**Annexes**

**Midterm review of the UNOPS strategic plan, 2018-2021**

# Annex I. Why we are

## Our strategic framework, purpose and goals

1. In preparing the midterm review of its strategic plan, 2014-2017, UNOPS developed a comprehensive purpose statement. As UNOPS reviews its strategic plan, 2018-2021, that purpose statement remains relevant:

### Our purpose

We help people build better lives and countries achieve peace and sustainable development.

We bring to this task the values and principles of the United Nations and the innovation, boldness, speed and efficiency of a self-financed institution.

We bring the highest international standards to what we do, and respect local contexts. We do this as our contribution to tackling the huge challenges of the 21st century.

We provide practical solutions to help our partners save lives, protect people and their rights, and to build a better world.

We aspire to be a leader in efforts to channel private sector investments for social and environmental impact while addressing the immense needs for sustainable development.

What drives us is a passion to fight inequalities and create opportunities for those most vulnerable. This means we often work in the most challenging contexts, building foundations for communities to function and for people to live with dignity and respect.

We are passionate about quality: in our people and in what we do.

We earn the trust of those we work with by caring about what they value, and by delivering on our promise to always act in the service of people in need.

## People, countries and operational contexts in 2018-2019

### In-country and global activities

2. Over the biennium, 99 per cent of UNOPS activities were delivered in or from 127 countries, where the biennial gross delivery exceeded $1 million. They included 13 countries with global activities. The remaining 114 countries represented in-country activities, and included 112 countries covered by the resident coordinator system. The final 1 per cent was delivered in or from 51 countries.

3. In 81 countries the biennial activities amounted to more than $4 million. Those countries accounted for 97 per cent of the activities, and included 10 countries with global activities. Activities in 24 countries exceeded $50 million over the biennium, amounting to 77 per cent of total gross delivery. They included 22 programme countries covered by the resident coordinator system, and two Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) member countries.

4. Fourteen per cent of activities were delivered globally from a few OECD/DAC countries. The bulk of global activities was delivered from Geneva, New York, Copenhagen, Valencia, Brindisi, Brussels and Seoul, in that order.

### The challenges of people and countries

5. In preparing the midterm review, UNOPS conducted a contextual assessment similar to the one that informed the prior midterm review and the current strategic plan.

6. The assessment reconfirmed strong correlations between UNOPS in-country activities and the challenges people face in different countries and contexts; and that the majority of its in-country activities are concentrated in countries ranking low on the human development index and high on the humanitarian risk index.

7. The assessment covered aspects such as development, gross national income, least developed countries, landlocked least developed countries, small island developing States, human development, peace and security, humanitarian risks, climate change, and transparency (see summary below).

#### Development

8. As of 2020, 3.8 billion people, 48 per cent of the world’s population, lived in 73 low- and lower-middle-income countries below the median of the human development index. UNOPS had activities in 64 of those countries, representing 53 per cent of gross delivery – an increase of 32 per cent compared to the biennial average of the prior strategy period.[[1]](#footnote-1)

9. Fourteen per cent of the world’s population – 1.1 billion people – live in 47 least developed countries. UNOPS had activities in 43 of them, representing 46 per cent of gross delivery – an increase of 22 percent.

10. Seven per cent of the world’s population – five hundred and thirty-three million people – live in 32 landlocked developing countries. UNOPS had activities in 23 of these, representing 16 per cent of gross delivery, an increase of 6 per cent.

11. Almost 1 per cent of the world’s population – 72 million people – live in 58 small island developing States. UNOPS had activities in 20 of these, representing 2 per cent of gross delivery, a decrease of 6 per cent.[[2]](#footnote-2)

#### Peace and security

12. Forty-eight per cent of the world population – 3.7 billion people – live in 69 low- and lower-middle-income countries with risk levels above the median fragile states index. UNOPS had activities in 63 of those countries, representing 58 per cent of gross delivery, an increase of 33 per cent.

13. In 2018, there were 52 active state-based conflicts in 35 countries and territories[[3]](#footnote-3) inhabited by 44 per cent of the world’s population – 3.4 billion people. UNOPS had activities in 33 of those countries, representing 50 per cent of gross delivery, an increase of 37 per cent.

14. By 2020, the Department of Peace Operations, the Department of Political and Peacebuilding Affairs, and the Department of Operational Support managed and supported 11 special political missions and 13 peacekeeping operations – 12 in Africa, 10 in Asia, one in Europe and one in the Americas.

15. The peacekeeping operations had around one hundred thousand deployed personnel and an annual budget of $6.5 billion. In 2018-2019, UNOPS had activities in all mission countries, amounting to 31 per cent of gross delivery, an increase of 25 per cent.

#### Humanitarian risks

16. Forty-nine per cent of the world’s population – 3.8 billion people – live in 70 low- and lower-middle-income countries with risk levels above the median humanitarian risk index. UNOPS had activities in 65 of those countries, representing 59 per cent of gross delivery, an increase of 34 per cent.

17. More than forty-one million internally displaced people reside in 31 countries. UNOPS had activities in 29 of those countries, amounting to more than $2 billion over the biennium.

#### Climate change

18. Forty-seven per cent of the world’s population – 3.7 billion people – live in 67 low- and lower-middle-income countries that are below the median climate change adaptation index. UNOPS had activities in 62 of those countries, representing 50 per cent of gross delivery, an increase of 27 per cent.

*Transparency*

19. Forty per cent of the world’s population – 3.1 billion people – live in the 89 countries below the median corruption perception index. UNOPS had activities in 74 of those countries, representing 72 per cent of gross delivery, an increase of 40 per cent.

# Annex II. What we do

## Operational results in 2018-2019

#### A better known and recognized resource

20. In its efforts to engage earlier on and higher up in the development value chain, UNOPS participated in a number of global forums and events. Examples over the past biennium include: substantive engagement in the 2019 lead-up to the G-20 Summit in Japan; interactive dialogues and presentations at the World Economic Forum; thematic side events at the General Assembly; and high-level participation in the Impact 2030 summit and the European Development Days. With the Economist Intelligence Unit, UNOPS developed publications that highlighted the critical role of sustainable public procurement and quality infrastructure for achieving sustainable development.

#### Demand for management support services: procurement and human resources

21. The steady increase in demand for management support services confirmed their continued relevance for partners. The demand for procurement and human resources services developed as follows:

(a) Over the biennium, procurement as a stand-alone service, and procurement of goods and services for implementation projects, exceeded $2 billion, up from $1.4 billion in 2014-2015. Almost half – $850 million – was sourced from small- and medium-sized enterprises; and $142 million worth of goods was procured by partners through the UNOPS e-Commerce solution, UN Web Buy Plus. In 2019, UNOPS worked with more than 6,000 suppliers from 173 countries.

(b) The Bangkok shared-service centre supports partner-managed personnel on UNOPS contracts. The service is used mainly by partners in the United Nations system. In 2014, UNOPS had 2,074 partner personnel on contract. By 2019, the number of partner personnel had reached 7,763, across 138 countries and territories. More than half – 54 per cent – worked in 62 least developed countries, landlocked least developed countries, small island developing States or other countries in fragile situations. In comparison, the number of UNOPS personnel changed only marginally, from 4,851 in 2014 to 4,765 in 2019. Over the same period its activity level increased by 86 per cent.

#### Sustainable implementation approaches

22. The UNOPS sustainable implementation approaches span the three mutually reinforcing dimensions of economic, social and environmental sustainability.

23. As part of the midterm review of its strategic plan, 2010-2013, UNOPS articulated a framework for sustainable implementation approaches. In preparing the present midterm review, UNOPS reviewed and updated the framework to better reflect internal and external developments. In addition, the framework has been supplemented by standard indicators for monitoring and reporting.

24. Pursuant to the review, a few sub-dimensions have been updated to more explicitly capture specific areas of focus and attention. These include people with disabilities and other special-interest groups, as well as vendors and supply chains. The revised sub-dimensions of the framework are summarized below.

(a) *Equitable economic growth*

(i) Ensuring optimum value for money by pursuing effective management practices and investment strategies, upholding the principles of transparency and accountability, and considering appropriate exit strategies;

(ii) Contributing to improved livelihoods through equitable employment opportunities for local workforces; and

(iii) Supporting local communities through expanded market access and use of local suppliers wherever possible, including opportunities for women- and youth-owned businesses.

(b) *Social justice and inclusion*

(i) Exercising due diligence, respect for human rights and rights-based approaches, including for people with disabilities and other special-interest groups, and for advancing gender equality and empowerment of women and girls throughout implementation projects;

(ii) Engaging local communities and beneficiaries and ensuring equitable access to project benefits, with a particular emphasis on protecting the most vulnerable; and

(iii) Facilitating access to food, water, sanitation, energy, health, education, justice and security-related services.

(c) *Environmental respect*

(i) Mitigating adverse impacts on the environment and improving biodiversity and ecological resilience;

(ii) Using renewable resources, taking into account the interactions between human development and environmental sustainability; and

(iii) Encouraging environmentally responsible supply chains for project implementation.

25. In its biennial budget estimates, 2020-2021, UNOPS presented an initial framework for monitoring and reporting on its sustainable implementation approaches. The framework has been finalized with key indicators from the UNOPS sustainability report, which is based on the standards of the Global Reporting Initiative. An overview of associated performance indicators, baselines and ambitions is provided in table 1.

26. Over the past biennium, UNOPS continued to further its strategic goals through sustainable implementation. A summary of results achieved over the past biennium follows:

(a) With its attention to *supporting equitable economic growth,* it:

(i) created 10 million days of paid work. This was a doubling compared to the 2016-2017 biennium. In 2019, women and young people undertook almost 2 million days, and people with disabilities 19,000 days.

(ii) awarded $980 million worth of contracts to local suppliers. This was around half of the procurement spend in UNOPS locations, and an increase compared to $940 million in the previous biennium. Almost $22 million worth of contracts were awarded to women-owned businesses over the biennium.

(b) Through its consideration of *social justice and inclusion,* it:

(i) engaged local populations through community outreach and capacity-building. Over the biennium, $651 million worth of infrastructure projects included outreach and capacity-building activities – a 24 per cent increase over $527 million in the previous biennium. In 2019, 81 per cent of infrastructure activities contributed to developing national capacity; 62 per cent reported a focus on women, and 23 per cent on people with disabilities.

(ii) enabled equal access to facilities and/or services. Over the biennium, $410 million-worth of infrastructure projects included activities that sought to enable equal access, compared to $200 million in the previous biennium. In 2019, 60 per cent of infrastructure projects included outputs targeting access for women, and 46 per cent for people with disabilities. Work on roads and bridges alone enabled equal access to facilities and services for 13 million people or more.

(c) In honouring its commitment to *environmental respect,* UNOPS:

(i) mitigated greenhouse gas emissions during a period of strong growth. Over the biennium, UNOPS operations recorded greenhouse gas emissions of about 30,000 tonnes of carbon dioxide equivalent, compared to roughly 32,000 tonnes in 2016-2017. Over the 2016-2019 period, activities increased by more than 50 per cent; and UNOPS continued to offset emissions through the United Nations Clean Development Mechanism.

(ii) doubled the geographical coverage of its ISO 14001-certified environmental management system to cover activities and facilities in 18 countries and territories, up from only nine at the end of 2017.

#### Sustainable implementation approaches for infrastructure

27. By streamlining its sustainable implementation approaches across its infrastructure projects, UNOPS has further developed its capacity to deliver in a sustainable, resilient and inclusive manner. The implementation approaches include guidance on assessing environmental impact, engaging communities in planning and implementation, using local labour (cash for work), and mainstreaming gender considerations.

28. Inclusive and gender-sensitive infrastructure is central to achieving international commitments. If infrastructure implementation is ‘gender-blind’, it will maintain obstacles for obtaining women’s empowerment and gender equality for decades. In collaboration with a range of partners – including other United Nations entities and governments – UNOPS continues to spotlight the need for inclusive, gender-sensitive infrastructure; and promotes and supports gender mainstreaming in all infrastructure projects.

#### Quality infrastructure and evidence-based approaches

29. Over the biennium, UNOPS developed and tested two tools to support evidence-based infrastructure: (a) the National Infrastructure Systems Model, to support governments in making infrastructure planning decisions; and (b) the Capacity Assessment Tool for Infrastructure, to support governments in assessing their capacity to effectively plan, deliver and manage infrastructure systems.

30. To date, UNOPS has piloted the National Infrastructure Systems Model with the governments of Curaçao,[[4]](#footnote-4) Palestine[[5]](#footnote-5) and Saint Lucia. Furthermore, together with the Institute of Civil Engineers, UNOPS has issued guidance for policymakers on how to improve infrastructure planning and prioritization.[[6]](#footnote-6)

31. The Capacity Assessment Tool for Infrastructure has been piloted with the governments of Serbia; Brazil (Mato Grosso); Grenada; Kenya (Turkana); Nepal; and Serbia.

32. UNOPS intends to build on those successful collaborations and work with government partners to plan, deliver and manage quality infrastructure, relying on evidence, conducting a rigorous evaluation of options and ensuring adaptability to future uncertainties.

#### Sustainable public procurement

33. Sustainable Development Goal 12 – responsible consumption and production – targets the promotion of sustainable public procurement practices and policies, which can have a significant impact on the ability to achieve many of the goals.

34. A recent example of the UNOPS experience in sustainable public procurement was the support it provided to the Guatemala Social Security Institute, which, by 2019, had generated a 57 per cent savings, worth $270 million, in purchasing medicines and supplies.

**Activities for purpose**

35. In preparing the midterm review, UNOPS conducted a detailed analysis of biennial activities across: (a) the three United Nations pillars, (b) the development sectors; and (c) support to countries’ achievement of Sustainable Development Goals. The results are summarized below.

#### United Nations pillars

36. The three pillars of the Charter are mutually reinforcing and essential to mitigating the risks of fragility. Sustainable development underpins peace; sustained peace enables development; and societies are more resilient when they uphold the full breadth of human rights: gender equality and women’s empowerment; rule of law; and inclusion and diversity – as well as nurturing their youth and children.

37. UNOPS continued to support activities across the three pillars of the United Nations. In 2018-2019 the distribution was: 69 per cent development, 18 per cent peace and security, and 13 per cent humanitarian.

38. There was growth under all pillars, and the distribution across the three shifted only slightly. In absolute terms, biennial support for activities under the ‘development’ pillar saw the largest growth of almost $840 million, or 39 per cent. Activities under this pillar were significant across all regions and all types of countries.

39. Support under the ‘peace and security’ pillar increased by almost $130 million, a growth of 20 per cent. Activities under this pillar are particularly significant in Africa and Western Asia, corresponding with the prevalence of countries in fragile situations.

40. Biennial support under the ‘humanitarian’ pillar increased by almost $241 million, a growth of 78 per cent. Activities under this pillar have been in particular demand in Western and Southern Asia.

#### Development sectors

41. The UNOPS portfolio of projects is diverse. The technical expertise and support services that it contributed over the biennium expanded implementation capacity within a number of sectors. Work in the ‘social infrastructure and services’, and ‘humanitarian aid’ sectors saw significant demand. Together they comprised 75 per cent of activities and represented 85 per cent of growth.

42. Across all regions and country types the ‘social infrastructure and services’ sector comprised more than half of all activities. Within the sector, the subsectors ‘health’ and ‘conflict, peace and security’ remained the largest. They comprised 41 per cent of all activities, and demand for both continued to grow. Other subsectors included ‘social protection,’ ‘culture and recreation,’ ‘education’ and ‘water supply and sanitation.’

43. In the ‘humanitarian aid’ sector, demand for support for ‘emergency response’ remained strong, and there was strong growth in the subsectors of ‘reconstruction relief and rehabilitation,’ and ‘disaster prevention preparedness.’ The latter was in particular demand in Southern Asia, whereas demand for the former two was especially robust in Western Asia.

#### Sustainable development goals

44. The 17 Sustainable Development Goals and 169 targets are universal, mutually reinforcing and interdependent. Countries achieve and report on them, and the United Nations system provides support based on mandates, expertise and comparative advantage.

45. With its implementation mandate UNOPS can, in principle, provide direct and indirect support for countries’ achievement of all the goals – yet partners appear to find UNOPS services and expertise more attractive in relation to some than others.

46. With its self-financed business model, all UNOPS activities could in principle be considered as contributing to Goal 17 ‘partnerships for the goals,’ while at the same time contributing to the achievement of a number of other goals.

47. Similar to the way demand is particularly strong in specific sectors, there are also specific goals for which demand was particularly strong. Due to the mutually reinforcing nature of the goals, activities supporting one goal can also support several others, including cross-cutting goals such as gender equality and climate action. In order to avoid double-counting, an overview of the ‘main goals’ towards which projects supported by UNOPS have contributed follows below.

48. In 2018-2019, demand for activities supporting achievement of Goals 3, 11, 16 and 17 remained particularly strong. Support for the four goals accounted for 65 per cent of gross delivery and 58 per cent of growth. In least developed countries, landlocked least developed countries, small island developing States and other countries in fragile situations, the same four goals accounted for 72 per cent of demand.

49. In Africa, the goal towards which most activities contributed was Goal 16, ‘peace justice and strong institutions’. Demand for support of this goal was significant in all regions. In Asia and Europe, support for achievement of Goal 3, ‘good health and well-being’, saw the largest demand; in the Americas it was support for achievement of Goal 11, ‘sustainable cities and communities’; while in Oceania support for achievement of Goal 13, ‘climate action’ was in highest demand.

50. Commensurate with the previous partner survey, the 2018-2019 survey highlighted that partners consider UNOPS a partner of choice for support in achieving many of the Sustainable Development Goals. At the same time, it illustrated that partners’ priorities differ in relation to specific goals. It reconfirmed that partner demand for UNOPS expertise and perception of its relevance is stronger in relation to some goals than others.

51. The survey results indicated strong recognition in relation to Goals 3, 9, 11, 16 and 17; and increasing recognition of expertise in relation to Goals 1, 6, 7, 8 and 13. The survey also revealed that more than half of the respondents attached particular priority to Goal 5 ‘gender equality’, confirming the relevance attached by UNOPS to gender mainstreaming in its implementation projects.

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| **Table 1: Framework for sustainable implementation approaches** | | | | | | | |
| ***Dimensions of sustainability*** | | |  |  |  |  |  |
|  | *Sub-dimensions of sustainability* | |  |  |  |  |  |
|  |  | Indicators, baselines and ambitions |  |  | *2019 baseline* | *2020-2021 ambition* | *Reporting standards* |
| ***(a) Equitable economic growth*** | | |  |  |  |  |  |
|  | *(i) Ensuring optimum value for money by pursuing effective management practices and investment strategies, upholding the principles of transparency and accountability, and considering appropriate exit strategies* | | | | | | |
|  |  | Share of infrastructure projects generating labour days | | | 90% | 90% | Global reporting Initiative (GRI) 203-2. Significant indirect economic impacts |
|  | Number of labour days created for local workers | | | 5 million | 5 million |
|  | *(ii) Contributing to improved livelihoods through equitable employment opportunities for local workforces* | | | | | | |
|  |  | Number of labour days created for local women workers\* | | | 0.9 million | 1 million | GRI 203-2. Significant indirect economic impacts |
|  | Number of labour days created for young local workers | | | 0.7 million | 1 million |
|  | *(iii) Supporting local communities through expanded market access and use of local suppliers wherever possible, including opportunities for women- and youth-owned businesses* | | | | | | |
|  |  | Share of procurement with registered local suppliers | | | 51% | 55% | GRI 204-1. Proportion of spending on local suppliers |
|  | Micro, small and medium-sized-enterprises and women-owned businesses whose capacity has been developed | | | n/a | 2,000 | GRI 204. Procurement practices |
|  | Women-owned businesses participating in tender processes | | | n/a | 1,000 |
|  | Value of tenders awarded to women-owned businesses | | | n/a | $9 million |
| ***(b) Social justice and inclusion*** | | |  |  |  |  |  |
|  | *(i) Exercising due diligence, respect for human rights and rights-based approaches, including for people with disabilities and other special-interest groups, and for advancing gender equality and empowerment of women and girls throughout implementation projects* | | | | | | |
|  |  | Share of projects implementing national capacity-building in project delivery | | | 55% | 60% | GRI 203-2. Significant indirect economic impacts |
|  |  | ... for women | | | 47% | 60% |
|  |  | ... for people with disabilities | | | 16% | 20% |
|  | *(ii) Engaging local communities and beneficiaries and ensuring equitable access to project benefits, with a particular emphasis on protecting the most vulnerable* | | | | | | |
|  |  | Share of projects with local community engagement activities | | | 45% | 50% | GRI 413-1. Operations with local community engagement, impact assessments, and development programmes |
|  |  | ... for women | | | 44% | 50% |
|  |  | ... for people with disabilities | | | n/a | 20% |
|  | *(iii) Facilitating access to food, water, sanitation, energy, health, education, justice and security-related services* | | | | | | |
|  |  | Share of infrastructure projects enabling access and use of facilities and/or services | | | 62% | 65% | GRI NGO4. Measures to integrate gender and diversity into programme design and implementation |
|  |  | ... for women | | | 60% | 65% |
|  |  | ... for people with disabilities | | | 46% | 50% |
| ***(c) Environmental respect*** | | | | | | | |
|  | *(i) Mitigating adverse impacts on the environment and improving biodiversity and ecological resilience* | | | | | | |
|  |  | Share of infrastructure projects with significant direct or indirect impact on biodiversity | | | 16% | 15% | GRI 304-2. Significant impacts of activities, products, and services on biodiversity |
|  |  | Share of infrastructure projects directly protecting and/or restoring habitat areas | | | 10% | 15% | GRI 304-3. Habitats protected or restored |
|  | *(ii) Using renewable resources, taking into account the interactions between human development and environmental sustainability* | | | | | | |
|  |  | Share of UNOPS energy consumption from renewable energy sources | | | 7% | 8% | GRI 302-1. Energy consumption within the organization |
|  | *(iii) Encouraging environmentally responsible supply chains for project implementation* | | | | | | |
|  |  | Share of new suppliers for major contracts screened using environmental criteria | | | n/a | 50% | GRI 308-1. New suppliers that were screened using environmental criteria |
|  |  | Share of suppliers completing corrective action and preventive action plans | | | n/a | 50% | GRI 308-2. Environmental impacts in the supply chain |
|  |  | \* 2019 reporting from one exceptionally labour-intensive project excluded to allow year-on-year comparison. | | | | | |

# Annex III. How we manage

## Management results in 2018-2019

52. Each of the four UNOPS management goals is associated with a balanced scorecard perspective: partners, people, process, and finance. The sections below provide accounts of UNOPS performance with respect to those four perspectives and their related goals.[[7]](#footnote-7)

### Partners

53. Focused on *partner value*, UNOPS aims to “deliver innovative services and solutions contributing value recognized by partners and in accordance with international standards and recognized best practices”.

54. In 2018-2019, UNOPS continued its best practice approach of systematically soliciting partner feedback. To protect the integrity of the partner feedback, the partner survey, 2018-2019, was conducted by an independent external provider. The survey had 670 respondents representative of UNOPS partners. Overall, partners were satisfied with UNOPS and likely to recommend it to others and use its services again.

55. Demand by partners for UNOPS project services was reflected in the volume of new and extended agreements signed with those partners. UNOPS consistently exceeded its targets for entering into such agreements, increasing the volume from $1.7 billion in 2015 to $2.1 billion in 2019.

56. In line with its ambition to become a more widely known and recognized resource, UNOPS has increased the subscribers to its communication channels threefold since 2017, and the number of visits to the public UNOPS website comfortably exceeds targets.

### People

57. To advance *people excellence*, UNOPS strives to “empower people to perform at consistently high standards in a culture conducive to principled performance, making UNOPS an employer of choice, attracting and retaining a talented workforce”.

58. In 2019, UNOPS completed its third biennial people survey. Results indicate that UNOPS maintains strong engagement and performs well against benchmarks. The UNOPS employee engagement index exceeds external benchmarks for both high-performing and global surveying organizations. UNOPS maintained its excellent track record on personnel performance appraisals, with an on-time completion rate of 97 per cent for 2018 and 2019.

59. UNOPS executive leadership took decisive action to meet gender parity targets. Introducing temporary special measures, UNOPS increased the share of women in the overall workforce from 38 per cent in 2017 to 43 per cent by January 2020. Similarly, the share of women in senior positions increased from 29 per cent in 2017 to 35 per cent in 2019. Diversity, expressed as the share of personnel from the global South in international positions, increased from 43 per cent in 2017 to 50 per cent in January 2020.

### Process

60. Pursuing its goal of *process excellence*, UNOPS “drives measurable improvement of quality, efficiency and reliability of operations through simplification and innovation of processes, based on clear standards and delegated authority enabled through information technology”.

61. In 2019, UNOPS released a new project management manual, comprising prescriptive content on project management and guidance on sustainable implementation approaches. Pursuant it deployed a new enterprise portfolio and project management system (‘OneUNOPS Projects’), which enables UNOPS personnel around the world to better design, plan, manage and execute projects. While expanding the system, UNOPS put renewed emphasis on collaborative and knowledge management tools. This included shifting the budgeting for project cost towards an output-based approach to better account for deliverables.

62. As part of the continuous pursuit of business improvement and enhanced efficiency and consistency, UNOPS has increased the share of relevant processes performed in its global shared services centre from 34 per cent in 2017 to 74 per cent in 2019. In parallel, the share of procurement processes delivered through the e-sourcing tool reached 97 per cent in 2019, up from 10 per cent in 2016.

63. UNOPS improved its implementation rate of recommendations of the United Nations Board of Auditors from the prior year from 38 per cent in 2017 to 61 per cent in the report issued by the Board in 2019. During the same period, the implementation rate of internal audit recommendations increased from 92 per cent to 96 per cent. By the end of 2019, only one internal audit recommendation had remained open for more than 18 months, demonstrating senior management commitment to prudent organizational stewardship.

### Finance

64. To ensure *financial stewardship*, UNOPS “safeguards the demand-driven, self-financed business model and ability to invest in innovation for the benefit of governments, the United Nations and other partners, and the people they serve”.

65. Delivery of project services increased from $1.4 billion in 2016 to $2.3 billion in 2019, an annual average growth of 16 per cent. The average fee decreased from 6.0 per cent to 4.4 per cent, indicating that UNOPS was delivering more for less, including through economies of scale, to benefit its partners and beneficiaries.

66. UNOPS consistently achieved its net revenue target and minimum requirements for the operational reserve established by the Executive Board. Moreover, 98 per cent of partner agreements were signed in compliance with its cost recovery policy, and UNOPS met its target of investments in knowledge management and innovation, amounting to 1 per cent of indirect costs.

67. To ensure financial viability and safeguard its unique business model, UNOPS relied on its low operational surplus margin and net finance income, which are the main building blocks of its net assets. By the end of 2019 its net assets stood at $252 million.[[8]](#footnote-8) In 2019, the Executive Director established a growth and innovation reserve to provide debt or equity investments to, inter alia, sustainable infrastructure impact investment activities. At the end of 2019, the balance stood at $104.9 million, with a total of $58.8 million allocated to sustainable infrastructure impact investment agreements as of April 2020.

1. The increase is measured as gross delivery, 2018-2019, compared to the average gross delivery for the two prior bienniums. [↑](#footnote-ref-1)
2. The overall decrease in small island developing States was due to a gradual slowdown of activities in Haiti, which in turn obfuscated growth in the Oceanian countries. [↑](#footnote-ref-2)
3. Uppsala Conflict Data Program ([UCDP), Active state-based conflicts in 2018](https://ucdp.uu.se/downloads/charts/#__utma=1.549206357.1581065136.1581065136.1581065136.1&__utmb=1.4.10.1581065136&__utmc=1&__utmx=-&__utmz=1.1581065136.1.1.utmcsr=(direct)|utmccn=(direct)|utmcmd=(none)&__utmv=-&__utmk=39311523) [↑](#footnote-ref-3)
4. *Evidence-based infrastructure: Curacao*, Ministry of Traffic, Transportation and Urban Planning, Government of Curaçao; Infrastructure Transitions Research Consortium (ITRC); [and UNOPS, 2018](https://www.itrc.org.uk/wp-content/uploads/2019/09/UNOPS-ITRC_EBI_Curacao_2018-Full-report.pdf) [↑](#footnote-ref-4)
5. *A Fast Track Analysis of infrastructure provision in Palestine*, [ITRC and UNOPS, 2018](https://itrc.ouce.ox.ac.uk/wp-content/PDFs/PalestineFTA_online.pdf) [↑](#footnote-ref-5)
6. [*Enabling better infrastructure*, UNOPS, 2019](https://www.ice.org.uk/ICEDevelopmentWebPortal/media/Documents/Media/ice-enabling-better-infrastructure-report.pdf) [↑](#footnote-ref-6)
7. [DP/OPS/2020/4-Annex II](https://content.unops.org/documents/libraries/executive-board/documents-for-sessions/2020/annual-session/unops-segment-item-17-annual-report-of-the-executive-director/en/DP-OPS-2020-4-Annex-2_EN.pdf?mtime=20200504110221) [↑](#footnote-ref-7)
8. [DP/OPS/2020/CRP.1](https://content.unops.org/documents/libraries/executive-board/documents-for-sessions/2020/annual-session/unops-segment-item-17-annual-report-of-the-executive-director/en/DP-OPS-2020-CRP.1_EN.pdf?mtime=20200512114726) [↑](#footnote-ref-8)