



**United Nations**

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

**Report of the Executive Board on its work  
during 2018**

**Economic and Social Council  
Official Records, 2018  
Supplement No. 15**





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**Report of the Executive Board on its work during 2018**



United Nations • New York, 2018

*Note*

Symbols of United Nations documents are composed of letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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**Part one**  
**First regular session 2018**

**Held at United Nations Headquarters in New York  
from 22 to 26 January 2018**

## I. Organizational matters

1. The first regular session 2018 of the Executive Board of the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Office for Project Services (UNOPS) was held at United Nations Headquarters in New York from 22 to 26 January 2018. The newly elected President of the Board welcomed all delegations and thanked the outgoing President and Vice-Presidents for their leadership and commitment to the work of the Board in 2017. He congratulated the new members of the Bureau on their election.

2. In accordance with rule 7 of the rules of procedure of the Executive Board, the Board elected the following members of the Bureau for 2017:

President:	Mr. Jagdish D. Koonjul	(Mauritius)
Vice-President:	Mr. Chull-Joo Park	(Republic of Korea)
Vice-President:	Ms. Besiana Kadare	(Albania)
Vice-President:	Mr. Tumasie Blair	(Antigua and Barbuda)
Vice-President:	Mr. Dominique Favre	(Switzerland)

3. The Executive Board approved the agenda and workplan for its first regular session 2018 ([DP/2018/L.1](#)) and the reports of the second regular session 2017 ([DP/2018/1](#)) and the special session 2017 ([DP/2018/2](#)). The Board adopted the annual workplan for 2018 (DP/2018/CRP.1) and approved the tentative workplan for the annual session 2018.

4. Decisions adopted by the Executive Board in 2017 appear in document [DP/2018/3](#), which is available on the Executive Board website and on the Official Document System (ODS) of the United Nations.

5. The Executive Board agreed in decision 2018/4 to the following schedule for future sessions of the Executive Board in 2018:

Annual session 2018:	4 to 8 June 2018 (New York)
Second regular session 2018:	4 to 7 September 2018

### UNDP segment

## II. Statement by the Administrator and country programmes and related matters

6. In his address to the Executive Board (available on the Executive Board website), the Administrator of UNDP thanked the outgoing President and Vice-Presidents for their commitment and support in 2017 and congratulated the newly elected President and Vice-Presidents for 2018. He drew attention to the important reform decisions that would take place in 2018 built on the vision of the Secretary-General laid out in his report entitled “Repositioning the United Nations development system to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet” ([A/72/684-E/2018/7](#)), anchored in the 2016 quadrennial comprehensive policy review of operational activities for development of the United Nations system (General Assembly resolution [71/243](#)). Together, they formed the policy bedrock of UNDP strategy and operations. He affirmed that the organization was ready, in collaboration with the United Nations development system and partners, to address the world’s complex development and humanitarian challenges.



7. The new strategic plan, 2018–2021, positioned UNDP as a cornerstone of United Nations reform. Under the guidance of the Secretary-General, UNDP was prepared to continue its United Nations development system leadership role for the realization of the Sustainable Development Goals. This included ongoing engagement with humanitarian actors and the newly established Joint Steering Committee to Advance Humanitarian and Development Cooperation. Building on the plan's common chapter, UNDP would continue to collaborate with UNFPA, the United Nations Children's Fund (UNICEF) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).

8. Turning to funding, the Administrator highlighted that, at \$612 million, regular (core) contributions in 2017 were only slightly below the 2016 figures, marking a welcome change from the progressive decline of previous years. Other (non-core) resources held steady at \$4.4 billion in 2017, with a 13 per cent increase in government cost-sharing and a 60 per cent increase in grants and loans from international financial institutions. UNDP funding windows also saw a 57 per cent rise from 2016. The strategic plan, 2018–2021, prioritized broadening UNDP private sector engagement through innovative approaches while the organization still counted on the commitment of Member States to predictable, flexible core funding.

9. The Administrator underscored the commitment of the organization to improving its business model and making important strides in three areas: (a) pursuing cost recovery goals in line with Board decisions; (b) refocusing private sector partnerships beyond funding to work with governments to deliver results; and (c) driving innovation in programming and operations. An integral part of this paradigm was the organization's aim for continuous engagement and partnership with the Executive Board through honest, regular, proactive dialogue. UNDP would share a detailed proposal with the Board at the annual session 2018.

10. Focusing on gender, the Administrator reaffirmed the commitment of UNDP to helping programme countries to advance gender equality, in collaboration with United Nations organizations. The UNDP gender equality strategy, 2018–2021, set for presentation at the annual session 2018, laid out the corporate plan to integrate gender in development work and its commitment to plan, report and oversee gender equality results. Similarly, he highlighted progress towards gender parity within UNDP ranks, while recognizing that more was needed to remove discrepancies, especially at the senior levels. He emphasized the importance of improving the quality of the UNDP workplace and ensuring that all staff had equal opportunity to grow. He stressed that UNDP fully adhered to the Secretary-General's zero tolerance strategy on workplace harassment, sexual exploitation and abuse, both within UNDP and with the populations it served.

11. UNDP was committed to transparency and accountability and placed great value on the independence and impartiality of the Independent Evaluation Office. The Administrator noted that UNDP would continue to allocate the resources needed by the Office to carry out its workplan for the period from 2018–2021.

12. Board members expressed their strong support for the work of the organization and its unique role in implementing the 2030 Agenda for Sustainable Development and the Sustainable Development Goals. Underscoring the importance of the 2016 quadrennial review and welcoming the report of the Secretary-General, Board members continued to see UNDP play a central leadership role in the United Nations development system. The new strategic plan, 2018–2021, they noted, positioned UNDP as the pillar of an integrated United Nations response to the 2030 Agenda and the Goals at the country level, as reflected in the common chapter, and gave it the tools to forge an empowered, sustainable resident coordinator system. A group of delegations sought clarity on how the proposed integrator platforms would affect

inter-agency division of labour in the resident coordinator system and improve UNDP focus based on its comparative advantages; another requested details on the proposed joint Board, pooled funding and resident coordinator/resident representative reporting lines.

13. Some delegations stressed the role of the organization role in driving a prevention-focused United Nations development system, focused on addressing the root causes of conflict. They noted that the organization's mandate, extensive country presence and experience in institution-building positioned it as the United Nations link between the peace and security architecture and the development system. Other delegations emphasized that the 2016 quadrennial review remained the cornerstone for United Nations system coordination and reform, built on transparent, inclusive cooperation, whose ultimate aim was poverty eradication and sustainable development. They emphasized that UNDP should coordinate its development work with that of other actors involved in humanitarian and peacebuilding activities in a context-specific way. There was general support for UNDP signature solutions as a means to deliver on the Goals, leave no one behind, strengthen governance and promote gender equality.

14. A group of delegations stressed that national ownership was the key driver of the strategic plan, 2018–2021, and that its implementation required the strong engagement of Member States at the country level. They called on UNDP to continue its active and constructive engagement with other United Nations organizations at the national level to align programmes and policies with national policies and plans. The group attached great importance to the work of UNDP in support of national capacity-building for the achievement of the Goals. The delegations underlined the growing strength of economies of the South and the importance of South-South cooperation in driving the global economy and multilateralism for the 2030 Agenda and the Goals. Noting that South-South cooperation was a complement to, and not a replacement of, North-South cooperation, they recognized the United Nations Office for South-South Cooperation as the global and United Nations system-wide coordinator for South-South cooperation.

15. Delegations overall welcomed that the new business model would focus on greater institutional efficiency and effectiveness. They requested that UNDP work closely with the Board in devising the business model workplan. A group of delegations reiterated the need for new funding structures that reflected actual costs and incentivized flexibility and predictability. The proposal to improve the structured funding dialogues in 2018 presented an opportunity for increased commitment to funding the integrated budget. They encouraged UNDP to continue to work with other United Nations organizations to ensure that cost recovery rates better reflected actual costs and to use them to improve the quality of funding, in a spirit of ever greater accountability and transparency.

16. A group of delegations from middle-income countries and small island developing States stressed that cost recovery rates had to take into account the different stages of development and vulnerability of countries and the impact on core resources. United Nations reform, focused on strengthening the integrated pillars of sustainable development, should not diverge its focus or funds from development, weaken the role of Member States or the work of the development system. They sought clarity on how proposals to delink UNDP from the resident coordinator system might impact the organization's finances and leadership role. They stressed the need to strengthen multi-country offices and to mainstream the SIDS Accelerated Modality of Action (SAMOA) Pathway (Samoa Pathway) principles and the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011–2020 in all aspects of UNDP work.

17. The funding situation continued to be a major concern. Board members pointed to the ongoing imbalance between core and non-core resources as a potential risk to the ability of UNDP to deliver on its mandate and the 2030 Agenda. Delegations called on Member States to adhere to their funding commitments and, for those in a position to do so, to step up their contributions to core resources. Adequate, multi-year, stable core resources, it was noted, were key to safeguarding the organization's independence and objectivity. They stressed that support to domestic resource mobilization, when requested by programme countries, was additional to, and not a replacement of, adequate and quality of funding for UNDP activities. Board members encouraged UNDP to continue to seek ways in which to diversify its funding base. They suggested that UNDP create more attractive incentives for both traditional and emerging donors by improving its visibility and better communicating results.

18. In response, the Administrator stressed that UNDP was planning for different United Nations reform scenarios while pushing forward the implementation of the strategic plan, 2018–2021. It would not, however, anticipate the outcome of reforms, which required the approval of Member States. How reform would affect staffing, funding and operations was not clear, and there were budgetary considerations on which management would engage the Board. He emphasized, however, that anticipated reforms derived from the quadrennial review and the evaluations. In the meantime, UNDP would press ahead in a collaborative spirit with other United Nations organizations, focused on the principles and agreements in the common chapter. He recognized the importance of linking funding to performance, within parameters of collective responsibility and principles of multilateralism, while reiterating the need for stable, predictable core funding. UNDP, he affirmed, would continue to support the United Nations Office for South-South Cooperation and mainstream South-South cooperation throughout its work, building on its global knowledge platform. Through its revised business model, UNDP would invest in cost efficiency, delivery and effectiveness and move the organization onto a digital platform in collaboration with its partners.

#### *Country programmes and related matters*

19. The Director, Regional Bureau for Africa, UNDP, on behalf of the Associate Administrator, UNDP, introduced the item and provided separate overviews of: (a) the five regional programmes for Africa, Asia and the Pacific, Arab States, Europe and the Commonwealth of Independent States, and Latin America and the Caribbean; (b) 10 country programmes; and (c) one common country programme. The regional directors for Africa, Asia and the Pacific, Arab States, Europe and the Commonwealth of Independent States, and Latin America and the Caribbean presented and elaborated on the regional programmes from the regional perspective, as well as the country programmes for: Burkina Faso, Cabo Verde (common country programme document), Djibouti, Egypt, Gabon, Ghana, Jordan, Mauritania, Myanmar, Pakistan and Somalia.

20. Board members welcomed the consultative process that UNDP followed in developing the regional programmes. They highlighted that countries in the same region shared common challenges that required a differentiated approach to development. They stressed the importance, within the regional context, of: national ownership, national responsibility to lead development efforts, national capacity-building, strengthening national and regional economies, mitigating vulnerabilities, promoting women's empowerment, the environment, migration, peace and justice, security, and South-South cooperation. Board members whose country programmes were up for Board review and approval commented on the programmes from the national perspective. They highlighted the participatory process followed in designing the country programmes while stressing the importance of national ownership and needs, and the achievements of their partnerships with UNDP at the

country level. While supporting United Nations reform proposals, some delegations expressed concern at its potential impact on funding for country programmes.

21. The Executive Board reviewed and approved, in accordance with Executive Board decision 2014/7, the country programme documents for Burkina Faso (DP/DCP/BFA/3 and DP/DCP/BFA/3/Corr. 1), Djibouti (DP/DCP/DJI/3), Egypt (DP/DCP/EGY/3), Gabon (DP/DCP/GAB/3), Ghana (DP/DCP/GHA/3), Jordan (DP/DCP/JOR/3), Mauritania (DP/DCP/MRT/3), Myanmar (DP/DCP/MMR/2), Pakistan (DP/DCP/PAK/2), Somalia (DP/DCP/SOM/3), as well as the common country programme for Cabo Verde (DP/FPA/OPS-ICEF/CCPD/2018/CPV/1).

22. The Executive Board reviewed and approved the regional programme documents for Africa (DP/RPD/RBA/3), Asia and the Pacific (DP/RPD/RAP/3), Arab States (DP/RPD/RAS/4), Europe and the Commonwealth of Independent States (DP/RPD/REC/4) and Latin America and the Caribbean (DP/RPD/RLA/3 and DP/RPD/RLA/3/Corr. 1).

### III. Evaluation

23. The Director, Independent Evaluation Office, UNDP, presented the Independent Evaluation Office workplan, 2018–2021 (DP/2018/4), and the Director, Bureau for Programme and Policy Support, UNDP, provided the management response.

24. In the sole intervention, a group of 17 delegations welcomed the first multi-year evaluation plan and the planned country programme evaluations for country offices scheduled to submit country programmes to the Board – key steps to support Board oversight responsibilities. They encouraged UNDP to engage partner countries further in the evaluation process for country programme and decentralized project evaluations. They commented on three areas in particular: decentralized evaluations, joint evaluations and system-wide approaches, and resource allocations.

25. The group welcomed the review by the Independent Evaluation Office of the quality assessment of decentralized evaluations for 2016. While recognizing progress since the 2014 review of UNDP evaluation policy, the group expressed concern that of 170 evaluations reviewed, over two thirds had not received a “fully satisfactory” rating, and 44 evaluations had been considered “unsatisfactory”. It sought clarity on whether the quality of evaluators, previously pinpointed as an area for improvement, had caused the less-than-satisfactory assessments, and, if so, whether it pointed to procurement gaps. It encouraged UNDP to set targets for improving the quality of decentralized evaluations, and management to work with the Independent Evaluation Office closely to ensure independence and validity. It encouraged increased collaboration with other United Nations organizations on quality assurance of decentralized evaluations, in line with new United Nations Development Assistance Framework guidelines, and encouraged UNDP to better integrate cross-cutting issues into evaluation reports and to support regions facing the greatest challenges in the quality of decentralized evaluation reports.

26. The group welcomed the goal of the Independent Evaluation Office to maximize coordination and joint activities with other independent oversight units, both within UNDP and throughout the evaluation and oversight community. It stressed that collaborative approaches were critical to achieving the Sustainable Development Goals. The group supported UNDP plans to evaluate both the European portfolios as a cluster and the thematic areas identified for future collaboration. It encouraged UNDP to elaborate its plans for thematic evaluations, focused on institutional effectiveness and linking resources to results, and to include the 2030 Agenda more explicitly in corporate evaluations. The group invited the Independent Evaluation

Office to clarify how it would engage with evaluation units in UNICEF, UNFPA and UN-Women to evaluate the common chapter. It suggested that the four organizations undertake a joint evaluation encompassing individual recommendations to each agency and suggested its inclusion in the workplan, 2018–2021. It encouraged UNDP to take a more proactive role in seeking opportunities to conduct joint country portfolio evaluations, and the Independent Evaluation Office to support and work closely with the Secretary-General’s proposed independent system-wide evaluation unit.

27. The group underscored the importance of allocating adequate resources to the evaluation function. It welcomed the increased UNDP budget to the Independent Evaluation Office and the separate budget lines for evaluation and audit. Recalling their concern in 2016 that UNDP had allocated only half of the targeted 1 per cent determined by the evaluation policy, the delegations sought clarity on the total allocation for 2018–2021 and whether the budget for the entire evaluation function had increased as well. They sought details on how the harmonized cost recovery policy contributed to evaluations and how adjustments could secure sufficient resources. Noting the finding from the quality assessment of decentralized evaluation on the low coverage of decentralized evaluations in the area of governance, compared with the current level of expenditures, the group sought clarifications on plans to finalize the list of evaluations annexed to the workplan and highlighted its interest in having an evaluation of UNDP work on conflict prevention and recovery during the current strategic plan cycle.

28. In response, the Director, Independent Evaluation Office, UNDP, highlighted the important investments of 2017 to enhance the quality of decentralized evaluations and the high, but unrealized, capacity and potential of monitoring and evaluation officers working at the decentralized level. Tackling that issue head on, the Independent Evaluation Office, in collaboration with UNDP management, was working to achieve a greater level of professionalization among officers at the country, regional and global levels, including plans in 2018 to involve the United Nations Evaluation Group in developing training. He expected that the additional funding allocated to the Independent Evaluation Office would cover resources needed to pursue those activities. He stressed, however, the need for realistic expectations on the quality of decentralized evaluations compared with centralized evaluations. Decentralized evaluations served more as reviews at the project level and, as such, fulfilled their purpose. The two types of evaluations – centralized and decentralized – had different but important purposes. As a general principle, the former spoke to accountability and the latter to learning. Regarding the large percentage of “unsatisfactory” ratings of decentralized evaluations, he indicated that results were affected by revisions made to assessment instruments, greater scrutiny in the assessment, and the increased numbers of decentralized evaluations considered. The Independent Evaluation Office said that it would present an update on the implementation of recommendations at the annual session 2018, providing better analysis on whether UNDP was a learning organization. On plans for evaluating the common chapter, he said that discussions had been initiated with the evaluation offices of the organizations involved. Recognizing challenges in conducting joint evaluations, the evaluation offices would engage with their respective boards to see how best to conduct an evaluation of the common chapter. He emphasized that enhanced coverage of independent country programme evaluations was possible thanks to greater efficiency conducting such evaluations. On the related issue of transparency, he stated that all evaluations were in the public domain, readily available to Board members through the Evaluation Resource Centre.

29. The Director, Bureau for Programme and Policy Support, UNDP, highlighted that the common chapter set out the six areas of collaboration among the

organizations, including joint initiatives that the organizations would jointly evaluate from beginning to end of the programming cycle. On resources, he noted that the reported 0.44 per cent for 2016 was only part of the evaluation expenditure; when calculated along with monitoring, the expenditure came to slightly above 1 per cent. On the quality of evaluators and its impact on the reported subpar quality of decentralized evaluations and their high “unsatisfactory” ratings, he clarified that: (a) evaluators had made a vertical assessment but did not address crosscutting issues; (b) evaluators’ proposed recommendations for improvement lacked usefulness or feasibility because of resource constraints; and (c) the project under evaluation posed evaluative challenges, such as lack of qualitative or quantitative evidence. To address those issues, UNDP would avoid rehiring evaluators that had delivered poor quality evaluations and engage more closely with evaluators from the outset of the evaluation process.

30. The Executive Board adopted decision 2018/1, UNDP Independent Evaluation Office workplan, 2018–2021.

#### **IV. United Nations Capital Development Fund**

31. The Associate Administrator, UNDP, introduced the item, highlighting the organization’s close working relationship with the United Nations Capital Development Fund (UNCDF) as reflected in the UNDP strategic plan, 2018–2021. The Executive Secretary, UNCDF, presented the new UNCDF strategic framework, 2018–2021 ([DP/2018/5](#)). She underscored how UNDP and the Fund built on their comparative advantages and how the new planning cycle provided great potential to deepen that work through the UNDP integrator approach and country platforms. Together, UNDP and the Fund could crowd-in and promote more investments in least developed countries and ensure that the deployment of finance solutions in middle-income countries contributed to cross-country learning. Stressing the importance of making finance work for the poor, the strategic framework, 2018–2021, targeted the intersection of Goal 17 (means of implementation) and Goal 1 to tackle poverty, exclusion and inequality. The new framework committed the Fund to continue to function as a financing incubator, delivering its expertise in financial inclusion and local development finance. She appealed to Member States to continue to fund UNCDF core resources, crucial for its ability to deliver its mandate.

32. Board members welcomed the consultative process followed in designing the strategic framework, 2018–2021. They expressed strong support for the Fund’s continued focus on Goal 1, helping the least developed countries to combat poverty, inequality and exclusion, and Goal 17, revitalizing the global partnership, through financial inclusion and local development finance. Highlighting the particular vulnerability of the least developed countries to economic, social and climate crises, they were pleased that the new framework contributed to the Istanbul Programme of Action, the Addis Ababa Action Agenda, the 2030 Agenda and the Paris Agreement. They welcomed the Fund’s diversification of financial tools, which helped to mitigate risk in the least developed countries, and commended its delivery approach, which, guided by national priorities, localized and empowered local capacities, governing entities and communities. They appreciated its work in supporting local governments to deliver on the Goals, and its integration of cross-cutting approaches to women’s empowerment in all aspects of the Fund’s work.

33. Delegations drew attention to the Fund’s catalytic, innovative approach to extending the reach of finance to rural areas and underserved regions and populations within least developed countries. They noted that the Fund played a unique role within the United Nations development system for its ability to take on risk, crucial for

achieving the 2030 Agenda and in line with the United Nations reform agenda. Delegations commended the Fund for its work in addressing the special challenges of small island developing States, its work in the Pacific presenting a good example of how joint programming worked effectively, especially toward financial inclusion. They were pleased to see the strong focus on technological and financing innovations that responded to insights of customer behaviour, and the commitment to learning from evaluations and developing impact and thematic evaluation approaches that considered the long-term effects of access to finance on women and girls. They expected the Fund to play a leading role in refining methods to measure development impact. They also welcomed the increasing role of partnerships, including those risky in nature, in the Fund's work, in particular those with UNDP and the international financial institutions, which were noted as critical for effective, long-lasting change. They encouraged United Nations development organizations to collaborate with and support the Fund.

34. Delegations stressed the importance of adequate, predictable, multi-year core funding to ensure the ability of the Fund to deliver on its mandate and called on Member States in a position to do so to increase contributions to the Fund's core resources. They fully supported efforts to mobilize additional funds through its innovative approaches, including through the private sector and impact investment groups. Delegations also underscored the potential of South-South cooperation, as a complement to and not a substitute for North-South cooperation, in supporting the ambitions of the least developed countries to achieve the Sustainable Development Goals. They endorsed the Fund's support to countries engaging in South-South and triangular cooperation through local finance solutions. Other delegations welcomed the Fund's work to ensure a smooth transition for graduated least developed countries, offering them inclusive development pathways and continuous support.

35. In response, the Executive Secretary, UNCDF, welcomed the comments and continued strong support of delegations, in particular their and partners' readiness to work with the Fund to open spaces for risk-taking, experimentation and learning. The UNCDF model worked well, she noted, because partners of the least developed countries were prepared to open up policies and regulatory space to allow for experimentation in areas such as digital finance. The Fund looked forward to continued collaboration with Board members and partners.

36. The Executive Board took note of the UNCDF strategic framework, 2018–2021 ([DP/2018/5](#)).

## V. United Nations Volunteers

37. The Associate Administrator, UNDP, introduced the item, underscoring the centrality of the UNDP partnership with United Nations Volunteers (UNV) and volunteerism, not only for achieving the 2030 Agenda but also the UNDP strategic plan, 2018–2021, and the wider United Nations system. The Executive Coordinator, UNV, in turn presented the new UNV strategic framework, 2018–2021 ([DP/2018/6](#)). He highlighted the UNV engagement process with Member States, United Nations partners and other stakeholders in devising the new framework and ensuring its underpinning of the 2030 Agenda and the 2016 quadrennial review. The new framework focused on the delivery of two outcomes. First, it supported Member States in developing programmes, policies and legislation that promoted volunteerism; enhancing volunteerism through knowledge exchange; expanding opportunities for people to contribute as volunteers; and integrating volunteerism. Second, the framework positioned UNV to better support United Nations partners with United Nations Volunteers for national capacity development through

volunteerism and to deliver volunteer solutions for implementation of the Sustainable Development Goals, including through South-South cooperation. UNV was United Nations reform ready and fit for purpose.

38. Board members welcomed the new strategic framework, 2018–2021, which built on the previous framework, 2014–2017, and its focus on building national capacity and supporting the achievement of the 2030 Agenda, especially the eradication of poverty as the top priority. They commended UNV for the transparent, inclusive process followed in devising the new framework and welcomed its response to external evaluations of the previous framework. They were also pleased with the ongoing strong working relationship and complementarity between UNV and UNDP as well as the wider United Nations system. Delegations stressed that volunteerism was key to delivering on the promise of the Sustainable Development Goals and considered the new framework ambitious but realistic. They underscored the organization's special mandate to mobilize volunteers to act as a common service provider for the United Nations development system. That included the equally important UNV mandate to act as convener for the global debate on volunteerism in the global South. They commended UNV for its secretariat role for the General Assembly resolution-mandated plan of action to integrate volunteerism in peace and development.

39. Delegations welcomed the UNV transformation process undertaken in 2017 to make the organization fit for purpose and noted, in that regard, the new framework's focus on institutional effectiveness, which built on the existing excellent operational and capacity-building programme of the organization. They recognized that the new framework responded to United Nations reform, in particular with regard to national capacity-building, an area of strong UNV comparative advantage, and support for South-South cooperation. It was noted that UNV should engage closely with government counterparts on South-South cooperation to avoid duplication of efforts. Delegations were pleased with UNV participation in the common chapter of the strategic plans of UNDP, UNICEF, UNFPA and UN-Women and encouraged UNV to continue to fully engage in United Nations development system coordination and to support the Secretary-General's reform agenda. They highlighted the onus the new framework placed on partnerships, including the unique UNV relationships with volunteer groups in civil society, and called on UNV to undertake a mapping of volunteerism at the national level as a way of further galvanizing volunteerism at the local level.

40. Delegations expressed strong support for UNV efforts to enhance the sustainability of local volunteers' contribution to development and implementation of the Goals, especially in crisis settings. Volunteers, it was noted, often stayed on during transition to development and were responsible for setting up preventive measures to future emergencies. For that reason, delegations saw strong potential for UNV in addressing climate change mitigation and adaptation, migration and refugee movements, and the challenges of ageing societies. There was also strong support for UNV work in addressing the unique challenges of least developed countries and small-island developing states.

41. Delegations welcomed the UNDP commitment to maintaining its level of core funding to UNV during the strategic framework, 2018–2021. They recognized the concerted efforts of UNV to rationalize and decentralize its operations in the face of budgetary constraints, and its efforts to diversify and secure additional funding by broadening its partnerships. Board members stressed the importance of predictable, multi-year contributions to core resources and encouraged the Member States in a position to do so to increase contributions to UNV and in particular to the UNV Special Voluntary Fund, which enabled UNV to receive unearmarked funding to support delivery of the new framework. They also called on Member States to ensure



that volunteerism remained a strong value within the United Nations. They sought clarification on how and when UNV would report to the Board on the new framework.

42. The representative of UNICEF highlighted that it was one of the largest supporters deploying UNV volunteers, serving in 73 countries and working in a range of UNICEF priority areas. Almost two thirds were national UNV volunteers and approximately 55 per cent were women. As part of its new Youth Advocates programme, UNICEF would deploy United Nations Youth Volunteers to be youth advocates and agents for change in UNICEF country offices, which also aimed to bring the voices of youth to the United Nations, focused on young women, people with disabilities and minority groups.

43. In response, the Executive Coordinator, UNV, welcomed the comments by delegations and recognized the call for greater UNV engagement in addressing issues such as climate change. He noted a number of areas in which UNV was building capacity and establishing specialized volunteer rosters in specific areas. UNV looked forward to its continued work with governments and through vertical funds, such as the Green Climate Fund and the Global Environment Facility, to tackle climate change-related challenges. UNV was also closely following the discussions on the United Nations Framework Convention on Climate Change and sought to scale up volunteerism in countries with large programmes for climate change mitigation and adaptation. He welcomed the call for increased contributions to the UNV Special Voluntary Fund, which helped countries to develop their own volunteer structures, training and mobilization. He sought Board guidance on how best to report and engage in discussions on UNV activities over the strategic framework period.

## UNFPA segment

### VI. Statement by the Executive Director and country programmes and related matters

44. In her statement to the Executive Board (available on the UNFPA Executive Board website) as Executive Director of UNFPA, Dr. Natalia Kanem thanked Board members for their strong support for her appointment. She highlighted the challenges and opportunities of 2017, during which UNFPA had gained a huge upsurge of support for its work on the rights of women and adolescent girls to control their bodies and their lives. She drew attention to the Fund's activities across the globe to promote sexual and reproductive health and reproductive rights and family planning in both development and humanitarian settings. She pointed to the Fund's thought leadership and advocacy to promote the demographic dividend, combat discrimination, help to pass historic legislation and reach those furthest behind. That included working with partners such as the African Union and with religious leaders, buttressed by the Fund's strengths in evidence-gathering and analysis and life-saving service delivery.

45. In all its work, UNFPA sought to expand the options and choices for the poorest women and adolescent girls, empowering them to achieve economic security and independence for more balanced societies, as envisioned in the Sustainable Development Goals. In that regard, the Executive Director restated the three transformative results of the new strategic plan, 2018–2021: (a) ending unmet demand for family planning; (b) ending preventable maternal deaths; and (c) ending violence and harmful practices against women and girls. The Fund's collection and analysis of population data would inform its activities aimed at achieving transformative results to ensure that no one was left behind. Partnerships were the key to achieving those results, guided by the strategic plan, 2018–2021, particularly in collaboration with United Nations development system partners, in both development and humanitarian

settings, as highlighted in the common chapter. The Executive Director stressed that in all its work and with all of its partners, UNFPA strove to be innovative, bold, vocal and visible. That included drafting clear, flexible guidance for country offices and exploring ways to boost development impact through greater collaborative advantage.

46. To better monitor its work, UNFPA revised and updated the strategic plan's integrated results and resources framework, incorporating new indicators, baselines and targets, to ensure greater accountability and improved decision-making. Evaluation was an essential part of accountability, and the Fund used evaluative evidence and lessons learned to inform its work. The UNFPA quadrennial budgeted evaluation plan set the organization's strategic approach to evaluation. She noted that the Fund appreciated the consultative process in which the quadrennial plan had been developed, ensuring that evaluation at UNFPA was responsive and useful. The Fund was committed to cultivating a culture of evaluation for learning and results, as evidenced in its innovation initiative. Efforts in that area were closely linked to enhancing organizational effectiveness and efficiency, which the change management process and the comprehensive resources review augmented. Both were aligned with the United Nations reform agenda and ensured that the Fund's human and financial resources were optimally deployed to support the UNFPA strategic plan, 2018–2021, the 2016 quadrennial review and the 2030 Agenda. She stressed that UNFPA was making significant investments in country office presence, expanding and strengthening its engagement in humanitarian action.

47. In closing, the Executive Director highlighted five essential elements needed for success: integrity, accountability, optimal use of resources, people and peace. Citing challenges related to resources, she noted that revenue for 2017 was expected to reach an all-time high, thanks to intensified resource mobilization efforts, including through the private sector. The Fund had managed to maintain core resources at the 2016 levels, while new co-financing contributions from programme countries were growing. UNFPA was ready to continue discussions with the Board on those issues in the structured funding dialogues during 2018.

48. Board members universally welcomed the appointment of Dr. Natalia Kanem as Executive Director of UNFPA and expressed strong support for her vision and leadership in advancing the Fund's mandate. They noted with appreciation that the strategic plan, 2018–2021, was fully aligned with the Programme of Action of the International Conference on Population and Development, the 2030 Agenda, the Sustainable Development Goals and the 2016 quadrennial review, reaffirming the Fund's mandate as key to achieving the Sustainable Development Goals. Delegations welcomed the transparent consultative process followed with Member States and stakeholders in developing the new strategic plan, the revised integrated results and resources framework, and the comprehensive resources review, as part of the Fund's overall change management process. There was also general recognition of the dedicated work of UNFPA staff across the globe in providing universal access to sexual and reproductive health services, especially in crisis settings, and in reaching marginalized and vulnerable communities.

49. On the strategic plan, 2018–2021, Board members encouraged UNFPA to continue to pursue a collaborative approach, as set out in the common chapter with UNDP, UNICEF and UN-Women, as well as its focus on preventing maternal deaths, increasing access to family planning and ending gender-based violence. They emphasized that poverty eradication and reduction of inequalities formed the cornerstone of the Fund's mandate. They urged the Fund to continue to mainstream gender equality and women's empowerment, the prevention of gender-based violence, the reduction of maternal mortality and the promotion of youth and adolescents in all its sexual and reproductive health and family planning work, including for vulnerable groups, in both development and humanitarian settings.

Several delegations stressed that a human-rights based approach had to be an integral part of all sexual and reproductive health and family planning services, in both development and humanitarian settings, including for marginalized and vulnerable groups, in accordance with the 2030 Agenda.

50. Board members expressed strong support for the Fund's continued alignment with the reform of the United Nations development system and the Secretary-General's reform agenda. In that effort, it should be prepared to contribute to changes in United Nations country-level presence; consolidate back-office functions; and increase accountability and transparency in its operations. They welcomed its pursuit of partnerships and joint initiatives and encouraged UNFPA to continue to expand and deepen them, especially within the United Nations development system, to address the multifaceted challenges of the new strategic plan and the Sustainable Development Goals. Delegations welcomed the Fund's efforts to broaden its donor base and seek more innovative partnerships and non-traditional modes of financing, including with the private sector and through South-South and triangular cooperation, to address the ongoing core/non-core imbalance. Many delegations warned that the ongoing imbalance risked jeopardizing the organization's ability to deliver results. They called on Member States in a position to do so to increase contributions to core resources and to decrease earmarking contributions. Others requested that the Fund design development funding structures that better demonstrated costs in the run-up to the structured funding dialogue at the second regular session 2018.

51. A group of delegations underscored the importance of the Fund's universal presence in programme countries, especially of concern to least developed countries, middle-income countries and small island developing States. They urged UNFPA to pursue a differentiated approach to programming at the country level, tailoring its assistance to the special needs and priorities of middle-income countries and small island developing States, as defined by programme countries and respectful of national ownership and leadership, especially in humanitarian and emergency situations. There was a request for UNFPA to prioritize region-wide real-time assistance to middle-income countries and small island developing States, as they were especially vulnerable to climate change and natural disasters. They urged the Fund to ensure that its subregional offices received the financial and technical support required to carry out its mandate and to promote South-South and triangular cooperation. Least developed countries appealed for the Fund's continued strong support for financing for development and the promotion of the principles of the International Conference on Population and Development and the Istanbul Programme of Action, especially in crisis and humanitarian situations.

52. Other delegations requested that, in certain programme countries, UNFPA support efforts to increase birth rates and promote family values as part of sexual and reproductive health and family planning services, while respecting national cultural and religious approaches. One delegation underlined its opposition to coercive abortion and requested UNFPA to ensure that such practices would not be part of its sexual and reproductive health and family planning services. There was also a call for the Fund to address the challenges of ageing societies with low fertility rates and to promote the idea of universal health coverage.

53. On the UNFPA comprehensive resources review and change management process, Board members supported the principle objectives, noting with appreciation that the initiatives were aligned with the United Nations reform agenda and fundamental for the delivery of the strategic plan, 2018–2021. Many delegations acknowledged that the change management efforts were aimed at strengthening the organization's humanitarian work. A number of Member States highlighted four key areas for further efforts: (a) shifting more resources from headquarters towards its work in the field; (b) strengthening its leadership role in addressing gender-based

violence in humanitarian settings; (c) providing constructive, impartial, effective support to intergovernmental processes; and (d) continuing its efforts to improve organizational efficiency and effectiveness. While welcoming the efforts to strengthen the Fund's humanitarian response, delegations requested clarifications on how UNFPA would undertake the proposed changes, including the rebalancing of operational functions between New York and Geneva, and how this would increase efficiency and effectiveness. They requested UNFPA management to continue its dialogue with the Board on the comprehensive resources review and change management process, with regular updates and a clear timeline for moving forward, including in relation to the revised integrated budget, 2018–2021, with a first draft expected by May 2018.

54. On the revised integrated results and resources framework of the strategic plan, 2018–2021, Board members welcomed the revisions, reflecting integrated results, new baselines and targets, and disaggregated data. They called for further strengthening of UNFPA staff and national capacities to collect, analyse and disaggregate data on population dynamics, as it helped programme countries to use data for informed decision-making on development policies and interventions. They welcomed the Fund's commitment to learning from monitoring and evaluation and encouraged it to continue to pursue innovation in data collection and analysis, through the recently designed innovation initiative and the creation of an innovation fund.

55. In response, the Executive Director welcomed the Board's guidance and support. She highlighted that the vision of the strategic plan, 2018–2021 – and for its two subsequent iterations until 2030 – was indeed ambitious, motivated by the precarious situation and high mortality and morbidity rates facing such a large number of women and girls. Partnerships with all stakeholders were key in efforts to address those challenges successfully – building on a platform of data, evidence and underpinned by human rights – and to achieve the three transformative results that formed the vision towards 2030. She took note of the range of issues mentioned by Board members and emphasized the importance of delivering results at the country level, including for refugees displaced by conflict, climate change, population dynamics and the situation of youth. Reiterating funding and political challenges, she stressed that the Fund's success hinged on achieving results at the country level, focusing on the most marginalized. She further noted that new investments would focus on country-level impact and take advantage of the Fund's data prowess, building on innovation and partnerships, including in humanitarian and refugee settings, to ensure that no woman or girl was left behind. She reiterated that the envisioned change management processes were tailored to support these results. UNFPA hoped to work closely with the Board around its innovation initiative, supported by the innovation fund, and through innovative partnerships, which were key ingredients for success.

56. The UNFPA Deputy Executive Director (Management) noted that as the change management process continued to unfold, UNFPA would provide further updates to Board members, including a document on the financial implications of the changes being proposed. She reiterated that the comprehensive resources review and the change management process were closely aligned with the Secretary-General's reform agenda.

57. The Director, Programme Division, UNFPA, noted that with the adoption of the strategic plan, 2018–2021, the Fund had significantly increased resources for least developed countries and small island developing States in the Caribbean and Pacific islands subregions, underscoring the Fund's commitment to least developed countries and small island developing States and to building capacity for humanitarian action.

## Country programmes and related matters

58. The UNFPA Deputy Executive Director (Management) provided an overview of the six country programmes for the Central African Republic, Djibouti, Egypt, Ghana, Jordan and Mauritania, as well as the common country programme for Cabo Verde. The UNFPA regional directors for the Arab States and West and Central Africa then presented the country programmes from their regional perspectives.

59. Programme country delegations expressed strong support for the Fund's assistance and underscored that UNFPA had developed the country programmes in close cooperation with their respective Governments, which fully supported its sexual and reproductive health and family planning activities in their countries. They confirmed that programmes of cooperation were fully aligned with national priorities and the respective country United Nations Development Assistance Frameworks and contributed to the national achievement of the Sustainable Development Goals. More specifically, they highlighted how UNFPA country programmes addressed national development challenges, including in the areas of climate change, migration, refugees, internally displacement and the demographic dividend.

60. The Executive Board, in accordance with its decision 2014/7, reviewed and approved the country programmes documents for the Central African Republic (DP/FPA/CPD/CAF/8), Djibouti (DP/FPA/CPD/DJI/5), Egypt (DP/FPA/CPD/EGY/10), Ghana (DP/FPA/CPD/GHA/7), Jordan (DP/FPA/CPD/JOR/9) and Mauritania (DP/FPA/CPD/MRT/8), and the common country programme for Cabo Verde (DP/FPA/OPS-ICEF/CCPD/2018/CPV/1).

## VII. Evaluation

61. The Director, Evaluation Office, UNFPA, presented the quadrennial budgeted evaluation plan, 2018–2021 (DP/FPA/2018/1) and the formative evaluation of the UNFPA innovation initiative (DP/FPA/2018/CRP.1), followed by the management response to the formative evaluation of the UNFPA innovation initiative (DP/FPA/2018/CRP.2), presented by the UNFPA Deputy Executive Director (Management).

62. A group of 19 Board members welcomed the formative evaluation of the UNFPA innovation initiative and commended the Fund for its swift implementation of its recommendations. It also welcomed the quadrennial budgeted evaluation plan and thanked the Evaluation Office for the consultative process during its elaboration. The group welcomed the planned corporate evaluations of the four outcomes areas of the new strategic plan, 2018–2021, as well as the planned evaluations on organizational effectiveness and its increased focus on humanitarian work.

63. Stressing the importance of collaborative approaches in achieving the Sustainable Development Goals, the group welcomed the aim to maximize coordination and joint activities with the oversight units of other United Nations organizations. They looked forward to the Fund's contribution to United Nations coherence, including the three joint evaluations with United Nations funds and programmes and the two system-wide evaluations noted in the plan. They encouraged UNFPA to consider how it could conduct further joint evaluations with United Nations organizations.

64. In that regard, the group requested details on plans for joint country portfolio evaluations, given the need for greater coherence and in the light of the modest scale of some United Nations country portfolios. They sought clarification on Evaluation Office plans to engage with the evaluation functions in UNDP, UNICEF and UN-Women to evaluate the common chapter of the strategic plans in the five areas of

joint collaboration and suggested that the four organizations undertake a joint evaluation, to be specified in the workplans for 2018–2021. They further encouraged the Evaluation Office to support the Secretary-General’s proposed independent system-wide evaluation mechanism, particularly with regard to the system-wide aspects of the workplan.

65. Delegations welcomed the success of UNFPA management in maintaining the budget for the evaluation function, despite significant financial constraints, and some encouraged the organization to continue its efforts to raise the evaluation budget towards the agreed 3 per cent target. They sought further information on how the harmonized cost-recovery policy contributed to evaluations and how adjustments could secure resources for future evaluations. They expressed concern that the high number of planned country programme evaluations over the four years might jeopardize their quality, as the resources for these were listed as “indicative”, requiring resource mobilization efforts. They sought details on the efforts by the Evaluation Office and management to ensure that sufficient resources for decentralized evaluations were available and on the steps to establish a prioritization scheme once funding became available.

66. One delegation asked if UNFPA had devised a strategy to address declining programme resources in the light of funding cuts in country-level programmes. Another sought clarity on why evaluation funding had declined when UNFPA had been able to recuperate funding declines from other sources, including increased core contributions from some Member States in 2017 and 2018.

67. In response, the Director, Programme Division, UNFPA, stressed that UNFPA was working to build evaluation capacity and ensure that all decentralized and corporate evaluations were implemented fully and on time. UNFPA was closely engaged with country offices to support them in planning and conducting evaluations. On the issue of the 3 per cent, he pointed to factors that impeded the Fund’s ability to reach that goal, including: (a) the dramatic reduction in core resources, which could be offset through an agreement with Member States to allocate a percentage of non-core funding to evaluation; (b) reporting on evaluation resources, which was expected to improve by the end of 2018, thanks to the introduction of the global programming system; and (c) the large amount of funding prioritized for humanitarian activities. To address the issue, UNFPA was pursuing less retrospective and more real-time evaluations, in tandem with building the evaluation capacities of country and regional office staff.

68. The Director, Evaluation Office, UNFPA, stressed that UNFPA was committed to United Nations coherence of the evaluation function. The Evaluation Office was in regular dialogue with the evaluation offices of UNDP, UNICEF and UN-Women on conducting joint evaluations of country programmes and a joint evaluation of the common chapter of the strategic plans. The Fund, having already undertaken an evaluation of its contribution to United Nations coherence, hoped to expand that evaluation to include the other three organizations. He highlighted that UNFPA was actively engaged with the United Nations Evaluation Group to determine how best to support the Secretary-General’s proposed independent system-wide evaluation unit. He pointed to four areas of United Nations coherence in evaluation in which UNFPA was actively engaged: (a) joint evaluations; (b) system-wide evaluations; (c) enhancing coherence within the evaluation functions; and (d) strengthening evaluation capacities throughout the United Nations development system. The Fund’s efforts to build evaluation capacity at the country office and decentralized levels would ensure that the quality of the many evaluations planned during the strategic plan period.

69. The Deputy Executive Director (Management), UNFPA, stressed the Fund's commitment to ensuring adequate funding for the evaluation function and highlighted the steady increase in resources to the evaluation function in 2017. UNFPA hoped that the trend of increasing core resources would continue and thereby ensure adequate funding for evaluation. She emphasized that it was important that funding for core items also cover evaluations fully, without creating an unnecessary burden on other areas of core funding, so that all types of funding were utilized to the optimum extent possible.

70. The Executive Board adopted decision 2018/2 on the UNFPA quadrennial budgeted evaluation plan, 2018–2021.

## UNOPS segment

### VIII. Statement by the Executive Director

71. In her statement, the Executive Director, UNOPS, provided an update on the implementation of the organization's strategic plan, 2018–2021, and highlighted the key focus areas for 2018. She underscored that 2017 was a good year for UNOPS, characterized by sound finances and high demand for services. She stressed that UNOPS did not seek or receive grants or core funding, but functioned solely on the quality of its services. The organization focused on implementation in partnership with Member States, the United Nations system and public and private sector partners. It worked to implement projects to achieve the Sustainable Development Goals, support Security Council and General Assembly resolutions and address humanitarian, peace and security concerns. The new strategic plan, 2018–2021, focused on three corporate goals: efficiency, effectiveness and accessing new funding sources. She noted that most UNOPS operations took place in fragile settings, working to restore basic services and infrastructure.

72. The Executive Director reaffirmed the commitment of UNOPS to the Secretary-General's reform agenda, focused on a more field-focused, decentralized United Nations. UNOPS continued to improve its model to ensure stronger impact at the country level. In line with the vision of the Secretary-General, in 2017, UNOPS had revised its internal governance structure, separating policy from control functions from operations. The organization supported the move towards an impartial resident coordinator that promoted non-resident agencies such as UNOPS when they had a comparative advantage. UNOPS also worked closely with UNDP to improve joint capacities and identify common areas for collaboration and was ready to offer its services to other United Nations system partners, especially in areas such as procurement. UNOPS was also addressing corporate challenges, launching its gender parity strategy aimed at achieving workforce gender parity by 2020, meeting United Nations system-wide gender targets by 2026 and increasing women's numbers in senior management.

73. Board members welcomed the update on the implementation of the strategic plan, 2018–2021, which positioned UNOPS as a demand-driven, self-financed entity within the United Nations system, and commended UNOPS for its steps to create links with the Secretary-General's reform agenda to boost efficiency and quality. They welcomed the integration of the relevant Goals in the new plan to ensure the delivery of the 2030 Agenda, as well as the three corporate goals of efficiency, effectiveness and accessing new funding sources. Noting the unqualified audit report for 2016, they commended UNOPS for having reached targets on local procurement early and for being the sole United Nations organization to receive a gold standard for sustainable procurement. While noting improvements in management and

operational activities, they urged UNOPS to fully implement the recommendations of the Board of Auditors. They welcomed the initiative to use surplus resources for seed funding and sought further details at future Board sessions.

74. Delegations affirmed that UNOPS played a unique role in the United Nations system that ensured delivery at the country level and that it was ideally positioned to help United Nations organizations to deliver collective outcomes, a central tenet of United Nations reform. They stressed the importance of strengthening collaboration between UNOPS and other United Nations organizations in procurement and infrastructure implementation. They welcomed efforts to strengthen partnerships with the United Nations development system and, in accordance with the 2016 quadrennial review, at the global, regional and country levels, and they looked forward to the Office's continued efforts to innovate and forge partnerships outside the United Nations system. They were pleased to learn of the launching of the gender parity strategy, including United Nations system-wide gender targets, and the intention of UNOPS to extend the policy to all areas and levels of its operations, while underlining the need to include people with disabilities in the drive to combat inequality.

75. A group of delegations welcomed the continued broadening of the UNOPS portfolio to include activities in small island developing States, including the opening of the UNOPS Innovation Centre in the Caribbean region, which, they noted, also fostered greater inter-agency collaboration through the innovation portfolios of UNDP and UNFPA. The group encouraged UNOPS to not only improve its sustainability policy and prioritize projects and programmes that contributed to sustainability, in accordance with the recommendations of the Board of Auditors, but also to align all its work towards sustainability. Sustainability, key to reducing inequality and eradicating poverty, remained a gap in the United Nations development system. They called on UNOPS to help developing countries to boost their capacity for sustainable development overall.

76. In response, the Executive Director, UNOPS, welcomed the strong support of delegations for the unique role of UNOPS in the United Nations system and as a key player for achieving the Sustainable Development Goals. UNOPS stood ready to support all members of the United Nations system, as reflected in the new strategic plan, 2018–2021, be it through management, procurement or resilient infrastructure. The organization's focus on efficiency, effectiveness and access to new sources of funding was the best approach to ensuring the Office's overall value to partners. UNOPS fully supported the Secretary-General's reform agenda, including the goal of an impartial resident coordinator at the country level that would seek out the assistance of UNOPS, even without a country presence, in areas where it had a comparative advantage. UNOPS was committed to innovation and innovative financing and strongly supported projects that engaged youth. The organization would continue to gauge its job creation impact for youth and women. Security was a top priority for UNOPS, especially given its presence in emergency settings. UNOPS also had a strong working relationship with the Board of Auditors and actively addressed its recommendations.

## **Joint segment**

### **IX. Recommendations of the Board of Auditors**

77. The Director, Bureau for Management Services, UNDP, introduced the report of UNDP and UNCDF on the implementation of the recommendations of the Board of Auditors for 2016 ([DP/2018/7](#) and annexes). The Deputy Executive Director (Management), UNFPA, introduced the report of the Executive Director: follow-up



to the report of the United Nations Board of Auditors for 2016: status of implementation of the recommendations (DP/FPA/2018/2 and annex). The General Counsel, UNOPS, introduced the report of UNOPS on the status of the implementation of the recommendations of the Board of Auditors for 2016 (DP/OPS/2018/1). The Directors of External Audit, Board of Auditors, delivered comments on the three reports by UNDP, UNFPA and UNOPS from the perspective of the Board of Auditors.

78. Board members welcomed the thorough reviews by the Board of Auditors and commended the organizations for having achieved unqualified audit reports for the year ending 2016. They stressed the importance of Board of Auditors reports in satisfying the assurance needs of the Executive Board as a third line of defence in a strong oversight system. The implementation of past recommendations was crucial in creating a trust-based relationship between the organizations and the Executive Board, as well as in realizing operational efficiency, effectiveness and fiduciary assurance. They urged a strong focus on preventative and qualitative assurance measures, as well as ethical awareness-raising and protection of whistle-blowers.

#### *UNDP*

79. A group of delegations welcomed the positive appraisal of the financial health of UNDP by the Board of Auditors, whose assets were growing faster than liabilities and whose overall revenue had increased. It recognized progress in its seven priority areas, noting that many areas were aligned with the workplan of the Executive Board. It echoed the call by the Board of Auditors for further progress in all areas, including project and financial management, and encouraged UNDP to address the recommendations that had not yet been implemented, especially those that were recurring. The group welcomed the actions taken to diversify sources of funding, a topic of ongoing concern, and reiterated the importance of flexible funding sources, of which core was key. Highlighting four areas for improvement, they urged UNDP to: (a) focus on the management plan on cost recovery and a cost recovery strategy; (b) issue a thorough management response that addressed the comments of the Board of Auditors on fraud, including the call to develop a comprehensive anti-fraud strategy that should be incorporated into the working plan for engagement with the Executive Board; (c) include cumulative reporting on fraud loss recoveries, and project and programme management, in the anti-fraud strategy, reflecting the harmonized approach to cash transfers and risk management; and (d) provide progress updates on human resources, especially with regard to the “people’s strategy”.

80. Another group welcomed the organization’s 12 years of uninterrupted clean audit opinions and its top rank in the Publish What You Fund transparency index. Highlighting three recommendations for UNDP that dealt with risk management of implementing partners, specifically on recurring compliance issues related to operational rules/procedures and procurement, it urged UNDP to: (a) pursue full compliance with existing procedures in the high-risk area of assessing implementing partners, including a timeline towards full compliance; (b) give greater attention to recurring findings and recommendations related to compliance with existing operational rules and procedures; and (c) review and regularly update vendor data to prevent duplication and potential fraud.

#### *UNFPA*

81. A group of Board members welcomed the acknowledgment by the Board of Auditors of the Fund’s good financial health. It recognized progress in introducing the global programming system for managing workplans and the strategic information system, which helped to better monitor risk and results, but stressed the need for improvement of new systems at the country level. It encouraged UNFPA to accelerate

its pace of implementation of outstanding recommendations. Noting the decrease in revenue from 2015 to 2016, it welcomed the efforts by UNFPA to broaden its donor base and encouraged it to secure sources of financing that enhanced the delivery of its strategic plan. Highlighting four areas for improvement, they urged UNFPA to: (a) strengthen the application of management processes; (b) improve assessment and oversight arrangements for implementing partners under the harmonized approach to cash transfers; (c) pursue improvements to programme, contract and human resource management; and (d) strengthen procurement and establish a robust supply-chain mechanism.

82. Another group of delegations stressed the importance of compliance with existing rules of procedure, including for the harmonized approach to cash transfers and the strengthening of staff capacities to conduct risk assessments and assurance plans for implementing partners. It recognized the comprehensive improvements across the three lines of defence, as reflected in the reduced number of recommendations of the Board of Auditors between 2014 and 2018, and appreciated the ambition to address the majority of outstanding recommendations by the end of the first quarter of 2018. The group welcomed the significant progress in implementing the 2016 recommendations of the Board of Auditors, half of which had been completed.

#### *UNOPS*

83. A group of delegations welcomed the surplus in the delivery of operations and recognized that the implementation of the new enterprise resource management system, through oneUNOPS, offered a window of opportunity for UNOPS to strengthen risk management and oversight.

84. In response, the Directors of External Audit, Board of Auditors, recognized the efforts of the three organizations to address the major concerns raised by the Board of Auditors, especially at the country level. They urged management to address the underlying causes of deficiencies and weaknesses highlighted by the Board of Auditors under the guidance of the Executive Board. They were pleased that, for the first time, representatives of the Board of Auditors were on the podium and able to make opening statements, and looked forward to continuing that practice in the future.

85. The Director, Bureau for Management Services, UNDP, reiterated the importance and utility of the attestation mechanism, by which resident representatives had to annually sign an official document stating that the country office had in place internal controls and anti-fraud policies. UNDP was taking the necessary steps to address recurring recommendations, as part of its revamped business model and internal oversight mechanisms. Underscoring the importance of core resources and recognizing the need for a management cost recovery strategy, UNDP was working with UNICEF, UNFPA and UN-Women on a harmonized approach to cost recovery. Central to that harmonized approach was the prioritization of showing the use and role of core resources. A stable and predictable core, she stressed, greatly helped the organizations to plan for predictable resources for the audit function and other independent oversight functions. Noting, on anti-fraud, that UNDP had set up a cross-functional task force on the recovery of funds lost owing to fraud, she pointed out that the organization had recovered \$2.23 million out of a total of estimated losses of \$3.5 million (out of an annual total of \$4.5 billion disbursed for programming) in 2016. As part of its commitment to United Nations reform, UNDP would continue to collaborate on the harmonized approach to cash transfers with the other funds and programmes. UNDP was in the process of recruiting a new director for the Office of Human Resources and, as such, would not finalize its “people’s strategy” until the new director had come on board. Concurring with the need for prevention and whistle-blower protection, she highlighted that, under the organization’s

whistle-blower policy, staff had to undergo mandatory fraud training. UNDP was committed to strengthening the policy and practice and was actively engaged in the Joint Inspection Unit review of whistle-blower policies across the United Nations development system. UNDP remained committed to transparency and to its high rating on the Publish What You Fund transparency index. UNDP was also actively exploring options to address the challenge posed by the combined delivery report certification and had reinvigorated its vendor review committee to address issues related to weaknesses in vendor data and procurement.

86. The Deputy Executive Director (Management), UNFPA, reaffirmed the Fund's commitment to addressing issues of concern raised by the Board of Auditors and to accelerating progress towards resolving them, especially with regard to systemic and recurring challenges. UNFPA was working to identify problematic areas and focus on preventing them before they occurred, including through raising-awareness. That included not only the issuance of new policies but also efforts to make awareness user-friendly through videos and statements by senior management and practitioners. She noted that in 2017, UNFPA had been able to mobilize additional resources, including through an increased number of donors, which it hoped to sustain. UNFPA would update the Board on the financial and audit situation before the annual session 2018.

87. The General Counsel, UNOPS, affirmed that UNOPS would keep the Executive Board informed of progress in its work to use its enterprise resources management system as a central lever for implementing its strategic plan, 2018–2021, in order to develop innovative, integrated solutions and to strengthen real-time monitoring and reporting as part of oversight.

88. The Executive Board adopted decision 2018/3 on the reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors for 2016.

**Part two**  
**Annual session 2018**

**Held at United Nations Headquarters in New York  
from 4 to 8 June 2018**

## I. Organizational matters

1. The annual session 2018 of the Executive Board of UNDP, UNFPA and UNOPS was held at United Nations Headquarters in New York from 4 to 8 June 2018.
2. The Executive Board approved the agenda and workplan for its annual session 2018 ([DP/2018/L.2](#)) and the report of the first regular session 2018 ([DP/2018/8](#)).
3. Decisions adopted by the Executive Board at the annual session 2018 appear in document [DP/2018/18](#), which is available on the Executive Board website and on the Official Document System (ODS) of the United Nations.
4. The Executive Board agreed in decision 2018/15 to the following schedule for future sessions of the Executive Board in 2018:

Second regular session 2018:            4 to 7 September 2018

### UNDP segment

## II. Statement by the Administrator and annual report of the Administrator

5. In his statement, the Administrator underscored that the Board meeting was taking place at a time of huge changes for the world and the United Nations. He focused on key UNDP areas of work and results achieved in 2017. He pointed to the global challenges that the United Nations faced: (a) the fourth industrial revolution; (b) soaring inequality; (c) persistent poverty; (c) climate change; and (d) conflict, fragility and displacement. The 2030 Agenda for Sustainable Development and the Sustainable Development Goals were the framework that would guide the United Nations and UNDP through a complex terrain. UNDP would work with countries and partners using its expertise in governance and poverty eradication to map pathways towards sustainability. The strategic plan, 2018–2021, gave UNDP the mandate to operate through its signature solutions in response to country demand in collaboration with UNFPA, UNICEF and UN-Women through the common chapter. The Administrator presented his report on results for 2017 and progress on the strategic plan, 2018–2021 ([DP/2018/10](#)), the report of UNDP on the recommendations of the Joint Inspection Unit in 2017 ([DP/2018/10/Add.1](#)) and the statistical annex ([DP/2018/10/Add.2](#)).

6. UNDP had shown strong performance in 2017, with its highest delivery on record, management efficiency improvements, an unqualified audit, top ranking on the Aid Transparency Index, and a first among partners in value for money, according to AidData. Regular (core) funding nevertheless remained low along with a continued imbalance with other (non-core) resources, at 13 to 87 per cent, which presented serious implications for its accountability to deliver and remain sustainable. Multi-year core contributions were therefore key. UNDP was undertaking initiatives to align its programme and business model to its strategic plan. That included simplifying and streamlining its business model; strengthening policy, programme, management and operations; revising its project management guidelines; setting up a new country investment facility for innovation; designing a new private sector strategy; and launching Project Catalyst, Project T and the Global Islamic Finance and Impact Investment Platform. South-South cooperation figured prominently in those initiatives and almost all country offices reported engaging in South-South and triangular cooperation. UNDP would continue to host and support the United Nations Office for South-South Cooperation.

7. UNDP embraced the ambition of General Assembly resolution [72/279](#) on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system. After more than 40 years as custodian of the resident coordinator system, UNDP had set up a transition management team to facilitate the system's transition from UNDP to the United Nations Secretariat, while ensuring uninterrupted momentum in the delivery of its strategic plan. UNDP support to the resident coordinator system would remain substantial. Gender parity within UNDP was a top priority. Over half of UNDP staff were women, although that number dropped at senior management levels. Gender gaps persisted in terms of empowerment, advancement opportunities and general experience. UNDP had approved a new gender parity strategy, 2018–2021, that was aimed at driving corporate cultural change through a comprehensive road map, in line with the system-wide strategy on gender parity. The organization was committed to zero tolerance on sexual exploitation and abuse and sexual harassment, and to evaluation, audit, ethics, accountability and transparency.

8. Across the Board, members expressed strong support for the Administrator's leadership in guiding UNDP in implementing United Nations reform. They welcomed the progress made by UNDP in 2017, its commitment to resilience-building and its proposed workplan for engagement with the Board. They showed strong support for General Assembly resolution [72/279](#) and looked forward to United Nations organizations proactively working together towards its implementation through integrated, system-wide delivery. At the centre of reforms was the need to focus on prevention, strengthening governance structures and taking a system-wide approach to sustaining peace and breaking the poverty cycle. UNDP had a key role to play in the United Nations Sustainable Development Group and the Secretary-General's transition team for the repositioning of the United Nations development system. UNDP should maintain a strong country presence in strengthening the revamped resident coordinator system. At the same time, the organization needed to focus on its own activities, based on its comparative advantages. There was a call for UNDP to be cautious in engaging in activities outside its mandate, especially in the areas of peace and security.

9. A group of delegations encouraged all United Nations organizations and UNDP to: (a) align strategic plans with resolution [72/279](#) and set plans for delivery; (b) make available full contributions to the expanded cost-sharing mechanism for the resident coordinator system; (c) devise a system-wide strategic document stipulating comparative and collaborative advantages and plans to strengthen system-wide results reporting through an independent evaluation unit; (d) review, at the country level, the new approach's implications for the United Nations system and report its potential impact on the UNDP business model to the Board; and (e) move rapidly toward common premises and common business operations. They underscored the importance of greater accountability and transparency.

10. Another group of delegations commended UNDP for its support to national policies and capacity-building for the development and achievement of the Goals, in accordance with national ownership. It stressed that UNDP was at the core of the United Nations development system and would remain there. The 2030 Agenda required an integrated approach to sustainable development and collective action, with the overarching goal of eradicating poverty in all dimensions. UNDP had a key role to play in implementing the 2030 Agenda through its mandate and its strategic plan, 2018–2021. UNDP should coordinate its development work with humanitarian and peacebuilding actors in a context-specific manner, in line with the 2016 quadrennial review and General Assembly resolution [72/279](#). The group

underscored its strong support for South-South cooperation and the role of the United Nations Office for South-South Cooperation.

11. A group of delegations drew attention to the challenges of the least developed countries, which, despite accelerated development, remained vulnerable owing to conflict, natural disasters and displacement. The group urged UNDP to target its programmes and skills in least developed countries to priority areas set out in the Istanbul Programme of Action and through support to South-South cooperation, especially for poverty eradication and structural transformation of economies, and to support countries dragging in their implementation of certain Sustainable Development Goals. Fully supportive of resolution 72/279, the group stressed that it was critical for the least developed countries that the repositioning of the United Nations development system not disrupt development activities and coordination among United Nations organizations.

12. Delegations from the small island developing States called on UNDP to continue its support for the Samoa Pathway to address countries' unique challenges and extreme vulnerability to climate change. South-South cooperation and UNDP support to the United Nations Office for South-South Cooperation had to play a central role in addressing the development challenges of small island developing States. They reiterated the request in General Assembly resolution 72/279 for the Secretary-General to conduct a review of the configuration, capacity, resource needs and development services of multi-country offices that serviced small island developing States. A condensed approach to the offices could result in cost savings to channel into programming.

13. Delegations across the board expressed serious concern over the continued core/non-core resource imbalance. They stressed the importance of predictable, multi-year, unearmarked funding to core resources to ensure that UNDP was able to fulfil its mandate and refused any trend towards normalizing non-core as the main funding base. They encouraged UNDP to continue to pursue incentives and mechanisms to broaden its donor base and explore innovative partnerships, building on its structured funding dialogue. A group of delegations appealed to Member States to meet their official development assistance commitments and noted that the domestic mobilization of resources, when requested by programme countries, had to be additional to, and not a replacement for, ensuring adequate quantity and quality of funding. They stressed that a lack of core resources jeopardized United Nations reform. There was a call for continued Board discussions of cost recovery.

14. Board members welcomed UNDP actions to address sexual exploitation and abuse and sexual harassment in the workplace by revising its policy framework for greater reporting, accountability, prevention and awareness-raising and by setting up a task force on sexual harassment. Delegations expressed strong support for the forthcoming UNDP gender equality strategy, 2018–2021, and for the human rights-based approach as integral to achieving sustainable development. Noting that UNDP had not presented a separate progress update on results for 2017, they reiterated the importance of yearly reporting to the Board on the implementation of the UNDP gender equality strategy, 2018–2021, moving forward.

15. In response, the Administrator highlighted that gender equality in UNDP was close to 50 per cent in 2018 and that it continued to mainstream gender in programmes and operations. The Administrator noted that UNDP had integrated gender reporting into his annual report and confirmed that UNDP would submit its gender equality strategy, 2018–2021, at the second regular session 2018. UNDP remained committed to the Samoa Pathway and assisting small island developing States; UNDP had dedicated over \$200 million across 15 thematic areas for priorities of small island developing States. UNDP was committed to implementing the common chapter of the

strategic plans and to reporting on progress to the Board. Attracting funding for core resources remained a challenge, owing in part to the need to realign expectations of donor countries, United Nations organizations and programme countries and counter scepticism about development finance and multilateralism. As an integrator force for United Nations system-wide coherence, the mainstreaming, acceleration and policy support approach was the primary vector for integrating the Sustainable Development Goals in national development plans. UNDP was committed to ensuring a smooth transition in implementing resolution [72/279](#) and in delinking the resident coordinator system from UNDP. However, in accordance with new governance rules under the reform, UNDP was no longer accountable for the resident coordinator system. On peace and prevention, UNDP did not encroach on Security Council-mandated areas but was engaged in work grounded in its development mandate. UNDP continued to embrace its role as innovation and thought leader and sought to empower staff at the country level to deliver innovative solutions.

16. The Director, Bureau for Policy and Programme Support, UNDP, highlighted that UNDP was aligning its policy functions to facilitate the transition from the Millennium Development Goals to the Sustainable Development Goals and to adapt to the repositioning of the United Nations development system. Because the countries with the greatest innovations had the highest level of programme delivery and development effectiveness, UNDP was working to leverage the power of innovation and connect its “atolls of excellences” on innovation to accelerate implementation of the Sustainable Development Goals through its country-level Goal platforms.

17. The Executive Board adopted decision 2018/5 on the report of the Administrator on results for 2017 and progress on the strategic plan, 2018–2021.

### III. South-South cooperation

18. The Envoy of the Secretary-General on South-South Cooperation and Director, United Nations Office for South-South Cooperation, presented the strategic framework of the United Nations Office for South-South Cooperation), 2018–2021 ([DP/CF/SSC/6](#)).

19. Board members welcomed the strategic framework and expressed strong support for South-South and triangular cooperation as crucial for the implementation and achievement of the 2030 Agenda and the Sustainable Development Goals. They underscored the central role of the Office within the United Nations development system and among partners in advancing, coordinating and mainstreaming South-South and triangular cooperation in accordance with its mandate.

20. A group of delegations welcomed the framework’s focus on using South-South and triangular cooperation to support Member States to eradicate poverty, reduce inequalities and build capacity. Noting that South-South cooperation helped to strengthen international cooperation to achieve the Sustainable Development Goals, it stressed that South-South cooperation was not a substitute for but rather a complement to North-South cooperation. It appreciated that the framework reflected South-South principles, as laid out in the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation (General Assembly resolution [64/222](#), annex), General Assembly resolutions and policy documents and underlined that the countries of the South had to set the South-South agenda, in accordance with the principles of respect for national sovereignty, national ownership, equality, non-conditionality, non-interference in domestic affairs and mutual benefit. It appreciated that the framework supported and informed the national policy dialogue of developing countries and enabled greater access to knowledge,



best practices and development solutions. The group called for the strengthening of the United Nations Office for South-South Cooperation to fulfil its mandate.

21. Another group of delegations highlighted that South-South cooperation helped to provide finance, create the enabling environment and develop multi-stakeholder partnerships to move financing of the Goals to higher levels. The Nairobi outcome document had highlighted that South-South and traditional development cooperation both sought to enhance development effectiveness by increasing mutual accountability and transparency, coordinating activities with development programmes and embracing a multi-stakeholder approach that contributed to meeting national development challenges. The Goals provided the framework through which the two varieties of cooperation were to be brought together. The group highlighted that, as host, UNDP had protected the budget of the United Nations Office for South-South Cooperation from austerity measures. It requested details on the status of the Office's budget, monitoring, evaluation and results reporting; the issuance of an annual report; the audit and oversight functions of the Office; and alignment with UNDP transparency requirements. Recognizing the efforts of the Office to address audit shortcomings and fundraising activities, the group underlined the importance for UNDP to exercise oversight and provide support to the United Nations Office for South-South Cooperation and to update the Board.

22. In response, the Director, United Nations Office for South-South Cooperation, highlighted that the General Assembly and the High-level Committee on South-South Cooperation had called on Member States to make extrabudgetary, in-kind contributions or secondments to the United Nations Office for South-South Cooperation. The Board had to determine when the Office should report on its budget, monitoring and evaluation results; the Office was committed to transparency and would issue its annual report for 2018 in 2019. The Office was engaged with the UNDP Office for Audit and Investigations, had fully implemented its 16 recommendations and was aligned with UNDP corporate practices in that area. The Office worked with the UNDP Independent Evaluation Office and had implemented its evaluation plan of the previous cycle, 2014–2017; the Office was in the process of implementing the new evaluation plan, 2018–2021. He invited Board members to provide suggestions on the Office's evaluation results on its online portal. The Office also reported to the General Assembly through the annual report of the Secretary-General and to the High-level Committee on South-South Cooperation through the biennial report of the UNDP Administrator. The Office had deepened its partnership with United Nations organizations, notably in designing a system-wide strategy and common platform on South-South cooperation. He looked forward to the recommendations of Member States on strengthening the Office, at the 2019 Second High-level Conference on South-South Cooperation.

23. The Board took note of the strategic framework of the United Nations Office for South-South Cooperation, 2018–2021.

#### **IV. Human Development Report**

24. The Director, Human Development Report Office, provided the Board with an update on the consultations regarding the *Human Development Report* held in various forums in 2017 and 2018, in accordance with General Assembly resolution [57/264](#).

25. No Board members intervened to comment on this item.

26. The Executive Board took note of the update on the consultations regarding the *Human Development Report*.

## V. Country programmes and related matters

27. The Associate Administrator, UNDP, provided an overview of the country programme documents and the country programme extensions up for Board approval. In turn, the Deputy Director, Regional Bureau for Africa, presented the country programme documents for Kenya, Malawi and Rwanda.

28. The Board also considered the first one-year extensions of the country programmes for Kuwait, the Republic of the Congo and Sierra Leone, as well as the second one-year extension of the country programme for the Syrian Arab Republic.

29. Following discussions, the Executive Board approved, in accordance with its decision 2014/7, the country programme documents for Kenya ([DP/DCP/KEN/3](#)), the country programme document for Malawi ([DP/DCP/MWI/3](#)) and the country programme document for Rwanda ([DP/DCP/RWA/2](#)).

30. The Executive Board took note of the first one-year extensions of the country programmes for Kuwait, the Republic of the Congo and Sierra Leone, as contained in document [DP/2018/11](#).

31. The Executive Board approved the second one-year extension of the country programme for the Syrian Arab Republic, as contained in document [DP/2018/11](#).

## VI. Evaluation

32. The Director, Independent Evaluation Office, UNDP, presented the annual report on evaluation 2017 ([DP/2018/12](#)), and the Director, Bureau for Policy and Programme Support, UNDP, provided the status of implementation of the Independent Evaluation Office recommendations ([DP/2018/12/Add.1](#)).

33. A group of delegations welcomed the report and the comprehensive evaluation of the UNDP strategic plan, 2014–2017, and, while pleased with its many improvements, encouraged UNDP to go further. The group acknowledged the increased number of decentralized evaluations but expressed concern about their qualitative decline between 2016 and 2017. It requested that UNDP and the Independent Evaluation Office improve the quality of decentralized evaluations. UNDP and the Independent Evaluation Office had to address recurring issues related to independent country programme evaluations, such as support for gender equality and monitoring and evaluation. It appreciated the success of the Office in covering 100 per cent of the evaluations submitted. The group welcomed the comprehensive review of the implementation of management response actions from thematic and country programme evaluations and acknowledged that most recommendations had a high management response rate, while noting that the actual implementation rate and reporting remained weak. It encouraged UNDP to engage with the United Nations organizations whose performance was stronger. It requested details on what UNDP was doing to ensure accountability and transparency of implementation. The group welcomed the increased resource allocations for the Office, but, noting that funding for evaluations continued to lag behind the 1 per cent benchmark, requested that UNDP meet the target for a stronger evaluation function. The group welcomed the efforts of the Deputy Secretary-General and the Director of the Independent Evaluation Office to work with the United Nations Evaluation Group to discuss the future of system-wide evaluations and called on UNDP and the Independent Evaluation Office to support independent system-wide evaluation capacity. Similarly, it encouraged UNDP to engage with UNFPA, UNICEF and UN-Women towards a common multi-year evaluation plan and sought information on plans for joint country portfolio evaluations.

34. In response, the Director, Bureau for Policy and Programme Support, UNDP, stressed that while it had not met the 1 per cent benchmark for evaluation funding, UNDP had invested in the Independent Evaluation Office and adhered to its 0.2 per cent of programme resources for the Office. UNDP would review the bottlenecks to evaluation funding and develop guidance for financial and human resource allocations to delineate evaluation costs and related expenses. The decreased quality of evaluations was the outcome of analysis of trends over a short time period; evaluations had actually increased in quality over the long term. UNDP had made significant strides in strengthening analytical capacities and was building its results architecture to allow the organization to use results for learning. To build its evaluation capacity and increase the number of evaluations, UNDP planned to conduct compliance implementation analyses, organize quarterly meetings with headquarters bureaux and improve oversight capacity. The organization would institutionalize annual midterm reviews and provide more training in planning and budgeting.

35. The Director, Independent Evaluation Office, UNDP, highlighted that the Office had been working with the Bureau for Policy and Programme Support to strengthen decentralized evaluation capacity. He pointed out that there was a direct relationship between clear leadership in management responses and a higher response rate overall. It was important for UNDP management to maintain pressure on offices to respond to evaluation recommendations. He underlined that the 0.2 per cent programming allocation to evaluation had had a notable impact on evaluation coverage and numbers, without sacrificing quality. While difficult, joint evaluations were necessary, and the Office continued to engage with the independent audit and oversight units of United Nations organizations. The audit units were closely engaged in devising evaluation guidelines for the Sustainable Development Goals and beginning to collaborate on methods to evaluate the common chapter of the strategic plans, including on joint programmes.

36. The Executive Board adopted decision 2018/6 on UNDP evaluation.

## VII. United Nations Capital Development Fund

37. The Associate Administrator, UNDP, introduced the item and the Executive Secretary, United Nations Capital Development Fund (UNCDF), presented the report on results achieved by UNCDF in 2017 ([DP/2018/13](#)).

38. Board members commended the Fund for its achievements in 2017 and highlighted its unique role within the United Nations development system in addressing the needs of least developed countries. They encouraged the Fund to continue to work in places where other financing sources were scarce or unavailable. They welcomed the results achieved by the Fund in 2017 in financial inclusion and local economic development, and the focus on financing gaps and the smooth transition of graduating countries. The least developed countries in particular welcomed the Fund's crowding-in of resources and the use of a wider range of risk-sharing instruments and approaches. The demonstrated effects of that work set the path for others to follow in getting finance flowing to most vulnerable countries.

39. Delegations commended UNCDF for its consistent engagement with United Nations development organizations through joint programming. Efficient, effective, innovative in financing development and ready to work with all stakeholders in public and private spheres, UNCDF was commended for being a model for United Nations reform. They encouraged other United Nations organizations to seek partnerships with the Fund when building expertise and instruments for innovative finance, given the Fund's comparative advantages in creating and deploying financial instruments

to reach the poor and tackle inequality. They encouraged the Fund to share its expertise across the United Nations system and with partners.

40. Board members welcomed the Fund's partnerships focused on new, innovative blended financing mechanisms, including with non-traditional development actors. It would be crucial to drive large-scale investments towards sustainable development, including from private capital and domestic investors. The Fund's least developed country investment platform ensured financial additionality by mobilizing finance where it otherwise would not flow. There was a call for UNCDF to focus on core competencies in inclusive finance and local development by scaling up best practices and being judicious in investing in what worked best.

41. Delegations commended UNCDF for responding to 2017 midterm review recommendations, while encouraging it to address those that remained outstanding. They welcomed the Fund's engagement with the UNDP Independent Evaluation Office, its consistently unqualified audits, and improvements in monitoring and evaluation through its updated integrated results and resource framework. They were pleased with the annex to the framework, which outlined a theory of change for supporting gender equality and women's economic empowerment.

42. Board members emphasized the importance of adequate funding for UNCDF to carry out its mandate for least developed countries. They encouraged countries to consider contributing to the Fund's core resources. They stressed the need to attract private sector investment for sustainable development, given that official development assistance, while essential, could not meet the needs of developing countries. It was crucial to devise accessible, diversified products to meet the needs of potential investors. UNCDF used donor funding to catalyse follow-on investments from domestic banks and private actors in poor countries and worked with the private sector to build sustainable business models that met the needs of the poor while building local government capacity.

43. In response, the Executive Secretary reiterated the Fund's commitment to sharing experiences with the wider United Nations development system and partners. UNCDF would remain active in the United Nations Sustainable Development Group's thematic results groups on strategic financing and strategic partnerships, which would serve as inter-agency platforms to exchange information and knowledge on innovative financing and public-private partnerships. The Fund looked forward to contributing to wider development work with UNDP and other partners in making the international financial architecture responsive to the needs of least developed countries and in addressing the issue of missing middle finance. UNCDF continued to be engaged in evaluation, partnerships and knowledge-sharing and was committed to working with the Board. Innovation was key to the Fund's approach, as seen in how digital finance was at the heart of its efforts to expand access to financial services and its work with policymakers, regulators and service providers to ensure that the digital ecosystem worked in the service of inclusion.

44. The Executive Board adopted decision 2018/7 on the report on results achieved by UNCDF in 2017.

## **VIII. United Nations Volunteers**

45. The Associate Administrator, UNDP, introduced the item and the Executive Coordinator, UNV, presented United Nations Volunteer programme: Report of the Administrator ([DP/2018/14](#)).

46. Board members welcomed the report and final results of the UNV strategic framework, 2014–2017, recognizing its transparent overview of successes and

challenges. UNV had an important role in United Nations reform by helping the United Nations development system to localize the 2030 Agenda and the Sustainable Development Goals by building national capacities, strengthening local participation, promoting national and local ownership of development and increasing the sustainability of development initiatives.

47. Delegations appreciated that UNV had, in its strategic framework, 2018–2021, adapted targets in response to trends in the numbers of UN Volunteers and were pleased to see the higher number of online UN Volunteers. They welcomed the larger proportion of national to international UN Volunteers in 2017, the balance between age and gender and the decision to focus on supporting national capacity development through volunteerism. The number of UN Volunteers hailing from the South testified to the remarkable contribution UNV was making to South-South cooperation. They welcomed UNV work to support persons with disabilities, and the partnership with UNDP to establish a joint talent programme for young professionals with disabilities, including through its United Nations Youth Volunteer modality. UNV had to uphold the highest standards of ethical and professional conduct, ensure measures to protect personnel and beneficiaries and ensure zero tolerance on sexual exploitation and abuse and sexual harassment.

48. Board members commended UNV for improving transparency, accountability and efficiency in delivering institutional effectiveness through change management. They were pleased to see that efforts to institutionalize results-based management, including by reducing personnel and strengthening regional presence, was making UNV more efficient and fit for purpose. They acknowledged the UNDP Office of Audit and Investigations audit, evaluation of the previous strategic plan and transparent reporting to the Board. Delegations noted that some of the targets on integrating volunteerism into national frameworks had not been met and encouraged UNV to balance activities between mobilizing volunteers and supporting country-led volunteer schemes.

49. Delegations commended UNV for supporting United Nations organizations to deliver on their strategic plans through volunteerism. They welcomed the drive to improve volunteer solutions with United Nations system organizations and partners for the implementation of the Sustainable Development Goals, including through South-South cooperation, and stressed the need to partner with the private sector and civil society.

50. Delegations expressed concern about the decline of financial contributions to UNV and appealed to countries in a position to do so to increase contributions to core resources. They welcomed UNDP investment in UNV and encouraged UNDP to deepen its engagement with the Board in UNV financial and investment discussions. They underscored the importance of the Special Voluntary Fund and called on countries to contribute.

51. In response, the Executive Coordinator highlighted that UNV strongly supported all pillars of the United Nations system, in particular peacekeeping and United Nations reform, through the high numbers of UN Volunteers working in resident coordinator offices, which would likely expand with the adoption of General Assembly resolution [72/279](#). UNV was closely engaged in discussions with the United Nations Sustainable Development Group to gauge where UNV and UN Volunteers could fill gaps.

52. The Executive Board adopted decision 2018/8 on the United Nations Volunteer programme: Report of the Administrator.

## UNFPA segment

### IX. Revised integrated budget, 2018–2021, including change management

53. The UNFPA Deputy Executive Director (Management) presented the draft revised integrated budget, 2018–2021, based on the results of the comprehensive resources review. In turn, the Chief, UNFPA Budget Section, gave a detailed presentation.

54. Board members welcomed the Fund's transparency in consultations on the budget and change management processes. They supported the Executive Director's restructuring vision as necessary to achieve financing aims and encouraged donors to allocate contributions to UNFPA regular resources. They welcomed the stronger focus on field work and the commitment to channel new funding to programming and to bolster efficiency and effectiveness. They welcomed the UNFPA commitment to implementing resolution 72/279 on repositioning the United Nations development system, including the cost-sharing of a revamped resident coordinator system.

55. Delegations welcomed the use of separate budget lines to safeguard internal oversight, evaluation and United Nations reform, and the budget breakdown against the four outcome areas of the strategic plan, but stressed that output-level results were needed for Member States to understand how the Fund spent its resources against its mandate – crucial for engagement in the structured funding dialogue. Delegations were committed to ensuring full funding of the budget and resource alignment against agreed priorities. They sought details on expected results from the change management process and underscored the need for analysis to assess potential consequences.

56. Other delegations: (a) welcomed proposed staff relocations to support UNFPA assistance in humanitarian settings; (b) urged the Fund to revisit its programme strategy and theory of change and ensure that results-based budgeting was used effectively; (c) encouraged UNFPA to increase its budget by 1 per cent for programmes and sought details on the \$14 million investment on premises; (d) stressed the importance of balancing stronger field support with strong support to Member States in intergovernmental processes; (e) urged swift implementation of the Executive Director's restructuring vision as a means to depolarizing sexual and reproductive health and reproductive rights; (f) requested the Fund to show clear links between the budget and strategic plan outcomes; (g) encouraged UNFPA to engage with the Office of the Secretary-General on his proposed regional restructuring; and (h) stressed the need to reflect in the budget the repositioning of the resident coordinator system, and planning with United Nations organizations in dialogue with Member States.

57. In response, the Deputy Executive Director (Management) underlined that change management processes were driven to make UNFPA fit-for-purpose to deliver. While the Fund supported United Nations reform and would proactively implement resolution 72/279, many outcomes of the change management process and comprehensive resources review depended on the implementation of those reforms, especially for regional, country team and resident coordinator system reconfigurations.

58. The Chief, Resource Planning and Budgeting, noted that the draft revised integrated budget (table 5) provided overall resources by strategic plan outcome for development outcomes and for organizational effectiveness and efficiency outputs, including breakdowns between core and non-core resources. The budget did not

include breakdowns by strategic plan outputs, although annual expenditures at outcome and output levels were included in the annual report of the Executive Director. The Fund had been very conservative in projecting income.

59. The Director, Division of Communications and Strategic Partnerships, noted that UNFPA had sought to be as conservative and realistic as possible in projections for non-core resources and reassured the Board of the Fund's capacity to raise non-core resources. He further noted that UNFPA was on the forefront of the structured funding dialogue and would present a formal proposal to the Board at the second regular session 2018, outlining a new funding architecture and identifying how funding funnelled into different outcomes and outputs for transformative results.

60. The Executive Board adopted decision 2018/9 on the draft revised UNFPA integrated budget, 2018–2021.

## **X. Statement by the Executive Director and annual report of the Executive Director**

61. In her statement, the Executive Director highlighted how the targets set in the strategic plan, 2014–2017, for sexual and reproductive health services had had notable impact, especially in crisis settings. UNFPA had made steady progress in achieving the plan's targeted results in all regions, including towards universal access to sexual and reproductive health and reproductive rights. Progress was most visible in priority countries, except those in crisis, and especially in least developed countries, which received most of the programme budget. She highlighted significant declines in maternal mortality, adolescent childbearing and child marriage, and progress in satisfying unmet need for family planning, achieving results for adolescents and youth, changing social and culture attitudes for gender equality and seizing the power of data and analysis for national development plans. She presented the annual report of the Executive Director: cumulative review of the UNFPA strategic plan, 2014–2017 ([DP/FPA/2018/4 \(Part I\)](#)), statistical and financial review, 2017 ([DP/FPA/2018/4 \(Part I/Add.1\)](#)) and report on the recommendations of the Joint Inspection Unit in 2017 ([DP/FPA/2018/4 \(Part II\)](#)).

62. The Executive Director underscored the role that partnerships with all stakeholders had played in driving achievements, along with efforts to build a UNFPA that was responsive, efficient, effective and innovative. Challenges nevertheless remained. Building on lessons, UNFPA was implementing the strategic plan, 2018–2021, by investing in an integrated programme support initiative and strong evaluation function. The Fund was using the three transformative results of the strategic plan to drive partnerships, advocacy and resource mobilization and was intensifying funding dialogue. She encouraged Member States to make early, multi-year core resource contributions to enable better planning and ensure lasting, sustainable results. The Fund hoped to reach 150 contributors to core funding in 2018. She drew attention to the Fund's launching of the Humanitarian Action Thematic Fund to bolster its work in crisis situations. She highlighted UNFPA work to advance young people's health, well-being and rights and its commitment to co-lead the United Nations system-wide initiative on youth, peace and security and the Compact for Young People in Humanitarian Action.

63. On General Assembly resolution [72/279](#) on repositioning the United Nations development system, the Executive Director stressed the Fund's ongoing strategic repositioning regarding how it was supporting intergovernmental and multilateral processes, which would result in the realigning of UNFPA structures, and a strengthening of linkages between intergovernmental processes and programme delivery in the field. She noted that the changes would see the transfer of the

Executive Board Branch to the Office of the Executive Director. UNFPA would implement those changes by September 2018 and update the Board at the second regular session 2018. She underscored that the comprehensive resources review was an optimization exercise and fundamentally about making UNFPA more fit for purpose. She also underscored the UNFPA commitment to preventing sexual exploitation and abuse through zero tolerance and defending sexual and reproductive health and reproductive rights. UNFPA would engage with the United Nations regional economic commissions and partners in the 2018 International Conference on Population and Development reviews, which would feed into the report of the Secretary-General for the Commission on Population and Development in 2019 and contribute to the meeting of the high-level political forum on sustainable development in late 2019.

64. Across the Board, members showed strong support for the Fund's mandate and welcomed evidence showing its contribution to the 2030 Agenda, especially for women and girls, and in improving access to sexual and reproductive health and reproductive rights. They drew attention to progress against the three transformative goals of the strategic plan, 2018–2021. They expressed appreciation for the Fund's close engagement with the Board to make the Fund fit for purpose to deliver on the Sustainable Development Goals and the 2030 Agenda, which they stressed could not succeed without the Fund's role in driving forward the principles of the International Conference on Population and Development. Delegations underscored the importance of the Fund's role in fostering social, cultural and behavioural changes for gender equality and women's empowerment and in updating the UNFPA Strategic Framework on Gender Mainstreaming and Women's Empowerment. Delegations showed strong support for the Fund's focus on youth as agents of change and its commitment to the United Nations youth agenda. Other delegations requested that UNFPA give special attention to the unique demographic needs of ageing societies. Overall, delegations supported strengthening the Fund's role in humanitarian and crisis situations, especially to address gender-based violence and violence against women, and in bolstering the humanitarian-development-peace nexus; others cautioned that diverting development funds for humanitarian crises could become an impediment to progress on the International Conference on Population and Development in least developed countries.

65. The Board encouraged UNFPA to proactively engage and give full support to implementing General Assembly resolution [72/279](#) and to a system-wide coordinated, coherent approach, as laid out in the 2016 quadrennial comprehensive policy review. That included the Fund's full support and contribution to the cost-sharing of a reinvigorated resident coordinator system, building on agreements established in the common chapter of the strategic plans of UNDP, UNFPA, UNICEF and UN-Women. In that regard, the Board encouraged UNFPA to fully implement the recommendations of the Joint Inspection Unit.

66. A group of delegations encouraged UNFPA and the four United Nations organizations to align the implementation of their strategic plans, 2018–2021, to United Nations reform, in particular outcomes specified in General Assembly resolution [72/279](#), and to share their implementation plans with the Board. It requested that the organizations make available in full their contributions to the cost-sharing mechanism to fund the reinvigorated resident coordinator system. It called on the organizations to work together on a strong system-wide strategic document that stipulated comparative and collaborative advantages and included plans to strengthen system-wide result reporting through the creation of a system-wide independent evaluation unit. At the country level, the group called on the Fund to review the implications of the new resident coordinator system set-up and to report to the Board on how it would impact the UNFPA business model and delivery



against its transformative results. It urged the organizations to move towards common premises and common business operations.

67. Many delegations stressed that achievement of the 2030 Agenda required a strong focus on gender equality, the rights of women and girls and a human rights-based approach. On a related topic, delegations urged UNFPA and United Nations organizations to fully implement the zero tolerance policy on sexual abuse and exploitation and sexual harassment. Other delegations urged UNFPA, in its programming and operations, to operate in accordance with accepted United Nations values and the principle of national ownership. One delegation, while supporting UNFPA provision of informed and voluntary family planning and maternal and newborn health care, stated its opposition to any programme of coercive abortion or involuntary sterilization.

68. Board members welcomed consultations on the revised integrated budget, 2018–2021, change management process and comprehensive resources review. Some delegations expressed concern about the consequences of not meeting resource targets; others considered that the proposal required more serious reflection before reaching a decision. Delegations noted the Fund's decision to reposition units and staff within the organization, including shifts to the field, but requested details on what the efficiency gains would be and expressed concern about the potential negative effects that that and similar moves might have on its mandate delivery. There were calls for UNFPA to do more on norm-setting and to concentrate on its normative function at the headquarters level, although one delegation sought clarity on how UNFPA could pursue its normative function in the light of the cuts planned in the comprehensive resources review.

69. Board members expressed serious concern about the continued decline in core resources and its potential impact on the Fund's ability to deliver on its mandate. They commended UNFPA efforts to address the imbalance between core and non-core resources and stressed the need for UNFPA to continue to pursue strong partnerships, including with the private sector and civil society, and through public-private partnerships, and to explore innovative means through which to mobilize resources.

70. Delegations stressed the importance of continued UNFPA investment in and building of its results-based management, monitoring, evaluation, reporting, accountability and transparency capacities, including through better availability of data. On the annual report, they sought deeper analysis on why some indicators had not been reached and requested that future reports include how UNFPA was strengthening leadership and internal management at the country level. They welcomed the Fund's innovative demographic data collection and analysis work and encouraged it to invest in and explore innovative development solutions, especially in data and analysis.

71. In response, the UNFPA Executive Director affirmed that UNFPA worked to create a world where every pregnancy was wanted, every childbirth safe and every young person's potential fulfilled. The Fund's youth work focused on humanitarian, peace and development dimensions, in the knowledge that subsequent generations would form part of the decision-making structure. UNFPA was focused on change management and reform to make it fit for purpose to deliver on the 2030 Agenda and ensure a differentiated response to country contexts, building on data, analysis, monitoring, evaluation, reporting and power of persuasion. The Executive Director reiterated that change management was an ongoing process, in which UNFPA was pursuing a phased implementation that allowed it to simultaneously deliver on its International Conference on Population and Development mandate. The revised integrated budget had benefited from the consultation process and would continue to

develop in the light of the repositioning of the United Nations development system. Partnerships were crucial and UNFPA had revitalized its global advisory council composed of over 20 stakeholders from civil society, academia, the private sector and United Nations entities to advise the Fund. To ensure successful implementation of its mandate, UNFPA pursued prudent resource management and worked to attract resources to make a difference.

72. The UNFPA Deputy Executive Director (Programme) explained that the reasons for the rise in HIV infections among adolescent girls in southern Africa were social norms and gender inequality. In response, UNFPA focused on sexual education, prevention, balancing prevention and treatment, and taking an integrated approach to tackling new infections. The Fund was engaged in setting the agenda, preparing best practice papers and assisting countries focused on prevention in anticipation of the International Conference on AIDS.

73. The Director, UNFPA Division of Communications and Strategic Partnerships, underlined the Fund's concern about the decline in core resources. Building on the structured funding dialogue, UNFPA pursued predictable, multi-year funding for core resources. The Fund sought to strengthen its ability to attract core resources, including transparency on the use of donor funding and using different tools such as country programme documents, streamlined architecture for resource mobilization, individual giving, and private sector and international financial institution contributions. He assured the Board that the \$25 million-a-year increase in non-core resources was done after a thorough review of its income projections. By mid-2018, UNFPA had recorded \$430 million in non-core resources. Early, multi-year payments were crucial for stability and viability.

74. The UNFPA Deputy Executive Director (Management) reiterated the Fund's commitment to zero tolerance on sexual exploitation and abuse and sexual harassment, focused on prevention and detection, as well as support to victims. The proposed investment in that area in the revised integrated budget was UNFPA-focused and not intended to be system-wide. UNFPA accorded great importance to accountability and worked with the Joint Inspection Unit, and was committed to United Nations reform, which was reflected in the change management and comprehensive resources review and integrated in programming and operations with United Nations development organizations.

75. The Director, UNFPA Programme Division, highlighted that 70 per cent of UNFPA country office presence was integrated with other United Nations organization offices, with UNFPA representation often assumed by UNDP resident representatives. The reform priority was to work through the new United Nations Development Assistance Framework structure and revamped resident coordinator system, while identifying accelerators for the Sustainable Development Goals through a human rights-based approach, so that sexual and reproductive health received the attention it deserved. The common chapter was a precursor to resolution [72/279](#), which included gender mainstreaming as a key element, as did the strategic plan, 2018–2021.

76. The Executive Board adopted decision 2018/10 on the annual report of the UNFPA Executive Director.

## **XI. UNFPA country programmes and related matters**

77. The Regional Director, East and Southern Africa, UNFPA, introduced the item and presented the country programme documents for Kenya and Rwanda. Also up for discussion were the second one-year extension of the country programme for the

Syrian Arab Republic, as well as the first one-year extension of the country programme document for Cuba.

78. The Executive Board reviewed and approved, in accordance with its decision 2014/7, the country programme document for Kenya ([DP/FPA/CPD/KEN/9](#)).

79. The Executive Board reviewed and approved, in accordance with its decision 2014/7, the country programme document for Rwanda ([DP/FPA/CPD/RWA/8](#)).

80. The Executive Board approved the second one-year extension of the country programme for the Syrian Arab Republic and took note of the first one-year extension of the country programme for Cuba as contained in document [DP/FPA/2018/3](#).

## XII. Evaluation

81. The Director, UNFPA Evaluation Office, introduced the annual report of the Evaluation Office for 2017 ([DP/FPA/2018/5](#)) and the UNFPA Deputy Executive Director (Programme) provided the management update on the evaluation function in UNFPA, including the implementation of the evaluation recommendations ([DP/FPA/2018/CRP.3](#)).

82. In the sole intervention, a group of delegations welcomed the breadth of the report, its summary of reviews and reports and its annual assessment of performance. They focused on six elements: (a) review of the evaluation function; (b) performance of the evaluation function; (c) evaluation as learning; (d) resource allocation; (e) meta-analysis of UNFPA engagement in highly vulnerable contexts; and (f) joint functions.

83. *Review of the evaluation function.* The delegations welcomed that the evaluation function had gained in maturity and expertise and was functioning independently. They noted the need for increased coordinated interaction among the Evaluation Office, regional offices and the Programme Division throughout the evaluation planning and management process and looked forward to receiving the revised evaluation policy.

84. *Performance of the evaluation function.* The delegations expressed appreciation for the improved quality of evaluations but reiterated their concern about the coverage of decentralized evaluations. They urged the Evaluation Office and the Programme Division to continue to work together to ensure that planning was realistic and that resources were prioritized for evaluations at the country level once an evaluation was planned. They welcomed the development of a new action plan on internal evaluation capacity development and looked forward to feedback on the impact obtained once available.

85. *Evaluation as learning.* The delegations were pleased that the report included examples of how UNFPA policy and practice had changed as a result of the implementation of evaluation recommendations. They stressed that systematic, thorough implementation of management actions recommended by evaluations was key to ensuring that evaluation findings would lead to learning and better results on the ground. They welcomed the Management Response Tracking System and urged UNFPA to continue to shift the focus from proving to improving results.

86. *Resource allocation.* The delegations underlined the need to allocate sufficient resources to the evaluation function and welcomed the Fund's plan to increase resources for evaluation in 2018, despite the funding drop in 2017. They stressed the importance of the 3 per cent target (as opposed to the existing 0.83 per cent) established by the revised evaluation policy to guide management when allocating funding. They regretted that country-level evaluations had been directly impacted by

austerity measures in 2017 and urged the Evaluation Office to work with UNFPA management to minimize the likelihood of any recurrence in future.

87. *Meta-analysis of UNFPA engagement in highly vulnerable contexts.* The delegations were pleased with the lessons learned in 25 humanitarian countries, particularly the need for a stronger focus on preparedness to manage humanitarian needs. They supported the call to ensure that the UNFAP office structure accurately reflected humanitarian needs within the scope of the strategic plan, 2018–2021, and looked forward to hearing how UNFPA intended to follow up on the conclusions and suggestions of the meta-analysis and how it would improve its humanitarian engagement.

88. *Joint function.* The delegations welcomed UNFPA engagement in independent system-wide evaluations and in the United Nations Evaluation Group, including through the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women, and encouraged the Evaluation Office to continue its engagement. They reiterated the importance of integrating gender equality into evaluation reports and undertaking joint evaluations, including on the common chapter of the strategic plans of UNDP, UNFPA, UNICEF and UN-Women. They also sought information on plans for joint country portfolio evaluations at the country level.

89. In response, the Director, UNFPA Evaluation Office, reconfirmed the commitment of the Evaluation Office to working with the Programme Division, the Division of Human Resources and regional offices to improve evaluation implementation rates and coverage. It had begun to strengthen cooperation and was seeing improved implementation rates, which would be reflected in the 2018 annual report. The Office was committed to working with the evaluation offices of United Nations organizations. UNDP, UNFPA, UNICEF and UN-Women had begun collaborating on conducting a joint evaluation of the common chapter. The Office was engaged with the United Nations Evaluation Group and the Inter-agency Humanitarian Evaluation steering group, and a number of joint evaluations were scheduled under the quadrennial budgeted evaluation plan, 2018–2021. The Office was planning joint United Nations Development Assistance Framework evaluations and conducting country programme evaluations for groupings of small country offices. The Evaluation Office was pursuing a consultative process with different stakeholders to revise the evaluation policy.

90. The UNFPA Deputy Executive Director (Programme) pointed out that the Board decision to allocate 3 per cent of core resources for evaluation had come at a time when the Fund's core resources constituted two thirds of funding. That ratio had dropped to one third. As part of the revision to the evaluation policy and to ensure evaluation funding, it was necessary to allocate 3 per cent from non-core resources as well. The number of evaluations and resources for evaluations had both increased, despite austerity, because UNFPA had safeguarded the evaluation budget. To continue safeguarding the evaluation function, UNFPA was implementing a "ring-fencing mechanism" to ensure that country offices had access to funding for evaluation.

91. The Executive Board adopted decision 2018/11 on UNFPA evaluation.

## UNOPS segment

### XIII. Statement by the Executive Director and annual report of the Executive Director

92. In her address, the Executive Director stated that 2017 had been a record year. A growing number of Governments had requested UNOPS services and delivery had increased more than 25 per cent. UNOPS continued to focus on the local and community levels, often in emergency and humanitarian settings. In presenting her annual report (DP/OPS/2018/2), she focused on operations, infrastructure, procurement, shared services and challenges. In 2017, UNOPS had continued its operational work in humanitarian settings to rebuild infrastructure and use green energy. UNOPS had used its expertise to address broader social concerns related to culture, environment and economic status to build safer, more stable communities. In delivering resilient, sustainable infrastructure, UNOPS had invested in industry standards, international best practices and people processes and approaches. United Nations development system organizations were more efficient and effective when working with UNOPS.

93. The Executive Director underscored the importance of making best use of resources for successful implementation of the Sustainable Development Goals. The majority of UNOPS delivery in 2017 came through procurement, more than half of which went to local suppliers. The focus was to encourage national public procurement models that were sustainable, more efficient, transparent, and had value for money. UNOPS provided management support services to United Nations organizations and hosted the United Nations global marketplace. UNOPS was committed to implementing General Assembly resolution 72/279 on repositioning the United Nations development system, using its comparative advantages to drive cost efficiency and innovation. She highlighted that because cost-sharing of the resident coordinator system would negatively affect UNOPS cost efficiency, it would have to transfer added costs to its partners. Likewise, the organization's light country presence was part of its business model; any changes to adapt to reform could impact cost efficiency and delivery. UNOPS would proceed with caution and, under Board guidance, revert to investing surplus income to meet new demands.

94. Board members commended the results of UNOPS against its strategic plan, 2014–2017, and the continued growth in service demand. They welcomed the report's alignment with the Global Reporting Initiative and its comprehensive overview of operations in infrastructure, project management and procurement. They reiterated their strong support to the UNOPS social impact investment initiative, including large-scale investments in sustainable resilient infrastructure (focused on renewable energy and affordable housing) and the promotion of global innovation, through block chain and artificial intelligence technology.

95. Delegations appreciated the unique role of UNOPS within the United Nations development system as the only self-financing organization and stressed that it had a central role in optimizing the use of resources in United Nations organizations. They encouraged UNOPS to strengthen its cooperation with United Nations organizations, especially in procurement and infrastructure. They expected UNOPS to work with United Nations organizations to implement resolution 72/279 and requested concrete plans on how that would be achieved. Delegations urged UNOPS, as the largest United Nations procurement organization, to lead reform targets to harmonize country team back office functions by 2022 and scale up business operation strategies. They encouraged the Executive Director to engage with the Secretary-General on the potential negative impact of United Nations reform on UNOPS.

96. Board members welcomed progress made in gender equality in recruitment and encouraged UNOPS to secure gender balance among employees and focus on gender equality and women's empowerment in all projects. They suggested that UNOPS include reporting on targets for securing equal access for persons with disabilities and minority groups. They encouraged UNOPS to report on responsible business conduct in line with the United Nations Guiding Principles on Business and Human Rights and to include information on how it managed risks, including assessing conflict sensitivity and potential negative impacts for vulnerable groups. Delegations strongly supported the UNOPS zero tolerance policy on sexual exploitation and abuse and sexual harassment and underscored the need to focus on implementing institutional and cultural changes and ensuring a system-wide, coherent United Nations approach.

97. A group of delegations welcomed the expansion of UNOPS operations in the small island developing States. The large-scale regional coverage by UNOPS helped to boost production capacity and raise the level of service in small island developing States and developing countries, which had a direct impact on poverty reduction and sustainable development as well as the implementation of the 2030 Agenda. They expressed strong support for the Office's stable finances, transparent mandate and sharing of best practices in operational efficiency and effectiveness.

98. In response, the Executive Director stressed that United Nations reform would be at the centre of UNOPS work and that it would explore ways to translate the negative effects of reform into positives. Its cost efficiency, effectiveness, transparency and strong record of delivery would help to determine how it could contribute to reform. The organization would continue to report to the Board in line with the Global Reporting Initiative and seek ways to conduct joint reporting with United Nations organizations. UNOPS was committed to gender parity and had devised a gender mainstreaming policy for project implementation. It was engaged with partners to explore how to expand its funding sources, including through the social impact investment initiative and its concept of innovation centres. Young people were at the heart of the UNOPS mandate and it would continue to drive youth as agents of change. UNOPS would continue to work with partners to ensure that public procurement was transparent, competitive and innovative for greater cost efficiency and impact.

99. The Executive Board adopted decision 2018/12 on the annual report of the UNOPS Executive Director.

## Joint segment

### XIV. Internal audit and oversight

100. The Director, Office of Audit and Investigations, UNDP, presented the report on internal audit and investigations (DP/2018/15), and the Director, Bureau for Management Services, UNDP, provided the management response. The Director, Office of Audit and Investigation Services, UNFPA, presented the report on the UNFPA internal audit and investigation activities in 2017 (DP/FPA/2018/6) and the opinion on the adequacy and effectiveness of the UNFPA framework of governance, risk management and control (DP/FPA/2018/6/Add.1) and mentioned the annual report of the Audit Advisory Committee (DP/FPA/2018/6/Add.2); the UNFPA Deputy Executive Director (Management) provided the management response (DP/FPA/2018/6/CRP.5). The Director, Internal Audit and Investigations Group, UNOPS, presented the activity report for 2017 of the Internal Audit and Investigations Group (DP/OPS/2018/3) and the General Counsel, UNOPS, provided the management response.

*UNDP*

101. A group of delegations welcomed the “satisfactory” opinion for governance, risk and control and commended UNDP for its progress. It encouraged the Office of Audit and Investigations to elaborate on the rationale for opinions and to include reporting against performance indicators and the comprehensive risk assessment. It was pleased that the third external quality assurance review for the internal audit in 2017 had assigned a “generally conforms” rating to internal audit activities, which attested to the Office’s professionalism and standards. It welcomed the insights contained in the external quality assurance reviews and encouraged the Office to report against their recommendations. It appreciated the work by the Office on inter-agency audits and was keen to learn how such system-wide work could be organized more efficiently.

102. The group commended UNDP management for its high implementation rate of audit recommendations and the reduction in the number of long-outstanding recommendations. It urged management to pay attention to “high priority” recommendations and to prioritize recurring issues on programme and project management, the harmonized approach to cash transfers, implementing partner management, procurement, and governance and financial management. The group sought details on how UNDP management supported the implementation of new standards for quality programming; looked forward to evidence of procurement improvements in future reports; and requested information on the degree of compliance with assessments and assurance requirements under the harmonized approach to cash transfers. The group welcomed the structure of regular audits for UNDP investments in affiliated organizations and called on UNDP to engage with the Board on the timing and placement of audits for UNCDF, UNV and the United Nations Office for South-South Cooperation.

103. The group sought the views of the Office of Audit and Investigations on the investigation caseload’s significance for the effectiveness of UNDP in preventing, detecting and responding to fraud, in particular the steps that UNDP had taken to develop a comprehensive fraud strategy. It was keen to learn about challenges and strategies to recover funds and speed up reclaim processes. It requested that the 2018 report include a chart mapping out comparative year-to-year information indicating where losses incurred in one year had been recovered in a subsequent year. The group sought details on the use and effectiveness of hotlines and mechanisms for reporting complaints, especially on human rights abuses, sexual exploitation and harassment, the environmentally damaging impact of programmes, and the view of the Office of Audit and Investigations on the use and effectiveness of such mechanisms.

104. In response, the Director, Office of Audit and Investigations, confirmed that the Office was prepared to provide detailed reporting and to work with the audit offices of United Nations system organizations to invest in and improve audit work. He underscored the usefulness of relying more heavily on the cross-reliance paradigm for joint audits, which reduced scope and created a comprehensive platform for risk assessments and controls. The Office had detected no systemic control breakdown in UNDP in 2017. Despite the number of “partially satisfactory with some improvements needed” audit ratings, the total portfolio for 2017 was promising, with room for improvement in governance risk management and controls. The Office’s lack of visibility was a possible cause of potential underreporting on sexual exploitation and abuse and sexual harassment in UNDP; the Office was working with management to expand and strengthen reporting and response services.

105. The Director, Bureau for Management Services, UNDP, confirmed that UNDP had annual audit plans for UNCDF, UNV and the United Nations Office for South-South Cooperation, on which UNDP would present information in future. On fraud prevention and fund recovery, UNDP had established in 2016 an inter-bureau

standing board on recovery and, in 2017, a written self-attestation by heads of country offices that they had met controls on fraud prevention. The 2017 consolidated code of ethics provided clear guidance on ethics and included mandatory ethics training. UNDP was developing anti-fraud materials, whose release was planned for 2017. UNDP had introduced measures ensuring that transactions took place at offsite centralized levels to avoid conflicts of interest at the country level. She highlighted that the coverage rate of the harmonized approach to cash transfers was over 90 per cent. UNDP had set up an anonymous reporting system on sexual exploitation and harassment to address potential underreporting and included a contracted hotline for reporting and counselling services.

#### *UNFPA*

106. A group of delegations welcomed the reports and management responses and noted the opinion of the Office of Audit and Investigation Services of “some improvement needed” with regard to the adequacy and effectiveness of UNFPA governance, risk management and internal control processes. It found the accompanying rationale on key risk areas useful and urged UNFPA management to make progress in areas identified as needing improvement: the integrated control framework, enterprise risk management, organizational structure and staffing, headquarters and regional office support and oversight, programme management and operations management. Progress in those areas, it stressed, would help to reduce recurring audit recommendations.

107. The group encouraged UNFPA management to continue reducing the number of audit recommendations outstanding for more than 18 months. It sought details on challenges in implementing recommendations in a timely manner and encouraged management to address the challenges of delayed management responses to enable faster finalization of audit reports. It welcomed that UNFPA management continued to protect the Office of Audit and Investigation Services from austerity measures, but was concerned about the reporting mismatch between resources provided and the Office’s needs, including resulting risk. Noting that the Office of Audit and Investigation Services had been unable to meet scheduled audit cycles, it requested that the Office articulate the level and nature of the financial and other resources required to fulfil its mandate. It urged UNFPA management to ensure that the Office was sufficiently resourced to deliver, including adequate audit coverage and efficiently handling its investigation caseload, and encouraged the Office to include key performance indicators in future.

108. The group welcomed the Office’s progress in transparency and responsiveness and noted that fraud and financial irregularities constituted the largest caseload. It sought the views of the Office on what the caseload indicated about the effectiveness of the approach to preventing, detecting and responding to fraud. It requested management updates on pending cases before the disciplinary bodies and details in future reports and management responses on the slow pace of recovery of losses. The group encouraged the Office to continue supporting UNFPA management and inter-agency initiatives to address sexual exploitation and sexual harassment.

109. In response, the Director, Office of Audit and Investigation Services, UNFPA, confirmed that the Office would articulate its resource needs and report against performance indicators in the future. Regarding recommendations outstanding for more than 18 months, the Office had been reviewing them, noting that many had been affected by the information and communications technology (ICT) transformation. Delays in finalizing audits often resulted from cross-cutting issues that required coordination among different units. In 2017, the detection of many fraud cases had come via tips or through audits of harmonized approach to cash transfers. She stressed that the ICT transformation should enable better detection by analysing data in a more



automated way. The Office would continue to engage in inter-agency work, despite inherent challenges in undertaking joint audits, including deciding when they were pertinent or not.

110. The UNFPA Deputy Executive Director (Management) stated that the main challenge of recurring audit recommendations was that they often dealt with compound complex issues. UNFPA had addressed many of them and would resolve the remaining recommendations through ICT transformation, supply chain management policies and revisions to programming processes. UNFPA welcomed the Office's innovative approaches to conducting audits, noted the impact of risk tolerance levels and drew attention to the additional resources allocated in 2018 to address the outstanding cases before disciplinary bodies.

111. The Executive Board adopted decision 2018/13 on the reports of UNDP, UNFPA and UNOPS on internal audit and investigations and management responses.

## **XV. Reports of the UNDP, UNFPA and UNOPS ethics offices**

112. The Director, Ethics Office, UNDP, presented the activities of the UNDP Ethics Office in 2017 ([DP/2018/16](#)) and the Director, Bureau for Management Services, UNDP, provided the management response. The Director, Ethics Office, UNFPA, presented the UNFPA report of the Ethics Office 2017 ([DP/FPA/2018/7](#)) and the UNFPA Deputy Executive Director (Management) provided the management response. The General Counsel, UNOPS, presented the activities of the UNOPS Ethics Office in 2017 ([DP/OPS/2018/4](#)) as well as the management response.

113. No delegation intervened to comment on the reports of the ethics offices of UNDP, UNFPA and UNOPS.

114. The Executive Board adopted decision 2018/14 on the reports of the ethics offices of UNDP, UNFPA and UNOPS.

**Part three**  
**Second regular session 2018**

**Held at United Nations Headquarters in New York  
from 4 to 7 September 2018**

## I. Organizational matters

1. The second regular session 2018 of the Executive Board of UNDP, UNFPA and UNOPS was held at United Nations Headquarters in New York from 4 to 7 September 2018.
2. The Executive Board approved the agenda and workplan for its second regular session 2018 (DP/2018/L.3) and the report of the annual session 2018 (DP/2018/17). The Board approved the draft annual workplan for 2019 (DP/2018/CRP.2) and the tentative workplan for the first regular session 2019.
3. Decisions adopted by the Executive Board at the second regular session 2018 appear in document DP/2019/2 and on the Official Document System (ODS) of the United Nations.
4. The Executive Board agreed in decision 2018/23 to the following schedule for future sessions of the Executive Board in 2019:

First regular session:	21 to 25 January 2019
Annual session 2018:	3 to 7 June 2019
Second regular session 2018:	3 to 6 September 2019

### UNDP segment

#### *Statement by the Administrator*

5. In his address to the Board (available on the Executive Board website), the Administrator of UNDP stated that the United Nations development system and UNDP were at a critical juncture of deep reform. The strategic plan, 2018–2021, had set the momentum for the transformation of UNDP into the most forward-looking, widely networked development organization that delivered twenty-first century solutions to complex development challenges. UNDP had begun to evolve from a classic development agency into a cutting-edge provider of development advice able to connect countries to global knowledge resources and networks.
6. UNDP was applying its six signature solutions at the country level and by 2021 would set up country platforms in some 50 countries. It had redesigned its expertise into the Global Policy Network and a cadre of Sustainable Development Goals experts. The new UNDP Innovation Facility had invested in some 140 ground-breaking experiments across 85 countries since 2014 and had launched its Country Investment Facility in March 2018. In September 2018, UNDP had launched the Sustainable Development Goals Impact, a start-up aimed at increasing private investment to achieve the Goals. Through Project Catalyst, UNDP was working with a small team of experts dedicated to generating insights into development trends and solutions. In 2018, UNDP had reached collaboration and partnership agreements with other United Nations organizations, while remaining committed to promoting South-South cooperation, including its hosting of the United Nations Office for South-South Cooperation.
7. UNDP had taken significant steps to improve its business model and had become more effective, efficient and results-oriented. Progress was visible in its prudent financial management, review of management services, a people-centred human resources approach, improvement and expansion of shared business and procurement services, 50-50 gender parity at the Assistant Secretary-General level, and prioritization of zero tolerance on sexual harassment and sexual exploitation and abuse. The Administrator underscored that while regular (core) resources had seen an

increase for the first time since 2013, a number of donors had signalled uncertainty about future contributions in the light of reform requirements. He appealed to Board members to urgently address the dangerous imbalance between core and other (non-core) resources, while underlining the need for greater predictability and flexibility. He noted that UNDP had linked its integrated results and resources framework to its portfolio of programmes.

8. Since the adoption of General Assembly resolution [72/279](#) of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, UNDP had deployed significant resources to support the Secretary-General's transition team and had set up a full-time team to facilitate the transfer of 129 resident coordinator positions and hundreds of resident coordinator office staff and Development Operations Coordination Office staff to future contractual arrangements. UNDP would double its contribution to the cost-sharing mechanism of the United Nations Sustainable Development Group and continue to provide operational support on a fee-for service basis for the transitional period.

9. Across the Board, delegations welcomed progress against the strategic plan, 2018–2021, the strengthening of the business model and the strong leadership of the Administrator during the reform. They welcomed new initiatives, especially the Global Policy Network, the cadre of Sustainable Development Goals experts and the new gender equality strategy, 2018–2021 ([DP/2018/21](#)). They expressed strong support for the UNDP leadership role and impact as a driver of innovation for the Goals and the 2030 Agenda, especially in thought leadership, data collection and the mobilization of financing at the country level, including through the funding compact.

10. Several delegations looked forward to seeing the results of UNDP prevention work in humanitarian-development transitions and underscored the role of UNDP in addressing the interconnectedness of peace, security and sustainable development, spelled out in General Assembly resolution [71/243](#) of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system. They stressed the importance of the rule of law, human rights, good governance and the participation of civil society, as well as accountability and transparency, and expected thorough reporting on those issues.

11. Delegations underscored the important role of UNDP in repositioning the United Nations development system. They welcomed the UNDP commitment to doubling its cost-sharing contributions, while recognizing the financial implications and larger reform challenges for the organization. They commended its collaboration with the Secretary-General's transition team on delinking the resident coordinator function from UNDP and looked forward to updates. They stressed that the repositioning exercise should not adversely affect UNDP delivery on the ground. Emphasizing the important role of UNDP as the operational backbone provider for the United Nations development system, they called on UNDP to take into consideration the recommendations of the evaluation of UNDP inter-agency operational services ([DP/2018/25](#)). Many delegations shared the view that reform provided UNDP the opportunity to strengthen its position as a development leader and requested it to provide details on the implementation of its new integrator role and specific comparative advantages in the context of the repositioning exercise.

12. Delegations attached great importance to UNDP work in support of national efforts and capacity-building for development and achievement of the Goals, in accordance with national priorities. The 2030 Agenda required an integrated approach to sustainable development and collective action with the overarching goal of eradicating poverty in all forms and dimensions. UNDP had a key role to play in implementing the 2030 Agenda through its development-focused mandate. They

underscored that General Assembly resolution [72/279](#) was aligned with the 2016 quadrennial review and specified that the primary focus of the resident coordinator system was development and poverty eradication in all its forms and dimensions and its primary purpose was to effectively coordinate the implementation of the United Nations Development Assistance Framework under national ownership, leadership and priorities.

13. A group of delegations from the least developed countries requested that UNDP further align its programmatic focus and skill sets in least developed countries with priority areas set out in the Istanbul Programme of Action, focused on poverty eradication, and support least developed countries in their underserved Goals to ensure the achievement of the 2030 Agenda. The group called on UNDP to avoid disruption in programme delivery and United Nations system coordination in the least developed countries during the reform transition. It welcomed the strategic plan's focus on eradicating poverty and sustaining economic development in the least developed countries through structural transformation of economies and called for close coordination among United Nations development system organizations towards that end, including through their executive boards.

14. On the budget, delegations welcomed the overall increase in contributions in 2017, including revenues from the private sector, foundations and civil society. However, they expressed deep concern about the continued imbalance between core and non-core resources and stressed the need for robust, predictable, multi-year core resources for UNDP to fulfil its mandate and maintain its multilateral, intergovernmental nature. Many delegations urged donors to adhere to their commitments and countries in a position to do so to step up contributions to regular resources. They called on UNDP to continue to explore incentives and innovative mechanisms to broaden its donor base, including with the private sector, civil society, international financial institutions and bilateral and multilateral banks. They underscored the importance of maximizing cost savings and efficiency gains and ensuring full cost recovery in line with Board decisions.

15. A group of delegations expressed concern that inadequate funding could adversely affect small island developing States, multi-country offices and middle-income countries and called for a comprehensive solution for the subregions concerned. They underscored the need for objective criteria, fair methodology and accurate, verifiable data, using multidimensional measures of poverty, when determining resource allocations and UNDP country-level presence, without recourse to conditionalities or assigned focus areas. They cautioned against pressures on programme countries to take on added costs, including through a revised cost-sharing agreement for the resident coordinator system. Another group of least developed countries underscored the importance of adhering to the financing guidelines set out in the Addis Ababa Action Agenda.

16. Another group of delegations stressed the importance of preserving the "common but differentiated responsibility" principle for North-South cooperation. Reiterating the importance of meeting official development assistance commitments, the group emphasized that domestic resource mobilization had to be viewed as additional to, and not a replacement for, adequate quantity and quality of funding. Furthermore, the group stressed that Member States should, in accordance with the technical note on funding of the revamped resident coordinator system, exclude the 1 per cent levy on South-South cooperation and local government contributions and refrain from overestimating efficiency gains as a source of funding. It reiterated that South-South cooperation was not a substitute for but a complement to North-South cooperation.

17. In response, the Administrator reemphasized the centrality of the 2016 quadrennial review and the overarching goal of poverty eradication, in all its dimensions, in the strategic plan and the UNDP commitment to South-South cooperation and the Samoa Pathway. He affirmed that UNDP was committed to minimum disruption in delivery as a result of United Nations reform, while underlining the reform's unprecedented intensity. He stressed that it was not the role of UNDP to secure funding for the resident coordinator system but rather to support the Deputy Secretary-General in implementing the transition. UNDP was nevertheless determined to capitalize on the reform and its delinking from the resident coordinator system to become a stronger and more effective and efficient organization, while continuing to provide backbone services to the broader system. He stated that funding UNDP and the United Nations development system had to be discussed within broader international development financing discussions, while drawing attention to how negative incentives prompted individual United Nations organizations to focus on raising funds for their own operations rather than for the United Nations development system, which led to continued inter-agency competition and fragmentation. UNDP was committed to pursuing innovative approaches to financing, such as the Lion's Share initiative. He highlighted that in terms of delivery and turnover, UNDP was in high demand, with regular annual increases in overall funding, but cautioned that the expanding demand for UNDP services could not be sustained at the current levels of core funding or cost savings.

## II. UNDP structured funding dialogue

18. The Director, Bureau of External Relations and Advocacy, and the Director, Bureau for Management Services, introduced the annual review of the financial situation, 2017 (DP/2018/19 and DP/2018/19/Add.1) and the report on the status of regular resources funding commitments to UNDP and its funds and programmes for 2018 and onwards (DP/2018/20).

19. Board members expressed strong support for the ongoing structured funding dialogue and review of the financial situation and commended UNDP for its engagement with delegations. A group of delegations highlighted that the imbalance between core and non-core resources constituted the organization's most difficult challenge. It called on UNDP to include in future reports suggestions on how it would address the core/non-core imbalance and manage exchange rate volatility. It reiterated its request for UNDP to submit a proposal on how it would format the structured funding dialogue, in accordance with decision 2018/5. It requested that in future UNDP should: (a) provide a clear vision of the principles and goals of the structured funding dialogue; (b) use the dialogue as a tool that facilitated Board oversight of the strategic plans of UNDP and other United Nations organizations; (c) establish a process and annual cycle for the dialogue to create more interactive discussion; (d) improve financial reporting to include information on financial needs, gaps and predictions, degree of alignment of financial resources to the strategic plan budget, and details on which tasks should be funded through core or flexible resources; and (e) explain its variety of funding sources and explore how to improve the quality of earmarked contributions. It welcomed the UNDP commitment to transparency, through the International Aid Transparency Initiative and its new transparency tool, especially the use of digital tools. It encouraged UNDP to work with United Nations organizations in developing the structured funding dialogue format.

20. Other delegations welcomed the revised funding dialogue agenda, which better aligned the UNDP and UNFPA funding dialogues; they encouraged UNDP to work with United Nations organizations and include in future revisions cross-cutting funding issues as well as funding/reporting on the implementation of the common.

They stressed that the funding dialogue should reflect and build on broader discussions on funding related to the repositioning of the United Nations development system and the funding compact. They called for a significantly strengthened linkage between the strategic plan and the funding dialogue to better demonstrate the funding needs of the strategic plan. They welcomed the focus of UNDP on innovation, new ways of implementing the 2030 Agenda and integral cross-sectoral approaches to achieving the Sustainable Development Goals.

21. In response, the Director, Bureau of External Relations and Advocacy, reiterated the UNDP commitment to working with other United Nations organizations and linking the structured funding dialogue to the broader funding compact. She highlighted the challenge that UNDP faced in meeting the target of 30 per cent core funding, established in the funding compact. At 12 per cent core resources, UNDP could not drop any further without jeopardizing its capacity to deliver. UNDP would provide the Board with concrete proposals on linking funding to the development results in the strategic plan ahead of future funding dialogues and concrete proposals to address the core/non-core imbalance. It would explore cross-cutting funding in areas such as the humanitarian-development nexus, conflict prevention and resilience-building. UNDP remained committed to a balanced budget, strengthened efficiency, assuming its United Nations reform responsibilities and exploring innovative approaches to funding and delivery.

22. The Director, Bureau for Management Services, drew attention to the diverse UNDP core funding base, from traditional donors to programme countries. UNDP funding and resource mobilization were moving in tandem with the funding compact and discussions around United Nations reform. On surplus funds, she highlighted that the “surplus” derived from the multi-year funding UNDP received, through organizations such as the Green Climate Fund and the Global Environment Facility, which was not fungible but appeared in UNDP annual financial statements and referred to received funds for programmes in subsequent years. Cumulatively, those funds reached into billions of United States dollars and reflected multi-year non-core project funding. To harbour them from exchange rate fluctuations and maintain their value, UNDP had one of the largest treasury service functions among United Nations organizations. UNDP managed those funds through conservative investments, allowing it to hedge against uncertainty. It was a surplus that UNDP could not use to offset core resources. She stressed that pressures on UNDP demanded a stronger core resource base.

23. The Deputy Director, Bureau for Management Services, noted that the UNDP treasury function provided services to other United Nations organizations using a conservative investment policy that was independently vetted, benefited from a strong checks and balances system and actively kept pace with market investment dynamics. The surplus funds in UNDP accounts were immediately converted to United States dollars and were highly earmarked and non-fungible, in accordance with Board regulations. UNDP did, however, earn interest on the invested surplus funds and hedged the surplus funds to protect them from exchange rate fluctuations, which helped to offset the core/non-core imbalance.

24. The Board adopted decision 2018/16 on the UNDP structured funding dialogue.

### **III. Gender in UNDP**

25. The Director, Bureau for Policy and Programme Support, UNDP, introduced the UNDP gender equality strategy, 2018–2021 ([DP/2018/21](#)).

26. A cross-regional group of Board members welcomed the new strategy and commended UNDP for its commitment to gender equality throughout its work. It recognized that UNDP had done comparatively well in advancing gender equality and women's empowerment under its previous gender equality strategy, 2014–2017. Noting that progress had been stronger in some countries and thematic areas, it nevertheless affirmed that the policy framework, gender team capacities and institutional means provided a solid foundation on which to build and should serve as a minimum standard going forward. Overall, it implied an even more ambitious way forward. The group stressed that women and girls were overrepresented among those left behind and that UNDP should increasingly prioritize and measure its results based on how it improved the prospects and conditions for the women and girls that were “the farthest behind”, including those facing multiple, intersecting forms of discrimination and those in crisis settings, and ensure that it engaged men and boys as agents of change.

27. The same group welcomed the new strategy's compliance with the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women and continued work with gender equality seals and gender markers. While recognizing that gender-specific indicators in each signature solution had improved the UNDP integrated results and resources framework, 2018–2021, it stated that as a guide to implementation, the gender equality strategy could benefit from more detailed links to the UNDP work streams.

28. The group stated that the new strategy was not as detailed on institutional commitments and resources for implementation as the previous one, and it expected UNDP to specify those commitments and build appropriate capacity across the organization as implementation proceeded. It underscored the importance of maintaining leadership and accountability and incentivizing innovation.

29. The group welcomed that UNDP would continue to issue a progress report on the gender equality strategy as a complement to the annual report.

30. The group highlighted that there was overwhelming evidence that gender equality was not only fair but benefited all levels of society, with a positive impact on economic growth, health, education and sustained peace. The gender equality strategy, 2018–2021, allowed UNDP to continue to be a champion for gender equality through targeted action.

31. One delegation specified that, while fully supporting the new UNDP gender equality strategy and work to empower women, it did not support or endorse the inclusion of the terms “sexual and reproductive health services” and “sexual and reproductive health”. The delegation stressed that its country did not, consistent with the Programme of Action of the International Conference on Population and Development, recognize abortion as a method of family planning. The delegation nevertheless underscored its continued strong moral and financial commitment to women's health, preventing child deaths and improving maternal health worldwide.

32. In response, the Director, Bureau for Policy and Programme Support, affirmed that UNDP would step up its promotion of gender equality in crisis situations. He stressed that gender equality was at the heart of UNDP work and streamlined in all its signature solutions. He reiterated the organization's institutional commitment to gender equality in all areas, including at the country, regional and global levels.

33. The Executive Board took note of the UNDP gender equality strategy, 2018–2021.



## IV. UNDP country programmes and related matters

34. UNDP introduced nine country programmes for Board approval, as well as the extensions of three country programmes. The regional directors for Africa, the Arab States, and Asia and the Pacific presented the country programmes for Benin, Bhutan, Equatorial Guinea, Lesotho, Libya, Namibia, the Philippines, Senegal and South Sudan, as well as the first one-year extensions of the country programmes for Cuba and Mexico and the second one-year extension of the country programme for Liberia.

35. The Executive Board reviewed and approved, in accordance with decision 2014/7, the country programme documents for Benin (DP/DCP/BEN/3), Bhutan (DP/DCP/BTN/2), Equatorial Guinea (DP/DCP/GNQ/3), Lesotho (DP/DCP/LSO/3), Libya (DP/DCP/LBY/3), Namibia (DP/DCP/NAM/3), the Philippines (DP/DCP/PHL/3), Senegal (DP/DCP/SEN/3) and South Sudan (DP/DCP/SSD/3).

36. The Board also approved the second one-year extension of the country programme for Liberia, from 1 January to 31 December 2019, and took note of the first one-year extensions of the country programmes for Cuba and Mexico, from 1 January to 31 December 2019 (DP/2018/22 and DP/2018/22/Corr.1).

## V. Evaluation

37. The Director, Independent Evaluation Office, UNDP, introduced the evaluation of UNDP inter-agency pooled financing services (2010-2017) (DP/2018/23) and the evaluation of UNDP inter-agency operational services (DP/2018/25). The Director, Bureau for Management Services, UNDP, provided the management response to the evaluation of UNDP inter-agency operational services (DP/2018/26) and the Executive Coordinator, Multi-Partner Trust Fund Office, provided the management response to the evaluation of UNDP inter-agency pooled financing services (DP/2018/24).

38. A cross-regional group of delegations welcomed the timeliness of the two evaluations. It underscored that attracting contributions to inter-agency pooled funding depended on the effectiveness of the programmes using them. It commended the Multi-Partner Trust Fund Office for its strong fund design, transparency and administration, while noting the need to review existing United Nations Sustainable Development Group guidelines to reflect evolving demands for financial results reporting. The group expressed support for developing clear United Nations Sustainable Development Group guidance for programme quality, planning, implementation and ensuring accountability and risk management. It welcomed the document that UNDP would present to the United Nations Sustainable Development Group on approaches to strengthening the quality and design of the results framework in the United Nations pooled funding context, but sought clarity on its development. It stressed that integrated approaches would materialize only when the principle of mutual recognition of business practices was translated into action throughout the United Nations development system. The group expressed support for expanding the role of the Multi-Partner Trust Fund Office as fund manager, especially to harvest lessons learned and plan and report on results. It welcomed the initiative of the Office to improve results reporting through its online portal and its proposal to enhance its financial narrative reporting framework for system-level results, for discussion in the United Nations Sustainable Development Group. The group agreed with the recommendation to establish a multi-stakeholder steering committee for the Multi-Partner Trust Fund Office to exchange ideas and lessons learned, but expressed concern about diverting the attention of headquarters staff at a time of constrained resources.

39. The same group welcomed insights from the evaluation of the UNDP inter-agency operational services and recognized that UNDP was already undertaking action to improve its business model. It highlighted that UNDP had the largest geographic footprint of operational services among United Nations organizations and would remain important as the United Nations development system repositioning unfolded and the resident coordinator system delinked from UNDP. In line with the recommendations of the evaluation, it called on UNDP to clearly outline how it could best serve the United Nations development system.

40. The Director, Independent Evaluation Office, welcomed the comments by delegations and the high-quality management response, including specific timelines. He noted that some points on the timeline could take longer to implement as the process of United Nations repositioning moved forward.

41. The Director, Bureau for Management Services, UNDP, underscored that the evaluation of UNDP inter-agency operational services was extremely useful and timely and reaffirmed the UNDP commitment to implementing the recommendations of the evaluation. UNDP would report regularly to the Board on its changes and innovations to become more effective and efficient, in line with larger United Nations reform efforts.

42. The Executive Director, Multi-Partner Trust Fund Office, responding to the concerns of delegations, explained that the evaluation recommendation to establish a multi-stakeholder steering committee was aimed at creating a forum for better information exchange, dialogue and strategic discussion, while avoiding any additional burden to headquarters staff.

43. The Executive Board adopted decision 2018/17 on UNDP evaluation.

## **UNFPA segment**

### *Statement by the Executive Director*

44. In her statement (available on PaperSmart), the Executive Director drew attention to the twenty-fifth anniversary of the International Conference on Population and Development and the fiftieth anniversary of UNFPA in 2019 as a time to assess progress and recommit. That included the Fund's role in repositioning the United Nations development system to deliver on the 2030 Agenda for Sustainable Development. In accordance with its strategic plan, 2018–2021, and the mandate of the International Conference on Population and Development, UNFPA was committed to the three transformative results of ending: (a) unmet needs for family planning; (b) preventable maternal deaths; and (c) gender-based violence and all harmful practices against women and girls. An integral element of that approach was “ending invisibility” through high-quality population data. She highlighted UNFPA work in crisis countries and its role in bridging the humanitarian-development continuum, its joint work for persons living with HIV/AIDS and disabilities and its engagement with youth, in accordance with the United Nations Youth Strategy.

45. The Executive Director reiterated the Fund's commitment to United Nations reform and to working with United Nations development system organizations. UNFPA was co-leading the Sustainable Development Goals Strategic Financing Results Group to help countries to shift to financing for transformative results. That included creating a knowledge and research hub on financing the Goals, building staff financial literacy, developing principles of engagement and setting United Nations financial data standards for reporting. UNFPA would help to develop country-presence modalities for a new generation of country teams and co-lead joint efforts to support national statistical capacities.

46. On the revised integrated budget, 2018–2021, UNFPA was implementing its change management processes and setting up its new architecture for a more robust, coherent corporate approach to intergovernmental and inter-agency processes. The Fund had established a branch for that purpose within its revamped Policy and Strategy Division and had placed the Executive Board Branch within the Office of the Executive Director. The Fund was redeploying resources from headquarters to countries and regions to ensure proximity of technical support where most needed. UNFPA was implementing new architecture for humanitarian affairs, including a UNFPA humanitarian office in Geneva. The Executive Director made an appeal for continued Member State support for the Fund's work in humanitarian settings.

47. UNFPA had seen an increase in regular (core) and co-financing resources in 2017 to over \$1 billion, an increase of 27 per cent from 2016. Ensuring predictable core funding nevertheless remained a challenge. The Executive Director appealed to Member States to step up contributions to regular resources and noted that 44 programme countries had contributed to regular resources in 2018. UNFPA was focused on gaining high-quality co-financing, in tandem with efforts to build stronger partnerships with non-traditional donors and the United Nations system. She reiterated the Fund's commitment to zero tolerance on sexual exploitation and abuse and on sexual harassment. The Fund would continue to build capacities in that area and had appointed a dedicated coordinator focused on rolling out a comprehensive strategy to prevent and respond to sexual misconduct, revise the harassment policy, introduce pre-employment screening and review contract agreements with implementing partners to strengthen zero tolerance. To support the objective of securing adequate levels of sustainable funding for the strategic plan, the Executive Director announced that Egypt and Sweden had accepted to become UNFPA co-champions on structured funding dialogues and thanked them for taking up that important role.

48. Board members reiterated their strong support for the Fund's mandate under the International Conference on Population and Development and its sexual and reproductive health and reproductive rights work in development and crisis settings, including its fight against gender-based violence. They expressed appreciation for its engagement with the Board in efforts to make UNFPA fit for purpose to deliver on the Sustainable Development Goals and the 2030 Agenda. They were pleased with the Fund's strong commitment to United Nations reform and to playing a central role in revamping the resident coordinator system and noted with appreciation that over 70 per cent of UNFPA country offices used common premises and services. They encouraged the Fund to share its best practices in that area across the United Nations system.

49. A group of delegations sought clarity on how United Nations reform would affect funding to regions and subregions and encouraged the Fund in restructuring to focus on national capacity-building to implement programmes at the country level, actively supporting countries to achieve sexual and reproductive health and reproductive rights and the 2030 Agenda, in line with national sovereignty and ownership. It underscored the importance of thematic synergies, focused on multidimensional aspects of poverty. It welcomed the budget provisions to fund the resident coordinator system and the Fund's engagement to build a new design for the United Nations Development Assistance Framework, but stressed that the 1 per cent levy to fund the resident coordinator system should not come from programme country Governments or South-South and triangular cooperation. The group underscored that UNFPA repositioning of its multilateral affairs approach should benefit programme countries and country programmes, with the Board playing an advisory role. Other delegations stated that any review of the Programme of Action on the International Conference on Population and Development should focus on

implementation, not on mandates and policies. They urged UNFPA to adhere to its mandate and distance itself from controversial issues not agreed on by Member States. One delegation discouraged UNFPA involvement in coerced abortions and involuntary sterilizations.

50. Board members welcomed UNFPA resource mobilization achievements in 2017 and encouraged it to continue to pursue innovative partnerships to mobilize additional funding, including through the private sector. They expected that reported funding increases would be matched by a greater impact at the country level and clearer results-to-resources links in the budget. They expressed concern regarding the continued decrease in regular resources and urged UNFPA to address the negative trend through the revised budget, especially to benefit the least developed countries. There were calls for UNFPA to partner with programme countries for greater burden-sharing. Delegations underscored the importance of predictable, multi-year, adequate core funding for UNFPA to fulfil its mandates under the International Conference on Population and Development and the 2030 Agenda. They sought clarity as to whether the 15 per cent resource allocation to joint activities covered UNFPA activities on the ground and whether it included financial support for common back offices and contributions to the common country assessment. They stressed that UNFPA allocate savings resulting from the revised budget to country programmes, with the balance between institutional and programme budgets in favour of programming. They stated that the structured funding dialogue should be viewed within wider United Nations reform.

51. Board members expressed strong support for UNFPA work with youth and in combating sexual exploitation and abuse through a zero-tolerance policy, including in humanitarian settings. They urged the Fund to continue to mobilize funding for humanitarian assistance to ensure access to sexual and reproductive health and reproductive rights and family planning in crisis settings. The UNFPA and United Nations development system humanitarian approach should focus on prevention and capacity-building, addressing foremost the needs of the most vulnerable. They welcomed and encouraged greater focus on disaster risk reduction and the Sendai Framework for Disaster Risk Reduction within the strategic plan, 2018–2021. Strong support was expressed for universal health coverage and deepening discussions on population issues, including for ageing societies. Some delegations emphasized the need for more concrete, quantifiable indicators and statistics on population and sexual and reproductive health and reproductive rights in UNFPA results and resources frameworks. They recognized UNFPA work with Member States to develop a more results-oriented system, focused on comparative advantages, and stressed the importance of accountability and transparency.

52. In response, the Executive Director stressed that human dignity was the key element in the cycle of life and within the Fund's strategy for sexual and reproductive health and reproductive rights. The purpose of the 2019 review of the Programme of Action of the International Conference on Population and Development was to assess progress and challenges to date, – not to reopen the Conference mandate for discussion. As such, the Fund was reinvigorating its focus on ageing and gender biases in reproductive health, and on the Sendai Framework principles, especially the protection of women and girls in humanitarian settings. UNFPA was leading efforts to ensure that the skills set of future resident coordinators reflected sexual and reproductive health and reproductive rights principles, and committed to accountability and transparency. The purpose of the change management exercise was to bolster the Fund's ability and leadership to deliver on the Goals and forge a coherent, fit-for-purpose approach that allowed it to respond quickly to situations at the country and regional levels. UNFPA was working to ensure United Nations reform and other change processes did not affect programme delivery, while it focused on

broad-based delivery through its partnerships, including the private sector. UNFPA placed a high premium on intergovernmental processes and transparent engagement with Member States and would continue to meet with Board members through regular informal consultations.

53. The Deputy Executive Director (Management) reiterated that UNFPA shared 70 per cent of its back-office services with other United Nations organizations at the country level. The Fund was a pioneer in common services, which constituted a backbone of its business model and a driver of efficiency and effectiveness. UNFPA was running its own common services pilot in Southern Africa, combining business operations from a number of small countries to free up resources for programming. The Fund was co-chairing the United Nations Development Assistance Framework redesign team, a centrepiece of reform, focused on enhancing the common country assessment.

54. The Deputy Executive Director (Programme) stated that the 2019 review of the Programme of Action of the International Conference on Population and Development would assess achievements since 1994, identify gaps and the reasons for them and renew commitments to the Programme of Action. Different regional conferences would take place in anticipation of the review exercise, the results of which would appear in regional reports on the Programme of Action to be issued at the 2019 International Conference on Population and Development.

55. The Director, Communications and Strategic Partnerships, highlighted that the purpose of the Fund's funding compact was to secure adequate funding for the strategic plan, 2018–2021, which was fully aligned with the United Nations system-wide funding compact. The structured funding dialogue was between UNFPA and Board members, at the exclusion of none, to rally behind the Fund's agenda. UNFPA would not use programme resources to cover the 1 per cent levy for the revamped resident coordinator system.

56. The Director, Division of Management Services, stated that UNFPA and the other United Nations development system organizations were exploring the most efficient, effective cost-recovery rate and methodology across the system, relating them to management costs, which had fluctuated owing to economies of scale. The organizations were also focused on achieving a harmonized cost-recovery methodology and cost-recovery rates.

## **VI. UNFPA structured funding dialogue**

57. The UNFPA Deputy Executive Director (Programme) introduced the report on contributions by Member States and others to UNFPA and revenue projections for 2018 and future years ([DP/FPA/2018/10](#), [DP/FPA/2018/10/Add.1](#) and annexes). He thanked the delegations of Egypt and Sweden for accepting the role of co-champions of the structured funding dialogue and highlighted their role in rallying a broader group of committed partners around realizing the UNFPA funding compact and operationalizing the funding architecture.

58. The Director, Division for Communications and Strategic Partnerships, contextualized the Fund's proposal on how to enhance the structured funding dialogue through a UNFPA funding compact, building on the 2017 funding analysis and 2018 perspectives. He presented how UNFPA was realigning its funding architecture around the three transformational results, with strong advocacy for core resources, complemented by thematic funding through trust funds, flexible funding against country programmes and strategic United Nations pooled or joint funds.

59. Board members welcomed the Fund's structured funding dialogue and appreciated its close engagement with Member States to strengthen its funding architecture to deliver against the strategic plan, 2018–2021. They welcomed the proposed UNFPA funding compact as part of broader United Nations reforms and appreciated its clear goals and processes for engagement with Board members and partners. They stated that through its efforts in the structured funding dialogue, UNFPA was leading by example and encouraged it to continue to align the structured funding dialogue with the broader United Nations funding compact and dialogue. In that regard, there was a proposal to change the name of the UNFPA funding compact so as not to confuse it with the broader United Nations funding compact proposed under General Assembly resolution [72/279](#).

60. Delegations requested information and analysis showing how the proposals emerging from the funding dialogue were in line with strategic plan objectives so that the Board could carry out its oversight and guidance. They sought details on the type and quality of resources, and specifics (at the outcome and output levels) on which results would best be served through core resources and which would require more flexible, lightly earmarked non-core resources. Delegations asked whether certain outcomes and outputs might benefit from one-on-one discussions with individual donors and encouraged UNFPA to engage with Member States that provided limited core funding and with non-State actors for more flexible resources. They expected the funding dialogue to help UNFPA to attract predictable, multi-year core funding and urged that reform efforts be undertaken in accordance with programme country needs, guided by the Board, with additional funds allocated to country programmes.

61. Delegations stressed that the UNFPA repositioning exercise should be viewed within the wider United Nations reform, without prejudice to that reform. They underscored the importance of coordinating with United Nations development organizations as part of the system-wide funding compact and commended the Fund's inclusion in the proposed budget of its share of the contribution to the resident coordinator system, including the 1 per cent levy. They welcomed the concept of "mutual commitments" but suggested providing more UNFPA-specific targets for its own commitments and requested details on lessons learned through the funding dialogue and how they could be shared across the United Nations development system.

62. In response, the Director, Division for Communications and Strategic Partnerships, assured delegations that UNFPA was engaged with United Nations organizations on the wider reform agenda and was undertaking the structured funding dialogue within that context. The Fund had set up an internal cross-divisional task force to improve reporting and gap analysis to attract quality funding. Core resources remained crucial for stability and success, and national ownership was the bedrock of UNFPA programming. UNFPA would channel additional resources generated through funding changes into programming. A critical mass of core resources was needed in the four strategic outcomes because each spoke to the Fund's normative role as champion and advocate of the International Conference on Population and Development. Additional non-core resources served to address the non-normative aspects of those outcomes. A principle reason for the decline in core funding was exchange rate fluctuations, while some activities were best served through other funding modalities such as joint or trust funds. UNFPA was pursuing innovative funding approaches with international and regional banks and public-private financing; it sought funding for the sole purpose of achieving the objectives of the strategic plan, not to mobilize resources indiscriminately. The Fund shared a mutual commitment with Member States to achieve those outcomes, for which core and non-core resources were necessary to address the mandate of the International Conference on Population and Development and the concerns of Member States.

63. The Deputy Executive Director (Programme) reiterated that UNFPA had developed a forward-looking funding proposal, in consultation with Board members and in a spirit of mutual commitment, to transform the structured funding dialogue into a UNFPA “funding compact” with Member States, aligned with the system-wide United Nations funding compact and broader reform agenda. He stressed the Fund’s commitment to the repositioning of the United Nations development system and engagement in the Secretary-General’s transition team.

64. The Executive Board adopted decision 2018/18 on the UNFPA structured funding dialogue.

## VII. UNFPA integrated budget, 2018–2021

65. The Deputy Executive Director (Management) introduced the item and the Chief, Resource Planning and Budgeting Branch, UNFPA gave a detailed presentation on the UNFPA integrated budget, 2018–2021 revision ([DP/FPA/2018/8](#) and [DP/FPA/2018/8/Corr.1](#) and annexes), in which she recapped the budget revision timeline and discussed the reserve for field accommodation, the report of the Advisory Committee on Administrative and Budgetary Questions on the UNFPA revised integrated budget for 2018–2021 ([DP/FPA/2018/9](#)), the integrated resource plan and next steps.

66. Board members welcomed the consultative process followed with Member States in revising the integrated budget, 2018–2021. They stressed that United Nations reform should not slow down UNFPA delivery on the ground in programme countries. In that regard, they sought clarification on the implications of the 1 per cent levy to fund the revamped resident coordinator system for UNFPA work on the ground and expected cuts in the institutional budget to have a positive impact on country-level delivery. They sought clarification on the distribution of resources between headquarters and the field.

67. One group commended UNFPA efforts to become more efficient and undertake the comprehensive resources review, and looked forward to learning more about results from the change management process, especially the Fund’s ability to deliver in accordance with the strategic plan, 2018–2021, and enhance its normative role. They stressed that changes to the organizational structure should build on an analysis of how to achieve the strategic plan efficiently and effectively. They requested UNFPA to include information in final reporting on financial needs, gaps and projections, including the alignment of financial resources to budgeting for the strategic plan. They welcomed the UNFPA analysis of the implications of United Nations development system reform and looked forward to information on its implementation and financial implications, including the effects of doubling the UNFPA share of the costs of the resident coordinator system. They reiterated strong support for the strategic plan, 2018–2021, and its mainstreaming of gender equality and women’s empowerment throughout implementation, and appreciated the continued country focus and prioritization of those most in need.

68. In response, the Chief, Resource Planning and Budgeting Branch, stated that UNFPA was addressing budget gaps through a cross-functional perspective to better determine links between results and resources. While the strategic plan remained the overarching organizational guide, the Fund adapted delivery priorities to meet country programme needs, which affected the results-to-resources links locally. Funding for the revamped resident coordinator system would come from: (a) doubling UNFPA contributions; (b) the 1 per cent levy; and (c) voluntary contributions. The United Nations Secretariat would manage how those funds were used for the resident coordinator system. She clarified that the reference in the report of the Advisory

Committee on Administrative and Budgetary Questions to country-level and headquarters staff positions related to the number of international Professional positions was limited to the institutional budget and did not reflect UNFPA total resources.

69. The Deputy Executive Director (Management) stated that UNFPA sought to provide a comprehensive view of its resources to ensure that they were aligned with the strategic plan, 2018–2021, the Sustainable Development Goals and United Nations reform. Discussions on the integrated budget and comprehensive resources review had likewise helped UNFPA to better focus its indicators and theory of change, making the budget stronger. The change management process focused on four organizational and efficiency outputs, in addition to corporate culture and mindset change, all of which were making UNFPA more results-focused, agile, innovative and value-minded. That included business model changes to align processes, people and structures to the strategic plan.

70. The Executive Board adopted decision 2018/19 on the revised UNFPA integrated budget, 2018–2021.

## **VIII. Country programmes and related matters**

71. The UNFPA Deputy Executive Director (Programme) introduced the item and provided an overview of 14 country programmes presented for Board approval, as well as five country programme extensions. In turn, the respective UNFPA regional directors presented the country programmes for the Arab States, Asia and the Pacific, East and Southern Africa, and West and Central Africa. This included Benin, Bhutan, Burundi, Ecuador, Equatorial Guinea, Lesotho, Libya, Malawi, Namibia, Nicaragua, the Philippines, Senegal, South Sudan and Togo, as well as the first one-year extensions of the country programmes for the Comoros, Mexico and the Republic of the Congo and the second one-year extensions of the country programmes for the Democratic Republic of the Congo and Liberia.

72. The Executive Board reviewed and approved, in accordance with its decision 2014/7, the country programmes documents for Benin (DP/FPA/CPD/BEN/9), Bhutan (DP/FPA/CPD/BTN/7), Burundi (DP/FPA/CPD/BDI/8), Ecuador (DP/FPA/CPD/ECU/7), Equatorial Guinea (DP/FPA/CPD/GNQ/7), Lesotho (DP/FPA/CPD/LSO/7), Libya (DP/FPA/CPD/LBY/1), Malawi (DP/FPA/CPD/MWI/8), Namibia (DP/FPA/CPD/NAM/6), Nicaragua (DP/FPA/CPD/NIC/9), the Philippines (DP/FPA/CPD/PHL/8), Senegal (DP/FPA/CPD/SEN/8), South Sudan (DP/FPA/CPD/SSD/3) and Togo (DP/FPA/CPD/TGO/7).

73. The Board took note of the first one-year extensions of the country programmes for the Comoros, Mexico and the Republic of the Congo and approved the second one-year extensions of the country programmes for the Democratic Republic of the Congo and Liberia (DP/FPA/2018/11).

### **UNOPS segment**

## **IX. Statement by the Executive Director**

74. In her statement, the Executive Director, UNOPS, affirmed that UNOPS was committed to United Nations reform, pursuing greater cost savings and efficiency and contributing to the funding model for the revamped resident coordinator system. UNOPS was at an all-time record high for delivery, while its average fees had dropped and its new 2016 enterprise resource planning system had reduced system and



transaction costs. Its shared service model allowed it to intervene “anytime, anywhere” in a manner that optimized value for money, as recorded in its sustainability reports aligned with the Global Reporting Initiative. The bulk of UNOPS activities would not be affected by the 1 per cent levy for the resident coordinator system, nor would partners cover the related increased costs. It was crucial, however, that as a non-resident agency, it remained an integral member of United Nations country teams.

75. The Executive Director highlighted that initial results confirmed that 60 per cent of new leadership hires in 2018 were women, while targeted outreach had prompted a 20 per cent rise in applications from women, and in September 2018, UNOPS had launched a new gender mainstreaming strategy and action plan. UNOPS was working with several national partners to design infrastructure planning, delivery and management practices in line with global best practices, which had significant value for least developed countries and small island developing States. Investing in social impact continued to be a top UNOPS initiative, with a major renewable energy project in Mexico having just been signed (a groundbreaking initiative in which the entire equity portion of the investment was funded from the Office’s own balance sheet) and others potentially to follow in Africa, Asia, Latin America and the Caribbean.

76. Procurement continued to be a major driver of UNOPS delivery, exceeding \$1 billion in 2017, more than half of which went to local suppliers, creating local jobs and local economic activity. UNOPS would continue to develop its means to measure, inspect and manage suppliers to ensure that they adhered to the highest standards of integrity. She invited Board members to review the annual statistical report on the procurement activities of the United Nations system, 2017 (DP/OPS/2018/5) for detailed information on system-wide trends. She drew attention to the UNOPS response to the Joint Inspection Unit review of management and administration in the United Nations Office for Project Services (DP/OPS/2018/6), which recognized the value of the UNOPS business model and benchmarking against international standards, and underscored its high degree of transparency.

77. Board members welcomed the annual statistical report on the procurement activities of the United Nations system for 2017 and stressed the role of joint procurement in driving efficiency and effectiveness as part of reform. They encouraged UNOPS to build on lessons learned with the private sector, ensure more user-friendly procurement services and include in future reports details on sustainability in procurement. The role of UNOPS in humanitarian and challenging settings was important, as was its close work with other United Nations organizations. They stressed the importance of transparency in procurement activities and objective, non-discriminatory awarding of contracts.

78. Delegations welcomed the UNOPS response to the Joint Inspection Unit review and moves to strengthen the ethics framework and highlighted that the Audit Advisory Committee had a mandate to advise the Board and improve oversight. One delegation suggested that the Board consider taking up discussions on operational reserves to determine if the UNOPS risk profile had changed. They welcomed the UNOPS commitment to implementing United Nations reform and expected it to contribute to meeting targets to harmonize back-office functions for country teams by 2022. They called for improvements on how the Board dealt with individual organizations’ Joint Inspection Unit reports and suggested that the Board assign it a separate agenda item in future. Delegations were pleased with the Office’s constructive approach to private sector engagement, in particular the news about investment in Mexico, and ideas on how the United Nations development system could better use innovation.

79. A group of Board members welcomed the Office’s continued work in sustainable project management, infrastructure construction and procurement, its

ability to build production capacity, especially in small island developing States, and its swift response to operational challenges. It encouraged UNOPS to continue to strengthen its niche areas in sustainability and expand work in least developed countries, small island developing States and middle-income countries. Given its added value, the group called on UNOPS to continue to provide services to partners and United Nations organizations. It welcomed the Office's funding reserves, called on it to invest in developing countries and requested details on its investment priorities. UNOPS should continue to ensure that its financial health remained at the highest levels while catering to programme country needs and "Delivering as one". It called on UNOPS to ensure that its delivery was aligned with national ownership and priorities.

80. Delegations welcomed increased procurement from developing countries, especially the least developed countries and countries in transition, and expected procurement increases to support local economies and generate transparent, efficient local systems. They requested more disaggregated data to specify procurement opportunities in programme countries and more emphasis on supplier engagement to enhance capacity to deliver sustainable products. There was a call for greater analysis of efficiencies of separate procurement schemes, increased collaborative procurement among United Nations organizations, and sharper division of labour between UNOPS and United Nations organizations based on comparative advantages. UNOPS could make better use of its multi-country hub structures and increase its role in system-wide shared service centres and back offices. They sought clarification on whether UNOPS would pay the resident coordinator system a 1 per cent levy for services it provided to United Nations organizations.

81. In response, the Executive Director stressed that the main role of UNOPS in reform was to offer effective, cost-efficient solutions to all partners and beneficiaries. Because procurement was key to reform, it was necessary to reform procurement throughout the United Nations system. UNOPS reporting on procurement on behalf of the system was based on transparency in order to identify gaps and challenges in pursuit of sustainability. It was committed to effective and efficient division of labour with other United Nations organizations, built on comparative advantages, while collaborating closely with the private sector. As noted in the report of the Joint Inspection Unit, risk management was key and UNOPS would report to the Board on all Joint Inspection Unit and Audit Advisory Committee recommendations.

82. The Executive Board adopted decision 2018/20 on the United Nations Office for Project Services.

## **Joint segment**

### **X. Follow-up to the Programme Coordinating Board Meeting of the Joint United Nations Programme on HIV/AIDS**

83. The Director, Bureau for Policy and Programme Support, UNDP, and the Deputy Executive Director (Programme), UNFPA, gave a joint presentation on the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (UNAIDS) ([DP/2018/27-DP/FPA/2018/12](#)).

84. A group of delegations recognized the important contributions by UNDP and UNFPA to UNAIDS and the progress achieved against the Sustainable Development Goal target of ending the AIDS epidemic as a public health threat by 2030, while noting that it had been uneven. Progress had been especially insufficient on HIV

prevention, key to reaching the 2030 target. It welcomed the report's focus on adolescent girls and young women and stressed the need to increase access to sexual and reproductive health and reproductive rights services and education and to tackle broader drivers of infection, including violence against women and girls and gender inequalities. The group encouraged UNFPA to take a lead role in integrating HIV into sexual and reproductive health and reproductive rights services globally, including reaching adolescent girls, supporting increased condom distribution and promoting double protection. It welcomed the discussion on the new funding allocation model and unified results and accountability framework at the meeting of the Programme Coordinating Board in June 2018, but requested clarity on how co-sponsors were using funds and how they could better demonstrate progress against targets (especially in fast-track countries), including through improved reporting and accountability at future meetings of the Programme Coordinating Board. Welcoming its work in humanitarian settings, the group encouraged UNFPA to continue to provide sexual and reproductive health and reproductive rights services in humanitarian settings. It fully supported the conclusion at the forty-first meeting of the Programme Coordinating Board that more was needed to address discrimination and stigma. It welcomed the focus on better integration of efforts to address HIV and tuberculosis.

85. Another group welcomed the revised UNAIDS operating model, especially its focus on country-level joint work and improved governance, and the revised UNAIDS division of labour, aligned with the Sustainable Development Goals and the 2016 Political Declaration on HIV and AIDS: On the Fast-Track to Accelerating the Fight against HIV and to Ending the AIDS Epidemic by 2030. It expressed concern at the slow progress in reducing new infections, especially among adolescents and key populations. It stressed the importance of comprehensive sexuality education, sexual and reproductive health and reproductive rights, dedicated efforts to reach key populations, broad focus on women and girls, and engaging men and boys. It underscored the importance of respect for human rights in prevention efforts and urged UNDP and UNFPA to continue to integrate a human rights perspective in the HIV response. Both groups noted the establishment by the Programme Coordinating Board of an independent expert panel to review sexual exploitation, abuse and harassment in the UNAIDS secretariat and expected its application to the broader United Nations system.

86. In response, the Director, New York Office, UNAIDS, commended UNDP and UNFPA for their contributions in the fight to address HIV/AIDS on complex, challenging development issues and on human rights, gender and key populations. Progress, however, was varied, fragile and reversible across regions, countries and populations. The most updated numbers indicated an HIV prevention crisis, characterized by stubbornly high infection rates coupled with inadequate prevention services. UNDP and UNFPA had a crucial role to play in scaling up services to key populations. He welcomed the collective engagement of co-sponsors in implementing the new UNAIDS operating model and stressed the need to focus on joint, integrated planning and action at the country level. He pointed out that the below-target funding level risked jeopardizing progress and called on all partners, including Board members, to step up contributions to UNDP and UNFPA AIDS-related work.

87. The Director, Bureau for Policy and Programme Support, UNDP, reiterated the UNDP commitment to working with other members of the Global HIV Prevention Coalition to scale up collective efforts focused on prevention and sexual exploitation and abuse. In line with its strategic plan, UNDP was invested in addressing HIV, as illustrated by its multisectoral partnerships for sustainable development, leveraging power and commitment to amplify the impact of funding in the fight against the pandemic.

88. The Deputy Executive Director (Programme), UNFPA, stressed that prevention was the most cost-effective, efficient approach to fighting HIV, noting that UNFPA was fully engaged in providing technical assistance to programme countries, including for monitoring and reporting. UNFPA had integrated HIV into its sexual and reproductive health and reproductive rights work, specifically in meeting unmet family planning needs and reaching women and girls. Beyond procurement, UNFPA worked to improve supply chain functions in countries in collaboration with government and civil society. UNFPA was closely engaged with the private sector, particularly on access to condoms, in efforts to accelerate HIV prevention.

89. The Executive Board took note of the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS.

## **XI. Financial, budgetary and administrative matters**

### *Joint report on cost recovery*

90. The Deputy Executive Director (Management), UNFPA, and the Director, Bureau for Management Services, UNDP, presented the joint report on cost recovery ([DP/FPA-ICEF-UNW/2018/1](#)) and updated the Board on the UNDP and UNFPA evidence-based proposals for a harmonized cost-recovery policy.

91. A group of Board members welcomed the efforts of the organizations to harmonize their cost-recovery policies, recognizing them as frontrunners within the United Nations development system. It stressed that full cost recovery remained the guiding principle governing the financing of non-programme costs. After considering different options and organizational mandates, structures and business models, it concluded that the existing harmonized cost-recovery framework was the most feasible to ensure the overarching principles of participating United Nations organizations and reduce risks for their financial setup. It proposed that the organizations take concrete steps to: (a) further harmonize current cost classification categories to provide a clearer, more transparent, standardized framework; (b) close loopholes, reduce the number of waivers granted and ensure transparent, standardized criteria for the granting of waivers; and (c) maintain existing recovery rates and explore the full spectrum of differentiated rates that provided incentives for favourable funding modalities and discouraged less favourable modalities.

92. One delegation stated that it was premature to revise the cost-recovery policy and called on the organizations to conduct further joint analysis of the classification of expenditures, given recent changes to the organizations' business models. It underscored the need for beneficiaries and donors to adhere to full cost recovery as endorsed by the Board, which was timely in the light of the 1 per cent levy to finance the resident coordinator system.

93. The Director, Bureau for Management Services, UNDP, underscored the importance of cost recovery for UNDP and affirmed that it would continue its work with the other organizations to harmonize cost categories and classifications, noting that all had different business models. UNDP followed a stringent policy in granting waivers, including to representatives of Member States at the country level; she appealed to delegations to ensure that their country missions, which used development cooperation funds, were aware of the Board's instructions to UNDP on "no waivers".

94. The Deputy Executive Director (Management), UNFPA, similarly stressed that UNFPA was equally stringent in granting waivers, which were minimal, and echoed the appeal for Member States to inform their country missions of the Board's

instructions on “no waivers”. UNFPA would continue to report on cost recovery transparently.

95. The Executive Board adopted decision 2018/21 on the joint report on cost recovery.

*Report on UNDP, UNFPA and UNOPS joint procurement activities*

96. The Director, Bureau for Management Services, UNDP, the Director, Office of Sourcing and Operations, UNDP, the Chief, Procurement Services Branch, UNFPA, and the Global Director, Procurement Group, UNOPS, presented the report of UNDP, UNFPA and UNOPS on joint procurement activities ([DP/FPA/OPS/2018/1](#)) and outlined the key findings and outcomes of their common procurement work conducted in 2017; they also detailed the initiatives currently under way in 2018, as part of efforts begun in 2011 to identify common procurement initiatives among the organizations and pursue more efficient processes, stronger procurement practices and lower costs.

97. There were no interventions from Board members on this report.

98. The Executive Board took note of the report on UNDP, UNFPA and UNOPS joint procurement activities.

## **XII. Working methods of the Executive Board**

99. On behalf of UNDP, UNFPA and UNOPS, the Chief, Executive Board Branch, UNFPA, highlighted the joint efforts of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF and UN-Women to improve their working methods in response to requests by Member States in the preceding years. He drew attention in particular to the “convergence of views” reached by Member States at the joint meeting of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF and UN-Women on 1 June 2018, which covered five areas: the work of the Bureau; sessions; participation; field visits; and joint meetings of the Executive Boards.

100. There were no interventions from Board members on this item.

101. The Executive Board adopted decision 2018/22 on the working methods of the Executive Board.

## **XIII. Field visits**

102. The rapporteur presented the report of the joint field visit of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and the World Food Programme (WFP) to Uganda ([DP/FPA/OPS-ICEF-UNW-WFP/2018/CRP.1](#)), which took place from 30 April to 4 May 2018, followed by a short film on the joint field visit.

103. The rapporteur presented the report of the Executive Board field visit to Haiti ([DP/FPA/OPS/2018/CRP.1](#)), which took place from 25 to 29 June 2018, followed by a short film on the field visit.

104. In both presentations, the rapporteurs provided the highlights of the two visits and the lessons learned and underscored the importance of the field visits to the Board members’ understanding of the work of the United Nations funds, programmes and specialized agencies at the country level, a key aspect of Board oversight.

105. There were no interventions from Board members on this item.

106. The Executive Board took note of the report on the joint field visit to Uganda by members of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP (DP/FPA/OPS-ICEF-UNW-WFP/2018/CRP.1).

107. The Executive Board took note of the report on the field visit by members of the Executive Board of UNDP, UNFPA and UNOPS to Haiti (DP/FPA/OPS/2018/CRP.1).

#### **XIV. Other matters**

##### *Address by the Chairperson of the UNDP/UNFPA/UNOPS/ UN-Women Staff Council*

108. In his statement to the Board, the Chairperson, UNDP/UNFPA/UNOPS/UN-Women Staff Council, highlighted the strong working relationships and collaboration between the Staff Council and the management of UNDP, UNFPA and UNOPS. Similarly, he underscored the Staff Council's close working relationship with the Secretary-General in efforts to drive United Nations reform. He reiterated the Staff Council's long-standing request to the Board to convene regular consultations with staff as an integral part of corporate decision-making. He stressed the critical importance of United Nations staff, both international and national, in supporting countries in achieving the Sustainable Development Goals and the 2030 Agenda, and appealed for better synergy between the interests of the different United Nations organizations and those of their staff. Ongoing structural changes, undertaken since 2008, had had a significant impact on staff. He recognized the open-door policy that the Staff Council enjoyed with the Executive Office of the UNDP Administrator and highlighted the need for human resources reform to retain talent, including renewed contractual modalities with merit-based career promotions, an effective staff assessment performance tool and a stronger managerial culture. He recalled that in its resolution [63/250](#) of 24 December 2008 on human resources management, the General Assembly had called for contractual arrangements and harmonization of conditions of service aimed at providing greater stability and predictability to staff members through three types of appointments (temporary, fixed-term and continuing). The Chairperson called for full implementation of the resolution and greater efforts to guarantee a culture of accountability within the organizations.

109. In response, the Director, Bureau for Management Services, UNDP, commended the Chairperson for his long service to UNDP and the Staff Council and underscored the good working relationship between UNDP and the Staff Council and the measures each was taking to address staff concerns. She highlighted the commitment of the UNDP Administrator to staff-related concerns since assuming office in 2017 and in response to the United Nations reform's impact on staff. UNDP was in the process of renewing its human resources function, with the appointment of a new Director, Office for Human Resources, a signal to modernize and professionalize human resources and talent management, focused on young talent, women and diversity. UNDP and the other organizations were in the midst of significant change and open to suggestions on how to better manage a skills culture and talent management going forward.

110. The General Counsel and Director, Legal Group, UNOPS, expressed appreciation to the Chairperson for his service and the Staff Council for its commitment to staff and all personnel. He underscored that the Staff Council had been involved in all change management, gender parity strategy and grievance management discussions and in reintroducing a staff contract to cover personnel working in the field. Despite differences, UNOPS and the Staff Council had a strong working relationship.

111. The Deputy Director, Division for Human Resources, UNFPA, similarly commended the Chairperson for his service and commitment and underscored the strong working relationship between the Staff Council and UNFPA. He echoed the Chairperson's assertion about the centrality of staff in delivering the Fund's mandate, although he stated that realignments were at times necessary. UNFPA offered staff career, promotional and leadership opportunities, actively sought to retain staff and assisted staff at times of separation.

112. There were no interventions from Board members on this item.

113. The Executive Board took note of the statement by the Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff Council.

## Annex I

### Decisions adopted by the Executive Board in 2018

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**2018/1****UNDP Independent Evaluation Office workplan, 2018–2021***The Executive Board*

1. *Welcomes* the UNDP Independent Evaluation Office workplan for 2018–2021 (DP/2018/4);
2. *Reaffirms* the importance of evaluation as an essential tool for learning and accountability, and urges UNDP to ensure that adequate resources are provided for evaluation, in compliance with the evaluation policy as endorsed in decision 2016/17 approving the UNDP evaluation policy, and in keeping with expectations set out in the UNDP integrated resources plan and integrated budget estimates, 2018–2021 (DP/2017/39);
3. *Notes* the decision of the Independent Evaluation Office to change its procedures for evaluating UNDP country programming, in order to achieve full evaluation coverage of all country programmes prior to the Board's consideration of new country programme documents, as guided by decision 2015/8;
4. *Takes note* of the Independent Evaluation Office review of the quality assessment of 2016 decentralized evaluations, and encourages UNDP to continue ensuring improvement in the quality of decentralized evaluations;
5. *Acknowledges* the corporate/thematic evaluations that the Independent Evaluation Office has proposed to carry out during this four-year period, and views them to be relevant to UNDP objectives and programming under the new strategic plan;
6. *Requests* that UNDP and the Independent Evaluation Office seek out opportunities with other United Nations agencies for joint evaluations of joint programming, as well as the common chapter of the strategic plan;
7. *Looks forward* to an update from the Independent Evaluation Office on any potential implications for UNDP regarding the United Nations development system evaluation function, including through the annual report on evaluation;
8. *Decides* to approve the workplan of the UNDP Independent Evaluation Office for 2018–2021.

26 January 2018

**2018/2****UNFPA quadrennial budgeted evaluation plan, 2018–2021***The Executive Board*

1. *Welcomes* the relevance and utility of the quadrennial budgeted evaluation plan for 2018–2021 (DP/FPA/2018/1);
2. *Acknowledges* the transparent and participatory process undertaken in developing the quadrennial budgeted evaluation plan for 2018–2021;
3. *Affirms* the importance of evaluation as an essential tool for learning and accountability, and urges UNFPA to ensure that adequate resources are provided for evaluation, in line with the quadrennial budgeted evaluation plan, 2018–2021, and in compliance with the evaluation policy as endorsed in decision 2013/21 approving the UNFPA evaluation policy;
4. *Encourages* UNFPA management to work with the Evaluation Office to continue its efforts to strengthen the implementation rate and coverage of

decentralized evaluations and to use the evaluations as learning and knowledge management tools to enhance future programmes;

5. *Requests* that UNFPA and the Evaluation Office seek out opportunities with other United Nations agencies for joint evaluations of joint programming as well as the common chapter of the strategic plan;
6. *Looks forward* to an update from the Evaluation Office on any potential implications for UNFPA regarding the United Nations development system evaluation function, including through the annual report on evaluation;
7. *Approves* the quadrennial budgeted evaluation plan for 2018–2021.

26 January 2018

### 2018/3

#### **Reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors, 2016**

*The Executive Board*

*With regard to UNDP:*

1. *Takes note* of the report (DP/2018/7) on the actions taken by UNDP and the United Nations Capital Development Fund (UNCDF) and the further actions planned to implement the recommendations of the Board of Auditors for the financial period that ended on 31 December 2016;
2. *Notes* the unqualified audit opinions issued by the Board of Auditors for 2016;
3. *Also notes* the progress made by UNDP and UNCDF in addressing the top seven audit-related priorities in 2016–2017;
4. *Encourages* UNDP to make further efforts to implement outstanding audit recommendations and in particular to strengthen efforts to tackle recurring recommendations;
5. *Welcomes* continued efforts by UNDP to strengthen the quality of programme design, management and oversight, and requests UNDP to take steps to strengthen implementation of risk management practices at all levels;
6. *Encourages* UNDP to continue its efforts to enhance oversight and management of implementing partners, ensuring that policy and assurance requirements are appropriately implemented across the organization and that compliance is monitored;
7. *Also encourages* UNDP to continue its efforts to prevent and uncover procurement irregularities and other fraudulent practices and to improve actions for the recovery of funds, and underscores the importance of protecting whistle-blowers and ensuring that whistle-blower protections are both robust and well-known;
8. *Notes* the relevance of the priority improvement areas identified in the report of the Board of Auditors for the implementation of the strategic plan, 2018–2021, as well as the development of the working plan of engagement with the Board in this regard;
9. *Requests* UNDP to address, in the upcoming review of the UNDP Policy against Fraud and Other Corrupt Practices, the observations and recommendations of the Board of Auditors to thoroughly review the underlying circumstances that led to the cases of fraud, to identify the possible gaps and to develop a comprehensive anti-fraud strategy to minimize fraud risks and associated loss;

10. *Supports* ongoing UNDP and UNCDF management efforts in addressing and implementing the recommendations of the Board of Auditors for the year ended 31 December 2016;

*With regard to UNFPA:*

11. *Takes note* of the report (DP/FPA/2018/2) on the actions taken by UNFPA and the further measures planned by the organization to implement the recommendations of the Board of Auditors for the financial period that ended on 31 December 2016;

12. *Notes* the audit opinion by the Board of Auditors that UNFPA financial statements present fairly, in all material respects, the financial position of UNFPA as at 31 December 2016 and its financial performance and cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards;

13. *Also notes* the progress made by UNFPA in addressing the recommendations of the prior year and supports ongoing management efforts in implementing the recommendations of the Board of Auditors for the year ended 31 December 2016;

14. *Encourages* UNFPA to make further efforts to implement outstanding audit recommendations, and in particular to strengthen efforts to tackle recurring recommendations;

15. *Also encourages* UNFPA to continue its efforts to enhance oversight and management of implementing partners, ensuring that policy and assurance requirements are appropriately implemented across the organization and that compliance is monitored;

16. *Further encourages* UNFPA to continue to strengthen its approach to procurement, supply chain and inventory management in accordance with the recommendations of the Board of Auditors;

*With regard to UNOPS:*

17. *Takes note* of the report (DP/OPS/2018/1) on the progress in the implementation of the various recommendations made for the year ended 31 December 2016 and the efforts currently in progress to ensure that the remaining recommendations are successfully implemented;

18. *Acknowledges* that due to the fact that recommendations were issued to UNOPS towards the end of July 2017 and that many of them require long-term attention, UNOPS will need to work beyond the financial year 2017 to implement them successfully.

26 January 2018

**2018/4**

**Overview of decisions adopted by the Executive Board at its first regular session 2018**

*The Executive Board*

*Recalls* that during its first regular session 2018, it:

**Item 1**

**Organizational matters**

Elected the following members of the Bureau for 2018:

President: Mr. Jagdish D. Koonjul (Mauritius)

Vice-President: Mr. Chull-Joo Park (Republic of Korea)

Vice-President: Ms. Besiana Kadare (Albania)

Vice-President: Mr. Tumasie Blair (Antigua and Barbuda)

Vice-President: Mr. Dominique Favre (Switzerland)

Adopted the agenda and approved the workplan for its first regular session 2018 (DP/2018/L.1);

Approved the reports of the second regular session 2017 (DP/2018/1) and special session 2017 (DP/2018/2);

Adopted the annual workplan of the Executive Board for 2018 (DP/2018/CRP.1);

Approved the tentative workplan for the annual session 2018;

Agreed to the following schedule for the remaining sessions of the Executive Board in 2018:

Annual session: 4 to 8 June 2018

Second regular session: 4 to 7 September 2018.

## **UNDP segment**

### **Item 2**

#### **UNDP country programmes and related matters**

Approved the regional programme documents for the period 2018–2021 for Africa (DP/RPD/RBA/3), Asia and the Pacific (DP/RPD/RAP/3), Arab States (DP/RPD/RAS/4), Europe and the Commonwealth of Independent States (DP/RPD/REC/4) and Latin America and the Caribbean (DP/RPD/RLA/3 and DP/RPD/RLA/3/Corr.1);

Approved the following UNDP country programmes in accordance with decision 2014/7:

*Africa:* Burkina Faso (DP/DCP/BFA/3 and DP/DCP/BFA/3/Corr.1); Cabo Verde (common country programme, DP/FPA/OPS-ICEF/CCPD/2018/CPV/1); Gabon (DP/DCP/GAB/3); Ghana (DP/DCP/GHA/3); Mauritania (DP/DCP/MRT/3);

*Asia and the Pacific:* Myanmar (DP/DCP/MMR/2); Pakistan (DP/DCP/PAK/2)

*Arab States:* Djibouti (DP/DCP/DJI/3); Egypt (DP/DCP/EGY/3); Jordan (DP/DCP/JOR/3); Somalia (DP/DCP/SOM/3);

### **Item 3**

#### **Evaluation**

Adopted decision 2018/1 on the UNDP Independent Evaluation Office workplan, 2018–2021;

### **Item 4**

#### **United Nations Capital Development Fund**

Took note of the UNCDF strategic framework, 2018–2021 (DP/2018/5);

### **Item 5**

#### **United Nations Volunteers**

Took note of the United Nations Volunteers programme strategic framework, 2018–2021 (DP/2018/6);

**UNFPA segment**

**Item 6**

**Country programmes and related matters**

Approved the following UNFPA country programmes in accordance with decision 2014/7:

Central African Republic ([DP/FPA/CPD/CAF/8](#)); Djibouti ([DP/FPA/CPD/DJI/5](#)); Egypt ([DP/FPA/CPD/EGY/10](#)); Ghana ([DP/FPA/CPD/GHA/7](#)); Jordan ([DP/FPA/CPD/JOR/9](#)); Mauritania ([DP/FPA/CPD/MRT/8](#));

Approved the common country programme for Cabo Verde ([DP/FPA/OPS-ICEF/CCPD/2018/CPV/1](#));

**Item 7**

**Evaluation**

Adopted decision 2018/2 on the UNFPA quadrennial budgeted evaluation plan, 2018–2021;

**UNOPS segment**

**Item 8**

**United Nations Office for Project Services**

Heard the UNOPS Executive Director give a statement;

**Joint segment**

**Item 9**

**Recommendations of the Board of Auditors**

Adopted decision 2018/3 on the recommendations of the Board of Auditors, related to the following reports: UNDP and UNCDF: Report on the implementation of the recommendations of the Board of Auditors, 2016 ([DP/2018/7](#)); UNFPA: Follow-up to the report of the United Nations Board of Auditors for 2016: status of implementation of the recommendations ([DP/FPA/2018/2](#)); and UNOPS: Report on the implementation of the recommendations of the Board of Auditors for 2016 ([DP/OPS/2018/1](#));

**Item 10**

**Other matters**

Also held the following briefings and informal consultations:

Joint briefing of UNDP, UNFPA, UNICEF and UN-Women on cost recovery;

**UNDP**

UNDP briefing on cost recovery;

**UNFPA**

UNFPA informal briefing on change management.

*26 January 2018*

2018/5

**Report of the UNDP Administrator on results for 2017 and progress on the strategic plan, 2018–2021**

*The Executive Board*

1. *Takes note* of the achievements made by UNDP in 2017, the cumulative performance of UNDP for the period 2014–2017 and progress made on the implementation of the strategic plan, 2018–2021 ([DP/2018/10](#));
2. *Urges* UNDP to utilize lessons learned from the strategic plan, 2014–2017, in the implementation of the strategic plan, 2018–2021, to meet the annual milestones and targets set out in the integrated results and resources framework for all development and institutional effectiveness outputs;
3. *Recognizes and welcomes* the progress in populating the integrated results and resources framework for the strategic plan, 2018–2021, and requests UNDP to continue to refine and improve the integrated results and resources framework as it continues to implement its strategic plan;
4. *Recognizes* the inter-agency efforts being made to advance the common chapter and requests UNDP to continue consultations with United Nations funds and programmes on the harmonized format for common chapter reporting;
5. *Welcomes* the mentioning of the common chapter in the annual report and asks UNDP to report on the status of the implementation of the common chapter, starting with the annual report 2019, and to present the findings at the joint meeting of the Executive Boards and at the annual session;
6. *Recognizes and welcomes* the strategic engagement and financial contribution of UNDP to the United Nations Capital Development Fund (UNCDF), the United Nations Volunteers programme (UNV) and the United Nations Office for South-South Cooperation, and requests the Administrator of UNDP, in case of the need for additional information, to provide annual updates to reflect the results achieved by these contributions in an annex to the annual report, to ensure that the UNDP Office of Audit and Investigations and Independent Evaluation Office include UNCDF, UNV and the United Nations Office for South-South Cooperation in their workplans and to provide an update to the Board on progress by the second regular session 2018 to help inform deliberations;
7. *Expresses appreciation* to UNDP for its long-standing and strong commitment and support to the resident coordinator system and back-office support to United Nations country teams, and acknowledges the importance of UNDP country support platforms and support to countries in their efforts to realize the 2030 Agenda for Sustainable Development;
8. *Requests* UNDP to continue to engage with the Secretary-General, other United Nations development system entities and Member States with a view to supporting the full implementation of General Assembly resolutions [71/243](#) of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system and [72/279](#) of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, including its contribution to a smooth transition and business continuity of the resident coordinator system;
9. *Also requests* UNDP, as a United Nations development system entity, to engage closely with the Secretary-General and Member States to support the preparation of a well-thought-out implementation plan for the inception of the reinvigorated resident

coordinator system, including on the operationalization of its funding arrangements, to be presented to the General Assembly;

10. *Further requests* UNDP to present a preliminary analysis of the financial and other implications of resolution [72/279](#) for UNDP to the Executive Board at the second regular session 2018;

11. *Requests* UNDP, in accordance with resolution [72/279](#), to provide its contribution to the adequate, predictable and sustainable funding of the resident coordinator system, in line with the forthcoming implementation plan for the inception of the reinvigorated resident coordinator system to be presented to the General Assembly, on an annual basis starting 1 January 2019;

12. *Welcomes with appreciation* the engagement with the Executive Board on the implementation of the strategic plan, 2018–2021, and requests UNDP to continue dialogue with the Executive Board and that UNDP continue to update its working plan of engagement in response to the implementation of resolution [72/279](#);

13. *Recalls* decision 2017/20 on UNDP structured funding dialogues, in which UNDP was asked to present a proposal to the Board at the second regular session 2018 on how to improve the functioning of the dialogues;

14. *Encourages* UNDP to allow for increased interactivity with Member States by beginning preparations for the structured funding dialogues early and by providing the Board with a detailed overview with resources linked to outputs in the integrated results and resources framework, 2018–2021 as well as an overview of funding gaps in relation to the implementation of the strategic plan, 2018–2021, taking into account both regular and other resources;

15. *Notes* that UNDP did not report on progress against the gender equality strategy for 2017 as in previous years, looks forward to the gender equality strategy presentation at the second regular session 2018, and expects thereafter that yearly reporting on progress against the gender equality strategy will resume in the annual session;

16. *Welcomes* the Administrator's commitment to implementing resolutions [71/243](#) and [72/279](#), and in this regard encourages the secretariat of the UNDP/UNFPA/UNOPS Executive Board to work together with the secretariats of the UNICEF and UN-Women Executive Boards to produce a joint response to the 2018 joint meeting of the Executive Boards segment on working methods by no later than four weeks before the second regular session 2018, allowing for a consultation process among Member States ahead of that session.

8 June 2018

## 2018/6

### UNDP evaluation

#### *The Executive Board*

1. *Takes note* of the annual report on evaluation and its addendum ([DP/2018/12](#) and [DP/2018/12/Add.1](#)), and requests UNDP to address the issues raised;

2. *Recalls* decision 2018/1 approving the Independent Evaluation Office workplan, and encourages the Independent Evaluation Office, building on existing work, together with the Administrator and the heads of the associated entities – the United Nations Capital Development Fund, the United Nations Volunteers programme and the United Nations Office for South-South Cooperation – to ensure that each entity has appropriate monitoring and evaluation frameworks, in line with UNDP best



practice, in particular its fiduciary, transparency and due diligence practices, and to update the Executive Board on this work at the second regular session 2018;

3. *Also recalls* decision 2018/1, and takes note of the importance of joint evaluations with other entities, including joint evaluation of the common chapter of the strategic plans of the funds and programmes, and calls on the Independent Evaluation Office and UNDP to brief the Executive Board at the second regular session 2018 on planning for this joint evaluation as part of its contribution to broader collaboration on joint evaluations of system-wide activities and to the function of system-wide independent evaluation measures;

4. Recalling decision 2017/12, *notes with concern* the quality of decentralized evaluations, and encourages UNDP to work with the Independent Evaluation Office to continue its efforts to improve the quality, strategic planning and prioritization of decentralized evaluations, as well as improving the implementation rate and reporting of management responses to the findings;

5. *Calls upon* UNDP to continue progress on outstanding recommendations, including with regard to institutional effectiveness, and ensure that it take both a risk-informed and results-based approach to implementing those recommendations, as well as to use evaluations as an evidence base for learning and improvement.

8 June 2018

**2018/7**

**Report on results achieved by the United Nations Capital Development Fund in 2017**

*The Executive Board*

1. *Takes note* of the report on cumulative and annual results achieved by the United Nations Capital Development Fund (UNCDF) as captured in the report (DP/2018/13);

2. *Welcomes* the progress made towards implementation of the new UNCDF strategic framework, 2018–2021 (DP/2018/5);

3. *Commends* the efforts of UNCDF to track its contributions to broader ecosystem and market development impacts and to share lessons from these efforts with Member States and through its peer network, to inform the work of others;

4. *Welcomes* the positioning of UNCDF as an innovator and de-risker of local finance solutions in hard-to-reach and excluded areas, and reiterates the importance of innovative finance solutions for the achievement of the Sustainable Development Goals;

5. *Also welcomes* the ongoing efforts of UNCDF to design and test “last mile” financing solutions, including by optimizing its financial toolbox and developing new public and private partnerships;

6. *Notes* the funding scenarios in the new strategic framework and the limitations created due to the shortfall in regular resources, and the impact this has on the number of least developed countries served, the robustness of the UNCDF country presence, its capacity to drive innovation and its capital investment flexibility;

7. *Supports* the funding objectives of UNCDF, including \$25 million per year in regular resources, and in this regard calls upon Member States in a position to do so to support more equitable burden-sharing in order to help UNCDF to achieve that goal.

8 June 2018

**2018/8****United Nations Volunteers programme: Report of the Administrator***The Executive Board*

1. *Takes note* of the results-oriented biennial report of the Administrator on the United Nations Volunteers programme (UNV) ([DP/2018/14](#));
2. *Expresses appreciation* to all United Nations Volunteers and UN Online Volunteers mobilized by UNV for their outstanding contributions to the 2030 Agenda for Sustainable Development during the 2016–2017 biennium;
3. *Commends* UNV for the results achieved under its strategic framework, 2014–2017, including during the 2016–2017 biennium;
4. *Welcomes* the new strategic framework, 2018–2021 ([DP/2018/6](#)), based on the strategic guidance of General Assembly resolution [71/243](#) of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system and on the findings and recommendations of the independent evaluation of the previous strategic framework, taking note of the finalized results matrix;
5. *Also welcomes* the organizational transformation of UNV in 2017–2018 and the decentralization of capacities and delegation of authority from headquarters to the regional and country levels, enabling UNV to be better “fit for purpose” for its new strategic framework;
6. Recalling decision 2017/31, paragraph 8, *notes* the importance of regular resources provided by UNDP to deliver on its strategic framework;
7. *Reaffirms* the crucial role of the Special Voluntary Fund in the delivery of the UNV strategic framework, 2018–2021, calling upon all development partners in a position to do so to contribute to the Fund;
8. *Requests* UNV to report annually to the Executive Board on the delivery of the UNV strategic framework.

*8 June 2018***2018/9****Draft revised UNFPA integrated budget, 2018–2021***The Executive Board*

1. *Takes note* of the draft revised UNFPA integrated budget, 2018–2021;
2. *Notes with appreciation* the progress made by UNFPA in revising the UNFPA integrated budget, 2018–2021;
3. *Commends* UNFPA for the interactive and transparent engagement with Member States on the integrated budget, and requests UNFPA to continue this engagement on the integrated budget and to inform the Board on the impact of the comprehensive resources review implementation on the budget;
4. *Encourages* UNFPA to align the revised integrated budget, 2018–2021, and to continue to position its organizational structures in the most efficient way to reach the outcomes and outputs as set out in the strategic plan, 2018–2021, including the organization’s mandated work to provide normative guidance to Member States;
5. *Welcomes* the UNFPA resource mobilization ambition to increase funding by \$100 million over four years for the integrated budget, 2018–2021, notes with

appreciation the shift from the institutional to the programme budget, and encourages UNFPA to continue to allocate resources to programming;

6. *Requests* UNFPA to conduct risk-informed income projections and budgeting under the integrated budget, 2018–2021, to be adopted at the second regular session 2018, to safeguard appropriate levels of funding at country offices and programmes in order to ensure the implementation of the strategic plan, 2018–2021;

7. *Also requests* further details from UNFPA on its reserve for field accommodation.

8 June 2018

## 2018/10

### Annual report of the UNFPA Executive Director

#### *The Executive Board*

1. *Takes note* of the documents that make up the annual report of the Executive Director for 2017: [DP/FPA/2018/4 \(Part I, Part I/Add.1 and Part II\)](#);

2. *Notes with appreciation* the progress made by UNFPA in achieving the results of the UNFPA strategic plan, 2014–2017;

3. *Requests* UNFPA to continue to engage with the Secretary-General, other United Nations development system entities and Member States, with a view to support full implementation of General Assembly resolutions [71/243](#) of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system and [72/279](#) of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, including its contribution to a smooth transition and business continuity of the resident coordinator system;

4. *Also requests* UNFPA, as a United Nations development system entity, to engage closely with the Secretary-General and Member States to support preparation of a well-thought-out implementation plan for the inception of the reinvigorated resident coordinator system, including on the operationalization of its funding arrangements, to be presented to the General Assembly;

5. *Further requests* UNFPA to present a preliminary analysis of the financial and other implications of resolution [72/279](#) for UNFPA to the Executive Board at the second regular session 2018;

6. *Requests* UNFPA, in accordance with resolution [72/279](#), to provide its contribution to the adequate, predictable and sustainable funding of the resident coordinator system, in line with the forthcoming implementation plan for the inception of the reinvigorated resident coordinator system to be presented to the General Assembly, on an annual basis starting 1 January 2019;

7. *Commends* UNFPA for its work to improve future structured funding dialogues, and in this regard encourages UNFPA to start early the preparations for the dialogues and provide in advance an overview of funding gaps in relation to the implementation of the strategic plan, 2018–2021, taking into account both regular and other resources;

8. *Recognizes* the inter-agency efforts being made to advance the common chapter, and requests UNFPA to continue consultations with United Nations funds and programmes on the harmonized format for common chapter reporting;

9. *Welcomes* the mentioning of the common chapter in the annual report, and asks UNFPA to report on the status of the implementation of the common chapter, starting

with the annual report 2019, and to present the findings at the joint meeting of the Executive Boards and at the annual session;

10. *Requests* UNFPA management to brief the Executive Board before the second regular session 2018 on the implementation of the seven recommendations of the evaluation of the architecture supporting the operationalization of the UNFPA strategic plan, 2014–2017, and to update the Board on any implications of these recommendations for the comprehensive resources review, the integrated budget and implementation of the strategic plan, 2018–2021;

11. *Takes note* of progress made in implementing decision 2017/14, which emphasized the need for UNFPA to continue to improve transparency in the use of resources to achieve programme results and to enhance organizational effectiveness and efficiency, and which also requested UNFPA to present in its future financial planning and reports a higher level of detail on the way regular (core) resources are attributed and used, and requests UNFPA in its future annual reports to continue to improve the visibility and the results achieved with regular (core) resources;

12. *Encourages* UNFPA to make further progress on results-based budgeting approaches;

13. *Recalls* decision 2017/14, and recognizes the inter-agency efforts made to harmonize the report's methodology and format, in particular on the common chapter, and requests UNFPA to continue consultations with United Nations funds and programmes for further alignment of reporting;

14. *Also recalls* decision 2017/14, and urges UNFPA to continue to align its results architecture with the Sustainable Development Goals framework, in coordination with other United Nations funds and programmes, to help measure performance in supporting implementation of the 2030 Agenda for Sustainable Development;

15. *Further recalls* decision 2017/14, and requests UNFPA to include in its future annual reports a more detailed analysis and reflection on the challenges and lessons learned per outcome area and on the collaboration and coordination within the United Nations system;

16. *Expresses concern* about the negative effects of decreased regular resources on achieving the outputs of the strategic plan, 2018–2021, and in this regard, urges all Member States in a position to do so to increase their contributions to regular resources, also encourages Member States to make contributions during the first half of the year and to make multi-year pledges in order to ensure effective programming, and requests UNFPA to continue to explore incentives and mechanisms to broaden the donor base and attract new sources of funding;

17. *Welcomes* the UNFPA Executive Director's commitment to implementing resolutions [71/243](#) and [72/279](#), and in this regard encourages the secretariat of the UNDP/UNFPA/UNOPS Executive Board to work together with the secretariats of the UNICEF and UN-Women Executive Boards to produce a joint response to the 2018 joint meeting of the Executive Boards segment on working methods by no later than four weeks before the second regular session 2018, allowing for a consultation process among Member States ahead of that session.

8 June 2018

**2018/11****UNFPA evaluation***The Executive Board*

1. *Takes note* of the present report on the evaluation function of UNFPA, 2017, and of the programme of work and budget of the Evaluation Office in 2018;
2. *Notes* findings from the independent external review of the evaluation function of UNFPA, which indicate that the UNFPA evaluation function is independent at corporate and decentralized levels, and urges UNFPA management to continue to protect and safeguard the qualities of evaluation independence identified by the external review;
3. *Welcomes* the efforts made by UNFPA and the significant progress achieved in strengthening the evaluation function and the quality of evaluation in actively contributing to United Nations system-wide evaluation efforts, and in fostering efforts for national evaluation capacity development;
4. *Reaffirms* the role played by the evaluation function at UNFPA and underscores the importance of high-quality, independent evaluation evidence in the context of the UNFPA strategic plan, 2018–2021, and its contribution to the implementation of the 2030 Agenda for Sustainable Development;
5. *Requests* UNFPA to present a revised evaluation policy to the Executive Board at its first regular session 2019;
6. *Recalls* decision 2018/2, and takes note of the importance of joint evaluations with other entities, including joint evaluation of the common chapter of the strategic plans of the funds and programmes, and calls upon the Evaluation Office and UNFPA to brief the Executive Board at the second regular session 2018 on planning for this joint evaluation as part of its contribution to broader collaboration on joint evaluations of system-wide activities and to the function of system-wide independent evaluation measures;
7. *Also recalls* decision 2017/15, and encourages UNFPA management to work with the Evaluation Office to continue its efforts to strengthen the implementation rate and coverage of decentralized evaluations, including exploring strategies to protect budgets for small country offices, and to use the evaluations as learning and knowledge management tools to enhance future programmes;
8. *Strongly encourages* UNFPA, in accordance with the evaluation policy, paragraph 32, to reach the target of allocating 3 per cent of the total UNFPA programme budget to the evaluation function by the end of the period of the strategic plan, 2018–2021.

8 June 2018

**2018/12****Annual report of the UNOPS Executive Director***The Executive Board*

1. *Recognizes* the contributions of UNOPS to the operational results of Governments, the United Nations and other partners in 2017, through efficient management support services and effective specialized technical expertise, expanding the implementation capacity for sustainable development;
2. *Takes note* of the successful implementation of the UNOPS strategic plan, 2014–2017, and the solid implementation platform established on which to initiate the

UNOPS strategic plan, 2018–2021, to support Member States in achieving the 2030 Agenda for Sustainable Development;

3. *Also takes note* of the recommendations of the Joint Inspection Unit (DP/2018/2, annex 4) and the progress made in implementing the recommendations relevant to UNOPS;

4. *Requests* UNOPS to continue to engage with the Secretary-General, other United Nations development system entities and Member States with a view to supporting full implementation of General Assembly resolutions 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system and 72/279 of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, including its contribution to a smooth transition and business continuity of the resident coordinator system;

5. *Also requests* UNOPS to present a preliminary analysis of the financial and other implications of resolution 72/279 for UNOPS to the Executive Board at the second regular session 2018;

6. *Further requests* UNOPS, in accordance with resolution 72/279, to provide its contribution to the adequate, predictable and sustainable funding of the resident coordinator system, in line with the forthcoming implementation plan for the inception of the reinvigorated resident coordinator system to be presented to the General Assembly, on an annual basis starting 1 January 2019;

7. *Welcomes* the Executive Director's commitment to implementing General Assembly resolutions 71/243 and 72/279, and in this regard encourages the secretariat of the UNDP/UNFPA/UNOPS Executive Board to work together with the secretariats of the UNICEF and UN-Women Executive Boards to produce a joint response to the 2018 joint meeting of the Executive Boards segment on working methods by no later than four weeks before the second regular session 2018, allowing for a consultation process among Member States ahead of that session.

8 June 2018

## 2018/13

### **Reports of UNDP, UNFPA and UNOPS on internal audit and investigations and management responses**

#### *The Executive Board*

1. *Welcomes* the progress of UNDP, UNFPA and UNOPS in addressing audit-related management issues in 2017;

2. *Notes with appreciation* efforts to implement outstanding audit recommendations from previous reports, and in particular underscores the importance of progressing with implementing recurring high-priority recommendations;

3. *Recalls* decision 2017/17, in which the Board expressed concern about recurring weaknesses for both UNDP and UNFPA related to programme management, procurement, governance and financial management, notes that similar challenges have been identified in the 2017 reports, and underscores the urgent need to intensify efforts to address these issues;

4. *Also recalls* decision 2015/13 and the request by the Board for the offices of audit and investigation to provide a view on whether the resourcing of their function is appropriate, sufficient and effectively deployed to achieve the desired internal audit coverage;

*With regard to UNDP:*

5. *Takes note* of the report on internal audit and investigations (document [DP/2018/15](#));
6. *Expresses continuing support* for strengthening the internal audit and investigation functions of UNDP;
7. *Also expresses continuing support* for strengthening the internal audit and investigation functions of UNDP, takes note of the annual report of the Audit and Evaluation Advisory Committee, commends UNDP for raising its overall audit opinion to satisfactory, and asks the Office of Audit and Investigation to provide further supporting analysis for such opinions in future annual reports, including the impact of its own risk assessments as well as an analysis of how complaints are reported to the Office of Audit and Investigation;
8. *Requests* UNDP to provide better comparative year-on-year information showing where losses incurred in one year are recovered in a subsequent year, and provide the Board with details, broken down by calendar year, of losses over prior years and cumulative recoveries to date against each year's losses by the second regular session 2018;
9. *Also requests* UNDP to provide the Executive Board with an update on the implementation of a comprehensive anti-fraud strategy, including how this will be appropriately resourced from within UNDP, at the first regular session 2019;
10. *Recalls* decision 2017/17, and while welcoming the organization's work on anti-fraud systems and processes and efforts to identify obstacles that are hindering recovery, notes with concern the low levels of defrauded funds recovered in 2017, and urges UNDP to do all it can to ensure the timely recovery of defrauded funds;
11. *Encourages* the Office of Audit and Investigation, building on the existing work and in collaboration with the Administrator and the heads of the associated entities – the United Nations Capital Development Fund, the United Nations Volunteers programme and the United Nations Office for South-South Cooperation – to ensure that each entity has appropriate oversight, monitoring and risk-management frameworks, in line with UNDP best practice, in particular its fiduciary, transparency and due diligence practices, and to update the Executive Board on this work at the second regular session 2018;
12. *Requests* UNDP to focus efforts on improving investigation timelines, including related resourcing, noting the increasing number of cases due for investigation carried over from year to year;
13. *Takes note* of the annual report of the Audit and Evaluation Advisory Committee;

*With regard to UNFPA:*

14. *Takes note* of the report on internal audit and investigation activities of the UNFPA Office of Audit and Investigation Services ([DP/FPA/2017/6](#)), the opinion, based on the scope of work undertaken, on the adequacy and effectiveness of the UNFPA framework of governance, risk management and internal control processes, of "some improvement needed" ([DP/FPA/2017/6/Add.1](#)), the annual report of the Audit Advisory Committee ([DP/FPA/2017/6/Add.2](#)), and the management response ([DP/FPA/2017/CRP.4](#)) thereto and to the present report;
15. *Expresses its continuing support* for the audit and investigation functions at UNFPA, and urges UNFPA to ensure that the Office of Audit and Investigation Services is appropriately and sufficiently resourced to deliver its mandates, including

ensuring adequate audit coverage, and to efficiently handle its caseload of investigations;

16. *Acknowledges and supports* the engagement of the Office of Audit and Investigation Services in joint audit and investigation activities, and encourages continued support to UNFPA management and relevant inter-agency forums in their efforts to address sexual exploitation and sexual harassment;

17. *Welcomes* progress made in implementing audit recommendations, and urges UNFPA to continue to reduce the number of outstanding audit recommendations and expedite progress in the areas that the opinion identified as requiring improvement, including the integrated control framework, enterprise risk management, organizational structure and staffing, headquarters and regional office support and oversight, programme management, including supply-chain management, implementing partner capacity and financial monitoring, and operations management;

18. *Notes with concern* the apparently limited and slow pace of recovery of losses, and asks UNFPA to complement information provided on cases with further details, broken down by calendar year, of aggregate losses over prior years and cumulative recoveries to date against each year's losses;

19. *Urges* UNFPA to ensure timely follow-up by the relevant disciplinary bodies, including the Vendor Review Committee, to investigation reports issued by the Office of Audit and Investigation Services;

20. *Requests* UNFPA to focus efforts on improving investigation timelines, including related resourcing, noting the increasing number of cases due for investigation carried over from year to year;

*With regard to UNOPS:*

21. *Takes note* of the annual report of the Internal Audit and Investigations Group for 2017 and the management response thereto;

22. *Also takes note* of the progress made in the implementation of audit recommendations;

23. *Further takes note* of the overall audit opinion noting "major improvements needed", based on the scope of work undertaken, on the adequacy and effectiveness of the organization's framework of governance, risk management and control (in line with Executive Board decision 2015/13);

24. *Urges* management to continue to address observations and recommendations made by the internal auditor in order to reduce UNOPS risk exposure and improve the overall audit opinion in future years;

25. *Takes note* of the annual report of the Audit Advisory Committee for 2017 (in line with Executive Board decision 2008/37).

8 June 2018

## 2018/14

### Reports of the ethics offices of UNDP, UNFPA and UNOPS

*The Executive Board*

1. *Welcomes* the reports of the ethics offices of UNDP, UNFPA and UNOPS ([DP/2018/16](#), [DP/FPA/2018/7](#) and [DP/OPS/2018/4](#));

2. *Notes with appreciation* the progress made by the ethics offices of UNDP, UNFPA and UNOPS in strengthening the ethical culture in the three organizations,



including training, raising ethics awareness and protection against retaliation, and supports the recommendations made to management;

3. *Requests* the management of UNDP, UNFPA and UNOPS, in collaboration with their ethics offices as well as the heads of the United Nations Capital Development Fund, the United Nations Volunteers programme and the United Nations Office for South-South Cooperation, to ensure that programmes to strengthen ethical culture, including training, raising ethics awareness and protection against retaliation, and combat sexual harassment, are provided, and to provide an update of this work to the Board by its second regular session 2018;

4. *Notes* the importance of well supported and resourced ethics offices, and encourages the management of UNDP, UNFPA and UNOPS to consider further increases in staffing support, reflecting the increased needs of the organizations;

5. *Supports* the “zero tolerance” of the heads of UNDP, UNFPA and UNOPS towards sexual harassment, and appreciates the actions that UNDP, UNFPA and UNOPS have taken so far to prevent and manage sexual harassment, to implement further institutional and cultural changes, and to ensure a joined-up, system-wide, coherent approach;

6. *Requests* UNDP, UNFPA and UNOPS management, as required under the Secretary-General’s report on special measures for protection from sexual exploitation and abuse, to present their respective annual certification to the Executive Board at each annual session, to cover sexual exploitation and abuse and sexual harassment, as appropriate, complementing and strengthening their existing reporting, and to provide updates on progress made in that regard, including working with the United Nations Office of the Victims’ Rights Advocate; and further urges UNDP, UNFPA and UNOPS to consider how to align reporting formats and content with other agencies, where appropriate;

7. *Encourages* UNDP, UNFPA and UNOPS management to undertake, using existing resources under the integrated budget 2018–2021, an independent victim-centred review of their respective policies and processes on tackling both sexual exploitation and abuse and sexual harassment, to review the current practices of the three organizations and provide recommendations on both issues, and requests UNDP, UNFPA and UNOPS to present the review and associated management responses to the Executive Board at its annual session 2019;

8. *Requests* the UNDP ethics office to report on the implementation of the new policy on protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations in its 2019 report.

8 June 2018

## 2018/15

### Overview of decisions adopted by the Executive Board at its annual session 2018

*The Executive Board*

*Recalls* that during its annual session 2018, it:

#### Item 1

##### Organizational matters

Adopted the agenda and approved the workplan for its annual session 2018 ([DP/2018/L.2](#));

Approved the report of the first regular session 2018 ([DP/2018/8](#));

Approved the tentative workplan for the second regular session 2018.

**UNDP segment**

**Item 2**

**Annual report of the Administrator**

Adopted decision 2018/5 on the report of the UNDP Administrator on results for 2017 and progress on the strategic plan, 2018–2021.

**Item 3**

**South-South cooperation**

Took note of the strategic framework of the United Nations Office for South-South Cooperation, 2018–2021 ([DP/CF/SSC/6](#)).

**Item 4**

**Human Development Report**

Took note of the update on the Human Development Report consultations.

**Item 5**

**UNDP country programmes and related matters**

Approved the following country programmes in accordance with decision 2014/7: Kenya ([DP/DCP/KEN/3](#)), Malawi ([DP/DCP/MWI/3](#)) and Rwanda ([DP/DCP/RWA/2](#));

Took note of the first one-year extensions of the country programmes for Kuwait, the Republic of the Congo and Sierra Leone, already approved by the Administrator ([DP/2018/11](#));

Approved the second one-year extension of the country programme for the Syrian Arab Republic ([DP/2018/11](#)).

**Item 6**

**Evaluation**

Adopted decision 2018/6 on UNDP evaluation.

**Item 7**

**United Nations Capital Development Fund**

Adopted decision 2018/7 on the report on results achieved by the United Nations Capital Development Fund in 2017.

**Item 8**

**United Nations Volunteers**

Adopted decision 2018/8 on the United Nations Volunteers programme: Report of the Administrator.

**UNFPA segment**

**Item 9**

**Consultation on the revised integrated budget, 2018–2021, including change management**

Adopted decision 2018/9 on the draft revised UNFPA integrated budget, 2018–2021.

**Item 10**  
**Annual report of the UNFPA Executive Director**

Adopted decision 2018/10 on the annual report of the UNFPA Executive Director.

**Item 11**  
**UNFPA country programmes and related matters**

Approved the following country programmes in accordance with decision 2014/7: Kenya ([DP/FPA/CPD/KEN/9](#)) and Rwanda ([DP/FPA/CPD/RWA/8](#));

Took note of the first one-year extension of the country programme for Cuba, already approved by the Executive Director;

Approved the second one-year extension of the country programme for the Syrian Arab Republic ([DP/FPA/2018/3](#)).

**Item 12**  
**UNFPA evaluation**

Adopted decision 2018/11 on UNFPA evaluation.

**UNOPS segment**

**Item 13**  
**United Nations Office for Project Services**

Adopted decision 2018/12 on the annual report of the UNOPS Executive Director.

**Joint segment**

**Item 15**  
**Internal audit and oversight**

Adopted decision 2018/13 on the reports of UNDP, UNFPA and UNOPS on internal audit and investigations and management responses.

**Item 16**  
**Reports of the ethics offices of UNDP, UNFPA and UNOPS**

Adopted decision 2018/14 on the reports of the ethics offices of UNDP, UNFPA and UNOPS.

**Item 17**  
**Other matters**

Also held the following briefings, informal consultations and special events:

**UNDP**

UNCDF briefing on findings and lessons learned from recent evaluations;

**UNFPA**

Tribute to the late Dr. Babatunde Osotimehin, Executive Director of UNFPA;

Briefing on population dynamics and sustainable development in Eastern Europe and Central Asia.

*8 June 2018*

**2018/16**  
**UNDP structured funding dialogue***The Executive Board*

1. *Takes note* of the annual review of the financial situation, 2017 (DP/2018/19 and DP/2018/19/Add.1) and the report on the status of regular resources funding commitments to UNDP and its associated funds and programmes for 2018 and onward (DP/2018/20);
2. *Notes* the importance of regular resources, which remain the bedrock of UNDP support to programme countries, particularly the poorest and most vulnerable, and low-income countries;
3. *Recalls* the importance of funding predictability, and urges Member States to prioritize regular resources for 2018 and multi-year pledges, given that further reductions in regular resources risk jeopardizing the ability of UNDP to achieve planned strategic results;
4. *Also recalls* its decision 2013/30, and urges all programme countries to meet their obligations with respect to government local office costs;
5. *Encourages* UNDP to continue its efforts to ensure the effective use of resources and also continue to improve efficiency measures and cost savings;
6. *Urges* Member States to continue structured funding dialogues with UNDP in order to improve funding practices to make voluntary funding more predictable, flexible, effective and efficient, less earmarked and better aligned with the national priorities and plans of programme countries;
7. *Requests* UNDP to review the format and content of the annual report on contributions by Member States and others to UNDP, and revenue projections for future years, in order to improve the quality of the structured funding dialogue, including by providing an overview of the funding in relation to funding requirements for the implementation of the strategic plan, 2018–2021, taking into account both regular and other resources;
8. *Welcomes* the efforts of UNDP to align resources to results, and encourages UNDP to further increase effectiveness, including reducing transaction costs, for raising resources and ensuring the alignment of all resources with programmatic and institutional results as set out in the strategic plan, 2018–2021;
9. *Encourages* UNDP to continue working jointly with UNFPA, UNICEF and UN-Women to improve collaboration on structured funding dialogues;
10. *Notes* the importance of regular resources both for the United Nations Capital Development Fund and its impact on the least developed countries served and capacity to drive innovation and capital investment flexibility, and for the United Nations Volunteers programme promoting peace and development through volunteerism, both valuable United Nations system-wide assets administered by UNDP;
11. *Welcomes* the commitment of UNDP, UNFPA and UNOPS, in close collaboration with the Secretary-General's transition team and other programmes, funds and specialized agencies, to implement General Assembly resolution 72/279 of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system; also welcomes the updates provided with preliminary analysis of the financial and other implications of the resolution, and

requests UNDP to continue to engage with the Executive Board in this regard, providing regular updates as from 2019;

12. *Recalls* decision 2018/5, and requests UNDP to double its contribution to the existing United Nations Sustainable Development Group cost-sharing arrangement, in accordance with resolution [72/279](#), to deposit its 2019 contribution as soon as possible, taking into account the Secretary-General's implementation plan, in order to operationalize the new resident coordinator system from 1 January 2019, and to report on progress in this regard to the Executive Board at the annual session 2019;

13. *Requests* that UNDP, as part of the United Nations Sustainable Development Group, collaborate with the Secretary-General's transition team to support the establishment of a system-wide approach to implementing all the funding modalities set out in resolution [72/279](#), including the levy, and to report to the Executive Board at the first regular session 2019;

14. *Also requests* that UNDP present clear, transparent information on its contribution to resident coordinator funding modalities to the Executive Board at the annual session 2019;

15. *Calls upon* UNDP to review its planning, financing and results reporting processes to ensure effective joint collaboration in the context of the revitalized United Nations Development Assistance Framework, and to provide an update at the next session of the Executive Board on adjustments required.

7 September 2018

## 2018/17

### UNDP evaluation

#### *The Executive Board*

*With regard to the evaluation of UNDP inter-agency pooled financing services (DP/2018/23) and the management response thereto (DP/2018/24):*

1. *Takes note with appreciation* of the evaluation's conclusions, including that the work of the Multi-Partner Trust Fund Office is highly regarded by donors and participating organizations for its strong fund design and administration capability, high credibility to collect and make known "best practices", and setting standards for other organizations providing administrative agent services;
2. *Takes note* of the evaluation's conclusions and recommendations and the management response;
3. *Notes* the importance of increasing the amounts of funding through United Nations pooled funding arrangements and the effectiveness of United Nations programming supported by pooled funding in the context of implementing General Assembly resolution [72/279](#) of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system;
4. *Requests* that UNDP, in accordance with the evaluation recommendations, take measures in collaboration with United Nations entities to ensure improved results focus, monitoring and support to ensure quality in the implementation of programmes supported by pooled funding, including at the country level, and provide an update to the Board on measures to ensure capacities and performance as managing agent, as fund manager and as implementing organization;
5. *Requests* that the Multi-Partner Trust Fund Office expedite new procedures to review all fund proposals for compliance with relevant United Nations guidance on gender equality and the empowerment of women;

6. *Takes note* of recommendation 8 of the evaluation and the management response and requests the Multi-Partner Trust Fund Office to convene periodic multi-stakeholder discussion forums to review progress and discuss trends in global financing and strategies on the way forward, strengthen partner engagement and reinforce the confidence of donors and partner organizations in the mechanism and its use;

7. *Requests* that the Multi-Partner Trust Fund Office make information on new opportunities available at an early stage to all interested potential partners, including potential participating organizations, funding partners and host Government institutions, as relevant for the individual initiatives;

8. *Acknowledges* that UNDP has recently launched new guidelines and the responsible party agreement for the managing agent function under humanitarian funds, and that programme and operations policies and procedures have been updated accordingly;

*With regard to the evaluation of UNDP inter-agency operational services (DP/2018/25) and the management response thereto (DP/2018/26):*

9. *Takes note* of the timeliness and relevance of evaluating UNDP inter-agency operational services concurrent to the roll-out of the Secretary-General's repositioning effort for the United Nations development system;

10. *Acknowledges* that UNDP management and operational support services are vital to UNDP growth and positioning as the backbone of the United Nations development system;

11. *Takes note* of the evaluation's conclusions and recommendations and the management response, and urges UNDP to take action to address all of the evaluation's recommendations;

12. *Urges* UNDP to develop a clear vision refining its role vis-à-vis the United Nations development system reform to serve United Nations entities with improved customer orientation and quality of services;

13. *Also urges* UNDP to develop a phased approach to invest in information and communications technology tools and systems improvements over the next five years and ensure that critical staff and an effective strategy are in place to harvest such investments;

14. *Acknowledges* that UNDP is already undertaking action to improve, evolve and innovate its business model that includes inter-agency operational services;

15. *Requests* UNDP to develop a transparent pricing system for its management and operational support services to United Nations entities, including to the new resident coordinator system;

16. *Also requests* UNDP to promote shared integrated service arrangements with a view to harmonizing agency-specific business practices, processes and reporting, including resource planning systems, as part of the Business Innovations Group under the United Nations Sustainable Development Group, guided by the principles of complementarity and comparative advantage of United Nations entities.

*7 September 2018*

## 2018/18 UNFPA structured funding dialogue

### *The Executive Board*

1. *Takes note* of the report on contributions by Member States and others to UNFPA and revenue projections for 2018 and future years (DP/FPA/2018/10), including the addendum with the UNFPA proposal on structured funding dialogues (DP/FPA/2018/10/Add.1);
2. *Emphasizes* that UNFPA needs strong political and increased financial support as well as predictable regular resources, in order to enhance its assistance to countries, to implement its strategic plan, 2018–2021, to fully integrate the agenda of the International Conference on Population and Development into national development strategies and frameworks, to achieve the internationally agreed development goals, and to support countries in advancing the 2030 Agenda for Sustainable Development;
3. *Reiterates* that regular resources are the bedrock of UNFPA and essential to maintaining the multilateral, neutral and universal nature of its mandate and to carrying out its work, and encourages UNFPA to further mobilize these resources while continuing to mobilize supplementary resources for thematic funds and programmes;
4. *Encourages* all Member States to increase their contributions to regular resources, not least to ensure that UNFPA can cover the current critical gap in core revenue, and also encourages countries in a position to do so to make contributions during the first half of the year and to make multi-year pledges in order to ensure effective programming;
5. *Encourages* all donor countries to commit to multi-year pledges in order to ensure effective programming and all programme country Governments, where possible, to expand their contributions to programmes in their own countries;
6. *Encourages* UNFPA to continue its efforts to ensure the effective use of resources and also continue to improve efficiency measures and cost savings;
7. *Reaffirms* the voluntary nature of funding of UNFPA, appreciates the progress and improvements by UNFPA to its structured funding dialogue, and welcomes the proposal to the Executive Board on the structured funding dialogue, as presented in the addendum of this report, without prejudging the outcome of the Secretary-General's funding compact, and in this regard:
  - (a) *Requests* UNFPA to review the format and content of the annual report on contributions by Member States and others to UNFPA and revenue projections for future years, in order to improve the quality of the structured funding dialogue, including by providing an overview of the funding in relation to the implementation of the strategic plan, 2018–2021, taking into account both regular and other resources;
  - (b) *Encourages* UNFPA to further consolidate the funding architecture, with a view to aligning resources with programmatic results, as set out in the strategic plan, 2018–2021;
  - (c) *Also encourages* UNFPA to continue working jointly with UNDP, UNICEF and UN-Women to improve collaboration on structured funding dialogues;
8. *Welcomes* the commitment of UNDP, UNFPA and UNOPS, in close collaboration with the Secretary-General's transition team and other programmes, funds and specialized agencies, to implement General Assembly resolution 72/279 of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for

development of the United Nations system, also welcomes the updates provided with the preliminary analysis of the financial and other implications of the resolution, and requests UNFPA to continue to engage with the Executive Board in this regard, providing regular updates as from 2019;

9. *Recalls* decision 2018/10, and requests UNFPA to double its contribution to the existing United Nations Sustainable Development Group cost-sharing arrangement, in accordance with resolution [72/279](#), to deposit its 2019 contribution as soon as possible, taking into account the Secretary-General's implementation plan, in order to operationalize the new resident coordinator system from 1 January 2019, and to report on progress in this regard to the Executive Board at the annual session 2019;

10. *Requests* that UNFPA, as part of the United Nations Sustainable Development Group, collaborate with the Secretary-General's transition team to support the establishment of a system-wide approach to implementing all the funding modalities set out in resolution [72/279](#), including the levy, and to report to the Executive Board at the first regular session 2019;

11. *Also requests* that UNFPA present clear, transparent information on its contribution to resident coordinator funding modalities to the Executive Board at the annual session 2019;

12. *Calls upon* UNFPA to review its planning, financing and results reporting processes to ensure effective joint collaboration in the context of the revitalized United Nations Development Assistance Framework, and to provide an update at the next session of the Executive Board on adjustments required.

7 September 2018

## 2018/19

### Revised UNFPA integrated budget, 2018–2021

#### *The Executive Board*

1. *Takes note* of the revised UNFPA integrated budget, 2018–2021 ([DP/FPA/2018/8](#)) and its corrigendum ([DP/FPA/2018/8/Corr.1](#)), in response to decision 2017/4, and its alignment with the approved UNFPA strategic plan, 2018–2021 ([DP/FPA/2017/9](#));

2. *Welcomes* the improved results focus and the enhanced linkages with the strategic plan results and harmonized methodology and presentation, including cost classification, attribution and recovery;

3. *Commends* UNFPA for the consultative, inclusive and transparent process in presenting the revised integrated budget, 2018–2021;

4. *Takes note* of the results and resource requirements reflected in the estimates for the UNFPA integrated budget, 2018–2021, including linkages of results and resources, as contained in documents [DP/FPA/2018/8](#) and [DP/FPA/2018/8/Corr.1](#);

5. *Approves* the presentation of activities and associated costs reflected in documents [DP/FPA/2018/8](#) and [DP/FPA/2018/8/Corr.1](#);

6. *Also approves* gross resources in the amount of \$708.2 million, representing the revised institutional budget estimates for 2018–2021, noting that these estimates include an amount of \$155.6 million for indirect cost recovery from other resources;

7. *Authorizes* \$152.5 million of the projected regular resources, as a revised ceiling for global and regional interventions for 2018–2021, noting that this amount cannot be exceeded without approval by the Executive Board;



8. *Recalls* Executive Board decision 2015/3, approves a revised amount of \$22.5 million of regular resources for the UNFPA emergency fund, and reaffirms the existing authorization for the UNFPA Executive Director to increase the emergency fund by up to \$2 million beyond the ceiling in a given year if the number and extent of the emergencies so warrant;

9. *Endorses* the proposal of the UNFPA Executive Director, similar to decisions 2008/6, 2012/13, 2013/32 and 2017/24, decides to grant exceptional authority during 2018–2021 to access up to an additional \$5.4 million in regular resources for security measures, provided these are used for new and emerging security mandates, as defined by the directives of the Department of Safety and Security, and requests UNFPA to report to the Executive Board on the use of those funds in its annual statistical and financial review;

10. *Also endorses* the proposal of the UNFPA Executive Director and approves the use of the existing reserve for field accommodation for headquarters premises until the establishment of the premises capital plan.

7 September 2018

## 2018/20

### United Nations Office for Project Services

#### *The Executive Board*

1. *Takes note* of the annual statistical report on United Nations procurement, 2017 (DP/OPS/2018/5);
2. *Welcomes* the high-quality and informative presentation of the system-wide procurement data on behalf of the United Nations system at the United Nations Global Marketplace website (<http://www.ungm.org/Public/ASR>);
3. *Recognizes* that transparency is one of the central principles of the United Nations system entities' procurement and welcomes the level of detail, data and analysis provided by UNOPS in the annual statistical report on United Nations procurement;
4. *Recalls* General Assembly resolution of 69/273 of 2 April 2015 on procurement, and reaffirms the need for the United Nations procurement system to be transparent, open, impartial and cost-effective, based on a competitive procedure and fully reflecting the international character of the United Nations;
5. *Also recalls* resolution 69/273, and stresses that best value for money; fairness, integrity and transparency; effective international competition; and the interest of the United Nations remain the four general principles for United Nations procurement;
6. *Further recalls* its decision 2016/20, and requests UNOPS and other United Nations entities to elaborate their measures as well as progress for the purpose of increasing procurement from developing countries, countries with economies in transition and least developed countries in the annual statistical reports in the future;
7. *Welcomes* the commitment of UNDP, UNFPA and UNOPS, in close collaboration with the Secretary-General's transition team and other programmes, funds and specialized agencies, to implement General Assembly resolution 72/279 of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system; also welcomes the updates provided with preliminary analysis of the financial and other implications of the resolution, and requests UNOPS to continue to engage with the Executive Board in this regard, providing regular updates as from 2019;

8. *Recalls* decision 2018/5, and requests UNOPS to double its contribution to the existing United Nations Sustainable Development Group cost-sharing arrangement, in accordance with resolution [72/279](#), to deposit its 2019 contribution as soon as possible, taking into account the Secretary-General's implementation plan, in order to operationalize the new resident coordinator system from 1 January 2019, and to report on progress in this regard to the Executive Board at the annual session 2019;
9. *Requests* that UNOPS, as part of the United Nations Sustainable Development Group, collaborate with the Secretary-General's transition team to support the establishment of a system-wide approach to implementing all the funding modalities set out in resolution [72/279](#), including the levy, and to report to the Executive Board at the first regular session 2019;
10. *Also requests* that UNOPS present clear, transparent information on its contribution to resident coordinator funding modalities to the Executive Board at the annual session 2019;
11. *Calls upon* UNOPS to review its planning, financing and results reporting processes to ensure effective joint collaboration in the context of the revitalized United Nations Development Assistance Framework, and to provide an update at the next session of the Executive Board on adjustments required.

*7 September 2018*

## **2018/21**

### **Joint report on cost recovery**

#### *The Executive Board*

1. *Recalls* Executive Board decision 2013/9, which endorsed the current harmonized cost-recovery policy, and in this regard recognizes and welcomes the efforts of UNDP and UNFPA, together with UNICEF and UN-Women, in implementing the policy;
2. *Also recalls* Executive Board decisions 2017/11 and 2017/14, in which the Executive Board directed the agencies to implement the cost-recovery policy and ensure full cost recovery proportionally from regular and other resources funding sources, and provide incentives to increase regular resources funding;
3. *Takes note* of the report DP/FPA/ICEF-UNW/2018/1 and the two proposals for the recovery of indirect costs presented therein;
4. *Notes* paragraph 28 (d) of General Assembly resolution [72/279](#), which calls for a further harmonization of cost recovery by individual United Nations development system entities, and in this regard commends UNDP, UNFPA, UNICEF and UN-Women for their harmonized cost-recovery framework, and further encourages them to work with other entities of the United Nations development system, after due consideration by their respective governing bodies, to adopt a harmonized cost-recovery framework;
5. *Requests* UNDP and UNFPA, together with UNICEF and UN-Women, to jointly review existing cost definitions and classifications of activities and associated costs, with a view to further harmonizing their approaches by determining common definitions of cost categories and corresponding activities and functions at a granular level, while taking into account the different business models of the individual agencies – which allows for a full understanding of each category's composition and options for possible alignment of similar functions to the same cost classifications across agencies and continues to provide a basis for comparisons among organizations as well as alignment with the strategic plans of the organizations – to be presented to the Executive Board for decision at its second regular session in 2019;

6. *Reaffirms* in this regard the harmonized cost-recovery policy endorsed by the Executive Board in its decision 2013/9, and requests UNDP and UNFPA, together with UNICEF and UN-Women, to present a preliminary comprehensive proposal on the cost-recovery policy for consideration by the Executive Board at its first regular session in 2020, with a view to presenting a final comprehensive proposal for decision of the Executive Board at its second regular session in 2020;
7. *Requests* UNDP and UNFPA, together with UNICEF and UN-Women, to reduce the granting of waivers lowering the agreed cost-recovery rates and to provide an update on the steps taken in this regard, including on the application of waivers across their organizations, to the Executive Board at its annual session in 2019;
8. *Also requests* UNDP and UNFPA, together with UNICEF and UN-Women, to review in a comprehensive manner cost-recovery rates, as part of the comprehensive proposal;
9. *Further requests* UNDP and UNFPA, together with UNICEF and UN-Women, to present an assessment of the reasons why full cost recovery is not currently being achieved, as part of the comprehensive proposal.

*7 September 2018*

## **2018/22**

### **Working methods of the Executive Board**

#### *The Executive Board*

1. *Reaffirms* the rules of procedure of the Executive Board of UNDP, UNFPA and UNOPS;
2. *Takes note with appreciation* of the joint response prepared by the secretariats of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP to the 2018 joint meeting of the Executive Boards segment on working methods of the Executive Boards;
3. *Requests* UNDP, UNFPA and UNOPS to submit draft decisions at least two weeks prior to each session so that they are available at the pre-session, and strongly encourages the Bureau to appoint, at that time, the facilitators for the respective draft decisions, in full respect of equitable regional representation, and in this regard strongly encourages Member States to provide their comments on draft decisions, if possible, prior to the start of the session, with a view to starting informal consultations on the draft decisions on the first day of the session;
4. *Also requests* UNDP, UNFPA and UNOPS and their membership to make efforts to start all meetings, informal consultations and negotiations on time and to ensure that meetings, informal consultations and negotiations are planned during United Nations working hours and avoid parallel consultations, to better facilitate the effective and constructive participation of all Member States in the work of the Board;
5. *Requests* that the secretariat of the Executive Board of UNDP, UNFPA and UNOPS identify a set of common agenda items, together with UNICEF, UN-Women and WFP, with a view to harmonizing the consideration of those agenda items with these agencies, beginning from the first regular session 2019 onwards;
6. *Also requests* the secretariat of the Executive Board of UNDP, UNFPA and UNOPS to develop, in consultation with UNICEF and UN-Women, a joint online calendar of all Board meetings, to be updated in real time and made available to the Executive Board;

7. *Requests* UNDP, UNFPA and UNOPS management to provide a written response to questions raised at informal consultations before the start of the following formal sessions;
8. *Requests* UNDP, UNFPA and UNOPS to continue to enhance documentation in order to make it more strategic and analytical, and to include best practices, actions being taken to address lessons learned, challenges and risks, building on the interactions with the Board, as appropriate;
9. *Also requests* UNDP, UNFPA and UNOPS to further enhance accessibility and ensure that Executive Board document file names are clearly spelled out and indicate the documents' content, that these documents can be downloaded in their entirety by agency and that they include full text searchability;
10. *Further requests* UNDP, UNFPA and UNOPS to engage with the Executive Board, and with UNICEF, UN-Women and WFP, on the efficient and effective implementation of the guidelines for Executive Board field visits and reporting requirements;
11. *Requests* UNDP, UNFPA and UNOPS and the Bureau to give due consideration to gender balance in panels for all meetings;
12. *Requests* the Bureau of UNDP, UNFPA and UNOPS, in collaboration with the bureaux of UNICEF, UN-Women and WFP, to launch a joint consultative process with Member States, starting at the first regular session 2019, with a view to examining the efficiency and quality of its current sessions, as well as the functions of the joint meeting of the Boards, building on the joint response prepared by the secretariats.

7 September 2018

## 2018/23

### **Overview of decisions adopted by the Executive Board at its second regular session 2018**

*The Executive Board*

*Recalls* that during its second regular session 2018, it:

#### **Item 1**

##### **Organizational matters**

Adopted the agenda and approved the workplan for its second regular session 2018 ([DP/2018/L.3](#));

Approved the report of the annual session 2018 ([DP/2018/17](#));

Approved the tentative workplan for the first regular session 2019.

#### **UNDP segment**

##### **Item 2**

##### **UNDP structured funding dialogue**

Adopted decision 2018/16 on the UNDP structured funding dialogue.

##### **Item 3**

##### **Gender at UNDP**

Took note of the UNDP gender equality strategy, 2018–2021 ([DP/2018/21](#)).

**Item 4**  
**UNDP country programmes and related matters**

Approved the following country programmes in accordance with decision 2014/7:

*Africa:* Benin ([DP/DCP/BEN/3](#)); Equatorial Guinea ([DP/DCP/GNQ/3](#)); Lesotho ([DP/DCP/LSO/3](#)); Namibia ([DP/DCP/NAM/3](#)); Senegal ([DP/DCP/SEN/3](#)); South Sudan ([DP/DCP/SSD/3](#));

*Asia and the Pacific:* Bhutan ([DP/DCP/BTN/2](#)); Philippines ([DP/DCP/PHL/3](#));

*Arab States:* Libya ([DP/DCP/LBY/3](#));

Took note of the first one-year extensions of the country programmes of the country programmes for Cuba and Mexico from 1 January to 31 December 2019, already approved by the Administrator ([DP/2018/22](#) and [DP/2018/22/Corr.1](#));

Approved the second one-year extension of the country programme for Liberia from 1 January to 31 December 2019 ([DP/2018/22](#) and [DP/2018/22/Corr.1](#)).

**Item 5**  
**Evaluation**

Adopted decision 2018/17 on UNDP evaluation.

**UNFPA segment**

**Item 6**  
**UNFPA structured funding dialogue**

Adopted decision 2018/18 on the UNFPA structured funding dialogue.

**Item 7**  
**UNFPA integrated budget, 2018–2021**

Adopted decision 2018/19 on the revised UNFPA integrated budget, 2018–2021.

**Item 8**  
**UNFPA country programme and related matters**

Approved the following country programmes, in accordance with decision 2014/7:

*Africa:* Benin ([DP/FPA/CPD/BEN/9](#)); Burundi ([DP/FPA/CPD/BDI/8](#)); Equatorial Guinea ([DP/FPA/CPD/GNQ/7](#)); Lesotho ([DP/FPA/CPD/LSO/7](#)); Malawi ([DP/FPA/CPD/MWI/8](#)); Namibia ([DP/FPA/CPD/NAM/6](#)); Senegal ([DP/FPA/CPD/SEN/8](#)); South Sudan ([DP/FPA/CPD/SSD/3](#)); Togo ([DP/FPA/CPD/TGO/7](#));

*Arab States:* Libya ([DP/FPA/CPD/LBY/1](#));

*Asia and the Pacific:* Bhutan ([DP/FPA/CPD/BTN/7](#)); Philippines ([DP/FPA/CPD/PHL/8](#));

*Americas and the Caribbean:* Ecuador ([DP/FPA/CPD/ECU/7](#)); Nicaragua ([DP/FPA/CPD/NIC/9](#));

Took note of the first one-year extensions of the country programmes for the Comoros, the Republic of the Congo and Mexico ([DP/FPA/2018/11](#));

Approved the second one-year extensions of the country programmes for the Democratic Republic of the Congo and Liberia ([DP/FPA/2018/11](#)).

**UNOPS segment**

**Item 9**  
**United Nations Office for Project Services**

Adopted decision 2018/20 on the United Nations Office for Project Services;

Took note of the UNOPS response to the Joint Inspection Unit review of management and administration in the United Nations Office for Project Services (DP/OPS/2018/6).

### **Joint segment**

#### **Item 10**

##### **Follow-up to UNAIDS Programme Coordinating Board meeting**

Took note of the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (DP/2018/27–DP/FPA/2018/12).

#### **Item 11**

##### **Financial, budgetary and administrative matters**

Adopted decision 2018/21 on the joint report on cost recovery.

#### **Item 12**

##### **Working methods of the Executive Board**

Adopted decision 2018/22 on the working methods of the Executive Board.

#### **Item 13**

##### **Field visits**

Took note of the report on the joint field visit of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP to Uganda (DP/FPA/OPS-ICEF-UNW-WFP/2018/CRP.1) and of the report on the Executive Board field visit to Haiti (DP/FPA/OPS/2018/CRP.1).

#### **Item 14**

##### **Other matters**

Heard a statement by the Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff Council;

Also held the following briefings, informal consultations and special events:

##### **UNDP**

Briefing on the preliminary analysis of the financial and other implications of the United Nations development system reform for UNDP;

##### **UNFPA**

Briefing on the preliminary analysis of the financial and other implications of the United Nations development system reform for UNFPA;

Special briefing entitled “Women and girls first: putting gender-based violence in emergencies at the centre of humanitarian assistance in Asia and the Pacific region”;

##### **UNOPS**

Briefing on the preliminary analysis of the financial and other implications of the United Nations development system reform for UNOPS.

*7 September 2018*

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## Annex II

### Membership of the Executive Board in 2018

(Term expires on the last day of the year indicated)

African States: Benin (2018), Burkina Faso (2020), Cameroon (2018), Chad (2018), Egypt (2020), Malawi (2018), Mauritius (2019), Uganda (2018).

Asia-Pacific States: Cambodia (2020), China (2019), Islamic Republic of Iran (2019), Lao People's Democratic Republic (2018), Republic of Korea (2018), Samoa (2018), Saudi Arabia (2020).

Eastern European States: Albania (2019), Belarus (2018), Republic of Moldova (2019), Russian Federation (2020).

Latin American and Caribbean States: Antigua and Barbuda (2020), Brazil (2020), Cuba (2019), Haiti (2018), Panama (2019).

Western European and other States:\* Canada, Denmark, Finland, France, Ireland, Japan, Luxembourg, Norway, Portugal, Switzerland, United Kingdom of Great Britain and Northern Ireland, United States of America.

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\* Western European and other States has its own rotation schedule, which varies every year.

## Annex III

### **Report of the joint meeting of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP held on 1 June 2018**

#### **A. Joint efforts to strengthen coherence, collaboration and efficiency in the field: effective ways to deliver results together to successfully address programme country priorities in the implementation of the 2030 Agenda for Sustainable Development**

1. The President of the Executive Board of the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Office for Project Services (UNOPS) opened the joint meeting of the Executive Boards on 1 June 2018 with a warm welcome to the Deputy Secretary-General of the United Nations and the participants of the Executive Boards of UNDP, UNFPA and UNOPS, the United Nations Children's Fund (UNICEF), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the World Food Programme (WFP).

2. In her opening remarks, the Deputy Secretary-General underscored the timeliness of the joint meeting of the Executive Boards following the adoption the previous day (on 31 May 2018) of General Assembly resolution [72/279](#) on the repositioning of the United Nations development system. The repositioning required a system-wide change management process in which the Executive Boards had a key role in holding the United Nations development system accountable; creating an enabling environment to drive the reforms through a new resident coordinator system; and driving cohesive action, including through a system-wide strategic document to accelerate alignment of the 2030 Agenda for Sustainable Development. She encouraged Member States to be bold in reviewing the functions and legislative roles of the joint meeting of the Boards. The case study on the Sudan offered a useful lens through which to view United Nations coherence at the country level. The immensity of global challenges demanded the collective action embodied in the "Delivering as one" approach to address all three dimensions (social, economic and environmental) identified in the Sustainable Development Goals. Tackling inequalities required generation and sharing of disaggregated data and evidence to address the multiple forms of inequality.

3. The Deputy Secretary-General stressed that the United Nations development system must: (a) intensify international support to joint efforts in overcoming rising inequalities; (b) strengthen collaboration and coherence of the humanitarian-development-peacebuilding nexus; (c) increase investments in sustainable and resilient infrastructure; (d) reach out to and engage young people, girls in particular; and (e) take partnerships to a new level, including with civil society, the private sector and international financial institutions.

4. In his remarks, the Administrator of UNDP characterized the joint meeting of the Boards, following the adoption of resolution [72/279](#), as a litmus test for the operationalization of a reformed United Nations development system. The meeting marked the beginning of a new era that required a different collective approach, as reflected in the 2030 Agenda.

5. A concerted United Nations development system had to: (a) help countries to reset their approach to sustainable development and translate the Sustainable Development Goals into national development agendas; and (b) set up transformational steps to manage the evolution of the United Nations development



system to meet the promise of the 2030 Agenda. Such repositioning emerged both from resolution [72/279](#) and from the experience to date with the “Delivering as one” approach.

6. The Goals, focusing on the multidimensional aspects of poverty and inequality, demanded that United Nations organizations think in terms of systemic, multifaceted solutions that embraced social, economic and environmental considerations. UNDP had a vital role to play as a member of the United Nations system, as embodied in frameworks such as the common chapter of the strategic plans of UNDP, UNFPA, UNICEF and UN-Women.

7. The Executive Director of UNICEF also noted that the United Nations had entered a new era with resolution [72/279](#). Each organization had to operationalize reform in a way best suited to programme countries, focused on new ways to work together. That included expanding beyond accepted ways of collaborating, building on initiatives to explore innovative partnerships and use block chain and satellite imaging tools to plan and monitor field work.

8. A major collective challenge was how to plant the seeds of development in humanitarian planning and operations to address root causes and mitigate crisis impact, an area where the United Nations development system had begun identifying and financing collective, multi-year outcomes. That included jointly coordinating needs assessments; increasing investments in analysis and evaluations; and structuring innovative, predictable, flexible financing for collective outcomes.

9. The common chapter of the strategic plans gave the four organizations a platform to drive United Nations reform collectively in six thematic areas. Complementing those efforts were new initiatives in which two or more of the four organizations were collaborating in one or more of the six thematic areas at the regional and country levels, especially for accelerator initiatives. The organizations had also set up complaint mechanisms to address sexual exploitation and abuse in humanitarian situations, consolidated their premises at the zonal office level, pooled agency guest houses and expanded globally shared service centres.

### **Case study of the Sudan**

10. The former United Nations Resident and Humanitarian Coordinator for the Sudan (and current Deputy Special Representative of the United Nations Assistance Mission for Iraq), who participated via video link, stressed that humanitarian, development and peace activities were taking place simultaneously in the Sudan. The country team was pursuing the achievement of the Sustainable Development Goals through the new way of working.

11. As part of the United Nations Development Assistance Framework process, a mainstreaming, acceleration and policy support team mission had identified accelerators for the Sustainable Development Goals, which the Government had integrated into its national development plans. Likewise, the country team had embedded the mainstreaming, acceleration and policy support accelerators into the United Nations Development Assistance Framework and the humanitarian response plan.

12. In implementing the humanitarian-development-peace network, the country team had developed the two plans together; the humanitarian response plan had been expanded to a multi-year plan and aligned with the United Nations Development Assistance Framework. The aim was to establish an organic connection between the two planning frameworks for a more coherent approach and ensure a smooth transition from crisis through recovery to development. The country team had fielded a second mainstreaming, acceleration and policy support mission in October 2017 to

identify collective objectives to hold the international community and the Government mutually accountable for the Goals. With the support of the Organisation for Economic Co-operation and Development, the country team had set up financing frameworks and an improved United Nations coordination platform.

13. The UNICEF Resident Representative in the Sudan (and Acting Resident Coordinator ad interim), who also participated via video link, underscored that the United Nations development system sought to use the “Deliver as one” approach in the Sudan to address its complex challenges. The country had lost much of its wealth when South Sudan seceded and had been suffering economically, facing significant debt problems, compounded by mounting social deficiencies, an inflation crisis, lack of fuel and an influx of some 200,000 refugees from South Sudan.

14. Because it was impossible to tackle those challenges through a humanitarian response alone, UNICEF focused on long-term development investments, for example, in water and school systems. The funds and programmes had realized early on that their close collaboration, for example, in delivering life-saving health interventions, had longer-term sustainable results. The “Delivering as one” approach that the country team took in the Sudan had very much anticipated the adoption of resolution [72/279](#) and was proof that a collaborative United Nations development system was far more impactful. For maximum impact, donors, likewise, had to work together and invest more in development than in humanitarian response.

15. The UNFPA Regional Director for the Arab States highlighted that the United Nations development system had begun harmonizing the work of the Regional Coordination Mechanism and the United Nations Sustainable Development Group. A review of regional support to country teams by the Sustainable Development Goals task force had led to the establishment of the country support team for the Goals that used the mainstreaming, acceleration and policy support approach and provided monitoring, evaluation and reporting backstopping.

16. The team had worked with the League of Arab States to set up a regional coordination infrastructure to guide roll-out and integration of the Goals into national and regional development frameworks. That process followed three steps: (a) countries took stock of their capacity and support needs, after which two mainstreaming, acceleration and policy support missions were fielded; (b) a data working group sought to make data available to all United Nations organizations; and (c) a task force focused on the International Conference on Population and Development agenda used population data and indicators to ensure a people-centred approach. Similarly, the Arab Forum for Sustainable Development served as a regional coordination mechanism in which all United Nations organizations participated.

17. The Deputy Permanent Representative of the Sudan to the United Nations drew attention to the country’s main challenges: (a) the loss of over 90 per cent of its hard currency resources, more than 60 per cent of government earnings, and almost 30 per cent of geographical area, owing to the secession of South Sudan; (b) its status as a heavily indebted poor country; (c) its economic burden in hosting 2 million refugees; (d) the economic and social impact of two decades of sanctions (1998–2017); and (e) the difficulty in attracting adequate development assistance and foreign investment.

18. The Sudan had, nevertheless, partnered with the United Nations, and signed in 2014 a tripartite agreement with WFP for humanitarian assistance for refugees from South Sudan, which had helped to divert a hunger crisis. Sudan was also working closely with the international community to address regional human trafficking. The Sudan hoped that resolution [72/279](#) would lead to a more impactful coordinated

United Nations peace, security and development response that would make the country a model for peacebuilding in Africa.

19. The presidents of the four Executive Boards, the heads of the six United Nations organizations and members of the Executive Boards were actively engaged throughout the session and provided a number of comments on the joint efforts of the United Nations development system to strengthen coherence, collaboration and efficiency in the field:

(a) General Assembly resolution [72/279](#) called for a different approach that would make the United Nations development system efficient, effective, transparent and accountable at all levels and especially in the field;

(b) United Nations development system organizations had to pursue unified delivery based on a common framework and reconsider their individual roles within a revamped resident coordinator system;

(c) The Executive Boards needed to improve their working methods and the efficiency and transparency of their governance structures to drive the reform forward;

(d) The joint meeting of the Board could serve as the central forum for the organizations to report on their collective work to implement provisions of the common chapter;

(e) The organizations had to drive forward a coherent, integrated approach to the implementation of the Goals and the humanitarian-development-peace nexus;

(f) Member States' guidance to and collaboration with the United Nations development system had to be grounded in a multi-stakeholder approach, including civil society and the private sector, to ensure the delivery of the Goals and drive United Nations reform;

(g) The United Nations needed a stronger institutional incentive for organizations to focus on prevention, and not on a reactive humanitarian approach, as it was more costly;

(h) A smooth transition towards a UNDP-delinked resident coordinator system was important so as not to disrupt the implementation of the 2030 Agenda;

(i) Multi-year donor funding compacts were the surest way to ensure consistent, sustained delivery of the United Nations development assistance to drive the Goals;

(j) The common chapter in the new strategic plans of UNDP, UNFPA, UNICEF and UN-Women was an excellent tool to drive reform at the field level, ensure less duplication and joint back-office services and serve as the litmus test for coordination on the ground;

(k) Technology and innovation were key for the achievement of the Goals; this meant that it was imperative to address the technology gap between developed and developing countries when delivering assistance;

(l) Monitoring, evaluation and reporting needed to play a central role, not only in gauging delivery against the Goals, but also in measuring United Nations system-wide coherence;

(m) Using the stocktaking and mainstreaming, acceleration and policy support experience within a coordinated United Nations context in the Sudan case study could serve as a model for accountability and lessons learned for other countries;

(n) Development assistance had to be grounded in national priorities and adaptive to the country context, in line with the principle of national ownership and the quadrennial comprehensive policy review of operational activities for development of the United Nations system.

20. In response, the former United Nations Resident and Humanitarian Coordinator in the Sudan noted that conditions for implementing the new way of working depended on local contexts. It was important that assistance be adaptive and flexible to reflect the fluidity of humanitarian-development structures and that multi-year funding ensured the greatest impact. While country teams, as in the Sudan, had the necessary capacity to carry out their work, the phasing out of funding after an emergency was often debilitating. Flexibility between humanitarian and development actions was therefore key. Using the United Nations Development Assistance Framework as the sole programming tool was workable as long as the framework was detailed and included an accountability framework, and adequate funds were allocated.

21. The Administrator of UNDP stressed that the revamped resident coordinator system would have a central role in determining systemic success of the reform agenda. The new generation of United Nations Development Assistance Frameworks and the common chapter offered the principal tools to measure, monitor, evaluate and report on results. Similarly, the mainstreaming, acceleration and policy support strategy was a tool that brought the United Nations system together. However, incentives had to be aligned in terms of governance, funding and activities through a compact between programme country and donor Governments and the United Nations built on mutual accountability. While measurement of success – for example, of the common chapter – was critical, it was important to measure outcomes and not numbers, satisfaction of clients and not quality of reports. He appealed to Member States to work collectively with the United Nations organizations to determine how to measure results that actually made a difference. Funding, key in that endeavour, depended less on quantitative amounts than on how the development system was funded.

22. The Executive Director of UNICEF echoed the importance of flexible, multi-year funding and the readiness of the United Nations development system to demonstrate through results how that funding model was more impactful. The organizations aligned their country programme documents to the United Nations Development Assistance Framework; as such, Board guidance on how to improve the country programme documents would be welcome. While the common chapter was an excellent coordinating tool, its success depended on how UNDP, UNFPA, UNICEF and UN-Women coordinated with other United Nations organizations. It was important to manage and coordinate the skills divide between humanitarian and development actors to ensure that the right capacities were in the right place, including for targeted services.

23. The Executive Director of UNFPA characterized the humanitarian-development-peace nexus as a key component to harmonizing all 17 Goals to reinforce areas of progress and to ensure the integration of the concerns of young people. The United Nations youth strategies built on data and the readiness of Governments to take advantage of the demographic dividend and the compact for young people in humanitarian action, which served as a primary vector to ensure that young people were not left behind. Flexible, multi-year funding was key to achieving the Goals and measuring their impact. Success demanded clarity and leadership at all levels, especially to drive reform and to establish the revamped resident coordinator system.

24. The Deputy Executive Director of WFP noted that the Sudan offered an excellent testing ground for the humanitarian-development-peace nexus but that

obtaining funding remained a huge challenge. Development funding put in the right place would obviate the need for future peacekeeping and humanitarian programmes. The humanitarian-development-peace nexus was therefore as much a donor challenge as it was a delivery issue because such partners needed to work together to find a solution. While not party to the common chapter, WFP was compliant with its spirit on the ground. While they might eventually lead to the replacement of the country programme documents of the individual organizations, the current generation of United Nations Development Assistance Frameworks did not yet make that possible.

25. The Executive Director of UN-Women highlighted the preparations by UN-Women to engage with other United Nations organizations at the country level in setting up common premises and common back-office services and in programming activities focused on ending violence against women. UN-Women worked collaboratively through the United Nations trust fund in support of actions to eliminate violence against women and the Spotlight Initiative. The organization was engaged with the Government of Sudan in implementing Security Council resolution [1325 \(2000\)](#) on women and peace and security and in developing the national action plan, the implementation of which depended on system-wide and partner coordination.

26. The Executive Director of UNOPS, summarizing the main points of discussion, underscored that successfully delivering and implementing the Sustainable Development Goals required incentives that rewarded United Nations development system organizations for working together. There was a need to find new ways of working at the field level with the private sector, civil society and the United Nations under the umbrella of national government leadership and ownership. Reform called for leadership and for organizations to leave their comfort zones, but the results would be beneficial to all.

27. In closing, the President of the Executive Board of UNDP, UNFPA and UNOPS thanked delegations and the representatives of the six United Nations organizations for their participation in the morning segment of the joint meeting.

## **B. Reflecting on the working methods of the Executive Boards**

28. With the adoption of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, the General Assembly underlined the need to enhance system-wide coherence and efficiency, reduce duplication and build synergies across the governing bodies of the entities of the United Nations development system. In this regard, it gave a clear mandate to the Bureaux of the Executive Boards to initiate discussions on improving the working methods of the joint meetings of the Executive Boards, so that they offer a platform for exchange on issues with cross-cutting impact while improving the quality, efficiency and transparency of the governing bodies to enable the timely implementation of the quadrennial comprehensive policy review.

29. While a number of steps have already been taken to streamline the working methods of the Executive Boards – increasing informal briefings and consultations, including more joint briefings by the entities; informal discussions between the management of the United Nations development system entities and the Member States; more frequent meetings of the Bureaux; and a common chapter in the new strategic plans of UNDP, UNFPA, UNICEF and UN-Women for 2018–2021<sup>1</sup> – there is still scope for further improvements.

<sup>1</sup> UNOPS and WFP do not have a common chapter in their latest strategic plan, owing to the varying time frames in the preparation of the strategic plans.

30. In response to the quadrennial comprehensive policy review, the presidents of the Executive Boards of the UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP in 2017 started discussions on the working methods of the Executive Boards. This resulted in a non-paper by the presidents, released in December 2017, entitled “Discussion note on Executive Board working methods”, which was shared with the membership of all four Executive Boards. The non-paper formed the basis of the discussions on the subject during the lunchtime session (topic 2) at the joint meeting of the Executive Boards.

31. The discussion at the joint meeting of the Executive Boards was aimed at addressing issues of direct relevance to the working methods of the Executive Boards, including the following:

(a) Bureaux of the Executive Boards: election of members; terms of officers; transition from vice-presidency to presidency;

(b) Interaction between the presidents of the four Executive Boards;

(c) Sessions of the Executive Boards;

(d) Engagement between United Nations development agencies and Member States;

(e) Streamlining of field visits (terms of reference, number and frequency of visits, choice of countries, level of participation);

(f) Inter-agency coordination (including joint meetings of the Executive Boards).

32. As a way of guiding the discussions, four breakout groups were constituted from among the delegates representing approximately 40 Member States. Each group was then requested to discuss and identify potential areas for improving the working methods of the Executive Board, concentrating on six broad aspects drawn from the 2017 non-paper by the presidents: bureaux; sessions; conduct of business; participation; field visits; and inter-agency cooperation, including the joint meeting of the Executive Boards.

33. The President of the Executive Board of UNDP, UNFPA and UNOPS, chairing the session, invited the moderators of the four groups to present the conclusions of their discussions on the working methods of the Executive Boards. The four groups then presented the outcome of their discussions, from which the conclusions below were drawn.

### **Outcome of group discussions**

#### **Group 1 – Moderator: United Kingdom of Great Britain and Northern Ireland**

34. Group 1 focused on process and proposed a road map for actions that the different Executive Boards could take over their next three sessions. These actions were as follows:

35. At the annual session 2018, the four Executive Boards could make reference to the need to improve working methods through a common formal decision (to be adopted at each of the respective Boards) requesting the secretariats of the four Executive Boards to jointly provide the membership of all four Boards with a response to the presidents’ non-paper developed at the end of 2017. This would continue and advance the conversation between the members of the Boards and the Board secretariats on the working methods of the Executive Boards.

36. At the second regular session 2018, once briefed through the joint response of the Board secretariats to the non-paper of the presidents, the different Executive

Boards could nominate facilitators to represent the Bureaux of the Boards to take forward the considerations of Member States in a next phase of discussion, based on the joint response of the Board secretariats.

37. At the first regular session 2019, once this facilitation process was set up, the Boards could engage in further discussion to develop and agree on a common formal decision on improving working methods. The content of the common decision would require in-depth discussion, but would focus on common issues that the different Boards could address together, while the proposed road map would address key common systemic issues. However, it would not stop individual Boards from making adjustments vertically and discussing them with the Bureaux of the Boards and their secretariats.

38. On the joint meeting of the Executive Boards, the group moderator noted that there were differing views on whether it should be a decision-making body, but group members agreed that, substantively, the joint meeting could be improved by having it address key cross-cutting issues, such as sexual exploitation and abuse, and cost recovery.

### **Group 2 – Moderator: Republic of Korea**

39. Group 2 focused its discussions on three issues: succession planning and size of the Bureau; inclusiveness; and number of yearly field visits.

40. *Succession planning.* The group suggested: (a) early selection of Bureau members for each Executive Board, which would allow two or three meetings to take place between outgoing and incoming bureaux; and (b) having vice-chairs become chairs of the subsequent year's Bureau. The group did not agree with the proposal to have the Bureaux be composed of two members from each regional group, with one member rotating on an annual basis, which would be impractical for smaller government missions.

41. *Inclusiveness.* The group suggested: (a) identifying and promoting measures aimed at increasing participation of Board members and inclusivity of observers in joint meetings of the Boards; (b) expanding the scope and frequency of informal briefings and consultations before Board sessions on key topics; and (c) identifying ways of promoting the participation of non-governmental and civil society organizations and private-sector actors in joint sessions of the Boards.

42. *Field visits.* While useful for learning about United Nations assistance at the country level, field visits were time-consuming to prepare, costly and, given the ease of use of information and communications technology, impractical to undertake more than necessary. The large delegations in joint field visits could also be intrusive; the Boards should ensure that they travelled in a responsible manner. They suggested dividing field visit delegations into subgroups so that they could learn about different aspects of country conditions and United Nations assistance. The visits should be limited to one joint field visit and one individual visit by each Bureau yearly. They cautioned against using field visits to stage agency successes, noting that Board members needed to see challenges so that the Boards could address them. They suggested making field visit programmes Bureau-driven, not agency-driven, and balancing high-level and expert-level participation, so that both the political and the technical aspects could be related to the Boards.

### **Group 3 – Moderator: Mauritius**

43. Group 3 addressed issues related to: Bureaux; sessions; participation; field visits; and the joint meeting of the Boards.

44. *Bureaux.* The group suggested: (a) improving the transparency of the proceedings of the Bureaux, noting that Bureau discussions were not adequately

passed on to the members of the regional groups; (b) harmonizing the procedures of the different Bureaux, especially in organizational terms, so that they met and reported in a similar way; (c) discussing the possibility of having longer terms for Bureaux members with regional groups so that they could discuss within their own Boards; and (d) improving communication between the different Bureaux, making maximum use of information and communications technology.

45. *Sessions*. The group suggested: (a) ensuring timely circulation of documents, addressing systematically any bottlenecks; (b) indicating on Board secretariat websites which documents had been freshly uploaded; (c) including observers on mailing lists; (d) spacing out the time between the annual sessions and the second regular sessions; and (e) holding informal meetings primarily at United Nations Headquarters to facilitate the participation of government missions.

46. *Participation*. The group highlighted the low attendance of Member States at joint meetings of the Boards and suggested exploring ways to make them more appealing and substantive, as a means of promoting greater participation.

47. *Field visits*. The group: (a) cautioned against using field visits to stage agency successes, noting that Board members needed to also appreciate the challenges faced by the United Nations system on the ground, in order to enable the Boards to have a more holistic appreciation of the work of the Organization and address any underlying or structural deficiencies impeding the effectiveness and efficiency of the work of the United Nations system on the ground; (b) suggested making field visit programmes Bureau-driven rather than agency-driven and giving the Bureaux more time to discuss issues addressed in the field visits; (c) proposed limiting visits to one individual Executive Board field visit and one joint field visit per year; and (d) suggested balancing high-level and expert-level participation, as a means of better blending both political and technical aspects of the work.

48. *Joint meeting of the Executive Boards*. The group highlighted that the following common issues could be discussed at joint meetings of the Boards going forward: (a) audit; (b) ethics; (c) cost recovery; and (d) topics related to the common chapter in the strategic plans of the agencies. It further suggested having the agencies submit an annual report on the status of implementation of the common chapter at the joint meeting of the Boards. The group considered that while transforming the joint meeting of the Boards into a decision-making body was seen as optimal on a number of issues, it was agreed that this proposal needed to be examined in greater detail and required wider inclusive and participative discussions on procedures and other aspects, prior to any decision. However, it was considered that, in the meantime, the Boards should be encouraged to have more frequent joint briefings, informal meetings and discussions, all requiring inter-agency and inter-secretariat cooperation.

#### **Group 4 – Moderator: Norway**

49. Group 4 concurred with the views expressed by Group 3 and made the following additional comments:

50. *Bureaux*. The group stated that: (a) the Bureaux needed to be more relevant and impactful, with more Bureau-driven initiatives, while the secretariats should not be involved in political and substantive discussions; (b) Member States had a responsibility to represent their regional groups so that Bureaux-level information could be passed on to regional groups, thereby ensuring greater inclusivity.

51. *Sessions*. The group: (a) recommended that Executive Boards limit the number and length of official statements by focusing national statements at the annual session (using the WFP Board as a model, in particular its use of round tables and their physical setup, as a means of facilitating interaction); (b) noting that presentations of



country programme documents took too much time and that follow-up should be at the national level, suggested that the country programme documents be posted online in advance and that approvals be made on a no-objection basis; and (c) raised the possibility of having a country programme document session on the margins of the second regular session or perhaps inviting agencies and countries to attend a separate special session at which country programme documents would be discussed and approved, which would allow for quality discussions on substantive issues.

52. *Field visits.* The group noted the value and usefulness of field visits, but expressed the view that there were too many and that the Boards should seek ways to make them more effective and relevant. The large delegations could also be intrusive at times, and there was a need to make sure that the visits be undertaken in a context-appropriate manner. It also suggested institutionalizing the practice of dividing field visit delegations into subgroups, so that they were in a better position to learn about different aspects of the host country conditions and the support provided by the United Nations.

53. *Joint meeting of the Boards.* The group suggested more joint reporting and substantive discussions and giving the joint meeting of the Boards legislative authority to adopt decisions on joint processes, joint evaluations, joint audit reports, and joint follow-up to cross-cutting issues, such as sexual exploitation and abuse.

#### **WFP perspective, presented by the President of the WFP Executive Board**

54. The President of the WFP Executive Board appreciated the issuance of the non-paper of the presidents, noting that it had been shared with the governing bodies of the other two Rome-based agencies, the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development, which were considering its use as an input to benchmark against their own respective working methods. He highlighted that WFP was already advanced in putting many areas of the working methods into practice. The WFP Executive Board viewed the joint meetings of the Boards as an excellent opportunity to discuss common areas of interest among the governing bodies of the United Nations agencies, but these joint meetings should not have decision-making authority; the joint meeting of the Boards should not become another governing body. He underlined that from an institutional perspective, the dual reporting lines to the Economic and Social Council and FAO would require the approval of both legislative bodies for any substantive revisions of the rules and regulations governing the WFP Executive Board in the context of giving the joint meeting of the Executive Boards decision-making powers.

55. The President of the WFP Executive Board also noted that:

(a) Having more frequent joint board meetings and briefings could be a good idea but that WFP Executive Board members faced difficulties in attending owing to geographic distance; therefore, it was important for the WFP Executive Board to receive detailed summaries of those joint meetings;

(b) WFP would continue to undertake its current agreed practice of one joint field visit and one individual field visit per year; this was, therefore, not an issue for WFP;

(c) Similarly, the Bureau of the WFP Executive Board already had a handover process in place between the outgoing and incoming Bureaux; therefore, this was also not an issue for WFP;

(d) Limiting the length of documents presented and limiting the speaking roles of the principals of the United Nations agencies at the joint meeting of the Executive Boards would ensure greater effectiveness and efficiency;

(e) Sexual exploitation and abuse and sexual harassment could be a good example of a cross-cutting issue to compare and share information on in future joint meetings;

(f) The ideas of anticipation of election of Bureau members and extending their terms of office required further discussions and careful assessment of all expected implications;

(g) WFP Executive Board members shared the objective of an improved gender and geographic balance, both within the Executive Board and the Bureau, but considered this difficult to achieve.

### **Conclusion: A converging of views**

56. The President of the Board of UNDP/UNFPA/UNOPS, presiding over the lunchtime session, summarized the areas in which there was a clear convergence in the discussions between each of the four working groups, constituting a core of common issues regarding the working methods of the Executive Boards.

57. Convergence of views was noted in the following areas:

(a) *Bureaux*. Making documentation related to each Board and each Bureau available to a wider readership, as a means of fostering greater transparency regarding the work of the Board;

(b) *Sessions*. Fostering a greater degree of transparency in Bureau and Board meetings and identifying new and novel ways for members of regional groups to be briefed on Bureau proceedings;

(c) *Participation*. Encouraging the participation of non-governmental and civil society organizations and the private sector in future joint board meetings;

(d) *Field visits*. Limiting the number of field visits: one joint field visit and one individual Board visit; promoting a higher level of participation in field visits; and striking a better balance between high-level and expert-level participation;

(e) *Joint meeting of the Executive Boards*. Utilizing the joint meeting of the Executive Boards as an opportunity to discuss issues of common interest to all the Boards, including, inter alia, reports on (i) the status of implementation of the common chapter of the respective strategic plans; (ii) audit, ethics evaluation; (iii) gender strategy; and (iv) sexual exploitation and abuse and on sexual harassment.

58. In closing, the Chair noted that these converging issues could potentially form the basis for a road map in taking forward recommendations aimed at improving the working methods of the Executive Boards. A summary of the joint meeting of the Executive Boards discussions on Executive Board working methods would be circulated to all the Executive Boards and the respective secretariats, to coordinate further discussions, with a view to furthering the implementation of the quadrennial comprehensive policy review mandate on the working methods of the Executive Boards. He closed the meeting by thanking delegations for their active participation and rich discussion.

## **C. Overcoming inequalities among and within countries, including gender inequality, to achieve the Sustainable Development Goals: reaching the poorest and most vulnerable first**

59. The President of the Executive Board of WFP, chairing the afternoon session, welcomed the other presidents of the Executive Boards, the principals of the six United Nations organizations, the guest speakers and the members of the Executive

Boards to the interactive discussion on opportunities and challenges in addressing inequalities to achieve the Goals and identify the critical steps required to tackle them.

60. The Executive Director of UNFPA stressed that inequalities shaped societies and shut people out of opportunities, stopped the exercising of rights and held back social and economic progress. Despite advances, wealth and income inequalities persisted within and between countries, and global wealth was increasingly concentrated in fewer and fewer hands. While the overall share of people living in extreme poverty had fallen, it had not declined in the poorest countries owing in large part to population growth, with too many people not having benefited from global developments. Marginalized groups, especially women and girls, including adolescents, were the hardest hit by inequalities. The Programme of Action of the International Conference on Population and Development and the 2030 Agenda for Sustainable Development dovetailed in their approach to the intersectional, multidimensional nature of inequality, which, in order to be tackled effectively, required the coordinated efforts of the entire United Nations system. It was crucial to learn about the most marginalized and vulnerable and to ensure that they were not left behind. Better population data helped to disaggregate need and inequality and provided the public a means to hold leaders accountable. It also meant addressing the various negative (social, cultural, policy and legal) barriers that resulted in entrenchment of inequality and perpetuation of unequal power dynamics.

61. The Executive Director of UN-Women echoed that assessment, noting that inequalities intersected and were pervasive within and between countries, held people back socially, affected communities economically and environmentally, distorted democratic systems, fuelled conflict and created a barrier to realizing human rights. Girls from poorer households were more vulnerable than girls from wealthier households. However, such inequalities were neither inevitable nor irreversible. UN-Women collaborated closely with all stakeholders, including the United Nations development system organizations, to bring about changes in institutions, policies and practices to make a difference. UN-Women had devised a system of metrics to determine the situation of marginalized women, including in refugee populations, to address trauma and shock and provide sexual and reproductive health services and health care, as well as protection support and legal aid. Part of those endeavours included mobilizing men and boys to become active participants in addressing such challenges.

62. The Chief, Population and Development Branch, UNFPA, moderated the interactive discussion with three guest speakers, focusing on the following topics regarding the interaction of different types of inequality: (a) macroeconomic inequalities between countries; (b) discriminatory social norms; and (c) United Nations work in Latin America to address these inequalities. She directed three rounds of questions to the three guest speakers, focusing on the following topics:

(a) How inequalities hamper the achievement of human rights; the role of the United Nations; and the impact on gender inequality;

(b) How addressing discriminatory social norms reduced inequalities; how accountability accelerated the reduction of inequalities and the realization of the 2030 Agenda; and what successful examples went beyond equity and service delivery to combat inequalities;

(c) The main challenges to promoting equality in Latin America; and how the United Nations could change the status quo, including in the light of the middle-income status of many countries in the region.

63. In response to the first round of questions, the Professor of Women's and Gender Studies at Rutgers University and Faculty Director of the Center for Women's Global Leadership stressed that assessing global macroeconomic policy through a human rights lens demonstrated that instead of being "left" behind, people were being

“pushed” behind. Because financial resources were key to the fulfilment of human rights, it was important to have international coordination around economic policies, an area in which the United Nations needed to play an active role.

64. Political and economic power allowed countries to make global economic decisions without regard for others, which meant power relations played a key role. Using human rights as a filter would bring the latent inequalities of the global economic system into light and make it possible to design a more equitable economic model. Similarly, because macroeconomic policies were male-biased – observable, for example, in how such policies viewed unpaid care traditionally provided by women – these policies perpetuated gender inequality. The focus of Goal 10 to regulate financial institutions gave the United Nations the mandate and a tool to address the regulatory framework for finance and address these root causes of inequality.

65. In response to the second round of questions, the Visiting Professor of Law at Georgetown University Law Center and Senior Adviser on Global Health and Human Rights spoke of how marginalized persons, such as poor women and adolescent girls, suffered disproportionately owing to inequalities in health and legal coverage. The conventional approach was to tackle that issue under the Sustainable Development Goals related to sexual and reproductive health and family planning.

66. However, practical experience showed that that approach consistently fell short. The first lesson to learn was that there were serious unintended consequences for people’s rights when assistance looked solely at service coverage indicators or tried to not leave the poorest out by targeting them with services, as opposed to building systems that protected equality and rights. The second was that all individuals harboured within themselves a multitude of personal narratives; these multiple identities needed to be considered when prescribing remedial action. The third was that the Goals focused primarily on “survive” and secondly on “thrive”, but should instead focus on “transforming” those conditions that systematically produced inequalities.

67. Accountability in such circumstances had to be about building constructive relationships around entitlement for rights holders and obligation for duty bearers. Nevertheless, ensuring accountability through the approach used for the Goals – gauging allocated funding against outputs and outcomes – was difficult. To be useful, accountability had to go beyond to focus on what data were not being gathered and identifying the things that could not be quantified, which were important for structural transformation. Remedial actions should take all those aspects into consideration.

68. In response to the third round of questions, the United Nations Resident Coordinator, UNDP Resident Representative and UNFPA Resident Representative in Ecuador noted that despite progress, Latin America remained the world’s most unequal region, affecting four groups in particular: (a) indigenous peoples; (b) Afro-descendant populations; (c) rural women; and (d) people with disabilities. The first challenge was finding ways to reduce inequality sustainably. The second was that tackling inequalities was a political issue that demanded political will. The third challenge – centred on the region’s economic structures, grounded in extractive industries and the use of low skilled labour – embodied two paradoxes: (a) the resources the industry generated were used to achieve the 2030 Agenda; and (b) indigenous economies were actually models for sustainable development, in opposition to the dominant economic structures.

69. He stressed that the United Nations impact on the region’s development often went unnoticed because it built on a trusted relationship with the Government through the provision of policy advice, with national Governments naturally taking credit for positive results. The United Nations made its most visible contribution through policy interventions, data collection and knowledge generation and by responding to misperceptions in response to human rights abuses. The United Nations had a responsibility to be a voice for those who were not being heard and to pursue greater inclusivity, including among its own staff.

70. The presidents of the four Executive Boards, the principals of the six United Nations organizations and the members of the Executive Boards were actively engaged in discussion throughout the session and provided a number of comments on how the United Nations development system should work jointly to overcome inequalities to achieve the Goals, notably the need to:

- (a) Bridge the gap between countries so that no single country was left behind, especially the least developed countries;
- (b) Pursue partnerships and multidimensional approaches built on disaggregated data and information to target the most marginalized;
- (c) Expand programmes that dealt with destruction of the informal sector, on which many marginalized people depended for the livelihoods;
- (d) Explore public-private partnership to address gender inequality and break down gender-blind structures in the areas of sexual and reproductive health and family planning;
- (e) Use data disaggregation to expose the crisis of asset ownership (whereby a small number of people own most of the world's assets) and establish a more equitable economic system;
- (f) Ensure gender-responsive financing, budgeting and economic policy, and revamp social structures to tackle the issue of women's unpaid work;
- (g) Pursue comprehensive sexuality education to include men and adolescent boys as part of the solution to gender inequality and sexual exploitation and abuse;
- (h) Focus on youth, and early childhood development, especially in Africa, through disaggregated data, technology and personal narratives to reach the most marginalized;
- (i) Recognize that the consumption patterns of industrialized countries were unsustainable and could not serve as the model for sustainable development.

71. In conclusion, the Deputy Executive Director of WFP noted that the examples given during the session clearly illustrated that the United Nations had its greatest impact when the organizations worked together.

72. The President of the Executive Board of UN-Women thanked delegations and the six United Nations organizations for their participation in the joint meeting of the Boards. Summarizing the main points, she highlighted the need to: (a) address the multidimensional nature of inequalities, which intersected within and between countries; (b) pursue multidimensional solutions to address intersecting inequalities; (c) take a people-centred approach; (d) address root causes of poverty and inequality; (e) engage in strategic partnerships with different stakeholders; (f) ensure accountability among all stakeholders and inclusivity; and (g) pursue greater resource mobilization. She underlined that in the 2030 Agenda Member States had committed to addressing inequalities, which required a coordinated United Nations development system in the field to break down gender-blind structures and policies. United Nations reform would be meaningful only if it made a difference in people's lives, especially the poor and most marginalized.

