

UNHCR Evaluation Management Response	
Evaluation title:	Evaluation of UNHCR's Global Fleet Management 2014-2018
UNHCR evaluation reference:	ES/2018/
Entity that commissioned the evaluation:	SMS/Evaluation Service
Date of Management Response:	19 February 2019

General comments on the evaluation:	
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<b>RECOMMENDATION 1:</b>		<p><b>UNHCR and GFM should develop a clear strategy to enhance recording and analysis. This includes data from country operations on operating costs and data on revenues from disposal of light vehicles and other items.</b></p> <p><b>Rationale:</b> The quality of data currently available on light vehicles is very weak and active use of existing data to improve performance is low. The evaluation noted many discrepancies between the information available in MSRP and FleetWave in terms of disposal revenues. The country operations do not record data on operating costs because there is no incentive or obligation to do so, there is little time to do it, and resources are stretched. GFM needs to start using existing data already recorded and then gradually build on that. A strategy would be a good place to set the direction for this kind of thinking and approach.</p> <ul style="list-style-type: none"> <li>A clear strategy to enhance data recording and analysis for monitoring and improving fleet management is established and disseminated.</li> </ul>				
<b>Management response:</b>		<input type="checkbox"/> <b>Agree</b> <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
<b>Reasons (if partially agree or disagree):</b>						
<b>Unit or function responsible:</b>		SMS/GFM unit				
Top line planned actions		By whom	Comments	Expected completion date	Progress	
					Status	Comments
1.1	<i>[This section is N/A if management disagrees with the recommendation. Insert further action lines as appropriate.]</i>	SMS/GFM	GFM has finalized its draft organizational strategy for 2019 – 2021. As a part of the draft strategy, GFM has outlined strategic goals and key performance indicators,	31 December 2019	Ongoing	

			<p>which are based on existing data sources, to measure goal achievement. Regarding data analysis, the draft strategy also highlights that GFM will explore options for enhancing and expanding its analytical function. The data will enable UNHCR to adjust operational needs in emergency and non-emergency situations. A detailed project plan for how to implement the draft strategy over the next three years, including enhancement of the analytics function is currently being finalized.</p>			
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<p><b>RECOMMENDATION 2:</b></p>	<p><b>UNHCR HQ should explore options and make a stronger commitment to set up a fleet management structure in countries and regions. This may include outpost Fleet and Asset Management Positions to the different regions in order to ensure compliance and consistency with regards to rules and procedures.</b></p> <p><b>Rationale:</b> The limited fleet management capacity at regional and national levels within UNHCR has implications for several aspects of the GFM model that cannot be properly implemented. For example, there is currently little capacity to collect, gather and analyze data on operating costs and vehicle use, which impedes decision-making based on the use of accurate data. As a result, the UNHCR fleet is still managed based on budget available and number of staff, rather than actual needs. For GFM to reap its potential benefits, additional investments are needed to implement the full scale of changes initially planned. Without these investments, this evaluation believes that it is unlikely that UNHCR will be able to fully achieve all the benefits of its centralized rental scheme for light vehicles.</p> <ul style="list-style-type: none"> <li>Structures in place in all UNHCR regional service centers, with 1-2 staff to provide support to national level stakeholders responsible for transportation. This support could be to assist in planning for fleet needs or for right sizing. These regional staff should also be in charge of implementing the data recording strategy noted in Recommendation 1 and should support data collection, data entry and data quality control. Having</li> </ul>
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		<p>a dedicated person in charge of reviewing the quality of data would be an incentive to enter the data in the system. Regional staff should also review data submitted by partners to ensure there are no inconsistencies.</p> <ul style="list-style-type: none"> <li>▪ Roster of fleet managers available to support country operations with fleet management needs or questions in place.</li> <li>▪ GFM and UNHCR should keep track of these investments and the savings associated with them. This will be helpful to justify these investments to donors.</li> </ul>				
<b>Management response:</b>		<input type="checkbox"/> <b>Agree</b> <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
<b>Reasons (if partially agree or disagree):</b>						
<b>Unit or function responsible:</b>		DESS/SMS				
Top line planned actions		By whom	Comments	Expected completion date	Progress	
					Status	Comments
2.1	<p><i>[This section is N/A if management disagrees with the recommendation. Insert further action lines as appropriate.]</i></p>	SMS	<p>To support the provision of fleet management services locally, regional structures need to be established in a sequenced manner, based on assessed benefits, costs and risks. Based on this approach, GFM proposed 3 international and 3 local staff positions to focus on Fleet Management in the 2019 (APR submission), which were not approved. GFM is currently assessing investments into organizational improvement including staffing especially given the recent UNHCR regionalization efforts.</p>	ongoing	Pending	

<b>RECOMMENDATION 3:</b>		<b>UNHCR should re-examine the way GFM is set up. GFM should function as a business within UNHCR that brings revenues to the organization, while also using these revenues to be self-sustaining.</b>				
		<b>Rationale:</b> GFM is currently treated as a cost center or a project implemented by the organization. This does not allow GFM to roll over its revenues from one year to the next. It cannot use its revenues to ensure that a healthy pipeline is available because the light vehicle sale revenues need to be reviewed by PBS and the Budget Committee and credited to its budget. This is a time-consuming procedure that has to be repeated monthly, leading to inefficiencies, increased lead time, and uncertainty about whether some of its revenues will be credited. Reassessing the way GFM is set up could have a positive impact on reducing lead time.				
		<ul style="list-style-type: none"> <li>▪ The status of GFM is revised to allow GFM to use its own surplus and revenues. UNHCR should clarify how the GFM surplus could be utilized. GFM could operate with more flexibility within these new boundaries.</li> <li>▪ GFM works more closely with country operations to be able to have more accurate procurement plans. This is one of the fundamental bases for the revised status of GFM. Without it, PBS and other UNHCR managers are not able to know if GFM is buying too many vehicles or not enough.</li> </ul>				
<b>Management response:</b>		<input checked="" type="checkbox"/> <b>Agree</b> <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
<b>Reasons (if partially agree or disagree):</b>						
<b>Unit or function responsible:</b>		DFAM/PBS				
<b>Top line planned actions</b>		<b>By whom</b>	<b>Comments</b>	<b>Expected completion date</b>	<b>Progress</b>	
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3.1	<i>[This section is N/A if management disagrees with the recommendation. Insert further action lines as appropriate.]</i>		The draft GFM strategy for 2019-2021 outlines the necessary strategic initiatives to become a self-sustaining business within UNHCR. This includes ring fencing measures such as a refined financial model for full recovery of costs. Further discussion and collaboration with DFAM is needed to realize this 'ring fenced' entity.	July 2019		

<b>RECOMMENDATION 4:</b>		<p><b>GFM should communicate more clearly the benefits of good fleet management and how fleet management is continuously being improved based on customer feedback. This communication should on the one hand focus on the benefits of GFM for the whole organization, not only for country operations, and on the other hand, on how GFM services can be further improved.</b></p> <p><b>Rationale:</b> UNHCR country operations still have many misconceptions about GFM and about fleet management in general. Most operations still think about their own benefit first, before thinking about the overall cost savings for the organization in centralized fleet management. To change perceptions, there needs to be better dissemination of information about the benefits of GFM. Such communication can also provide a good opportunity for GFM to collect feedback on how to further improve its services.</p> <ul style="list-style-type: none"> <li>Regional staff (described in Recommendation 2) are used both to help disseminate information and educate staff in country operations and to provide feedback on how GFM services can be further improved.</li> <li>GFM staff consult and travel to county operations on a regular basis to understand issues faced in countries but also to convene stakeholders (especially the UNHCR representative and senior management) to discuss the objectives and benefits of GFM. Documentation sent by email or put on the intranet is not sufficient, as staff members often do not read it so other forms of communications (like in-person meetings or consultations) should be explored.</li> </ul>				
		<b>Management response:</b> <input type="checkbox"/> Agree <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
		<b>Reasons (if partially agree or disagree):</b>				
		<b>Unit or function responsible:</b> GFM/SMS				
<b>Top line planned actions</b>		<b>By whom</b>	<b>Comments</b>	<b>Expected completion date</b>	<b>Progress</b>	
					<b>Status</b>	<b>Comments</b>
4.1	<i>[This section is N/A if management disagrees with the recommendation. Insert further action lines as appropriate.]</i>	GFM/SMS	GFM interacts and communicates with its clients on a daily basis as a part of its regular operations. To enhance communications on the benefits of its services and to collect customer feedback for further improvement, GFM will do	ongoing	ongoing	

			<p>the following: 1) Disseminate its new strategy and the related KPIs. In the draft strategy GFM clearly outlines 3 main goals which show the overall value proposition of the GFM program. In addition, GFM has created one KPI for each of these three goals. To measure efficiency, safety and security and environmental impact. Performance on these KPIs will be included in the new monthly 'League Table' which is being created by DFAM.</p> <p>2) GFM will continue issuing its customer satisfaction survey, which measures customer perceptions on a number of quantifiable indicators and also enables open ended feedback.</p> <p>3) The GFM draft strategy lists a number of strategic improvement initiatives to be implemented during the planning period including enhancing existing capacities and adding them where they don't exist including improvements in customer management, outreach and sales of services.</p>			
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<b>RECOMMENDATION 5:</b>		<p><b>Training provided by GFM in country operations should focus on training of trainers to ensure that information is available in operations in a more sustainable manner.</b></p> <p><b>Rationale:</b>  During its country visits, the evaluation noted that very few stakeholders in country operations had been trained by GFM. Even though the five-year training plan provided by GFM targeted many different types of stakeholders, groups of stakeholders requested more training opportunities (administration officers and drivers) as they had never been trained or insufficiently trained on fleet management and other related areas. More than four years into the implementation of the GFM five-year training plan, the evaluation team noted gaps in knowledge and capacities. In the countries visited, knowledge on fleet management or on FleetWave is not shared among staff and capacities are still very limited. Incentives to use and share the knowledge are needed. The evaluation team understands the high costs associated with deploying international staff to train staff that are often changing or rotating. This is why a more sustainable model might be developed for training; a model in which trainers are trained in country operations and can share their knowledge with colleagues and partners. The evaluation noted that partners in most locations had not been trained on data entry. At this stage, the evaluation team believes that the use of e-learning as a refresher training is not sufficient mainly because basic skills are not acquired.</p> <ul style="list-style-type: none"> <li>▪ A manual is developed by AFMS to train staff and available on the UNHCR intranet.</li> <li>▪ Trainers are trained in selected operations, preferably national staff involved in security or Information and Communications Technology.</li> <li>▪ Training is provided in operations to all relevant staff and is repeated on a regular basis.</li> <li>▪ All partners using UNHCR vehicles under a Right of Use agreement are also trained.</li> </ul>				
<b>Management response:</b>		<input type="checkbox"/> Agree <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
<b>Reasons (if partially agree or disagree):</b>						
<b>Unit or function responsible:</b>		GFM/GLC				
Top line planned actions		By whom	Comments	Expected completion date	Progress	
					Status	Comments
5.1	<i>[This section is N/A if management disagrees with the recommendation.]</i>	GFM/SMS	GFM is reassessing its training approach with the view to on the one hand	ongoing	One concrete action already is that GFM is currently	

	<i>Insert further action lines as appropriate.]</i>		further align training contents to performance and on the other hand to explore further ways of targeting recipients of trainings. Therefore, GFM partially agrees with the comment that training of Trainers is a useful method to ensure that knowledge is passed on. GFM is also exploring the option of making trainings mandatory for relevant positions.		reviewing and revising its GFM online training modules, to which all staff will have access.	
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<b>RECOMMENDATION 6:</b>	<p><b>In a context where the UN system is promoting the ‘Delivery as One’ approach, GFM should explore the possibility of becoming the ‘go to’ UN agency for public auctions of vehicles and other items.</b></p> <p><b>Rationale:</b> The UN system comprises numerous UN agencies with variable fleet sizes worldwide, totalling assets worth several million dollars. Most of these agencies dispose of old vehicles through donations, direct sales or sealed bid, and very few, if any, through public auctions. Yet, this evaluation has found that public auctions are the most profitable method of disposal and could generate an important income stream for the UN system in an environment of dwindling donor resources. GFM has instituted processes, including the development of long-term agreements with public auctioneers worldwide, and has clearly demonstrated its niche in public auctions. Becoming the go-to UN agency for public auctions would allow GFM to generate enough fees to cover its own auction-related expenses, and to conduct public auctions in countries where UNHCR’s fleet is too small to conduct such auctions. This is a long-term recommendation that would require the buy-in and collaboration of several stakeholders across the UN system.</p> <ul style="list-style-type: none"> <li>▪ GFM advocates for a resolution designating UNHCR as the main UN agency responsible for conducting public auctions across the UN system.</li> <li>▪ If a resolution is passed, Memoranda of Understanding are signed with different UN agencies to benefit from UNHCR’s public auction services.</li> </ul>
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<b>Management response:</b>		<input type="checkbox"/> <b>Agree</b> <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
<b>Reasons (if partially agree or disagree):</b>						
<b>Unit or function responsible:</b>		GFM/DFAM				
Top line planned actions		By whom	Comments	Expected completion date	Progress	
					Status	Comments
6.1	<i>[This section is N/A if management disagrees with the recommendation. Insert further action lines as appropriate.]</i>	GFM	<p>Currently GFM is providing auction services to other UN organizations and is exploring options for widening the customer base through various consultations with agencies.</p> <p>To strengthen our ability to provide expanded services GFM has established new auctioneer contracts have been established in 2018, auction preparatory activities, auction procedures, documentation as well as reporting, financial reconciliation of auction revenue has been standardized and harmonized.</p> <p>In addition, GFM has put forward an exploratory proposal to provide a number of fleet management services to other UN organization under the BIG or the SG's reform agenda. GFM is in principle ready to provide such services to one agency and a memo has been shared with the Assistant High Commissioner in this regard, however any additional support rendered</p>	ongoing		

			by UNHCR to the common system is contingent upon technical and staffing capacity to deliver both at Budapest (HQ) level and in the field.			

<p><b>RECOMMENDATION 7:</b></p>	<p><b>GFM should do more in-depth analysis and UNHCR as a whole should take more decision actions to ensure that its fleet is gradually becoming more environmentally friendly.</b></p> <p><b>Rationale:</b> The evaluation team understands the difficulties associated with building a green fleet in developing countries, but also wishes to stress that the issue of climate change is at the center of the 2030 agenda. The evaluation found that GFM’s fleet is composed of vehicles that produce much more carbon emissions than what is normally allowed in developed countries. Unfortunately, Toyota does not manufacture environmentally friendly vehicles for African and Asian markets. This said, UNHCR could reduce its environmental footprint by promoting eco-driving techniques and journey planning, which are currently not used optimally by UNHCR drivers. Additionally, although infrastructures are not well suited to the use of hybrid or electric vehicles in most countries where UNHCR operates, GFM could explore where it could make the most sense to introduce those vehicles.</p> <ul style="list-style-type: none"> <li>▪ The VTS and Novacom platform gather additional data on the use of eco-driving techniques, such as harsh braking and throttling.</li> <li>▪ Data is used by senior management in country operations to assess driver performance. For example, GFM would consider safe-driving bonus, or an eco-driving bonus.</li> <li>▪ GFM pilots and rolls out a web-based application for trip management, and partners could use this tool for ridesharing.</li> <li>▪ GFM extracts lessons from its experience with hybrid and electric vehicles, and explores the possibility of replicating this experience in other countries where the infrastructure is well suited to the use of such vehicles.</li> </ul>
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<b>Reasons (if partially agree or disagree):</b>						
<b>Unit or function responsible:</b>		GFM/DESS				
Top line planned actions		By whom	Comments	Expected completion date	Progress	
					Status	Comments
7.1	<p><i>[This section is N/A if management disagrees with the recommendation. Insert further action lines as appropriate.]</i></p>	GFM	<p>In its draft strategy for 2019-2021 GFM has included a strategic goal called 'Minimized environmental impacted'. The goal has been outlined as 'To reduce environmental impact through enhanced fleet composition and optimized use' The KPI to measure achievement of the goal is reduced CO2 emissions. The establish baselines and measure performance, GFM is already working with its service provider for VTS on emission calculation.</p> <p>Performance against the indicator will be used to inform GFM management decisions, including on any development of trainings or driver bonus schemes. The 'reduced CO2 emission' is also one of the three performance indicators which is included in the new "league report" referred to under evaluations recommendations #4.</p>	ongoing	<p>For 2019, AFMS is cooperating with UNSSC with regards to Safe Road Use and driver training.</p> <p>Speed-alerts are systematically recorded as of 2018. Individual driver cards for UNHCR vehicles are already in place but will be mandatory as of 2019.</p> <p>An AI on Safe driving bonus exists in UNHCR, but is being reviewed. .</p>	