

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

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Midterm review of the Strategic Plan, 2022-2025, including the annual report of the Administrator for 2023

Summary

The Strategic Plan, 2022-2025 set the direction for a "Future Smart UNDP" to expand people's choices for a fairer, sustainable future and help get the world back on track to the Sustainable Development Goals. This midterm review takes stock of progress, investments in modernizing operations and oversight, and challenges. It suggests how UNDP can build on achievements, deliver even more effectively in the next two years and beyond, and continue to learn and improve performance.

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Annexes (available on the Executive Board website)

1. Integrated results and resources framework, including midterm adjustments and report card

- 2. Methodological note on performance factor analysis
- 3. QCPR implementation report
- 4. Annual report of the United Nations Office for South-South Cooperation





A changing development landscape

1. The Strategic Plan, 2022-2025 was designed during the coronavirus disease (COVID-19) pandemic and worsening turbulence from debt burdens, increasing inequalities, persistent poverty and long-standing conflicts. A 2020 scan of the development horizon revealed that various trends were deeply entwined, adding up to systemic challenges demanding systemic solutions.

2. Four years on, at the midterm of the Strategic Plan period, these themes remain relevant or are even more pressing. There are more conflicts now than at any time since the Second World War, with appalling violations of basic human rights and losses in human development. The triple planetary crises of climate change, biodiversity loss and pollution are depleting the world's natural resources. Developing country debt burdens continue to increase, squeezing budgets for health and education, even as gaps in financing the Sustainable Development Goals remain acute. Social cohesion and trust in institutions are weakening; civic space is shrinking.

3. The scale and pace of green and digital transitions are changing. Investments in renewable energy surpass those in fossil fuels. Digital public infrastructure is powering change and delivering development to those furthest behind, while startling progress in artificial intelligence (AI) gives a glimpse of opportunities ahead. But global temperatures continue to creep upward, and a third of the world remains offline.

4. Everything UNDP does is relevant to navigating the complexity of these issues. In this volatile, uncertain environment, the Strategic Plan's three directions of change remain the essence of the organization's mission: to transform societies, leave no one behind and build resilience. Inherent in the development promise is the imperative to move forward, despite the difficulties, because human lives and the Earth's future depend on it. With its partners, country presence and global reach, operating at the core of the United Nations development system in line with the highest standards of accountability, UNDP is increasingly fit for purpose, sustaining and deepening its relevance as leaders prepare for the Summit of the Future.

5. The journey is far from complete. Acknowledging that vast work remains, UNDP is learning and rising to meet emerging challenges, with a continued focus on transformative changes that leave no one behind. This midterm review assesses the first two years of the Strategic Plan period. It looks ahead to the next two years and what is needed to restore and accelerate progress towards the Sustainable Development Goals.

I. UNDP performance: key findings and observations

6. The midterm review finds that UNDP is consistently delivering across its objectives, the three directions of change and the Sustainable Development Goals. Integrated programmes responding to the complexities of development and crisis are having systemic impacts, driving new approaches to poverty reduction, governance and gender equality, among others. The three enablers of the Strategic Plan – finance, digital and innovation – are galvanizing fresh solutions to accelerate results. Through institutional investments, including the modernization of operations and oversight systems, UNDP is a higher-performing, more risk-responsive organization that builds on what it learns. Yet continued declines in regular (core) and other (flexible) resources could impose opportunity costs, with lasting impacts on human lives.

At the midpoint of the 2022-2025 Strategic Plan, UNDP is on track to meet its objectives.

7. In 2022 and 2023, for its six signature solutions, UNDP achieved almost all performance milestones. It saw notable progress on inclusive economies for women, after an initial lag. Two Strategic Plan outputs showed mixed progress. Social protection programmes performed well on inclusion, e.g., reaching women and people with disabilities, but less well on accessibility and comprehensive services. Lower performance in supporting health systems stemmed from a significant funding shift at the end of 2022.

8. Analysis of country-level integrated results and resources framework data in 2022 and 2023 showed higher achievement from cross-linking between country programmes and signature solutions, and from using innovation as a development enabler. Higher country-level spending on gender mainstreaming led to higher overall achievement.

Integrated action on multidimensional poverty is transformative in leaving no one behind.

9. By integrating actions across the drivers of poverty, from limited income to poor health, UNDP is steadily moving towards its moonshot of 100 million people leaving multidimensional poverty by 2025. Since the Strategic Plan began, through UNDP programmes, nearly 72 million people have gained access to essential services, and 39 million acquired access to financial services and non-financial assets.

10. Integrated programming has helped UNDP exceed milestones in two areas important to risk-informed development: capacities to foster social cohesion and prevent conflict; and enhanced resilience in health, food and water systems. In Bangladesh, a strategic approach to multiple determinants of urban resilience tailored responses to the poor, improving the lives of 3.8 million low-income urban dwellers in 19 cities.

11. UNDP surpassed multiple targets in serving marginalized groups, such as increasing access to financial services for women and persons with disabilities, displaced people and ethnic minorities. For the 28 million women reached with financial services in 2023, twice as many as in 2021, benefits potentially included a greater role in household decision-making and less susceptibility to hunger and poverty.

12. To better understand divergences and microtrends across countries and adjust policy responses, UNDP has scaled up innovations such as its *SDG Insight* reports. Developed with 95 countries, the reports point towards linking and acting on multiple Goals, a systemic approach informed by the multidimensional analysis at the heart of the Human Development Reports.

A full-spectrum, risk-informed approach to governance has become an entry point to deepen inclusion and justice.

13. UNDP work on governance in more challenging operating contexts is delivering results due to long-standing relationships and experience, comprehensive programming and a scaledup emphasis on responding to risk. Performance exceeded nearly all targets, especially anticorruption, systems to expand civic space, and public administration supporting responsive services and peaceful communities.

14. Bolstering public sector capabilities has been one entry point for better management of risks and greater inclusion. In Peru, UNDP helped revitalize territorial development and productive sectors in the Amazon. This strengthened trust between governments and local people through joint decision-making balancing economic growth, social welfare and environmental protection. Globally, UNDP is partnering with the Department of Economic and Social Affairs to co-lead FutureGov. Aimed at a next generation of public sector practices, it is among 12 high-impact United Nations initiatives to achieve the Sustainable Development Goals.

15. In 2023, UNDP supported 61 countries to fulfil internationally agreed human rights obligations, reflecting a drive towards making guardrails for economic, social, civil and political rights a basis for achieving the Goals.

The UNDP gender equality strategy has boosted performance in addressing structural barriers to women in the economy.

16. UNDP is on track in delivering its gender equality strategy 2022-2025, including building capacities to dismantle structural barriers impeding progress for women. Equanomics, a flagship initiative, deploys public policy tools, such as fiscal and tax reforms, to make economies more gender-equitable. It has positioned 60 UNDP economists to work with national

partners. Over 20 countries are defining reforms to tackle in-built gender-biases in policies and reduce some root causes of the gender poverty gap. In early 2024, UNDP hosted the first global dialogue on fiscal policies and tax for gender equality, attracting ministries of finance and tax bodies from over 40 countries.

17. UNDP has expanded support for financing gender equality, partnering with 85 countries to draft integrated national financing frameworks; more than half made gender equality a priority. This contributes to a UNDP target to back the alignment of \$100 billion in public finance with gender equality objectives by 2025.

UNDP is making headway in coupling crisis and development responses and is deepening collaboration with humanitarian partners.

18. Since 2022, the UNDP Crisis Offer has helped demonstrate that development action is integral to prevent, respond and recover from crises. UNDP links immediate entry points to improve well-being, such as jobs and livelihoods for 9.6 million people in 2023, with measures to reduce risks and build the basis for resilience and recovery, such as more effective local and national institutions.

19. UNDP has brought a development perspective on crisis to a full-spectrum response effort in Ukraine connecting recovery, reconstruction and the preservation of development gains. It has sustained energy supplies, aided debris removal and established e-services for over 21 million people. A growing partnership with the Office of the United Nations High Commissioner for Refugees (UNHCR) helped create jobs for 500,000 Syrian refugees and host community members. In tandem, through a six-year investment of \$1.6 billion, the Regional Refugee Resilience Plan, which convenes 270 partners, has strengthened national entities to manage ongoing crisis and instability. Almost 40,000 civil servants in Egypt, Iraq, Jordan, Lebanon and Türkiye have gained capacities to effectively respond to the needs of refugees and host communities.

20. With a record number of people on the move, UNDP has helped scale up responses by integrating refugees into national development plans, under the leadership of the Development Coordination Office (DCO), the Office for the Coordination of Humanitarian Affairs (OCHA) and UNHCR. It recently joined the International Organization for Migration, UNHCR and the United Nations Children's Fund (UNICEF) to roll out the Secretary-General's Action Agenda on Internal Displacement. In the Sahel, the landmark Bamako Declaration on Climate Security marked a significant step towards a unified, scaled-up development response to escalating climate pressures that push people from their homes and threaten peace and stability. UNDP has brought new attention to these issues globally through the Climate Security Mechanism, a partnership with the Department of Political and Peacebuilding Affairs (DPPA), the Department of Peace Operations and the United Nations Environment Programme (UNEP) to address climate and peace links in four regions.

21. The meaningful participation of women and marginalized groups in resilience-building is crucial – and challenging. UNDP works directly and deliberately with the people most left behind in crisis contexts, including to advance women's roles in crisis response and service delivery in Afghanistan, Iraq, Libya, Somalia and the Syrian Arab Republic. It has maintained a concerted focus on more systemic means of redress, such as stronger legal frameworks to prosecute perpetrators of conflict-related sexual violence.

The Sustainable Finance Hub has propelled innovation and shaped new markets.

22. UNDP work on sustainable development finance has grown to include taxation, budgeting, debt, insurance and private finance. It has helped align approximately \$200 billion behind the Sustainable Development Goals, a step towards the 2025 moonshot of \$1 trillion.

23. Efforts to shape new markets for blue, green and Goal-linked bonds have yielded nearly \$15 billion in new finance for Cabo Verde, Fiji, Gabon, Jordan, Indonesia, Mexico, Nepal, Nigeria, Rwanda, Uruguay, Uzbekistan and others. UNDP has brought in leading private-sector

expertise to build capacities to issue bonds and analyse options, including through partnerships with Citibank, S&P Global and Sustainalytics. It is assessing debt instruments based on risk and sustainability considerations.

24. Recognized for its growing role in sustainable development finance, UNDP was chosen to host the secretariat of the Group of 20 Sustainable Finance Working Group and to serve as an implementing partner in the European Union Sustainable Finance Advisory Hub, positioning the organization to link global and local financing trends and priorities.

25. An emerging area of work helps national development banks expand capacities to de-risk project pipelines. In India, the National Bank for Agriculture and Rural Development recently adopted a UNDP Accelerator Lab innovation called DiCRA (Data in Climate-Resilient Agriculture), which provides data to inform bank decision-making, including for a \$150 million climate fund to reach vulnerable people. In China, UNDP worked with the National Development and Reform Commission and the China Development Bank in five provinces to introduce innovations in finance for the Goals and low-carbon transition.

Growing partnerships with the private sector show promise.

26. In 2023, UNDP met or exceeded targets to partner with businesses in diverse areas, including women's participation in decision-making, the response to gender-based violence, human mobility and digital technologies to improve people's lives.

27. New avenues for collaboration are opening through market intelligence and value chain development. In 2023, UNDP began scaling up investment-ready project pipelines and derisking tools as the basis for new partnerships with leading private-sector firms, including Deloitte, the Asian Infrastructure Investment Bank, Price Waterhouse Coopers (PwC) and Producer's Trust. Increasingly, UNDP leverages multilateral grants through the Global Environment Facility (GEF), Green Climate Fund and the Joint SDG Fund as a component of de-risking, including for zero waste and circular economy initiatives in 17 countries.

28. The UNDP networked approach to partnerships links diverse people and public and private institutions to maximize impact and manage risks. Through the Insurance and Risk Finance Facility, UNDP works with the Insurance Development Forum and 17 of the world's largest insurance companies. Supported by financing from the Government of Germany, the partnership leverages up to \$5 billion in risk capacity in 22 countries. In 2023, with UNDP leadership, the facility secured critical insurance coverage to salvage the FSO Safer oil tanker, averting a \$20 billion environmental catastrophe in the Red Sea.

29. UNDP recognizes the need for even more systematic and strategic engagement with the private sector, including through improved relationship management and due diligence.

UNDP digital work is expanding to meet surging demand.

30. In the last year, the UNDP commitment to rapid digitalization for inclusive development has gone to scale. It doubled the planned share of project outputs applying digital solutions, to nearly 40 per cent. It exceeded targets for institutions leveraging digital technologies to improve people's lives. In focusing on closing digital divides, UNDP significantly surpassed milestones for access to digital tools among women, youth, people in urban and rural areas and informal sector workers.

31. UNDP plays a leading role in global digital development. UNDP and the International Telecommunication Union co-lead the Secretary-General's High-Impact Initiative on Digital Public Infrastructure, and have mobilized Governments, philanthropies and multilateral organizations behind a pledge to build digital public infrastructure in 100 countries by 2030. The initiative has attracted \$400 million in commitments.

32. As the official knowledge partner on digital public infrastructure during the Indian Government's presidency of the Group of 20, UNDP aided in reaching a ground-breaking consensus to make digital systems secure, interoperable and available to all. The process

included developing practical resources, the first of their kind, for countries to develop inclusive, rights-based digital public infrastructure. UNDP has supported 25 countries in building digital public goods and infrastructure, such as a digital identity system in Mauritania. In Brazil, the digital Codex platform has reduced trial times and increased access to justice by putting 158 data sources and 144 million court cases at the fingertips of judicial officials.

33. Expanded work on digitalization is grounded in sustained investment in organization-wide capacities, including through the Digital Fitness Programme. Continuous recalibration and realignment will be necessary to keep abreast of rapid changes in technology and meet accelerating demand for support.

Innovation is changing how UNDP works, collaborates and delivers results.

34. Innovation as a strategic enabler has facilitated an organizational shift where UNDP is discovering new partnerships, new ways of solving problems and a new cycle of learning. It is responding to demand for "development R&D" and the testing of ideas to inform policy choices.

35. Operating in 115 countries, the Accelerator Labs are an open global research and development resource for the Sustainable Development Goals, sourcing over 6,000 development solutions and sparking some 1,500 partnerships to learn what works and does not in sustainable development. The Labs take grass-roots experiments to scale. For example, the Africa Borderlands Centre and women, youth and cross-border traders used research and development to digitalize a traditional savings scheme in South Sudan. Collaboration with M-GURUSH launched the service at scale; reaching 1.6 million people.

36. Over 50 UNDP country offices are applying portfolio approaches to demonstrate systemic impacts while reducing transaction costs. In Ghana and Nigeria, the MasterCard Foundation invested nearly \$26 million in a portfolio approach to diversifying economic opportunities among women, rural and less-educated entrepreneurs. Portfolio approaches better integrate corporate assets and can trigger partners to reflect on more dynamic ways of working. Success with the portfolios will require long-term commitment, particularly on complex issues such as climate change and building social cohesion.

South-South and triangular cooperation continues to grow as a programme modality.

37. Almost 16 per cent of project outputs included South-South and triangular cooperation in 2023, up from 12.7 per cent in 2021, falling just shy of planned milestones. UNDP will continue scaling up efforts through new mechanisms to leverage data and knowledge resources. Examples include the Digital Health for Development Hub, a one-stop South-South shop for solutions to strengthen health systems based on successful vaccination programmes in India and Indonesia. In Kazakhstan, the Astana Civil Service Hub provides research, training and peer engagement for countries in Central Asia notably in digital transformation. The Data Futures Exchange, an open-source, central hub for data innovation for development impact, has attracted more than 55,000 people, predominantly from the Global South.

38. The United Nations Office for South-South Cooperation is working with 40 United Nations entities on guidelines to mainstream cooperation across their programmes and has supported more systematic integration of South-South and triangular cooperation in voluntary national reviews.

Investing in people and management skills is translating into measurably improved performance.

39. The UNDP ability to rise to today's development challenges depends on its workforce. The People for 2030 strategy has spearheaded innovations in personnel management and workforce transformation, affirmed by the new "UNDP Listens" staff engagement survey in 2023. It revealed greater engagement in offices led by participants in the Leaders for 2030 programme.

Offices with high staff engagement reported lower turnover and were twice as likely to achieve satisfactory audits.

40. UNDP has made further progress in systematically embedding gender, diversity, equity and inclusion in strategies, programming approaches, resource mobilization and partnerships. Based on performance indicators, work on racism and discrimination has gained momentum from a nascent stage in 2021 to meeting milestones in 2022 and 2023.

41. A continuous narrowing of the gender gap is almost but not yet complete, and perceptions of workplace equality and empowerment are slightly lower for women than men. Intensified efforts to continue improving the organizational culture will build on successful experiences with gender-transformative staff training to breach discriminatory social norms. UNDP is considering new ways to attract women staff to serve in crisis contexts, which still have greater gender parity gaps.

The continued capacity of UNDP to deliver the development promise, at scale, depends on regular (core) resources.

42. An ongoing decline in flexible and predictable funding represents a real opportunity cost for UNDP, constraining programmatic and institutional activities to scale up investments and maintain institutional stability in a world that is both uncertain and hugely demanding.

43. Contributions to regular resources for 2022 and 2023 fell short of targets by 21 per cent, with \$1.2 billion mobilized against a target of \$1.5 billion. Had the targets been met, UNDP modelling estimated that 14.4 million more people could have accessed services to escape poverty, 5.1 million more could have gained clean energy access and 88 million more could have participated in elections.

44. Regular resources are fundamental to the organization's consistently high levels of accountability and transparency, funding oversight functions such as independent audit and investigations, evaluation, ethics and development effectiveness. Regular resources underpin UNDP advocacy for human rights, civic space and the rule of law, and are crucial for immediate crisis responses, early recovery efforts and prevention. They sustain the UNDP global operating network in over 170 countries and territories, which moreover supports the entire United Nations system through providing shared services.

45. This report demonstrates that UNDP is continuing to invest in integrated development positioned to meet the complexity of current challenges and aligned with the indivisible nature of the Sustainable Development Goals. It champions the Secretary-General's "UN 2.0" organizational transformation through partnerships to advance innovation, foresight, data and digitalization. These solutions by nature cut across issues and institutional silos. Realizing their powerful promise, however, will depend in part on investments drawing on predictable regular and lightly earmarked other resources.

II. Development performance

Integration in action

46. UNDP provides focused support under its six signature solutions and links work across them to accelerate whole-of-society development and manage complex risks.

Signature solution 1: Poverty and inequality

47. UNDP supports new national policy frameworks to tackle multidimensional poverty, such as in the Dominican Republic to reform social protection systems, formulate a decennial health plan, expand early childhood care coverage and develop a national care policy. Cambodian social protection reforms have assisted 3.7 million people, including through digitalization to improve service management and targeting criteria for vulnerable households. In 2023,

Cambodia expanded new forms of coverage to self-employed persons in the informal sector; 80,000 more people gained health insurance.

48. To embed resilience within multidimensional poverty programmes, UNDP improved water systems in areas of Eritrea suffering from drought, reducing reduced water stress and improving health and livelihoods for over 7,000 people. Risk-informed responses to refugee crises in Armenia helped increase resilience and cut rural poverty from 33 to 29 per cent, sustaining livelihoods, income and services for 100,000 people.

49. Because multidimensional poverty is a systemic problem, UNDP aims to act on multiple "pressure points". In Kenya, UNDP helped the Government cut red tape in formalizing smaller enterprises, resulting in the registration of more than 1.1 million firms. A mapping of the innovation ecosystem by the Accelerator Lab prompted a 30 per cent rise in government support to innovators. UNDP supported Mongolia to improve the balance between labour market demand and supply. Profiling tools to improve job-skills matching helped over 20,000 job seekers by the end of 2023, a 55 per cent increase over 2022.

50. The UNDP inclusive development approach, prioritizing those left behind, is evident in continued partnership with the Global Fund to Fight AIDS, Tuberculosis and Malaria. It provided 1.68 million people in 57 countries with antiretroviral treatment for HIV in 2023. Pakistan recently introduced prep pre-exposure prophylaxis and HIV self-testing kits for the first time. More than 40,000 HIV-positive patients obtained antiretroviral care in 78 treatment centres.

Signature solution 2: Governance

51. UNDP assisted 36 elections with 439 million voters in 2022-2023, making progress towards its moonshot of supporting 800 million registered voters to participate in elections by 2025. Work with local, national and regional organizations in 45 countries fostered social cohesion, prevented conflict and curtailed hate speech.

52. An integrated approach makes improved governance an entry point to prevent crisis and stabilize societies. In Nigeria, partnership with the national electoral commission and civil society organizations made the 2023 elections more transparent, added over 9.5 million registered voters and protected against misinformation through the iVerify platform. Integrated programmes also help to deliver more effective, inclusive public services, such as in Kenya, where 14 of the most marginalized counties have enhanced public financial management. They surpassed targets for revenue collection while upgrading service delivery and responding to issues specific to women, youth and people with disabilities.

53. UNDP is developing new approaches to complex justice and rule-of-law challenges, exploring innovations through the Justice Futures CoLab. In 2023, the Global Programme on Rule of Law and Human Rights provided catalytic funding to enhance the rule of law, justice, security and human rights across over 50 countries. Under its first global strategy for environmental justice, UNDP has pledged to support Member States to operationalize the right to a clean, healthy and sustainable environment in 100 countries by 2030.

54. Scaled-up support for rights-based digital transformation has reached over 60 countries, helping to develop inclusive digital public infrastructure and ecosystems to accelerate progress towards the Sustainable Development Goals. This is in line with an evaluation highlighting the need to ensure that digital transformation features in all governance programming, particularly support to local governments. UNDP has supported Vanuatu with a digital registry that gives citizens tools to access services while generating data to improve public policy and service delivery decisions. A digital social innovation platform in Indonesia uses AI to bring voices from every corner of society into development planning. It is slated for a nationwide scale-up to 75,000 villages that collectively manage \$5 billion in national development finance each year.

Signature solution 3: Resilience

55. UNDP has maintained life-saving support for the most vulnerable people in crisis or postcrisis settings while keeping open pathways to development, providing combined interventions fostering socioeconomic inclusion and social cohesion for almost 6 million people affected by crisis in 2023. Experiences over the last two years show the positive impacts that acting across the humanitarian-development-peace nexus can have on vulnerable populations. In the Lake Chad region, the UNDP Stabilization Facility has allowed 435,000 displaced persons to return home. Livelihood prospects have improved for 400,000 people in Niger, while Chad enhanced security services for nearly 80,000 people.

56. Area-based approaches combine responses to multiple development deficits and empower communities to anticipate and recover from shocks. In Myanmar since 2022, within the overall United Nations response, UNDP support has reached 2 million people in local communities through livelihoods, access to clean water, legal assistance and business support. Assistance helped the Women in Action Network in the Syrian Arab Republic break local geographical barriers by initiating peace dialogues across seven communities and strengthened local municipal support for women's leadership and priorities in the 2023 earthquake response.

57. Emerging innovations include sustainable finance offers for crisis countries; 50 of 89 fragile and conflict-affected countries are now operationalizing integrated national financing frameworks to channel finance where it is needed most. In Ethiopia, a development finance assessment is exploring how to align all sources of finance to fund priorities across the humanitarian-development-peace nexus.

58. The UNDP-supported Zimbabwe Resilience Building Fund has developed institutional and community capacities to protect development progress and manage local conflicts, yielding notable gains in food security and income generation while demonstrating that \$1 invested in resilience saves \$7 in humanitarian response. Djibouti applied a Global Fund grant to shock-proof its health system, improving data and supply chain management and achieving high treatment rates for malaria and tuberculosis.

59. Proactive approaches to anticipating risk include effective early warning systems in the Sahel that engage communities to target "climate security hotspots"; their perspectives inform development, humanitarian and peacebuilding actors. Georgia is using gender-sensitive indicators to identify people and communities most vulnerable to natural hazards.

Signature solution 4: Environment

60. Through UNDP, the multi-partner Climate Promise has raised the ambition of climate goals and the urgency of action, With UNDP support, Ghana has become a forerunner in the voluntary carbon market; similar efforts are under way in Kenya, Namibia and Rwanda. Ghana has unlocked \$850 million in investments through 2030, and expects to create 7,000 green jobs, reduce 6 million tons of carbon emissions, and increase access to clean cooking, renewable energy and electric mobility.

61. With its partners, UNDP is pioneering integrated development frameworks to bolster climate resilience across societies. They link elements from financial inclusion to clean energy to livelihoods for women and youth with combined resources from the vertical funds, bilateral donors and the private sector. Comoros has begun rolling out new strategies to protect its infrastructure, safeguard water supplies and climate-proof agriculture. In Jordan, new circular economy business models for waste management have opened opportunities for women in sectors where they do not traditionally work, generating income and nudging shifts in gender norms.

62. A focus on linking people and planet has helped UNDP to navigate complex, sensitive points of transition. With UNDP backing, Iraq made a bold pledge to phase out gas flaring and direct multibillion dollar investments to renewable energy and sustainable urbanization. In Sri Lanka, nearly 740,000 farmers have adopted climate-resilient agricultural techniques,

increasing their income by 75 per cent. Ecuador has preserved almost 800,000 acres of rainforest and made climate-smart livestock farming a model for sustainability in the Amazon.

63. The new UNDP Nature Pledge builds on the success of the Climate Promise and the organization's environment portfolio, aiming to support over 140 countries to achieve biodiversity and Sustainable Development Goal commitments. Collaboration with UNEP is helping countries to update national biodiversity strategies, and in 2024, UNDP began doubling its support to national biodiversity finance strategies, from 41 to 91 countries.

64. The Strategic Plan has galvanized innovations in finance for nature. Fiji issued its first blue bond in 2023 for \$10 million to accelerate nature-based solutions for coastal protection, waste management and aquaculture. The Indonesian sovereign green Islamic bond and Sustainable Development Goal and blue bonds have raised nearly \$7 billion since 2018. In Rwanda, UNDP helped lay the groundwork for a sustainably linked bond worth \$24.8 million as well as \$139 million in disbursements from the International Monetary Fund Resilience and Sustainability Trust. Uruguay gained the first World Bank-approved loan, worth \$350 million, that links reduced interest payments to environmental performance.

Signature solution 5: Energy

65. UNDP introduced its Sustainable Energy Hub in 2023 to propel closer integration of energy and sustainable development, towards a moonshot of access to clean energy for 500 million people as part of the UN-Energy pledge.

66. In line with evaluation findings, the hub encourages the replication of best practices and contextual solutions, such as distributed renewable energy solutions that have proven effective in reaching those left behind. Solar power systems improved supplies to over 525,000 households in remote and disadvantaged areas of the Philippines in 2023, for example. In Afghanistan, local solar energy installations sustain health and education facilities, businesses and other institutions for over 1 million people. In Nepal, mini-hydropower plants have provided power to more than 125,000 people in remote districts, enhancing employment and income. Digital systems to operate the plants have boosted revenue collection and improved accountability.

67. An emphasis on systems change coupled with innovation and new business models helps manage risks in the energy transition. In Uganda, the Accelerator Labs responded to concerns about rapid deforestation by using collective intelligence and devising a digital management system. In tandem, an experimental energy audit probing dependence on wood for fuel led national regulators to lower electricity tariffs to incentivize a shift to cleaner power. The Republic of Moldova has cut energy poverty by 43 per cent through a digital system that detects vulnerability and guides assistance for those struggling to pay their bills

68. Finance remains one of the most significant challenges to extending clean, affordable energy. To begin addressing this concern, UNDP has devised the Energy Pipeline Accelerator, which develops projects based on a framework to de-risk investments.

Signature solution 6: Gender equality

69. UNDP continues to support Governments in reducing structural barriers to gender equality, including within their own institutions: 91 entities in 30 countries have applied the Gender Seal for public institutions over the last two years. To begin rethinking the care economy, UNDP has applied innovation and digital expertise, such as through a georeferencing tool to map care deficits in Colombia, Dominican Republic, Peru and Uruguay. A recent evaluation encouraged scaled-up support for social care and the informal sector, since social protection systems remain largely gender-blind.

70. Women are breaking barriers in political spheres through UNDP support, including in the Democratic Republic of the Congo, which is working towards gender parity at the top levels of the government. In the Arab States region, where women's low level of political participation

in parliaments has barely budged, UNDP helped launch the regional Arab Leadership Academy for Women and the #HerParticipationOurFuture regional campaign. Eight countries have committed to national leadership academies in 2024 and six to implementing advocacy campaigns.

71. Over 700 UNDP partnerships with civil society and women's organizations in 2022-2023 supported women's leadership in 50 countries. In Albania, municipalities and civil society organizations designed an integrated model of care services that improved the response to gender-based violence.

72. UNDP has met its goal of supporting 100 countries to integrate gender equality considerations in national climate plans. Fifty-three countries have implemented risk-informed and gender-responsive recovery solutions. In Mozambique, livelihood and economic recovery activities improved market facilities and income for women, and in the process, contributed to preventing gender-based violence.

73. UNDP is developing new areas of gender mainstreaming, such as national energy plans. Ethiopia has adopted a new national policy to integrate gender equality into energy frameworks, including through an enhanced role for women in energy-related decision-making. UNDP with UNEP supported the International Conference on Chemicals Management to endorse a new multi-stakeholder Gender and Chemicals Partnership to promote gender-specific data collection and knowledge-sharing.

Partnerships

74. By deepening collaboration with public and private partners, UNDP is strengthening the impact and reach of integrated development solutions.

75. UNDP strengthened ties with vertical funds through a dedicated Vertical Fund Hub. The GEF Council acknowledged UNDP adherence to standards by lifting special measures, and allocated over \$500 million for UNDP-led initiatives in 2023. UNDP expanded its relationship with the Green Climate Fund, was reaccredited to the Adaptation Fund, and adapted its health sector role by expanding digital health efforts with the World Health Organization, the Global Fund and Gavi, the Vaccine Alliance.

76. In 2023, UNDP implemented \$357 million in financing from 13 international financial institutions across 41 countries, an 18 per cent increase over 2022, with 67 per cent going to fragile and conflict-affected regions. UNDP collaborated with the European Investment Bank on a Green and Resilience Debt Platform expected to raise \$2 billion to \$3 billion and unlock over \$20 billion in private sector investments. Private-sector partnerships included a collaboration with GitHub to create the Digital Development Compass, while SDG Investor Maps identified investment opportunities for alignment with the Goals across 40 countries.

77. Civil society collaborations were critical, with UNDP working with 75 regional partners in Africa to address shrinking civil society space and issues facing women's human rights defenders. UNDP became the secretariat for the Justice Action Coalition with Pathfinders, promoting people-centred justice alongside 18 Member States and 11 civil society organizations.

78. Sister agencies reinforced results across the United Nations system. The United Nations Capital Development Fund (UNCDF) delivered over \$100 million for the third consecutive year while building new partnerships and receiving \$26 million from pooled funds and other entities. The United Nations Office for South-South Cooperation oversaw 70 projects and added 300 solutions to its South-South Galaxy platform for a total of 950. The United Nations Volunteers programme deployed a record nearly 13,000 volunteers to 56 United Nations entities.

79. Exceeding joint programme milestones, UNDP collaborated with the Office of the High Commissioner for Human Rights (OHCHR) and the International Labour Organization on human rights and social protection; worked d with nine entities under the United Nations

Partnership on the Rights of Persons with Disabilities in supporting inclusion in 30 countries; and collaborated with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) in 19 countries through the Gender Justice Platform. UNDP and the United Nations Human Settlements Programme linked reconstruction, resilience and urban planning initiatives, primarily in the Arab States, while UNDP and DPPA deployed 133 advisers for conflict prevention to over 70 countries.

80. Focusing on digital, data and finance for the Sustainable Development Goals, UNDP partnered with United Nations Population Fund (UNFPA) and UNICEF in Eritrea on statistical systems for socioeconomic indicators, established a digital system tracking gender-based violence with UNFPA in the Gambia, and saw its innovative climate risk and financing approach with UNCDF recognized at the 2023 global climate talks in Bangladesh.

Managing risks

81. The high-risk environments where UNDP operates have grown more complex. The Strategic Plan set out to manage risks proactively, with strengthened frameworks for robust prevention, detection and mitigation, complemented with new programming vehicles such as the portfolio policy to rapidly identify risks and options to address them.

82. To manage financial risks associated with Strategic Plan implementation and navigate a challenging funding landscape, UNDP is fully executing its resource mobilization strategy. By capitalizing on government financing and strengthening strategic partnerships, UNDP aims to stabilize regular resources funding, enhance relationships and explore new funding avenues.

83. Recognizing the continued importance of quality funding, the resource mobilization strategy emphasizes visibility for providers of flexible funding and its impacts Diversifying funding sources by engaging new donors and exploring innovative financing mechanisms, including private-sector partnerships and philanthropic sources, is crucial.

84. UNDP has updated its Enterprise Risk Management Policy, introduced a risk appetite statement, revised risk categories, established the chief risk officer role and reinforced the risk committee. This overhaul includes updated project-level risk assessment guidance, training and dashboards for tracking and managing risks. In 2023, the policy was strengthened, clarifying roles and responsibilities across UNDP. A risk management module was launched in new digital platforms (Quantum and Quantum+), aiding risk escalation and management at all levels. Ongoing efforts include developing a high-risk project definition for better results management. A zero-tolerance policy for fraud and corruption is regularly communicated to and enforced among personnel and vendors, implementing partners and responsible parties.

85. In 2023, as crises intensified, UNDP provided crisis risk dashboards to 50 United Nations country teams. These facilitated situational analysis and early warning systems and informed risk-aware programming. They helped establish a unified regional risk monitoring framework in Asia and the Pacific, in collaboration with DPPA, DCO and OHCHR. Within the United Nations system, UNDP has pioneered AI-driven predictive analytics for crisis and risk anticipation, particularly through the INFORM warning project, in partnership with OCHA, Inter-Agency Standing Committee members and the European Union.

86. UNDP continues to anticipate "high consequence" reputational and financial sustainability risks that have potential to impede implementation of the Strategic Plan. They include, for example, high-profile cases of sexual exploitation or abuse, significant harm to the environment or to vulnerable people's rights or the failure of a large programme. UNDP proactively responds through policies and procedures to identify and prevent these risks. Any sign of them triggers strong monitoring and oversight, led by senior management, to address the issue, minimize harm, ensure learning from mistakes and take corrective measures. Its Social and Environmental Safeguards offer a good example of how UNDP treats significant risks to people and the environment.

87. Work in complex environments has gained attention due to increased media visibility. To mitigate reputational risks, UNDP has initiated proactive media engagement, transparency enhancement, partner impact information and specialized training on reputational risk communication.

III. Institutional performance

88. At the midpoint of the Strategic Plan, institutional performance is strong: 15 out of 21 outputs exceeded 90 per cent of their milestones, four met 60 to 90 per cent, and one slipped below 60 per cent. UNDP balanced its budget for the seventh consecutive year and earned its eighteenth consecutive unqualified audit opinion.

Programme effectiveness and inclusiveness

89. UNDP has improved the tracking and targeting of assistance to those who need it most. Leaving no one behind is now a priority in quality assessments of country programme documents. Ongoing efforts to strengthen gender mainstreaming in performance management include incorporating gender as a key performance indicator for the Sustainable Energy Hub. In 2023, the share of UNDP offices exceeding standards set in the United Nations disability standards accountability framework increased by 50 per cent.

90. UNDP continues to improve project tagging and tracking to enhance programme quality assurance, including recently with a new dashboard of governance work expenditures and outcomes. This also responds to a recommendation by the Board of Auditors on Sustainable Development Goal 16. Better project pipeline management has come through the rapid roll-out of the UNITY platform, offering new insights on opportunities to broker partnerships and diversify funding.

91. Amid a global move away from linear, siloed interventions, UNDP has defined a new portfolios engagement modality and a corresponding human resources competency framework. A monitoring and evaluation "<u>Sandbox</u>" developed with the Bill & Melinda Gates Foundation involves over 250 organizations in defining new ways to measure systemic change. UNDP is working with the European Union to develop a pipeline of large-scale portfolio initiatives for investment by the European Bank for Reconstruction and Development. In 2023, UNDP adopted a new portfolio policy grounded in country experiences.

Greater efficiency and returns from strategic investments

92. UNDP has become more cost-efficient, delivering nearly 92 cents of every United States dollar on development programming and services, up from 88 cents before 2018.

93. Quantum, the new enterprise resource planning system launched in 2023 with seven other United Nations entities, will improve efficiency, results and resources planning, monitoring and impact measurement. The system has automated nearly 3,000 business processes, promoted digital working, bolstered controls and improved data quality. In its first year, 1.12 million payments (\$4 billion) were processed with a 99 per cent success rate.

94. UNDP is consistently ranked among the top four procurers in the United Nations and purchases the most diverse range of commodities in 3,000 categories. In 2023, it delivered around \$3.5 billion worth of goods, services and works that supported critical programmes, including in health, democratic governance and crisis response. A procurement platform rolled out in 2023 has led to efficiency gains, with other United Nations organizations seeking to adopt it.

95. Following audit recommendations on cost recovery, UNDP introduced an Agency Service Portal for services rendered to non-Quantum organizations, with a focus on countries with high transaction volumes. Measures aimed at full recovery and prevention of losses include a vendor database to improve risk management. Green energy and energy efficiency projects funded via the UNDP Greening Moonshot Facility are expected to result in a 13.3 per cent reduction in the organization's electricity carbon footprint, contributing to a corporate climate commitment to reduce the UNDP carbon footprint by 50 per cent by 2030 and achieving overall energy cost savings of more than \$17 million.

96. Investments in organizational capacities to keep UNDP agile and responsive have delivered significant returns. The Crisis Academy has trained nearly 1,600 staff in crisis prevention and response; they have become a vital resource in efforts to bridge the humanitarian, development and peace nexus. UNDP in 2023 exceeded its target for country offices benefiting from SURGE plans and the SURGE Delivery Lab. The Nexus Academy, with 600 participants by the end of 2023, reinforces this learning across multiple stakeholders in crisis contexts.

97. With a seed investment of \$10.3 million in 2022-2023, the Sustainable Finance Hub raised almost \$30 million for work that leveraged nearly \$15 billion in public and private investment in the Sustainable Development Goals. In 2023, the UNDP SDG Finance Academy enhanced skills among nearly 1,100 UNDP staff, 34 government bodies and private and civil society partners. The new Sustainable Energy Academy will similarly offer tailored capacity-building aimed at a global community equipped to fully integrate energy and development.

Oversight and accountability

98. UNDP has consistently exceeded targets to close recommendations by the Board of Auditors, at 94 per cent in 2022 and 90 per cent in 2023. The majority of recommendations from independent country programme evaluations have been implemented, while the number of decentralized evaluations classified as "satisfactory" has doubled over four years. As a learning organization, UNDP regularly examines evaluation results to improve impacts.

99. In 2023, the independent Ethics Office implemented its first Ethics Awareness and Communication Strategy. Participation rates in non-mandatory ethics sessions rose approximately 75 per cent over an existing high in 2022. Requests for confidential advice and guidance climbed by 25 per cent in 2023, another record.

A continued commitment to United Nations reform

100. In the United Nations development system, UNDP remains the highest cost-sharing contributor to the resident coordinator system, doubling its contribution since 2019 to \$10.6 million in 2023. It adheres to the management accountability framework and reporting approach and will apply the reform checklist in reporting to the Executive Board. UNDP proactively monitors implementation of reform through yearly surveys of resident representatives and other comprehensive assessments.

101. Efforts to align country programme documents with United Nations sustainable development cooperation frameworks have advanced, with 35 new country programme documents aligned in 2022. UNDP delivered \$24.4 million in efficiency gains in 2022 for reinvestment in effective programming. In 2023, it collected \$8.4 million from the 1 per cent coordination levy, contributing a total of \$19 million to the Special Purpose Trust Fund.

102. Inter-agency pooled funds remain the preferred United Nations modality to support joint action on implementation of the Goals in line with coherence and effectiveness priorities. The Multi-Partner Trust Fund Office disbursed over \$1.05 billion to 47 participating United Nations organizations in 2023, with a growing emphasis on climate, development and transition funds.

It continued to back UNDP thought leadership and quality standards for pooled funding instruments through support to the United Nations Sustainable Development Group, Fiduciary Management Oversight Group and DCO on data and policy matters, and through the new Gateway platform to enhance the transparency and data visibility of pooled funds.

People and culture

103. In 2023, UNDP launched its first Diversity, Equity and Inclusion Strategy and a new Gender Parity Strategy. The organization exceeded 94 per cent of the indicators in the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women, compared with the 83 per cent average. New initiatives such as the Speak Up anti-racism initiative and the Vault Safe Space application affirm commitment to an inclusive workplace.

104. The expansion of career opportunities for underrepresented groups has continued. The Graduate Programme drew more than 37,000 applications for 32 places in 2023, while the third cohort of the African Young Women Leaders Fellowship Programme attracted over 12,000 applicants for 40 fellowships. Increased social media activity helped boost job applications by 35 per cent between June 2022 and June 2023.

105. UNDP continues to scale up efforts to prevent and address all forms of sexual misconduct, including sexual harassment and sexual exploitation and abuse, and to protect and support victims/survivors in line with its 2023-2024 corporate Strategy and Action Plan. A 2023 annual survey showed a high level of awareness across the organization. All country offices had action plans and focal points; both are critical to drive change and ensure accountability. Nearly 250 staff collaborate in a community of practice to prevent sexual exploitation, abuse and harassment worldwide.

106. Since 2019 and the launch of the preventing sexual exploitation, abuse and harassment task force, UNDP has received 141 reports of sexual misconduct, including 25 in 2023. Twenty-one former personnel are in the ClearCheck database, compared to 15 in 2022. Continuing to build trust in UNDP reporting and response systems is essential to encourage victims/survivors to come forward. Based on annual surveys, UNDP will step up its focus on providing victim/survivor support, increasing perpetrator accountability, working with implementing partners on preventing sexual misconduct, and further building risk and mitigation measures into all projects and programmes.

IV. Lessons learned and way forward

107. Despite progress in integrating signature solutions and enablers, and a boost in performance from closer links between country programmes and signature solutions, UNDP continues to face challenges from institutional and sectoral silos. More experimentation and sustained support of portfolio and other integrated approaches will be needed to leverage systems-level change.

108. While UNDP has achieved significant milestones in serving marginalized groups, it still needs to better understand and address intersecting forms of discrimination that are particularly potent in pushing people behind. A high-level commitment to gender equality, including through adequate resources, is crucial given the complexities of transforming discriminatory norms. This commitment should be further bolstered by the finding that higher country-level spending on projects dedicated to gender equality results in higher overall organizational performance.

109. The increasing emphasis on digitalization has been timely, responding to rapidly growing demand from developing countries. It needs to build on early successes by shaping new offers configured to the specific needs of the least developed and crisis-affected countries, and by

putting a growing focus on digital solutions in poverty and inequality interventions as a whole. Closer links between governance and digital work should scale up assistance to keep digital transformation safe, inclusive and in line with human rights. UNDP leadership of the new United Nations digital community under the UN 2.0 – Quintet of Change is an opportunity to partner with a spectrum of United Nations organizations in advancing digital transformation.

110. Innovation should become a continuous process given that it drives greater results. Recognizing emerging opportunities and risks from complex development transitions, UNDP will leverage the Accelerator Lab network for research and development on the Sustainable Development Goals and as a channel to meet significant potential for growth in South-South cooperation.

111. The UNDP role in developing market confidence and investment de-risking, alongside capacity-building in the public and private sectors, can provide crucial support for the Goals. Strengthening ties with the international financial institutions and focusing on green initiatives, sustainable energy and enterprise development are also key to progress. New models of finance such as green and Sustainable Development Goal bonds can continue to help mobilize private-sector resources but need to be carefully balanced with debt sustainability measures.

112. Building on lessons learned, the Private Sector Development and Partnership Strategy for 2023-2025 will help address operational constraints on partnerships with private firms, including outdated terms of engagement. UNDP intends to further develop monitoring of its private sector due diligence policy, update guidance for staff and continue promoting a risk-responsive organizational culture.

113. Systematic, cross-sectoral integration of ecosystems and biodiversity into funded development plans remains an ongoing challenge. Building on the success of its Climate Promise and the potential of its Nature Pledge, UNDP plans to help countries align nature and climate commitments through national action plans, encourage nature-based climate solutions and foster integrated whole-of-government approaches.

114. Looking forward, regular resource contributions will determine the achievement of the overall Strategic Plan objectives. Lagging contributions are a continuing concern and will impose constraints that will only continue to grow over the next two years. UNDP will perform at the highest possible levels of effectiveness, efficiency and accountability. Yet there is a real risk of missing the ambition of the Strategic Plan and the chance to fully capitalize on progress through integrated responses to crisis and development. With the support of Member States and other partners, UNDP aims to secure approved regular resources for the rest of the period and will strongly encourage other forms of quality finance, such as lightly earmarked resources. All efforts will go towards expediting progress on the Goals and fulfilling the development promise.