internal Oversight Services in 2010.

### **MI 3.3 – Environment**

Survey responses provide mixed views on whether UNRWA sufficiently addresses environmental issues in delivering services: approximately one-third of respondents rated UNRWA as adequate or better on this MI, 36 per cent rated it as inadequate or worse, and 24 per cent responded 'don't know'.

The document review assessed UNRWA's environmental policy and environmental assessment practices as adequate. It has undertaken some UN greening initiatives (looking at procedures, buildings, etc.). It has not focused on the environment in its programming, but some of its work includes environmental considerations as it is involved in the provision of water and sewage systems and garbage collection in refugee camps. UNRWA staff reported that the Agency does not have an environmental framework due to lack of financial capacity.

### **MI 3.4 – Human rights-based approach**

The majority of survey respondents (66 per cent) rated UNRWA as adequate or above in applying human rights-based approaches in its programmatic work.

Almost 30 per cent of peer organisations rated UNRWA's capacity in human rights-based approaches as inadequate or below, making the average score for this respondent group statistically significantly lower than the average score provided by the other respondent groups.

Strictly adhering to the MOPAN criteria, UNRWA was rated as inadequate on this MI in the document review as neither the MTS 2010-2015 nor any other document made available to the Assessment Team explicitly commits UNRWA to develop its institutional capacity to adopt a human rights-based approach or to evaluate its application.

However, human rights considerations are at the heart of the Agency's work and the protection and advancement of Palestine refugees' human rights as laid down in international legal instruments is one of the Agency's goals. UNRWA addresses protection of human rights through programming, advocacy, monitoring interventions, and human rights education (e.g., delivery of a human rights curriculum across UNRWA schools, and renewed human rights programming in Gaza Strip taught to 200,000 pupils on a weekly basis.)

Participation and gender equality, both of which are pursued by UNRWA as cross-cutting themes, are also key principles of human rights-based approaches.

### **MI 3.5 – Disability and youth**

The majority of survey respondents (68 per cent) rated UNRWA as adequate or above in considering disability and youth in its programmatic work. Donors at headquarters were more positive than other respondent groups, and peer organisations were the least positive. These differences are statistically significant.

The document review rated UNRWA as very strong in integrating disability as a cross-cutting theme and focus area in both programming and capacity building work. The Agency recently developed a policy on disability and an implementation strategy covering the period 2011-2013.

The document review rated UNRWA as adequate for mainstreaming youth considerations into its programmatic work. While the Agency promotes a focus on youth in its programming, less attention is given to the development of institutional capacity to support the work on youth.

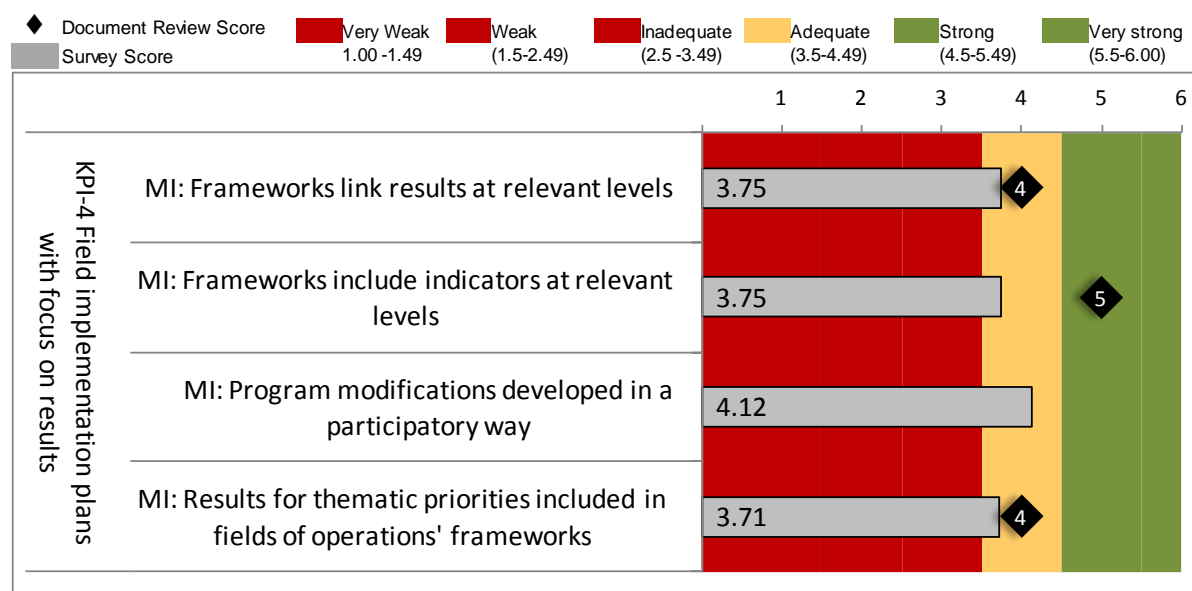
### **KPI 4: Field Implementation Plans with Focus on Results**

**Finding 4: Both the survey and document review converged in the conclusion that UNRWA's field implementation plans have an adequate focus on results.**

UNRWA's field strategies appear to be results-focused. At the field level, the Agency operates through field implementation plans (FIPs) that are closely linked to the agency-wide strategy and 15 strategic objectives which cascade to the field level. Each FIP has its own results framework with outcomes, outputs, indicators (the majority of which are relevant, clear and measurable), baselines, and targets. The FIPs also include cross-cutting thematic priorities identified in the MTS or other documents.

Overall, UNRWA was rated as adequate by survey respondents on the four micro-indicators related to this KPI. The document review rated UNRWA adequate or above for linking results at relevant levels, integrating cross-cutting thematic priorities, and including indicators at relevant levels.

**Figure 3.8 KPI-4: Field Implementation Plans with Focus on Results, Ratings of Micro-Indicators**



**MI 4.1 - Frameworks link results at relevant levels**

On this MI, 48 per cent of survey respondents rated UNRWA as adequate or above on linking results from projects, programs, and emergencies (where relevant) to field implementation plans, and over one-quarter rated UNRWA as inadequate or below. Donors at headquarters were not consulted on this micro-indicator.

The pattern of responses depends greatly on the specific respondent group. Taken together, Palestinian Authority/CBO respondents were divided on this MI, with 46 per cent rating UNRWA as adequate or above and 54 per cent as inadequate or below. However, CBOs in Gaza Strip gave a rating of adequate while Palestinian Authority respondents in the West Bank rated UNRWA as inadequate.

A high percentage of 'don't know' responses were obtained from peer organisations and donors based in the field – 29 per cent and 41 per cent, respectively.

The document review rated UNRWA as adequate in linking results from projects, programs and emergencies to FIPs. UNRWA's strategies at the field level contain statements of expected results articulated at output and outcome levels and they explicitly link to the corporate development results framework (DRF). However, the links between outputs and outcomes are sometimes illogical.

**MI 4.2 - Frameworks include indicators at relevant levels**

Two questions were asked in relation to this MI: whether UNRWA's results include indicators at all levels, and whether UNRWA's frameworks for emergencies (where relevant) include indicators. Overall, 41 per cent of survey respondents rated UNRWA as adequate or above on this MI, and 26 per cent as inadequate or below.

The document review rated UNRWA as strong on this MI. More than half of the field implementation plans sampled have frameworks that include indicators at relevant levels. While most of the indicators are relevant, clear, and measurable, there are not always enough indicators to assess the achievement of planned results.

**MI 4.3 – Program modifications developed in a participatory way**

This micro-indicator was assessed only through the survey and donors at headquarters were not consulted on this MI. The majority of survey respondents (58 per cent) rated UNRWA as adequate or above on involving partners (including host governments) in the modification of its programs.

Two questions were asked in relation to this MI: whether UNRWA ensures sufficient involvement of beneficiaries in the modification of its programs, and whether UNRWA ensures sufficient involvement of partners (including host governments) in the modification of its programs. For both questions, the majority of responses were adequate or above.

Palestinian Authority/CBO representatives were more positive on the first question about involving beneficiaries (86 per cent providing a rating of adequate or above); on the second question about involving partners, 59 per cent rated UNRWA as adequate or above. There were statistically significant differences between responses from the West Bank and Gaza Strip and responses from the other fields. Respondents based in Gaza Strip were the least positive and respondents based in the West Bank the most positive on whether program modifications are developed in a participatory way.

**MI 4.4 - Results for thematic priorities included in fields of operation's frameworks**

Overall, survey respondents rated UNRWA as adequate on having field implementation plans that include explicit results for the thematic areas it defines as cross-cutting priorities (49 per cent rated UNRWA as adequate or above and 24 per cent rated it inadequate or below).

Two main observations are suggested by the analysis of survey data. First, except for Palestinian Authority/CBO representatives, there was a high percentage (30 per cent or above) of 'don't know' responses from respondent groups. Second, the Palestinian Authority/ CBO respondents were divided on this MI (59 per cent rated UNRWA as adequate or above and 41 per cent as inadequate or below). They also provided a higher percentage of weak or very weak ratings (34 per cent) than of strong or very strong ratings (14 per cent).

The document review rated UNRWA as adequate on this MI. While all field-level results frameworks include several of the cross-cutting thematic priorities identified in the MTS or other policies, not all thematic priorities are identified and articulated (environment and disability are the cross-cutting themes most often missing).

**3.3.3 Operational Management**

**Despite UNRWA's strong performance and recent positive strides in some areas of operational management, it continues to face challenges in this area.**

UNRWA is seen as an agency that adheres to humanitarian principles. It has made recent positive strides in operational management, especially in managing human resources and in performance management in general. UNRWA is modernising its human resources management while implementing important measures to plan and manage performance in its programs and fields of operation. The Agency has taken steps to decentralise decision making, an important aspiration of the organisational development process. Despite relatively strong financial management, allocation of resources is challenging because of the Agency's donor and regional context.

Figure 3.9 below shows the overall survey and document review ratings for the eight KPIs in the operational management quadrant.

According to survey results, UNRWA performs adequately on seven and inadequately on one of the eight KPIs in operational management. In the document review, UNRWA was rated as adequate or better on five of the seven KPIs reviewed and inadequate on two.

UNRWA's strongest performance in operational management relates to the Agency's adherence to humanitarian principles (which are central to its core values), its efforts in linking aid management and performance (a relatively new initiative that emerged as a result of the organisational development process), and various aspects of financial management (as part of the UN family, UNRWA has well-regarded financial accountability systems, though its efforts to assess and manage risks is relatively new and evolving).

Important progress has been made in implementing the mechanisms for delegation of decision-making authority and responsibility to fields of operation that were initiated through the organisational development process, though there is still room for improvement, in particular with regard to defining roles and responsibilities between Headquarters and Field Offices. UNRWA is moving from the legacy of traditional staffing models to a modern performance-oriented HR system; while suitable policies are in place, implementation has not yet caught up to the theory.

UNRWA has drawn on recent evaluations and other performance feedback to make shifts in its organisation-wide policies and strategies. At the field level, program planning has not yet fully capitalised on the use of performance information.<sup>26</sup> There is also limited evidence of a follow-up mechanism to ensure that evaluation recommendations are acted upon.

UNRWA continues to face difficulty in managing scarce resources – due to the volatile context, donor constraints in the allocation of earmarked funds,<sup>27</sup> and chronic underfunding of UNRWA's budget, particularly of UNRWA's General Fund<sup>28</sup> – which was recently recognised by the UN Secretary General.<sup>29</sup>

---

<sup>26</sup> The MOPAN assessment reviewed planning documents for the 2010-2011 biennium. Yet this was the first biennium under the new program planning approach. Subsequent plans should reflect more structured use information on performance (that is, the achievements and the challenges of the past two years).

<sup>27</sup> The amount of funds that are earmarked varies by donor.

<sup>28</sup> Over the years, donors' un-earmarked contributions to the General Fund have decreased, thus affecting the Agency's capacity to pay the salary of its staff of nearly 30,000 Palestine refugees, who guarantee the ongoing operations of the Agency.

<sup>29</sup> See section 1.2 for more details about UNRWA's funding gaps. As a response to the UN Secretary General's report on UNRWA's underfunding, the UN General Assembly requested in April 2011 that the Secretary General continue to support the Agency's institutional strengthening through the provision of financial resources from the United Nations regular budget.

**Figure 3.9 Quadrant II: Operational Management, Survey and Document Review Ratings**

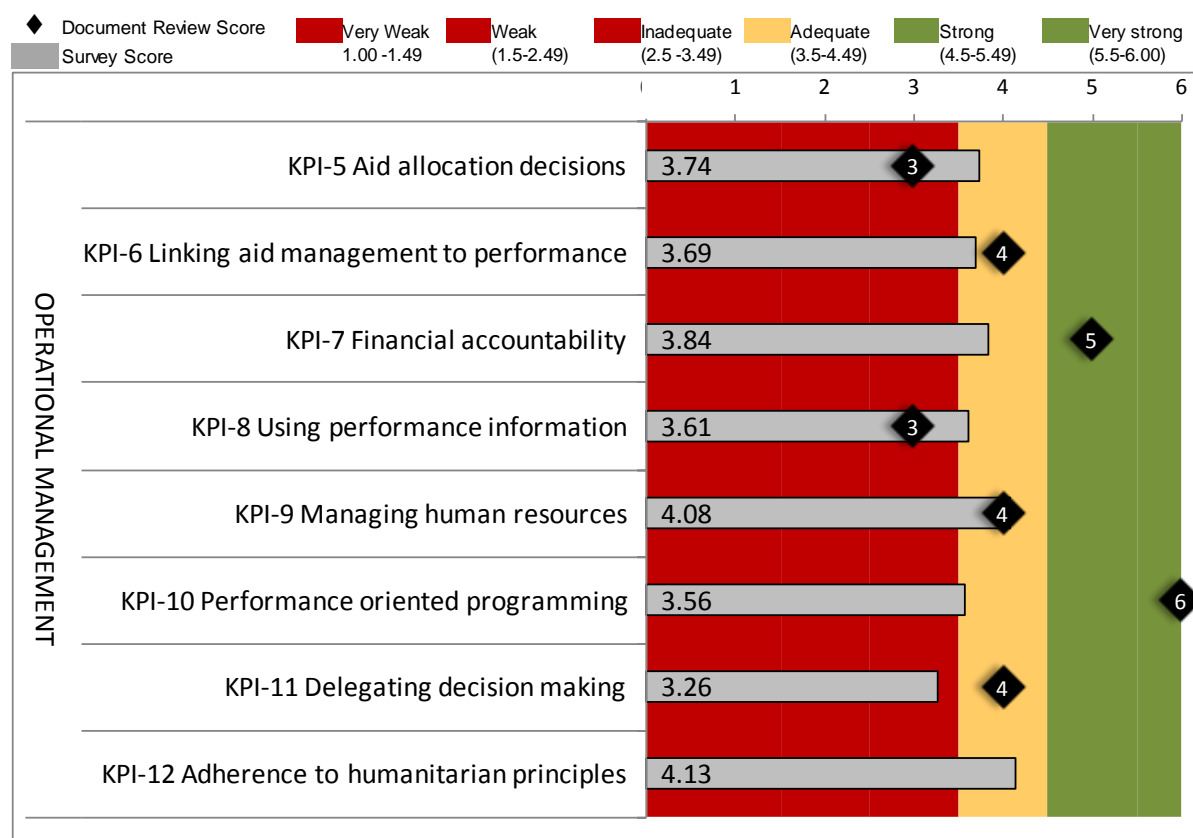
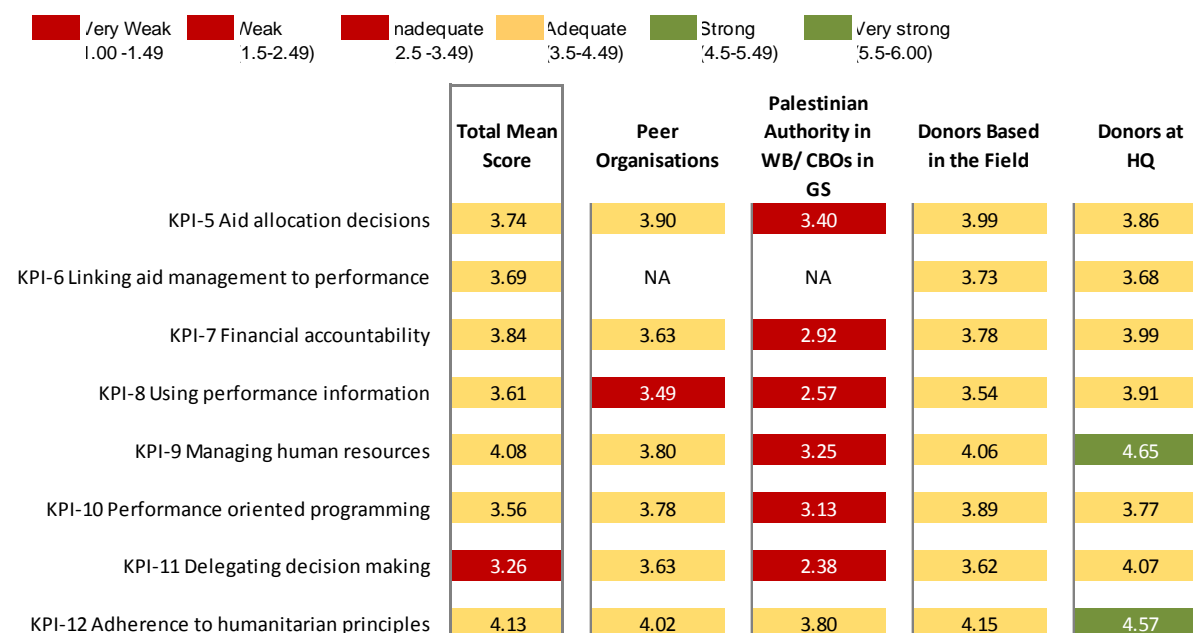


Figure 3.10 shows the mean scores for the eight KPIs for all survey respondents, and by respondent groups.

**Figure 3.10 Quadrant II: Operational Management, Mean Scores by Respondent Group**



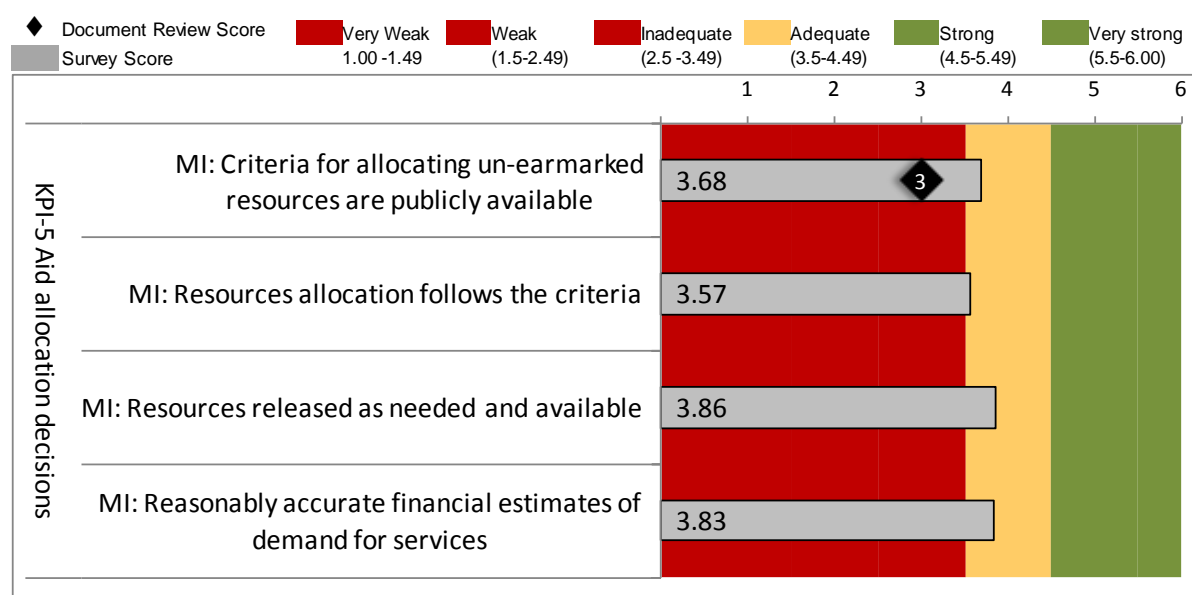
### KPI 5: Aid Allocation Decisions

**Finding 5: Survey respondents rated UNRWA as adequate in making transparent aid allocation decisions, while the document review rated it inadequate largely because the criteria for the allocation of its resources have not been published. UNRWA faces constraints in re-allocation of earmarked funds to emerging priorities.**

Overall, survey respondents rated UNRWA as adequate on the four micro-indicators of this KPI. The document review, which only rated the availability of criteria for the allocation of un-earmarked resources, gave UNRWA a score of inadequate.

The review of documents identified room for improvement in UNRWA’s transparency and predictability of aid allocation decisions. UNRWA faces constraints allocating funds to emerging priorities because of the unstable context in which the Agency works and the difficulty in allocating un-liquidated earmarked funds to other priority projects or initiatives. On a positive note, UNRWA seems to access or generate reasonably accurate overall financial estimates of demand for services.

**Figure 3.11 KPI-5: Aid Allocation Decisions, Ratings of Micro-Indicators**



#### MI 5.1 – Criteria for allocating un-earmarked resources are publicly available

The survey asked all respondent groups other than donors based in the field about this MI. The majority of survey respondents (55 per cent) rated UNRWA as adequate or above, and almost one-third rated it as inadequate or below.

The document review rated UNRWA as inadequate on this MI. Unlike some other UN agencies, UNRWA does not make available the formula and criteria for allocation of aid resources on its website.

Allocation of un-earmarked funds to fields follows different criteria. A small portion of un-earmarked funds is allocated using the recently adopted Resource Allocation Mechanism (RAM), which uses a computerised formula to allocate funds from donors to UNRWA fields of operation. The remaining un-earmarked funds are allocated to fields on the basis of historical envelopes, forecast income, and Resource Allocation Committee (RAC) recommendations. This process is overseen by the RAC.

Allocations to UNRWA Departments are based on previous year's allotments and RAC recommendations. Allocation of emergency funds for the West Bank and Gaza Strip is based on the number of resident refugees and the number of Palestine refugees below the consumption poverty line in each field of operation.

In its 2010 evaluation of UNRWA, the Office of Internal Oversight Services (OIOS) raised some concerns regarding the allocation of resources within UNRWA. It found that funding envelopes have been poorly linked to the actual scope and scale of refugee needs across the field offices and that allocation of resources does not match the number of refugees proportionally. It suggested that part of this imbalance is due to repeated emergencies in some locations (which help some field offices garner more funds for their work) while other, less visibly needy locations have been left to seek project funding through the individual efforts and leadership of field office directors. (OIOS Evaluation Report, 2010, page 19-20).

#### **MI 5.2 – Resource allocation follows the criteria**

This MI was rated by survey respondents from Palestinian Authority/CBOs, peer organisations, and donors at headquarters only. Less than half (49 per cent) rated UNRWA as adequate or above on allocating un-earmarked resources according to the criteria.

#### **MI 5.3 – Resources released as needed and available**

The majority of survey respondents (60 per cent) rated UNRWA as adequate or above on releasing resources on the basis of needs and its own strategic priorities, and 24 per cent as inadequate or below.

From the document review it emerged that the Agency's capacity to release resources as needed appears to be affected by two factors, which are in some cases concurrent: i) the unstable context in which the Agency works, which may require, in some cases, suspending operations, and ii) the fact that UNRWA cannot freely divert un-liquidated earmarked funds to other projects or initiatives, as they were provided by donors for specific projects. This issue was raised in United Nations Board of Auditors (UNBOA) reports in 2007 and 2009, which noted an increase in un-liquidated obligations, particularly earmarked funds. According to UNRWA staff, the Department of External Relations is dealing with the un-liquidated balances of closing projects, either through direct consultation with donors or the implementation of clauses in grant agreements specifying actions to be taken in such cases.

#### **MI 5.4 – Reasonably accurate financial estimates of demand for services**

This MI was rated only by donors at headquarters. Slightly more than half (54 per cent) rated UNRWA as adequate or above on whether UNRWA accesses or generates reasonably accurate overall financial estimates of demand for its services, while one-third (32 per cent) rated the agency as inadequate or below.

The document review did not provide a rating on this micro-indicator. However, the Assessment Team calculated the variance between projected and actual expenditures over the period 2004-2009 and found that it was between 2 and 31 per cent (i.e., actual expenditures were usually higher than projected expenditures). The Assessment Team also calculated the percentage of emergency appeals for which UNRWA had to ask for more funding: This was 16 per cent in 2006-2007 and 11 per cent in 2008-2009, showing that the Agency has a good capacity to estimate the needs for additional resources to face emergency situations.

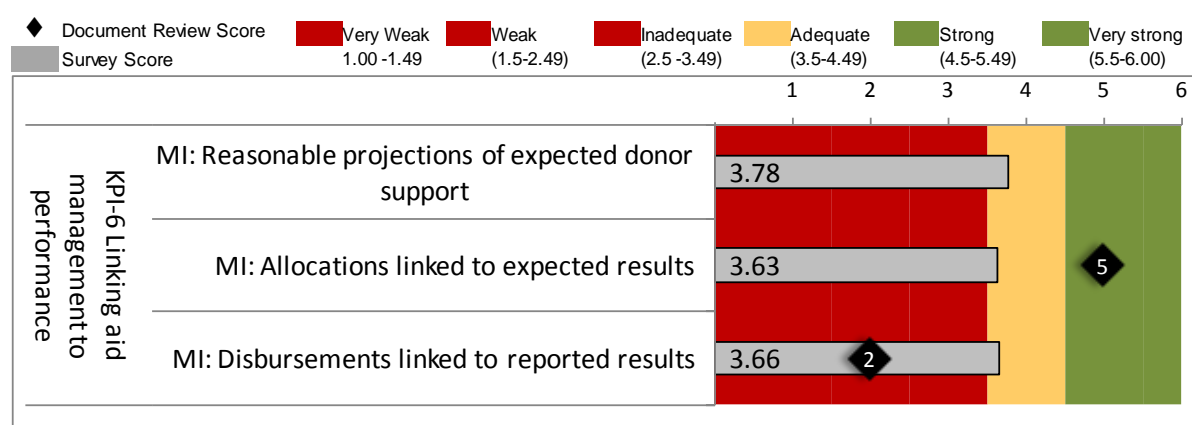
### KPI 6: Linking Aid Management to Performance

**Finding 6:** Over the past five years, UNRWA has made progress in results-based budgeting and this is reflected in survey responses. However, since this initiative is relatively new, financial reporting has not yet been adjusted to the new system.

Survey respondents rated UNRWA as adequate on the three micro-indicators in this KPI.

While the document review rated the Agency as strong on linking allocations to expected results, it found it weak on linking disbursements to reported results. A factor likely contributing to these results is that results-based budgeting was introduced recently, in response to the demands of UN Member States and the advice of UNRWA’s Advisory Commission.

**Figure 3.12 KPI-6: Linking Aid Management to Performance, Ratings of Micro-Indicators**



#### MI 6.1 – Reasonable projections of expected donor support

This micro-indicator was assessed only by donors at headquarters and in the field.

The majority of survey respondents (59 per cent) rated UNRWA as adequate or above on making reasonable projections of expected donor support. Overall, almost one-third of respondents (30 per cent) rated the Agency as inadequate or below.

An analysis of financial data made available to the Assessment Team suggests that UNRWA makes reasonable projections of donor support. In the biennium 2006-2007, for example, the difference between projected income and actual income was approximately US\$ 47 million (or minus six per cent) and approximately US\$ 56 million (or minus seven per cent) for the biennium 2008-2009.<sup>30</sup>

In addition, as reported in the two most recent United Nations Board of Auditors (UNBOA) audit reports, UNRWA’s ratio of outstanding contributions has shown substantial improvement over the years, reflecting improved collection strategies and follow-up on pledges.

<sup>30</sup> Sources of the actual incomes are the United Nations Board of Auditors reports covering the biennia 2006-2007 and 2008-2009 (Appendix 4 - Donor contributions and outstanding confirmed pledges). Sources of projected incomes are UNRWA’s program budgets for the biennia 2008-2009 and 2010-2011.

**MI 6.2 – Allocations linked to expected results**

In the survey, 46 per cent of donors at headquarters (the only respondent group asked) rated UNRWA as inadequate or below and 39 per cent as adequate or above on linking budget allocations to expected results.

In contrast, the document review rated UNRWA as strong on this MI. This score is the result of recent changes made by the Agency through the organisational development process. Unlike previous budgets, UNRWA's 2010-2011 biennium budget costs outputs and outcomes in both the development results framework (DRF) and management results framework (MRF). This represents an important step towards becoming a more performance-oriented organisation. However, it was not clear how the cost estimates for each output were generated as the DRF and MRF do not include the activities necessary to achieve the outputs. The only exception was the Field Implementation Plan produced by the Lebanon Field Office, which presented the required budget at the activity level.

**MI 6.3 – Disbursements linked to reported results**

This micro-indicator was assessed by surveying donors at headquarters and in the field and by the document review.

Less than half of survey respondents (48 per cent) gave UNRWA a score of adequate or above on its capacity to link disbursement to reported results, and one-third gave the Agency a score of inadequate or below (36 per cent of donors at headquarters and 30 per cent of donors in the field).

The document review rated UNRWA as weak on this MI. While the Biennium Budget 2010-2011 includes planned costs for every planned output, annual reports based on the new results-based budgeting system are still not available and previous reports do not link disbursements with reported results. Since results-based budgeting is a recent initiative in UNRWA, it may take some time to become fully operational to the level of being able to link aid disbursements with reported results. Improvements are already visible in the annual reports: unlike the 2009 annual report, which reported by program, the 2010 annual report presents financial data by goal.

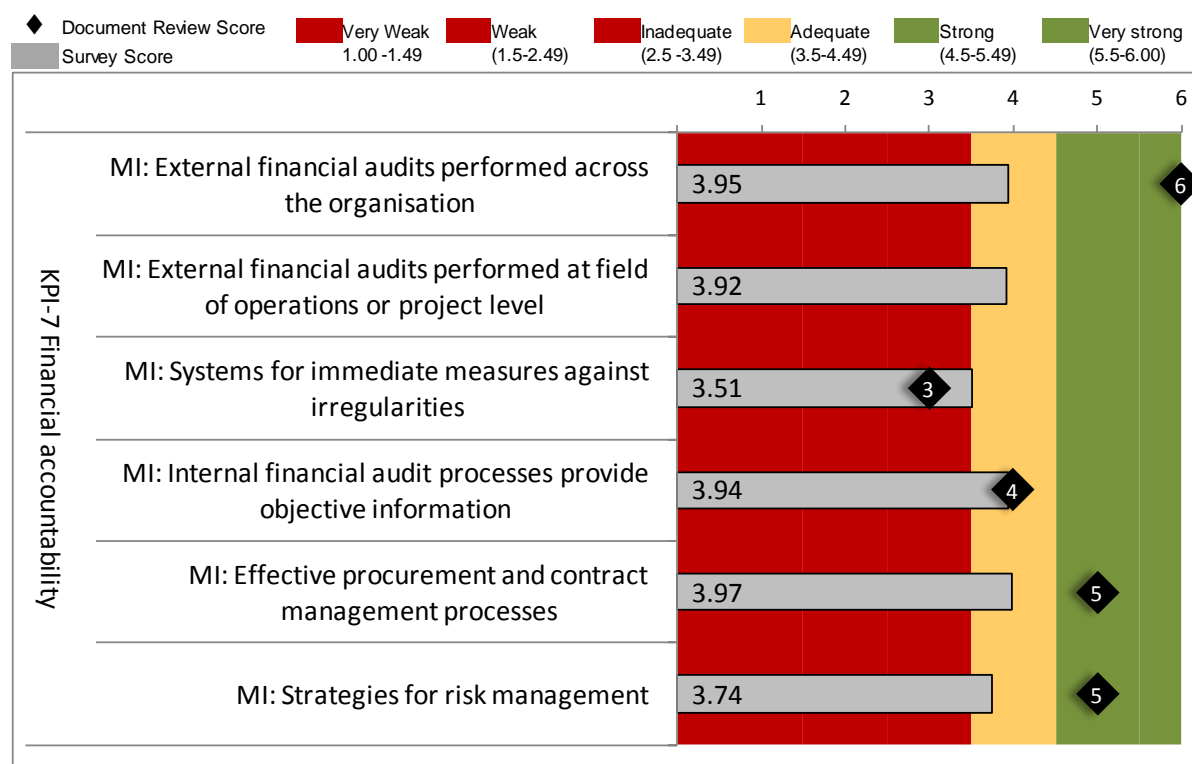
**KPI 7: Financial Accountability**

**Finding 7: Surveyed stakeholders believe that UNRWA has adequate processes, systems and policies for financial accountability, although respondent familiarity with some systems is low. The review of documents found that UNRWA has made significant progress in the area of risk management over the last three years but needs to improve in following up on UN Board of Auditors' recommendations.**

UNRWA's policies for financial accountability were rated as adequate by survey respondents, and as adequate or stronger on most aspects in the document review. The only exception was UNRWA's systems to address irregularities identified by external financial audits, which were rated as inadequate.

UNRWA uses a number of processes, systems, and policies for financial accountability. External audit is undertaken by the UNBOA every two years, while internal audit is under the mandate of the newly established Department of Internal Oversight Services (DIOS). UNRWA has a mechanism to follow up on UNBOA's recommendations, although implementation of these recommendations has been slow for a number of reasons, including budget-related issues. UNRWA has given more attention to risk management over the last three years, by introducing a risk assessment and management framework into field implementation plans and headquarters implementation plans, and using the logframe approach to assumptions and risks at the project level.

**Figure 3.13 KPI-7: Financial Accountability, Ratings of Micro-Indicators**



**MI 7.1 – External financial audits performed across the organisation**

This micro-indicator was assessed by surveying donors at headquarters and by the document review.

Less than half of the surveyed donors at headquarters (46 per cent) rated UNRWA as adequate or above on financial audits that meet the expectations of donors.

The document review rated UNRWA as very strong on this MI. An external audit of UNRWA is conducted by UN Board of Auditors (UNBOA) every two years. The external audit covers the whole agency and is conducted according to internationally recognised auditing standards.

**MI 7.2 – External financial audits performed at field operations or project level**

This micro-indicator was assessed by surveying donors at headquarters and a contextual analysis was provided through the document review.

In the survey, 36 per cent of respondents rated UNRWA as adequate or above and 11 per cent as inadequate or below. Overall, the survey showed donors at headquarters have a low level of familiarity with UNRWA’s auditing practices at the field level, with 46 per cent of the responses being ‘don’t know’. This raises questions as to how and what type of external financial audit information is made available to donors at headquarters as well as the degree of engagement of donors at headquarters in UNRWA’s financial-related issues.

External audits are not specific to fields of operation or projects, although the UN Board of Auditors (UNBOA) reviews financial processes and conducts sample testing of both agency-wide transactions and field level transactions. Projects are usually covered by the internal audits undertaken by the Department of Internal Oversight Services (DIOS), although the Organisation Directive 14, establishing DIOS, does not prescribe the coverage of internal audits and requires instead that DIOS, in collaboration with UNBOA, determines the scope of the audit

work, as appropriate, for the purpose of securing optimal audit coverage of the Agency at a reasonable overall cost.

### **MI 7.3 – Systems for immediate measures against irregularities**

This MI asked if UNRWA has appropriate systems in place to follow up on financial irregularities, including fraud and corruption. UNRWA was rated as adequate or above by 39 per cent of survey respondents and as inadequate or below by 30 per cent.

In the document review, UNRWA was rated as inadequate as the Agency does not seem to have a policy or procedures on measures to be taken against irregularities identified by an external financial audit. UNRWA has a system to follow up on the UN Board of Auditors (UNBOA) recommendations (which may include irregularities) but its capacity to implement recommendations in a timely way, and therefore to address irregularities, is affected by its financial situation which prevents the Agency from undertaking required measures. As noted in the UNBOA report for the period 2008-2009, certain resource-intensive recommendations, such as enterprise resource planning, cannot be implemented without reliable funding. As a consequence, 15 out of 31 recommendations in the UNBOA report for 2006-2007 were implemented as of March 2009 and the other 16 were under implementation.

### **MI 7.4 – Internal financial audit processes provide objective information**

This MI was assessed by surveying donors at headquarters and by the document review.

In response to the question on whether UNRWA's internal financial audits provide objective information to the governing body (i.e., the UN General Assembly), 36 per cent of donors at headquarters rated UNRWA as adequate or above, 21 per cent as inadequate or weak, and 36 per cent answered 'don't know.' As in the case of MI 7.1 on external audit, the survey results on this MI raise some questions as to how and what type of internal financial audit information, if any, is made available to donors at headquarters; the degree of engagement of donors at headquarters in UNRWA's financial-related issues; and the appropriateness of the respondent group for this question. It is important to note that UNRWA's governing body is the UN General Assembly and donors at headquarters may not be aware of whether UN General Assembly members receive internal financial audit information.

Strictly adhering to MOPAN criteria, the document review rated the Agency as adequate on this MI. UNRWA has a practice of internal financial audits regulated by Organisation Directive 14, which represents the charter of the Department of Internal Oversight Services and sets out the terms of reference for the internal oversight function (audit, inspection and investigation) in the Agency. The Department of Internal Oversight Services (DIOS) reports to the Commissioner General, who reports to the UN General Assembly – thus providing a relatively high assurance of independence of internal auditing from programming.

### **MI 7.5 – Effective procurement and contract management processes**

This micro-indicator was assessed by surveying donors at headquarters and peer organisations and by the document review.

Less than half of survey respondents (44 per cent) rated UNRWA as adequate or above on whether its procurement and contract management processes for the provision of services or goods are effective; 13 per cent rated it as inadequate or below and 35 per cent answered 'don't know' (39 per cent of donors at headquarters and 32 per cent among peer organisations).

The review of documents rated UNRWA as strong. UNRWA has a set of documents regulating the procurement and contract management processes (e.g., Organisation Directive 10, Financial Regulations, and the Procurement Manual). The latter provides suggested timelines for specific steps in procurement and contract management processes. In 2009-2010, UNRWA conducted several audits at HQ and in the field that looked at the effectiveness and efficiency of procurement and that found a few weaknesses, such as poor assessment of potential suppliers

for medical items. As part of the biennial external audit, the UN Board of Auditors reviewed UNRWA's procurement and contract management processes and identified as areas for improvement the lead times in the UNRWA procurement process and the processes to review and follow up long-outstanding purchase orders.

#### **MI 7.6 – Strategies for risk management**

This MI was assessed by surveying donors at headquarters and by the document review.

Half of surveyed donors at headquarters rated UNRWA as adequate or above for having appropriate strategies in place for risk management, while 18 per cent rated the Agency as inadequate or below.

The document review rated UNRWA as strong on risk management. The Agency has made important progress over the past three years in this regard. An integrated risk management (IRM) working group, established in 2009, has submitted for approval a concept paper which currently represents the corporate framework/system for risk management at different levels throughout the Agency. Key characteristics of this system are the establishment of risks registers and the delegation of the management of operational risks at the fields of operation level. Risk registers and respective management plans have already been developed and are being integrated to the planning cycle of field implementation plans and headquarters implementation plans. The Department of Internal Oversight Services (DIOS) is also planning to conduct risk audits "to ensure that all audits and inspections are justified and sound and that DIOS' resources are allocated to the most significant risk areas."<sup>31</sup>

#### **KPI 8: Using Performance Information**

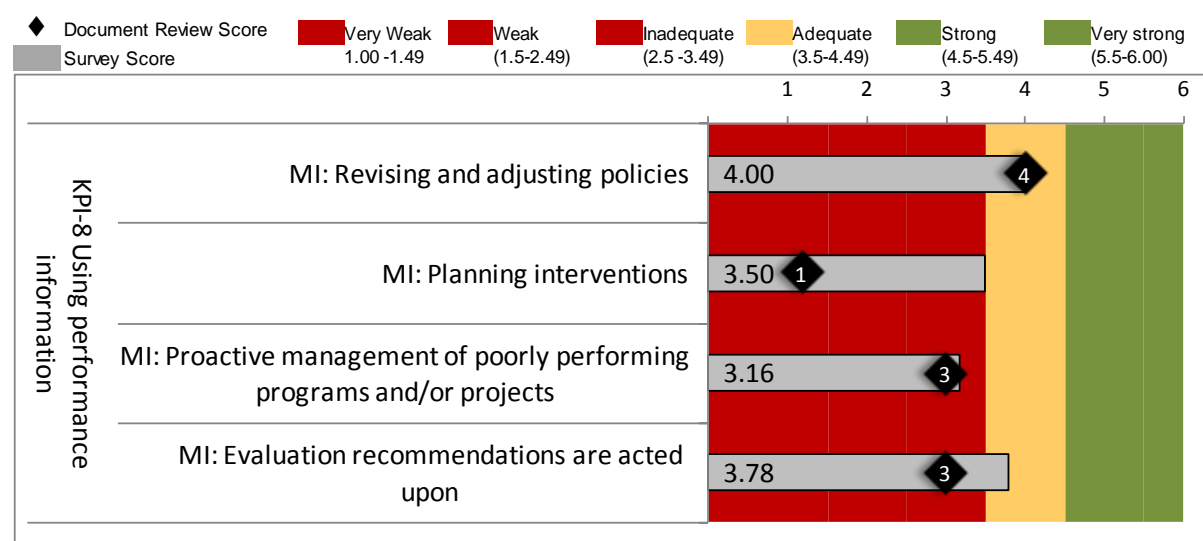
**Finding 8: UNRWA makes adequate use performance information to revise and adjust policies, but it has not yet fully capitalised on such information for field level planning or for managing poorly performing programs or projects. Its follow-up on evaluation recommendations is also an area for improvement.**

Survey respondents rated UNRWA as adequate on three of the four MIs in this KPI, and as inadequate in the management of poorly performing programs or projects. The document review ratings ranged from very weak to adequate.

The scores from the survey and the document review do not reflect the remarkable efforts UNRWA has undertaken over the past three years to strengthen the evaluation function, which was established in 2007 in combination with UNRWA's centralised monitoring function located in the Programme Coordination and Support Unit (PCSU) at headquarters. In 2010, the evaluation function was transferred from the PCSU to the Department of Internal Oversight Services (DIOS) to increase the independence of evaluation by separating it further from management. UNRWA is planning to complete the revision of its evaluation policy by end of 2011. The new policy is expected to provide a framework defining the role and purpose of evaluation in UNRWA, the types of evaluations to be conducted for the Agency, the role of DIOS and other stakeholders in evaluation, the planning, prioritisation, and management of evaluations, as well as follow-up mechanisms for evaluations. Although there remain some areas for improvement, among which are the small budget, the limited human resources in charge of evaluation, and the limited receptivity of some UNRWA staff towards evaluation (as recognised in the 2010 DIOS Annual Report), UNRWA has shown a commitment to improvement and a strong desire for learning. It has focused its MTS 2010-2015 on the improvement of the quality of some of the services provided, and the organisational development process is a signal of its commitment and desire to improve its operations.

---

<sup>31</sup> DIOS Strategic Plan 2011, page 4

**Figure 3.14 KPI-8: Using Performance Information, Ratings of Micro-Indicators**

### MI 8.1 – Revising and adjusting policies

This MI was assessed by surveying donors at headquarters and by the document review.

Half of surveyed donors at headquarters rated UNRWA as adequate or above for using project/program information on performance to revise organisational policies and 18 per cent rated the Agency as inadequate.

From the document review, UNRWA's capacity to revise and adjust policies on the basis of performance information is rated as adequate. Information on organisation-wide performance can be found in a number of internal and external sources, such as the Commissioner General's annual reports to the UN General Assembly, the UN General Assembly's resolutions, and recent sectoral evaluations. The review of documents found evidence that UNRWA is taking into consideration performance problems identified by evaluations and other types of assessments. One example is the organisational development process, which started as a response to the reported decline in performance in service delivery and quality. Another example is the Education Reform Strategy, developed in response to the recent evaluation of its Education Programme. UNRWA's performance in this area may further improve as a result of its recent efforts to become a performance-oriented organisation.

### MI 8.2 – Planning interventions

In the survey, 45 per cent of respondents rated UNRWA as adequate or above and 34 per cent as inadequate or below in using performance information to plan initiatives, projects, and programs.

The review of documents rated UNRWA as very weak on this MI. The documents reviewed, such as the MTS, field implementation plans (FIPs) and headquarters implementation plans, had scant references to performance information. The FIPs, for example, do not explicitly link the planning of programming interventions to the results achieved, thus making it unclear or difficult to deduce the rationale behind specific initiatives. Only a few references to past performance were found in some of the FIPs. However, the MOPAN assessment drew on the 2010-2011 FIPs, which incorporated a results-oriented shift in the Agency's approach to programming. Subsequent FIPs should capitalise on this approach and include more structured information on past performance.

Another possible explanation for the difference between the survey rating (adequate) and the document review rating (very weak) is the low level of evaluation activity, which implies a low level of generation of performance information, in particular at the field office level, as reported by the Office of Internal Oversight Services in its most recent evaluation report on UNRWA. However, given the recent strengthening of the evaluation function and the efforts to promote an RBM culture within the Agency, UNRWA is likely to improve the use of performance information in planning interventions.

### **MI 8.3 – Proactive management of poorly performing programmes and/or projects**

On this MI, 36 per cent of survey respondents rated UNRWA as adequate or above in managing proactively poorly performing programs and projects, while approximately one-third rated it as inadequate or below. Overall, 25 per cent of respondents answered 'don't know', with the highest percentage among donors based in the field (38 per cent).

The document review rated UNRWA as inadequate on its capacity to quickly identify and promptly find solutions to poorly performing programs or projects. Although UNRWA reviews the performance of its programs and projects through evaluation and annual reporting on sectoral performance by UNRWA's Education, Health, and Microfinance Departments, the Agency does not have a specific process for reviewing or following up on poorly performing programs and/or projects.

### **MI 8.4 – Evaluation recommendations are acted upon**

Donors at headquarters, the only respondent group surveyed, rated UNRWA as adequate on this MI.

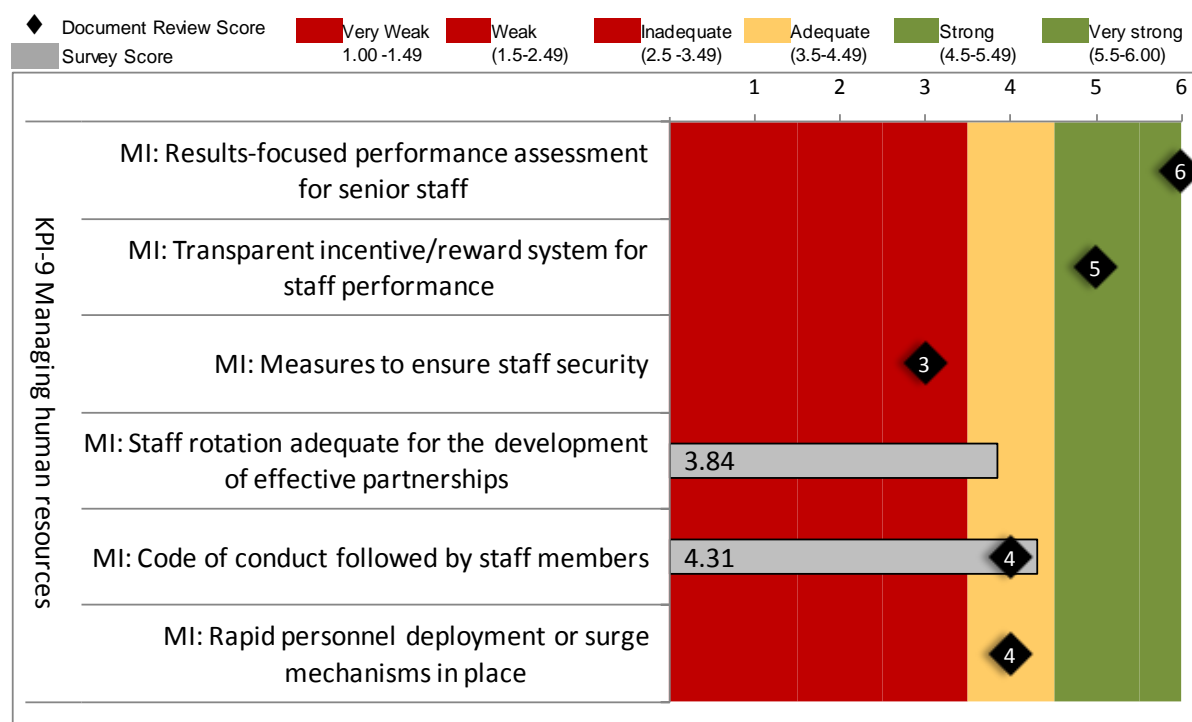
The document review rated UNRWA as inadequate in ensuring the follow-up of evaluation recommendations to the UN General Assembly. This is due to the lack of systems or well-defined processes/framework to ensure that responsible units provide follow-up on evaluation recommendations. However, as noted in the 2010 Department of Internal Oversight Services (DIOS) Annual Report, this is expected to be addressed by the new evaluation policy, which "will define the role and purpose of evaluation in UNRWA, the types of evaluations to be conducted for the Agency, the role of DIOS and other stakeholders in evaluation, the planning, prioritization, and management of evaluations, as well as the follow up mechanisms for evaluations."

## **KPI 9: Managing Human Resources**

**Finding 9: UNRWA has made substantial progress in the last several years towards improving its management of human resources and its overall performance is rated as adequate.**

The survey asked respondents about only two of the six micro-indicators in this KPI. UNRWA was rated as adequate on both. The document review examined five of the six micro-indicators in this KPI and provided ratings ranging from inadequate to very strong.

In an effort to address some noted shortcomings in its human resources system, over the past three years the Agency has developed a human resources performance management system, made some progress in organisational ethics, and has also put in place a mechanism for rapid staff deployment. UNRWA has two areas where additional improvements are warranted: staff security and a performance management system for services support departments.

**Figure 3.15 KPI-9: Managing Human Resources, Ratings of Micro-Indicators****MI 9.1 – Results-focused performance assessment for senior staff**

This MI was rated only by the document review, which rated UNRWA as very strong.

UNRWA's system for assessing performance of senior Area staff (i.e., local staff in the field at grades 16 and above)<sup>32</sup> is based on International Staff Personnel Directive no. I/112.6/15 of 1981. The system was revised in 2008 with the development of an electronic Performance Evaluation Report meant to improve discussion and feedback on staff performance. The system, which requires the development of periodic evaluation performance reports, rates senior Area staff's performance against 11 performance dimensions.<sup>33</sup>

UNRWA is planning to develop a new performance management system for senior Area staff based on a system developed in March 2010 for Area staff – a system that links human resource management to organisational performance. The development of such a system for senior Area staff would be an important step towards a more results-oriented organisation and would respond to concerns raised in the 2006-2007 UN Board of Auditors report which noted that personal development plans were not compiled for all staff as part of the performance appraisal process.

<sup>32</sup> Area staff recruited against posts graded 16 and above are considered 'Senior Staff' of the Agency. Source: Human Resource Management Strategy. September 2006. Available online at: [http://www.unrwa.org/userfiles/od%20hrm\\_strategy.pdf](http://www.unrwa.org/userfiles/od%20hrm_strategy.pdf)

<sup>33</sup> The 11 performance dimensions are: professional / technical competence, quality of work accomplished, productivity and achievement of objectives, planning and monitoring, initiative and innovation, working with people, management, problem solving skills, communication, managing change, and gender.

In addition, since organisational performance also depends on collaboration between programming and services support functions, UNRWA should consider putting a similar performance management system in place for services support departments.

### **MI 9.2 – Transparent incentive/reward system for staff performance**

This MI was rated only by the document review, which rated UNRWA as strong.

As a result of the organisational development process, the Agency has recently developed a system for managing staff performance that links staff performance to rewards and incentives. The system explicitly links staff performance to rewards and promotion. It is expected that the policy will be reviewed after its first year of implementation.

### **MI 9.3 – Measures to ensure staff security**

This MI was rated only by the document review, which rated UNRWA as inadequate.

Despite some recent progress, UNRWA has weak measures in place to ensure security for its almost 30,000 Area staff. While the Agency's concern for staff security is clear in the many references to security in a number of key corporate documents, the Agency has not yet approved a policy or put in place a system to ensure security of Area staff (international staff are covered by the guidelines of the UN Department of Safety and Security). Nonetheless, UNRWA has been paying more attention to this matter over the last three to four years. The most recent UN Board of Auditors report noted a number of measures undertaken to improve security management for Area staff (e.g., draft policy for security mainstreaming; training designed specifically for Area staff; a security mainstreaming workshop; plans to expand and professionalise the Security Section).

### **MI 9.4 – Staff rotation adequate for the development of effective partnerships**

The majority of survey respondents (55 per cent) rated the Agency as adequate or above for keeping international staff in post for a sufficient time to maintain effective partnerships with host governments, while 27 per cent rated it as inadequate or below.

### **MI 9.5 – Code of conduct followed by staff members**

A screening question asked donor respondents whether they were familiar with UNRWA's code of conduct, and only 19 per cent answered "yes", so readers are cautioned that the adequate rating on the survey is based on a small number of respondents and is considered insufficient for a valid judgement. Only one respondent answered the question on monitoring and reporting on compliance with the code of conduct.

The review of documents provided a rating of adequate on this MI and allowed the Assessment Team to get a better understanding of current practices and recent progress on human resource management within UNRWA. In 2010, the Agency developed a handbook on the standards of conduct applicable to its personnel and a training workshop on ethics-related issues was delivered to 415 staff members.

In terms of monitoring and reporting on compliance with UNRWA's Standards of Conduct, the document review found that responsibilities are not clear. The Agency attributes part of this role to staff and managers, but documents reviewed were vague on procedures and sanctions in case of non-compliance. The 2010 Performance Management Policy requires supervisors to assess staff performance on the basis of their compliance with the standards, but it is not clear what follow-up is required in the case of non-compliance. In addition, the role of the Ethics Office is unclear. Given its responsibility in developing standards, training, and education on ethics, the Ethics Office should probably be the primary entity responsible for ensuring compliance.

### MI 9.6 – Rapid personnel deployment or surge mechanisms in place

This MI was rated only by the document review, which rated UNRWA as adequate in having a mechanism for rapid personnel deployment. While the Agency does not have a policy on rapid personnel deployment, it has developed a roster of available staff members who remain on the roster for a period of up to two years. The roster does not represent a formal commitment, but an agreement (between roster members and their supervisors) to make best efforts to ensure deployment, if and when required.

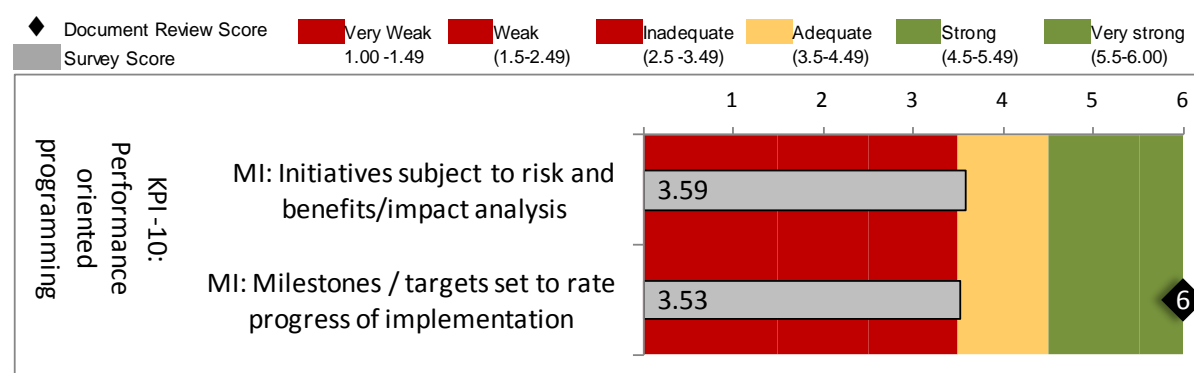
### KPI 10: Performance Oriented Programming

#### Finding 10: Programming processes in UNRWA at the fields of operation level appear to be performance oriented and subject to risks and benefits/impact analyses.

Survey respondents rated UNRWA as adequate on the two micro-indicators related to performance oriented programming. The document review only rated the second MI.

At the program level, UNRWA carries out risk analyses and benefits/impact analyses and also sets targets and baselines. At the project level it identifies risks and assumptions. Since UNRWA operates through biannual field implementation plans, all programs and projects identify results expected to be achieved within this timeline.

Figure 3.16 KPI-10: Performance Oriented Programming, Ratings of Micro-Indicators



### MI 10.1 – Initiatives subject to risk and benefits/impact analysis

This MI was rated in the survey by all respondent groups other than donors in the field. The survey asked two questions on this MI – one on risk analysis, and one on impact analysis – and respondents rated UNRWA as adequate.

Donors at headquarters showed a limited level of familiarity on both questions (43 per cent and 32 per cent answered 'don't know' to the two questions). Peer organisations also had a high level of 'don't know' responses on both questions (30 per cent and 37 per cent, respectively).

Although projects (which are time-bound or temporal activities) are not UNRWA's main modality of operation, they represent a key component to achieve UNRWA's strategic objectives and implement the MTS. Projects are not isolated, but part of UNRWA's core activities and are often used to pilot new approaches for core programs. Projects are not subject to risk and benefit/impact analyses, which are conducted at the program or field level. Project concept notes usually include the project's logical framework analysis with a column for the identification of risks and assumptions.

**MI 10.2 – Milestones / targets set to rate progress of implementation**

Less than half of the survey respondents (47 per cent) rated UNRWA as adequate or above in setting targets to enable monitoring of progress in its programs, while 34 per cent rated it as inadequate or below. Host government and CBO respondents tend to be more negative (with average scores of weak and inadequate, respectively) than other respondent groups.

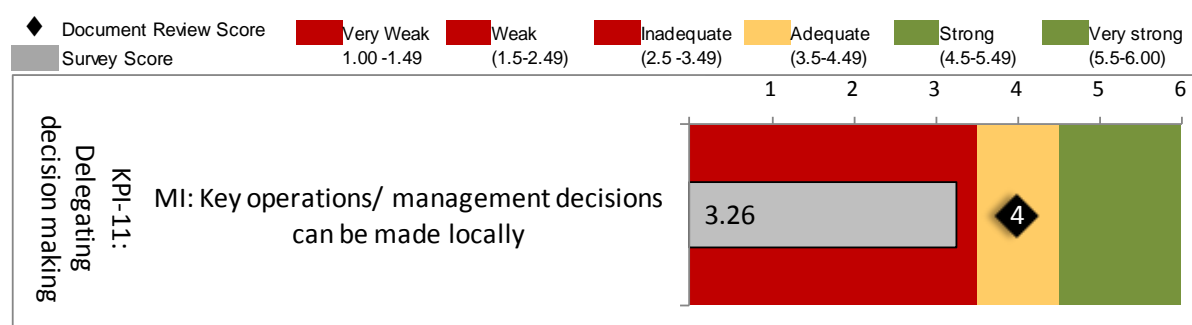
The document review rated UNRWA as very strong in setting targets to rate the progress of its field implementation plans. All of those reviewed, in fact, have targets with specific dates and baselines.

**KPI 11: Delegating Decision Making**

**Finding 11: The process of decentralisation, which began with the organisational development initiative, has achieved some important results but UNRWA stakeholders may not yet perceive all the changes that have been made. The allocation of roles and responsibilities between Headquarters and Field Offices still appears to be unclear.**

The results from the document review on the assessment of UNRWA’s performance on delegation of decision making are more positive than those from the survey; the document review rated the Agency as adequate on this KPI, while the survey rated UNRWA as inadequate.

**Figure 3.17 KPI-11: Delegating Decision Making, Ratings of Micro-Indicator**



Survey respondents were asked whether decision making is delegated in a manner appropriate to the context. An almost equal percentage of respondents rated the Agency as adequate or above and inadequate or below (35 per cent and 38 per cent, respectively). Negative views were expressed by Palestinian Authority respondents in the West Bank, where the average score was weak. A high percentage of donors at headquarters (43 per cent) answered ‘don’t know’.

One of the key planned outcomes of the Organisational Development initiative was decentralisation and empowerment in the field, since this was seen as a requirement both to stimulate change and improve services. The document review rated UNRWA as adequate on this MI. As reported in the UNRWA Review of Organisational Development Programme and in the evaluation of UNRWA conducted by the Office of Internal Oversight Services, UNRWA has taken positive steps in decentralising some decision-making authority (e.g., for procurement of goods or services up to a certain value, the hiring of consultants, and the recruitment of international staff up to P-3 level) and some results have been achieved in terms of more responsive service delivery at the field level.<sup>34</sup> The pace of decentralisation on different

<sup>34</sup> Kevin Doran. UNRWA Review of Organisational Development Programme. June 2010; page 9.

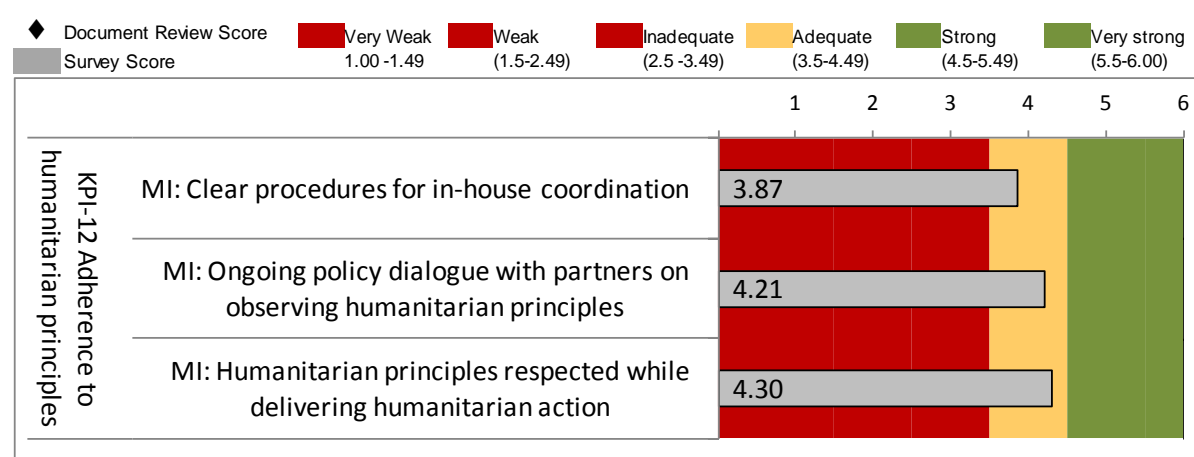
management and program functions has varied. As reported by the Office of Internal Oversight Services in its evaluation of UNRWA, additional work is needed in the allocation of roles and responsibilities between headquarters and field offices and the establishment of performance accountability mechanisms.

## KPI 12: Adherence to Humanitarian Principles

### Finding 12: Survey respondents assessed UNRWA's overall performance in adhering to humanitarian principles as adequate.

Survey respondents rated UNRWA as adequate on the three micro-indicators related to this KPI. Their responses suggest that UNRWA operates according to humanitarian principles, both in delivering services and in dialogue with partners.

**Figure 3.18 KPI-12: Adherence to Humanitarian Principles, Ratings of Micro-Indicators**



#### MI 12.1 - Clear procedures for in-house coordination

More than half of donor respondents at headquarters (54 per cent) and host government respondents (52 per cent) rated UNRWA as adequate or above in having clear procedures for in-house coordination between core program and emergency operations. Ratings were lower from donors based in the field (30 per cent) and peer organisations (39 per cent).

Approximately one-third of donor respondents (at headquarters and in the field) and peer organisation respondents answered 'don't know' to this question.

#### MI 12.2 - Ongoing policy dialogue with partners on observing humanitarian principles

The majority of survey respondents (64 per cent) rated UNRWA as adequate or above in maintaining ongoing policy dialogue on the importance of observing humanitarian principles in delivery of humanitarian assistance, particularly in cases of conflict.

Palestinian Authority respondents in West Bank and CBOs in Gaza Strip rated the Agency less favourably on this MI than the other respondent groups. The differences were statistically significant.

#### MI 12.3 - Humanitarian principles respected while delivering humanitarian action

The majority of survey respondents (69 per cent) rated UNRWA as adequate or above in respecting humanitarian principles while delivering services in its emergency operations. Statistically significant differences were found between the responses provided by Palestinian Authority/CBO respondents (more negative) and donors at headquarters (more positive).

### 3.3.4 Relationship Management

UNRWA operates in a very politically and culturally complex region and has shown, overall, an adequate capacity to manage relationships with the variety of actors present in the area.

Figure 3.19 below shows the overall survey review ratings for the five KPIs in the relationship management quadrant. According to survey results, UNRWA performs adequately on all five KPIs in relationship management.

Although UNRWA delivers services directly to its beneficiaries, it also operates in collaboration with a number of actors in the region, including other UN agencies, host governments, and CBOs. In Palestine, UNRWA is the leader of the Cash-for-Work Cluster and participates in a number of other clusters. UNRWA has demonstrated its capacity to promptly adjust its working procedures to respond to changing circumstances and emergency situations.

**Figure 3.19 Quadrant III: Relationship Management, Survey Ratings**

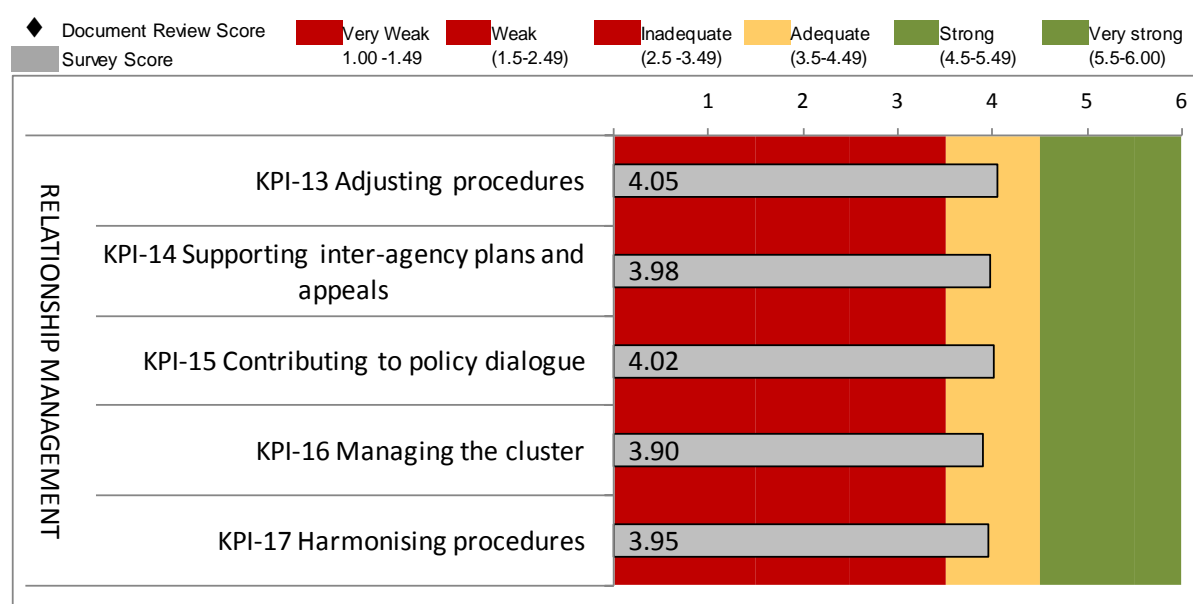
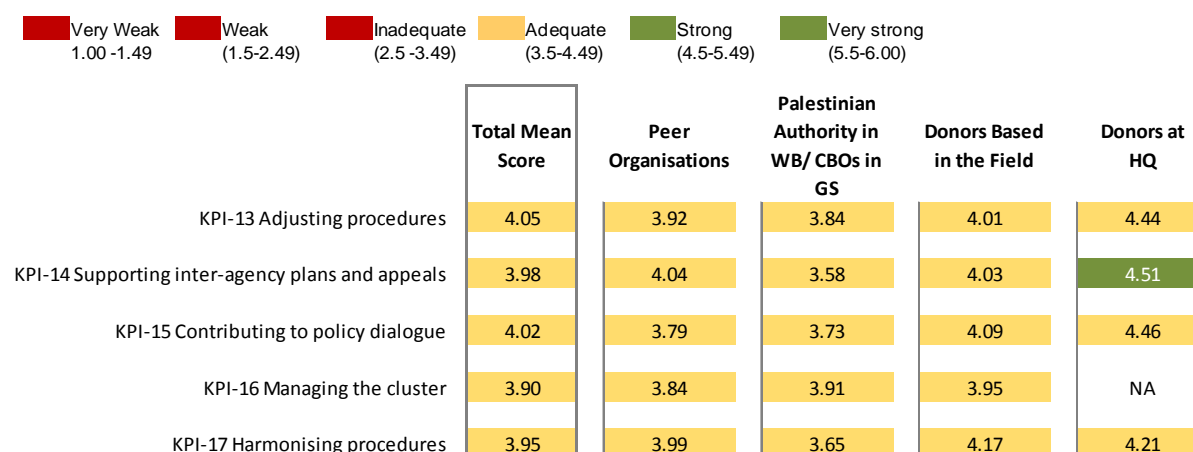


Figure 3.20 shows the mean scores for the five KPIs for all survey respondents, and by respondent groups.

**Figure 3.20 Quadrant III: Relationship Management, Mean Scores by Respondent Group**

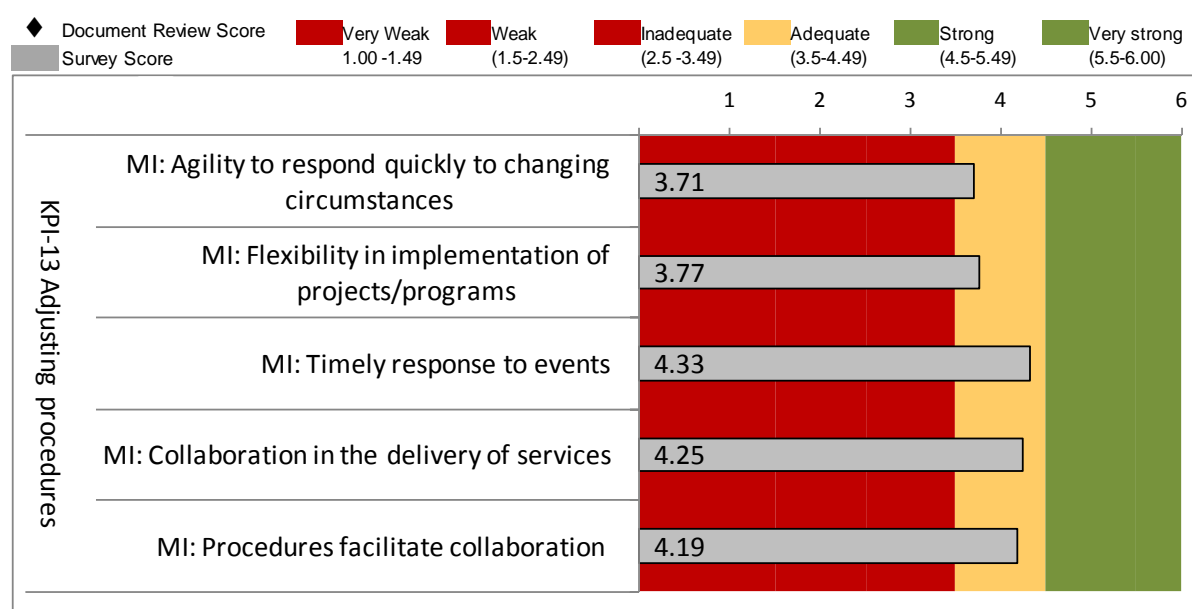


## KPI 13: Adjusting Procedures

### Finding 13: UNRWA was perceived by all respondent groups as adequate in adjusting its procedures to local conditions and capacities.

Overall, survey respondents rated UNRWA as adequate on the five MIs in this KPI. Respondents tend to have most positive views on UNRWA's capacity to respond to emergency situations in a timely manner, in collaborating while delivering services, and having procedures that facilitate collaboration. Respondents' views on this KPI are less divided than on other KPIs, with a large majority of respondents (55 per cent or more) rating UNRWA as adequate or stronger on the various micro-indicators under this KPI.

Figure 3.21 KPI-13: Adjusting Procedures, Ratings of Micro-Indicators



#### MI 13.1 - Agility to respond quickly to changing circumstances

The majority of survey respondents (58 per cent) rated UNRWA as adequate or above on its agility to respond quickly to changing circumstances on the ground, while one-third rated it as inadequate or below.

#### MI 13.2 - Flexibility in implementation of projects/programs as learning occurs

The majority of survey respondents (63 per cent) rated UNRWA as adequate or above on its flexibility in implementing projects and programs as learning occurs, while 28 per cent rated it as inadequate or below.

#### MI 13.3 - Timely response to events

A large majority of survey respondents (69 per cent) rated UNRWA as adequate or above on its capacity to provide timely responses to events. Donors at headquarters were more positive than other respondent groups and this was statistically significant.

#### MI 13.4 - Collaboration in the delivery of services

A large majority of survey respondents (74 per cent) rated UNRWA as adequate or above in collaborating with host governments in the delivery of services. Similar ratings were provided by

all respondent groups, with no less than 60 per cent of respondents in each group providing a response of adequate or above.

Although UNRWA operates in a different way from other UN agencies in that its main *modus operandi* is service delivery, the Agency works in collaboration with the host governments of Jordan, Lebanon, and Syria, and with the Palestinian Authority in Gaza Strip and West Bank to provide services to Palestine refugees. Some of the host governments, in fact, provide services to refugees in their territory (e.g., education, health, housing, utilities, security, and social services).

**MI 13.5 - Procedures facilitate collaboration**

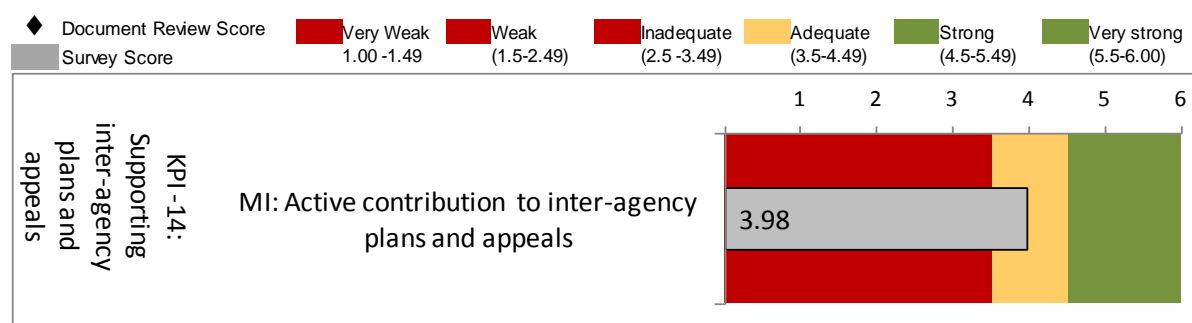
The majority of survey respondents (65 per cent) rated UNRWA as adequate or above in employing procedures that facilitate collaboration with host governments. Donors at headquarters and host government respondents were most positive, with 71 per cent of both groups rating UNRWA as adequate or above on this micro-indicator.

**KPI 14: Supporting Inter-Agency Plans and Appeals**

**Finding 14: UNRWA supports inter-agency plans and appeals by participating in joint planning initiatives, such as the United Nations Development Assistance Frameworks (UNDAF), consolidated appeals, and clusters. This support is considered to be adequate by survey respondents.**

Survey respondents rated as adequate UNRWA’s contribution to inter-agency plans and appeals. Although the document review did not rate UNRWA on specific criteria for this MI, it found that UNRWA makes many contributions to inter-agency coordination through its participation in a number of joint planning initiatives, such as the United Nations Development Assistance Frameworks (UNDAF), consolidated appeals, and clusters.

**Figure 3.22 KPI-14: Supporting Inter-Agency Plans and Appeals, Ratings of Micro-Indicators**



**MI 14.1 - Active contribution to inter-agency plans and appeals**

The survey asked two questions on this MI: whether UNRWA contributes to inter-agency plans and appeals in a timely fashion, and whether it engages in Common Humanitarian Action Plans (CHAP) where this programming process is being utilised.

More than half of survey respondents (56 per cent) rated UNRWA as adequate or above on its timely contribution to inter-agency plans and appeals, while the percentage was lower (46 per cent) for UNRWA’s engagement in Common Humanitarian Action Plans (CHAP). Donors at both headquarters and in the field showed little familiarity with this micro-indicator, between 39 and 60 per cent answering ‘don’t know’. The low level of familiarity among donors based in the field may be due to the fact that the Agency has been part of consolidated appeals, CHAPs,

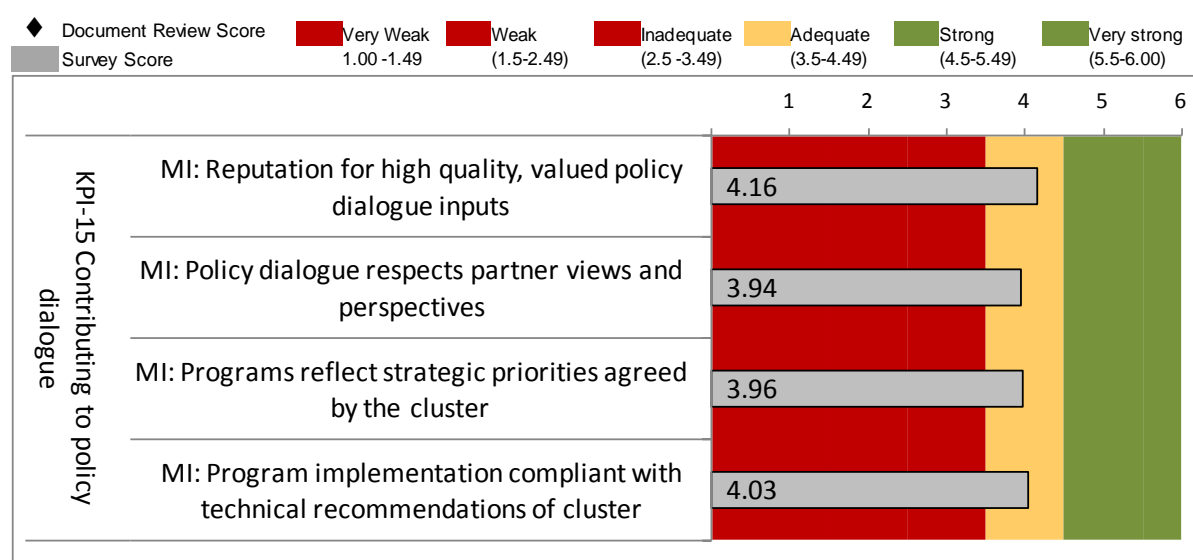
and clusters<sup>35</sup> only in the Occupied Palestinian Territory due to the emergency situations. In Jordan, Syria, and Lebanon, where the context has been more stable, there has not been the need to work through CHAPs and UNRWA’s contribution to inter-agency plans has taken the form of collaboration in the development of UNDAFs.

**KPI 15: Contributing to Policy Dialogue**

**Finding 15: Survey respondents consider that overall UNRWA adequately contributes to policy dialogue.**

Survey respondents rated UNRWA as adequate on the four MIs related to this KPI on contribution to policy dialogue. A higher percentage of respondents (61 per cent) view UNRWA’s contribution to policy dialogue as adequate or strong than inadequate or below (24 per cent).

**Figure 3.23 KPI-15: Contributing to Policy Dialogue, Ratings of Micro-Indicators**



**MI 15.1 - Reputation for high quality, valued policy dialogue inputs**

The majority of survey respondents (63 per cent) agree that UNRWA provides valuable inputs to policy dialogue, while 21 per cent consider it inadequate or below in this area.

**MI 15.2 - Policy dialogue respects partner views and perspectives**

The majority of respondents (59 per cent) view UNRWA as adequate or strong in undertaking policy dialogue in a manner that respects partners’ views. Statistically significant differences were found between ratings of respondent groups. Donors at headquarters were more positive than other groups, while Palestinian Authority /CBO representatives were more negative.

<sup>35</sup> Clusters are thematic coordination groups developed by the UN to respond to humanitarian situations. They are sectoral groups that bring together different UN agencies to cooperate towards the same objective. Each group has a cluster lead to ensure the members’ actions are efficient and complementary, coordinate with local authorities, assess needs, plan and strategise, and act as provider of last resort. UNRWA is cluster lead for the Cash-for-Work program, which aims to tackle the impact of chronic unemployment and poverty that are prevalent throughout the West Bank and the Gaza Strip. The Agency is also a partner in other clusters, namely the clusters on food security, education, protection, shelter, and water, sanitation & hygiene.

**MI 15.3 - Programs reflect strategic priorities agreed by the cluster**

All respondent groups other than host governments were surveyed on this MI and rated UNRWA as adequate overall.

Among respondents based in or with responsibility for the West Bank and Gaza Strip (i.e., a total of 48 respondents), 58 per cent rated UNRWA as adequate or above and 22 per cent as inadequate or below. Peer organisations tended to be more negative than the other respondent groups surveyed, and 29 per cent of donors at headquarters responded ‘don’t know’.

**MI 15.4 - Program implementation compliant with technical recommendations of cluster**

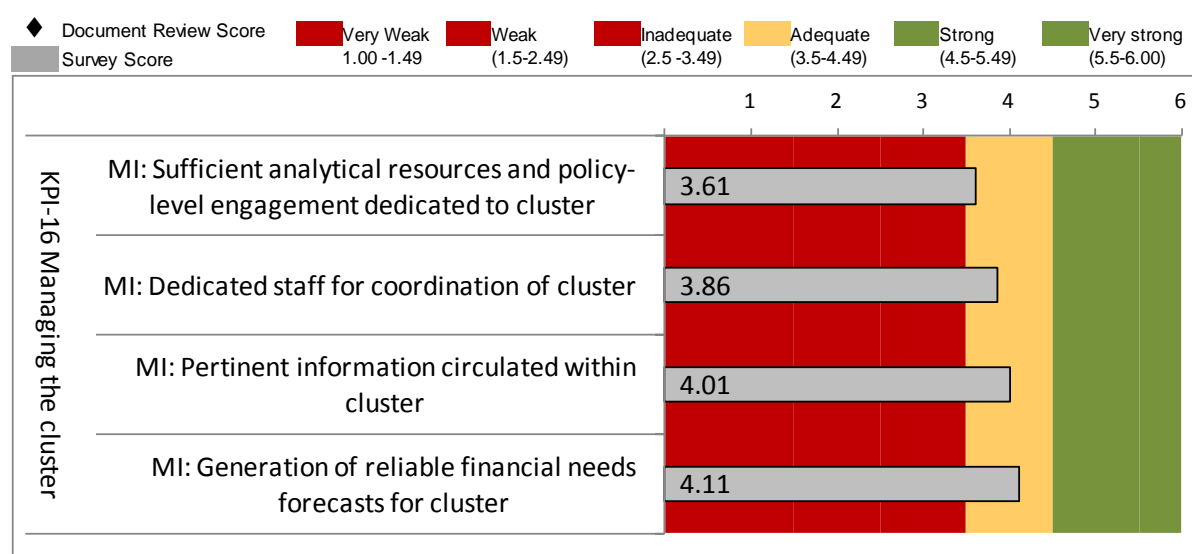
Among respondents based in or responsible for the West Bank and the Gaza Strip, 59 per cent rated UNRWA’s performance on this MI as adequate or above, while 16 per cent rated it as inadequate or below. A statistically significant difference was found between responses from peer organisations (who were more negative) and responses from other surveyed groups. No views were collected from Palestinian Authority /CBO respondents on this MI.

**KPI 16: Managing the Cluster**

**Finding 16: UNRWA appears to adequately manage the clusters it participates in.**

Survey respondents based in or with responsibility for the West Bank and the Gaza Strip rated UNRWA as adequate or above in managing the Cash for Work cluster group, of which it is the leader. However, more than 30 per cent of respondents from peer organisations answered ‘don’t know’ to the questions on this KPI.

**Figure 3.24 KPI-16: Managing the Cluster, Ratings of Micro-Indicators**



**MI 16.1 - Sufficient analytical resources and policy-level engagement dedicated to cluster**

Fifty-nine per cent of survey respondents consider that UNRWA dedicates sufficient analytical resources and policy-level engagement to strategic activities within the cluster group, while 20 per cent of respondents consider it inadequate.

**MI 16.2 - Dedicated staff for coordination of cluster**

A majority of respondents (63 per cent) believe that UNRWA has an adequate number of staff in place for cluster coordination, while 12 per cent considered it inadequate.

### MI 16.3 - Pertinent information circulated within cluster

The majority of respondents (55 per cent) rated UNRWA as adequate or stronger for circulating pertinent information within the cluster; 16 per cent rated it as inadequate or weaker.

### MI 16.4 - Generation of reliable financial needs forecasts for cluster

The majority of respondents (56 per cent) assessed the Agency as adequate or better for generating reliable financial needs forecasts for the Cash for Work cluster; 15 per cent rated it as inadequate or weaker.

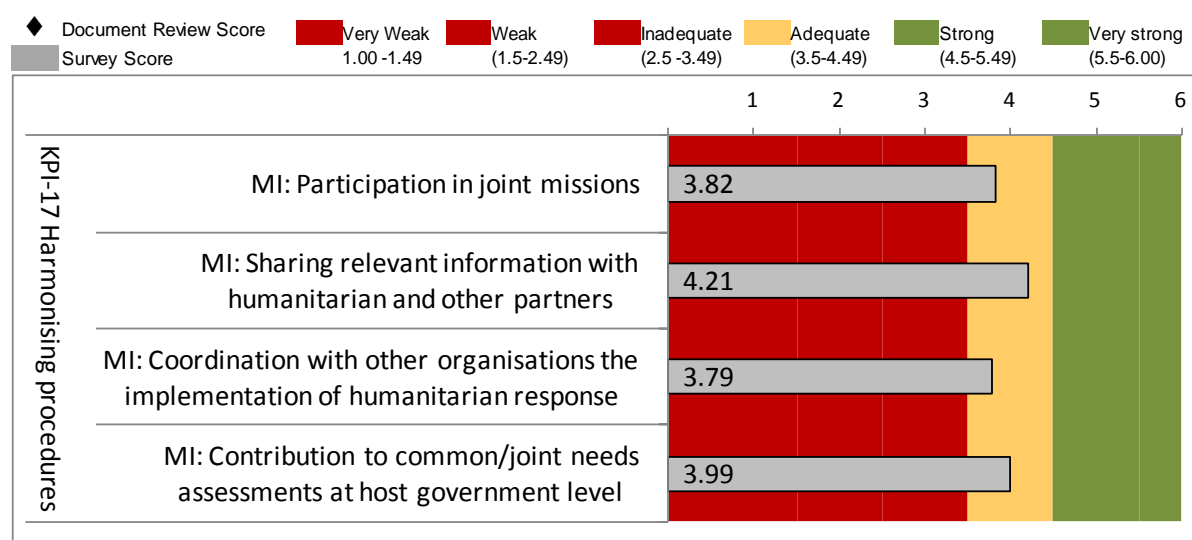
## KPI 17: Harmonising Procedures

**Finding 17: UNRWA is considered adequate in harmonising procedures with other actors it collaborates with in the framework of joint missions, common needs assessments, implementation of humanitarian responses, and sharing information with other partners.**

Survey respondents rated UNRWA as adequate or above on the four MIs related to this KPI.

Although the document review did not rate UNRWA on specific criteria for this MI, it found that while UNRWA provides the majority of services directly to beneficiaries through its almost 30,000 staff, it also collaborates with a number of international and local actors in, for instance, joint missions, needs assessments, and staffing.

**Figure 3.25 KPI-17: Harmonising Procedures, Ratings of Micro-Indicators**



### MI 17.1 - Participation in joint missions

UNRWA's participation in joint missions was rated as adequate or stronger by 46 per cent of survey respondents. A high percentage of 'don't know' responses was obtained from donors at headquarters (64 per cent) and in the field (46 per cent). Statistically significant differences in responses were found between respondent groups: donors in the field were more positive than donors at headquarters, peer organisations, and Palestinian Authority /CBO respondents.

The review of documents found that UNRWA has collaborated with other UN agencies over the past few years (including ICRC, JICA, OHCHR, UNDP, UNESCO, UNICEF, WFP, and WHO), and has participated in a number of joint missions to conduct needs assessments, monitoring, and project design and implementation.

**MI 17.2 - Sharing relevant information with humanitarian and other partners**

The large majority (70 per cent) of respondents agree that the Agency adequately shares relevant information, in particular regarding needs, with humanitarian and other partners.

**MI 17.3 - Coordination with other organisations the implementation of humanitarian response**

Survey results suggest that UNRWA coordinates the implementation of its humanitarian responses with other organisations. The majority of survey respondents (60 per cent) gave a score of adequate or better on this MI. Donors at headquarters rated the Agency more positively than the other respondent groups and Palestinian Authority /CBO representatives rated it more negatively. These differences are statistically significant.

**MI 17.4 - Contribution to common/joint needs assessments at host government level**

According to survey respondents, excluding donors at headquarters who were not consulted on this MI, UNRWA contributes actively to common/joint needs assessments. Fifty-eight per cent of all respondents rated the Agency as adequate or better on this MI. Donors based in the field were more positive and Palestinian Authority /CBO representatives more negative than peer organisations in their views on UNRWA's contribution to common or joint needs assessments. These differences are statistically significant. It is noteworthy that 39 per cent of donors based in the field answered 'don't know' to the question on this MI.

### 3.3.5 Knowledge Management

**UNRWA's performance in knowledge management has suffered from some shortcomings in its evaluation function and culture. However, these are likely to be addressed if the Agency continues to move in the direction it has taken over the past three years.**

Figure 3.26 below shows the overall survey and document review ratings for the three KPIs in the knowledge management quadrant. According to survey results, UNRWA performs adequately on evaluating external results, but inadequately on presenting performance information and disseminating lessons learned. The document review rated UNRWA as inadequate on evaluating external results and disseminating lessons learned, but adequate on presenting performance information.

UNRWA's shortcomings in evaluation have contributed to inadequate dissemination of lessons learned.<sup>36</sup> However, this is likely to change if the Agency continues its efforts to strengthen its evaluation function, not only from a structural/procedural point of view but also from a cultural/behavioural point of view, in particular in the sense of promoting and practising evaluation as a learning tool.

UNRWA's reporting on performance is increasingly focused on results achieved. The Agency reports on its results to different audiences, but its formal reporting is to the General Assembly. The 2010 Commissioner General's annual report to the General Assembly constitutes a noteworthy improvement (over past years) in how the Agency presents information on program performance to this body.

---

<sup>36</sup> In January 2010, the Commissioner General transferred the *ex post* evaluation function from PCSU to DIOS.

**Figure 3.26 Quadrant IV: Knowledge Management, Survey and Document Review Ratings**

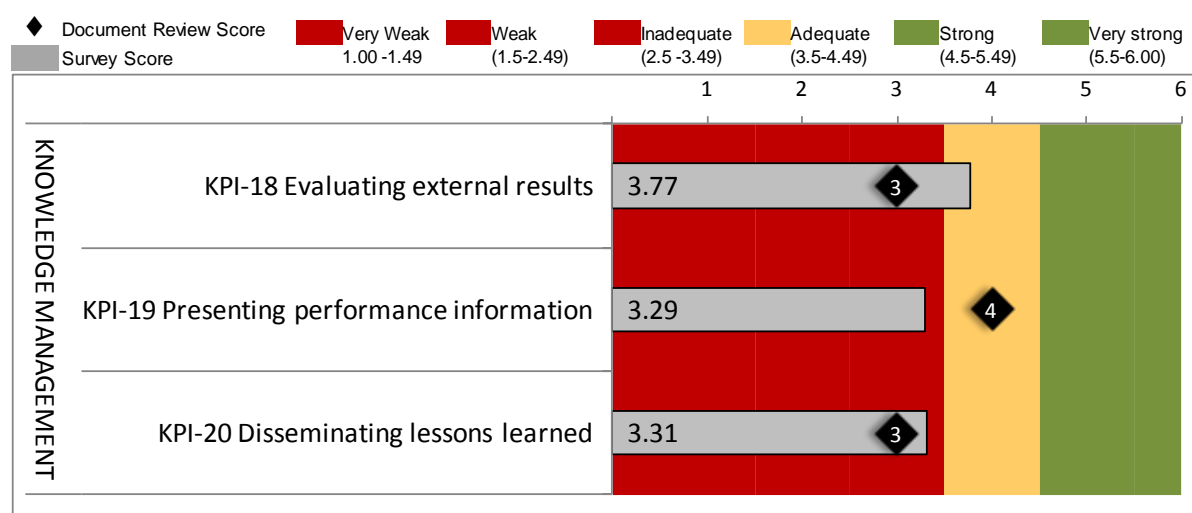
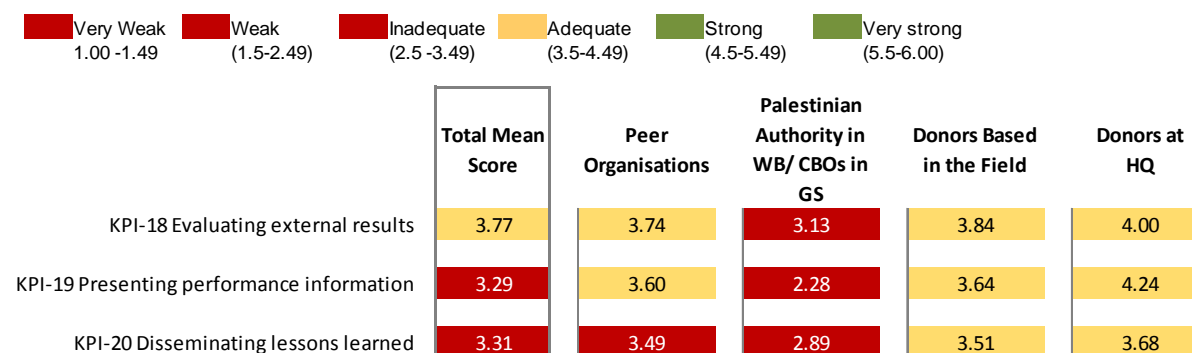


Figure 3.27 shows the mean scores for the three KPIs for all survey respondents, and by respondent groups.

**Figure 3.27 Quadrant IV: Knowledge Management, Mean Scores by Respondent Group**

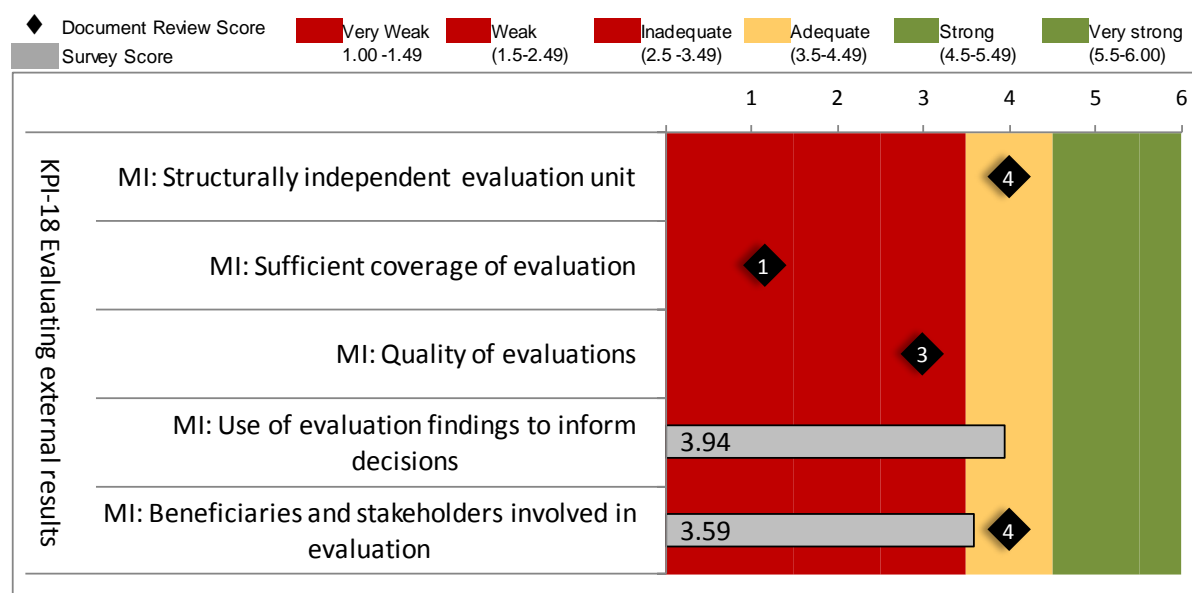


### KPI 18: Evaluating External Results

**Finding 18: UNRWA has made improvements in its structure for carrying out evaluations, but it is still facing challenges in terms of operations, particularly in evaluation coverage and quality.**

Survey respondents were asked about two of the six MIs related to this KPI and rated UNRWA as adequate. The document review provided ratings range from very weak to adequate. It found that while UNRWA has made progress in making the evaluation function more independent from the programmatic function, the evaluation function in UNRWA is still a work in progress, with improvements needed in terms of quality and coverage of evaluations.

**Figure 3.28 KPI-18: Evaluating External Results, Ratings of Micro-Indicators**



**MI 18.1 - Structurally independent evaluation unit**

This MI was rated by document review only, which rated UNRWA as adequate.

The United Nations Evaluation Group (UNEG) norms for evaluation require the evaluation function “to be located independently from the other management functions so that it is free from undue influence and that unbiased and transparent reporting is ensured.” In 2010, UNRWA’s evaluation function was transferred from the Programme Coordination and Support Unit (PCSU) to the Department of Internal Oversight Services (DIOS), thus separating evaluation from programming and creating a new reporting/accountability line from DIOS to the Commissioner General. Although there is insufficient documentary evidence that UNRWA evaluations are now systematically independent, UNRWA has been moving in this direction: by contracting independent evaluations, joining UNEG, and recognising independence as one of the key principles of evaluation.

**MI 18.2 - Sufficient coverage of evaluation**

This MI was rated by document review only, which rated UNRWA as very weak.

UNEG’s standards for evaluation suggest that the organisation should explain how evaluations are prioritised and planned, and submit a plan of evaluation activities to governing bodies and/or heads of organisation for review and/or approval.

According to the documents reviewed, UNRWA’s evaluation coverage appears to be very weak. It does not have an organisation-wide approved policy on evaluation that identifies the need for independent evaluations of projects and programs. It has developed evaluation work plans identifying evaluations to be carried out and their timeframes, but these do not stipulate the percentage of projects or programs that should be evaluated. Although UNRWA has conducted independent evaluations at the corporate level that cover some or all fields of operation, no evidence was found of independent evaluations at the fields of operation level.

**MI 18.3 - Quality of evaluations**

UNEG's norms and standards for evaluation require that evaluation employs design, planning and implementation processes that are inherently quality oriented, covering appropriate methodologies for data-collection, analysis and interpretation. The UNEG's norms also require that evaluation reports present in a complete and balanced way the evidence, findings, conclusions and recommendations. The establishment of a peer review or reference group composed of experts in the technical topics covered by the evaluation is also identified by the UNEG's standards as a way to provide quality control of evaluation processes and deliverables.

This MI was rated by document review only, which rated UNRWA as inadequate in ensuring the quality of its evaluations. Although some mechanisms are in place for quality control and UNRWA has made some efforts to improve the quality of evaluations (e.g., becoming a member of UNEG), the review of documents did not find detailed procedures for quality control within the Agency. The quality of evaluations also relies on the degree of independence. The Office of Internal Oversight Services Report recognised that while some of UNRWA's evaluations are *bona fide* and independent, this is not systematic.

**MI 18.4 - Use of evaluation findings to inform decisions**

According to UNEG, evaluation is not only an accountability mechanism, but also a learning instrument that can be used by program managers and other key stakeholders to inform decisions.

This MI was rated by surveying donors at headquarters and in the field. Both groups had similar views on whether UNRWA uses evaluation findings in its decisions on programming, policy and strategy. Between 54 and 57 per cent of respondents rated the Agency as adequate or stronger and between 11 and 14 per cent as inadequate or below.

**MI 18.5 - Beneficiaries and stakeholders involved in evaluation**

The involvement of stakeholders in the evaluation process is one of UNEG's standards for evaluation and is increasingly recognised as a critical factor in the use of evaluation conclusions, recommendations and lessons.

Among survey respondents, 46 per cent believe that UNRWA's involvement of key beneficiaries in evaluations is adequate or better, while 30 per cent consider it as inadequate or weaker. A high percentage of 'don't know' responses were obtained from donors at headquarters (39 per cent).

The document review rated UNRWA as adequate on involving direct beneficiaries and stakeholder groups in evaluation processes. The two most recent organisation-wide evaluations (on education and health) involved relevant stakeholders in some of the evaluation stages. The Agency, however, does not have a policy or specific guidelines on stakeholder participation in evaluation processes.

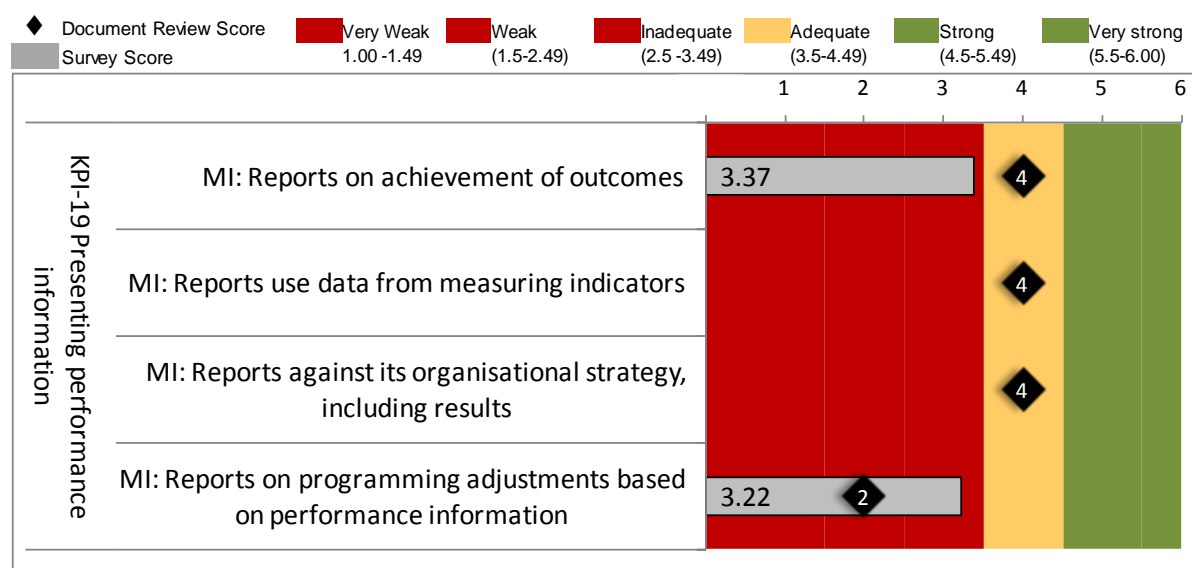
### KPI 19: Presenting Performance Information

**Finding 19: UNRWA’s documenting and reporting on performance is rated less positively than many other key performance indicators by survey respondents. The review of UNRWA documents found that reporting on organisational results was adequate in most areas.**

Survey respondents rated UNRWA as inadequate on the two MIs they were asked about in this key performance area, the first on the reporting of outcome achievements and the second on reporting of programming adjustments based on performance information.

The document review, which provided scores from adequate to weak on the four MIs related to this KPI, found that the Agency is generally reporting on results, including results at the level of field of operations. However, reports and other documents do not often provide information on the programming adjustments made in the field on the basis of performance feedback.

**Figure 3.29 KPI-19: Presenting Performance Information, Ratings of Micro-Indicators**



#### MI 19.1 - Reports on the achievement of outcomes

This MI was rated by the document review and by donors at headquarters and Palestinian Authority /CBO respondents.

UNRWA’s reporting to the UN General Assembly on achievement of outcomes was rated as adequate or above by half of the survey respondents. Donor respondents were more positive than Palestinian Authority /CBO respondents. This difference is statistically significant.

UNRWA reports on its results to a number of audiences. The Commissioner General’s annual report to the UN General Assembly is the formal report on the performance of UNRWA. Although the three most recent reports (2008, 2009, and 2010) provide information on activities, outputs, and outcomes achieved, there is no clear link between outputs and outcomes and it is often unclear how outcomes were achieved. Nevertheless, in terms of the MOPAN criteria, UNRWA’s capacity to report on the achievement of outcomes is considered adequate.

**MI 19.2 - Reports use data from measuring indicators**

Based on the review of the most recent Commissioner General's annual report to the UN General Assembly, UNRWA's use of data obtained from measuring indicators to report on performance is adequate and has improved over the years. The 2010 annual report, unlike previous ones, presents trends in measurement of outcomes and compares indicators to baselines and targets. The report provides this information at the outcome level only, which may be due in part to the requirements (length, format, etc) for a report to the General Assembly.

**MI 19.3 - Reports against its organisation-wide strategy, including results**

Based on the review of the most recent annual reports of the Commissioner General to the UN General Assembly, UNRWA's capacity to report against its organisation-wide strategy, including expected results, appears to be adequate. The Agency reports on expected results as identified in the development results framework (DRF) of the Biennium Budget 2010-2011 and provides explanations of the variances between achieved results and targets (although not in detail). The 2010 report clearly aligns reporting with the development results framework in UNRWA's medium-term strategy.<sup>37</sup>

**MI 19.4 - Reports on programming adjustments based on performance information**

The survey produced mixed respondent views on this MI. UNRWA was rated as adequate or stronger by 34 per cent of respondents, and as inadequate or weaker by 33 per cent. There was a high level of 'don't know' responses among peer organisations (50 per cent) and donors based in the field (49 per cent). Statistically significant differences in responses were found by respondent group: Peer organisations and Palestinian Authority/CBOs respondents rated the Agency lower than donors at headquarters and in the field.

On the basis of the documents made available to the Assessment Team, it appears that UNRWA's reporting on adjustments to programming based on performance information is weak. Information on performance at the field of operation level is available in the annual reports produced by UNRWA's Departments and publicly available on UNRWA's website. However, the reports do not comment on changes made in programming based on past performance.

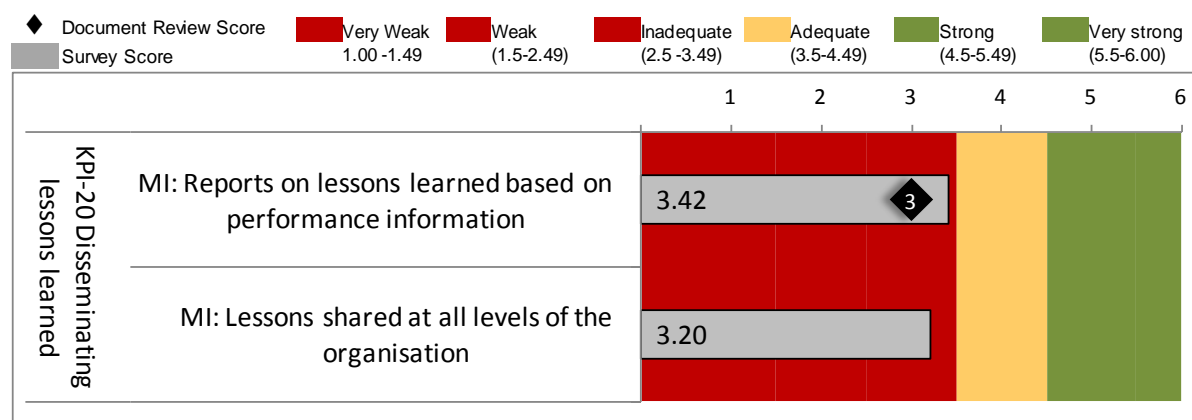
---

<sup>37</sup> UNRWA also provides information on progress towards its results through other mechanisms coordinated by the UN Secretariat, such as the Integrated Monitoring and Documentation Information System (IMDIS).

## KPI 20: Disseminating Lessons Learned

**Finding 20: According to the survey and document review, there is room for improvement in UNRWA’s identification and dissemination of lessons learned.**

**Figure 3.30 KPI-20: Disseminating Lessons Learned, Ratings of Micro-Indicators**



### MI 20.1 - Reports on lessons learned based on performance information

Survey results indicate a difference in views on whether UNRWA identifies and disseminates lessons learned from performance information. While 37 per cent of respondents consider UNRWA’s performance in this area as adequate or stronger, an almost equivalent percentage of respondents (40 per cent) consider it as inadequate or weaker.

According to the document review criteria, UNRWA is inadequate in reporting on lessons learned based on performance information and lessons learned and best practices do not seem to provide a basis for decision making. This is likely due in part to the low level of evaluative activity at the Agency. Another reason, noted in the evaluation of the DG ECHO partnership with UNRWA, is that the Agency has not recognised learning as a catalyst for change. Although UNRWA has increased its emphasis on evaluation and given more attention to recording lessons learned, this has not yet been translated into practice. Due to the limited lessons learned in available documents, it was not possible to determine how lessons learned on performance are used to change management and program practices. The Office of Internal Oversight Services 2010 report noted that lessons learned from experiences in reacting to emergency situations in the Gaza Strip had not been shared formally with other Field Offices. In the MOPAN survey, five of the eight comments on the open-ended question on lessons learned made reference to the low level of dissemination of lessons learned in UNRWA. However, some new initiatives to record lessons learned have already taken place, in particular in UNRWA’s gender-related work.

### MI 20.2 - Learning opportunities are organised to share lessons at all levels of the organisation

Asked about the extent to which UNRWA provides opportunities at all levels of the organisation to share lessons from practical experience, 40 per cent of respondents rated UNRWA as inadequate or below and 30 per cent rated it as adequate or above. Among donors at headquarters, 43 per cent answered ‘don’t know’. Peer organisations were not asked about this MI.

## 4. Conclusion

The year 2011 marks the first occasion for MOPAN to involve humanitarian organisations in its common assessment. UNRWA was a bold choice, but a willing and supportive partner. MOPAN worked closely with UNRWA to revise the methodology and survey instrument.

This conclusion steps away from the specific ratings of the MOPAN assessment and looks at the major messages that can contribute to dialogue between MOPAN, UNRWA and its partners.

### **UNRWA is a unique organisation in the UN family**

UNRWA was established in 1949 as a temporary structure, yet it endures over 60 years later and is working to transform itself into a modern performance-oriented and accountable institution. Its mandate combines the humanitarian dimensions of protection, the social support function of relief, and the developmental agenda of human development. It serves 4.76 million Palestine refugees (including their descendants). The General Assembly has given no other UN Agency such a complex and ambitious mandate. UNRWA is supported by the UN, host governments, and many international donors, and works in a volatile, politically sensitive and conflict-prone context in five distinct fields of operation.

### **UNRWA delivers essential core services to Palestine refugees, with the support of knowledgeable and dedicated staff**

UNRWA is the source of most services in education, health, social assistance, and employment for the majority of Palestine refugees eligible for support. It responds to emergencies as they arise, and is praised by stakeholders for its support to a large number of refugees, including marginalised and vulnerable people.

### **UNRWA has demonstrated strategic leadership for organisational renewal**

Strategic management is one of UNRWA's strengths. With considerable support from its donors, UNRWA embarked on an ambitious process of organisational development and has made noteworthy improvements in all aspects of strategic management over the last several years in managing for results. It has the policies in place, and practice is catching up to the theory.

### **UNRWA is forced to manage within a volatile context and serves a growing number of refugees while its resources are increasingly constrained**

UNRWA relies on voluntary contributions from governments and begins each year with a forecast deficit of almost \$50 million.

### **Although positive reforms are underway, UNRWA faces on-going challenges in operational management**

UNRWA's organisational development process has led to reforms that are likely to increase the effectiveness and efficiency of its operations, namely in results-based budgeting and human resources management. However, while policies and frameworks have been developed, implementation has not yet caught up to the theory. For implementation to happen in a consistent way across the Agency, it will need training, support, leadership, financial resources, and time. Many of UNRWA's challenges are due to the size of the organisation, its culture and history, its mandate, and the political and cultural context in which it operates. These challenges can lead to practices that undermine organisational efficiency.

- Short-term funding makes it difficult to make longer-term plans and program adjustments. Due to chronic underfunding over the past four biennia, and some donor constraints in

the allocation of earmarked funds (over 20 per cent of UNRWA funding in 2008-2009), UNRWA struggles to manage scarce resources. This is particularly challenging because UNRWA is both the primary service provider and major employer of Palestine refugees, and cannot easily cut budgets or shift resources to new areas of need.

- UNRWA involves both international staff and staff drawn from its targeted population of Palestine refugees, and is the largest UN organisation in numbers of staff. UNRWA's progress in introducing performance management related to programming and in human resources management is positive and needs to continue.
- UNRWA's efforts to delegate authority and decision making to the field level are moving forward, but UNRWA stakeholders may not yet perceive all the changes that have been made. Gender equality is a very sensitive area; UNRWA has only begun to promote constructive dialogue related to gender equality and how the Agency can best support it.

### **UNRWA manages complex relationships in a challenging multi-cultural environment**

UNRWA supports transparency in its communications, despite the complexities of multiple languages and severe budgetary constraints. While it is not easy to determine what needs to be communicated, in what form, and to which audiences, UNRWA should consider the benefits of making documents readily available on its website in the languages of key stakeholders.

### **UNRWA collaborates with UN partners**

UNRWA harmonises its procedures with UN requirements, contributes to inter-agency initiatives, and plays a supportive role in policy dialogue. Nevertheless, some respondents consider that it needs to make greater efforts to communicate and coordinate with partners such as UN agencies, host governments, the Palestinian Authority, and CBOs.

### **UNRWA is supported by, and works effectively with, a wide range of core donors**

More than 60 bilateral and multilateral donors contribute to the financing of UNRWA's operations. Each donor has its own constraints, requirements and interests, and through its Advisory Commission and bilateral relationships, UNRWA balances its needs with those of its many partners.

### **UNRWA has not sufficiently maximised its knowledge and experience**

UNRWA is the senior UN agency dealing with Palestine refugees and has knowledge that would be useful to a variety of stakeholders, but it has not yet documented or shared this knowledge. UNRWA could improve several aspects of its knowledge management, namely: evaluation, drawing performance information into its reporting to key stakeholders, and dissemination of lessons learned.