



INSPECTION AND EVALUATION DIVISION

EVALUATION REPORT

Report of the Office of Internal Oversight Services on the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA):

“While UNRWA remains relevant as an institution, its services have become thinly spread, therefore posing risks to continued effectiveness”

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INSPECTION AND EVALUATION DIVISION

FUNCTION

“The Office shall evaluate the efficiency and effectiveness of the implementation of the programmes and legislative mandates of the Organization. It shall conduct programme evaluations with the purpose of establishing analytical and critical evaluations of the implementation of programmes and legislative mandates, examining whether changes therein require review of the methods of delivery, the continued relevance of administrative procedures and whether the activities correspond to the mandates as they may be reflected in the approved budgets and the medium-term plan of the Organization;” (General Assembly Resolution [48/218B](#)).

TEAM MEMBERS

Robert McCouch, Team Leader (November 2008 – July 2009)
Cynthia Viveros-Cano, Team Member

CONTACT INFORMATION

OIOS/IED Contact Information:
Phone: (212) 963-8148; fax: (212) 963-1211/963-9427, email: ied@un.org

(EDDIE) YEE WOO GUO, ACTING DIRECTOR

Tel: +917-367-3674, Fax: +212-963-1211
e-mail: guoy@un.org

DEMETRA ARAPAKOS, ACTING DEPUTY DIRECTOR

Tel: +212-917-6033, Fax: +212-963-1211
e-mail: arapakos@un.org

ARILD HAUGE, CHIEF OF SECTION

Tel: +212-963-1471, Fax: +212-963-1211
e-mail: hauge@un.org

**Report of the Office of Internal Oversight Services (OIOS) on the
United Nations Relief and Works Agency for Palestine Refugees
in the Near East (UNRWA)**

*“While UNRWA remains relevant as an institution, its services have become
thinly spread, therefore posing risks to continued effectiveness”*

EXECUTIVE SUMMARY

The [Office of Internal Oversight Services \(OIOS\)](#) conducted an evaluation of the [United Nations Relief and Works Agency for Palestine Refugees in the Near East \(UNRWA\)](#) during the period from November 2008 to June 2009, in accordance with the terms established under [A/RES/48/218B](#). UNRWA was selected as a topic for evaluation based on the 2007 OIOS risk assessment of all Secretariat programmes. The objective of the evaluation was to determine, as systematically and objectively as possible, UNRWA’s relevance, efficiency and effectiveness (including impact) in relation to its objectives, and to enable systematic reflection, with a view of increasing the effectiveness of the programme. OIOS carried out data collection missions to UNRWA’s Headquarters and all five field office locations in Gaza, Jordan, Syria, Lebanon, and the West Bank.

In the past 60 years, the Agency has provided services and humanitarian assistance to four generations of Palestine refugees who otherwise would not have had access to them. Over those years, the Agency has navigated the challenges posed by a complex political context and finite resources to meet a growing range of needs that extend well beyond its original humanitarian mandate.

OIOS found UNRWA to be perceived as an institution contributing to stability in a region where a permanent and just solution has not been reached and where there have been recurrent emergency situations due to armed conflicts. OIOS concludes that UNRWA has remained relevant since its inception, as it moved from a focus on humanitarian ‘relief and works’ role as per its original mandate to an era in which the embrace of a wider ‘human development’ approach has become inevitable.

However, OIOS found widespread perceptions among the beneficiaries, UNRWA staff members and donor country representatives to the effect that the overall quality of UNRWA’s service delivery has eroded over time, ultimately posing potential risks to security and stability. One of these perceptions may be associated with the limited resources at UNRWA’s disposal that have not increased enough to meet its numerous and growing lines of service delivery and its expanding population of eligible refugees. However, they also have been influenced by inefficiencies that occur from shortfalls in internal management systems and practices.

OIOS also found inadequacies in some critical internal functions. Among the issues are: inadequate funding arrangements due to the uncertainty of funds over time, the complexities of the arrangements, and the insufficiency of resources; insufficient oversight; and vulnerable record-keeping with the Central Records Unit (CRU) located in Gaza. In reference to the ongoing decentralization process, OIOS observed unclear allocation of roles and responsibilities between Headquarters (HQ) and Field Offices and that there is an absence of a sufficiently comprehensive and detailed set of overarching performance accountability mechanisms. OIOS recognizes that with its Organizational Development (OD) initiative UNRWA has embarked on a major reform process, which has yielded some gains like the improved planning process reflected in the Medium Term Strategy for 2010-2015. The process is still unfolding and the potential benefits are at significant risks if reforms are not sustained. Lastly, OIOS found that UNRWA's monitoring efforts have to date not yielded a systematic body of human development outcome level data that is comparable over time. The absence of such data poses an objective constraint to determination of Agency effectiveness.

OIOS recommends that **the Commissioner-General:**

- Should ensure that the Agency's Accountability Framework, drafted by the Accountability Task Force, is put in place as a matter of priority, ensuring that it is aligned with the organization-wide accountability framework currently being developed in the Secretariat. The framework should include strong and clear measures holding individual staff members and operational units responsible for results, and identifying the specific support mechanisms needed to do so effectively yet fairly.
- Further strengthen, with the assistance of the Department of Internal Oversight Services (DIOS), the AdCom and the governing body, UNRWA's framework of oversight arrangements.
- Considers the establishment of a knowledge-management initiative, with inputs from the Programme Coordination and Support Unit (PCSU), Field Programme Support Offices and with the Programme directors.
- Ensure that central records warehoused in Headquarters Gaza are transferred to a safe location without delay.
- Pursue with the assistance of the Field and Department directors, in their 2012-2013 Needs Assessment and Field and Headquarters Implementation Plans, a greater results orientation to these planning documents and also incorporate emergency preparedness plans to this process, so PCSU and senior management can better review such plans – and subsequently assess actual performance.
- Ensure that evaluation findings and recommendations of the current report be subject to discussion with the appropriate intergovernmental bodies for UNRWA.

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ABBREVIATIONS AND ACRONYMS

Ad Com	Advisory Commission
CMH	Community Mental Health
Com-Gen	Commissioner General
CRU	Central Records Unit
DIOS	Department of Internal Oversight Services
ERP	Enterprise Resource Planning
FIP	Field Implementation Plan
GA	General Assembly
HQ	Headquarters
HIP	Headquarter Implementation Plan
ICI	Infrastructure and Camp Improvement
IED	Inspection and Evaluation Division, OIOS
KPIs	Key Performance Indicators
MM	Microfinance and Microenterprise
MNR	Married to non-refugee
MTS	Medium Term Strategy
NGO	Non-governmental organization
OD	Organizational Development
OIOS	Office of Internal Oversight Services
oPt	Occupied Palestinian Territory
PCSU	Programme Coordination and Support Unit
RSS	Relief and Social Services
SHC	Special Hardship Cases
TIs	Technical Instructions
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
WHO	World Health Organization

I. Introduction

1. During the period from November 2008 to June 2009, the [Office of Internal Oversight Services \(OIOS\)](#) conducted an evaluation of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).¹ UNRWA was selected as a topic for evaluation by the Inspection and Evaluation Division (IED) of OIOS based on a systematic risk assessment of all Secretariat programmes² undertaken in 2007. UNRWA presented extensive comments and input to the draft report. OIOS exercised its independent discretion to determine how these were reflected in the final report. Where appropriate, UNRWA comments are reflected in *italics*. OIOS greatly appreciates the courtesy and cooperation extended by UNRWA management and staff, as well as by representatives of its regional host authorities.³

II. Background

Mandate and Governance arrangements

2. UNRWA was established by the General Assembly in its resolution 302 (IV) of 8 December 1949, as a subsidiary organ of the United Nations and the General Assembly with a mandate to carry out direct relief and works programmes for Palestine refugees. UNRWA began operations on 1 May 1950, and its mandate has been repeatedly renewed, most recently until 30 June 2011.⁴ UNRWA is headed by a Commissioner-General (Com-Gen) assisted by a Deputy Commissioner-General. The Com-Gen is responsible for all activities of UNRWA and is ultimately accountable to the General Assembly, to whom the Com-Gen periodically reports directly and independently of the Secretary-General. As a complement to the General Assembly, the Advisory Commission (or “Ad Com”) was established to advise and assist the Com-Gen of UNRWA in the execution of the programme and has in recent years become more active in playing this role.⁵

¹ The oversight competency of OIOS over UNRWA is a by-product of: (a) UNRWA’s claim on Secretariat Regular Budget resources, as approved by the General Assembly; (b) reputational risks befalling the office of the Secretary-General, who in consultation with the Advisory Commission, appoints the Commissioner-General. Further to General Assembly resolution [48/218B](#), OIOS is authorized to initiate, carry out and report on any action it considers necessary to fulfil its responsibilities.

² UNRWA was included in a Secretariat-wide OIOS systematic risk assessment, where besides the number of staff and the volume of extrabudgetary resources it was noted that no prior OIOS evaluations had taken place in the past.

³ In particular, OIOS would like to extend its gratitude to the overall focal points for this evaluation, Mr. Robert Stryk, Ms. Rica Terbeck and other colleagues of the Programme Coordination and Support Unit (PCSU) at UNRWA Headquarters, but also the designated focal points in each of UNRWA’s field offices: Ms. Cathy Howard (Gaza), Mr. Sven Berthelsen (Jordan), Ms. Laetitia Weibel (Lebanon), Ms. Reem Azzam (Syrian Arab Republic), and Mr. David Hutton and Ms. Christine Rackwitz (West Bank). Moreover, OIOS would like to thank the institutions of the Member States serving as host authorities to Palestine refugees: Department of Palestinian Affairs (Jordan), Ministry of Foreign Affairs and Ministry of Labour (Lebanon), General Administration for Palestinian Arab Refugees-GAPAR (Syrian Arab Republic), Department of Refugee Affairs-DORA (West Bank).

⁴ [A/RES/63/91](#) of 18 December 2008.

⁵ The members of the AdCom are: Australia, Belgium, Canada, Denmark, Egypt, France, Germany, Italy, Japan, Jordan, Lebanon, the Netherlands, Norway, Saudi Arabia, Spain, Sweden, Switzerland, Syrian Arab Republic,

Amongst its responsibilities the “Ad Com” is consulted by the Secretary-General when appointments are made of Com-Gens.⁶ The Agency is governed by its own financial regulations, and by its own staff rules and regulations.⁷

3. Further to its strategic framework for the period [2008-2009](#), UNRWA states its overarching objective as being to:

*“support the educational, social and economic development of the Palestine refugees, to provide targeted relief and social support for the most vulnerable refugees, particularly women, children and the disabled, and to increase the investment of the international community in improving the welfare of Palestine refugees ... by maintaining and improving the provision of education and health services, relief and social support, and microfinance loans to registered Palestine refugees”*⁸

4. In its Programme Budget for this same period, considered to be a more comprehensive statement of objectives as it encompasses a consolidated overview of the goals sought with both UNRWA’s regular budget and extrabudgetary funding, the Agency interprets its mandate as being to “help Palestine refugees achieve their full potential in human development terms under the difficult circumstances in which they live.” In more concrete terms this means that Palestine refugees should:

- a. Have long and healthy lives;
- b. Acquire appropriate knowledge and skills;
- c. Enjoy a decent standard of living; and
- d. Enjoy human rights to the fullest extent possible.⁹

5. UNRWA’s budget is based predominantly on voluntary contributions from governments, inter-governmental and non-governmental bodies, and in-kind assistance on the part of host authorities.¹⁰ The overall budget is divided into the following three funding streams (with further detail for last three biennia in *Table 1a* of the Annex):

Turkey, United Kingdom, and the United States; plus three non-state and inter-governmental actors: the European Commission, the League of Arab States and the Palestine Liberation Organization.

⁶ OIOS notes the different messages regarding accountability with [ST/SGB/2000/6](#) on the Organization of UNRWA, on the one hand stating (section 3.1) that: “The Commissioner-General of UNRWA is accountable to the General Assembly and is authorized to report directly and independently to it” while [ST/SGB/2002/11](#), on the Organization of the Secretariat, in (paragraph 3) states that “The Secretariat consists of the following major organizational units, each headed by an official accountable to the Secretary-General” under which UNRWA is listed as an organizational unit of the Secretariat OIOS has pointed before to this ambiguity, and recommended as part of an audit on delegation of authority that “the Department of Management, in consultation with the Office of Legal Affairs, should (2) clarify the accountability of the Commissioner General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to the Secretary-General in the Secretary-General’s bulletin on the Organization of the Secretariat of the United Nations (OIOS, IAD report 08-01158).

⁷ See [ST/SGB/2000/6](#) of 17 February 2000 and [ST/SGB/1997/5](#).

⁸ [A/61/6 \(Prog. 21\)](#), paras 21.2-21.3.

⁹ UNRWA 2008-2009 Programme Budget, para 1.2.

¹⁰ UNRWA operates on two parallel planning, budgeting and reporting tracks: that associated with the regular budget (constituting less than 5 per cent of UNRWA’s total biennial budget) and that integrating both its regular

- i) **The General Fund**, which covers recurrent staff and non-staff costs in support of UNRWA core activities and support departments;
- ii) **The Projects Fund**, which covers non-recurrent costs for earmarked contributions in support of specific projects; and
- iii) **The Emergency Fund**, which covers humanitarian and relief activities for refugees in acute distress due to the conflict.

Programme Operations and Organization

6. UNRWA is divided into five main substantive programmes:¹¹ education, health, relief and social services, microfinance and microenterprise, and infrastructure and camp improvement. While the programme offices at Headquarters set the priorities and policy direction for the Agency within their given area of focus, the field offices in Gaza, Jordan, Lebanon, the Syrian Arab Republic, and the West Bank implement service delivery.

7. In addition to its substantive programmes, UNRWA has an array of support departments, charged with legal support, management, policy analysis and formulation, fund-raising and outreach to external interlocutors.¹² *Table 1b* breaks down UNRWA's 2008-2009 budget according to the financial and human resources allocated to each programme and support department, and *Table 1c* does so by UNRWA office location.

8. In late 2006, UNRWA launched an initiative, the Organizational Development (OD) Plan that seeks to strengthen its capacity in the four areas of programme management, human resources management, organizational processes and systems, and leadership and management.

9. Besides its regularly planned activities as provider of basic services to registered Palestine refugees, UNRWA has provided emergency relief in response to humanitarian crises faced by Palestine refugees since the Agency's inception. With a combined biennial budget of approximately \$1.2 billion and roughly 32,000 staff members, most of whom are Palestine refugees themselves,¹³ UNRWA is currently one of the main

budget and extrabudgetary allocations (with extrabudgetary funding constituting over 95 per cent of UNRWA's total biennial budget).

¹¹ OIOS notes that, whereas UNRWA denotes its programmes as "subprogrammes" in its regular budget requests and strategic frameworks submitted for the General Assembly's consideration, in other forums (including its consolidated Programme Budget) it refers to them as "programmes." In keeping with the focus of this report on UNRWA's combined objectives associated with both sources of funding, OIOS opts for the term "programmes."

¹² These include Co mmissioner-General's Office (including the Executive Office, the Spokesperson and Public Information, the Representative and Liaison Offices, and the Programme Coordination and Support Unit), Administrative Support, Human Resources, Legal Affairs, Internal Oversight Services, Finance and External Relations (including the Advisory Commission Secretariat).

¹³ At the time of the data collection mission, 119 international staff posts were funded through the appropriations of the Regular Budget approved by the General Assembly. Some of these posts are filled by Palestinian refugees who

providers of basic services to an estimated 4.7 million registered Palestine refugees.¹⁴ *Table 2* in the Annex provides an overview of UNRWA's beneficiary population, broken down by field location and type of residential setting (i.e., camp versus non-camp).

III. Methodology

10. OIOS conducted a scoping mission in December 2008, prior to developing the terms of reference for this evaluation, with a view to assessing the state of existing evaluative reports on UNRWA, identifying the most appropriate methodologies and stakeholders for this exercise, and gaining a sense of the main factors in UNRWA's operating environment affecting its work.

11. OIOS employed a mixed-method approach combining qualitative and quantitative data collection and analysis techniques. The following five main data collection methods were used:

- a. A total of 51 focus groups and 125 in-depth interviews with UNRWA staff and management, Member States serving as host authorities and donors, representatives of refugee camp committees, UNRWA's partners, including United Nations entities and community-based organizations.¹⁵
- b. A total of 747 in-depth interviews with non-UNRWA-staff refugees.¹⁶
- c. Direct-observations of UNRWA's service delivery facilities.¹⁷

have other nationalities; in the case of area staff, a few are citizens of the host countries, but not Palestinian refugees. In addition to the 119 RB-funded posts, there are nearly 100 further international staff, under various other non-core funding arrangements.

¹⁴ OIOS learned that not all registered refugees use UNRWA services. Actual service numbers are lower, and vary from one programme and intervention to the next.

¹⁵ Forty-nine focus groups and 73 in-depth interviews were conducted with a total of 329 UNRWA staff and management at Headquarters and in all five field offices, including front-line staff members (e.g. teachers, healthcare providers, social workers). Geographically, such interviews were distributed: Gaza (7), Jordan (10), Lebanon (8), Syria (4), West Bank (13). Group participant distributions were Gaza (78), Jordan (16), Lebanon (33), Syria (29) and, West Bank (58). Nineteen in-depth interviews were conducted with representatives of Member States serving as host authorities to Palestine refugees and UNRWA; 2 in-depth interviews with representatives of refugee camp committees; 2 focus groups and 21 in-depth interviews with UNRWA's partners, including with representatives of 11 United Nations partner entities, 7 Member State donors, 3 community-based organizations.

¹⁶ The total of 747 in-depth interviews with non-UNRWA-staff beneficiary refugees, included 542 door-to-door interviews as well as 205 intercept interviews near UNRWA facilities (e.g., schools, health clinics, food distributions centres, community centres). Research teams used a mixed sampling method to ensure maximum geographic coverage and validity on a number of key criteria (e.g., mix of rural/urban and camp-non-camp settlement types, settlement demographic profiles). In selecting *households within each settlement*, cluster sampling was used to select neighbourhoods and blocks. In selecting *individuals within households*, field researchers drew a stratified random sample of one individual per household, in order to ensure validity on key demographic criteria (e.g., males/females, range of age groups,). Interviews were broken down by location: Gaza (159), Jordan (77), Lebanon (60), Syria (79), West Bank (167). It should be noted that in a small fraction of the beneficiary interviews another individual, usually a family member, was present.

¹⁷ Fifty-six formal direct-observations of UNRWA's service delivery in 45 different facilities, spanning 37 camp and non-camp refugee locations across all five fields. These observations were broken down by service delivery type as follows: schools (19), clinics (21), food distribution facilities (4), community centres and other activities (11). By

- d. A formal meta-analysis of 118 substantive assessment documents¹⁸;
- e. A desk review of additional UNRWA-related documents issued in last 5 years from within and outside the UN system, including planning and budgeting documents, policy statements and other reports.

12. OIOS contracted several regionally based consultants to ensure the timeliness, cultural appropriateness, substantive focus, and methodological rigor of primary data collection, using a corps of native-speaking local researchers to conduct interviews with non-UNRWA beneficiaries and refugees. Also, OIOS assembled a Senior Advisory Panel, comprised of internationally recognized experts who provided feedback on evaluation project design and draft report.¹⁹

13. Following from its initial scoping exercise, OIOS was unable to deploy a formal survey methodology for this exercise, in large part due to sensitivity expressed by regional host Member States. OIOS also acknowledges the current absence of comprehensive outcome level data on human development indicators from the Agency's monitoring and evaluation systems or from regional statistical institutions. The bulk of data collected by OIOS is thus primarily qualitative, and does not allow for a quantitative analysis of UNRWA interventions on refugees' lives.

14. The evaluation approached UNRWA as a whole without the intention of undertaking an individual in-depth assessment of each of the substantive programmes, Headquarters' functions, individual projects, or the results of the ongoing Organizational Development Reform. OIOS final report focuses on analyzing the most salient findings of the review process.

IV. FINDINGS

A. Since its inception, UNRWA has provided vital services and humanitarian assistance to Palestine refugees

15. UNRWA operates in a highly fluid, intensely political environment and has been conditioned by numerous and significant exogenous factors, some of which affects its operations as a whole and others of which play out in uneven ways across its field offices. Some of the most influential include the sporadic nature of negotiations in pursuit of peace in the region, intermittent outbreaks of armed confrontations, differences and shifts in policies towards refugees in host countries, mobility restrictions imposed by Israel, which increase the operation costs on top of the rising living costs of the region in

field, observation numbers were broken down as follows: Gaza (16), Jordan (11), Lebanon (7), Syria (10), West Bank (12).

¹⁸ The formal meta-analysis of 118 documents issued on UNRWA, included 50 reports issued internally by UNRWA itself and 68 issued externally by non-UNRWA entities.

¹⁹ Panel members were not co-authors of this report, but rather helped inform OIOS analysis from the perspective of their respective area of expertise. Panel Members served in an individual and advisory capacity only, and did not issue their comments as a uniform expert body. Each Panel member provided separate comments directly to OIOS, which independently determined how to take these into account.

general, and the priorities of donor countries. The Agency's presence and operation has been the very backbone of public service delivery to many refugees in the region. All the interviewees recognized that throughout its 60 years of existence, UNRWA has been the most consistent and stable provider of primary health care, elementary education, and other basic services to Palestinian refugees. Also, for three or four generations it has, as an employer, been a major livelihood provider, which has created overall a committed workforce.

16. The presence of UNRWA has been a testimony to the recognition by the international community of the legitimacy of Palestine's refugees' plight as well as the cause of a durable and just solution to regional conflict. The General Assembly regularly affirms the necessity for UNRWA's work to continue "pending the just resolution of the question of the Palestine refugees."²⁰ It needs to be recognized from the outset that the vital and versatile role UNRWA has had, and continues to have.

17. The access to free primary schools run by UNRWA's has contributed to attaining almost universal literacy among Palestinian refugees. It is also noteworthy the fact that since the 1960s, UNRWA schools have parity for the enrolment of boys and girls, preceding the trend in the region.

18. In terms of primary health care, OIOS concurs that one of UNRWA's main achievements are the high rates of utilization of vaccines, antenatal care and delivery of newborns by health professionals, which, as pointed out by a WHO assessment, have contributed to a sharp decrease of infant and maternal morbidity and mortality and reduced the total fertility rate among Palestine refugees, in a cost-effective manner.²¹ The updated figures in *Table 3c* in the Annex show, these indicators remain high, sometimes even surpassing the performance of host authorities.

19. OIOS also notes that the Agency has been the first responder to emergencies such as upsurges in violence linked to different regional armed conflicts, which have particularly affected the Field Offices in Gaza, Lebanon, and the West Bank.²² Some factors that have favored UNRWA's prompt reaction to shield its beneficiaries from the effects of these crises are its widespread infrastructure, the commitment and knowledge of the staff, and the trust of the beneficiaries.²³

²⁰ UNGA [RES. 63/91](#), 18 December 2008, para. 3.

²¹ "Report of a WHO Technical Assessment Mission", 2005.

²² Since the start of the Second Intifada in late 2000, UNRWA has launched 17 Emergency Appeals for the oPt, the most recent after the Israeli military operation Cast Lead in Gaza during the end of 2008 and beginning of 2009. In Lebanon, UNRWA has presented five Emergency Appeals since 2006, the largest after the destruction of the Nahr El-Bared camp in mid-2007.

²³ OIOS appreciated the favourable perception captured by a recent survey in the oPt, where UNRWA had the highest confidence rate, both with refugee and non-refugee population, amongst several other actors and institutions. Overall, 66 per cent of the interviewees expressed to have "a great deal" or "quite a lot" of confidence in UNRWA, in the case of refugees the numbers increase to 76 per cent for these categories. The institutions included in the survey were: Fayyad leadership, Hamas government, legislative council, security forces, executive forces, political parties, PLO, Palestinian NGOs, international NGOs, leaders in own community, Palestinian press, Western media, Al-Jazeera, the Quartet. It should also be noted that the Quartet ranked the lowest (FAFO, "Surveying Palestinian opinions", March 2009).

B. The Agency’s key stakeholders perceive a decline in the overall quality of service delivery over time, due to the expansion in size of both the population served as well as the range of services provided

20. OIOS notes strong perceptions that there has been a trend of relative decline over time in the quality of UNRWA’s core service delivery, as gauged by client satisfaction, timeliness,²⁴ consistency, adequacy and sufficiency of resources to provide the service.²⁵ Client feedback garnered in refugee interviews echoed the results of OIOS’s direct observations at 53 UNRWA sites (e.g., schools, clinics, food and cash distribution hubs, community centres) point to an overall perception of decline in the quality of UNRWA services. OIOS’ interviews with beneficiaries point to the following:

- In the area of *health*, between 50 and 75 per cent of the interviewees, where health was mentioned, maintained that consultation wait times are now longer, doctor visits shorter, medicines more frequently unavailable, and treatments dispensed less effective than in recollections from the past, with some adding that UNRWA once provided basic care on par with that of some industrialized nations.²⁶ Simultaneously, some front-line staff suggest that under these conditions it has become harder to uphold quality standards in service delivery.
- In the area of *education*, a recurrent complaint amongst the interviewees was the need to improve the conditions of the schools, increased overcrowding in the classrooms, double-shift teaching schedules, and declining availability of supplies, materials and meals has declined.²⁷ Combined validity of these factors is corroborated by evidence of declining scores in specific subjects, especially in Gaza and Lebanon.²⁸

²⁴ In Jordan, even the interviewed beneficiaries that were overall satisfied with the health services of UNRWA, complained about the long waits, one or two hours, before the consultation. In the direct observations it was noted that clinics tend to be crowded during the mornings and if there was a system of appointments it was poorly managed, in 67.9 per cent of the observations, the facility observed was crowded.

²⁵ In the observations, on the issue of how well equipped do UNRWA staff members appear to be, in 19.2 per cent of the cases they were very well equipped, in 42.3 per cent somewhat well equipped, in 27 per cent not very well equipped, and in 11.5 per cent not at all well equipped.

²⁶ The IUED study found that quality was the main reason for dissatisfaction amongst beneficiaries, whether for chronic illness, minor ailments, physiotherapy, dental care, natal and pre-natal care, and immunization of children (the dissatisfaction varied across fields between 65 to 90 per cent), *The living conditions of the Palestine refugees registered with UNRWA in Jordan, Lebanon, The Syrian Arab Republic, the Gaza strip and the West Bank*, 2007.

²⁷ Despite the local difference across field offices, the IUED study on education found that a common concern was the insufficient classroom space in UNRWA schools (*Education profile of the Palestine refugees in the Near East*, 2007, p. 51).

²⁸ Between 2003 and 2006, the total average mean for Maths for UNRWA pupils dropped from 56 per cent to 54 per cent and in Science it decreased from 51 per cent to 44 per cent (“A report on UNRWA’s Monitoring Achievement Tests in Arabic, Maths and Science, 2006). Tests in Arabic and Mathematics, developed together with the PA Ministry of Education for Gaza, yielded extremely high failure rates. In Lebanon the pass rate in the Brevet Official Examination in Lebanon declined from 65.36 per cent in 2005-2006 to 45.25 per cent in 2006-2007, while the Lebanese pass rate of government and private schools for 2006-2007 was 67 per cent (Italtrend, “2007 External Review of UNRWA’s programmes funded by the European Commission and DIOS, Risk Assessment, July 2008).

- In *relief and social services*, a recurrent complaint among interviewed Palestinian refugees was the claim that the Agency's food and cash assistance has become a less substantial supplement for the most socio-economically disadvantaged.²⁹ OIOS understands that UNRWA's food and cash assistance subprogrammes are intended to offset rather than meet the full scope and scale of economic and nutritional needs amongst the most vulnerable, but notes that the food support package and cash assistance provided to Special Hardship Cases (SHC) was found to be inadequate in a review commissioned by UNRWA,³⁰ but OIOS commends the RSS programme for moving to address food basket content in the past to make it more palatable to its beneficiaries' cultural preferences. Also, the cash assistance subsidy provided to refugees that was introduced in 1997 offsets very little of refugee household expenses in real terms.³¹ Moreover, due to budgetary restrictions UNRWA has been unable to provide food and cash assistance to all those who meet eligibility criteria. Estimates of poverty rates in the host countries compared to the percentage of registered refugees receiving food and aid by UNRWA point to this gap: the largest ones are registered in Gaza and the West Bank.³²

21. Also, an OIOS meta-analysis of 118 UNRWA assessment reports issued in the past five years, found variations in UNRWA's performance amongst lines of service delivery and over time. In the documents that were reviewed, health and education received better ratings of their performance, and RSS less so.³³ OIOS recognizes that the pressure to maintain coverage and range of services might be starting to take a toll on the quality of service delivery. In its attempt to continue reaching as many beneficiaries as possible UNRWA has been providing fewer outputs per beneficiary. For example, it has

²⁹ OIOS also noted that many beneficiaries opt to sell their food items to supplement the cash assistance they receive, even if the causes for this practice are not evident, UNRWA should continue to assess the efficiency of in-kind assistance.

³⁰ OIOS notes that UNRWA's current provisions of USD10 cash assistance per quarter per individual and that food package only represents 30 per cent in Jordan, Syria and Lebanon and 82 per cent in Gaza and the West Bank of the minimum caloric intake recommended by the WHO (Cherrier, "Exploring Alternative Delivery Models for UNRWA's Social Safety Net Programme", 2009). An evaluation of the food and cash aid programme assigned by the European Commission in 2004-2005 reported that the perception amongst the SHC beneficiaries interviewed was that UNRWA's quality of assistance was declining (*Evaluation of the 2003 and 2004 Food Aid and Cash Assistance Programmes*, 2005, p. 43). The RSS Strategic Response proposed a reduction of the food basket delivered in the West Bank and Gaza, and an increase for the other three field offices.

³¹ See UNRWA General Fund Appeal 2008-2009, p. 24. Refer also to "The Food Security Assessment West Bank and Gaza Strip," Food and Agriculture Organization, 2003.

³² While the poverty rate in Gaza is 80 per cent, the percentage of SHC food and aid for registered refugees is 9 per cent and in the West Bank the poverty rate is 43 per cent and only 4.3 per cent of the registered refugees are under the SHC benefits. Lebanon has the greatest proportional coverage, with 11.6 per cent of the registered refugees receiving food and cash by UNRWA, with a population poverty rate of 28.5 per cent (Gaza FIP, 2008).

³³ Ratings tended to be more favourable on the internal reports, but overall the result of the analysis show that the Education Programme has been 1.96 per cent "very effective", 72.55 per cent "somewhat effective", and 25.49 per cent "not very effective" and 6 per cent "very efficient" 52 per cent "somewhat efficient" and 42 per cent "not very efficient"; the Health Programme has been 71.74 per cent "somewhat effective", 28.26 per cent "not very effective", and 4.35 per cent "not at all effective" and 48.98 per cent "somewhat efficient", 46.94 per cent "not very efficient" and 4.08 per cent "not efficient at all"; the RSS Programme has been 3.03 per cent "somewhat effective", 69.70 per cent "not very effective" and 27.27 per cent "not at all effective" and 6.06 per cent "somewhat efficient", 66.67 per cent "not very efficient" and 27.27 per cent "not efficient at all".

reduced in real terms the cash assistance per household under RSS, increased ratios of beneficiaries to UNRWA staff and decreased one-on-one service time.

22. OIOS finds that different stakeholders have different perspectives on the root causes of the perceived decline in services. A prevalent view among beneficiaries, host authority representatives and some staff is that shortfalls in donor funding have prompted UNRWA to spread its resources more thinly, resulting in a declining ratio of quality versus quantity of services. Among donors and other staff, by contrast, the view is held that it is chiefly UNRWA's own lack of internal efficiency that has hindered provision of the highest level of quality and coverage in its service delivery. In order to improve service delivery, these stakeholders assert, UNRWA must continue to implement and even accelerate the process of institutional reform embodied in the OD plan.

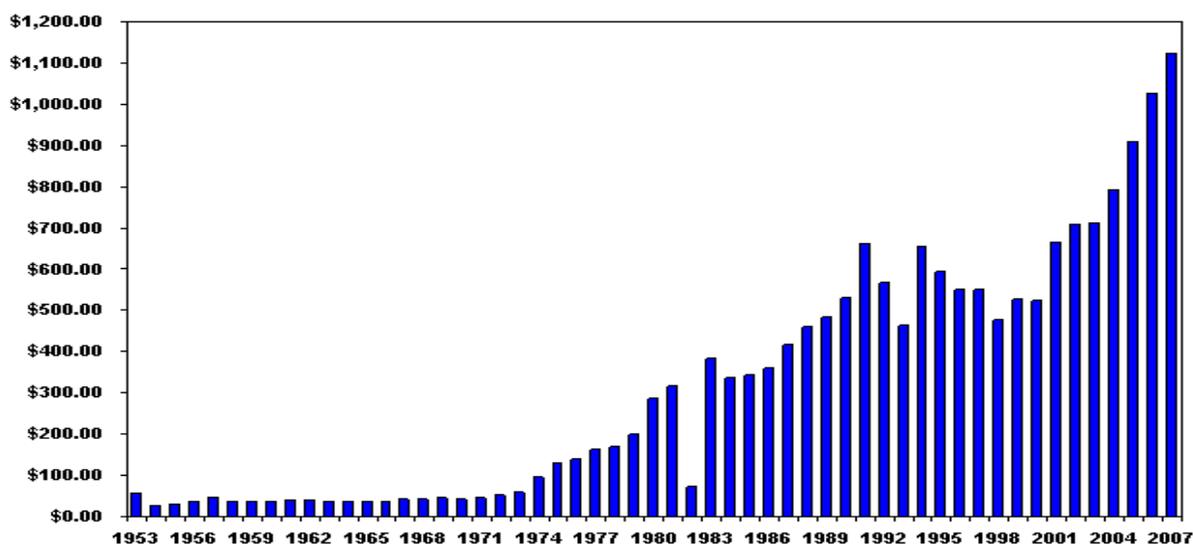
23. A comparison of demographic and income data indicates that the yearly rate of increase in UNRWA beneficiaries has been surpassed by the percentage change in the Agency's available financial resources. In 38 of the 55 years included in Figure 2a in the Annex, the changes in the number of registered refugees were, when averaged by decade, accompanied by changes in income in the same direction, even if not necessarily of the same magnitude.³⁴ Moreover, as Figure 1 below indicates, with very few exceptions the income at UNRWA's disposal, per registered refugee per year, has steadily increased over time. However, this type of analysis does not account for the changing and growing needs of the refugee population, especially in reference to expectations that emerge from recognition of the broader concepts of "human development" as promoted by the United Nations. For example, current services related to psychosocial support, HIV/AIDS education, preventive health care and microfinance did not exist at the time of UNRWA's inception. In addition, UNRWA's operating costs have increased considerably over time, owing to numerous factors – e.g. regulated staff salary increases, currency fluctuations, instability in fuel costs, increases in food prices, and the changing profile and rising cost of health care. UNRWA service has also, for humanitarian reasons, at times been extended to populations other than UNRWA's registered refugees, such as Palestinian Iraqi refugees in Syria, non-refugees during emergencies,³⁵ and extending entitlements to the husbands who are not registered as refugees of those married to registered-refugee women (MNRs).³⁶

³⁴ Counting by decade since UNRWA's inception, the correlation of these is $r=.16$. When calculated by calendar decade, the correlation is $r=.19$.

³⁵ With the endorsement of the General Assembly, UNRWA has assisted non-refugee persons displaced by "the 1967 and subsequent hostilities" (Res. 2252 (ES-V), 4 Jul. 1967).

³⁶ UNRWA recently reviewed its eligibility and registration rules, see Consolidated Eligibility and Registration Instruction (CERI) 1/2009 which replaces the 2006 document providing more entitlements to non-registered-refugee spouses of registered refugee women.

Figure 1 – UNRWA Income per Registered Refugee per Year, 1953-2007*



**Note: Calculations are based on raw income data standardized in real terms to 1948 dollars and taking into account year-to-year fluctuations in inflation rates. Registered refugee numbers do not necessarily correspond to numbers served by UNRWA, and are thus merely a proxy of overall service numbers. Average increases per decade are as follows: 1948-1957 (5.0 per cent), 1958-1967 (-0.2 per cent), 1968-1977 (15.2 per cent), 1978-1987 (43.2 per cent), 1988-1997 (4.2 per cent), 1998-2007 (7.9 per cent). OIOS acknowledges that UNRWA's expenditures are not in US dollars, but in four different local currencies and that this figure does not reflect the actual PPP of the Agency during this period.*

24. OIOS understands that UNRWA has a limited range of options in responding to budgetary constraints. Approximately 73 per cent of UNRWA's total operating budget (83 per cent if the General Fund is taken as a reference) is comprised of staff costs,³⁷ and prior attempts to reduce costs have provoked work stoppages or accusations that UNRWA is circumventing its mandate's provide work opportunities to Palestine refugees, as interpreted by some stakeholders such as Palestine refugees and a few donors. Also, while the RSS Programme has sought to take a more needs-based approach to its eligibility determination,³⁸ primary education and primary health care are considered universal services and thus impervious to cuts. OIOS found that as a result, staff perceive themselves overburdened and in thirteen out of fifteen focus groups with front-line staff there were complaints of 'burn-out' and low morale. A related challenge is UNRWA's ability to recruit and retain the most qualified area staff within some professional categories, especially in Jordan.³⁹ *(In its comments on draft report, UNRWA noted that as of 1 January 2010 medical staff in Jordan receive supplementary salary allowances ranging from 8 per cent to 36 per cent).*

³⁷ In the 2008-2009 biennium, for example, UNRWA's total staff costs (international and area), separation benefits for area staff, and salary increase requirements amounted to \$795.5 million, or 73.02 per cent of the Agency's total biennial budget of \$1.1 billion. Of these staff costs, those associated with area staff alone (not including salary increase requirements) accounted for 89.7 per cent of total staff costs. *UNRWA Programme Budget 2008-2009.*

³⁸ *Reform of the Special Hardship Case Programme: Developing a Poverty-based Approach.* Policy Paper. UNRWA Relief and Social Services Department, November 2006.

³⁹ In 2008, 15 medical officers resigned in the Jordan Field Office due to the low terms of service.

25. Furthermore, in interviews, UNRWA's front-line staff shared personal accounts of tensions brimming amongst refugees as a result of declining services, with staff members at times being subjected to violence and threats at the hands of beneficiaries. *(UNRWA informed that it has developed a comprehensive policy in order to address this problem, including training in conflict resolution for direct-service-delivery staff, a reporting mechanism, and guidance to field offices in filing complaints in local courts).* In the West Bank Field Office, this issue emerged as one of the key risks in DIOS' 2008 risk assessment. Without formal training in peaceful conflict resolution, staff rely on their inter-personal skills to face these situations. OIOS's direct observations confirm these reports, with observers witnessing refugee complaints or conflicts first-hand at 34 of the 53 facilities visited (64 per cent). In addition, OIOS directly witnessed staff strikes arising, amongst other reasons, out of dissatisfaction with working conditions and wages. *(UNRWA provided additional details indicating that there have been strikes because UNRWA was unable, throughout 2009, to match host government salary increases granted to civil servants. Negotiations with unions have preceded the strikes. Strikes in Jordan were between 3 and 6 days with teachers' strikes being the longest. In West Bank and Gaza, where there was a work stoppage for 1 day in 2009).*

26. Social service and community mental health services are two examples of how UNRWA has been unable to provide quality services due to shifting demands and resource constraints.

27. OIOS finds that the substantive aspects of social work are poorly reflected in the logical and operational framework of the RSS programme. UNRWA retains a corps of 250 general social workers and 294 volunteers, with more recently recruited across its five fields.⁴⁰ OIOS commends UNRWA for recent efforts to boost the professional competencies of its social workers, who had complained of a lack of adequate background and professional supports to help equip them with the skills to undertake *bona fide* social work.⁴¹ Still, the vast majority of Relief Social Workers' time is devoted to administrative tasks related to food and cash assistance eligibility determination and distribution as opposed to broader social work activities. Relief social workers report spending upwards of 80 per cent of their time on food and cash assistance and 20 per cent of their time or less on other aspects of social work. Caseloads vary across the fields but average about 280 families per relief social worker, well above the organizational target of 200, with greater emphasis on assessing the eligibility for special hardship cases.

28. With regard to refugees' psychosocial needs, UNRWA's Community Mental Health (CMH) programme is present in Gaza, Lebanon, and the West Bank, where it runs as a stand-alone programme working through UNRWA's network of health clinics, schools and community centres to provide care and counselling to youth and women. As such, the three programmes lack a unifying Headquarters-based programme as until now,

⁴⁰ OIOS notes that fully 71.49 per cent of UNRWA's total budget allocated to the RSS programme went to food and cash assistance for the 2008-2009 cycle (without considering Emergency Appeal funds).

⁴¹ To upgrade the technical capacity of its staff, UNRWA supported the training of 188 social workers and their supervisors through a collaboration with Southern Illinois University.

it has been funded through the Emergency Appeals. (*UNRWA notes that it considers it more appropriate to integrate the CMH Programme in the Health, Education and RSS Field Programmes than to unify it with a headquarters programme*). OIOS nevertheless notes an absence of an internal policy, uniform standards, technical instructions or evidence-based model to guide the work of CMH professionals in the field; a lack of adequate professional credentialing specifically in the psychosocial discipline at all levels and a the absence of professional exchange across the fields.

C. Some internal functions vital to a contemporary service delivery agency have been inadequately addressed

Funding arrangements are inadequate

29. As mentioned, over 95 per cent of UNRWA's budget for the biennium 2008-2009 were voluntary contributions, as opposed to financial resources from the United Nations Regular Budget. UNRWA's funding streams are comprised of three discrete budgetary baskets: the General Fund, the Emergency Fund and the Projects Fund. Each has a separate original purpose, but the latter have increasingly become an alternative to face the Agency's budgetary constraints under the General Fund. For example, in interviews and in its review of key project documents, OIOS found that the Emergency Funds have been used to complement the financing of activities affected by shortfalls in funding for core-services delivery, mainly in Gaza and the West Bank.⁴²

30. A central element of UNRWA's planning and budgeting challenge is the absence of a predictable financial base, which hampers medium- and long-term planning.⁴³ OIOS found, most broadly, that overall funding envelopes have historically been poorly linked to the actual scope and scale of refugee needs across the field offices. As *Table 4* in the Annex suggests, the allocation of resources does not match proportionally to the number of refugees.⁴⁴ OIOS learned that part of this imbalance is due to repeated emergencies in some locations, helping these field offices garner more funds for their work.⁴⁵ Other, less

⁴² The Gaza and West Bank FIPs made reference to their reliance on Emergency Funds to sustain core activities: "[...] the Emergency Appeal funds will be used to fund core activities and enable initiatives and the introduction of Human Rights curriculum" (UNRWA, "Gaza Field Implementation Plan", 2009), and "from a funding and implementation perspective, it is acknowledged that UNRWA has neither the financial nor human resources to attend to every need of its beneficiaries. This point is particularly relevant to the West Bank where Programme services and activities are complemented by Emergency Appeal funding" (UNRWA, "West Bank Field Implementation Plan", 2009). A 2003 Fafo report reached a similar conclusion: "Where there is an obvious shortfall in conditions in a particular field of operation, the tendency is to create a special programme, rather than including the issue in long term planning and budgeting" (Laurie Blome Jacobsen, "UNRWA's Financial Situation and the Living Conditions of Palestinian Refugees", 2003).

⁴³ A couple of donors, the United Kingdom and the European Union, have addressed the issue by granting multi-year contributions to UNRWA. Recently, other donors, Canada, Netherlands, and Australia, have expressed interest in exploring the possibility of similar arrangements.

⁴⁴ The correlation between resources and refugee numbers per location is very moderate ($r = .58$). Further correlations suggest similar relationships. For example, the correlation between resources and site-specific inflation rates is $r = .48$.

⁴⁵ OIOS found the correlation between resources and overall economic and humanitarian hardship, as measured on a number of proxy indicators developed by OIOS, is a negative and moderate at $r = -.50$.

visibly needy locations, meanwhile, have been left to seek as much project funding as possible, leaving it to the personal style and leadership of the field office directors to raise additional funds as needed.

Headquarters and Field Offices roles and responsibilities are unclear

31. A key element of the ongoing reform has been the decentralization of decision-making to field offices, accompanied by field-level accountability for results achieved. OIOS sees considerable merit in this development, including: a programme management approach that is more intimately informed by local refugees' needs and that takes the local operating context into account; more streamlined administrative procedures with less interference on the part of Headquarters, resulting in timelier and more efficient service delivery; empowerment of field management to be innovative in their programming and administrative procedures; and the assignment of accountability as close as possible to the level where services are provided and beneficiaries engaged.

32. OIOS also notes that the process of decentralization is already underway, in some cases with positive results. For example, the transfer of two key processes from Headquarters to the Field Offices, the decentralization of procurement of goods or services up to a certain value and the hiring of consultants, the recruitment of international staff up to P-3 level, is considered by some interviewees to have been successfully executed. OIOS notes that in both instances, a policy review clearly establishing the criteria and limits for each of the parties at Headquarters and the field offices was agreed before handing these activities over to Field Directors; the key staff members involved on these activities received information of the new methodology, including training.⁴⁶ As a result, the time to access materials and services in the Field Offices and the release of resources in the Support Departments is now reportedly shorter.

33. At the same time, OIOS finds that the success of the decentralization process remains uncertain, owing in part to a lack of clarity in roles and responsibilities outstanding between Headquarters and the field offices. OIOS acknowledges that the delegation of authority, executive power, and responsibility is an ongoing process by which greater tolerance to risk has to be managed and streamlined into daily decision-making – and that such a process inevitably requires a maturation period. Since the decentralization process begun, there have been instances where the budget allocation decisions within a Field Office are at odds with substantive guidance given by a Programme at Headquarters. In this respect, both Headquarters and Field Offices are testing the limits of newly-delegated authority.⁴⁷

⁴⁶ For procurement see Organisational Directive 10, for the recruitment of consultants see Organisational Directive 29. The Department of Administrative Support is working on a general procurement manual.

⁴⁷ OIOS notes the case of a recommendation by the Education Department in Headquarters to upgrade posts in UNRWA schools. The Jordan FO decided not to implement this measure due to budgetary restrictions and alignment to identified priorities. This decision generated disruptions among area staff, because their peers in other field offices had been upgraded.

34. At the field office level, some staff assert that Headquarters managers and staff are reluctant to relinquish whatever influence they have over decision-making and control. OIOS recognizes that the increased local autonomy and flexibility that drives decentralization is accompanied by the need for risk management and a possible loss of central control of technical standards.

35. OIOS notes the potential for Headquarters-issued technical instructions (TIs) to provide guidance based on good practices identified throughout the Agency and on the outside substantive knowledge in each of the programmes. However, in field office interviews OIOS found TIs to vary in their relevance, timeliness and utility. (*UNRWA stated that Health Department TIs are revised and updated on a continuous basis according to latest medical evidences, best public health practices and in line with WHO standards and recommendations. They are usually distributed to all Fields at the same time and complemented by training of concerned staff in the Fields. In 2009, 6 TIs were revised and updated*). An external review of UNRWA's regulatory framework, commissioned by the Com-Gen's office, echoes this sentiment.⁴⁸ More broadly, OIOS finds that, both with respect to guidance in intervention selection and implementation and to accountability lines, the relative roles and responsibilities of field offices and Headquarters-based programmes have yet to be clearly defined. In particular, OIOS discovered that Headquarters-based programmes roles have not been clearly adjusted in tandem with the move to decentralization. They do not reflect changes in how they provide support and guidance to field offices which have been granted greater autonomy. OIOS foresees potential room for Headquarters-based programmes to facilitate lessons learned and best practices across field offices, analyzing and connecting field-based programmes to cost-effective and evidence-based interventions, and developing standardized quality assurance tools and procedures, all with a view to helping field offices improve intervention selection and implementation.

Internal oversight needs strengthening

36. Like other entities throughout the United Nations system, UNRWA is exposed to a number of financial and reputation risks that require robust internal oversight arrangements. These include risks associated with waste and misuse of funds, non-compliance with attendant rules and regulations, staff member wrongdoing, non-achievement of objectives agreed by Member States, and potential hazards emanating from programme activities. OIOS understands UNRWA's Department of Internal Oversight Services (DIOS), an independent unit with a reporting line to the Com-Gen and with the guidance of the Advisory Committee on Internal Oversight Services,⁴⁹ as being the operational unit responsible for oversight activities. During the data collection for this evaluation, OIOS was encouraged by the recent establishment of the evaluation function. Nonetheless, this function had not been actually transferred to DIOS, even if UNRWA was planning the transfer of this responsibility in the near future. (*UNRWA points out that*

⁴⁸ Clendon, R. *Reforming UNRWA's regulatory framework*. 23 February 2009.

⁴⁹ The committee is comprised of 3 members from UNRWA and 3 external individuals with oversight experience; it is regulated by UNRWA's Organisational Directive 24.

the evaluation function was effectively transferred to DIOS on 14 January 2009 and will be supported with the recruitment of an evaluation officer (P-3)).

37. OIOS also notes that UNRWA's role in providing direct service in five diverse field settings, three of which have recently faced upsurges in violence related to long-standing conflicts in the region, gives rise to particular operational risks and vulnerabilities, including amongst others:⁵⁰

- management abuse of staff, particularly with increased pressure to deliver results under increasing fiscal constraints;
- staff abuse of refugees;
- misappropriation, graft and corruption in procurement, partner selection, food and cash distribution, hiring and promotions, and other areas;
- unintended negative consequences of UNRWA's programme interventions for refugees, the surrounding non-refugee communities, and host authorities;
- the likely hazards of impossibility of action on UNRWA's part (e.g., the risk to human lives posed by facilities and shelters not properly maintained);
- the consequences of non-adherence to local standards within each programme; and
- safety and security not only of refugees and staff, but also of critical resources – e.g., food stockpiles, central records and archives, and so on.

38. OIOS finds UNRWA's oversight arrangements to be deficient in three main ways:

- a) The quantity of oversight reporting is limited.⁵¹ As *Table 6a* in the Annex conveys, the number of oversight reports produced in the past three years is disproportionately low in comparison to the resources at risk.
- b) DIOS did not undertake the full complement of standard oversight functions. As *Table 6b* indicates, OIOS found a heavy emphasis on audits and investigations. With regard to evaluation, the function was recently established; but presently has little budget, combining monitoring and evaluation \$1,873,900 was allocated for the 2010-2011 biennium.⁵² OIOS notes that DIOS produced only a single inspection report during the period reviewed. (*UNRWA notes that for 2010, DIOS will undertake four major evaluations, covering the following topics: OD Reform, Fleet Management and Regulations, Disaster Recovery and Business Continuity Plan, Legal Department Scoping and Peer Review*).
- c) The inspection function is critical in a direct service agency such as UNRWA and a systematized and Headquarters-overseen system of periodic, unannounced direct inspections of UNRWA shelters and facilities, food distribution centres,

⁵⁰ In a 2008 risk assessment exercise with UNRWA's management, the Agency grouped identified risks in the following categories: safety and security, privileges and immunities, internal justice system, recruitment of staff members, emergency programmes, agency reforms, and shortage of funds.

⁵¹ OIOS acknowledges that sheer quantity of oversight reports does not result in weak oversight. However, overall it is one indicator of a lack of the function.

⁵² Further [A/64/6 \(Sect. 25\)](#), para 25.11.

schools, and clinics would be in order. (*UNRWA also notes that for 2010, DIOS has programmed two series of three inspections in goods and fixed assets*).

39. These findings have particular salience as the Agency moves toward a more decentralized management model. There has been in 2008 a low level of evaluation activity – only 26.3 per cent of all evaluative reports were focused specifically on UNRWA’s field offices, even though these, as the implementation units, are exposed to risks.⁵³ PCSU staff interviewees frankly acknowledged this dearth of *bona fide* evaluation activity at UNRWA to date – and recognized the potential of such knowledge for the purposes of institutional accountability and learning. Taking a broader perspective, amongst the 118 internal and external assessments and reviews that were systematically ‘meta-analyzed’ for the present report, there was also low and declining proportion that constituted *bona fide* evaluations,⁵⁴ and fewer still that could be counted as independent or external evaluations.⁵⁵ (*UNRWA added that during 2009-2010 three of the largest UNRWA programmes - Education, Health and Social Services - are undergoing in-depth reviews by external consultants*).

40. Another area of concern that OIOS identified was the insufficiently independent manner in which oversight activities have been planned to date. In its review of DIOS reports, OIOS failed before 2008 to find a risk-based rationale for agenda-setting - selection of topic, operational entity and/or choice of oversight modality.⁵⁶ OIOS is encouraged by recent moves by DIOS to take a more risk-based approach to its work planning by way of its 2008 risk assessment of UNRWA.⁵⁷ It nevertheless found a deficiency in the methods by which during the period of the evaluation DIOS had solely relied on a consultative approach (i.e., interviews with management), rather than its own independent risk assessment entailing a systematic comparison of UNRWA’s operational units based on transparent criteria – such as e.g. resources at risk, staff numbers, incidents of prior issues, time since last oversight activity. While OIOS is fully cognizant of the importance of management input to DIOS workplan formulation, it also recognizes the potential for conflict-of-interest inherent to reliance upon objects of oversight themselves as key determinants of oversight priority. Furthermore, as no systematic comparison of operational units was conducted, the Risk Assessment did not bring a clear order of prioritization to oversight assignments. (*UNRWA provided additional information on the latest developments of a system for enterprise risk management informing that a Working Group on risk management was established to address those issues. It had its first meeting on 13 October 2009 aiming at defining concepts and terminology and summarizing guiding principles. Subsequently, field offices were tasked to develop the*

⁵³ There is a high degree of variability in the ratio of evaluative activity to resources at risk. In fact, OIOS found strong *negative* correlation between field offices’ resources at risk and the degree of evaluation activity focussed on them ($r = -.71$).

⁵⁴ Respectively 27 (or 22.9 per cent) and 32 (or 27.1 per cent) of the 118 reports reviewed.

⁵⁵ OIOS noted the breakdown of evaluative reports produced in the last three biennia to be as follows: 2004 (17), 2005 (16), 2006 (21), 2007 (27), 2008 (11), 2009 (11).

⁵⁶ The review of 17 DIOS Reports showed that the rationale behind the selection of topic, theme or operational unit was “somewhat clear” on only 8 per cent of the cases, “somewhat unclear” on 33 per cent of the cases and “very unclear” in 59 per cent of the cases. OIOS notes with concern that in over half of the reports, there no clear rationale.

⁵⁷ *Risk Assessment exercise*. Department of Internal Oversight Services (DIOS). July 2008.

first draft of their risk registers in January 2010. It is expected that the final drafts as well as risk registers for all departments will be completed by mid-March 2010. Final results will be presented to the Working Group for review and approval by the QMC at the end of March 2010).

Security of record-keeping is vulnerable

41. OIOS emphasizes that the need to improve the oversight function, whether from the programme directorate at HQ or from DIOS, is amplified by UNRWA's move toward greater decentralization.⁵⁸ With increased field-level authority comes a concomitant need to ensure proper stewardship over, and fiduciary responsibility for, resources and activities. UNRWA's decentralization warrants a rethink of critical administrative risks to the Agency's operations – for example, the continuing presence of UNRWA's Central Records Unit (CRU) in the Gaza Field Office, since the Headquarters moved from Vienna in 1996. As the December 2008 incursion into Gaza demonstrated, this location is arguably one of the least secure locations for such important records, remaining highly susceptible to sporadic violence, and the destruction of these records poses a potential threat to the Agency's ability to function and continue to serve refugees throughout the region.

42. OIOS acknowledges that the Agency is aware of these risks, and that the digitalization of some of the records in the CRU is underway within the OD umbrella. This initiative, combined with the launch of the Refugee Registration Information System, is a crucial step to secure core data for the operation of UNRWA. However, the physical relocation of the CRU would provide the ultimate safeguard against the potential destruction or damage of the files.

Performance accountability is weak

43. The presence of a strong, clear and officially sanctioned performance accountability framework applicable to both the operational unit and individual levels is a precondition of ascertaining efficiency and motivating staff to perform. When it comes to sanctions and rewards for outstanding or underperforming staff, OIOS found UNRWA's individual accountability mechanism to be weak. The challenge of sanctioning or rewarding performance that affects UN system more broadly, but it is accentuated in UNRWA's case, because that some refugee staff may consider employment with UNRWA as a form of entitlement rather than a performance contract. OIOS notes that the draft UNRWA accountability framework does not address with clarity the accountability consequences that pertain to individuals.

44. The delegation of decision-making to the field offices also means that operational units must be held accountable for the achievement of results, according to the RBM

⁵⁸ The DIOS Risk Assessment report identifies the reform process as a potential source of risk, but does not explicitly mention the heightened risk associated with decentralization.

principles. This would lead to increases in effectiveness and maximize efficiency. In order for this system to become truly operational, the delegation of financial authority has to be clearly established as well, but until the Accountability Task Force releases the Accountability Framework, the effects of the reform will not be within reach.

D. Recent reforms have brought a results orientation to planning, but emergency preparedness has been insufficiently addressed

45. OIOS notes that the revitalization of the AdCom since the 2004 Geneva Conference⁵⁹ has led to a reform process that includes a greater focus on results.⁶⁰ Positive reform efforts noted by OIOS include the following:

- an enhanced planning mechanism, including the development of an overarching UNRWA Medium-Term Strategy (MTS), followed by individual Field and Headquarters Implementation Plans (FIPs and HIPs, respectively);
- decentralization of decision-making to UNRWA's field offices,
- the reduction and refinement of key performance indicators (KPIs)⁶¹;
- the establishment of a Resource Allocation Committee⁶² mechanism to scrutinize field offices' and HQ departments' budgets, and in turn to present and defend the unified biennial plan and budget beginning in 2010-2011; and
- plans for an Enterprise Resource Planning (ERP) as a unified platform for managing finances, human resources and personnel,

46. OIOS learned that implementation of these initiatives rests mainly with the Deputy Com-Gen's office and is supported by the PCSU. Although it is still too early to fully assess the results of the ongoing changes, it is significant that the Agency's planning process in preparation for the 2010-2011 biennium was geared towards granting greater autonomy to the field offices. OIOS notes that most of the offices undertook participatory needs assessments to identify their key priorities for the next biennium, subsequently articulated in the FIP for each.⁶³ OIOS found that in all five field offices, the respective FIP objectives brought close alignment to overarching corporate priorities identified in the MTS.⁶⁴

⁵⁹ View *supra*.

⁶⁰ See UNRWA/CN/SC/No.1/2008. Advisory Commission of the United Nations Relief and Works Agency. Recommendations Adopted by the Advisory Commission from the Sub-Committee.

⁶¹ During the evaluation, the HIPs and FIPs were still being revised and the number of KPIs further reduced. With the available information it can be said that for the 2008-2009 cycle UNRWA selected 153 indicators of achievement for the stated outputs in the 5 programmes, while the programmatic HIPs included 128 outcome/output indicators of achievement (**note that OIOS did not receive a copy of the Microfinance Programme HIP at the time of the evaluation**).

⁶² The members of the RAC are the participants on the Management Committee, excluding those with programmatic or field managerial responsibilities.

⁶³ In two of the field offices there were no direct or comprehensive consultations with the beneficiaries: Jordan used the Common Country Assessment instead of the Needs Assessment and in the West Bank frictions with the camp committees prevented the consultations.

⁶⁴ In 100 per cent of the FIPs they aligned their own objectives and outcomes to the Agency's strategic objectives. In turn, the strategic objectives were 73.33 per cent "very clearly" follow UNRWA's original mandate "to carry out in

47. Despite the recent reforms in the planning function, OIOS notes with concern that even after having frequently faced emergency situations in a nimble manner, UNRWA does not yet appear to have an emergency preparedness plan at the Agency level. Many interviewees among staff told OIOS that each time an emergency occurred they had been able to respond, but there were no widespread pre-established guidelines to proceed. Gaza has been well-suited to react to the surge of complex emergencies that range from military operations, local violent conflict, and environmental disasters. However, the lessons learned from these emergencies have not been shared formally with other Field Offices. Notwithstanding the unexpected nature of emergencies and given the recurrence of contingencies in the region, advanced planning may result in greater coordination with the core services and improved sharing of acquired knowledge at the Agency level. Preparedness to respond at the internal level is not supported by a formal business continuity plan aimed at securing the integrity of staff, archives, and records.⁶⁵ (*UNRWA informed OIOS that since 2009, work has been underway on a Headquarters emergency preparedness plan, which will articulate overall Agency preparedness measures, in terms of Headquarters management structures, staff rosters, development of capacity, PI, ERD, partnerships, information systems etc. The process, temporarily halted due to the Gaza war, is expected to finish by the end of 2010.*)

E. Obstacles remain to systematically and fully ascertaining the impact that the Agency's 60 years of programme delivery have had on refugees lives

48. The Agency was unable to provide OIOS with comparable Palestine refugee human development outcome-level data over time and corresponding to areas of programme service delivery and location. Whilst OIOS recognizes that original production of such data is not necessarily UNRWA's sole responsibility, its absence undermines the basis for determination of the degree to which its services have made a difference to refugee livelihoods or not. In its review of the UNRWA 2008-2009 programme budget, OIOS found that while agency-wide *goals* focused on the outcome level, many corresponding "expected accomplishments" and performance indicators are expressed in terms of outputs.⁶⁶ OIOS finds that the pre-eminence of UNRWA's focus on

collaboration with local governments the direct relief and works programmes: and also "very clearly" flow from the mandate's appeal "to consult with the interested Near Eastern Governments concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available".

⁶⁵ The Secretariat's definition of this term is: a management process that strengthens an organization's ability to respond to risks and to maintain continuity of critical business processes at a minimum agreed level following disruptive events. Disruptive incidents can have catastrophic effects and their sources are multiple. They can be natural events, technological, industrial or public infrastructure events, or civil and political events (*Revised estimates relating to the programme budget for the biennium 2008-2009 under sections 3, 17, 18, 20, 21, 27, 28C, 28D, 28E, 28F, 28G, 33 and 35 related to business continuity management, A/63/359*, p. 15 in accordance with British Standard Institution "Code of practice for business continuity management". BS25999-1).

⁶⁶ This focus on output data is reflected also in the evaluations that were used in the meta-analysis: 106 of the 118 evaluative reports (90 per cent) looked at outputs in some manner (e.g., dosage, timeliness, quality, coverage, and so on), and only 19 reports (16 per cent) focussed on outcomes. Only 6 of the 19 reports (31.6 per cent) link outcome levels to exposure to UNRWA programmes or interventions as their independent variable. Some 22 out of 118 evaluative reports (i.e., 18.6 per cent) included data for multiple years, but none of these were included amongst the

outputs emanates from its original mandate, i.e., giving priority to the “direct relief and works” role over and above the “intermediary” role of most UN entities in the humanitarian and development arena.⁶⁷

49. Nevertheless, OIOS notes that UNRWA, with the support of the AdCom, has recently sought to bring about an interpretation of its mandate in more outcome-oriented terms in the preparation of the 2010-2015 Medium Term Strategy, using the FIPs and HIPs as a tool to refine the performance indicators of the Agency. Looking ahead to the 2010-2011 biennium, OIOS similarly noted that while the key performance indicators (KPIs) developed in the Field Implementation Plans (FIPs) and Headquarters Implementation Plans (HIPs)⁶⁸ have somewhat improved in their overall outcome orientation, a number of these indicators continue to define performance in terms of process and efforts.⁶⁹ OIOS found cases of the causal linkages between planned outputs and performance indicators to be unclear or absent, rendering the attribution of any improvements in refugees’ lives and livelihoods to UNRWA and its interventions tenuous.⁷⁰ OIOS does not question the merit of utilizing (an output-level) programme delivery indicator if placed amongst a set of performance goals and targets that also include indicators at the outcome level, but find the latter to currently be underrepresented in UNRWA’s planning documents in spite of the efforts to move in that direction at the programming level. *(UNRWA would like to clarify that a number of impact indicators have traditionally been part of the Agency’s reporting system although these are few for obvious technical, political and financial reasons. The Health Programme, for example, periodically measures the most relevant and robust indicators such as Infant Mortality Rate, Maternal Mortality Ratio and Total Fertility Rate through studies such as infant mortality surveys and current contraceptive practices studies).*

aforementioned 6 outcome-focused reports linking outcomes to outputs; thus, these cannot be considered truly impact-focused.

⁶⁷ See res 302 (IV). UNRWA’s mandate is to “carry out direct relief and works programmes for Palestine refugees.” Humanitarian operations have traditionally defined performance in terms of timely delivery of appropriate relief outputs (e.g., food, water, shelter, sanitation, vaccinations, and so on). See [Humanitarian Charter and Minimum Standards in Disaster Response, The Sphere Project, 2004](#).

⁶⁸ At the time of the desktop review by OIOS, the MM Programme HPI had not been submitted for review by UNRWA. The Health HPI failed to include KPIs for strategic objectives 2, “protect and promote family health” and 3 “prevent and control diseases. The ICI KPIs were taken from the file used for during the presentation of the budget request to the RAC, not from the submitted HIP. Please refer to the comment on footnote 67 regarding the MD HIP. What does the OIOS refer to when writing that “The ICI KPIs were taken from the file used for during the presentation of the budget request to the RAC, not from the submitted HIP”. Which KPIs had to be taken by whom from the budget request instead of the HIP?

⁶⁹ E.g., illustrative statements include “Programmes to prevent drop-out of at-risk students implemented” “Violence-free school programme delivered”, “Vulnerable refugees with no access to health care identified and assisted,” “Gender-based violence addressed”

⁷⁰ Only 14 per cent of the strategic objectives for the 2010-2011 cycle included clear outcomes in the results chain, while 78.57 per cent included specific outputs. In the Education Programme, the outputs and the outcomes were linked “very clearly” in 20 per cent of the cases, “somewhat clearly” in 30 per cent of the cases and “not very clearly” in 50 per cent of the cases. In the Health Programme, the link was “somewhat clear” in 20 per cent of the cases, “not very clear” in 60 per cent of the cases, and “not at all clear” in 20 per cent of the cases. In the RSS Programme, the link was “somewhat clear” in 85.71 per cent of the case and “not very clear” in 14.28 per cent of the cases. In the ICI programme, the link was “somewhat clear” in 75 per cent of the cases and “not very clear” in 25 per cent of the cases.

50. OIOS recognizes that any attempt to assess UNRWA's overall effectiveness faces the challenge of counting the number of eligible beneficiaries that require services from the Agency. The number has not been stable or precise, because *stricto sensu* all the registered refugees are entitled to receive UNRWA services – especially in the case of universal interventions in education and health, as opposed to services offered on a needs basis under the Health Programme, RSS, ICI and MME or the interventions on emergency situations. However, not all Palestinian refugees rely on UNRWA services throughout their lives. In all five fields these numbers tend to fluctuate depending on swings of the economy and the shifts in the security situation, a pattern similar to any individual resorting to the safety net created by the supply of public services. In order to make a rigorous assessment of the Agency's effectiveness, it would be necessary to have a clear distinction between the number of registered refugees and the actual number of registered refugees that are currently receiving UNRWA services.⁷¹ The Agency itself recognized in the presentation of the last Proposed Programme Budget by the Secretary General that “trends within the refugee population necessitate a stronger focus on data gathering, statistical analysis, flexibility and better planning to ensure service delivery remains sensitive and responsive to the changing needs of the refugee population.”⁷² ”

V. Conclusion and Recommendations

51. UNRWA continues to provide basic services and emergency assistance to Palestinian refugees under daunting conditions, with stakeholders generally agreeing that it has contributed to the stability of the region. Over the past 60 years, the Agency has navigated the challenges posed by a complex political context and finite resources to meet a growing range of needs that extend well beyond its original humanitarian mandate. However, while UNRWA continues to be relevant as an institution, its services have become thinly spread therefore posing risks to effectiveness and efficiency. In order to address the risks inherent to its operations, OIOS finds that opportunities exist for managerial action to address programmatic weaknesses. These opportunities centre on improving internal mechanisms to assess its performance, strengthening its oversight arrangements, developing the human capital of the organization and refining its external communications. One of the most urgent items is the completion of the Accountability Framework, because of its presumed capacity to provide sanctions and rewards that are necessary to address poor conduct and motivate better performance. While, the OD initiative has started to address some of these vulnerabilities and infuse renewed agility to the Agency, there are still gaps that may jeopardize the final outcome of the reforms --

⁷¹ Some analyses by FAFO have attempted to estimate the actual numbers of registered refugees that use UNRWA services (Laurie Blome Jacobsen, “Finding Means. UNRWA 's Financial Situation and the Living Conditions of Palestinian Refugees”, Fafo Report 415, 2000). According to the last census by the Palestinian Census Bureau of Statistics in the West Bank and Gaza there are 69,900 non-registered refugees (PCBS, 2007). Registration with UNRWA carries a significance linked to the idea of a national identity, beyond the mere right to access UNRWA services per se. Therefore, even Palestinian refugees that achieve self-sufficiency and who do not use UNRWA services will continue to register their descendants.

⁷² [A/64/13](#), p. 10.

mainly the precariousness of planning with uncertainty over financial resources for each biennium or emergency appeal.

52. OIOS recognizes that many of UNRWA's principal overall challenges defy prescriptive technical solutions from OIOS. Nevertheless, OIOS offers the following recommendations.

Recommendation 1:

53. The Commissioner-General should ensure that the Agency's Accountability Framework, drafted by the Accountability Task Force, is put in place as a matter of priority, ensuring that it is aligned with the organization-wide accountability framework currently being developed in the Secretariat. The framework should include appropriate measures holding individual staff members and managers responsible for results, and identifying the specific support mechanisms needed to do so effectively fairly. Elements for consideration as part of the framework may include:

- Monitored use of regular and systematic performance appraisals;
- A policy for ensuring that quality assurance measures are embedded in operational practices of all field office and every programme area;
- An explicit plan for providing the requisite support upon which accountability is based, including a plan for delivering appropriate training;
- Clear lines of authority and control over budgetary resources; and
- Measures for Field Office Directors to solicit substantive feedback from the most relevant Headquarters departments on chiefs' performance

(UNRWA agrees with the recommendation, but suggests that first the Agency has to fully establish a results-based monitoring system to measure programmatic and financial performance. Expected automated reporting on FIPs and HIPs should start by the first quarter of 2010. Furthermore, accountability requires a proper decentralization of budget control, which will require additional time to accomplish).

Recommendation 2:

54. The Commissioner-General, with the assistance of DIOS, the AdCom and the governing body, should devise a framework for forging more robust oversight arrangements within the Agency. These may include:

- Clarity of Secretary-General vs. Commissioner-General's authority and reporting line to the General Assembly;
- A continuing refinement of the Risk Assessment, to incorporate DIOS's independent analysis of risks to the Agency's reputation, donors' voluntary contributions, and beneficiaries' and staff members' well-being, based on best practices employed elsewhere in the UN system and on external sources;

- A specific plan for how each of the oversight modalities (e.g., audits, investigations, inspections, evaluations) will address each of the main risks identified;
- A time-bound plan for developing a written policy and written guidelines for the inspection and evaluation function, based on appropriate norms and standards;
- In the case of evaluation, a time-bound plan for revising the Agency’s evaluation policy to clarify key matters of import, e.g., the relative emphasis on accountability and learning, support for self-evaluation, and so on; and
- Recommendation on the resources needed to ensure that key risks identified are adequately covered, for presentation to donors.

(UNRWA agrees with this recommendation, noting that it is already engaged in the process of strengthening internal oversight in the areas mentioned in the recommendation, referring to recent upgrading of the post of Director of UNRWA’s DIOS and filling of a Senior Investigator post. UNRWA further notes that the relationship between the Secretary-General, the Commissioner-General and the General Assembly, belongs to the realm of governance arrangements. While governance and oversight issues overlap in some respects, the usefulness of this recommendation would be aided by flagging the difference between the two distinct areas. Article 9(a) of GA resolution 302 (IV) of 8 December 1949 provides, “The [Commissioner-General] shall be the chief executive officer of the United Nations Relief and Works Agency for Palestine Refugees in the Near East responsible to the General Assembly for the operation of the programme.” Given the clear and unambiguous nature of this provision and in the absence of any actual experience of difficulties in UNRWA’s governance arrangements, the Agency questions the validity of the first bullet point above).

Recommendation 3:

55. The Commissioner-General, with inputs from the PCSU, Field Programme Support Offices and with the Programme directors, should consider the establishment of knowledge-management initiative.⁷³ Elements of this initiative could include:

- Identifying and compiling databases and research papers related to UNRWA ;
- Facilitating good practice exercises within and across field offices, sharing lessons learned from Emergency and other activities;
- Maintaining a common library accessible to Headquarters and Field Offices with lessons learned and good practices;
- Fostering a culture of participation, collaboration and information-sharing, supported by adequate technical requirements.

(Whilst recognizing the importance of knowledge management and agreeing that the implementation of the elements identified above would benefit its programmes and operations. UNRWA points out that progress has been made with a number of ongoing

⁷³ See OIOS-IED report: Thematic evaluation of lessons learned: protocols and practices: “Learning lessons for improving organizational efficiency and effectiveness is weak” ([E/AC.51/2009/5](#)).

initiatives under the general umbrella of results-based programme cycle management, monitoring and evaluation).

Recommendation 4:

56. The Commissioner-General should ensure that central records warehoused in Gaza are transferred to a secure location without delay, delegating the necessary authority to the Administration Department.

The Office of the Commissioner-General should ensure that all appropriate consultations are undertaken with the relevant host authorities and other stakeholders to ensure that this move is undertaken with the requisite resources and security assurances.

Recommendation 5:

57. The Commissioner-General, with the assistance of the PCSU and the Field and Department directors, should pursue in their 2012-2013 Needs Assessment and Field and Headquarters Implementation Plans, a continuation of the efforts to have greater results orientation to these planning documents and also incorporate emergency preparedness plans to this process, so PCSU and senior management can better review such plans – and subsequently assess actual performance. This pursuit could include:

- A revision of outcomes and indicators to become more clearly oriented toward measuring material improvements in the lives of refugees, i.e., outcomes;
- An articulation of baselines and targets that are based on systematically mapped needs and gaps;
- An explicit stakeholder analysis, with a view to identifying potential implementation and policy partners, communications needs, and other implementation considerations;
- An explicit risk analysis, with a view to identifying key areas of potential risk to the Agency and beneficiaries, and a plan for mitigating those risks the field office deems beyond its tolerance;

(UNRWA agrees with this recommendation, noting that its elements are already in envisaged under the framework of the Headquarters and Field Implementation Plans).

Recommendation 6:

58. The Commissioner-General should ensure that the findings and recommendations of the current report be subject to discussion with the appropriate intergovernmental bodies for UNRWA.

(UNRWA accepts this recommendation and will seek an appropriate opportunity to share the current report with its Advisory Commission).

ANNEX 1 - TABLES AND CHARTS

Table 1a – UNRWA budget, by funding stream, 2008-2009

		Biennial Budget, '000 US\$			
		2004-2005	2006-2007	2008-2009	2010-2011
General Fund	Amount	711 916	994 239	1 093 252	TBP
	per cent of Total	88.44	77.64	90.53	TBP
Projects Fund	Amount	93 081	286 321	114 402*	TBP
	per cent of Total	11.56	22.36	9.47	TBP
Total*	Amount	804 997	1 280 560	1 207 654	TBP
	per cent of Total	100.00	100.00	100.00	TBP
Emergency Fund	Amount	395 221**	419 299**	263 400 (only 2008)	TBP
	per cent of Total (General Fund + Projects Fund)	49.10	32.74	TBP	TBP

Sources: UNRWA Programme Budget 2006-2007, UNRWA Programme Budget 2008-2009, Pledges to UNRWA's Emergency Appeals, 18 April 2007.

*Note: Does not include \$21.1 million for the Organisational Development Plan.

**Note: In the 2004-2005 biennium the donors' response to the Emergency Appeal averaged 56 per cent, for the 2006-2007 it averaged 70 per cent.

Table 1b- UNRWA financial and staff allocations, by department, 2008-2009

Substantive Programme	Allocations, '000 US\$	Staff Resources (International)	Staff Resources (Area)	Staff Resources (Total)
Education	Amount	601 720	4	22 320
	per cent of Total	49.83	2.23	69.22
Health	Amount	219 126	3	5 013
	per cent of Total	18.14	1.68	15.55
RSS	Amount	108 171	3	1 241
	per cent of Total	8.96	1.68	3.85
Microfinance	Amount	28 857	1	403
	per cent of Total	2.39	0.56	1.25
ICI	Amount	61 384	8	555
	per cent of Total	5.08	4.47	1.72
Support Department	Amount	145 382	160	2 711
	per cent of Total	12.04	89.39	8.41
Other	Amount	43 014	-	-
	per cent of Total	-	-	-
Total	Amount	1 207 654	179	32 243
	per cent of Total	100.00	100.00	100.00

Source: UNRWA Programme Budget 2008-2009, UNRWA Proposed Programme Budget 2008-2009 ([A/62/6, Sect. 25](#))

*Note: The "Allocations" include Project Budget.

Table 1c – UNRWA financial and staff allocations, by Field Office, 2008-2009

		Allocations, '000 US\$	Staff Resources (International)	Staff Resources (Area)	Staff Resources (Total)
Field Office Location					
Gaza	Amount	374 905	17	11 470	11 487
	per cent of Total	32.19	10.83	35.55	35.57
Jordan	Amount	241 081	7	7 598	7 605
	per cent of Total	20.70	4.46	23.55	23.56
Lebanon	Amount	148 394	9	3 514	3 523
	per cent of Total	12.74	5.73	10.89	10.90
Syrian Arab Republic	Amount	104 056	8	3 956	3 964
	per cent of Total	8.93	5.10	12.26	12.23
West Bank	Amount	206 432	22	5 241	5 268
	per cent of Total	17.72	14.01	16.25	16.23
Headquarters					
HQ Total	Amount	89 772	94	483	577
	per cent of Total	7.71	59.87	1.50	1.78
Total	Amount	1 164 640	157	32 262	32 419
	per cent of Total	100	100	100	100

Source: UNRWA Programme Budget 2008-2009 and UN Proposed Programme Budget for 2008-2009, [A/62/6 \(Sect. 25\)](#) (Note: Staff totals do not match the table above as some international posts are based off the UNRWA five field locations).

*Note: The "Allocations" do not include Project Budget.

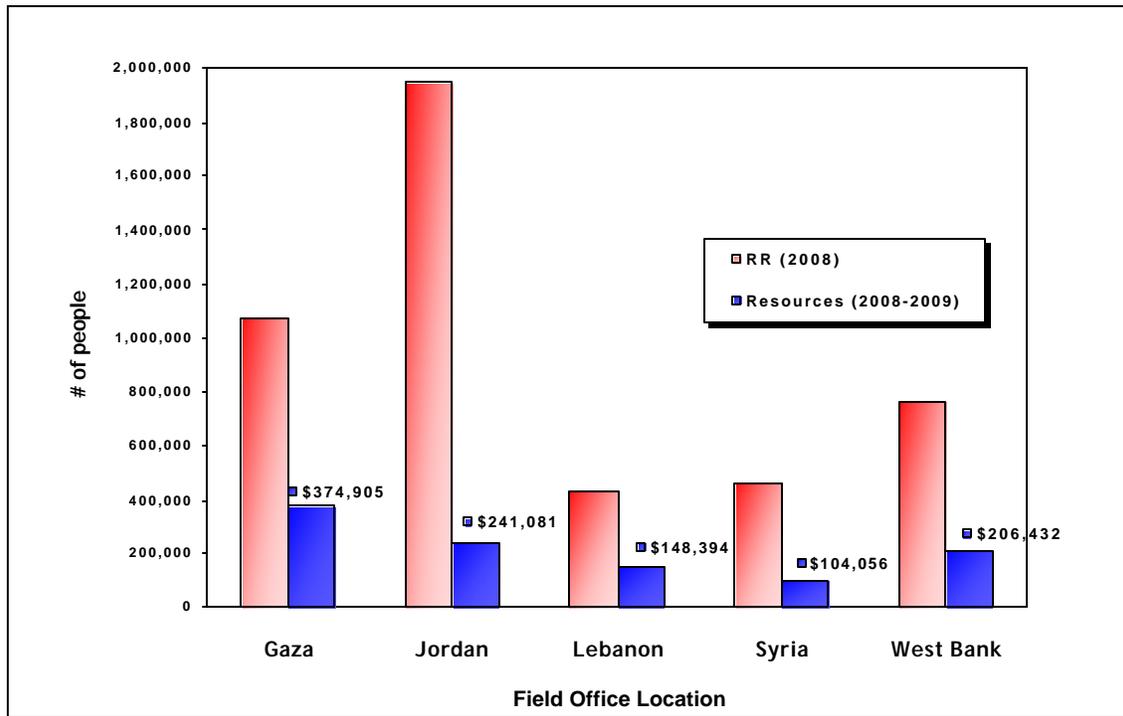
*Note: The reported staff numbers differ in the sources.

Table 2 – UNRWA Registered Refugees, by Field Office, December 2008

		Refugees			Total Camps
		Camp	Non-Camp	Total	
Field Office Location					
Gaza	Amount	495 006	578 297	1 073 303	8
	per cent of Total	46.12	53.88	23	
Jordan	Amount	338 000	1 613 603	1 951 603	10
	per cent of Total	17.32	82.68	42	
Lebanon	Amount	222 776	210 412	433 188	12
	per cent of Total	51.43	48.57	9	
Syrian Arab Republic	Amount	125 009	336 888	461 897	9
	per cent of Total	27.06	72.94	10	
West Bank	Amount	193 370	569 450	762 820	19
	per cent of Total	25.35	74.65	16	
Total*	Amount	1 374 161	3 308 650	4 682 811	58
	per cent of Total	29.34	70.66	100	

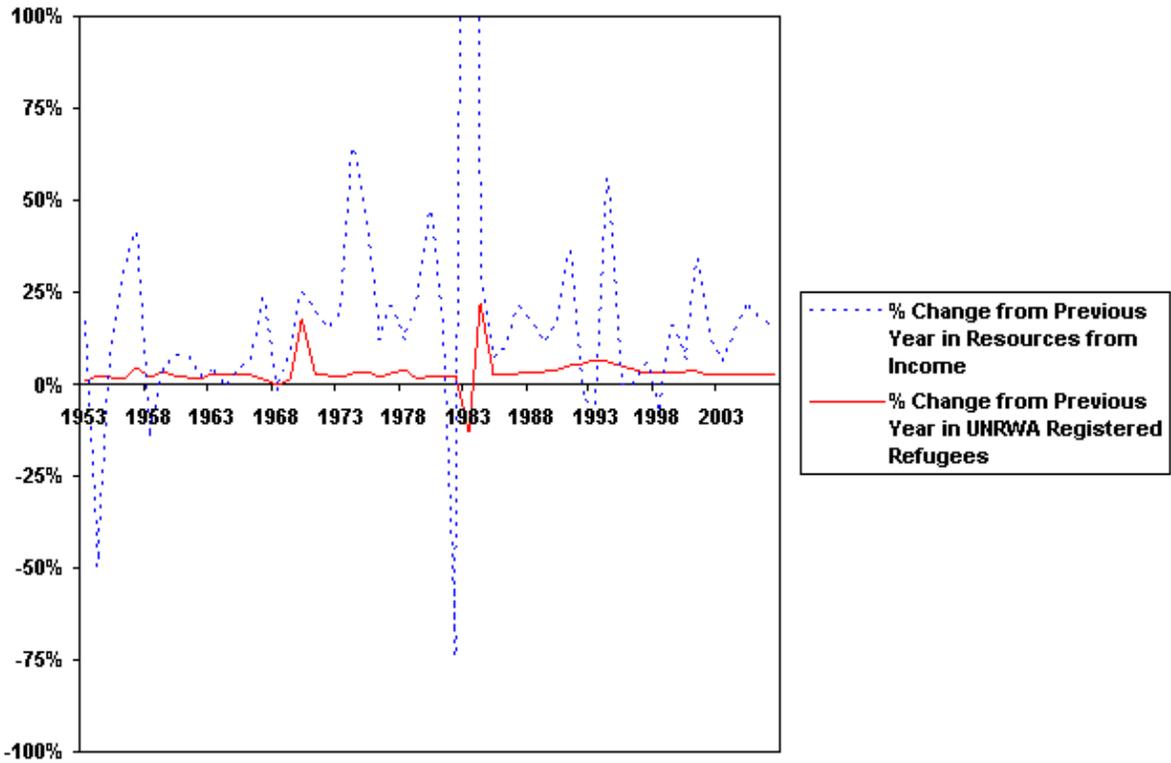
Source: UNRWA in Figures, 31 December 2008.

Figure 1 - UNRWA budget allocation (2008-2009) and number of registered refugees (2008)



Source: UNRWA in Figures, 31 December 2008.

Figure 2a – Percentage change in UNRWA income and registered refugee population, 1953-2007*



Source: OIOS calculations based on data provided by UNRWA

* Calculations are defined as percentage change in the year stated over the previous year. Registered refugee numbers do not necessarily correspond to numbers served by UNRWA, and are thus merely a proxy of overall service numbers. Changes in income are based on raw income data standardized in real terms to 1948 dollars and take into account year-to-year fluctuations in inflation rates. From 1982 to 1983, UNRWA saw an increase in resources of 355 per cent, but graph scale is truncated to 100 per cent.

Table 3a: Comparative table of expenditures and key outputs in education, 2008-2009

	UNRWA Students A	UNRWA Expenditures (US dollars) B	UNRWA Unit Cost (US dollars) C (=B/A)	Comparator (US dollars/PPP) D
Education				
Pupils Enrolled in Primary Education	475 121	582 709 000	1 226.44	5 203.00
Students Receiving Vocational/Technical Training	6 366	48 049 000	7 547.75	8 969.00

Source: OIOS calculations based on data provided by UNRWA, OECD average cost for 2005, USD using PPP for GDP.

Note: Includes capital expenditure as appropriate. Excludes all unfunded projects and activities. UN System Accounting Standards (UNSAS) apply.

Table 3b: Comparative table of Key Input Efficiency Parameters by School Ownership in the West Bank and Gaza

		2004/2005
Palestinian Authority	Student-teacher ratio	26.3
	Average class size	34.3
UNRWA	Student-teacher ratio	33.4
	Average class size	42.4
Private Schools	Student-teacher ratio	16.7
	Average class size	23.9

World Bank, "West Bank and Gaza, Education Sector Analysis. Impressive Achievements under harsh conditions and the way forward to consolidate a quality education system", 2006, p. 48.

Table 3c: Comparative table of health indicators – UNRWA vs. national providers in region

		2005	UNRWA	2006	UNRWA	2007	UNRWA
Jordan	Births attended by skilled health staff (% of total)	--	99.90	--	99.70	99.00	99.90
	Immunization, measles (% of children ages 12-23 months)	95.00	98.70	99.00	96.90	95.00	96.80
Lebanon	Births attended by skilled health staff (% of total)	--	99.80	--	100.00	--	99.90
	Immunization, measles (% of children ages 12-23 months)	53.00	99.40	53.00	100.00	53.00	100.00
Syria	Births attended by skilled health staff (% of total)	--	97.50	93.00	98.60	--	99.20
	Immunization, measles (% of children ages 12-23 months)	98.00	98.80	98.00	99.70	98.00	99.60
West Bank and Gaza	Births attended by skilled health staff (% of total)	97.00	99.55	99.00	99.75	--	99.50
	Immunization, measles (% of children ages 12-23 months)	--	99.70	96.80	99.35	--	99.80

Sources: WBI, April 2009, UNRWA, Health Annual Report 200, PCBS, 2009

NOTE: According to MDG monitor, the 2006 indicators for mortality rate under 5 are (Jordan 25, Lebanon 30, Syria 14 and oPt 22) and for 1 year-old immunization of measles (Jordan 99 per cent Lebanon 96 per cent Syria 98 per cent and oPt 99 per cent). The infant mortality rate in 2007, according to PCBS, was 15.3 in the West Bank and 25.2 in Gaza.

Table 4 – Registered refugees and resource envelope per Field Office, 2008-2009

		Field Office Envelope, 2008-2009, Thousands of US\$	Number of Registered Refugees, 2008-2009	Resources per Refugee, 2008-2009*, Thousands of US\$
Gaza	Amount	327 611	1 059 584	309.19
	per cent of Total	33.9	22.9	
Jordan	Amount	229 175	1 930 703	118.70
	per cent of Total	23.7	41.8	
Lebanon	Amount	140 993	416 608	338.43
	per cent of Total	14.6	9.0	
Syria	Amount	91 855	456 983	201.00
	per cent of Total	9.5	9.9	
West Bank	Amount	177 325	754 263	235.10
	per cent of Total	18.3	16.3	
Total*	Amount	966 959	4 618 141	209.38
	per cent of Total	100.0	100.0	

Source: UNRWA, 2009.

* Note: Does not include other overhead costs.

Table 5a: Level resources at risk, by Field Office and Programme, 2007-2008

		Resources at Risk, Thousands of US\$, 2008-2009			Resources at Risk, Thousands of US\$, 2008-2009
Gaza	Amount	327 611	Education	Amount	565 127
	per cent of Total	30.0		per cent of Total	51.7
Jordan	Amount	229 175	Health	Amount	211 542
	per cent of Total	21.0		per cent of Total	19.3
Lebanon	Amount	140 993	RSS	Amount	106 874
	per cent of Total	12.9		per cent of Total	9.8
Syria	Amount	91 855	Micro- finance	Amount	0
	per cent of Total	8.4		per cent of Total	0.0
West Bank	Amount	177 325	ICI	Amount	21 313
	per cent of Total	16.2		per cent of Total	1.9
Total*	Amount	966 959	Total*	Amount	904 856
	per cent of Total	88.4		per cent of Total	82.8

Sources: OIOS; UNRWA 2008-2009 Programme Budget.

* Note: Totals do not tally to 100 per cent as key line items in the 2008-2009 budget have been deliberately omitted from this analysis – i.e., Headquarters budgets from the field office analysis, support departments from the programme analysis, and contingency requirements, area staff separation benefits, and salary increase requirements from both analyses. In addition, the MM budget is indicated as zero, as this programme is self-financed. Finally, OIOS chose to include all oversight reports from 2007-2009, even though this represents a mismatch to the 2008-2009 budget period reported, in order to counterbalance the relatively low number of oversight reports issued to date in mid-2009.

Table 5b : Distribution of DIOS reports, by oversight function, 2007-2009

	Number	%
Audit	11	*
Audit (Follow-Up to Implementation of Prior Report Recommendations)	4	*
Fraud Prevention	2	*
Inspection	1	*
Evaluation	0	0.0
Investigation	*	*
	*	100.0

Source: UNRWA DIOS

* The information was not submitted by UNRWA.

Table 6: Level of evaluative activity versus resources at risk, by Field Office and Programme

		Resources at Risk, Thousands of US\$, 2008-2009		Resources at Risk, Thousands of US\$, 2008-2009		Programme-Specific Evaluative Reports	
Gaza	Amount	327 611	4	Education	Amount	565 127	19
	per cent of Total	30.0	3.4		per cent of Total	51.7	16.1
Jordan	Amount	229 175	2	Health	Amount	211 542	23
	per cent of Total	21.0	1.7		% of Total	19.3	19.5
Lebanon	Amount	140 993	11	RSS	Amount	106 874	11
	per cent of Total	12.9	9.3		% of Total	9.8	9.3
Syria	Amount	91 855	11	Micro-finance	Amount	0	5
	per cent of Total	8.4	9.3		% of Total	0.0	4.2
West Bank	Amount	177 325	3	ICI	Amount	21 313	3
	per cent of Total	16.2	2.5		% of Total	1.9	2.5
Total*	Amount	966 959	31	Total*	Amount	904 856	61
	per cent of Total	88.4	26.3		% of Total	82.8	51.7

Sources: OIOS based on data provided by DIOS and in UNRWA 2008-2009 Programme Budget

* Note: Totals do not tally to 100 per cent as key line items in the 2008-2009 budget have been deliberately omitted from this analysis – i.e., Headquarters budgets from the field office analysis, support departments from the programme analysis, and contingency requirements, area staff separation benefits, and salary increase requirements from both analyses. In addition, the MM budget is indicated as zero, as this programme is self-financed.