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**Statement by the UNOPS Executive Director****Implementation of the restated UNOPS strategic plan, 2022-2025****Report of the Executive Director for 2023***Summary*

This report provides an update on implementation of the restated strategic plan, 2022-2025, endorsed by decision 2023/16. It encompasses realization of ambitions for impact and achievement of operational and management results, and presents lessons learned and areas for improvement.

The report illustrates contributions that fill implementation gaps to help people in need and support countries in accelerating achievement of the Sustainable Development Goals. It shows how the UNOPS role of expanding implementation capacity through cost-effective project services is essential to other actors' efforts to strengthen development policy and financing.

By the end of 2023, UNOPS employed 5,226 personnel implementing a portfolio of about 1,100 projects across more than 80 countries. In 2023, it expanded capacity for some 180 partners from the United Nations and beyond, providing project services amounting to \$2.7 billion. It procured about \$1.6 billion of goods and services from more than 5,500 suppliers; managed over \$510 million in grants for more than 2,300 implementing partners; and recruited 3,726 personnel for UNOPS and its partners. It signed more than \$3 billion in agreements with partners, including 300 new engagements.

UNOPS worked with actors across peace and security, humanitarian and development efforts. Almost two thirds of the response was in countries in special or fragile situations. Goal 3, 'good health and well-being', and Goal 16, 'peace, justice and strong institutions', accounted for about half of UNOPS activities. Demand for Goal 13, 'climate action', and Goal 7, 'affordable and clean energy', has yet to materialize to the extent envisaged.

External thematic evaluations substantiate UNOPS contributions to Goals 3, 7, 13 and 16. The evaluations confirmed that UNOPS reporting on outcomes and impact should be based on contribution, not attribution. They identified causal pathways for direct and indirect contributions filling implementation gaps. The evaluation of contributions to Goal 16 showed that they draw on capability to operate in fragile contexts, and on expertise in public procurement and infrastructure capacity development.



Beyond external evaluations, this report presents two new types of outcome-based reports: case studies of 10 projects contributing to the most vulnerable people and 13 of the Goals; and country reports illustrating contributions to accelerating achievement of 15 Goals across eight countries. The UNOPS portfolio analysis shows implementation trends over the past decade.

For the first time, UNOPS saw the highest demand from international financial institutions, particularly the World Bank Group. Demand from United Nations partners remained substantial and stable. Demand from vertical funds, multi-partner initiatives and donor countries grew. Demand from programme countries decreased, but remained significant.

Procurement remained the functional service in greatest demand (35 per cent). Infrastructure amounted to 21 per cent, and project management to 13 per cent. Financial management services for funds implementation and grants management comprised 19 per cent, and human resources services 11 per cent.

The 2023 performance indicates good progress towards 2025 targets for contribution and management goals. About three quarters are within 25 percentage points of the target. Performance towards 10 targets suggests a need for managerial reinforcement.

Responses to lessons learned included six transformation initiatives addressing remaining third-party recommendations; a dedicated climate action programme; and the phased establishment of mission hubs to harness internal capacity to support countries in accelerating achievement of the Goals.

#### *Elements of a decision*

The Executive Board may wish to:

- (a) recognize the contributions of UNOPS to the results of United Nations and other partners in 2023, and welcome its progress in implementing the restated strategic plan, 2022-2025;
- (b) acknowledge that the new format and approach of the report of the Executive Director on implementation responds to the analytical approach requested in decision 2022/13, and to the requests for systematic analysis and reporting on contributions in decisions 2021/20 and 2023/16;
- (c) take note that 2023 performance indicates good progress towards contribution and management targets for 2025, and recognize management's proactive response in addressing improvement in relevant areas;
- (d) encourage the UNOPS budget estimates, 2026-2027, to provide options for resourcing capabilities for systematic outcome-based reporting that are aligned with the UNOPS implementation role and cost-recovery model;
- (e) take note of the annual report on the recommendations of the Joint Inspection Unit and annexes to the report on implementation.

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We are a member of the GRI community and support its mission to empower decision-makers, through its sustainability reporting standards and multi-stakeholder network, to take action towards a more sustainable economy and world. The GRI content index is detailed in annex.

## I. UNOPS in the global context

### A. Global context

1. The restated strategic plan, 2022-2025, emphasizes the commitment of UNOPS to contributing to the achievement of global goals, across the three pillars of the Charter, as part of a repositioned United Nations development system.

2. Since the endorsement of the plan, challenges concerning the global agenda have acquired new urgency. This section covers recent developments.

#### *Progress on the 2030 Agenda for Sustainable Development is off track*

3. Multiple interlinked crises are pushing our world to the brink, particularly affecting the poorest and most vulnerable people. Failing immediate acceleration of efforts to achieve the Goals, our world is destined to face continued poverty, prolonged periods of crisis, and growing uncertainty.<sup>1</sup>

4. In September 2023, the General Assembly reaffirmed its commitment to implementing the 2030 Agenda and identified the Summit of the Future in 2024 as an important opportunity to accelerate implementation.<sup>2</sup>

#### *Conflict and climate change affect vulnerable people in fragile situations*

5. Human-caused climate change has led to losses and damage. Vulnerable communities are affected disproportionately,<sup>3</sup> and the Fund for Loss and Damage represents a notable step forward in addressing their needs.<sup>4</sup>

6. The growing number of armed conflicts and increased violence are a major concern. Armed conflict is the most significant driver of acute food insecurity, reaching record levels in 2023.<sup>5</sup> About 70 per cent of food-insecure countries are fragile States.<sup>6</sup>

#### *The global economy exacerbates inequalities; implementation is critical*

7. Today's poly-crises are compounding shocks to developing countries, which have had to cut spending in areas such as infrastructure, exacerbating climate and development investment gaps<sup>7</sup>.

8. For policies and financing to translate into improvements in people's lives, implementation is essential. The UNOPS role of expanding implementation capacity is vital to advancing the 2030 Agenda and bridging the implementation gap for the Goals.

#### *The repositioned development system*

9. The quadrennial comprehensive policy reviews provide guidance for United Nations entities to bolster the repositioned development system.

10. At the country level, common country analyses present opportunities for UNOPS to impart technical expertise and demonstrate its collaborative advantage for implementation to countries and partners in the United Nations and beyond.

11. At the global level, UNOPS engages in the efficiency agenda, including through co-chairing the business innovations group. With its expertise and resources, UNOPS can focus its engagement at the regional and global levels.

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<sup>1</sup> [Resolution 78/1](#)

<sup>2</sup> [Ibid.](#)

<sup>3</sup> [IPCC, 2023](#)

<sup>4</sup> [COP28, 2023](#)

<sup>5</sup> [OCHA, 2024](#)

<sup>6</sup> [United Nations Security Council, 9392nd meeting](#)

<sup>7</sup> [Financing for Sustainable Development Report 2023](#)

## **B. Boundaries in the restated strategic plan**

12. The restated plan set three boundaries to (a) instil focus on the Goals; (b) reduce greenhouse gas emissions; and (c) halt impact investments.

### *Ensure development projects contribute to the Goals*

13. All new UNOPS engagements have been associated with a ‘primary Goal’ – the Goal for main impact. Most are also associated with one or more ‘secondary Goals’ – the additional Goals and cross-cutting concerns of the engagement.

14. UNOPS has initiated efforts to better capture and report how projects contribute to outcomes and impacts. A particular focus will be to ensure that projects where UNOPS responses contribute directly to partners’ objectives are founded in clear theories of change.

### *Find workable net-zero alternatives to greenhouse gases*

15. At the 28<sup>th</sup> United Nations Climate Change Conference, UNOPS reaffirmed its commitment to reducing corporate emissions by 45 per cent by 2030, reaching net zero before 2050. This includes offsetting emissions from UNOPS operations.

16. UNOPS committed to initiating accounting for indirect or ‘scope 3’ emissions. UNOPS will (a) support its suppliers to reduce emissions; and (b) mainstream climate risk management in its medium- and high-risk infrastructure portfolio.

17. With the United Nations Office for Disaster Risk Reduction, UNOPS is hosting the Santiago network secretariat. The network will work to address loss and damage from climate change, connecting providers of technical assistance with those who need it most.

### *No future impact investments*

18. All impact investing activities (‘S3i’) have been discontinued and operationally closed. Discontinued activities include the office in Helsinki, eight impact investments, and three innovation centres.

19. To exit S3i, UNOPS worked closely with the Government of Finland, and continued to provide exit support to Antigua and Barbuda, Ghana, India, Kenya, and Pakistan. Work towards fund recovery and accountability, led by the United Nations Office of Legal Affairs, will continue in 2024-2025.

## **C. Expanded results framework**

20. The restated plan is complemented by an expanded results framework setting ambitions for impact and targets for operational and management results. It is tailored to the unique UNOPS role and mandate, and performance is subject to internal monitoring and annual review.

21. The framework, setting ‘ambitions for impact’, features three contribution goals and four management goals. Underlying the seven strategic goals are 21 drivers, supplemented by 37 indicators and targets. Some indicators are composite, drawing on several more precise indicators. All are intended to reinforce management behaviours for adherence to statutory and strategic requirements.

22. Chapters III and IV provide details of performance against the targets and needed improvements. Chapter II, below, summarizes contributions to outcomes and illustrates the progress made in systematic analysis and outcome-based reporting.

## **II. Ambitions for impact and lessons learned**

23. The restated strategic plan sets ambitions for impact through implementation. UNOPS expands implementation capacity for United Nations objectives without an overarching policy mandate or intent, and in response to partner demand.

## A. Impact for specific Goals

24. UNOPS expands partners' implementation capacity for the 2030 Agenda and the Goals. In 2023, the distribution of activities across the three United Nations functions<sup>8</sup> was:

- (a) Development: \$2.1 billion, approximately 80 per cent;
- (b) Peace and security: \$275 million, approximately 10 per cent;
- (c) Humanitarian: \$253 million, approximately 10 per cent.

25. A thematic analysis of UNOPS activities in 2023 showed that it supported more than 80 programme countries with medical procurement, and at least 30 with health infrastructure. The climate efforts of more than 60 countries were supported, and at least 10 were supported in advancing clean, affordable energy.

26. Two Goals accounted for approximately half of UNOPS activities: Goal 3, 'good health and well-being' (32 per cent); and Goal 16, 'peace justice and strong institutions' (15 per cent). UNOPS expects continued demand for contributions to those two Goals. Demand for Goal 13, 'climate action', and Goal 7, 'affordable and clean energy', has yet to materialize to the extent envisaged.

27. Over the past two years, UNOPS has commissioned external thematic evaluations of its contributions to Goals 3, 7, 13 and 16, based on 19 project case studies. The projects were selected based on criteria including functional services, country typologies, geography, and the types of partners supported.

28. The evaluations found evidence of causal pathways to change; that many projects contribute to more than one Goal; and that contributions vary, depending on factors such as the type and stage of the project. They confirmed that reporting on outcomes and impact should be based on contribution, not attribution.

### **Box 1. Examples of projects contributing to Goal 16**

*In Honduras*, UNOPS provided procurement and capacity-strengthening assistance to the Honduran Institute of Social Security. Focused on planning and forecasting, inventory management, quality control, and gender and diversity, the project contributed to improved market competitiveness and \$40 million in savings. The number of suppliers participating in procurement processes increased from six in 2014 to 64 in 2023.

*In Mozambique*, UNOPS managed the delivery of activities to address early recovery and medium- to longer-term provision of basic services such as infrastructure for water and sanitation following rapid and significant displacement of people. Even in the early stages the project showed evidence of positive change, increasing access to basic services and infrastructures, increasing economic resilience through tailored livelihood opportunities, strengthening community-based dialogue mechanisms, and expanding space to address grievances.

*In Nepal*, UNOPS constructed and modernized 58 gender-sensitive police stations and barracks, developed the capability of the police through training, and enhanced performance management systems. Evaluations showed that police officers feel they have a better working and living environment and a better appreciation of issues related to gender-based violence. Communities – especially women – feel more confident in understanding their rights, and have a greater level of trust in the police.

*In North Macedonia*, UNOPS supported the Government in its European Union accession process, providing experts to support the development of key legislation, strengthening the Ombudsman's Office, improving accessibility for citizens, and sharpening the human rights focus in investigation mechanisms. Having acquired the relevant skills, government stakeholders are more confident that they understand the accession process.

*In Somalia*, UNOPS expanded the implementation capacity of the Mine Action Service of the United Nations for project activities, enabling the African Transition Mission in Somalia troops to respond to the improvised explosive device threat – with a find rate of 85 per cent – without casualties (the most recent project data puts this at 100 per cent).

<sup>8</sup> [United Nations data standard II](#)

*In Yemen*, UNOPS operated the United Nations Verification and Inspection Mechanism, monitoring vessels and preparing reports. It contributed to improved food security and a safer flow of commercial goods, facilitating the prevention of illicit arms flows and acting as a confidence-building measure, with positive implications for peace efforts.

## **B. Impact for the most vulnerable people**

29. UNOPS supported the most vulnerable people in countries in special and fragile situations, and in middle-income countries. Ten project case studies accompanying this report illustrate how UNOPS activities contributed to impact for vulnerable people and to 13 of the Goals.

### ***Box 2. Examples of project impact for the most vulnerable people***

*In Zimbabwe*, the Idai recovery project addressed the needs of those affected by cyclone Idai. With complementary initiatives from the Government and eight other United Nations organizations, the project supported 600,000 people with health and education services and rehabilitated community infrastructure and risk mitigation interventions (primary contributions to Goal 1; secondary to Goals 2, 3, 4, 5, 6, 8 and 9).

*In Paraguay*, the family agricultural value-chain inclusion project boosted agricultural production for 5,000 poor households in the Eastern Region. It strengthened the capacities of 776 community organizations across five departments, enhancing land use efficiency, improving crop effectiveness, and increasing resilience to climate change (primary contributions to Goal 1; secondary to Goals 2, 5, 8 and 12).

*In Serbia*, UNOPS implemented the European Union support to social housing and active inclusion programmes that provided sustainable housing solutions and supported social inclusion of the most vulnerable people: 375 families (over 1,300 family members). Complementary measures focused on beneficiaries' economic empowerment and strengthening the capacities of national and local institutions (primary contributions to Goal 1; secondary to Goals 5 and 11).

## **C. Impact for Goals in countries of presence**

30. UNOPS was a signatory to 80 United Nations Sustainable Development Cooperation Frameworks active in 2023. This report is accompanied by 8 country reports illustrating UNOPS contributions to accelerating countries' achievement of 15 Goals.

31. The reports draw on the reporting produced for the United Nations development system, including 'UN INFO', and span several geographical and operational contexts, including where linkages across humanitarian, development and peace efforts are essential.

### ***Box 3. Examples of country reports with contributions accelerating achievement of the Goals***

The report *UNOPS contributions in Papua New Guinea* reflects the role of UNOPS in implementing the United Nations Development Assistance Framework, 2018-2023. UNOPS focused on quality services and social protection for marginalized and vulnerable people. UNOPS contributes to Goals 3, 6, 7 and 13.

The report *UNOPS contributions in Iraq* outlines the role of UNOPS in implementing the United Nations Sustainable Development Cooperation Framework, 2020-2024. It focuses on equitable and sustainable access to quality social services for the most vulnerable. UNOPS contributes to Goals 1, 3, 5 and 6.

The report *UNOPS contributions in Mozambique* highlights the role of UNOPS in implementing the United Nations Sustainable Development Cooperation Framework, 2020-2026, reducing food insecurity, alleviating poverty and improving the income of small-scale food producers. UNOPS contributes to Goals 1, 2, 3, 4, 5, and 16.

## D. Strategic lessons learned

### *Harness substantive capacity through mission hubs*

32. The main UNOPS areas for harnessing knowledge and substantive capacity were health, climate and energy objectives, and operations in fragile situations (contributions to Goals 3, 7, 13 and 16).

33. Following the Sustainable Development Goals Summit, 2023, UNOPS initiated the gradual establishment of eight mission hubs. The hubs will help build a broader knowledge base for contributions accelerating progress towards the Goals.

34. The mission hubs are not an expression of external programmatic intent, but rather internal forums enabling UNOPS to harness capacities for effective implementation response. Rather than being new organizational structures, they draw on practitioners across the organization.

35. The hubs are mutually reinforcing. Six thematic hubs cover: (a) triple planetary crisis; (b) energy transition; (c) quality healthcare; (d) just digital transformation; (e) social protection, equality, education and jobs; and (f) food systems transformation. Two context-focused hubs cover: (a) linkages across humanitarian, development and peace efforts; and (b) resilience and sustainability of small island developing States.

### *Respond to climate change as a project focus and a cross-cutting concern*

36. The urgency of climate change calls for focus and redoubled effort. UNOPS has established a climate action programme as a strategic means of accelerating its efforts to cap the effects of climate change through mitigation and adaptation.

37. The programme will consolidate administrative and project practices to embed response to climate change as a cross-cutting concern, while building capacity to implement projects responding to climate hazards and adaptation needs.

### *Account for contributions and learn based on evidence*

38. UNOPS worked to address Executive Board decisions 2021/20 and 2023/16 calling for systematic analysis and reporting on contributions, and the recommendation of the third-party review, 2022, that UNOPS “invest in resources and capabilities to enhance outcome-reporting”.<sup>9</sup>

39. UNOPS commissioned external thematic evaluations of project contributions to several Goals, and work is on track to further develop systematic outcome-based reporting relevant to the UNOPS demand-driven operating model, and the different types of engagements. A priority for 2024 is to identify ways of resourcing capabilities across the organization to implement and sustain practices for evidence, insight and learning.

## III. Operational results and lessons learned

40. UNOPS operational results and capacity comprise three mutually reinforcing elements: standards for functional services, substantive knowledge and expertise, and partner demand.

41. UNOPS project services span procurement, infrastructure, and project/programme management, including financial management and human resources. These expand partners’ implementation capacity in two mutually reinforcing ways: (a) technical expertise for capacity development in areas of mandate; and (b) capacity to support and manage partners’ implementation. UNOPS responds through three service models: (a) support services, (b) technical advice and (c) integrated solutions.

42. The restated strategic plan summarized UNOPS operational ambitions in three contribution goals:

- (a) *enable partners* through cost-effective project services;
- (b) *help people in need* through sustainable implementation; and
- (c) *support countries* in accelerating achievement of the Sustainable Development Goals.

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<sup>9</sup> [KPMG, 2022](#)



43. Each contribution goal was complemented by indicators and targets intended to reinforce behaviours and responsibilities that fall within the remit of UNOPS management.

44. The 2023 baselines indicate good progress towards most of the 13 contribution targets. Four targets will require managerial reinforcement to ensure improvement: (a) climate action as an end in itself and/or a cross-cutting concern; (b) a tool to track capacity development provided to high-risk suppliers; and (c) systematic engagement in country-level analysis, planning and reporting, with a focus on public procurement and infrastructure capacity development.

## **A. Enable partners through cost-effective project services**

### *Partners and project services*

#### *Partners*

45. In 2023, UNOPS worked with some 180 partners. The value of those activities amounted to \$2.7 billion. The expense associated with activities for main partner categories was:

- (a) International financial institutions: \$605 million (23 per cent);
- (b) United Nations entities: \$555 million (21 per cent);
- (c) Vertical funds and multi-partner initiatives: \$515 million (19 per cent);
- (d) Donor countries: \$409 million (15 per cent);
- (e) Programme countries: \$394 million (14 per cent);
- (f) Regional and other intergovernmental organizations: \$131 million (5 per cent); and
- (g) Other partners:<sup>10</sup> \$73 million (3 per cent).

46. For the first time, UNOPS saw highest demand from international financial institutions, particularly the World Bank Group. Demand from United Nations partners remained substantial and stable. Demand from vertical funds and multi-partner initiatives and donor countries grew. Demand from programme countries decreased, but remained significant. Approximately 85 per cent of the activities were based on resources that were not bilateral support for donors.

#### *Project services*

47. Functional services are determined at the output level. In 2023, the expense associated with such services was:

- (a) Procurement: \$945 million (35 per cent);
- (b) Infrastructure: \$576 million (21 per cent);
- (c) Project management: \$355 million (13 per cent);
- (d) Financial management: \$516 million (19 per cent); and
- (e) Human resources: \$289 million (11 per cent).

48. About half of the stand-alone procurement services was medical goods and services and approximately 10 per cent were location-independent services offered through 'UN Web Buy'.

49. In high demand as a stand-alone service, procurement was also a significant input and activity for infrastructure and project management. The input of purchased goods and services amounted to \$1.6 billion.

50. Project management in UNOPS is a technical activity for implementation, including as programmes and portfolios. This does not presume a programmatic role. Capacities for programme implementation also include (a) financial management services, comprising implementation of grants and multi-partner pooled funds; and (b) flexible and tailored human resources for United Nations partners.

51. Demand for infrastructure services was mainly in the 'social protection', 'basic social services', 'reconstruction, relief and rehabilitation', 'road transport' and 'solar energy' sectors. Outputs completed on

<sup>10</sup> Foundations, non-governmental and private sector organizations

behalf of partners included 7 hospitals, 49 health clinics, 55 schools, 4 police stations and 187 kilometres of road.

***Respond to partner focus***

52. In 2023, UNOPS expanded implementation capacity for many Goals. The share of relevant partners engaged in projects with health or climate change objectives was 80 per cent, equal to the target for 2025. Demand for implementation capacity in special or fragile situations remained significant.

53. While health remained the sector with the highest demand, UNOPS may need to redouble efforts for climate action and renewable energy – sectors in which many partners anticipate high demand that has yet to be realized in new projects.

54. UNOPS continued to assess global trends and consult with partners to better understand where it needs to harness and promote its capacity for the medium to long term.

***Focus on partner needs and global Goals***

55. UNOPS is committed to agreeing with partners on the Goals to which projects will contribute directly or indirectly, and encourages partners to include evaluations of the projects it implements on their behalf.

56. In 2023, 98 per cent of active projects were linked to a primary Goal, exceeding the 95 per cent target for 2025. The share of projects undergoing evaluation was 12 per cent, higher than the 5 per cent target for 2025.

***Box 4. Project example***

In a post-conflict context, the UNOPS-hosted *Cities Alliance Liberia Country Programme* supported the Government in developing policy frameworks, managing urbanization and improving living and working conditions for Monrovia’s urban poor and informal workers. The programme funded 114 small infrastructure projects, benefiting 400,000 residents of informal settlements. It advanced inclusive urban development and bolstered government capacity for affordable municipal services, contributing to Goals 6 and 11.

57. UNOPS will strengthen development and reporting procedures for relevant projects to ensure that they consider causal pathways – theories of change – that link outputs to outcomes and impacts for the Goals.

***Enable sustainable supply***

58. UNOPS seeks to ensure sustainable supply. The focus is on human rights, labour rights, ethical conduct, prevention of sexual exploitation and abuse, and environmental responsibility.

59. In 2023, the share of suppliers awarded a tender through ‘eSourcing’ that were screened for supplier sustainability was 73 per cent, below the target of 80 per cent for 2025. Establishing a baseline for capacity development activities for high-risk suppliers is pending full roll-out of supporting systems.

***Box 5. Project example***

The *Procurement of Goods and Services for Restoration of Ukraine Project* delivers critical emergency assistance to the Ukrainian people, particularly the most vulnerable communities in recently liberated areas. Focused on procuring from national suppliers, the project strengthens the capacity of the private sector, creates economic opportunities for local workers and contributes to facilitating the return of internally displaced persons and refugees. The project contributes to Goal 1.

60. The UNOPS capacity for sustainable supply has been recognized by the procurement network of the High-Level Committee on Management with two sustainable procurement awards. UNOPS will continue to expand the sustainable choices available to its partners, including by developing the capacities of suppliers.

## B. Help people in need through sustainable implementation

### *Respond through sustainable implementation approaches*

61. UNOPS is committed to mainstreaming cross-cutting economic, social and environmental concerns through sustainable implementation approaches. Consideration of Goals 5, ‘gender equality’, 8, ‘decent work and economic growth’, 10, ‘reduced inequalities’, and 13, ‘climate action’ are central to sustainable implementation.

#### *Cross-cutting Goals*

62. UNOPS has articulated clear ambitions for sustainable implementation realized in collaboration with partners and reflected in the way projects are designed, scoped and delivered.

63. UNOPS maps projects to the ‘primary’ Goal to which the project aims to contribute, and ‘secondary’ Goals to which the project may also contribute – often as a consequence of focusing on cross-cutting concerns.

64. In 2023, many activities were associated with secondary Goals 5 (30 per cent), 8 (31 per cent), 10 (13 per cent) and 13 (18 per cent). Sixteen per cent were associated with Goal 11, ‘sustainable cities and communities’; and 22 per cent with Goal 17, a reminder that UNOPS works in “partnerships for the Goals”.

#### *Sustainable implementation approaches*

65. UNOPS strives to ensure that social and environmental safeguards are embedded in newly agreed engagements. At 83 per cent, UNOPS was below its 2025 ambition of 95 per cent of the indicators in its sustainable implementation framework.

66. The number of labour days created for local workers increased from 8.7 million in 2022 to 23.2 million in 2023, due primarily to a large cash-for-work project in Afghanistan.

### **Box 6. Project example**

The *Afghanistan Community Resilience and Livelihoods Project* supports vulnerable families and communities. Since 2022, it has provided employment to nearly 900,000 individuals through more than 5,000 labour-intensive and cash-for-work initiatives, benefiting over 9 million Afghans. The project seeks to enhance resilience, increase income, improve basic services, and safeguard community institutions (primary contributions to Goal 1; secondary to Goals 2 and 5).

67. The share of infrastructure projects with activities for capacity-building increased from 79 per cent in 2022 to 85 per cent in 2023; local community engagement increased from 60 per cent to 75 per cent; and dedicated measures to enable women and people with disabilities to access facilities and/or services increased from 63 per cent to 81 per cent.

68. Two UNOPS strategic change initiatives, ‘project, programme and portfolio management’ and the ‘process innovation and digitalization programme’, include measures to increase application of sustainable implementation approaches.

### **Focus on gender mainstreaming and inclusion**

69. UNOPS is committed to human rights for all, and to mainstreaming gender, inclusion and diversity in its engagements, including for people with disabilities and other vulnerable groups. UNOPS is committed to preventing sexual harassment, exploitation and abuse across its activities.

70. In 2023, the share of relevant projects that addressed gender mainstreaming and social inclusion, with a budget for related activities, was 37 per cent, compared to the 60 per cent target for 2025. UNOPS created 2.2 million labour days for local women workers, and 3 million for young local workers.

71. Progress can be attributed to the 2022-2025 UNOPS strategy for gender equality and social inclusion in projects. The alignment of that strategy with United Nations standards and frameworks was an accelerant.

***Enable climate mitigation and adaptation***

72. UNOPS is committed to supporting the campaign to combat climate change, biodiversity loss, and ecosystem degradation. It works to ensure that its infrastructure and procurement projects consider greenhouse gas emissions.

73. In 2023, the share of infrastructure and procurement projects that considered greenhouse gas emissions and proposed options for reduction or adaptation, and had a budget for related activities, was 26 per cent, compared to a target of 80 per cent for 2025.

74. UNOPS will continue efforts to ensure that its projects include responses to climate change and discuss the cost-benefit with partners to allow for informed decisions.

**C. Support countries in accelerating achievement of the Goals*****The countries where UNOPS worked***

75. In 2023, 86 per cent of UNOPS response was for in-country activities in more than 80 programme countries. Another 14 per cent was for global activities, managed mainly from Geneva, New York and Copenhagen. Sixty-two per cent of the response was in countries in special or fragile situations, and 54 per cent in countries in special and fragile situations at the same time. The regional distribution of in-country activities was 39 per cent in Asia, 27 per cent in Africa, 17 per cent in the Americas, 3 per cent in Europe, and 1 per cent in Oceania.

***Respond through technical analysis***

76. UNOPS has a mandate to support capacity development for public procurement and infrastructure. It can support common country analyses through technical advice in assessing programme country capacities for transparent and fair public procurement and infrastructure.

77. In 2023, UNOPS provided technical advice on infrastructure and/or procurement capacity assessments for only one of seven relevant common country analyses. However, 15 out of 25 relevant cooperation frameworks developed since 2022 focused on public procurement and infrastructure.

78. There is an opportunity to enhance collaboration with other United Nations entities through more deliberate engagement in country-level analysis and planning processes. UNOPS will further clarify internal responsibilities for country-level engagement, including the available means of support.

***Focus on country priorities***

79. UNOPS has committed to responding based on country priorities set in cooperation frameworks, national development plans or nationally determined contributions, with particular attention to health and climate change.

80. In 2023, the share of relevant countries supported through projects with health or climate change objectives was 71 per cent, compared to the 80 per cent target for 2025. Eighty-six per cent of UNOPS plans reflect current cooperation frameworks, national development plans, and/or nationally determined contributions, compared to the 2025 target of 95 per cent.

81. UNOPS will continue to consult partners on needs and priorities in developing country-level plans, building on relationships with local governments and other key stakeholders.

***Enable national capacity***

82. Together with partners, UNOPS can develop the capacity of interested national institutions in public procurement and infrastructure, as stand-alone expertise or to complement implementation management.

83. In 2023, the share of new public procurement and infrastructure projects that included activities for capacity development of national institutions with budgeted outputs was 40 per cent, halfway to the 2025 target of 80 per cent.

84. Inclusion of capacity development activities is dependent on partner demand. UNOPS will seek to further communicate its value-add for capacity development in public procurement and infrastructure.

## **D. Operational lessons learned**

### ***Manage projects, programmes and portfolios for effect***

85. Responding to partner demand for more complex and integrated solutions, UNOPS will optimize processes to develop and implement projects, programmes and portfolios. This will strengthen decision-making processes for accepting/rejecting new engagements, and increase the systematic application of sustainable implementation approaches.

### ***Capitalize on lessons from evaluations***

86. UNOPS seeks to capitalize on lessons learned from the external thematic evaluations concluded in recent years. Management has identified the four lessons having the highest potential impact for future operations. Its phased, measured approach will capitalize on the insights gained.

#### ***Box 7. Key lessons learned from external evaluations***

*Supplement local expertise with technical knowledge.* This is part of the UNOPS approach to in-country engagement. Leveraging expertise and knowledge between regions increases the effectiveness of UNOPS contributions and leads to cross-fertilization across the organization.

*Incorporate lessons learned into future projects and explore replicability and scalability of existing projects.* UNOPS will increase its contributions from lessons learned and will explore the use of artificial intelligence for searching and learning from project documentation.

*Undertake focused internal/external post-implementation reviews.* UNOPS will explore options, including the selection process for projects to be reviewed, costing, and use of internal and external capacities for reviews.

*Apply sustainable implementation approaches.* UNOPS can increase its contributions with further systematic application of these approaches. This is a focus area of two UNOPS transformation initiatives, ‘process innovation and digitalization’ and ‘project, programme and portfolio management’.

### ***Engage systematically in the repositioned development system***

87. By 2023, UNOPS had signed cooperation frameworks for 80 countries but only in a few had the operations provided critical mass for a full-fledged country office. In 2023, UNOPS had nine programme country offices, 13 multi-country offices with 30 satellite project offices, and global operations across several countries.

88. UNOPS operates as non-resident in many countries, requiring special arrangements for country-level engagement through the development system. With increasing commitments, UNOPS, as a demand-driven organization, must clarify and reinforce internal responsibilities for country-level engagement in analysis, planning and reporting, including joint work plans and resource mobilization.

89. Engagement in country analysis and planning can be advanced through systematic deployment of multidisciplinary UNOPS teams with knowledge of (a) country context; (b) breadth of UNOPS expertise; and (c) development system approaches to country analysis, planning and reporting. This would also foster internal knowledge-sharing.

90. At the global level, UNOPS remains engaged in the business innovation group, since 2023 as co-chair. UNOPS supports efforts to realize efficiencies through global scaling of location-independent shared services, with common premises and back offices.

91. UNOPS will establish an internal monitoring framework to realize statutory requirements of the quadrennial comprehensive policy review, the checklist on implementation of the repositioned development system, and relevant indicators for the funding compact.

## IV. Management results and lessons learned

92. Four management goals support realization of the contribution goals: (a) people culture, (b) partner trust; (c) process excellence; and (d) financial stewardship.

93. The 2023 baselines confirm progress towards most of the 24 management targets for 2025. Six will require managerial reinforcement for improvement: (a) gender and diversity at senior levels; (b) implementation of process innovation and digitalization; (c) systems for forecasting project expenditure; (d) financial reports for partners; (e) output-based agent/principal classification of project expense; and (f) 'UN INFO' reporting.

### A. People culture

94. The goal for 'people culture' is "an inclusive, fair and positive workplace culture where people can contribute, grow and develop".

95. By the end of 2023, UNOPS employed 5,226 personnel, 51 per cent of whom were women. They comprised 659 staff and 4,567 individual contractors. Their average age was 42, and tenure 4.8 years.

#### *Embrace a culture of United Nations values*

96. UNOPS aspires to gender parity, inclusion and diversity in its workforce. It is committed to zero tolerance of sexual exploitation and abuse.

97. In 2023, UNOPS met 54 per cent of its internal targets on gender and diversity, well below the 95 per cent target for 2025. The share of internal targets met on protection from sexual exploitation, abuse, and harassment was 91 per cent, close to the 2025 target of 95 per cent.

98. UNOPS seeks ways to reinforce accountability for management to increase representation of women and the global South in senior positions, and to foster an inclusive work environment.

#### *Attract, recognize and develop talent*

99. UNOPS seeks to attract, develop and retain talent, skills and capabilities to deliver on partner needs. Regular feedback, an inclusive work environment and opportunities for professional development are emphasized.

100. In 2023, 94 per cent of personnel completed performance appraisals in a timely manner, slightly below the 2025 target of 98 per cent. 95 per cent completed the mandatory training on time, equal to the 2025 target.

101. As part of its work on organizational culture, UNOPS will continue to seek new ways to encourage career progression and attract and retain personnel across the organization.

#### *Reinforce accountability for leadership and a positive culture*

102. Personnel engagement and well-being are cornerstones of the ability of UNOPS to enable partners, support countries, and help people in need.

103. The S3i crisis provided an opportunity to address issues concerning people management, accountability, leadership, and ways of working, which had hindered UNOPS in achieving its people goal.

104. The October 2023 pulse survey reflected overall people engagement of 3.76, a slight increase from 3.72 in the first quarter, but below the target of 4.0 for 2025. The share of offices reaching the composite 'Goal Zero' target for safeguarding health and safety was 82 per cent, towards the target of 95 per cent for 2025.

105. Management acknowledges that the personnel engagement rate is not progressing at the pace envisaged. The third-party review of organizational culture highlighted areas to be addressed, which will be outlined in the work plan for the organizational culture initiative under 'leadership development and competencies'.

## B. Partner trust

106. The goal is “to build trust and create value with partners”.

107. In 2023, UNOPS implemented projects for some 180 partners from the United Nations and beyond, across more than 80 programme countries.

### *Preserve partner trust*

108. Partner trust is earned through the value created and through collaborative engagement, ensuring clarity of mutual expectations.

109. In the 2022 partner survey, 79 per cent of respondents expressed trust in UNOPS, below the 2025 target of 85 per cent. Sixty-seven per cent indicated that UNOPS met their expectations for timely completion of project targets, below the 75 per cent target set for 2025.

110. Through its client board and the 2024 partner survey, UNOPS will seek feedback on trust, areas for improvement, and indications of future demand. Survey results will be reported in 2025.

### *Collaborate for value*

111. UNOPS aspires to learn from experience – good or bad – to share knowledge with current and future partners, transferring experience within and across sectors, Goals and country contexts.

112. In 2023, the share of integrated solutions with complete documentation and published project examples is estimated to be 12.5 per cent, halfway to the 2025 target. It is premature to assess the baseline for the share of project examples with integrated solutions that were replicated for new partners and/or contexts.

113. UNOPS can increase contributions to impact by exploring the replicability and scalability of existing projects and incorporating lessons learned into future projects. UNOPS will explore the use of artificial intelligence to learn from project documentation.

### *Demonstrate transparency for purpose*

114. UNOPS aspires to align its data with United Nations standards and enhance transparency by publishing information on the partners, Goals and countries supported through its global portfolio.

115. UNOPS has implemented 100 per cent of United Nations data standards. In 2023, UNOPS completed only 18 per cent of country-level UN INFO reporting, well below its target of 80 per cent by 2025.

116. Encouraged by the Executive Board, UNOPS will make portfolio data available to partners through the insights portal. The internal piloting of country-level reports may provide positive reinforcement for uptake in UN INFO reporting.

## C. Process excellence

117. The goal for process excellence is “to enable cost-effective operations through digital processes”.

118. In 2023, UNOPS implemented more than 700 partner engagements – some 1,100 projects, programmes and portfolios, totalling \$2.7 billion. It procured approximately \$1.6 billion in goods and services from more than 5,500 suppliers; managed over \$510 million in grants for more than 2,300 implementing partners; and recruited 3,726<sup>11</sup> personnel.

### *Manage process and energy efficiency*

119. UNOPS strives to align authority with responsibility, ensuring that the right people, in the right place, have the delegated authority they need to manage by exception; that checks and balances are calibrated based on cost-benefit and risks; and that flexibility implies accountability for results and adherence to United Nations values and principles.

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<sup>11</sup> New staff and individual contractors

120. In 2023, UNOPS met 81 per cent of its targets for process excellence, compared to a target of 95 per cent by 2025. UNOPS operations recorded greenhouse gas emissions of 12,923 tonnes of carbon dioxide equivalent; compared to 11,644 tonnes in 2022. The reduction of air travel emissions was 33 per cent, above the 32 per cent target for 2025.

121. Committed to ‘greening the blue’, UNOPS is exploring the effect of scope 3 emissions in the supply chain it provides to enable partners choose alternatives.

122. In its pursuit of process excellence and emissions reduction, UNOPS will prioritize the availability of data needed to inform decision-making and reinforce performance.

#### ***Respond to oversight recommendations***

123. UNOPS will respond effectively to oversight recommendations. The 2023 implementation rate for internal audit recommendations was 95 per cent, level with the 2025 target. Internally, UNOPS met 78 per cent of management targets for implementation of oversight recommendations, below the 90 per cent target for 2025.

124. Recurrent monitoring of internal management targets for oversight recommendations has led to timely action. All relevant Joint Inspection Unit recommendations were closed in 2023, and only one targeted internal audit recommendation remained open.

125. The performance below the internal target was due to eight United Nations Board of Auditors recommendations not implemented within the timeline set by management. Future targets will adopt a realistic assessment of the time, effort and resources required to implement the recommendations.

#### ***Innovate operations platform and services***

126. UNOPS will ensure that processes and information systems are integrated and fit for purpose. In 2023, the share of projects for which time, cost and scope were tracked using digital systems was 74 per cent, below the 95 per cent target for 2025. Systems for monitoring response to agreed time and scope need further development.

127. In 2023, UNOPS worked to define the scope, approach and phases of the process innovation and digitalization programme. It will present a roadmap and implementation strategy to the Executive Board at the second regular session 2024.

### **D. Financial stewardship<sup>12</sup>**

128. The goal for financial stewardship is “to balance risks and opportunities through adequate resourcing”.

129. In 2023, UNOPS implemented project services amounting to \$2.7 billion, of which \$1.6 billion was agent expense and \$1.1 billion principal expense. Management expenses were \$117 million. UNOPS signed more than \$3 billion in agreements with partners, including 300 new engagements. By end 2023, UNOPS had refunded 77 per cent<sup>13</sup> of past excess reserves, calculated based on the 2021 financial statements. In 2023, it paid \$2.5 million in United Nations Sustainable Development Group cost-sharing.

130. UNOPS is the only United Nations entity operating on a demand-driven, cost-recovery basis. As a going concern, it must be able to withstand fluctuations in demand while covering the costs of institutional structures and improvements and preserving the cost-effectiveness essential to being a partner of choice.

131. The commitment to zero net revenue increases the need for iterative planning and close monitoring of changes. This will require longer-term forecasts as well as regular review and adjustment of performance.

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<sup>12</sup> All figures are indicative unaudited financial numbers.

<sup>13</sup> As at 15 March 2024, UNOPS had refunded 92 per cent of past excess reserves.



***Resource organizational capacity adequately***

132. UNOPS strives to ensure that it is resourced according to the requirements of a United Nations organization. It has committed to evolving in line with the need to develop and manage its global portfolio based on partner requirements and available technologies.

133. In 2023, the ratio of management expense and expense against the comprehensive response plan, in relation to project expense, was 4.7 per cent – within the targeted range of 4-7 per cent for 2025. In 2023, UNOPS increased resourcing for oversight functions, internal controls, risk management and organizational culture.

134. The share of UNOPS country and multi-country offices resourced in line with organizational design was 72 per cent, compared to the 95 per cent target for 2025. UNOPS will ensure that its mission-critical roles are properly capacitated. While affordability is a factor, the organization remains committed to the target.

***Ensure transparent and fair financial management for partners***

135. UNOPS is committed to achieving the target for zero net revenue approved by the Executive Board.<sup>14</sup> Its cost recovery model ensures transparent and fair cost recovery, aligned with the cost classification of the Finance and Budget Network of the High-Level Committee on Management of the Chief Executives Board.

136. In 2023, net revenue from operations was minus \$2 million. UNOPS considers this a satisfactory result that should be seen in the context of overall project expenses of \$2.7 billion and management expenses of \$117 million.

137. UNOPS submitted 57 per cent of financial client reports on time, compared to the 95 per cent target for 2025. Client reporting will improve as process innovation, automation and digitalization improve partners' access to data.

***Enable accurate financial planning***

138. UNOPS is committed to the accuracy of financial planning, including forecasting throughout the project cycle. In 2023 it was 66 per cent, below the target of 95 per cent for 2025. More robust planning and forecasting will enable timely implementation of partner commitments and improve the outlook for future requirements.

139. UNOPS is refining its approach for using project outputs to classify project expenses as principal or agent in accordance with International Public Sector Accounting Standards, thus informing future risk management.

140. UNOPS will enhance its ability to manage for zero net revenue, including through longer-term planning and corresponding rolling forecasts. Augmented digital systems are expected to aid the balancing of fee and management expenses needed to achieve zero net revenue in line with Executive Board requirements.

**E. Management lessons learned*****Reshape organizational culture***

141. The third-party review of UNOPS organizational culture highlighted a need for a more collaborative organizational culture, where decision-making is derived from the principle of subsidiarity. It identified five focus areas: (a) tone from the top; (b) accountability; (c) transparency and communication; (d) investment in people; and (e) future proofing of culture.

142. Ahead of the annual session 2024, UNOPS will present timelines of its initiatives with milestones for implementing the recommendations contained in the third-party review of the organizational culture.

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<sup>14</sup> Decision 2023/22

***Innovate and digitalize processes***

143. UNOPS is investing in process innovation and digitalization in order to (a) increase effect for people and countries; (b) increase the impact of every project managed; and (c) increase partner satisfaction.

144. The effort is framed by three objectives: (a) simplify the path to respond through innovative processes; (b) adopt technologies that facilitate operations and excellence; and (c) optimize the approach to data collection and use, to strengthen evidence-based decision-making, reporting against the Goals, and foresight capacity.

145. Efforts under the process innovation and digitalization programme touch all areas and units of the organization. The aspiration is to make UNOPS the organization of choice for partners around the world.

***Manage for zero net revenue***

146. Achievement of zero net revenue will require resourcing for continuity of adequate organizational capacity in the medium and longer term, balancing cost-recovery and expense with the cyclical nature of the UNOPS portfolio.

147. Managing for zero net revenue is dependent on the ability for reiterative planning and course correction when needed. UNOPS will strengthen longer-term planning and forecasting, and assess actual performance through quarterly and annual reviews.

**V. The way ahead****A. Transforming UNOPS**

148. UNOPS has launched six transformation initiatives to address the longer-term actions recommended by the third-party review: (a) “reshaping organizational culture”; (b) the “process innovation and digitalization programme”; (c) “project, programme and portfolio management”; (d) “evidence, insights and learning”; (e) “transparent management for zero net revenue”; and (f) “policy framework and financial regulations and rules”.

149. With the mission hubs and the climate action programme, those six initiatives comprise the UNOPS response to strategic lessons learned over the past two years. UNOPS will implement them in a coherent manner, focusing especially on process innovation, digitalization, and organizational culture.

**B. Priorities for 2024-2025**

150. UNOPS is committed to accelerating countries’ progress towards the Goals. It will collaborate with United Nations entities and other partners through the repositioned development system. It will further clarify internal responsibilities and means of support for country-level engagement. For about a decade, the volume of implementation capacity in demand by United Nations entities has remained stable. UNOPS is available to provide collaborative advantages for their operations, including efficiencies through business innovation. It will reinforce partnerships with countries and international financial institutions, including through its ‘back on track’ methodology.

151. UNOPS will redouble its efforts to advance climate action for mitigation, adaptation, and loss and damage reduction as a cross-cutting concern in projects, and will focus on scope 3 emissions in the supply chain. UNOPS can play a key role in filling the implementation gap for climate action.

152. UNOPS brings a collaborative advantage to partner operations in special and fragile situations. In such contexts it remains agile and responsive when challenges arise, protecting and enabling the personnel deployed.

153. UNOPS will effectuate longer-term changes for process innovation, digitalization, and organizational culture. It will leverage the synergies of integrated end-to-end processes to managing projects, programmes and portfolios within a cohesive culture promoting collaboration and effective decision-making, informed by proactive risk management.

154. UNOPS will pursue longer-term planning for the growth needed to resource the organization and equip it to expand its implementation capacity for peace and sustainable development. It will enhance contribution and management indicators to reinforce behaviour across the organization, and resource capabilities for outcome-based reporting on ambitions for impact. Dedicated consultations with Member States on the strategic plan, 2026-2029, will commence in the first half of 2025.

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