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Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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The UNOPS strategic plan, 2022–2025

Summary

The UNOPS strategic plan, 2022-2025 affirms our determination to help build a better future for all. We commit to contributing our expertise to expand implementation capacity for countries to achieve the Sustainable Development Goals.

Our plan is firmly rooted in our mandate, the current global context and the international agreements shaping the 2030 Agenda for Sustainable Development. It considers the COVID-19 crisis and focuses on how, based on national priorities, we can support country achievement of the sustainable development goals, including bridging the financing gap.

We are a resource for technical expertise and implementation support across peace and security, humanitarian, and development efforts, even in the most challenging operational contexts. We are attentive to the special challenges facing people in the most vulnerable countries in special and fragile situations, and recognize the specific issues facing middle-income countries.

We can provide support across all the goals, and work in many sectors. Stakeholders frequently express the need for support in health and climate related sectors. 'What we do' responds to demand and is guided by our contribution goals, which keeps us focused on supporting countries, helping people in need, and enabling our partners.

We 'support countries' in developing their capacity and resource base for the sustainable development goals. We apply our technical expertise in quality infrastructure and public procurement, and help attract financing for sustainable investments in infrastructure and innovation ('S3I').

We 'help people in need' through effective specialized expertise grounded in international norms and standards. We drive sustainable, resilient and inclusive implementation, and mainstream and monitor cross-cutting economic, social and environmental issues.

We 'enable our partners' to 'do more with less' through efficient project services, delivered locally or as global shared services. We deliver infrastructure, procurement and project management services that help our partners achieve their goals.

We are guided by the quadrennial comprehensive policy reviews and engage in United Nations reform in accordance with our unique non-programmatic implementation mandate, and our demand-driven, self-financing business model.

We pursue quality and organizational excellence. 'How we do it' is guided by our management goals, which set our ambitions for partner value, people and process excellence, and financial stewardship.

We manage the quality of our services based on lessons from implementation, including operational and management lessons learned from the response to COVID-19. In the years ahead, trusted partnerships, diversity and inclusion, health and safety, digitalization and responsible management of resources will be crucial.

We share a mission to help people build better lives and countries to achieve peace and sustainable development. We are ready to be part of the solution, building a better future for all.





Elements of a decision

The Executive Board may wish to:

Express appreciation to UNOPS for the consultative process in the preparation of the strategic plan, 2022-2025, and recognize its solid foundation in Member State decisions, policy guidance and international agreements;

Endorse the strategic plan, 2022-2025, and recognize the contributions UNOPS can make to expand the implementation capacity of countries to achieve the Sustainable Development Goals, recover from the COVID-19 crisis, and respond to the climate emergency;

Welcome contributions to support countries, help people in need, and enable partners in response to national needs and priorities, and encourage continued focus on countries in special and fragile situations, including the specific needs of middle-income countries;

Reiterate its recognition of the relevance of the unique non-programmatic implementation mandate and operational role; and take note of the output-focused approach to planning and reporting instilled by the self-financing, demand-driven business model;

Emphasize the value-adding UNOPS contributions to quality infrastructure, public procurement and sustainable investments in infrastructure and innovation; and encourage continued engagement in United Nations reform in accordance with its role and mandate;

Encourage governments, the United Nations and other partners to utilize the comparative advantage of its technical expertise and cost-effective implementation support across peace and security, humanitarian and development efforts;

Support the continued pursuit of quality and organizational excellence guided by our management goals, and encourage internal investment to fast-track implementation of lessons learned from working under COVID-19 and to explore any untapped potential of digitalization.

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I. Why we exist: strategic context and goals

Introduction

- 1. The General Assembly established UNOPS as a United Nations organization under the auspices of the Assembly, the Economic and Social Council, and the Executive Board. Our purpose embodies the fundamental values of the Charter of the United Nations: peace, justice, human dignity, tolerance and solidarity.¹
- 2. We have set out a four-year plan providing context for why we are determined to support building a better future for all. It details what we will contribute to expand implementation capacity for countries to achieve the Sustainable Development Goals amid the COVID-19 crisis and the climate emergency, and how we will manage our efforts.
- 3. We sustain the course confirmed by the Executive Board decision on the midterm review we presented in 2020,² and build on our technical expertise and the comparative advantage of our implementation mandate, including in quality infrastructure, public procurement, and sustainable investments in infrastructure and innovation.³

A. Global context

4. We take to heart the Secretary-General's warning that "due to COVID-19, an unprecedented health, economic and social crisis is threatening lives and livelihoods, making achievement of Goals even more challenging." We recognize that a full-fledged response to COVID-19 and its effects, from the health and humanitarian responses to addressing socio-economic impacts, will be essential for a sustainable and inclusive recovery. The pandemic has slowed the acceleration called for through the 2020-2030 decade of action, amplifying the global challenges and risks of the 21st century. In this context, addressing climate-related challenges is cardinal, and our responsibility to leave no one behind is paramount.

International agreements shaping the 2030 Agenda

- 5. We recognize that the United Nations Charter and the Declaration on Human Rights⁵ provide the foundations for multilateralism. By 2016, the 2030 Agenda was set: "Transforming our world" adopted the sustainable development goals; the Addis Ababa Action Agenda⁷ set new ambitions for development financing; and the Paris Agreement⁸ charted the course for combating climate change.
- 6. We acknowledge that the Sendai Framework for Disaster Risk Reduction,⁹ the New Urban Agenda,¹⁰ and the Convention on Biodiversity¹¹ contribute to the broad vision. The Beijing Declaration and Platform for Action¹² drives equal rights for women and men. Consecutive quadrennial comprehensive policy reviews have provided guidance and framed the repositioning of the development system.¹³
- 7. We are cognizant that the three pillars of the United Nations peace and security, development and human rights are equally important, interrelated and interdependent. At the midpoint of this strategy period the world will commemorate the seventy-fifth anniversary of the Universal Declaration of Human Rights a humbling reminder of our responsibility to promote and protect human rights and fundamental freedoms for all.
- 8. We recognize that the climate emergency is an existential threat to humanity, countries and communities around the world. Renewable energy, as well as green and resilient infrastructure will

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¹ San Francisco, 1945

² DP/OPS/2020/5

³ Decision 2020/20

⁴ United Nations, 2020

⁵ Paris, 1948, resolution 217 A (III)

⁶ Resolution <u>70/1</u>

⁷ Resolution 69/313

⁸ Paris Agreement

⁹ Resolution 69/283

¹⁰ Resolution 71/256

¹¹ Treaty Series, vol. 1760, No. 30619

¹² Resolution <u>50/203</u>

¹³ Resolutions <u>75/233</u>, <u>72/279</u>, and <u>71/243</u>

¹⁴ Resolution 75/1

be essential in combating the triple planetary crisis of climate change, nature loss and pollutants. Emerging from the COVID-19 crisis is an opportunity to set a green and blue path to recovery.

- 9. We have witnessed how the COVID-19 pandemic highlighted the interconnection between health and human security. As we develop this plan, the response to the health emergency is ongoing, and production of vaccines, and their distribution through the COVID-19 Vaccines Global Access (COVAX) Facility, will be pivotal in halting its devastating effects for people in developing countries. The development of inclusive health systems, responsive to increasingly diverse health needs, including for future pandemics, will require adequate infrastructure systems and cost-effective provision of medical supplies.
- 10. We must leave no-one behind as we pursue socio-economic recovery from the crisis. We must insist that health care, food, water and sanitation, education, decent work and social security are universal human rights, essential for sustaining peace and building a better future for all on a healthy planet.
- 11. We believe the comparative advantage of our non-programmatic implementation mandate gives us the agility to support programme country priorities. With the guidance of the 2020 quadrennial comprehensive policy review, ¹⁵ we will put this to the test in a repositioned development system. ¹⁶ We are ready to deploy our expertise in support of the 'Common Agenda' the Secretary-General will recommend at the 76th session of the General Assembly. ¹⁷
- 12. We seek to forge partnerships, contributing our technical expertise towards sustainable development, development financing, disaster risk reduction and resilience, and combating climate change. We are attentive to the needs of the most vulnerable and to leaving no-one behind. We will mainstream gender equality, inclusion and respect for diversity, into what we do and how we do it. When we do it, we will protect health, safety and the environment.

B. Operational context

- 13. We recognize that the 21st century world is globalized and interdependent. People are more connected than ever before, yet billions face challenges and risks even as technology and innovation afford new opportunities.
- 14. We take to heart that poverty is on the rise for the first time in more than two decades. The COVID-19 pandemic may push 150 million more people into extreme poverty by the end of 2021, ¹⁸ and the multiple impacts of climate change may push an additional 132 million into poverty by 2030. ¹⁹

The challenges of people and countries

- 15. We recognize that by mid-2020 the world's population had reached 7.8 billion people²⁰ living across more than 200 countries and territories where economic and human development vary widely. The risks they face are multifaceted and interlinked.
- 16. We have global reach and the agility to scale our country presence up or down based on demand. In 2018-2020, our delivery totalled \$6.35 billion. Eighty-seven per cent of activities were in-country activities across more than 83 programme countries. The remaining 13 per cent were global, delivered mainly from Geneva, New York, and Copenhagen.
- 17. We continue to see strong correlation between our in-country activities and the challenges people face in different countries and contexts. ²¹ An assessment covering the period 2014-2020 reconfirms this across a number of perspectives: (a) development, including by gross national income and human development; (b) peace and security; (c) humanitarian risks and resilience; (d) climate change; and (e) transparency, fraud and corruption.

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¹⁵ Resolution <u>75/233</u>

¹⁶ Resolution 72/279

¹⁷ Resolution <u>75/1</u>

World Bank, 2020

¹⁹ Ibid.

²⁰ DESA

²¹ DP/OPS/2020/5

18. We see increasing demand for our services and solutions to expand partners' implementation capacities in different operational contexts, across the three pillars of the Charter.

People and countries in special and fragile situations

- 19. We are attentive to the challenges facing people in the most vulnerable countries in special and fragile situations. We have experience working in many of those countries, including least developed countries, landlocked developing countries, small island developing States and countries in fragile, conflict and post-conflict situations. We aspire to continue supporting our partners in responding to the Istanbul²² and the Vienna²³ programmes of action, the SAMOA Pathway,²⁴ as well as to the Agenda 2063.²⁵
- 20. We recognize that many middle-income countries face specific challenges.²⁶ We have experience working in many of these countries, and we aspire to expand our support for capacity development in quality infrastructure and public procurement, and for sustainable investments in infrastructure and innovation.
- 21. We appreciate the interlinkages of sustainable development and drivers of conflicts, disaster risks, humanitarian crises and complex emergencies. We recognize that sustainable development underpins peace; sustained peace enables development; and societies are more resilient when they uphold human rights, gender equality and women's empowerment, rule of law, inclusion, and diversity, as well as nurture their children and youth.
- 22. We maintain our commitment to integrating the principles of the United Nations Plan of Action on Disaster Risk Reduction for Resilience into our practices.²⁷ With our non-programmatic mandate for implementation, we can provide support across the development spectrum and the pillars of the United Nations Charter. We do not presume to have a normative policy mandate, but we are attentive to applying sustainable, resilient and inclusive implementation approaches.

The Sustainable Development Goals

- 23. We recognize that 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 advantages, and in accordance with national plans and priorities.
- 24. We support countries in accelerating achievement of the goals and their recovery from the COVID-19 crisis while responding to the climate emergency. With our non-programmatic implementation mandate, we can contribute towards achievement of all the goals. We engage in projects for delivery of outputs and services based on partners' demand and our ability to effectively contribute to expanding their implementation capacity.
- 25. We have responded to demand for service in sectors related to most of the goals, experiencing stronger demand in support for some than for others. We assess and report our level of activity based on the data standards for the United Nations.²⁸ A study developed in collaboration with the University of Oxford²⁹ established that infrastructure systems could influence 92 per cent of targets for the 17 goals.
- 26. We expect to continue seeing demand for activities associated with many of the goals, and particularly strong demand in the health sector and for activities related to goal 3 'good health and well-being', including in response to COVID-19.
- 27. We anticipate that our dedication to mainstreaming goal 5 'gender equality' will be evident in the demand. We also expect increasing demand for activities supporting climate change mitigation and adaptation.
- 28. We will continue to take advantage of country typologies, risk indices, and demand in development sectors and for support to the sustainable development goals as a basis for analysing

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²² <u>Istanbul</u>

²³ Vienna

²⁴ SAMOA

²⁵ Agenda 2063

²⁶ Addis Ababa Action Agenda

²⁷ DP/OPS/2013/3, paragraph 53

²⁸ Data standards for the United Nations

²⁹ ITRC and UNOPS, 2018

trends and opportunities. We see the potential to systematically identify proven context-specific solutions, and find new ones that can be transferred within and across regions in response to the needs of people and countries in similar situations. We are eager to use this type of business intelligence to inform internal planning and prioritization of investments.

Global economic outlook and development financing

- 29. We recognize the effect of COVID-19. In 2020, the world gross product fell by an estimated 4.3 per cent from \$87.6 trillion in 2019 the sharpest contraction since the Great Depression.³⁰ Economic developments threaten to impede efforts to reduce poverty, create decent jobs, broaden access to affordable clean energy, and achieve other sustainable development goals.
- 30. We note that due to additional COVID-19 spending, official development assistance reached an all-time high of \$161.2 billion in 2020, increasing by 3.5 per cent compared to 2019.³¹ An estimated \$12 billion was spent on COVID-19 related activities. Nevertheless, total assistance amounted to only one per cent of the \$16 trillion governments have provided as stimulus measures.³²
- 31. We know that COVID-19 is expected to widen the gap in financing for the Sustainable Development Goals faced by developing countries. That gap is expected to reach \$4.2 trillion.³³ Pre-COVID-19, the annual investment gap developing countries faced was estimated at \$2.5 trillion.³⁴

C. Strategic framework, purpose and goals

32. We state our purpose and set strategic goals in our strategic framework, which is grounded in the Charter, legislative mandates of the General Assembly and decisions of the Executive Board. In 2020, the Executive Board confirmed its continued relevance.³⁵ This plan represents continuity of mandate, with a sharper qualitative focus over the next four years.

Purpose

33. At the global leadership meeting in 2016, we committed to our common purpose,³⁶ which embodies the values that frame our vision and mission:³⁷

We have a vision of a world where people can live full lives, supported by appropriate, sustainable and resilient infrastructure and by efficient and transparent use of public resources in procurement and project management.

We share a mission to help people to build better lives and countries to achieve peace and sustainable development.

Strategic goals

- 34. We focus our operational and management ambitions through seven strategic goals: three contribution goals and four management goals.
- 35. **Our three contribution goals** guide what we set out to do. They express the value proposition of our mandate, targeting our technical expertise to:
 - (a) *Support countries*. We support countries in developing their capacity and resource base for the Sustainable Development Goals;
 - (b) *Help people in need*. We help people in need through effective specialized expertise grounded in international norms and standards; and
 - (c) *Enable our partners*. We enable our partners to 'do more with less' through efficient project services, delivered locally or as global shared services.
- 36. We can expand implementation capacity across the full development spectrum and the three pillars of the United Nations Charter. Our contribution goals are therefore not directed towards specific operational contexts, development sectors or sustainable development goals.

³³ OECD, 2020

³⁰ DESA, 2021

OECD, April 2021

³² Ibid.

³⁴ UNCTAD, 2014

³⁵ Decision <u>2020/20</u>

DP/OPS/2017/5, paragraph 51
Decisions 2016/19, 2017/26, and 2020/20

- 37. **Our four management goals** guide how we will do it. They embody our pursuit of quality and organizational excellence:
 - (a) *Partner value* we deliver quality services and solutions contributing value, recognized by partners, in accordance with international standards and best practices;
 - (b) *People excellence* we seek to empower people to perform at consistently high standards, and to be an employer of choice, attracting and retaining a talented workforce;
 - (c) *Process excellence* we continue to improve quality, efficiency and reliability of operations through streamlining and innovation of processes enabled by digitalization; and
 - (d) *Financial stewardship* we safeguard our demand-driven, self-financing business model, by balancing risks and opportunities, and investing in innovation for the benefit of countries and people in need.

II. What we do: operational priorities

A. Mandate, partnerships and expertise

Mandate

- 38. We are an operational resource for Member States and the Secretary-General. We are committed to supporting the building of a sustainable, resilient and inclusive future. We have a comparative advantage for implementation, with technical expertise in infrastructure, procurement and project management.
- 39. We have a role as a non-programmatic resource for implementation, which has developed based on resolutions and decisions concerning our mandate and governance.³⁸ The comparative advantage of our mandate, role and business model was reconfirmed by the Executive Board in its decision on the midterm review.³⁹
- 40. We have a mandate to expand implementation capacity across peace and security, humanitarian, and development efforts, including through capacity development activities. We can work in countries in special and fragile situations, and support the specific challenges faced by middle-income countries.
- 41. We continue to respond to the needs and priorities of programme countries based on our mandate and comparative advantages, and in accordance with the strategic focus and priorities set out in this, and prior, strategic plans.

Partnerships

- 42. We have a mandate to work in partnership with governments of programme and donor countries, entities of the United Nations system and other partners, including intergovernmental institutions, international and regional financing institutions, foundations, non-governmental organizations and the private sector.
- 43. We can engage in North-South, South-South, triangular, and public-private partnerships;⁴⁰ we can support implementation of vertical funds, and multi-partner initiatives; and we are committed to working in direct engagement with programme countries.
- 44. We help our partners find solutions to their problems and overcome challenges they face in achieving their goals. Our flexible and modular project services, delivered as 'fee-for-service', are the bedrock for the integrated offerings and specialized solutions behind the business-to-business value proposition we offer partners.

Expertise

45. We can expand implementation capacity for countries' achievement of the sustainable development goals by (a) applying our technical expertise for capacity development in the areas of our mandate; and (b) supporting and managing implementation on behalf of partners. Our project

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 $^{^{38}}$ General Assembly resolutions $\frac{48/162}{2010/7}$ and $\frac{65/176}{2010/7}$, and decision $\frac{48/501}{2010/7}$; and Executive Board decisions: $\frac{2008/35}{2009/25}$, $\frac{2010/7}{2010/21}$, $\frac{2010/21}{2012/5}$, $\frac{2013/23}{2010/12}$, $\frac{2016/12}{2016/12}$, $\frac{2016/12}{2016/12}$, $\frac{2017/16}{2017/16}$, $\frac{2017/26}{2019/12}$, and $\frac{2020/20}{2010/12}$

³⁹ Decision <u>2020/20</u>

⁴⁰ Resolutions 64/222 and 73/291

services span expertise in infrastructure, procurement, and project management, including human resources and financial management. We apply these toward realization of our contribution goals.

- 46. We are cognizant of the call for a gradual shift from a traditional model of direct support and service provision towards focus on strengthening of institutions, capacity development and broader partnerships and financing. We are a recognized central resource for the United Nations system in procurement, and contracts management, as well as in civil works and physical infrastructure development, including the related capacity development activities. 42
- 47. We can provide targeted support to assist countries in strengthening domestic enabling environments through our technical expertise in quality infrastructure and public procurement. We can support countries in developing broader partnerships for financing through our expertise in sustainable investments in infrastructure and innovation. We embed sustainable implementation approaches to systematically address cross-cutting concerns in our implementation support; and we continue to develop our platform for efficient service delivery.
- 48. We are focused on ensuring the relevance and comparative advantages we offer through our non-programmatic implementation mandate. Our self-financing and demand-driven business model keeps us focused on developing technical expertise and implementation support, and diversifying our partnerships in response to programme country needs and priorities. We proactively seek innovation to make things better, and to do things in a better way.

B. Operational ambitions for 2022-2025

49. We frame our operational ambitions for 2022-2025 and commitment to a sustainable, resilient and inclusive future based on three contribution goals, which frame how we will 'support countries', 'help people in need', and 'enable our partners'.

Support countries

50. We *support countries* in developing their capacity and resource base for the sustainable development goals.

Expanding capacity of programme countries

- 51. We believe that there are at least two avenues through which programme countries can expand the resource base available for their achievement of sustainable development: (a) develop capacity for efficient and effective deployment of available resources; and (b) bring in more or different sources of financing. We have technical expertise for targeted support to strengthen the enabling environments for both.
- 52. We have built our technical expertise in quality infrastructure and public procurement over more than 25 years of operational experience. We have a mandate for capacity development in both, and an ambition to document, develop and disseminate our knowledge and contribute to the thought leadership in demand by programme and donor countries alike. We aspire to demonstrate proof of concept for supporting countries in attracting new sources of financing for sustainable investments in infrastructure and innovation ('S3I').

Quality infrastructure

- 53. We believe quality infrastructure is about more than just construction. It is an essential enabler of sustainable, resilient and inclusive development. It connects communities, removes barriers for children attending school, supports families in ensuring their livelihoods and adopting healthy ways of living, provides access to essential services, and is the cornerstone of a modern economy. Adequate infrastructure can help reduce inequality and drivers of displacement and is critical for sustaining peace.
- 54. We acknowledge that significant investments in infrastructure are needed. In 2018, infrastructure investments required until 2030 were estimated to amount to about \$90 trillion, 43 more than the world gross product that year. Most infrastructure investments are long-term, locking in

⁴¹ Resolution <u>75/233</u>

⁴² Resolution <u>65/176</u>

⁴³ Global Commission on Economy and Climate, 2018

countries' development and spending paths for decades. It will be essential to ensure that the prioritization of investments is well informed and associated life-cycle costs are considered.

- 55. We recognize that infrastructure systems underpin the achievement of most sustainable development goals and targets. 44 Investments will need to be prioritized across numerous sectors, including energy, water, transport, waste, and information and communications technology and digital infrastructure, as well as for public enabling assets for social infrastructure in health, education and housing. The need to recover from the effects of COVID-19 while combating climate change has compounded the need to balance trade-offs and make informed investment choices.
- 56. We aspire to support a paradigm shift. Infrastructure should be viewed not as individual buildings or networks, but as part of an interdependent system with the potential to deliver on our global goals. Infrastructure should be designed with people's best interests in mind; otherwise it can lead to and perpetuate inequality, depriving people of their basic rights. Gender-blind infrastructure, built without considering the needs of women and girls, is a case in point.
- 57. We think the evidence-based infrastructure approach can help countries 'spend better' when investing in infrastructure. The approach can expand the capacity of government partners to plan, deliver and manage their infrastructure systems, and optimize the impact of their investments for an uncertain future, marked by population growth, urbanization, and the effects of climate change. It can also help establish the basis for governments to engage and explore different financing options.
- 58. We recognize that the recovery, rehabilitation and reconstruction phases after a disaster provide opportunities to increase the resilience of nations and communities. Disaster risk reduction measures can be integrated into the restoration of physical infrastructure and societal systems, helping revitalize livelihoods, economies and the environment. The recovery from COVID-19 represents a unique opportunity to strengthen resilience.
- 59. We have experience in most infrastructure sectors, and can support the prioritization and development of sustainable, resilient and inclusive infrastructure through evidence-based approaches, including to inform common country analyses. In doing so, we remain mindful of the nexus across humanitarian assistance and peacebuilding efforts at the national level in countries facing humanitarian emergencies, including complex emergencies, and in countries in conflict and post-conflict situations.
- 60. A clearer division of labour within the United Nations system, based on mandate and expertise, could reinforce quality standards for infrastructure and allow more cost-effective approaches, including for investments in quality infrastructure. This would focus the critical mass of institutional knowledge needed to harvest the benefits that sustainable, resilient and inclusive infrastructure can bring, including through consideration of life-cycle costs.

Public procurement

- 61. We appreciate that a significant portion of the economy is channelled through public procurement. It is estimated that public procurement amounts to 12 to 30 per cent of gross domestic product (GDP) in many countries. We acknowledge that the sustainable development goals are interlinked and mutually reinforcing, and most of them can be affected through public procurement. 47
- 62. We are conscious that due to scale, even relatively small gains from optimization can have a big effect. An assessment of public procurement across 180 countries indicates that average public procurement expenditure ranges from 12.6 per cent of GDP in high-income countries to 14.4 per cent in low-income countries. A conservative estimate would thus suggest that global public procurement amounts to some \$10 trillion annually. The value of a 1.5 per cent optimization would thus be in range of annual official development assistance around \$160 billion.
- 63. We believe public procurement has transformational potential for driving sustainable, resilient and inclusive development. Continued development of institutional capacity for efficient, effective and transparent public procurement practices is an important opportunity for expanding the

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⁴⁴ ITRC and UNOPS, 2018

⁴⁵ G-20, 2019

⁴⁶ CAC/COSP/WG.4/2015/3, paragraph 8

Economist Intelligence Unit Limited, 2020

World Bank Group, 2017

resources countries can channel towards achieving the Sustainable Development Goals, combating climate change, and recovering from COVID-19.

- 64. We believe there are two mutually reinforcing paths to optimizing public procurement for impact: (a) free up resources by realizing efficiencies, and avoid loss from lack of transparency, fraud and corruption; and (b) increase effectiveness by instilling sustainable, resilient and inclusive choices aligned with national development plans. The purchasing power involved could be transformational, including through ripple effects along the supply chain and across the wider economy and society.
- 65. We support breaking the vicious cycle of corruption, which is both a cause and effect of inequality. The United Nations Office on Drugs and Crime has indicated that an average of 10 per cent to 25 per cent of the value of a public contract may be lost due to corruption.⁴⁹ A conservative estimate brings the global loss in range of the additional \$1 trillion needed for COVID-19 spending.⁵⁰
- 66. We believe transparency can be a powerful lever in the fight against fraud and corruption. We think digitalization will be a critical enabler of transparent and efficient public procurement, whether through (a) management of the solicitation process through eProcurement tools, or (b) enabling market transparency and surveillance to optimize value for money for sustainable development.
- 67. We aspire to support countries in developing capacity for reaping the potential effects public procurement can have across the three dimensions of sustainability:
 - (a) Economic enable sustainable economic growth, job creation, skills development and technological innovation;
 - (b) Social ensure human rights, promote and protect labour rights, engage the society, ensure diversity and safeguard indigenous communities; and
 - (c) Environmental protect nature, ecosystems and biodiversity, reduce waste, improve resource efficiency, and support climate change mitigation and adaptation.
- 68. We know public procurement can be an agent of change promoting social inclusion while ensuring fairness and value for money. We believe inclusion is reinforced by focusing on supply chain resilience. Public procurement can also have profound negative effects, such as the lock-in of unsustainable economic, environmental and social practices; exclusion and marginalization of vulnerable groups; as well as the entrenchment of vulnerabilities and risks.
- 69. We have diagnostics tools for assessment of national procurement capacity, including to inform common country analyses. These are supplemented by approaches to practical capacity development interventions, some focused on anti-corruption. Our tools are based on international best practices, and we desire to continue developing them based on the lessons we learn.
- 70. We are a United Nations resource for procurement, supporting countries in expanding their capacity in public procurement. We seek to take this to scale, supporting countries in realizing the potential of public procurement, which will entail challenging rooted perceptions of public procurement. It is not a back-office function whose success can be defined by speed and cost; it is about 'value for money', and the choices countries make through public procurement today will have wide-reaching effects tomorrow.

Sustainable investments in infrastructure and innovation

- 71. We are cognizant that countries' achievement of the sustainable development goals will require resources beyond public finance, including official development assistance. For infrastructure alone, the annual investment gap in developing countries is estimated at between \$1 trillion and \$1.5 trillion.⁵¹
- 72. We recognize the devastating effects COVID-19, and note that \$378.9 trillion are held in assets by banks, institutional investors and asset managers. A shift of only 1.1 per cent towards sustainable investment could bridge the post-COVID-19 financing gap of \$4.2 trillion that developing countries

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⁴⁹ UNODC Guidebook, p. 1

⁵⁰ OECD, 2020

⁵¹ AAAA, 2015

- face.⁵² This would accelerate COVID-19 recovery; reignite the progress towards achievement of the goals; and increase the positive economic, social and environmental impact of investments.
- 73. We first highlighted our potential for value-adding contributions through social impact investment to the Executive Board in 2014. Through several subsequent decisions, the Board encouraged continued pursuit of this ambition.⁵³ We formally entered the proof-of-concept stage early in 2020, expected to last until the end of 2023.
- 74. We reached a milestone in March 2020, when the 'S3I' initiative was established as a standalone business unit in our governance structure. The Secretary-General appointed an Assistant Secretary-General as Chief Executive to lead the initiative, which in January 2021 established its new base in Helsinki, with support from the Finnish Government.
- 75. We will continue to pursue this ambition as part of our response to the quadrennial comprehensive policy reviews.⁵⁴ The reviews reaffirmed that international public finance is an important catalyst for additional public and private resources, unlocking blended or pooled financing for infrastructure and other investments supporting private sector development.
- 76. We recognize that the financial scale of sustainable infrastructure investments is greater than that of our traditional implementation activities, enabling countries to realize benefits for a larger number of people. We will continue rolling out the initiative across its three focus-areas: (a) affordable housing; (b) renewable energy; and (c) health infrastructure.
- 77. We will encourage the 'S3I' office to enhance and accelerate the effort of engaging public and private sector investors. These include development financing institutions, sovereign wealth, infrastructure and pension funds, and project developers. We will work collectively towards the scaling of infrastructure investments; and consider co-creating innovative financing options such as investment funds, impact bonds and mortgage finance solutions. We recognize our unique advantages as well as the risks that this type of work entails and remain committed to taking bold action to benefit people in need.
- 78. We believe innovation and private sector involvement will be paramount for achieving the sustainable development goals and combating climate change. Our broad innovation agenda includes the creation and management by the 'S3I' office of the network of innovation centres that connect companies, investors and entrepreneurs, including women and young people, to achieve practical solutions with tangible results.
- 79. We will take advantage of the synergies between infrastructure and innovation aspects of the 'S3I' work. We will promote solutions using cross-border transfers of knowledge and technologies, which may lead to the co-creation of innovation and technology funds with like-minded investors.
- 80. We take to heart the emphasis of the policy review that division of labour in the United Nations system must be based on comparative advantages. We intend to shoulder our share of responsibility, acting as a catalyst for channelling government and private-sector funding to support countries' achievement of the sustainable development goals.

Help people in need

81. We *help people in need* through effective specialized expertise grounded in international norms and standards.

Sustainable implementation approaches: economic, social and environmental

- 82. We set our ambition to address cross-cutting operational issues through the lens of sustainability in 2012.⁵⁵ We have continually refined our approaches based on Member State guidance and lessons learned. The approaches are reflected in a related framework comprising the three mutually reinforcing dimensions of sustainability: (a) equitable economic growth; (b) social justice and inclusion; and (c) environmental respect.⁵⁶
- 83. We embed sustainable approaches based on the context and nature of the activities we perform. They help drive targeted results for people through our implementation activities. With indicators

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⁵² OECD, 2020

⁵³ Op. cit., paragraph 39

⁵⁴ Resolutions <u>71/243</u> and <u>75/233</u>

⁵⁵ DP/OPS/2012/7

⁵⁶ DP/OPS/2021/6-Annex I

derived from the Global Reporting Initiative, the framework enables monitoring and reporting across the dimensions in accordance with the targets set in our budget estimates (q.v.).

Mainstreaming social and environmental safeguards

- 84. We consider social and environmental safeguards a crucial means of targeting efforts towards helping people in need and developing resilient communities. Our standards for implementation provide guidance for mainstreaming recognized norms in the design and implementation of our projects.
- 85. We are committed to human rights for all, respecting diversity and focusing on inclusion of the most vulnerable. We will expand our gender mainstreaming strategy to intensify our efforts and include people with disabilities and other vulnerable groups. It will also address mainstreaming prevention of sexual exploitation and abuse, including associated risk indicators.
- 86. We aspire to protect people's health and safety and will drive forward our global initiative 'Goal Zero', which focuses on reducing accidents, injuries, and illnesses across our operations.
- 87. We recognize that procurement is a fundamental aspect of most everything we do in enabling our partners to help people in need. Our sustainable procurement practices have been recognized as 'best practices' on consecutive occasions.⁵⁷
- 88. We can support local capacity development through engagement with implementation partners in local supply chains, strengthening safeguards for ourselves and the people we work with and for. This entails focusing on human rights, labour rights, ethical conduct, sexual exploitation and abuse, and environmental responsibility, and includes targeted capacity development for micro-, small- and medium-sized enterprises, and women- and youth-owned businesses.
- 89. We support the campaign to combat climate change, biodiversity loss and ecosystem degradation. We will explore ways to stimulate considerations of circular economy and life-cycle costs in our procurement and infrastructure activities. In recognition of the global climate emergency, and aligned with the United Nations sustainability strategy and our business model, we intend to explore avenues to reduce our institutional carbon footprint.

Lessons learned from implementation

- 90. We aspire to develop our knowledge and implementation standards based on the lessons we learn. In accordance with our non-programmatic mandate, we do not maintain a programmatic monitoring and evaluation function, instead capturing lessons learned through quality and knowledge management.
- 91. We complement monitoring and reporting on the mainstreaming of cross-cutting concerns with lessons learned from interactions with our partners, and with operational lessons and feedback from our client board and biennial partner surveys.
- 92. We will supplement current approaches for soliciting feedback and informing lessons learned with targeted engagement with partners. As an integral part of quality management, we may, through interviews or assessments, seek to better understand how our delivery of outputs and services has contributed to partners' broader objectives.
- 93. As we invest in learning lessons from implementation, we may focus on individual or multiple projects with similar characteristics. They could be focused by service line; policy, tool and system; or cross-cutting issues; target a particular partner or partner category; or be context-specific (focused by geography, country type and risks, United Nations pillar, development sector, or sustainable development goal).

Enable our partners

94. We *enable our partners* to 'do more with less' through efficient project services, delivered locally or as global shared services.

Our project services

95. We enable our partners to achieve their goals, and our project services remain the bedrock of our support. We strive to be known by stakeholders as an efficient and service-oriented strategic

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⁵⁷ DP/OPS/2021/4

partner. We aspire to provide long-term value for money through integrated service offerings that enable our partners to do more, better.

96. Our value proposition is grounded in our flexible and modular project service lines: infrastructure, procurement, and project management, including human resources and financial management. We typically combine two or more service lines in our projects, and our support ranges from upstream advice to downstream execution. Our specialized delivery modalities include secretariat services for international initiatives and global shared services.

Recognized need for efficiencies

- 97. We recognize that efficient use of finite resources will be essential for countries to achieve the Sustainable Development Goals. The Executive Board has encouraged other entities in the United Nations system to take advantage of our project services to support their implementation activities. The comparative advantage of our implementation support has been recognized in external studies, as well as by our client board.⁵⁸
- 98. We take to heart that the Multilateral Organization Performance Assessment Network, in an assessment completed in mid-2021, reconfirmed the relevance of our role and acknowledged that our business model and self-financing nature provide unique strengths. Areas for improvement highlighted in the assessment are reflected in this plan.

A credible United Nations resource

- 99. We strive to remain a credible resource for project services, enabling partners with speed and agility in even the most challenging conditions. We believe that an efficient and field-focused United Nations, fit for the 21st century, must continually seek out new ways of working to optimize its operational footprint.
- 100. Within the framework of our 'fee-for-service' business model, we will maintain our focus on optimizing the way we deliver, including through global shared services. We will continue reviewing and developing our systems and tools to manage and implement projects 'smarter'. To that end we will explore any untapped potential of digitalization. We will also draw on operational and management lessons learned from responding to COVID-19.

Operational lessons from our COVID-19 response

- 101. We learned from our operational response to COVID-19 that we can contribute to an efficient and effective emergency response when we build on trusted partnerships with partners whose needs we understand, and who understand our unique business model and operational role.
- 102. We recognize the importance of invoking emergency procedures in a controlled manner, including by deploying trained personnel to boost capacity in support of key decision points. We have benefited from establishing surge capacity to support our offices in matching partners' needs with our core competencies, coordinating knowledge-sharing at all levels of the organization.
- 103. We have witnessed increased demand for medical supplies and healthcare infrastructure. We stand ready to engage with the COVAX Facility and provide relevant implementation support. Over the strategy period we anticipate seeing greater demand for targeted support to longer-term socioeconomic recovery.
- 104. We are committed to continue learning from implementation. The lessons of the COVID-19 response show that trusted partnerships lead to effective results; and that internal surge capacity, and documented knowledge and expertise are essential in enabling a rapid response.

C. A repositioned development system

105. The design phase for repositioning the United Nations development system has largely been concluded, and many new features have been implemented. By the end of 2020, Member States called on the Secretary-General to ensure full implementation.

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⁵⁸ DP/OPS/2020/5, paragraphs 72-74

Non-programmatic implementation mandate and operational role

- 106. We engage in reform in accordance with our non-programmatic implementation mandate and operational role in the system. We embrace the emphasis of the quadrennial comprehensive policy review that improvement of coordination, collaboration, efficiency and coherence at all levels of the development system is undertaken in a manner that recognizes the mandates and roles of the entities, considers their comparative advantages, and ensures effective utilization of their resources and experience.⁵⁹
- 107. We appreciate the value of impartial country-level leadership and implementation of the Management and Accountability Framework for resident and non-resident agencies. We have implemented the dual reporting model for our country directors; clarified the scope of applicability of the levy; and continued to pay the doubled cost-sharing in full.
- 108. We take pride in bringing efficiencies to United Nations system entities, including its development system, under the auspices of our self-financing business model. We believe the best measure of the efficiencies we bring is the demand for our services throughout the system.
- 109. We are a proponent of the mutual recognition of policies, procedures, system contracts and related operational mechanisms. We are demand-driven and cannot impose ourselves on others. We are ready to engage in focused collaborative strategic partnerships at the country level in support of cost-effective implementation, including through procurement and location-independent global shared services.
- 110. We have been a full and equal member of the Chief Executives Board for Coordination since 2016. In 2019, the Secretary-General appointed our Executive Director as Chair of the High-level Committee on Management. We are also a member of the United Nations Sustainable Development Group.
- 111. We continue to strengthen institutional capabilities so that the directors of our country and multi-country offices can engage appropriately at the country level. We encourage prioritized engagement in strategic dialogues for operational collaboration with governments and partners in United Nations country teams, including in support of implementing United Nations Sustainable Development Cooperation Frameworks or equivalent plans.

III. How we do it: management priorities

A. Governance and business model

Governance arrangements

- 112. We work under governance arrangements consistent with those of other United Nations organizations. The Executive Director is accountable to the Executive Board and the Secretary-General. The United Nations Board of Auditors provides external audit for Member States in the Executive Board and the Fifth Committee, while the Advisory Committee on Administrative and Budgetary Questions advises on relevant matters.
- 113. We have internal oversight functions that are aligned with our non-programmatic mandate. The Internal Audit and Investigation Group was established in 2007, and the ethics function, established in 2009, was constituted as the Ethics and Compliance Office in 2019. Both units provide internal oversight and advice to the Executive Director and annual reports to the Executive Board.
- 114. For more than a decade our Audit Advisory Committee or its predecessors have provided external, independent advice to the Executive Director and annual reports to the Executive Board. In addition, the Secretary-General established a client board where partners can advise the Executive Director on operational matters.
- 115. Our Senior Leadership Team provides a forum for internal coordination and support on strategic positioning. It includes the Executive Director, five directors, and the Chief Executive of 'S3I'.

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⁵⁹ Resolution <u>75/233</u>, OP 9

Unique business model

- 116. Since our self-financing business model is unique in the United Nations system, many stakeholders are unfamiliar with our non-programmatic implementation mandate. Unlike programmatic organizations, which predominantly finance their activities through fundraising for core and non-core contributions, we deliver services in exchange for coverage of the direct cost plus a management 'fee for service' to cover immediate and potential future indirect costs.
- 117. Our private sector model instils fiscal prudence and focuses our internal investments on ensuring continued relevance to partners. The viability of our business model and relevance in the United Nations system has been confirmed in a number of external studies and reviews.⁶⁰

Global reach and agile deployment in many countries

- 118. With our global reach, we acknowledge that no 'one size fits all'. We are flexible and agile when we deploy to support implementation of national priorities and plans and the strengthening of national capacities, ownership and leadership. We manage our operations through country and multi-country offices organized in regional structures. We deploy in accordance with the needs of partners. Although we have authority to enter into host-country agreements we keep our institutional footprint lean, in many countries deploying as a non-resident agency.
- 119. In accordance with our unique self-financing business model and status as an 'other entity' of the United Nations system, we recover the costs of our institutional knowledge, reporting and incountry presence through the fee we charge for delivery of services rather than fundraising for contributions.

Planning and reporting aligned with business model

- 120. We maintain an agile, needs-based planning and reporting regime suited to our unique business model. We inform our multi-year priorities and areas for investments based on external and internal business intelligence, including data on needs and risks of countries in special and fragile situations, programme country plans and strategies.
- 121. We ascertain and report our contributions at the output level, taking advantage of digitalization and system-wide data standards to link project delivery with beneficiary countries and Sustainable Development Goals. We monitor the effect of our sustainable, resilient and inclusive implementation approaches through a set of indicators.
- 122. We deploy, and continue to develop our capacity for, results-based planning and reporting in accordance with our strategic framework and operational role. We will explore supplementing reporting of relevant implementation projects with systematic collection of results data verified by partners. This could include financial savings realized on behalf of countries through public procurement, and/or the number people targeted or reached through our implementation activities.

B. Management ambitions for 2022-2025

123. We have set our management ambitions for 2022-2025 to ensure we remain 'fit-for-purpose' in driving realization of our contribution goals.

Management goals and drivers

- 124. Four management goals guide our pursuit of quality and organizational excellence. They frame our management ambitions across the four perspectives of our balanced scorecard: partners, people, process and finance. Each management goal is supported by three drivers:
 - (a) Partner value (i) manage partner value; (ii) partner for knowledge and effect; and (iii) communicate contribution of value.
 - (b) People excellence (i) embrace a culture founded in United Nations values and principles; (ii) attract, recognize and develop talent; and (iii) reinforce leadership.
 - (c) Process excellence (i) manage efficiency and consistency; (ii) benchmark performance; and (iii) innovate services and delivery platform.

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⁶⁰ DP/OPS/2020/5, paragraph 73

- (d) Financial stewardship (i) manage growth and delivery; (ii) attribute cost to value; and (iii) invest in knowledge and innovation.
- 125. We set out the detailed ambitions and key performance indicators for each of the 12 drivers in our biennial budget estimates (DP/OPS/2021/6). We assess and report corporate performance based on the indicators in our management results framework.

Management lessons from COVID-19

- 126. Working under the restrictions of COVID-19, we learned that our dynamic management model is resilient. We act quickly to ensure overall business continuity, and reschedule, refocus or start activities in response to shifting demands.
- 127. With committed people supported by digital technology, we have been able to maintain delivery, in many cases while working remotely. The experience demonstrated that virtual ways of working present new opportunities for agile deployment and lean in-country footprints, but can lead to unhealthy work-life balances and physical isolation. This reemphasized to us the importance of in-person connections for building trust and community with each other, our partners, and the people we serve.
- 128. We are committed to exploring how we can take advantage of hybrid working arrangements to optimize the way we deploy and collaborate at distances. We will take our lessons learned into account, and, focusing on trust and flexibility, we will enhance organizational structures to boost creativity and continue to innovate the solutions we provide.

C. Explore digitalization for work

- 129. As the fourth industrial revolution unfolds, we believe we have a responsibility to explore digital transformation, generating tangible benefits for countries and people in need.
- 130. We must take a holistic approach, aspiring to: (a) continually adapt how we contribute value to our partners; (b) make UNOPS an employer of choice; and (c) improve the systems and tools that underpin our operations.
- 131. We expect the process will take several years to complete and require significant investments. We will dedicate time and resources to exploring a pathway for strategic investments in digital capabilities under a unified vision and road map. We will proceed in a phased manner, guided by benchmarking our digital maturity against relevant industry standards.
- 132. We will identify and anticipate opportunities and challenges for our business operations and their implications for our digital vision and road map. We will take a broad perspective on the types of tools and systems we may need, going beyond internal systems supporting day-to-day business operations to explore the possibilities in systems and tools for service delivery and client use.
- 133. The initiative will inform our decision-making on 'futureproofing' our delivery platform as we develop a portfolio of systems, tools and initiatives to support efficient and effective management of our projects and form a basis for the workplace of the future.