



Economic and Social Council

Distr.: General
12 January 2017

Original: English

Committee for Programme and Coordination

Fifty-seventh session

Organizational session, 20 April 2017

Substantive session, 5-30 June 2017

Programme questions: evaluation

Evaluation of the Office of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Report of the Office of Internal Oversight Services

Summary

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was established in 1949 to carry out direct relief and works programmes for Palestine refugees. In its 2013 mandate renewal of UNRWA, the General Assembly affirmed the importance of the provision of services for the well-being, protection and human development of the Palestine refugees and for the stability of the region, pending the just resolution of the question of the Palestine refugees (see Assembly resolution [68/76](#), para. 3).

The present evaluation assessed the relevance, effectiveness and efficiency of the promotion of a decent standard of living for Palestine refugees by UNRWA from 2010 to 2015, a period coinciding with the UNRWA medium-term strategy and the time since the previous OIOS evaluation. The human development goal of a decent standard of living was intended to unite the various departments and field offices around a shared vision for improving the lives of its target population. As UNRWA embarked on its 2016-2021 medium-term strategy, which envisions a similarly ambitious role for its protection focus, the evaluation was aimed at harnessing insights from the Agency's previous experience to help it chart a better-informed course in the years ahead.

Since the previous OIOS evaluation, the external challenges affecting the effectiveness and efficiency of UNRWA have further intensified: a political solution to the conflict underlying Palestine refugees' displacement seems even farther beyond reach; refugee numbers have grown rapidly while the resources have become less stable; and UNRWA human resources are no more flexible now than previously.



Despite these challenges, UNRWA has continued to provide services — both in respect of a decent standard of living and in its other main areas of intervention, such as health and education.

Evidence of the effectiveness of these services in improving lives has been elusive, however. Although UNRWA has made gains in its monitoring and evaluation function, these functions are still underemphasized as tools to help UNRWA learn and improve. In the present evaluation, household and intercept surveys were conducted to offer a glimpse of outcome-level results, but this effort does not substitute for ongoing UNRWA-led monitoring and evaluation of results.

At a fundamental strategic level, UNRWA was unsuccessful in making the human development goal of a decent standard of living a platform for uniting the Agency around a shared vision for improving the lives of Palestine refugees. First, UNRWA failed to specify how all corners of the Agency would work together towards the achievement of a decent standard of living. Second, intended reforms of the key programmatic areas responsible for the implementation of a decent standard of living were never fully realized, in contrast to other programmes. Finally, a monitoring and evaluation framework by which to assess achievement of the shared goal of a decent standard of living, including outcome-level results data, was lacking.

Many of these gaps were identified in the previous OIOS evaluation, as they represent broader organizational shortcomings that extend beyond a decent standard of living, but some recommendations were not heeded. As UNRWA pivots towards protection as a similarly ambitious goal in its 2016-2021 medium-term strategy, it risks similar challenges if it continues to ignore these gaps.

OIOS makes two important recommendations, both of which UNRWA has accepted, namely that UNRWA:

- Strengthen its accountability framework
- Identify the appropriate level of resources necessary to fully meet its 2016-2021 medium-term performance targets, and document and regularly communicate the effects of any funding gaps to the Advisory Commission of the Agency and other key stakeholders.

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I. Introduction and objective

1. The Inspection and Evaluation Division of the Office of Internal Oversight Services (OIOS) identified the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) for evaluation on the basis of a risk assessment undertaken by the Office of Internal Oversight Services of OIOS to identify Secretariat programme evaluation priorities. The Committee for Programme and Coordination selected the evaluation for consideration at its fifty-seventh session, in 2017, and the General Assembly endorsed the selection in its resolution 70/8.

2. The general frame of reference for OIOS is set out in General Assembly resolutions 48/218 B, 54/244 and 59/272, as well as the Secretary-General's bulletin on the establishment of the Office (ST/SGB/273), which authorizes OIOS to initiate, carry out and report on any action that it considers necessary to fulfil its responsibilities. Evaluation by the Inspection and Evaluation Division of OIOS is provided for in the Regulations and Rules Governing Programme Planning, Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.¹ The evaluation has been conducted in conformity with the norms and standards for evaluation in the United Nations system.²

3. The overall evaluation objective was to determine, as systematically and objectively as possible, the relevance, effectiveness and efficiency of the promotion of a decent standard of living for Palestine refugees by UNRWA. The topic emerged from a programme-level risk assessment described in the evaluation inception paper produced at the outset of the evaluation.³

4. UNRWA management comments were sought on the draft report and taken into account in the final report. The response of the Agency is included in the annex.

II. Background

History and mandate of the Agency

5. UNRWA was established in 1949 by General Assembly resolution 302 (IV), which mandated UNRWA to carry out direct relief and works programmes for Palestine refugees. In the 2013 triennial mandate renewal of UNRWA, the General Assembly affirmed the importance of the provision of services for the well-being, protection and human development of the Palestine refugees and for the stability of the region, pending the just resolution of the question of the Palestine refugees.⁴

6. At the creation of UNRWA, its mandate covered some 750,000 refugees. Since then, this population has grown to approximately 5.59 million in five fields of operation: Jordan (2,213,000), Gaza (1,349,000), the West Bank (942,000), Syrian Arab Republic (592,000) and Lebanon (493,000).⁵ Today, nearly 30 per cent of Palestine refugees registered with UNRWA live in 58 refugee camps; the remainder

¹ See ST/SGB/2016/6, p. 16, regulation 7.1.

² United Nations Evaluation Group, 2005.

³ IED-15-008 (available upon request).

⁴ See General Assembly resolution 68/76, para. 3.

⁵ "UNRWA in figures" (consulted on 12 May 2016).

live in non-camp settings. UNRWA schools, health centres and distribution centres are located in both setting types.

7. UNRWA is headed by a Commissioner-General, who reports directly to — and is ultimately accountable to — the General Assembly. The Advisory Commission, composed of representatives of the Agency’s major donors and host authorities, provides advice and support to the Commissioner-General. UNRWA headquarters are located in Amman and Gaza. Five headquarters-based substantive departments set Agency priorities and policy direction: (a) Education, (b) Health, (c) Relief and social services, (4) Infrastructure and camp improvement and (5) Microfinance. Additional departments are responsible for support functions. The Agency’s field offices in Gaza, Jordan, Lebanon, the Syrian Arab Republic and the West Bank each operate in highly distinct contexts.

8. In the formulation of its 2010-2015 medium-term strategy, UNRWA identified four human development goals, around which it organized its programme of work (see table 1).⁶ Aside from standard programming during relatively stable periods, UNRWA is mandated to provide humanitarian assistance, as far as practicable, on an emergency basis, and as a temporary measure.⁷

Table 1
Agency subprogrammes and human development goals, 2010-2015

<i>Subprogramme/human development goal</i>	<i>Organizational objective</i>	<i>Strategic objectives</i>
1. A long and healthy life	To protect, preserve and promote the health status of Palestine refugees	1. Ensure universal access to quality, comprehensive primary health care 2. Protect and promote family health 3. Prevent and control diseases
2. Acquired knowledge and skills	To meet the basic educational needs of Palestine refugees, in particular children and youth, and to improve their educational opportunities	4. Ensure universal access to and coverage of basic education 5. Enhance education quality and outcomes against set standards 6. Improve access to education opportunities for learners with special educational needs
3. A decent standard of living	To improve the standard of living of Palestine refugees through services provided to the poor and vulnerable	7. Reduce abject poverty 8. Mitigate the effects of emergencies (both small-scale family and national crises) on individuals ^a 9. Offer inclusive financial services and increased access to credit and savings facilities, especially for vulnerable groups such as women, youth and the poor 10. Improve employability

⁶ See footnote 3. Inception paper includes a programme impact pathway.

⁷ See General Assembly resolution 69/87; originally mandated in resolution 2252 (ES-V).

<i>Subprogramme/human development goal</i>	<i>Organizational objective</i>	<i>Strategic objectives</i>
		11. Improve the urban environment through sustainable camp development and upgrading of substandard infrastructure and accommodation
4. Human rights enjoyed to the fullest	To safeguard and advance the rights of Palestine refugees	12. Ensure service delivery meets the protection needs of beneficiaries, including vulnerable groups 13. Safeguard and advance the rights of Palestine refugees by promoting respect for human rights, international humanitarian law and international refugee law 14. Strengthen refugee capacity to formulate and implement sustainable social services in their communities 15. Ensure Palestine refugee registration and eligibility for UNRWA services are carried out in accordance with relevant international standards

Sources: [A/65/6/Rev.1](#), [A/67/6/Rev.1](#) and UNRWA Medium Term Strategy 2010-2015. Synthesized by the Inspection and Evaluation Division of OIOS.

Note: In [A/65/6/Rev.1](#) and [A/67/6/Rev.1](#), human development goals 3 and 4 fell under the same subprogramme.

^a Present in the medium-term strategy but not in the headquarters implementation plans or field implementation plans from 2012 onwards.

Financial resources

9. As table 2 indicates, the vast majority (i.e., an average of 97.5 per cent) of the approximately \$2 billion in biennial requirements of UNRWA came from extrabudgetary rather than regular budget resources.⁸ Beyond the regular budget and extrabudgetary budget classification, in its day-to-day operations UNRWA classifies its budget according to three funding “portals”: General Fund, Projects and Emergency.⁹ Regular budget resources went entirely to the first portal, whereas extrabudgetary resources were distributed among all.

Table 2

Planned resource requirements of the Agency, 2010-2011 to 2014-2015

Resource requirements (thousands of United States dollars)

	<i>2010-2011</i>	<i>2012-2013</i>	<i>2014-2015</i>
Regular budget	48 629.9	50 346.1	51 003.5
Extrabudgetary	2 056 427.6	1 857 300.0	1 912 019.8
Total resource requirements	2 105 057.5	1 907 646.1	1 963 023.3

Sources: Proposed programme budgets for the bienniums 2010-2011, 2012-2013, 2014-2015.

See [A/64/6 \(sect. 25\)](#), [A/66/6 \(sect. 26\)](#), [A/68/6 \(sect. 26\)](#). Synthesized by the Inspection and Evaluation Division of OIOS.

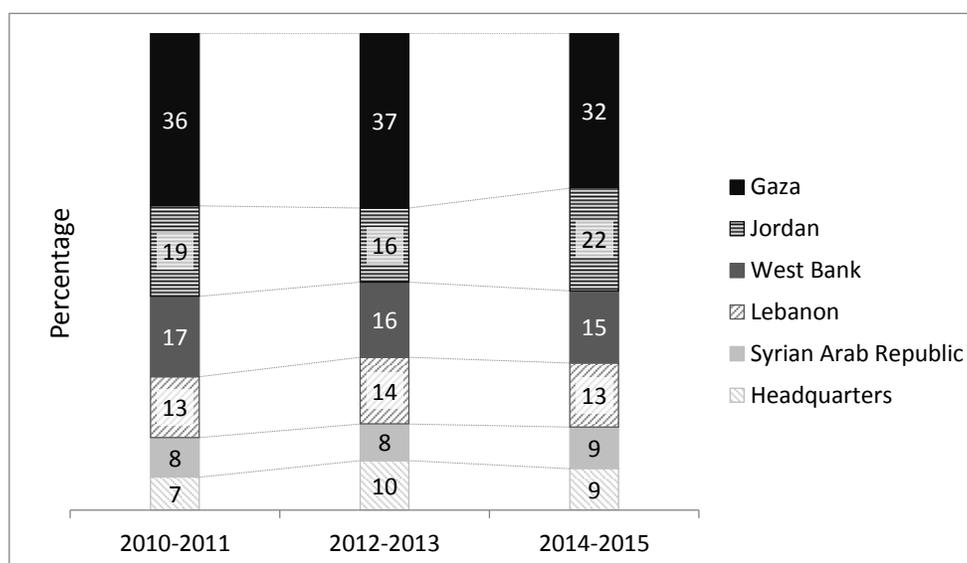
⁸ [A/64/6 \(sect. 25\)](#), [A/66/6 \(sect. 26\)](#), [A/68/6 \(sect. 26\)](#).

⁹ See, inter alia, “UNRWA Medium Term Strategy 2010-2015”, para. 169.

10. Despite growing service delivery demands, the resources for service provision have declined in real terms. Factoring in inflation and the increase in registered refugees, real resources available per refugee declined 17 per cent between the 2010-2011 and 2014-2015 bienniums (from \$424 to \$351). For 2014-2015, the resources available per refugee, in real terms, for each field office were: Lebanon, \$567; Gaza, \$499; the West Bank, \$386; the Syrian Arab Republic, \$335; and Jordan, \$206.

11. Figure I shows the apportionment of total planned resources among field offices and headquarters.

Figure I
Distribution of planned UNRWA resource requirements, by field office,
2010-2015



Source: Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, programme budget 2014-2015 (A/68/13/Add.1).
Synthesized by the Inspection and Evaluation Division of OIOS.

III. Scope and methodology

12. In focusing on human development goal 3, a decent standard of living, the present evaluation report provides forward-looking insights to assist UNRWA, while undertaking a backward-looking assessment of its performance. The human development goal of a decent standard of living was intended to unite the Agency around a shared approach to integrated service delivery. As UNRWA embarks on the implementation of its medium-term strategy 2016-2021, the potential exists to learn from its experience of planning for and implementing a decent standard of living in ways that might inform its approach to protection, a similarly organization-wide initiative highlighted in the medium-term strategy 2016-2021.

13. Although emphasizing the human development goal of a decent standard of living, the evaluation also undertook a brief but systematic synthesis of the Agency's performance on health and education (see paras. 59-64). Human rights work, although embedded in many service delivery functions, is not directly covered in the present evaluation report.

14. The evaluation relied on a mixed-method approach. All evaluation results were based on triangulation of the following data sources:

(a) A desk review of over 50 selected documents, including policy and strategy documents, monitoring reports and external documents, such as statistical reports and socioeconomic surveys;

(b) Field missions in Gaza, Jordan, Lebanon and the West Bank, which entailed: direct observations of service delivery sites (28); semi-structured interviews and focus groups with refugees (14), management and staff (99), United Nations and non-United Nations partners (12), host authorities (9) and donors and other Member States (2);¹⁰

(c) Remotely conducted semi-structured interviews with UNRWA staff and United Nations partners in the Syrian Arab Republic (17);

(d) Household and intercept surveys of 381 refugees receiving services in respect of a decent standard of living, administered by local research teams:¹¹ the sample included 272 randomly selected respondents — 215 households designated as “abject poor” and 57 others — as well as 40 community centre users, 39 technical and vocational education and training users and 30 microfinance recipients;

(e) Self-administered web-based survey of 4,766 UNRWA staff;¹²

(f) Analysis of UNRWA monitoring data, including the results-based monitoring system and other key performance data;

(g) Meta-evaluation of 42 evaluation reports, including those directly related to the focus of the evaluation on a decent standard of living (25) and those outside the evaluation scope, i.e., education and health (17).

15. The evaluation encountered two main limitations: the scarcity of reliable UNRWA-generated data on results in respect of a decent standard of living; and the low response rate to the staff survey. The Inspection and Evaluation Division of OIOS addressed the first limitation by constructing a composite portrait of overall results through the other methods described above. It addressed the second limitation by undertaking a demographic analysis of survey respondents, which indicated an acceptable level of representativeness.

¹⁰ Many interviews involved more than one participant.

¹¹ 103 refugees in Lebanon, 100 in Jordan, 100 in Gaza and 78 in the West Bank.

¹² Survey sent to those with valid e-mail addresses, or 15.3 per cent of total staff (23.0 per cent response rate).

IV. Evaluation results

A. Within an increasingly challenging operating environment, available evidence points to mixed effectiveness in the Agency's promotion of a decent standard of living

16. Since the previous evaluation of UNRWA (2010) by the Inspection and Evaluation Division of OIOS, the manifold external constraints facing UNRWA have worsened. On top of the overarching geopolitical conflict that led to its establishment, recurring conflict affected all five field offices. Additional factors include: the denial of refugees' rights; divergent policies among individual donor countries and host authorities; and demographic shifts in the refugee population. In addition, the work of UNRWA has been affected by persistent resource instability and shortfalls stemming from heavy reliance on extrabudgetary funding. UNRWA has worked within these constraints to respond to a large, rapidly expanding level of need, this despite the lack of a political settlement to the 65-year conflict.¹³

17. The following sections underline the inadequate state of UNRWA data as a knowledge source for the Agency — whether to assess the needs of its target population in specific programmatic areas, gauge progress in achieving targeted objectives or measure the ultimate results of UNRWA interventions in the lives of refugees. These data gaps persisted, despite being highlighted in the 2010 evaluation by the Inspection and Evaluation Division of OIOS.

18. There is nonetheless evidence that UNRWA has demonstrated mixed effectiveness in achieving the strategic objectives of the human development goal of a decent standard of living defined in table 1. Importantly, because the medium-term strategy did not define performance targets, and the targets defined in headquarters implementation plans, field implementation plans and the results-based monitoring system were changed each biennium, indicator analysis by the Inspection and Evaluation Division of OIOS focuses on variations between years.

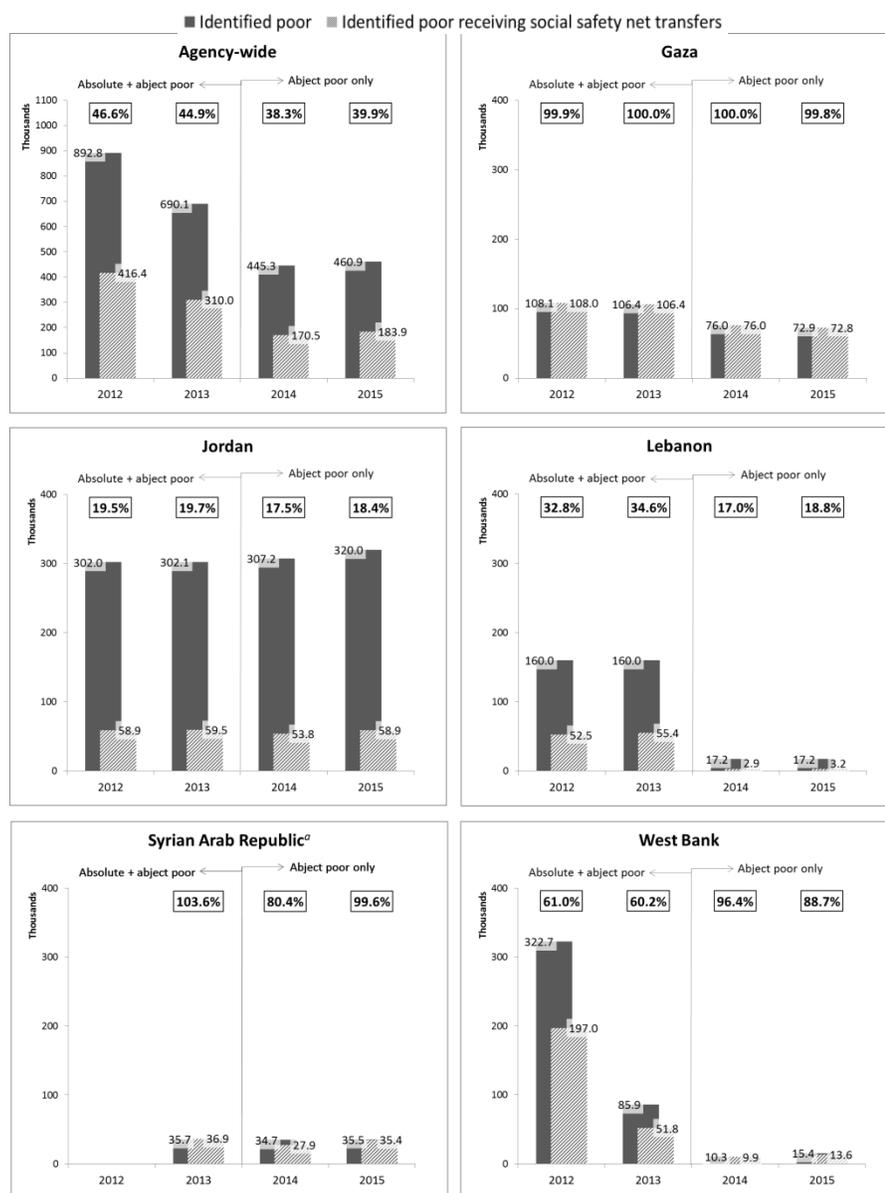
Reduce abject poverty: the Agency used its finite resources to help reduce poverty, but its coverage has declined and its contributions to actual poverty reduction are uncertain

19. UNRWA has deployed direct interventions to reduce poverty, mainly through its social safety net programme,¹⁴ which is intended to help poor refugees meet basic consumption needs by providing them with cash or in-kind assistance (i.e., food packages). The population of UNRWA-targeted poor shifted during the years covered by the evaluation. In figure II, therefore, it is important to note that: (a) the non-poor are defined as being able to meet their essential food and non-food needs; (b) the absolute poor are able to meet their most basic food needs, but unable to meet other essential needs such as clothing and transportation; and (c) the abject poor do not have the means to meet even their most basic food needs. The abject poverty line is the minimum income level necessary to cover basic food needs.

¹³ [A/65/6/Rev.1](#), programme 21, subprogramme 3; [A/67/6/Rev.1](#), programme 22, subprogramme 3. See also the preambles to General Assembly resolutions [65/100](#), [66/74](#), [67/116](#), [68/78](#), [69/88](#) and [70/85](#).

¹⁴ Formerly Special Hardship Case programme.

Figure II
Numbers (in thousands) and percentages of refugees identified as poor receiving social safety net transfers, 2012-2015¹⁵



Source: UNRWA results-based monitoring (Agency view reports), UNRWA Department of Relief and Social Services (data provided on 4 July 2016). Synthesized by the Inspection and Evaluation Division of OIOS.

Notes: No equivalent indicator for 2010-2011. Empty columns: UNRWA data unavailable. Numbers measured annually for 2012-2013 and represent quarterly averages for 2014-2015.

^a In the Syrian Arab Republic, the poverty line is estimated, as a poverty assessment has not been conducted.

¹⁵ 2012-2013 indicator: percentage of Palestine refugees identified as poor receiving social transfer from UNRWA; 2014-2015 indicator: percentage of identified abject poor refugees receiving social safety net programme social transfer.

20. As figure II indicates, at the agency-wide level, UNRWA was able to deliver assistance to 39.9 per cent of abject poor refugees identified in 2015. This means that 55.8 per cent fewer refugees were receiving social safety net transfers as compared with 2012, when the absolute poor could also be benefited (see paras. 19 and 39-40). Reductions were concentrated in Lebanon and the West Bank, where overall poverty is high, but abject poverty is low.

21. Targeting social safety net transfers did not always translate into lifting the identified population out of abject poverty, however. As table 3 indicates, the extent of the abject poverty line relieved by UNRWA social safety net transfers, taking into account cash aid and local market values of food baskets, varied considerably.¹⁶

Table 3
Percentage of abject poverty line covered through UNRWA social transfer intervention, 2011-2015¹⁷

(Percentages)

	<i>Baseline (2011)</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Gaza	42.0	37.9	73.4	22.2	24.6
Jordan	25.0	25.8	26.9	30.9	42.0
Lebanon	14.9	15.3	16.5	20.9	18.5
Syrian Arab Republic ^a	43.0	NC	56.0	113.6	40.6
West Bank	33.3	21.5	28.6	36.1	32.9
Agency-wide	30.3	22.9	NC	41.8	31.5

Source: UNRWA results-based monitoring (FIP and Agency view reports). Synthesized by the Inspection and Evaluation Division of OIOS.

Notes: No equivalent indicator for 2009-2010.

Abbreviation: NC, data not collected by UNRWA.

^a In the Syrian Arab Republic, the poverty line is estimated, as a poverty assessment has not been conducted.

22. Refugee feedback on social safety net transfers is mixed. Among surveyed households receiving UNRWA social safety net food benefits, approximately 51 per cent reported being very or somewhat frequently satisfied with the type, amount and quality of food they received. Eighty-five per cent of food assistance recipients reported staff to be very or somewhat helpful during the food distribution process. Fifty-four per cent responded that they understood how UNRWA calculated the amount of cash assistance they received, and 54 per cent said that they had received the amount expected. Seventy-one per cent of food recipients and 41 per cent of

¹⁶ UNRWA, “Harmonized results report 2014”, p. 22. See also: Palestinian Central Bureau of Statistics, World Food Programme, United Nations Food and Agriculture Organization and UNRWA, “Socio-economic and food security survey — West Bank and Gaza Strip, Palestine” (2012); and Syrian Centre for Policy Research, UNRWA and United Nations Development Programme, “Alienation and violence: impact of Syria crisis report 2014” (March 2015).

¹⁷ Baseline and 2012-2013 indicator: “percentage of abject poverty gap bridged, on average, through UNRWA’s social transfer during the quarter”; 2014-2015 indicator: “percentage of abject poverty line covered, on average, through UNRWA’s social transfer during the quarter”. The Inspection and Evaluation Division of OIOS considered these comparable.

cash recipients said that the assistance had very much or somewhat improved their households' living circumstances.

23. Fifty-three per cent of UNRWA staff survey respondents, on the other hand, said that UNRWA was very or somewhat effective in reducing poverty amongst Palestinian refugees, while 47 per cent indicated that UNRWA was somewhat or very ineffective.

24. Taken together, these data suggest that UNRWA provided important assistance to offset poverty among abject poor refugees receiving social safety net transfers. However, given the limited overall coverage of the identified poor, its contribution to reduction in the overall poverty levels among all refugees is correspondingly limited. Data on overall abject poverty reduction and the UNRWA contribution thereto, were not collected in the current UNRWA results-based monitoring system.

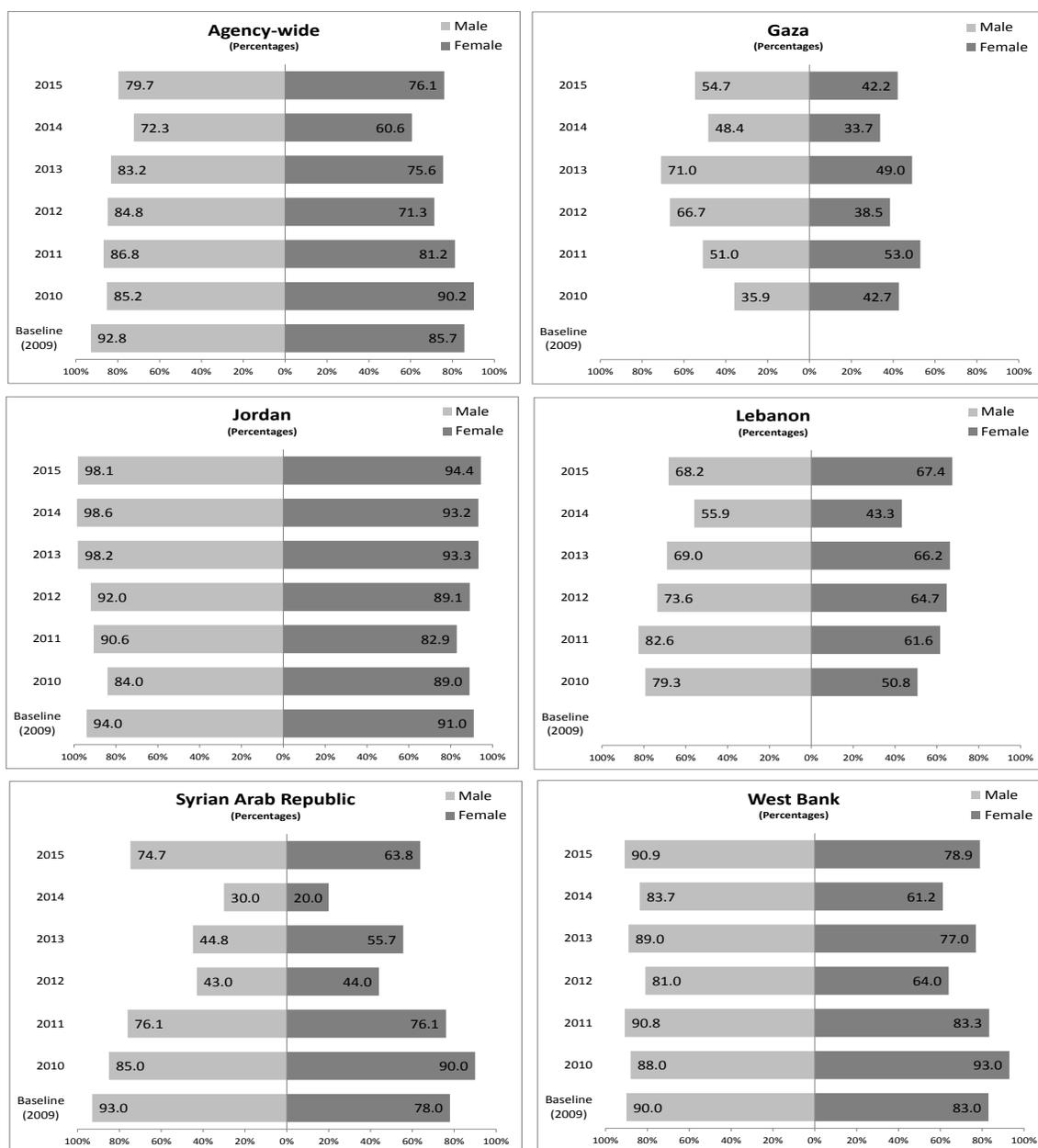
Improve employability: employment rates for graduates of UNRWA technical and vocational education and training programmes showed some declines between 2010 and 2015; geopolitical circumstances limited refugees' employment opportunities

25. Within a broader context characterized by high unemployment, especially among youth,¹⁸ UNRWA has mounted considerable efforts to provide refugees with technical and vocational education and training, and to place graduates in the job market. Figure III illustrates the employment rates for such graduates for 2010-2015.¹⁹

¹⁸ Unemployment rate estimates for 15-24-year-olds: 33.4 per cent (Jordan), 39.8 per cent (Gaza and the West Bank combined), 21.6 per cent (Lebanon), 28.5 per cent (Syrian Arab Republic). *Source:* International Labour Organization, ILOSTAT.

¹⁹ While agency-wide figures fall short of the 2009 baseline in results-based monitoring figures, they exceed the 2006-2007 medium-term strategy baseline established in 2010-2015.

Figure III
Percentage of technical and vocational education and training graduates employed or continuing studies one year after graduation, 2010-2015



Source: UNRWA results-based monitoring (field implementation plans and Agency view reports) (for agency-wide 2012-2015, Gaza and Lebanon 2010, Syrian Arab Republic for 2013 and 2015, data were provided by UNRWA on 13 June 2016). Synthesized by the Inspection and Evaluation Division of OIOS.

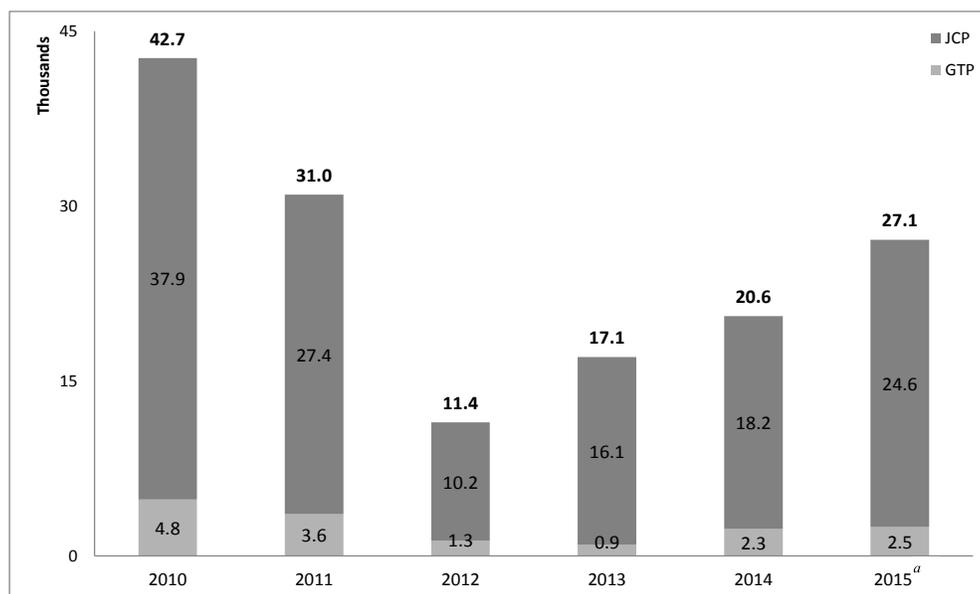
Notes: Included active job seekers only. Empty lines: UNRWA data unavailable. Numbers are for graduates from previous academic year. Graduates from 2014 (2015 data) amount to: agency-wide, 2,293 male, 1,575 female; Gaza, 544 male, 213 female; Jordan, 704 male, 590 female; Lebanon, 379 male, 237 female; Syrian Arab Republic, 238 male, 134 female; West Bank, 428 male, 401 female.

26. Among those survey respondents who received UNRWA training, satisfaction was high: 85 per cent reported that they were satisfied with their experience, and 94 per cent reported that it would likely help them secure employment.

27. The UNRWA job creation programme, in Gaza and the West Bank, and the graduate training programme, in Gaza, provided short-term employment opportunities for some refugees. The number of contracts UNRWA awarded varied considerably (see figure IV).²⁰

Figure IV

Number of job creation programmes and graduate training programme contracts (in thousands), 2010-2015



Source: UNRWA job creation programme progress report, August 2015. Synthesized by the Inspection and Evaluation Division of OIOS.

^a As at August.

28. While the data for technical and vocational education and training and job creation programme/graduate training programme point to the employability of those participating in UNRWA interventions, they do not factor in the overall need for employability interventions, rendering it impossible to gauge the contribution of UNRWA to increasing overall employability across the entirety of its targeted population.

29. UNRWA staff also pointed to the mixed success of the objective: 51 per cent of survey respondents indicated that they thought UNRWA was very or somewhat effective in increasing employability and livelihoods between 2010 and 2015, while 49 per cent thought it somewhat or very ineffective.

²⁰ UNRWA asserts that such variation was partly owing to funding constraints.

Improve urban environment through sustainable camp development: In a context of recurrent destruction and long-standing displacement, the sustainability goal was overtaken by the need for recurrent maintenance

30. The priority associated with this goal was to improve substandard shelter, especially for the most adversely affected and vulnerable refugees. As table 4 indicates, agency-wide, the number of refugee families living in UNRWA-rehabilitated shelters (excluding emergency cases) peaked in 2014, at 1,344 families, driven mainly by rehabilitation work in Lebanon and the West Bank. In 2015, the agency-wide number was 1,040 families, which represented 3.75 times more than in 2010.

Table 4
Number of refugee families benefiting from shelter rehabilitation (excluding emergency cases), 2010-2015

	2010	2011	2012	2013	2014	2015
Gaza	0	166	55	203	0	308
Jordan	0	0	0	6	79	133
Lebanon	165	224	195	520	671	430
Syrian Arab Republic	56	40	66	0	0	0
West Bank	56	220	3	201	594	169
Total	277	650	319	930	1 344	1 040

Source: UNRWA Infrastructure and Camp Improvement Department (data provided on 2 May 2016).

31. Among the shelter assistance recipients surveyed, 82 per cent reported that they received all or some of the shelter assistance they expected. Fifty-seven per cent reported that they were very or somewhat frequently satisfied with the responsiveness of UNRWA staff to questions about the shelter/housing process. Among those who received UNRWA shelter assistance, satisfaction was high, with 82 per cent reporting that this assistance helped improve their household circumstances very much or somewhat.

32. These achievements took place in a context in which most of the population receiving assistance lived either in host countries where they did not enjoy land ownership rights (e.g., Lebanon) or where wars led to recurrent re-building of demolished or damaged structures (e.g., Gaza, Syrian Arab Republic). Moreover, as with employability interventions, since needs assessment data were not available for the entirety of Palestine refugees; the achievements above do not indicate the extent to which UNRWA assistance contributed to improving the lives of its target population as a whole.

Offer inclusive financial services: the number of loans increased, but the overall value of loans decreased; existing clients were positive about their experience

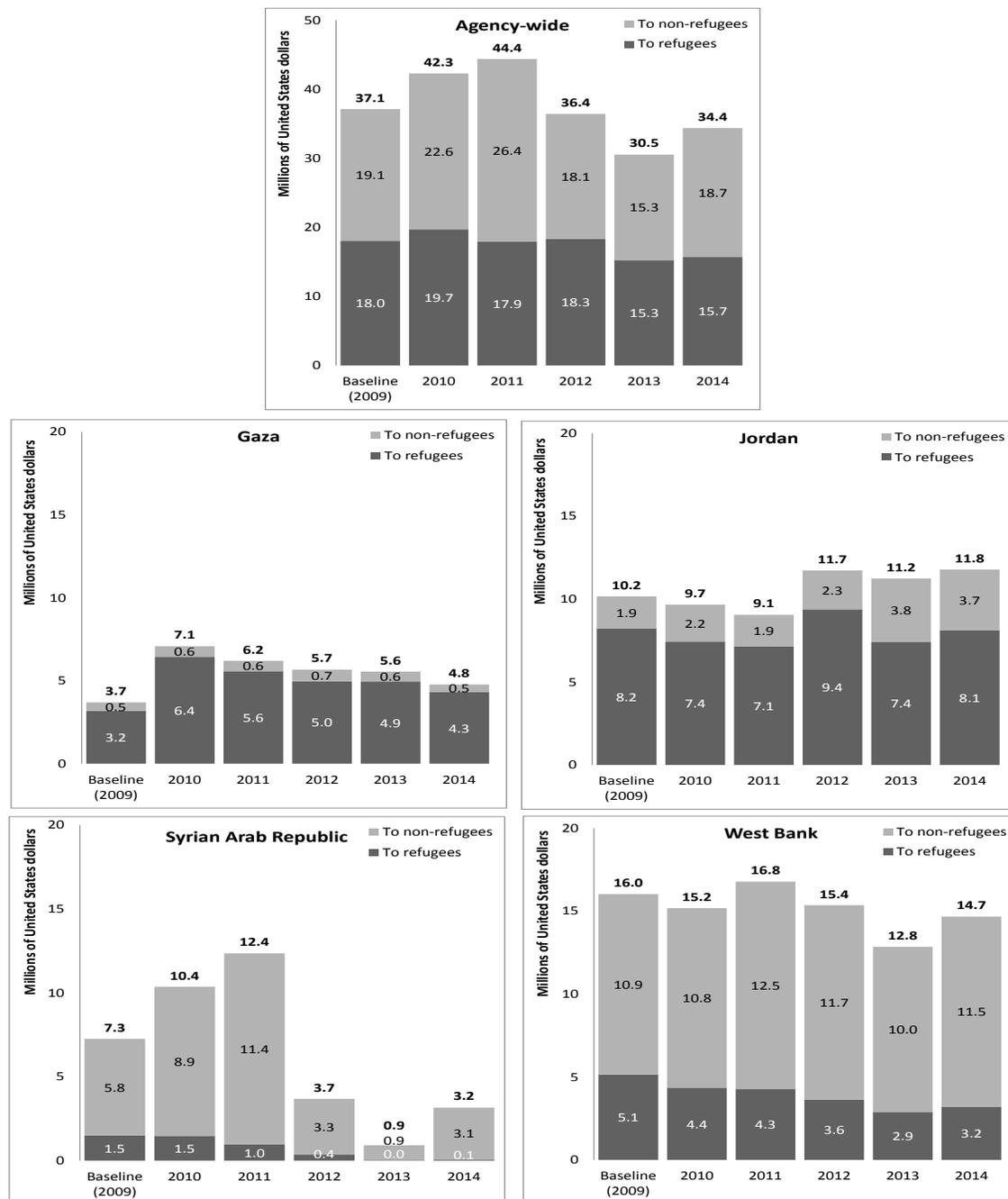
33. Expansion in the number and value of microfinance loans, and the diversification of microfinance clientele (with more female, young and poor

clients), have been strategies adopted by UNRWA to promote economic security and opportunity for marginalized groups. Additionally, microcredit targeted small businesses as a means to promote job creation. UNRWA also lends to non-refugees, to contribute to the financial sustainability of the programme.

34. The aggregate value of all UNRWA microfinance/microcredit loans declined from 2009 to 2015 agency-wide (see figure V), which can be explained by the economic and war-torn climate in the region. The value of loans to refugees decreased in all locations except Gaza. As figure VI indicates, credit was more thinly spread, as the number of loans disbursed to refugees agency-wide increased slightly over the period of the evaluation, owing to a larger number of loans to refugees in Gaza and Jordan. The number of non-refugee clients with UNRWA microfinance loans increased across all field offices. In 2010-2015, the programme opened more service branches and increased its outreach to young people and women.

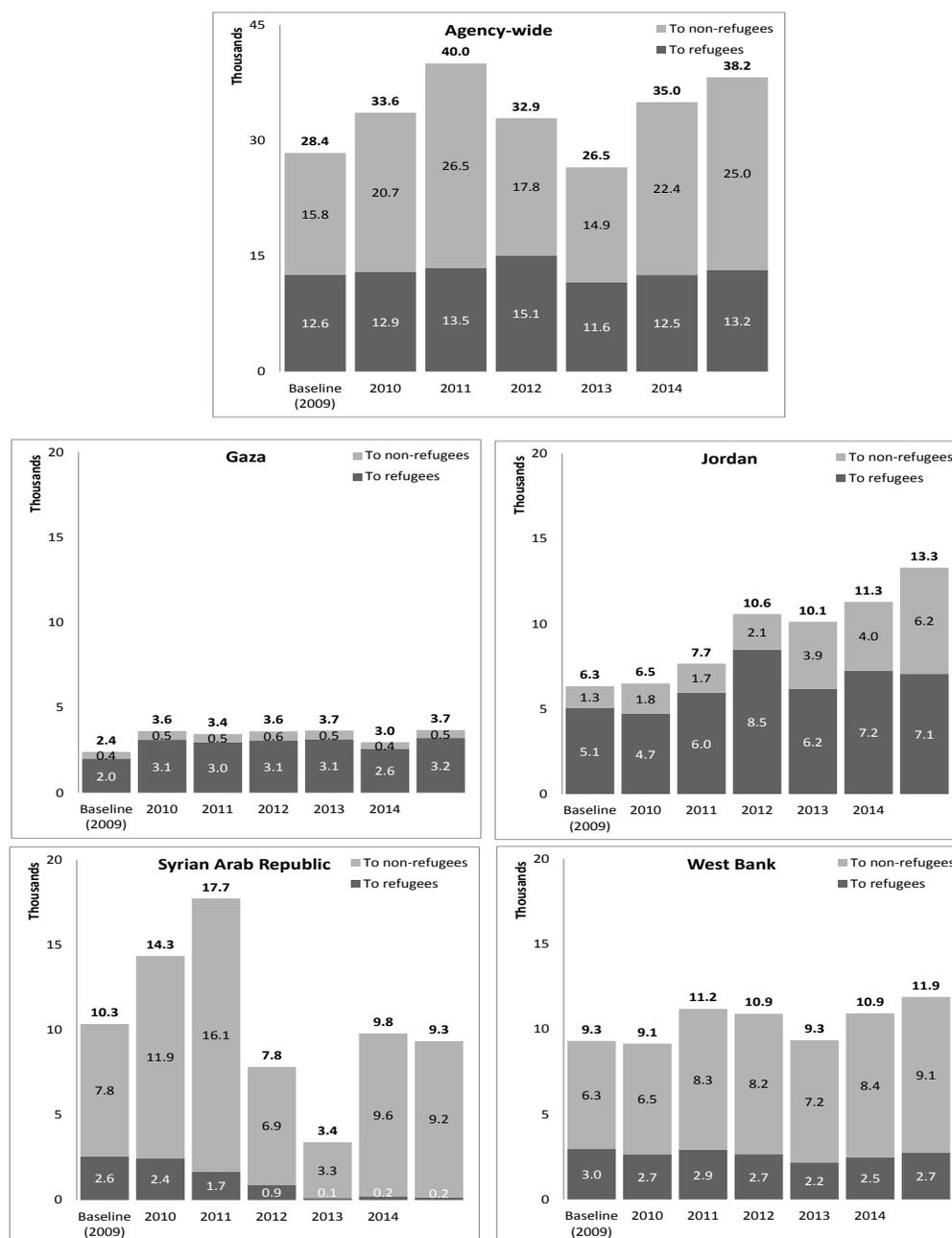
Figure V
**Value of UNRWA microfinance/microcredit loans to refugees and non-refugees,
 2009-2014**

(Millions of United States dollars)



Source: UNRWA statistics bulletin 2008-2014, Agency view indicators 2015. Synthesized by the Inspection and Evaluation Division of OIOS.

Figure VI
Number of UNRWA microfinance/microcredit loans to refugees and non-refugees (in thousands), 2009-2014



Source: UNRWA statistics bulletin 2008-2014, Agency view indicators 2015. Synthesized by the Inspection and Evaluation Division of OIOS.

35. The respondents to the household survey by the Inspection and Evaluation Division of OIOS reported high satisfaction with multiple aspects of UNRWA loans.

Ninety per cent reported being very or somewhat satisfied with their loan process; 87 per cent reported they were very or somewhat frequently satisfied with the responsiveness of staff; and 83 per cent reported being very or somewhat clear as to how the loan was calculated. Of UNRWA loan recipients surveyed, 73 per cent reported that the loan had helped improve their living conditions somewhat or very much since 2014.

Overall, there is evidence of effectiveness in promoting a decent standard of living; however, the precarious operating environment has been a limiting factor and questions remain

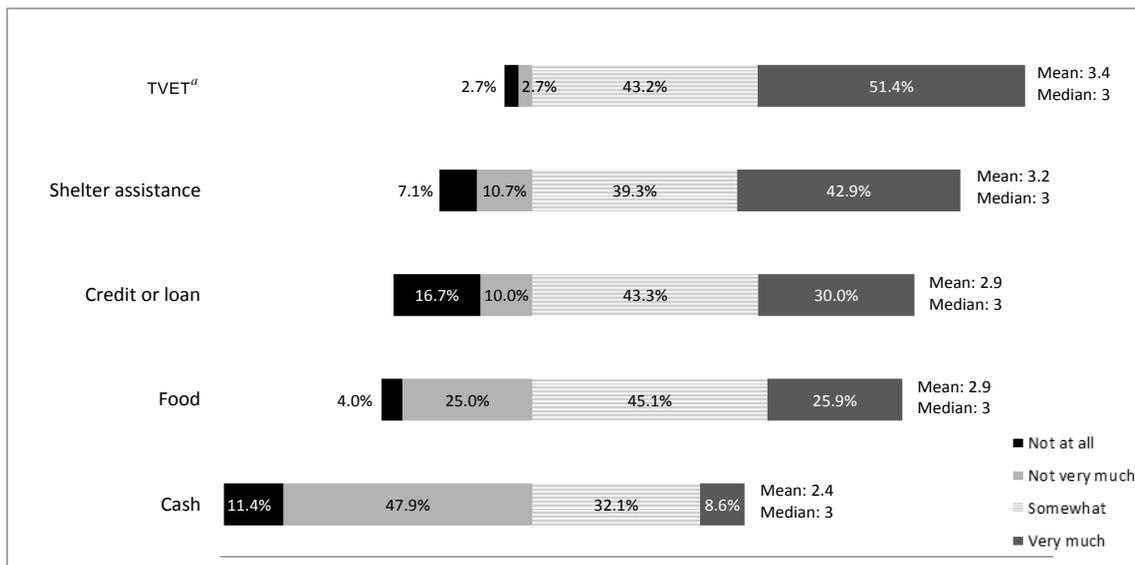
36. Despite what has become an increasingly challenging operating environment, analyses by the Inspection and Evaluation Division of OIOS suggest signs of success in the Agency's delivery of services in intervention areas in respect of a decent standard of living. However, with regard to the overall effectiveness of UNRWA — its impact on the lives of its target population in line with its mandate to “provide services for the well-being, protection and human development of the Palestine refugees and for the stability of the region” — unanswered questions exist.

37. Figures VII-IX corroborate this mixed picture. When asked about the contribution UNRWA services had made towards improving their household circumstances since January 2014, the majority of recipients of the decent standard of living programme provided variable feedback. Technical and vocational education and training was rated most favourably and cash assistance least favourably; there was an average rating of “improved [my] circumstances somewhat” for most intervention areas. Meanwhile, UNRWA staff on average felt that work on a decent standard of living had become somewhat less effective from 2010 to 2015, with considerable variation from one intervention area to the next, as compared with other human development goal areas. The majority cited cutback in services, austerity measures and a failure on the part of UNRWA to meet the growing needs of the refugee population as the reasons for their effectiveness ranking.

Figure VII
Summary of UNRWA service recipient respondents' feedback on programme effectiveness

“To what extent did the UNRWA service improve your living circumstances between January 2014 and the present?”

(Percentages)



Source: Inspection and Evaluation Division of OIOS, household survey.

Note: 4 = Very effective, 3 = Somewhat effective, 2 = Somewhat ineffective, 1 = Very ineffective.

n = 140 (cash); 224 (food); 28 (shelter); 37 (technical and vocational education and training); 30 (credit).

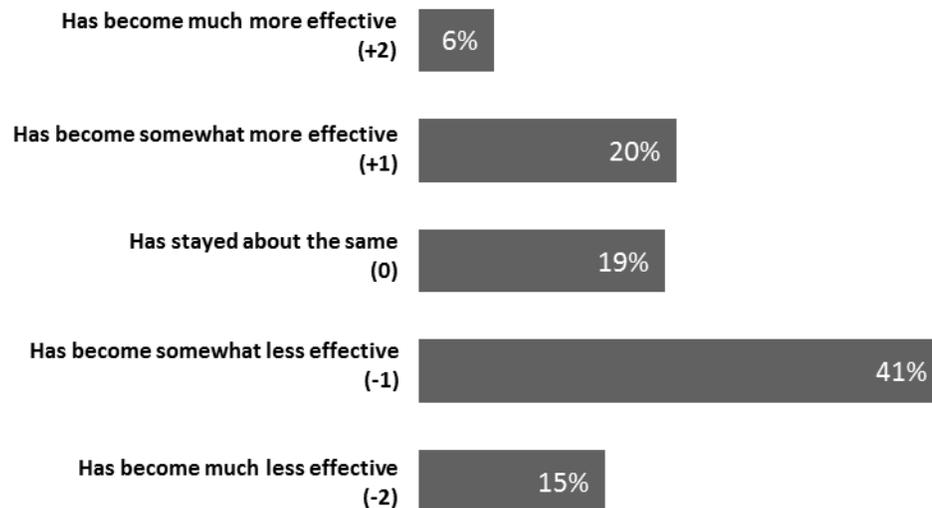
^a Recipients of technical and vocational education and training were asked, “To what extent will the training you received help you secure employment in the future?”

Figure VIII

Staff perspectives on UNRWA effectiveness in promoting a decent standard of living

“Thinking about UNRWA’s work to promote a decent standard of living for Palestine refugees, would you say that UNRWA has become more effective, less effective or stayed about the same as an agency over 2010-2015?”

(Percentages)

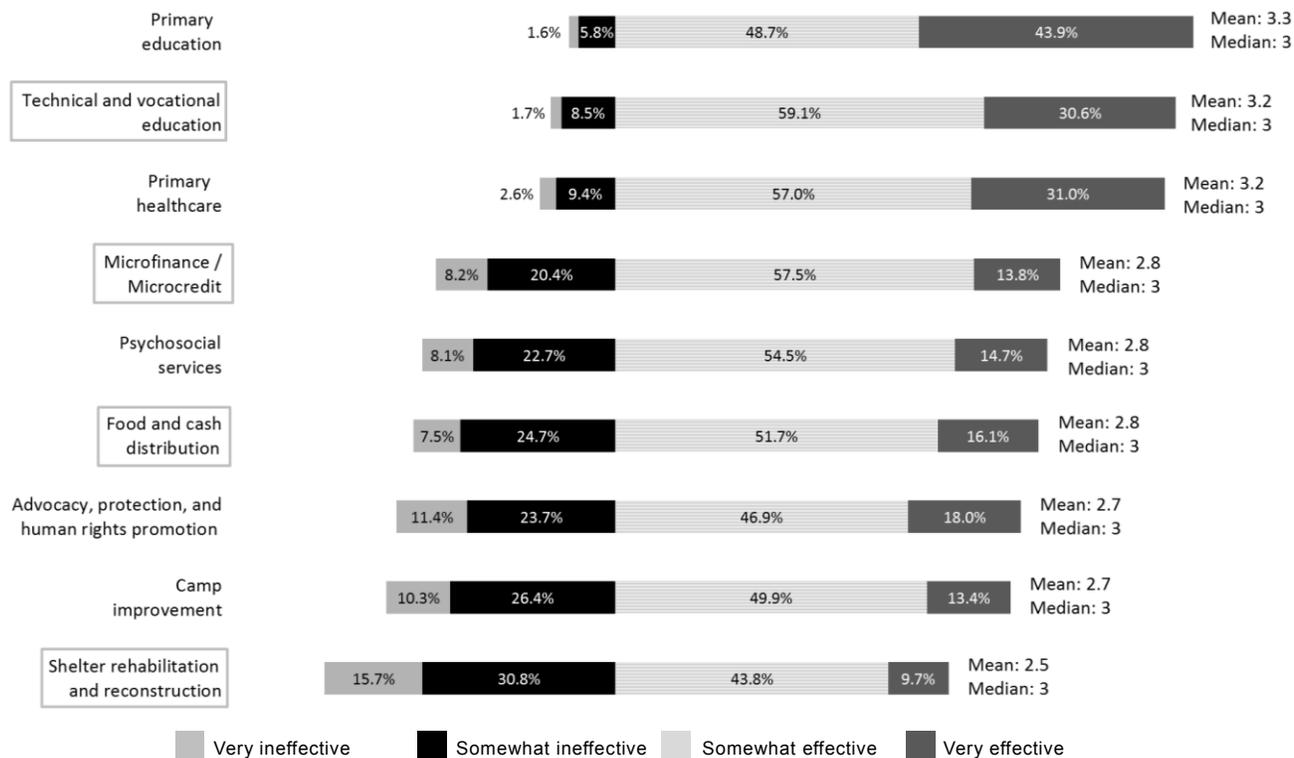


Source: Inspection and Evaluation Division of OIOS, staff survey.
n = 755; mean = -0.38, median = -1.

Figure IX

Summary of staff feedback on the comparative effectiveness of UNRWA programmatic areas

“How effective would you say UNRWA has been in each of the following specific programmatic areas over 2010-2015?”



694 ≤ n ≤ 775 (valid responses for each item)

Source: Inspection and Evaluation Division of OIOS, staff survey.

Note: 1 = Very ineffective, 2 = Somewhat ineffective, 3 = Somewhat effective, 4 = Very effective.

B. UNRWA has made limited strides in improving the relevance of its decent standard of living interventions, as intended reforms have not been fully realized

38. In 2010 UNRWA embarked on a series of programmatic reforms under the “Sustaining Change” initiative. Originating from broader organizational changes which occurred in 2006-2009, these reforms were slated for conclusion by 2012 and aimed at enhancing UNRWA programme effectiveness.²¹ However, whereas reforms of health and education programmes have largely been implemented,²² those envisioned for decent standard of living programmes (relief and social services, technical and vocational education and training, infrastructure and camp improvement, and microfinance) have been only partially carried out. A 2013

²¹ A/66/13, para. 17.

²² “Modern and efficient UNRWA Health Services — Family Health Team Approach” (July 2011), and “UNRWA Education Reform Strategy 2011-2015” (March 2011).

midterm evaluation of the medium-term strategy 2010-2015 indicated that relief and social services was not as advanced as other programme areas in assessing and setting out a broad-based reform. Meanwhile, official reports of the Commissioner-General for the period under evaluation repeatedly refer to the stalled reform process.²³

Incomplete reform of relief and social services has yet to show effects

39. Given the growing refugee population and static UNRWA resources, reform of the relief and social services programme was intended to increase cost-effectiveness in poverty reduction, in particular by reducing abject poverty through improved coverage of the poorest refugees. This goal was to be achieved mainly by moving from a special hardship case model, where eligibility is based on refugee status, to the social safety net model, where eligibility is based on need, thus focusing limited resources on the abject poor, who are the most vulnerable. This change entailed the introduction of a proxy means test formula to determine eligibility according to poverty level. The shift was yet to be concluded in Gaza and the Syrian Arab Republic.²⁴

40. UNRWA had also begun to change its delivery modality for such assistance, namely from in-kind (i.e., food) assistance to cash transfers in some fields. The regional situation demanded further location-specific analysis of unintended consequences of the food-to-cash transition. For example, interviewees pointed out that semi-closed or turbulent economies could suffer from inflation and price shocks or be affected by intermediate agents and smugglers. At the same time, there was some frustration among staff and refugees alike, with the continued use of food assistance. Some staff interviewees cited the long-standing reliance on sugar, flour and oil as being misaligned with the needs of a population suffering from an increased incidence of diabetes and hypertension, suggesting unintended consequences contrary to the promotion of a decent standard of living. During field visits, some refugees complained about the quality of food received, and the evaluation team observed food parcels that were clearly marked as not for sale being sold.

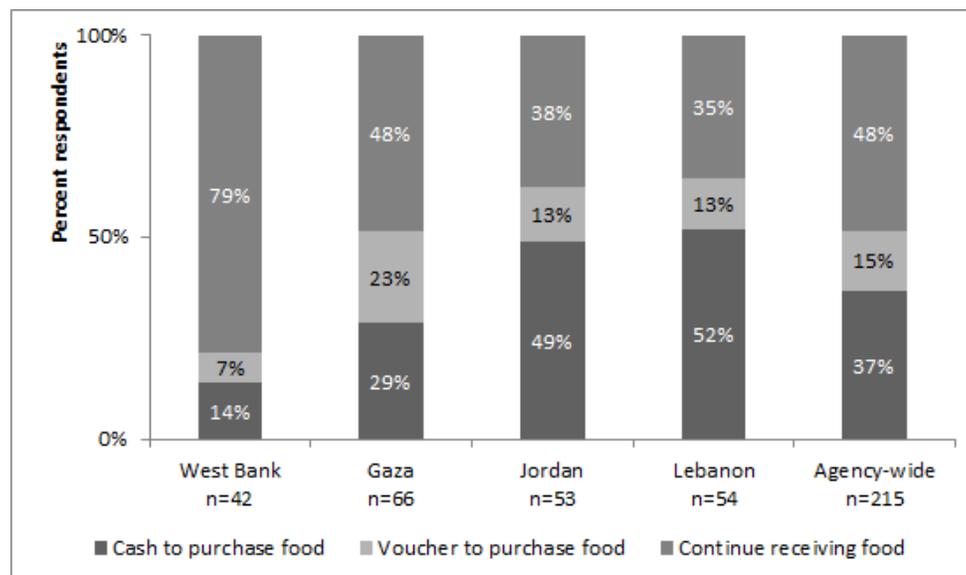
41. In the household survey, when asked if they would prefer alternative means of receiving food aid, 37 per cent of recipients reported that they would prefer to receive cash and 15 per cent reported that they would prefer to receive a voucher. Responses varied considerably by location (see figure X). Although some studies have suggested beneficiary apprehension towards cash transfers, including the possibility that women might have less control over cash than over food assistance,²⁵ Responses to the survey by the Inspection and Evaluation Division of OIOS did not differ significantly by gender.

²³ See [A/66/13](#), para. 49 (2010); [A/67/13](#), p. v and para. 18 (2011); [A/68/13](#), para. 15 (2012); [A/69/13](#), paras. 18-21 (2013); [A/70/13](#), para. 99 and p. 40 (2014). Consolidated 2015 information has not yet been issued.

²⁴ “Social safety net programme reforms were completed in Jordan, the West Bank and Lebanon, but UNRWA was unable to meet increased demands owing to funding and constraints” (see [A/70/13](#), para. 99).

²⁵ De Jong, Tjitske; Aced, Miriam (2014). “UNRWA’s ‘traditional’ programmes as a catalyst for human development”.

Figure X
Refugee household preferences for cash, vouchers or continued food assistance



Source: Inspection and Evaluation Division of OIOS, refugee household survey.

42. Another component of the Agency's poverty reduction strategy was to broaden its focus to include a more robust and effective attack on poverty through development programming, which "would empower people to climb out of poverty and leverage the strengths inherent in refugee communities".²⁶ There was no evidence that this component was operationalized in a significant manner.

Technical and vocational education and training innovations have been implemented, but labour market restrictions have constrained achievements in most fields

43. Improvements to technical and vocational education and training have constituted one of eight areas targeted in a larger education programme reform effort. UNRWA has introduced new courses in its technical and vocational education and training centres, established partnerships with the private sector, and prioritized access for vulnerable populations to such training. UNRWA has also strengthened career orientation and job placement initiatives. These activities were fruitful in locations where refugees have the right to work and the economy was functioning, such as Jordan. However, in other circumstances, labour market restrictions hampered the sustainability of the success of technical and vocational education and training (see paras. 25-29). In some emergency situations, refugees perceived the job creation programme as an important poverty alleviation lifeline. By design, however, the programme was never intended to be a sustainable solution to structural or long-term employability challenges, but rather to provide temporary relief.

²⁶ See A/67/13, para. 74.

New approaches devised for infrastructure and camp improvement have not been implemented

44. Camp improvement plans were created to integrate planning of multiple interventions — e.g., shelter rehabilitation, urban design and provision of health and education service facilities — taking into account complementary economic activities, with community mobilization and participation components. However, in 2010-2015, only 8 out of 58 possible plans were initiated, developed and/or implemented. Interviewees across the departments that need to work together effectively to develop plans expressed frustration, citing the absence of sufficiently aligned perceptions of respective roles and responsibilities. They also reported that the programme structure at headquarters had not been replicated in all field offices as planned. The programme has not completed the organizational transformation envisioned.

Envisioned changes to microfinance programme are pending

45. The microfinance programme has operated with some autonomy and has been financially self-sustainable. Since 2010 UNRWA has been considering options for the transformation of its microfinance programme as a means to make further contributions to poverty alleviation. At the time of the evaluation, however, this decision-making process was pending, purportedly owing to the need for UNRWA to address the relevant political, legal and financial considerations.²⁷

Overall, limited strides have been made in improving the relevance of the UNRWA work in respect of a decent standard of living

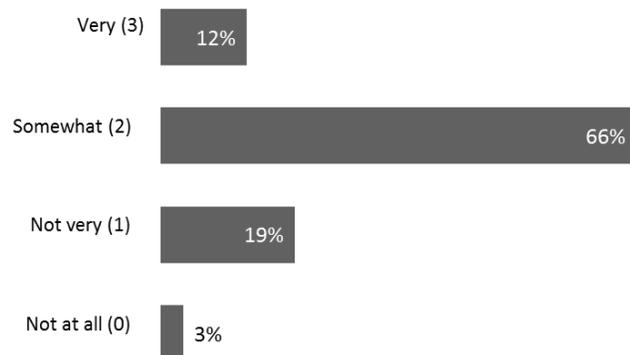
46. Faltering reforms of these key components in respect of a decent standard of living have limited possible improvements to the relevance of the interventions. These unfulfilled opportunities were reflected in staff perceptions (see figure XI). In open-ended comments, staff asserted that, for UNRWA to remain relevant, it must be attuned to the needs of the new generation of Palestine refugees, develop refugees' economically viable skills and improve their capacity-building. Refugees and other key informants interviewed echoed these claims.

²⁷ See [A/69/13](#), para. 21.

Figure XI

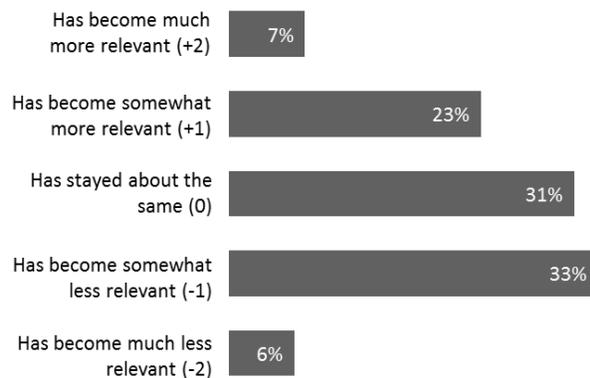
Summary of UNRWA staff feedback on the relevance of decent standard of living work

“Overall, how relevant would you say UNRWA has been in promoting a decent standard of living for Palestine refugees over 2010-2015?”



Percentage of respondents
n = 369; mean = 1.9, median = 2

“Thinking about UNRWA’s work to promote a decent standard of living for Palestine refugees, would you say that UNRWA has become more relevant, less relevant or stayed about the same as an agency over 2010-2015?”



Percentage of respondents
n = 642; mean = -0.1, median = 0

Source: Inspection and Evaluation Division of OIOS, Staff Survey.

C. Conceptualization and roll-out of the goal of a decent standard of living fell short of the envisioned ambition for it to unite the Agency around a shared integrated service delivery plan

47. At the outset of the medium-term strategy 2010-2015, UNRWA indicated that the goal of a decent standard of living, as a set of interrelated and mutually reinforcing interventions, would require an integrated response across the Agency, both horizontally (among relief and social services, education, infrastructure and camp improvement and microfinance) and vertically (between headquarters and field offices), to succeed.²⁸

Although alignment in performance monitoring plans existed, a whole-agency, integrated approach to monitoring decent standard of living implementation did not occur

48. A review of UNRWA planning documents indicated strong integration between the performance monitoring plans of headquarters and field offices in respect of a decent standard of living. The four strategic objectives in respect of a decent standard of living in the 2010-2015 medium-term strategy were present in the

²⁸ 2010-2015 medium-term strategy, pp. 32-33; UNRWA Relief and Social Services Department, “Sustaining change”, sects. 6 and 7 (November 2011).

Agency's strategic frameworks, and cascaded to the headquarters implementation plans and field implementation plans.²⁹

49. Fuller conceptualization and roll-out of decent standard of living fell short of the envisioned integration plan, however. While performance planning documents existed, few elements beyond this level were in place to ensure a clear, shared and whole-agency approach to the implementation of the goal of a decent standard of living. Indicators to measure actual performance at the strategic objectives level, although identified in the medium-term strategy, were not replicated in the headquarters implementation plans or field implementation plans, nor were they collected in the results-based monitoring system; and indicators reported were at outcome and output levels only.

50. Additionally, despite the intention to leverage a decent standard of living to enhance integration across programmes, horizontal alignment of monitoring indicators among programmes was absent, and no cross-cutting programme indicator existed to measure, for example, the percentage of refugees with improved standards of living as a result of the collective work of UNRWA towards this goal. Concrete responsibility for each strategic objective in respect of a decent standard of living was assigned to a single programme only. Moreover, even though the two largest UNRWA programmes, health and education, conceptually play vital roles in contributing to a decent standard of living — something recognized repeatedly in staff interviews — UNRWA never articulated such roles.

51. Furthermore, although UNRWA established processes to monitor some of its progress against strategic objectives — such as midyear and annual results review meetings — monitoring in respect of a decent standard of living lacked sufficient follow-through. This limited the ability of UNRWA to gauge its progress, explore alternative ways of achieving as-yet-unmet decent standard of living objectives, and programmatically correct course as necessary. Table 5 illustrates these significant data gaps.

²⁹ The six-year medium-term strategy is operationalized in three biennial plans: headquarters implementation plans and field implementation plans. In 2010-2011, there were separate headquarters implementation plans for each service and programme department at Headquarters; after 2012, there have been single headquarters implementation plans.

Table 5
Strategic objectives in respect of a decent standard of living: performance data availability, 2010-2015

<i>Decent standard of living objective</i>	2010	2011	2012	2013	2014	2015
Poverty reduction	All field offices + headquarters data missing	Not available	Complete	All field offices + headquarters data missing	Complete	Complete
Employability	Lebanon, Gaza data missing	Lebanon, Gaza data missing	Complete	All field offices + headquarters data missing	Complete	Complete
Camp development	Gaza data missing	Jordan, Lebanon, Syrian Arab Republic data missing	Lebanon, Syrian Arab Republic data missing	All field offices + headquarters data missing	Gaza, Syrian Arab Republic data missing	Lebanon data missing
Financial services	Complete	Complete	Complete	All field offices + headquarters data missing	Complete	Complete

Source: UNRWA Harmonized results reports, 2010-2015. Synthesized by the Inspection and Evaluation Division of OIOS.

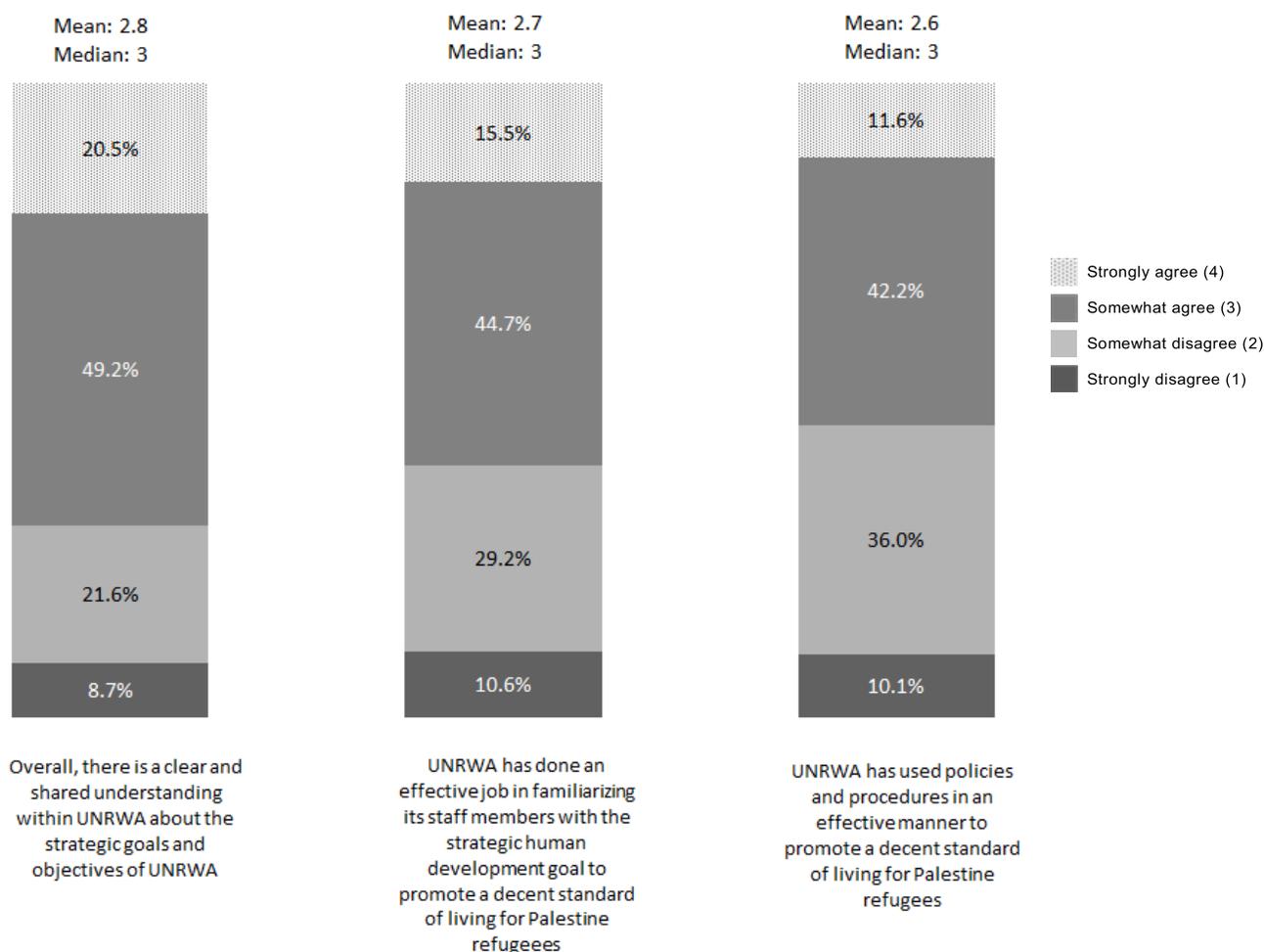
Staff members cite minimal shared understanding around the goal of a decent standard of living

52. According to staff interviewees, the foregoing factors reinforced existing programmatic silos, rather than incentivizing greater collaboration across the programmes. Interviewees stated that there was minimal shared understanding around the goal of a decent standard of living, with each programme working on its own interpretation of the goal — and little clarification from senior management.

53. Results from the staff survey corroborated this sentiment: staff were more aware that strategic goals existed than they were of policies crafted to implement them (see figure XII). In their comments, staff respondents cited a lack of clear communication, benchmarks and action on previous evaluations (see result D) as hampering their ability to meet objectives in respect of a decent standard of living. In its 2010 evaluation, the Inspection and Evaluation Division of OIOS made six recommendations. The two that UNRWA did not implement called on the Agency to put in place its envisioned Agency accountability framework, and to devise more robust oversight arrangements.³⁰

³⁰ See IED-09-008, recommendations 1 and 2.

Figure XII
Staff perspectives on the work on UNRWA from 2010-2015



Source: Inspection and Evaluation Division of OIOS, staff survey.

54. One possible explanation for the Agency's inability to unite around a shared integrated service delivery plan, as cited by interviewees, is that UNRWA had no "owner" or "lead department" coordinating the effort or other formal mechanisms for integration. Two potential loci of integration of services provided under the decent standard of living human development goal — namely the social worker role³¹ and camp improvement plans³² — were cited as not being fully utilized. Two of the platforms suggested by interviewees for additional programmatic cooperation included ongoing information system implementation meetings and regular interdepartmental meetings.

³¹ See "UNRWA Medium Term Strategy 2010-2015", paras. 85, 89 and 103; and UNRWA, Relief and Social Services Department, "Sustaining change", pp. 42-44 (November 2011).

³² Cf. result B.

55. Refugee perceptions on the degree of integration in decent standard of living service delivery varied across field offices. While 61 per cent of household respondents across the four field offices surveyed maintained that UNRWA had been effective at providing its various services in a complementary way, these percentages varied: Gaza (76); the West Bank (65); Lebanon (57); and Jordan (49).

D. Internal and external inefficiencies have hampered the Agency's performance, with implications for its shift from a decent standard of living to a protection focus

56. As in the 2010 evaluation by the Inspection and Evaluation Division of OIOS, external factors continued to constrain the Agency's efficiency during the period reviewed, including: movement and accessibility challenges; sporadic violence; insufficient and unpredictable resources; and rigidities in the ability to hire, manage and reallocate staff.

57. Internal sources of inefficiency persisted as well. Monitoring and evaluation continued to be inadequate. First, an assessment of outcome-level results was hampered by insufficient monitoring. (See result A). Second, robust programme evaluation was lacking. Although UNRWA made strides in improving its evaluation function — a key source of organizational knowledge — this function remained weak. A 2015 peer review by the United Nations Evaluation Group³³ corroborated this assessment, pointing to persistent challenges (e.g., variable evaluation quality, low investment in evaluation, unreceptive organizational culture) amid gradual improvements (e.g., improved evaluation policy featuring enhanced independence, increased evaluation activity, growth of an evaluation infrastructure including guidance and trainings, and a recommendation tracking system). This peer review corroborated the issues raised in the 2012-2013 evaluation scorecard report on UNRWA by the Inspection and Evaluation Division of OIOS,³⁴ and in the present evaluation, wherein evaluation reports were determined to be of variable quality.

58. Another source of internal inefficiency was structural in nature. In 2006, UNRWA embarked on a major reform process, the organizational development initiative, which, as a precursor to the 2010-2015 medium-term strategy, sought to strengthen UNRWA capacity in: programme management; human resources management; organizational processes and systems; and leadership and management. One major prong of this process was to decentralize and empower field offices, as front-line conduits of UNRWA services, to deliver assistance in more relevant, effective and efficient ways. However, staff interviewees reported that UNRWA subsequently reverted to a more centralized approach at least once, without clear delegation of authority at the field office level. Moreover, although in 2010 UNRWA was in the process of developing an accountability framework that would help articulate such roles and responsibilities, there was no evidence that it succeeded. Alongside the conceptual and implementation constraints surrounding decent standard of living (see result C), this structural challenge poses a potentially significant barrier to effective programme implementation as UNRWA shifts

³³ Professional peer review of the UNRWA evaluation function, 2015.

³⁴ United Nations Secretariat evaluation scorecards, 2012-2013. OIOS assignment No.: IED-15-009, 17 November 2015.

towards a protection focus — which, like a decent standard of living, is similarly framed as a shared Agency-wide endeavour — in the 2016-2021 medium-term strategy. The new medium-term strategy, while stating the intention that each field office would develop its own medium-term strategy implementation plan, does not stipulate the respective roles and responsibilities of headquarters and field offices.³⁵

E. Meta-evaluation indicated that the Agency’s health and education programmes had made noteworthy gains, but that their precise contribution to meeting overall needs was unknown, and their efficiency was affected by economic challenges

59. As indicated in paragraphs 8 and 50, health and education fell outside the goal of a decent standard of living. A meta-evaluation of 17 evaluations completed by UNRWA in 2010-2015 provided a snapshot of UNRWA performance in these areas (see para. 14 (g)). The meta-evaluation yielded a mixed picture of performance, one that is consistent with feedback from household surveys.

Health

60. The 2010-2015 human development goal 1 aligned with the UNRWA health programme. The meta-evaluation by the Inspection and Evaluation Division of OIOS indicated that UNRWA has achieved noteworthy successes in the provision of health care. It gradually increased the number of primary health-care facilities, such that, in 2013, Palestine refugees were noted as generally having adequate access to primary health care in Gaza, Jordan, Lebanon and the West Bank. Access to maternal and child health improved as well: by 2013, 99.5 per cent of deliveries took place in hospitals and 99.6 per cent of 18-month-olds received boosters as part of the Expanded Programme of Immunization. These accessibility successes extended to particularly marginalized subpopulations.

61. More broadly, results data were mixed. While access and standards of primary health care were generally acceptable in Gaza, Jordan, Lebanon and the West Bank, in 2013 a key indicator of quality — the number of daily consultations per doctor, which should be low in order to maximize doctor-patient time — was high. Moreover, while UNRWA achieved significant successes in reducing the prevalence of communicable diseases and in maternal and infant mortality, and in increasing life expectancy, significant mental health needs persisted,³⁶ and non-communicable diseases such as hypertension and diabetes increased.

62. The meta-evaluation likewise presented a mixed picture of efficiency. In a 2013 study, UNRWA generally compared favourably with host authorities on key measures of health sector efficiency, largely because UNRWA internalized costs rather than relying on contractors to provide services. In addition, aspects of procurement and supply chain management were undertaken efficiently. However, stock shortages were reported, owing primarily to inadequate budgets, delivery problems and manual rather than electronic inventory management. Procurement

³⁵ 2016-2021 medium-term strategy, annex 4: Operationalizing the strategy.

³⁶ In 2016 UNRWA began implementing a strategy for integrating mental health and psychosocial support services into its primary health facilities.

processes, meanwhile, were criticized for inadequate regulatory standards and in some cases for cost inefficiencies. UNRWA has taken a number of steps to address these complex dynamics. For example, it is currently implementing a joint procurement-health programme initiative, projected to reduce costs while increasing medical supply buffer stocks.

Education

63. The 2010-2015 human development goal 2 aligned with the UNRWA education programme. As of 2015, UNRWA provided education for 493,500 Palestinian children in 685 schools. Beyond this output level, the evaluations reviewed did not contain up-to-date information on education outcomes across all field offices. (On the other hand, UNRWA itself recorded noteworthy indicative examples of positive outcomes.) As with health, these and other educational achievements often brought UNRWA on par with, or better than, prevailing statistics for the non-refugee population.

64. Assessments of efficiency painted a similar picture to health. The UNRWA education programme regularly experienced significant budget deficits due to supply-side and demand-side dynamics. On the supply side, inflation, the challenging security context, and increasing salary rates have led to fast-rising costs of service provision. On the demand side, one evaluation warned that the needs of an increased number of refugees were not matched with available resources, thus affecting the availability and quality of education. While decreased class sizes have made for better learning environments, this approach has increased per-student costs.

V. Conclusion

65. Since the 2010 evaluation by the Inspection and Evaluation Division of OIOS, the manifold external challenges UNRWA faces have intensified. Despite these challenges, UNRWA has continued to provide services to Palestine refugees — both in its decent standard of living interventions and in health and education.

66. Beyond the level of output delivery, however, evidence of how UNRWA has improved the lives of Palestine refugees has been elusive. Fundamentally, UNRWA was not successful in making the human development goal of a decent standard of living a platform for uniting the Agency around a shared vision in this regard, for a variety of reasons, cited in the present report. Many of these gaps were addressed in the 2010 evaluation by the Inspection and Evaluation Division of OIOS, but remain outstanding. As UNRWA pivots towards a similarly ambitious goal in the 2016-2021 medium-term strategy, that of protection, it risks similar shortcomings if these gaps are not addressed.

VI. Recommendations

67. The Inspection and Evaluation Division of OIOS makes two important recommendations, both of which UNRWA has accepted. The Division notes that UNRWA, in its management response (see annex), claims that individual aspects of each recommendation were already under way at the time the evaluation report was

released. This implementation status was not revealed during the evaluation, including during the report review process, and the Division uncovered no evidence during its evaluation to indicate as much. The Division was therefore not in a position to determine whether the recommendations were implemented because of or independently of the present evaluation. In its semi-annual follow-up and in its three-year follow-up triennial review on the implementation of the present recommendations, the Division will endeavour to verify this claim.

Recommendation 1 (results A, C, D, E)

68. To strengthen its accountability framework, and achieve the goals envisioned in the 2016-2021 medium-term strategy as effectively and efficiently as possible, UNRWA should do the following (in line with its previous plan to establish an accountability framework):

(a) Clarify the roles and responsibilities, both horizontally and vertically, for the 2016-2021 medium-term strategy as a whole and for its specific objectives, including the department(s) bearing primary responsibility for each objective and the department(s) responsible for contributing to the achievement of each;

(b) Build on the headquarters implementation plans and field implementation plans and include the specific elements that will be utilized to enhance organization-wide programme planning and implementation, with particular attention to cross-cutting initiatives;

(c) Strengthen its results-based monitoring and evaluation functions by (1) establishing clear linkages in the results-based monitoring system between strategic goals of the 2016-2021 medium-term strategy, unit workplans and personal workplans (2) establishing consistent baseline data, performance targets, SMART³⁷ indicators and improved data availability (3) identifying risks such as unintended consequences and sustainability concerns, and (4) identifying mechanisms that will be used for internal monitoring of performance against the 2016-2021 medium-term strategy plan, including monitoring and evaluation feedback loops.

Indicators

69. Development and implementation of a more comprehensive accountability plan geared towards effective implementation of the 2016-2021 medium-term strategy including the following: related to (a) above, guidance issued by senior management on roles each Department will bear in relation to the achievement of each objective; related to (b) above, headquarters implementation plans and field implementation plans that include specific information on the elements which will be utilized to achieve planning and implementation of cross-cutting initiatives; and, related to (c) above, a results-based monitoring and evaluation framework that has been strengthened in the four ways identified.

³⁷ An acronym for “Specific, Measurable, Agreeable [or Attainable], Realistic and Time-bound”, as expected for results-based management indicators (see, e.g., report of the Office of Internal Oversight Services (A/63/268, para. 21)).

Recommendation 2 (result A)

70. Subsequent to the establishment of consistent results-based monitoring baseline data, performance targets, SMART indicators and improved data availability, UNRWA should:

(a) Identify the appropriate level of resources necessary to fully meet its 2016-2021 medium-term strategy performance targets in the population it is mandated to assist (at large), and among those most in need of its assistance;

(b) Document and regularly communicate effects of any funding gaps on the achievement of the 2016-2021 medium-term strategy objectives, as well as the relevant Sustainable Development Goals, to the Advisory Commission and other key stakeholders.

Indicators

71. Development and implementation of the following: related to (a) above, documentation on the appropriate level of resources necessary to fully meet its 2016-2021 medium-term strategy performance targets in the population it is mandated to assist; related to (b) above, documentation of communication provided to the Advisory Commission, and other key stakeholders, on effects of any funding gaps on the achievement of 2016-2021 medium-term strategy objectives, as well as the relevant Sustainable Development Goals.

Annex

UNRWA management response and recommendation action plan

The Inspection and Evaluation Division of the Office of Internal Oversight Services (OIOS) presents the full text of comments received from UNRWA on the report of OIOS on its evaluation of the United Nations Relief and Works Agency for Palestine Refugees in the Near East. This practice has been instituted in line with General Assembly resolution [64/263](#), following the recommendation of the Independent Audit Advisory Committee.

UNRWA follow-up to the report by the Inspection and Evaluation Division of the Office of Internal Oversight Services on the evaluation of UNRWA, dated 8 July 2016

Towards strengthened accountability and achieving the appropriate level of resources

1. Thank you for the evaluation of UNRWA contained in the OIOS report dated 8 July 2016, with particular emphasis on the third human development goal set out in the Agency's previous medium-term strategy 2010-2015, namely the Agency's goal to help Palestine refugees achieve a decent standard of living. UNRWA has reviewed the OIOS report on the evaluation of UNRWA and appreciates its analysis and findings.
2. UNRWA appreciates that the OIOS report acknowledges, in the summary and at paragraph 65, that the external challenges affecting UNRWA have further intensified. This is indeed the case. In addition to the factors noted in the report — i.e., the lack of a political solution, increased refugee numbers, less stable resources to meet refugee needs, and staff management challenges — the instability and recurrent conflict in the external environment, which is beyond the control of UNRWA, must be emphasized. The armed conflict in Syria has entered its sixth year and has intensified, causing deepening humanitarian and protection needs. Lebanon and Jordan have generously offered sanctuary to over 1 million civilians fleeing the conflict in Syria, despite the substantial burdens this has placed on them. There have been two conflicts in Gaza in the recent period, compounded by a nine-year blockage, resulting in almost the entire population being dependent upon aid to meet basic needs. In the West Bank, including East Jerusalem, violence, access restrictions, demolitions, and other rights violations continue. Such a context of insecurity and instability impacts all five UNRWA areas of operations on a daily basis. Nonetheless, the Agency's role as a reliable service provider to Palestine refugees contributes a measure of dignity and stability in the areas in which it operates.
3. As you may recall, UNRWA management encouraged OIOS to evaluate human development goal no. 3 of the 2010-2015 medium-term strategy for many of the reasons now reflected in the OIOS report as Agency shortcomings. Among other things, UNRWA recognized weaknesses in its efforts to achieve human development

goal No. 3 and welcomed the opportunity to benefit from an OIOS evaluation of that Goal. UNRWA and its Advisory Commission specifically recognized the challenges associated with achievement of Goal No. 3 of the 2010-2015 medium-term strategy in the development of the new 2016-2021 medium-term strategy — a process that took place during the period of 2013 to 2015. Accordingly, the majority of the weaknesses identified in the OIOS report were addressed in the process of developing the Agency's new 2016-2021 medium-term strategy. In this regard, UNRWA asked that the OIOS report reflect some of the efforts made by UNRWA in tackling the shortcomings associated with implementation of Goal No. 3 of the 2010-2015 medium-term strategy. While we appreciate that the focus of the OIOS evaluation of UNRWA is on results achieved (or not achieved) against the 2010-2015 medium-term strategy, a more complete and comprehensive analysis would have emerged with the acknowledgement that UNRWA management recognized the challenges inherent in achieving Goal No. 3 of the 2010-2015 medium-term strategy and has already taken significant steps in the context of its new 2016-2021 medium-term strategy to address the very shortcomings identified in the OIOS report, against a context of increased insecurity and instability.

4. Firstly, the 2016-2021 medium-term strategy recognizes that realizing change at the level of human development for Palestine refugees will require concerted effort by all international actors — including host countries, donor countries, Israel (as the occupying power over two fields in which UNRWA operates), other international organizations and civil society. UNRWA cannot, through its programmes and operations alone, compete against the ever worsening environmental and external factors that are driving Palestine refugees further into poverty and unemployment. Poverty, unemployment, and food insecurity levels for Palestine refugees increased over the period of 2010 to 2015 primarily due to factors outside UNRWA control or influence. These factors include the continued occupation of the occupied Palestinian territory, the continuing blockade of Gaza, two conflicts in Gaza between 2010 and 2015, the ongoing war in Syria, and the continued deprivation of human rights of Palestine refugees in Lebanon. In the 2016-2021 medium-term strategy, UNRWA has opted not to repeat strategic objectives that it is unable meaningfully to influence. Instead, the 2016-2021 medium-term strategy has identified five strategic outcomes to which UNRWA is able to contribute — that is, where change can be attributed (at least in part) to the effectiveness of UNRWA programmes.

5. Second, over the last several years UNRWA has been addressing the observation that insufficient data exists concerning the human development of the overall Palestine refugee population. In this regard, UNRWA has been bridging the information/research gaps noted in the OIOS report. UNRWA has completed a human development study of Palestine refugees which draws upon recent studies conducted of the Palestine refugee population in each of its fields of operation. This work establishes a baseline on relevant indicators of the entire eligible population and further establishes a research agenda for the coming years that has the potential to influence strategic decision-making.

6. Third, UNRWA has improved its common monitoring matrix of performance indicators as part of the development of the 2016-2021 medium-term strategy. Monitoring systems, structures and processes have already been strengthened to

support the 2016-2021 medium-term strategy in those areas identified as weak in the OIOS report.

7. Fourth, embedded in the 2016-2021 medium-term strategy is an ambitious reform agenda for those subprogrammes that were identified in the 2010-2015 medium-term strategy as contributing to human development goal No. 3. Among other things, UNRWA is in the process of reforming its technical vocational education training, education science faculties and scholarships, to more effectively target vulnerable groups and to be more market-oriented. UNRWA is also reforming the Microfinance Programme to generate more microfinance opportunities. It has embarked on a number of innovative pilots including, for example, an information technology gateway project in Gaza that has the potential to create employment opportunities for talented youth, despite the ongoing blockade in Gaza. UNRWA is further using its Relief and Social Services Programme and Protection Programme to develop a better understanding of the factors that are driving increasing vulnerability amongst different cross-sections of the Palestine refugee population across its five Fields. This analysis will inform advocacy efforts and contribute to targeting methodologies and approaches in other UNRWA programmes.

8. Fifth, the Agency has strengthened its planning framework and structures to ensure that 2016-2021 medium-term strategy strategic objectives are reflected throughout its strategic plans and operational plans (which, together, replace the need for biennial headquarters implementation plans and field implementation plans referred to in the OIOS report). These strategic and operational plans are collectively owned by field offices, headquarters programme departments, and headquarter support departments. They are established in a highly consultative process, monitored throughout the period of implementation using common/ Agency-wide indicators, and reported on a biannual and annual basis. Greater alignment has already been achieved between programmatic and operational results, budgets, and management compacts. Results-based management and enterprise risk management systems, procedures and structures have further been established that ensure accountabilities are clear for achieving the strategic objectives set out in the 2016-2021 medium-term strategy.

9. Sixth, UNRWA has been working with other partners in host countries and in the broader developmental system, including the United Nations family, to establish strategic partnerships with organizations that are better placed to contribute to and accomplish the human development goals for Palestine refugees that UNRWA is not in a position to achieve alone.

10. With respect to a lack of clear communication, as noted in paragraph 53 of the OIOS report, UNRWA has already strengthened its internal communication with staff with generous support provided by the Swiss Agency for Development and Cooperation. Since early 2015 UNRWA has reached out to staff through new targeted and innovative methods, including direct and social media engagements. In late 2015, UNRWA also established an Internal Communications Unit in the Executive Office, dedicated to enhancing two-way communication with staff and highlighting the Commissioner-General's commitment to transparent and active engagement with staff, including on sensitive issues.

11. In addition, UNRWA takes this opportunity to comment specifically on paragraph 10 of the OIOS report, which suggests that the level of financial support

to UNRWA operations has been declining relative to a number of factors listed therein. UNRWA would like to point out that the absolute support received from donors has been increasing in a difficult environment for humanitarian funding. However, this growth in its financial support has not kept pace with increasing refugee numbers and needs that result in both increasing demand for UNRWA services and increasing operating costs. Increased expenditure has also been necessitated by United Nations system-wide requirements and donor demands. The issue of funding is an important one that is recognized in the 2016-2021 medium-term strategy as one of the highest enterprise risks faced by the Agency. UNRWA recognizes that there are opportunities for it to become more cost-effective — and it is proactively addressing these opportunities through various programmatic and operational reforms — but in the absence of any real improvement in the external environment in which refugees live and in the enjoyment of their human rights, UNRWA cannot achieve its strategic objectives under the status quo. It requires, as a matter of priority and urgency, a greater injection of additional and sustainable funding so that mandated services to Palestine refugees are not put at risk, such as occurred in summer 2015, when there was a real risk to the opening of UNRWA schools for 500,000 Palestine refugee children. UNRWA is making every effort, with the assistance of the Advisory Commission, to respond to the structural nature of its financial challenges and to advocate for measures that will put the Agency on stable financial footing so that it may reliably serve Palestine refugees.

12. In closing, UNRWA affirms its commitment to improved efficiency and effectiveness in accordance with United Nations best practice. In its 2016-2021 medium-term strategy, UNRWA commits to establishing a stronger foundation of efficient and effective management through, inter alia, building an ambitious relationship and fundraising approach to maximize resources and strengthening management systems to maximize impact and effective response as well as to address some key sustainability challenges facing the Agency. To achieve a more stable financial footing, the Agency has engaged in important reforms, introduced stringent budget processes and controls, and approved a zero-growth budget for 2016, and it looks to donors and partners for essential accompanying and increased support.
