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Annual report of the Executive Director

Summary

We are proud to present the second UNOPS annual report on its strategic plan, 2018-2021, and our fourth report aligned to the Global Reporting Initiative ('GRI') standards – the sustainability reporting organization developed in collaboration with the United Nations Environment Programme (UNEP) and the United Nations Global Compact.

In 2019, UNOPS supported the United Nations in addressing critical humanitarian emergencies, vital development initiatives, and peace and security priorities in places such as the Gambia, Indonesia, Mexico, Somalia and Zimbabwe. The year saw steady demand for UNOPS services and, for a fourth consecutive year, we saw an increase in the implementation support provided directly to governments, which reached over 40 per cent of the UNOPS portfolio. Across more than 80 countries, UNOPS-supported projects created about 5 million days of paid work for local people. Women and young people undertook almost 2 million of those days of work. Our infrastructure activities included work on more than 3,500 kilometres of roads, 83 schools, 8 hospitals and 79 health clinics. More than \$560 million worth of procurement spend went to local suppliers, both lessening environmental impacts by reducing emissions and directly supporting local economies.

UNOPS delivery reached \$2.3 billion and, with more than 12,500 people on contract, working directly for UNOPS and our partners, we provided technical expertise and efficiency to the wider global development system. The organization continued to improve the way it operates, and through its strategic plan, 2018-2021, is well placed to support the global response to the coronavirus pandemic and increase its work in support of the 2030 Agenda for Sustainable Development, Member States, and the people they represent.

Elements of a decision

The Executive Board may wish to: (a) recognize the contributions of UNOPS in 2019 to the operational results of governments, the United Nations and other partners through efficient management support services and effective specialized technical expertise, expanding the implementation capacity for sustainable development; (b) welcome the progress made in implementing the UNOPS strategic plan, 2018-2021; (c) take note of the annual report on the recommendations of the Joint Inspection Unit and the progress made in implementing recommendations relevant to UNOPS; and (d) welcome the significant progress achieved with sustainable infrastructure impact investment activities in our mandated areas.



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This report has been prepared in accordance with the GRI Standards: core option. The GRI content index is detailed in annex I.

Introduction

1. The Executive Director is pleased to inform the Executive Board of the progress made during 2019 in implementing the UNOPS strategic plan, 2018-2021. In so doing, UNOPS has helped people build better lives and has supported the progress of countries towards peace and sustainable development.
2. This annual report was finalized during the coronavirus pandemic in the first half of 2020. This devastating crisis will affect all people, particularly the most vulnerable, and UNOPS teams around the world are supporting efforts to mitigate its impact. With strenuous efforts being made to delay the spread of infection and reduce the demands on health care systems, it is essential to strengthen and expand the capacity of health care services. UNOPS expertise in emergency health procurement and vital health infrastructure is available to provide critical support to our health partners, globally, during this challenging period.
3. The United Nations Conference on Trade and Development has estimated that global growth may slow to below 2 per cent in 2020, resulting in a cost in the order of \$1 trillion. Although it is too early to estimate the exact magnitude of its economic consequences, it is likely that the downturn will affect the global economy for the foreseeable future. At the end of 2019, UNOPS was in a solid financial position with robust reserves. It is closely monitoring the effects of the pandemic and is ready to take relevant measures to preserve its self-financing business model so that it can continue to respond to partner needs around the world.

I. Results framework

4. The UNOPS mandate was established by the General Assembly in resolution 65/176. The Executive Board approved the UNOPS strategic plan, 2018-2021, in its decision 2017/26. The Board recognized its solid foundation in Member State decisions, policy guidance and international agreements, to serve of people and countries, including in the most fragile situations.
5. In 2019, UNOPS reported on its work around its mandated core competencies or focus areas: effective specialized technical expertise in infrastructure, procurement and project management, and efficient management support services.
6. At the request of the Board, UNOPS reported on a third area: expanding the broader pool and effect of resources, including from the private sector, for the 2030 Agenda,
7. The focus areas guided output and sustainability reporting for 983 projects, in which 97 per cent of infrastructure projects reported contributions to sustainability across a range of economic, environmental and social aspects. Throughout this report percentages reflecting sustainability results are weighted by delivery. Details of the results framework and reporting methodology are provided in annex II.
8. Information in this report is aligned with GRI sustainability reporting standards. Details of UNOPS results with associated GRI disclosures are available in annex I.

II. Highlights of results

9. Around 5 million days of paid work for local people were again created through UNOPS projects in 2019, almost 2 million of which were for women and young workers. The majority related to infrastructure projects, including the construction, design or rehabilitation of 83 schools, 8 hospitals, 79 health clinics, 7 courthouses and 3,526 kilometres of roads. That compares with 104 schools, 9 hospitals, 114 health clinics, 4 courthouses and 1,514 kilometres of roads in 2018.
10. UNOPS procured \$1.1 billion worth of goods and services for its partners in 2019 compared to the \$921 million reported in 2018. UNOPS is committed to strengthening national economies by supporting local suppliers. In locations of operations where UNOPS maintains a physical presence, 51 per cent of procurement budgets were awarded to local suppliers, representing over \$560 million – compared to 46 per cent in the previous year. In 2019, \$7.7

million of procurement tenders were awarded to women-owned businesses and \$533 million to micro-, small and medium-sized enterprises.

11. As part of efforts to share UNOPS knowledge and expertise, almost 29,000 days of technical assistance were provided to partners (down from 31,000 in 2018). Approximately 55 per cent of relevant projects supported by UNOPS reported one or more activities that contributed to developing national capacity, compared to 67 per cent reported for 2018.

12. UNOPS is committed to climate neutrality. In 2019, analysis of UNOPS operations recorded greenhouse gas emissions of 14,056 tonnes of carbon dioxide equivalent. By comparison, 15,631 tonnes were reported in 2018. All UNOPS 2018 emissions were offset through reductions, with Gold Standard certification developed under the United Nations Clean Development Mechanism.

13. In 2019, demand for UNOPS services in conflict and post-conflict countries, least developed countries and other countries in vulnerable situations remained strong. UNOPS supported progress towards achieving a number of global and local objectives, including the Sustainable Development Goals. As in previous years, there was considerable demand for support related to Goals 3, 9, 11, and 16. UNOPS provided expertise through a range of integrated services across multiple sectors and service lines. Delivery in this area is summarized in table 1, below.

Table 1. Percentage of delivery associated with UNOPS respective service lines

| Service line | Percentage of total delivery 2019 | Percentage of total delivery 2018 |
|----------------------|--------------------------------------|--------------------------------------|
| Infrastructure | 17 | 17 |
| Procurement | 38 | 35 |
| Project management | 11 | 4 |
| Human resources | 12 | 16 |
| Financial management | 24 | 27 |

III. Operational results

A. Efficient management support services

14. UNOPS is committed to enabling partners to ‘do more with less’ through efficient management support services, delivered locally or as global shared services. Services range from procurement, human resources, and financial and other shared services management, to providing dedicated secretariat services for partners under the UNOPS legal framework.

15. UNOPS management support services extend from supporting the implementation of Security Council and General Assembly resolutions to helping address humanitarian crises and peace and security priorities by providing rapid-response ability in emergency situations.

16. In response to the ongoing crisis in Syria, the World Health Organization (WHO) and UNOPS delivered life-saving medical equipment to health care facilities throughout the country, with funding from the Government of Japan. The Ibn Al Walid Hospital in Homs governorate – home to over 1.8 million people – is one of several health care facilities that benefited from the newly delivered equipment. Damaged during the conflict, the hospital has been rehabilitated and is again providing essential health care services to tens of thousands of people, including returning internally displaced persons.

17. The Zimbabwe Idai Recovery Project is a four-year response to the devastation caused by Cyclone Idai in March 2019, supporting livelihood recovery in the worst-affected areas. The World Bank provided \$72 million in grant funding to the project to reach the most affected communities across nine districts. The main beneficiaries are in the most affected communities, identified through community consultations in districts impacted by the cyclone. Using an integrated approach for greater impact, the project, managed by UNOPS, brings together several United Nations organizations: the Food and Agriculture Organization, the International Organization for Migration, the United Nations Children’s Fund (UNICEF), UNOPS, the

World Food Programme (WFP) and WHO. The project will benefit as many as 270,000 people in need.

18. Awaaz Afghanistan, the first nationwide inter-agency humanitarian call centre, represents a joint initiative between multiple United Nations organizations and partners. The UNOPS-implemented call centre offers a single point of contact for all Afghans, including returnees and those affected by conflict and natural disasters, to receive critical information about assistance and support. To enhance accountability and two-way communication, WFP initiated and funded the call centre – jointly funded by the United Nations High Commissioner for Refugees (UNHCR) – identifying UNOPS as the implementing partner. UNOPS secured additional funding, with the majority of finances coming from the European Commission Directorate-General for European Civil Protection and Humanitarian Aid Operations as well as from the Afghanistan Humanitarian Fund. By the end of 2019, Awaaz had handled more than 65,000 calls, about 20 per cent of which were from women inquiring about services including protection, shelter, food, and cash assistance.

19. In Serbia, the ‘EU PRO’ programme worked to strengthen social inclusion and cohesion, and to improve the capacity of 99 local self-governments throughout the country. Started in 2018, the three-year programme contributes to attracting investments, creating jobs and increasing the competitiveness of small and medium-sized enterprises. The programme, funded by the European Union, is implemented by UNOPS in cooperation with the Government of Serbia. By December 2019, the programme had allocated almost €20 million to 246 projects that had reached almost 60,000 beneficiaries and created over 200 jobs.

Box 1. Restoring Indonesian peatlands, protecting our planet

Indonesia contains around 15 million hectares of tropical peatlands, making up approximately 23 per cent of the world’s total. When peat catches fires, it releases up to ten times more carbon than do forest fires. Seasonal forest and peatland fires compromise the economic and social development of Indonesia, threatening the environment, the economy and the health of its residents.

Recognizing the important role peatlands play in carbon storage, biodiversity conservation, water resource management and livelihoods, the Government established the Indonesian Peatland Restoration Agency. The agency is mandated to work to hydrologically restore peatlands to reduce fire hazards and has a target of restoring 2.67 million hectares of degraded peatlands.

In 2018, its Results Enabling Facility programme was established with funding from the Government of Norway. During 2019, UNOPS managed the programme and supported the agency in its development of an efficient and integrated peatland restoration model. In this effort, 309 villages are supported across seven priority provinces: Jambi, Riau, South Sumatra, Central Kalimantan, South Kalimantan, West Kalimantan and Papua.

The programme is one of several that are helping to revitalize livelihoods by promoting alternative peat-based and environmentally sustainable income-generating activities to ensure that communities thrive during peatland restoration. Across the country, such efforts will decrease destructive peatland fires and protect our planet by reducing greenhouse gas emissions.

20. To improve living conditions for returnee populations in newly liberated areas of Iraq, UNOPS contributed to renewable energy and emergency waste disposal services in three governorates. With a \$3.1 million donation from the Government of Japan, UNOPS procured solid waste machinery and provided local authorities with specialized training on modern waste disposal systems, better utilization of debris, and waste sorting and recycling. UNOPS installed solar systems to alleviate frequent electricity shortages, as well as street lights and water heaters in six health facilities in the Anbar, Diyala and Ninewa governorates. In 2019, procurement support was provided for 500 metal waste collection bins.

21. Funded by the European Union and implemented by UNOPS, the Eastern Partnership European School Scholarship Programme helps students from Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine to study for an international baccalaureate diploma programme with a European studies focus at the New School in Tbilisi, Georgia. The New School, which hosts scholarship recipients as they complete their studies, is the main educational partner for this pilot programme. In 2019 UNOPS provided technical assistance and guidance for the construction of an on-campus dormitory, a five-story building comprising 28 apartments for up to 56 students, four apartments for mentors, game and study rooms, a kitchen, and common areas. The project included a feasibility study for the establishment of the first European School outside the European Union, to be constructed in Tbilisi.

22. The Access to Health Fund in Myanmar started work in 2019 to improve health equity and to focus on the most underserved and vulnerable populations using a rights-based approach. It brings services where they are most needed, focusing on conflict-affected areas. Established as a follow-on mechanism to the Three Millennium Development Goal Fund, the fund includes contributions from the governments of Sweden, Switzerland, the United Kingdom, and the United States of America in its 5-year budget of \$215 million. In 2019, the fund delivered approximately \$50 million to support improved health services to beneficiaries.

Box 2. Baby-boxes give newborns in Ukraine a stronger start to life

For nearly three decades, Ukraine has seen a steady decline in its population numbers. Its low birth rate has led to a population crisis that threatens its long-term social, economic and political development.

In 2018 the Government introduced a range of measures to boost the nation's birth rate and address some of the challenges associated with child-rearing. Enhancing the social protection, health and wellbeing of newborns by improving the care they receive is an important focus.

In partnership with UNOPS and UNICEF, the Ministry of Social Policy launched a pilot project to provide the families of newborns with a one-time 'baby-box' that contains a range of essential items for infants. The provision of baby-boxes during the critical first weeks life helps ensure equal access to early childcare products based on universally accepted standards.

Each box, provided within a week after birth, contains over 70 items to help care for new babies, including diapers, hygiene products, blankets, and linens. Pamphlets with information on safe childcare and early childhood development are included in the boxes.

By the end 2019, over 400,000 boxes had been provided to families with newborns. The highly successful initiative will be transferred to the Ministry of Social Policy in a phased manner during 2020.

23. As part of shared services provided across the United Nations and on behalf of governments, UNOPS supported the procurement of \$82 million worth of goods through 'UN Web Buy Plus' compared with \$60 million in 2018. About half of that was for African governments. In 2019, United Nations organizations increased their orders by 45 per cent over 2018.

24. On behalf of partner organizations, UNOPS managed the contracts of 7,763 people during 2019. Partners supported included UNHCR, UN-Habitat, UNEP, UNICEF, WHO, IOM, and the Global Green Growth Institute.

25. In 2019, UNOPS supported mine-action, humanitarian, stabilization and explosive management activities, capacity-building of national actors and United Nations missions, and the weapons and ammunition management work of the United Nations Mine Action Service (UNMAS) and partners in 19 countries and territories. It provided human resources management, procurement, contracting, grants management, technical and operational support, and financial and legal services. For approximately \$240 million, UNOPS helped its main partner, UNMAS, to deliver a range of results, including:

- (a) In Colombia, with funding from the Central Emergency Response Fund, an implementing partner integrated a gender mainstreaming methodology into its risk education work that focused on addressing the impact of explosive ordnance on

Afro-Colombian women and girls in Chocó, in the east of the country. Following a series of self-recognition workshops designed to empower women and girls who have experienced conflict, participants were then encouraged to share messages related to safe behaviour with their communities.

(b) In Darfur, 264 dangerous areas were assessed and closed in 1,821 villages. More than 115,000 small arms ammunitions were destroyed and 324,663 beneficiaries received mine risk education. To raise awareness among local communities about the risks posed by explosive remnants of war, three non-governmental organizations were selected through a competitive process to assist seven risk education teams in delivering risk education on explosive remnants of war throughout Darfur;

(c) In Iraq, 1,353 surveys of explosive hazards were conducted in Al-Anbar, Diyala, Kirkuk, Salah al-Din and Ninewa governorates in support of high-priority stabilization and humanitarian interventions. More than 800 explosive remnants of war, 423 improvised explosive devices, 135 device charges and 40 suicide belts were removed from retaken areas. Additionally, 426 police officers, 85 of whom were women, were trained to identify, mark and report explosive hazards. More than 446,000 people received risk education and awareness training in schools, internally displaced persons camps, and other high-priority areas;

(d) In Mali, capacity development of national authorities in mitigating explosive threats continued, notably through the training of Malian military engineers in search and detection activities. Malian instructors who had previously been trained on improvised explosive device threat awareness through training-of-trainer programmes went on to deliver more than 50 training sessions to their troops. In response to the needs of survivors of explosive incidents, more than 250 victims were referred or provided with appropriate assistance;

(e) In Nigeria, a pilot project targeting vulnerable youth in Maiduguri, Borno State, trained 50 young women and 50 young men as trainers and peer educators in explosive ordnance risk education. Together, the youth spoke a total of nine languages, and all were internally displaced. The training equipped them with knowledge and skills on explosive threats, helping them both to protect themselves and disseminate their knowledge among peers and wider communities.

B. Effective specialized technical expertise

26. UNOPS is committed to helping people achieve individual, local, national and global objectives through effective technical expertise grounded in international norms and standards. It provides a wide range of specialized expertise through its core service lines, applicable to a number of contexts.

27. UNOPS applies sustainable implementation approaches by exercising due diligence and respect for international human rights principles; engaging local communities, with an emphasis on protecting the most vulnerable; facilitating access to food, water, sanitation, energy, health, education, justice, and security-related services; and mainstreaming gender equality in its activities. In 2019, 62 per cent of UNOPS infrastructure projects reported an output enabling equal access, 60 per cent enabled equal access for women, and 46 per cent enabled persons with disabilities.

28. Drawing to close in 2019, the Safety Net and Skills Development Project of the Government of South Sudan, funded by the World Bank, provided cash-for-work activities in the implementation of minor public works. The UNOPS component of the project provided access to income opportunities and temporary employment to 36,158 poor and vulnerable people. The cash transfer was used to pay school fees, support relatives, and buy food, clothing, soap and medical necessities. Eighty-nine per cent of beneficiaries indicated that the cash transfers moved them a step closer to starting small-scale income-generating activities. In 2019, 90 per cent of UNOPS infrastructure projects included the creation of labour days, 68 per cent were for women, 73 per cent were for young workers, and 32 per cent were for people with disabilities.

29. In Jordan, the European Union-funded Support to Social Protection programme was launched to support social sector reform and the development of an equitable and inclusive society by modernizing the social protection system. Under the auspices of the Jordan Ministry

of Social Development, the UNOPS-implemented programme includes rehabilitating up to 100 social care centres so that they comply with international standards for human rights, disability inclusion and accessibility. Eleven were rehabilitated in 2019. The programme supports the development of a monitoring and evaluation-based performance management information system to monitor and enhance social care services for the underprivileged, youth, women and people with disabilities.

30. During 2019, the energy needs of the people in Gaza were supported through a fuel supply project funded by the Government of Qatar. UNOPS managed the procurement and delivery of fuel to the Gaza power plant on which Gaza residents, who receive just a few hours of electricity daily, are dependent for much of their energy. Government support of around \$130 million since October 2018 successfully supplied at least three million litres of fuel per week, helping provide access to reliable and sustainable electricity to nearly two million people.

31. Ethiopia is one of the fastest-developing nations in Africa, yet despite abundant natural resources and huge energy potential, the country struggles to meet the energy needs of its 104 million people. Working with the Ethiopian Federal Ministry of Health and funded by the Government, UNOPS completed the procurement and installation of solar power energy systems at 167 health centres across the country in 2019. The clean and renewable energy sources have resulted in safer, more accessible maternal and childcare services and have significantly improved health care delivery for more than 4.1 million people in rural communities.

32. In Panama, UNOPS began supporting the Government with the development and implementation of a new penitentiary centre in Colón. The master plan and conceptual design incorporated the UNOPS technical guidance for prison planning, the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela Rules), and the United Nations Rules for the Treatment of Women Prisoners and Non-custodial Measures for Women Offenders. The new facility, which will house 1,646 inmates, both men and women, represents an estimated \$88 million investment by the Government to improve conditions for prisoners, workers and visitors and will offer occupational and rehabilitative services for inmates.

Box 3. Providing reliable and sustainable energy to the people of Gaza

Since 2006, Gaza has suffered from chronic electricity shortages. This exacerbates already difficult living conditions for its nearly two million residents, who receive just a few hours of electricity every day. The constant energy shortages disrupt daily lives, inhibiting access to basic and essential services – including health care, water and sanitation – as well as economic opportunities. While 500 megawatts of energy is needed on average to meet the daily needs of residents, only 85 megawatts is available.

In an effort to respond to the ongoing crisis, UNOPS, with funding from the Government of Japan, supported the Ministry of Public Works and Housing and the Palestinian Energy and Natural Resources Authority in providing renewable energy solutions for households across Gaza. To ensure that 10 per cent of domestic electricity generation comes from renewable energy by 2020, UNOPS installed hybrid solar systems, with a peak capacity of around 3 kilowatts, on the rooftops of houses.

Using a transparent process that assessed vulnerabilities, beneficiaries were selected from the most vulnerable populations. Female-headed households and widows with lower means and ability to get through crises were prioritized, as were elderly-headed households and people living with disabilities. During 2019, nearly 190 families, 15 per cent female-headed, benefitted from improved access to reliable and sustainable electricity sources across eight municipalities.

33. In Sierra Leone, UNOPS is working with the Department for International Development (United Kingdom) on an initiative to provide clean energy access and sustainably increase energy capacity. In 2019, President Julius Maada Bio officially commissioned the turning-on of lights in 54 rural communities across the country, where solar energy technology had been installed to provide access to electricity to community health centres, houses, schools and businesses. The first of its kind in sub-Saharan Africa, the project will provide up to 4

megawatts of sustainable, low-carbon energy and benefit more than 337,000 residents, as well as local businesses and essential services. The second phase of the project will extend electricity access to an additional 44 communities. To ensure long-term sustainability, private sector companies, selected through a competitive process, operate the mini-grids under 20-year licence agreements. By the end of 2019 the project had leveraged an additional \$7 million in private sector co-investment.

34. On behalf of the World Bank, and with funding from the International Development Association, UNOPS is implementing the Yemen Integrated Urban Services Emergency Project aimed at revitalizing critical public services in 10 cities across Yemen, focusing on road, water and sanitation, solid waste management, and electricity sectors. UNOPS is working to provide vulnerable Yemenis with access to services, rehabilitate up to 400 kilometres of urban roads, restore up to 60,000 megawatt-hours of energy generation, and create up to 1.5 million days of employment. As part of the project, UNOPS installed a photovoltaic solar system as a backup power source at the Al Shaab Maternity Hospital in Aden. Frequent lengthy power blackouts used to bring its limited capacity to a halt. Since 2019, the hospital has been able to utilize its full capacity, including delivering about 40 babies per day and providing round-the-clock emergency and intensive care services.

35. In 2019, a new agreement was announced between UNOPS and UN-Women to support the elimination of violence against women, with UNOPS, a contributor to the Haya Joint Programme, leading the rehabilitation and refurbishment over the next two years of four shelters delivering services for women and girls affected by gender-based violence. The programme is funded by the Government of Canada and implemented by a consortium of United Nations organizations: UNFPA, UN-Habitat, the United Nations Office on Drugs and Crime, and UN-Women.

Box 4. Connecting communities and advancing gender equality in the Gambia

The Gambia is the smallest country in mainland African, yet with an average of 176 people per square kilometre it is one of the most densely populated. Its fragile economy leaves the country prone to shocks, particularly to the food supply. Improving its network of lower-capacity feeder roads is an important means of increasing food security and advancing social and economic development.

Since 2017, UNOPS has worked with the Government to improve the feeder roads. Funded by the European Union, a €10.3 million project, implemented by UNOPS, will rehabilitate more than 100 kilometres of roads linking rural villages with motorways, connecting remote areas to towns and cities across the country. A number of vulnerable communities, and many women, have gained valuable employment opportunities through the project.

More than 200 local women have been employed in construction works linked to the project; the labour-based construction team comprises more than 60 per cent women. This is an unprecedented milestone in women's participation in the rural infrastructure sub-sector, supporting women's empowerment and helping to close the inequality gap.

In collaboration with the Ministry of Women, Children and Social Welfare, UNOPS has piloted a grievance escalation mechanism to prevent sexual exploitation and abuse of workers. The mechanism will also facilitate the resolution of workers' payment issues and issues surrounding land disputes during the implementation phase.

36. In partnership with the Government of the Central African Republic and with \$28 million in funding from the World Bank, UNOPS is implementing the Support to Communities Affected by Displacement project. It is divided into three components: infrastructure, cash transfer and community mobilization. Each seeks to address the basic needs of displaced communities in four cities and two neighbourhoods of the capital, Bangui, to improve living conditions and reduce poverty. Key objectives are to promote peaceful dialogue among the communities by involving them in the planning, construction and maintenance of infrastructure; improve their access to basic public services; and ensure that the most vulnerable people have sufficient financial means to meet their daily needs. In 2019, using a community mobilization approach that employed approximately 50 per cent women, a park was constructed and three

kilometres of roads were rehabilitated in the city of Bambari, providing access to isolated communities. The project provided regular cash payments to around 15,300 households that experienced displacement due to conflict.

C. Expanding the pool and effect of resources

37. UNOPS is committed to supporting countries in expanding the pool and effect of resources available to achieve the 2030 Agenda. In line with Executive Board decisions 2016/12, 2017/16 and 2017/26, UNOPS continued to develop its social impact investing initiative and explore opportunities for collaborative partnerships to mobilize alternative funding sources, particularly in the areas of affordable housing, renewable energy, and water and sanitation. In 2019, UNOPS supported governments in achieving efficiencies that amplified the effect of resources available for public procurement, and engaged in collaborative partnerships for South-South and triangular cooperation, as well as in public-private partnerships.

38. Establishing public procurement frameworks that realize even small efficiencies can constitute a major impetus towards attaining the Sustainable Development Goals. Savings can be realized by making better use of the resources allocated to fund development objectives. Unspent funds from previously allocated budgets can be made available for reallocation by national authorities, based on their identified needs.

39. The UNOPS Social Impact Investing Initiative (S3I) was formally renamed the UNOPS Sustainable Infrastructure Impact Investments (S3I) initiative at the beginning of 2020. Since its creation, as a pilot, in 2016, UNOPS S3I has established itself as a model for channelling private sector investment towards meeting critical national needs in affordable housing and renewable energy, and was featured prominently in the Secretary-General's Strategy for Financing the 2030 Agenda for Sustainable Development.

40. With support from the Government of Finland and the city of Helsinki, UNOPS launched a dedicated S3I base in the Finnish capital. UNOPS will operate as a project developer, conducting a rigorous social due diligence process and ensuring that projects are suitable for investment. The Government will provide €20 million towards support costs.

41. In 2019, UNOPS S3I committed to building more than 300,000 sustainable and affordable homes in Ghana and Kenya, working closely with the respective governments. The homes will incorporate green technology and will be built using local skills and equipment, providing thousands of new employment opportunities for local people and contributing to local economic development. Similar projects were announced in Pakistan and the Caribbean. UNOPS has committed to helping build more than 860,000 homes over the next decade, making this one of the largest and most ambitious affordable housing programmes the world has ever seen.

42. In 2019, UNOPS established a network of global innovation centres that seek to harness the opportunities that public-private partnerships can offer towards advancing the 2030 Agenda. Adding to the centres in Antigua and Barbuda and Sweden, a third was announced in Kobe, Japan, to be established in 2020 with support from the city of Kobe and the Hyogo prefecture. Each innovation centre aims to attract and develop innovators and start-up companies that could contribute to a more sustainable society and will act as a two-way channel between business incubator services in each country, United Nations organizations, other UNOPS global innovation centres, and a global network of innovation partners.

Box 5. Modernizing transportation in Mexico City

Mexico City is a hub for trade, politics, education and business. With millions of people travelling through the city each day, transportation becomes congested, causing delays, increasing emissions, and raising costs for the city and users alike. The Mexico City administration is working with UNOPS to modernize the public transportation system, making it more accessible for commuters.

Mexico City has a wide transportation network that includes buses, a metro system and cable cars. However, segments of the network have not been updated in the five decades since they were developed. The control, payment and user information systems are largely outdated, causing delays at major stations and reducing the number of vehicles that can operate simultaneously. The maintenance of older vehicles is a drain on the municipal budget.

During 2019, UNOPS helped modernize the transportation network by helping the administration achieve greater transparency, efficiency and value for money in its public procurement. This led to savings of over \$120 million, which was reinvested in buying more electric trolleybuses and buses, allowing a further 1.4 million people to benefit from more efficient, environment-friendly public transport.

43. UNOPS has been working with the Guatemala Social Security Institute towards fair public management, beginning with the acquisition of medicines and medical supplies, and has supported wide-ranging institutional reform since 2016. By 2019, UNOPS had designed policies on sustainable procurement, infrastructure and project management for the Institute and trained 600 staff in public procurement and supply-chain management. Through 13 public tenders, UNOPS helped stock 114 hospitals and health centres across the country with 568 types of medicines, amounting to around 450 million doses. Through the use of transparent and efficient procurement processes, the Government estimated savings of around \$270 million, reporting around 57 per cent savings on the purchase of medicines and 34 per cent on surgical medical supplies. An estimated 3.2 million Guatemalans benefit from improved health care as a result.

44. On the sidelines of the United Nations Climate Action Summit in 2019, UNOPS signed an agreement with the Global Center on Adaptation, part of the Global Commission on Adaptation, a high-level group of leaders from the development, political, business and science sectors. As part of the agreement, UNOPS will manage the funds of the centre to mobilize action on climate change adaptation. With the University of Oxford and UNEP, UNOPS will bring its infrastructure expertise to support governments – particularly in vulnerable countries – in ensuring that new infrastructure investments are climate-resilient.

45. UNOPS worked with the Government of Japan and the European Union to help define the G20 position on infrastructure during 2019. Drawing on its experience in implementing sustainable and resilient infrastructure around the world, UNOPS stressed the critical role that high-quality infrastructure will play in achieving the 2030 Agenda, in addition to meeting targets for gender equality and inclusive economic growth. As part of its input, UNOPS presented key infrastructure development concepts, such as its evidence-based infrastructure initiative.

46. In 2019, UNOPS released a report that highlighted the critical role of infrastructure in helping landlocked developing countries combat development challenges and offered potential solutions to ensure that countries reap long-term benefits from improved infrastructure. Landlocked developing countries face particular development challenges. On average, their development levels are approximately 20 per cent below those of non-landlocked developing countries. The report offers solutions and tools that can be used to support them in planning, delivering and managing infrastructure systems and in working to close their development gap.

47. In 2019, UNOPS hosted a side event during the 63rd Commission on the Status of Women, launching a free online tool to provide development practitioners with practical actions to help achieve the Sustainable Development Goals. The tool, called ‘sustainABLE’ is modelled on research jointly published by UNOPS and the Infrastructure Transitions Research Consortium of the University of Oxford. It includes a comprehensive list of infrastructure sectors and sub-sectors – including energy, education, transportation and water – with recommended actions supported by case studies of real-life projects implemented by UNOPS and its partners around the world. The initial focus of the tool was on gender equality and women’s empowerment within infrastructure projects; it included suggestions for achieving Goal 5 targets as well as others that incorporate gender equality components.

IV. Management results

A. Delivery and partnerships

48. UNOPS delivery was \$2.3 billion in 2019, an increase over the \$1.9 billion in 2018, making it the third year in a row of record financial turnover. The volume can again be attributed to high government demand for UNOPS services.

49. Direct support to governments accounted for the largest increase in delivery value, accounting for \$943 million, compared to \$685 million in 2018. The largest partnership with a host government was with Peru, followed by Guatemala, Argentina and Ukraine, respectively. Direct support to governments accounted for 42 per cent of delivery. The largest donor government to which UNOPS delivery can be directly attributed was that of the United Kingdom, followed by those of Qatar, the United States, Japan, Norway, and Sweden, respectively.

50. In 2019, 26 per cent of UNOPS delivery was on behalf of the United Nations system, a decrease from 33 per cent in 2018. In real terms, that delivery represented approximately \$592 million, as compared to \$608 million in 2018. The largest United Nations partner was again the Secretariat, as partnerships with the Department of Peace Operations continued (12 per cent of total delivery). Notably, delivery on behalf of the UNHCR grew for the seventh consecutive year. Other strong partnerships included support to WHO and UNEP.

51. UNOPS partnered with international financial institutions, including the Central American Bank for Economic Integration and the Islamic Development Bank, to deliver almost \$200 million in services. Its largest financial institution partner was the World Bank, with a total of \$157 million in 2019, up from \$92 million the previous year.

52. UNOPS work for the European Union remained consistent with the previous year, at \$67 million of delivery. Projects included encouraging economic and social growth in Serbia and procurement support for road rehabilitation in Eritrea.

53. UNOPS continued to maintain strong partnerships in support of multilateral institutions – most significantly the Global Fund to Fight AIDS, Tuberculosis and Malaria, to which \$144 million of services was delivered in 2019, compared to \$121 million in 2018 – and worked as local fund agent in nine countries.

54. UNOPS supported the management of a number of programmes financed by multiple donors, the largest of which are in Myanmar (the Livelihoods and Food Security Trust Fund and Myanmar Access to Health) or operate globally (the Enhanced Integrated Framework Trust Fund).

55. In 2019, the largest countries or territories of delivery were Myanmar, Peru, the State of Palestine, Guatemala, and Yemen, in that order. In 2018, they were Myanmar, South Sudan, Argentina, Somalia, and Iraq.

56. New agreements between UNOPS and its partners reached just over \$2 billion, compared to \$2.2 billion the previous year – with significant new engagements, including a cyclone recovery programme in Zimbabwe and infrastructure support in Panama.

57. In 2019, UNOPS partnered with The Economist to release a research report on how infrastructure can catalyse long-term sustainability and prosperity, exploring the fundamental role that infrastructure will play in achieving the 2030 Agenda for Sustainable Development.

B. Process excellence

58. Following an organization-wide exercise to gather data on aspects of sustainability relevant to UNOPS, the organization produced its fourth report aligned with GRI standards. The report refined a series of indicators identified to assess UNOPS sustainable implementation approaches, and provided an overview of UNOPS operations worldwide.

59. UNOPS executive leadership took decisive action to meet gender parity targets. From April 2019, temporary special measures were introduced, instructing UNOPS managers to ensure that 60 per cent of recruitments under their responsibility went to qualified women. Between December 2018 and January 2020, UNOPS went from 37 per cent parity to 43 per cent across all personnel, making meaningful progress towards the 47-53 per cent target date of 31 December 2020.

60. UNOPS sustainable procurement practices received their fourth consecutive gold-level award from the Chartered Institute of Procurement and Supply (the only organization to accomplish this). An example of sustainable procurement in action highlighted in the submission was the construction of roads in remote parts of South Sudan to improve livelihoods by providing communities with sustainable access to agricultural markets. Implemented on behalf of the European Union, procurement activities in the project integrated considerations of

environmental protection, social progress and economic development. These ranged from assessing the fuel efficiency of vehicles to purchasing from micro-, small, medium-sized and women-owned businesses.

61. UNOPS established a sustainable procurement framework with an effective implementation date of 1 January 2020 that requires procurement processes to include sustainability considerations. UNOPS will require suppliers to participate in due diligence activities, to be validated by the organization using a supplier sustainability self-assessment questionnaire and announced or unannounced site inspections. These activities, known as the 'Delivering Responsibility in Vendor Engagement' programme, will grant insights into a supplier's policies, procedures and practices with respect to environmental management, child labour, workers' rights, and subcontracting. Issues identified through the programme will be addressed collaboratively through corrective and preventive action plans.

62. UNOPS was assessed by the International Organization for Standardization ('ISO') and maintained its global ISO 9001 Quality Management certification.

63. UNOPS maintained its ISO 14001-certified environmental management system covering its activities and facilities in Afghanistan, Argentina, Denmark, El Salvador, Gambia, Ghana, Guinea, Kosovo, Liberia, Myanmar, Peru, Sierra Leone, Sri Lanka, the State of Palestine and Tunisia. The New York office, Guatemala and Serbia also received the certification. This forms the basis for UNOPS compliance with CEB/2013/HLCM/5 on the development and implementation of environmental sustainability management systems in each United Nations organization.

64. UNOPS certified health and safety management systems – Occupational Health and Safety Assessment Services 18001 – applies to all UNOPS activities and facilities in Denmark, Ghana, Kosovo, Myanmar and the State of Palestine, Gambia, Sierra Leone and Sri Lanka. This forms the basis for UNOPS compliance with the adoption of occupational safety and health systems in all United Nations organizations (CEB/2015/HLCM/7/Rev.2), and with the Secretary General's Bulletin, Introduction of an Occupational Safety and Health Management System (ST/SGB/2018/5).

65. Several major milestones were achieved under the corporate knowledge management initiative. UNOPS transitioned to 'G Suite', a cloud-computing-based set of tools to improve productivity and collaboration. It released oneUNOPS Projects 2.0, which expanded the enterprise project management system, integrating it with G Suite systems and knowledge-management tools. This included shifting the budgeting for project cost towards an output-based approach to better account for deliverables. Finally, a new intranet was launched to capitalize on related productivity platforms and simplify and improve information flows across UNOPS.

66. UNOPS changed its organizational structure with the establishment of the Senior Leadership Team in August 2019, superseding the Corporate Operations and Senior Leadership groups. Formed by, and inclusive of, the Executive Office, the team enables executive leadership to develop clear, coherent positions on the strategic direction and institutional initiatives of UNOPS.

67. In 2019, the Secretary-General decided to replace the UNOPS Policy Advisory Committee with a client board. The Client Board, which is strictly advisory to the Executive Director, convened for its first meeting in February 2020.

68. By the end of 2019, the implementation rate of audit recommendations stood at 96 per cent, the same as in 2018, continuing to demonstrate high management responsiveness. One recommendation remained open for more than 18 months, a reduction from 12 the previous year. Details of UNOPS audit and investigations findings in 2019 are available in a dedicated report (DP/OPS/2020/2).

69. There were 44 incidents of fraud and financial irregularities. Nineteen employees were sanctioned in such cases. Forty-six vendors and 45 individuals who owned or managed vendors were sanctioned.

70. The Joint Inspection Unit recognized the progress made by UNOPS in managing and implementing its recommendations (JIU/REP/2017/5). Annex 4 contains details.

71. Reflecting its role as a consultative, impartial and service-oriented resource, the UNOPS Ethics Office handled 868 issues from 1 January to 31 December 2019. These are detailed in a dedicated report (DP/OPS/2020/3).

C. People excellence

72. At the end of 2019, the total number of UNOPS personnel stood at 4,765, up from 4,439 at year-end 2018. In addition to UNOPS personnel, contracts were administered on behalf of a range of partners. At the end of 2019, the number of individuals on UNOPS contracts stood at 12,528, up from 11,671 in 2018. A breakdown of personnel by contract category is shown in table 2, below.

Table 2. Number of personnel, by category, as of 31 December 2019

| Contract modality | Staff | Contractors | Total |
|--------------------|-------|-------------|--------|
| UNOPS personnel | 819* | 3,946 | 4,765 |
| Partner personnel | | 7,763 | 7,763 |
| Combined personnel | 819 | 11,709 | 12,528 |

*Includes partner staff, and staff in organizations where UNOPS provides hosted initiative secretariat services, who are subject to the same policies and procedures as UNOPS staff.

73. The 1,120 members of UNOPS personnel recruited in 2019 comprised 635 women and 485 men, meaning that 57 per cent of new hires were women, compared with 42 per cent in 2018. As of 31 December 2019, the primary internal management body of UNOPS consisted of six members – two women and four men. Five were over the age of 50 and one was between 30 and 50. At the end of 2019, women represented 42 per cent of UNOPS personnel, a strong increase compared to the 39 per cent recorded in 2018. A breakdown of gender representation is shown in table 3, below.

Table 3. Gender balance among UNOPS personnel as of 31 December 2019

| Gender | Staff | Local contractors | International contractors | Total |
|---------------------|-------|-------------------|---------------------------|-------|
| Women | 313 | 1,272 | 437 | 2,022 |
| Men | 506 | 1,703 | 534 | 2,743 |
| All UNOPS personnel | 819 | 2,975 | 971 | 4,765 |

74. All full-time UNOPS personnel are entitled to parental leave, and during the course of 2019 105 women and 199 men exercised their right to do so. Ninety-five per cent of women ending their leave in 2019 returned to their positions and 99 per cent of men returned.

75. UNOPS launched a dedicated career development portal as part of its talent management framework. It brings together existing career resources with new tools to support personnel in identifying and taking action on their career goals.

Table 4. Gender parity strategy goal 1

Achieve gender parity targets established by the United Nations system-wide strategy

| Obligation by level | Percentage of women (31 Dec. 2019) | Total women international staff | Total international staff | Target | Target date |
|---------------------|------------------------------------|---------------------------------|---------------------------|-----------|-------------|
| P1 | 100% | 5 | 5 | 47% - 53% | End 2021 |
| P2 | 39% | 20 | 51 | 47% - 53% | End 2021 |
| P3 | 30% | 54 | 183 | 47% - 53% | End 2021 |

| | | | | | |
|--------|-----|----|-----|-----------|----------|
| P4 | 39% | 58 | 148 | 47% - 53% | End 2026 |
| P5 | 31% | 25 | 81 | 47% - 53% | End 2026 |
| P6, D1 | 44% | 11 | 25 | 47% - 53% | End 2026 |
| D2 | 33% | 5 | 15 | 47% - 53% | End 2026 |

Table 5. Gender parity strategy goal 2 as of 31 December 2019
Equal gender representation targets for UNOPS personnel, irrespective of level

| Total percentage of women | Total number of women | Total UNOPS personnel | Target percentage of women | Target date |
|---------------------------|-----------------------|-----------------------|----------------------------|-------------|
| 42%* | 2,022 | 4,765 | 47% - 53% | End 2020 |

*43 per cent as of 1 January 2020

Table 6. Gender parity strategy goal 3
Targets to increase the representation of women at senior levels among international personnel

| UNOPS personnel by International Civil Service Commission (ICSC) level and respective grades | Percentage of women by grade, as of Dec 31, 2019 | Total number of international women personnel | Total number international personnel | Target | Target date |
|--|--|---|--------------------------------------|-----------|-------------|
| ICSC 8 (P1 + IICA-1) | 56% | 97 | 174 | 47% - 53% | End 2021 |
| ICSC 9 (P2 + IICA-1) | 51% | 98 | 191 | 47% - 53% | End 2021 |
| ICSC 10 (P3 + IICA-2) | 40% | 240 | 596 | 47% - 53% | End 2021 |
| ICSC 11 (P4 + IICA-3) | 36% | 131 | 366 | 47% - 53% | End 2026 |
| ICSC 12 (P5 + IICA-3 / IICA-4) | 30% | 33 | 109 | 47% - 53% | End 2026 |
| ICSC 13 (P6 + D1 + IICA-4) | 41% | 11 | 27 | 47% - 53% | End 2026 |
| ICSC 14 (D2 + IICA-4 / IICA-5) | 31% | 5 | 16 | 47% - 53% | End 2026 |

76. There was a 17 per cent turnover of UNOPS personnel in 2019, down from 21 per cent in 2018 and 27 per cent in 2017. A breakdown of turnover figures, by age category and gender, is shown in table 7, below.

Table 7: Turnover among UNOPS personnel, by age category and gender, in 2019

| Age category | Women | Men | Total |
|---------------------|-------|-----|-------|
| 30 and under | 25% | 31% | 27% |
| 30 to 50 | 17% | 15% | 16% |
| 50 and above | 18% | 19% | 19% |
| All UNOPS personnel | 18% | 17% | 17% |

77. In 2019, almost 5,000 colleagues benefited from learning opportunities, compared to 3,800 the previous year. Eighty-nine per cent of participants in learning programmes rated the relevance of the learning opportunities provided 'very relevant' or 'relevant'. Approximately 90 per cent of the participants came from field offices and 10 per cent from headquarters; 45 per cent were female and 55 per cent male. In 2019, UNOPS provided training in occupational health and safety to 325 personnel (70 through on-line training, and 255 through face-to-face training). Workers on project sites received regular awareness-raising on specific work-related hazards.

D. Financial stewardship

78. UNOPS delivered almost \$2.3 billion in project services, compared to \$1.9 billion in 2018. Net revenue from project activities was \$99.2 million, compared to \$88.1 million in 2018. The ratio of net revenue from project activities to delivery was 4.4 per cent, compared to 4.7 per cent in 2018. Management expenses were \$71 million, compared to \$59.1 million a year earlier; the increase is due primarily to new provisions established in 2019.

79. Miscellaneous income earned was \$4.5 million (against \$1.8 million in 2018). Interest income earned was \$24.3 million as compared to \$14.5 million in the previous year. This resulted in a net surplus of income over expenditure, after provisions, of \$47.1 million (compared to \$38.4 million in 2018). At year-end 2019, the UNOPS operational reserve remained above the minimum established by its Executive Board.

80. An actuarial revaluation of UNOPS end-of-service employee liabilities indicated that such liabilities, at the end of 2019, were about \$5.6 million higher than at the end of 2018. This comprised an actuarial loss of \$0.3 million, and further funding was allocated by UNOPS during the year.

81. In 2019, a growth and innovation reserve was established. This provides seed funding to S3I activities that contribute to accelerating achievement of the Sustainable Development Goals through projects having the potential to deliver social and environmental impact, alongside a financial return. The value of this reserve was set at 50 per cent of the excess operational reserves. At the end of 2019, it stood at \$105 million, with \$38.8 million invested.

82. The expenses, revenue and reserve balance for 2019 are early figures calculated by UNOPS and may be subject to change. They have yet to be verified and audited by the United Nations Board of Auditors.
