



Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

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Financial, budgetary and administrative matters

Draft integrated budget estimates for the United Nations Entity for Gender Equality and the Empowerment of Women for the biennium 2020–2021

Summary

In its strategic plan 2018–2021, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) articulated its strategic direction, objectives and approaches to support efforts to achieve gender equality and to empower all women and girls, including women's full enjoyment of their human rights.

The two-year integrated budget is aligned with the four-year strategic plan and is complemented by funding through assessed contributions under the regular budget of the United Nations.

The integrated budget reflects the projected financial resources that will allow UN-Women to have the financial and institutional capacity to implement its mandate, in line with the strategic plan 2018–2021 and covers regular and other resources. The estimated resources are presented in line with the harmonized approach agreed upon by the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF) and UN-Women.

To deliver on its commitments during the last two years of the strategic plan 2018–2021, UN-Women proposes the adoption of an integrated budget, with estimated voluntary contributions of \$970.0 million for 2020–2021, and requests an institutional budget appropriation of \$204.4 million.

The proposed institutional budget reflects a cost increase of \$2.6 million in order to meet the doubling of the share of the contribution of UN-Women to the United Nations Development Group cost-sharing arrangement, as mandated by the General Assembly in its resolution [72/279](#).



I. Overview

1. The General Assembly, by its resolution [64/289](#) of 2 July 2010 on system-wide coherence, established the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) as a composite entity, with a mandate to provide guidance and technical support to all Member States, at their request, on gender equality, the empowerment and rights of women and gender mainstreaming through its normative support functions and operational activities.

2. To deliver on this mandate, in its strategic plan 2018–2021, UN-Women articulated its strategic direction, objectives and approaches to support efforts to achieve gender equality and to empower all women and girls, including women’s full enjoyment of their human rights. The plan outlines how UN-Women will leverage its normative support functions, the coordination function of the United Nations system and operational activities in an integrated and mutually reinforcing manner in support of transformative results.

3. The integrated budget sets out the resources needed to achieve the results laid out in the integrated results and resources framework for the final two years of the strategic plan (2020–2021). The biennial integrated budget comprises estimated voluntary contributions of \$970.0 million, including a request for \$204.4 million as an institutional budget appropriation.

4. Complementing the integrated budget, the General Assembly will continue to consider the resources from the regular budget required to service the normative intergovernmental processes and policies, as well as and the work carried out under the coordination of the United Nations system in the context of its consideration of the proposed programme budget for 2020, totalling \$8.9 million in funding from assessed contributions

5. While UN-Women continues to be aligned with the harmonized results-based budgeting and cost classification methodology applied by the United Nations Development Programme (UNDP), the United Nations Children’s Fund (UNICEF) and the United Nations Population Fund (UNFPA), it is distinct from those three entities in that it continues to present a two-year budget. The integrated budget for 2020–2021 maintains a two-year approach in order to facilitate a more frequent review of requirements and to ensure that the work of UN-Women remains aligned with its strategic plan 2018–2021.

6. In developing the present proposal, UN-Women continues to be guided by the overarching need to deliver measurable development results, particularly at the country level. The following major principles have guided the preparation of the integrated budget proposal for 2020–2021:

(a) Maintaining estimates of contributions at levels similar to those achieved in the 2018–2019 biennium for regular resources while aligning estimates for other resources to reflect growing trends, thus allowing UN-Women to build on realistic planning projections while ensuring that institutional capacity is commensurate with the expected results set out in the strategic plan;

(b) Adopting an overall budget-neutral approach to the preparation of the budget, with a focus on cost-effectiveness and the identification of efficiencies to absorb anticipated non-discretionary and inflationary cost increases in order to maintain the current level of institutional capacities, with the exception of the \$2.6 million cost increase requested for the doubling of the share of the contribution of UN-Women to the United Nations Development Group cost-sharing arrangement;

(c) Enhancing efficiency, transparency and accountability by improving and embedding results-based management throughout the organization;

(d) Aligning activities and funding sources, in order to ensure that each funding source bears its fair share of costs.

7. The adoption of General Assembly resolution [72/279](#) and the repositioning of the United Nations development system represents a key opportunity to strengthen system-wide coherence for the achievement of results on gender equality and women's empowerment, which builds on Assembly resolution [71/243](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, in which it is stated that "promoting gender equality and empowerment of all women and girls [...] is of fundamental importance and has a multiplier effect for achieving sustained and inclusive economic growth, poverty eradication and sustainable development".

8. These developments require that UN-Women make some adjustments to its structure and processes in order to ensure that it is "fit for purpose" in a repositioned United Nations development system and is able to respond to the heightened demand for its support, apply findings of corporate evaluations and reviews and deliver on its strategic plan 2018–2021. As previously communicated to the Executive Board, UN-Women is rolling out a change management process with four interrelated workstreams: (a) review of regional architecture and country typology; (b) headquarters functional review and structure; (c) business processes reengineering; and (d) enhancing knowledge management.

9. As the process is still ongoing, the 2020–2021 integrated budget reflects only critical elements that have been identified in the organizational structure. These changes, which have no budgetary implications, include:

(a) The revision of the portfolios of the Assistant Secretary-Generals/Deputy Executive Directors to contribute to synergies and better integration of UN-Women functions with one Assistant Secretary-General/Deputy Executive Director overseeing all divisions leading specific areas of the Entity's triple mandate and the other Assistant Secretary-General of the Department/Deputy Executive Director overseeing resource management, sustainability and partnerships. These changes reflect recommendations made in evaluations and internal/external assessments and by the Audit Advisory Committee in order to reduce silos, notably among normative support functions and operational activities, and to strengthen the capacity of UN-Women in the area of resource management, including resource mobilization;

(b) Integration of the former policy and programme divisions under one Director to increase synergies in programming and better support field offices;

(c) Increased delegation of authority to regional directors through direct reporting to the Assistant-Secretary-General/Deputy Executive Director.

10. Specific details reflecting any potential change in posts within the overall parameters of a zero-growth budget in terms of recurring requirements will be included in the 2022–2023 integrated budget. These will reflect the views of multiple stakeholders, including United Nations partner entities, notably in the context of the United Nations country presence. The realignment will, however, imply a one-time cost to fund the transition expenses, for which initial seed funding of \$1.6 million has been included under special purpose activities.

II. Strategic and financial context

A. Strategic context

11. The UN-Women strategic plan 2018–2021 is anchored in the long-term vision of achieving gender equality and the empowerment and rights of all women and girls by 2030. It sets ambitious targets and innovative strategies to achieve significant results by 2021, just nine years before the deadline for the achievement of the Sustainable Development Goals. UN-Women plays a central role in: (a) promoting gender equality and the empowerment of women and girls; (b) supporting Member States, at their request, in their efforts to achieve gender equality and women's empowerment; (c) coordinating with the entities of the United Nations system; and (d) mobilizing civil society, the private sector and other relevant stakeholders in support of the full, effective and accelerated implementation of the Beijing Declaration and Platform for Action and the gender-responsive implementation of the 2030 Agenda for Sustainable Development.

12. The priorities outlined in the strategic plan 2018–2021 provide UN-Women with strategic direction, necessary tools and estimated resources to carry out its mandate effectively. The plan also provides the Entity with greater focus through the identification of its comparative advantages, a better articulation of how it leverages its triple mandate in support of results, and through the prioritization of five outcomes: (a) a comprehensive and dynamic set of global norms, policies and standards on gender equality and the empowerment of all women and girls is strengthened and implemented; (b) women lead, participate in and benefit equally from governance systems; (c) women have income security, decent work and economic autonomy; (d) women and girls live a life free from violence; (e) women are engaged in, and benefit equally from, peace, security and humanitarian interventions to prevent crisis and build resilience.

13. UN-Women achieved overall positive results in terms of its performance during 2018, the first year of the implementation of the strategic plan 2018–2021. The Entity provided support to 107 countries and territories, including high-income countries. Despite funding shortages, in total, 75 per cent of all indicators in the plan have reached their expected milestone and 86 per cent of development results at the output level have also been achieved. The results of the performance of the plan during the first year are provided in the annual report of the Under-Secretary-General/Executive Director on its implementation (UNW/2019/2). The midterm review of the plan, including the proposal of necessary adjustments, will be initiated in the fourth quarter of 2019 and presented to the Executive Board in June 2020.

14. The implementation of the strategic plan takes place in an increasingly complex environment. International normative standards on gender equality and the empowerment of all women and girls have been further strengthened in recent years, in particular by the Commission on the Status of Women. During the biennium 2018–2019, the Commission provided comprehensive road maps for the empowerment of women and girls living in rural areas (2018) and for gender-responsive social protection systems, access to public services and sustainable infrastructure (2019). The implementation of normative frameworks at the national level continues to be hampered, however, by a number of structural issues, including inadequate financing. Women and girls continue to face major obstacles to equal rights and opportunities around the world, challenges to civic engagement are pervasive and progress continues to be slow, uneven and subject to regression. Currently, no country has achieved full gender equality. Nevertheless, political support and social mobilization for gender equality and women's empowerment is high, creating an unprecedented

momentum to accelerate the implementation of the Beijing Declaration and Platform for Action and to achieve the Sustainable Development Goals for women and girls.

15. UN-Women has been continuously strengthening its institutional performance through a number of interrelated initiatives. Independent reviews, such as the Multilateral Organization Performance Assessment Network, have underlined the achievement by UN-Women of a strategic vision, a strong alignment with national development priorities and the establishment of effective systems for results-based, project and financial management, which are increasing efficiency, reducing delays and increasing accountability.

16. The current context is also marked by profound change in the United Nations system. Recognizing that a strong, coherent and coordinated United Nations development system can accelerate the achievement of gender equality and women's empowerment, UN-Women has advocated for proposals in various aspects of the reform of the development system, including support for a reinvigorated resident coordinator system, a new generation of United Nations country teams and the redesign of the United Nations Development Assistance Framework as the United Nations Sustainable Development Cooperation Framework. UN-Women has contributed to mainstreaming a gender perspective into the guidance for the new Sustainable Development Cooperation Framework, and gender equality and women's empowerment have been recognized as guiding principles in its redesign. Through the performance indicators for gender equality and the empowerment of women for United Nations country teams (the system-wide gender-equality scorecard) and other tools, including its engagement in the redesigned Sustainable Development Cooperation Framework process, UN-Women will support efforts towards coherence and accountability on gender equality and women's empowerment within the repositioned United Nations development system at the country level.

17. The integrated budget 2020–2021 covers a critical period for UN-Women from an institutional perspective: 2 July 2020 will mark the 10-year anniversary of the adoption of General Assembly resolution [64/289](#), by which UN-Women was established. It is also the historic conjunction of major anniversaries, including the 25-year review and appraisal of the Beijing Declaration and Platform for Action (Beijing+25), the five-year mark of the implementation of the Sustainable Development Goals and the 20-year review of the implementation of Security Council resolution [1325 \(2000\)](#) on women, peace and security. These processes directly support the achievement of results in the strategic plan 2018–2021 and their outcomes will constitute a road map for the accelerated implementation of the plan during the second biennium.

B. Financial context

18. Total resources estimated for the 2020–2021 biennium are \$1,244.3 million, inclusive of \$970.0 million in voluntary contributions and \$4.0 million in other income and reimbursements to be received during the biennium, along with a balance of \$270.3 million in unspent funds carried forward from the previous period. Out of the total amount of \$1,244.3 million in estimated resources, \$457.3 million is derived from regular resources (inclusive of a balance of \$53.3 million in unspent funds) and the balance of \$787.0 million is comprised of other resources (inclusive of a balance of \$217.0 million in unspent earmarked multi-year funds to be spent in subsequent years). The total use of resources for the same period is estimated at \$1,002.7 million.

19. In the integrated budget 2020–2021, 84.9 per cent of resources will be devoted to development activities (including development effectiveness), 11.6 per cent to management, 3.2 per cent to United Nations development coordination and 0.3 per

cent for special purpose activities. The management costs for the 2020–2021 biennium are estimated to be 11.6 per cent of the total budget compared to the 12.8 per cent estimated for 2018–2019.

20. For 2018, voluntary contributions were projected at \$440 million. UN-Women received 87 per cent of its estimated voluntary contributions, a total of \$384.3 million, including \$149.0 million in regular resources, representing unearmarked voluntary contributions (39 per cent share), and \$235.3 million in other resources, representing earmarked voluntary contributions (61 per cent share). This is an improvement over the last biennium (2016–2017), during which UN-Women achieved 77 per cent of its projections.

21. Based on the unearmarked voluntary contributions received in 2018, past trends and ongoing partner engagement, UN-Women proposes to maintain the same estimated level of contributions of \$400.0 million for regular resources for the 2020–2021 biennium as proposed in the integrated budget for 2018–2019. The earmarked voluntary contributions (other resources) in the integrated budget for 2020–2021 reflects a projected contribution of \$570.0 million compared with contributions of \$480.0 million estimated for the biennium 2018–2019.

22. To achieve the targeted estimated contributions for the 2020–2021 biennium, UN-Women will continue implementing its resource mobilization and partnership strategy and will engage with the Executive Board in the context of the structured dialogue on financing. It will focus on deepening engagement with partners, providing evidence of its institutional strength and results achieved, and leveraging United Nations reform mechanisms, such as the Secretary-General's funding compact, and pooled funding mechanisms, including the Sustainable Development Goals Fund. UN-Women is investing in expanding private individual giving, through a strengthened network of national committees, and generating revenue from its advocacy activities, including through its initiatives such as the "HeforShe" campaign. The 25-year review and appraisal of the Beijing Declaration and Platform for Action (Beijing+25) commemoration provides a key opportunity to make a strong case for enhanced financing for gender equality and women's empowerment, including through the funding of UN-Women.

23. UN-Women underscores the continued importance of voluntary contributions in terms of its sustainability, as such contributions represent more than 98.2 per cent of UN-Women's total income. UN-Women welcomes the emphasis, given by the General Assembly in its resolution [72/279](#), on the need to rebalance regular and other resources, a point that UN-Women has systematically pointed out in structured dialogues on financing with the Executive Board. An adequate level of regular resources is critical for sustainability, the integrity of the strategic plan and the ability of UN-Women to mobilize other resources.

24. Regular resources provide UN-Women with the adequate, predictable base of resources that is required to fulfil its mandate, to continue its support for the efforts of programme countries to achieve their development goals and to strengthen the coherence and coordination of the United Nations system for gender equality and women's empowerment and to leverage other resources to enhance programmatic efforts.

25. Funding under other resources complements regular resources towards the achievement of the results set out in the UN-Women strategic plan. In line with the recommendations contained in the quadrennial comprehensive policy review, such resources should be predictable, timely and flexible, in order to minimize transaction costs and the risk of strategic distortions. In accordance with those principles, UN-Women is focusing on attracting other resources of high-quality as well as soft-earmarked funding, especially for flagship programming initiatives, and the direct

funding of strategic notes and annual workplans at the country and regional levels. It will explore establishing thematic pooled funding windows from 2020 onwards, in line with the Secretary-General’s Funding Compact. In line with United Nations reform initiatives, UN-Women will support the promotion and effective management of inter-agency funding arrangements.

26. The proportion of regular resources to total voluntary contributions has decreased over the past three years, from 44 per cent in 2016 to 39 per cent in 2018. UN-Women is committed to ensuring an appropriate balance between regular and other resources in order to enhance impact of interventions and their sustainability. The change in financial resources since the establishment of UN-Women and projected “regular resources” and “other resources” are reflected in figure I below.

27. Governmental partners have been stalwart supporters of UN-Women. In 2018, 104 Member States provided supported through voluntary contributions. The top nine contributors, Australia, Denmark, Finland, Japan, Norway, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America, provided 61.8 per cent of the total voluntary contributions. UN-Women also enjoys a strong partnership with the European Union, particularly in context of the recently established European Union-United Nations Spotlight Initiative, which is focused on ending violence against women. UN-Women also continues to nurture and broaden its partnership with Governments and intergovernmental organizations, including emerging partners.

Figure I
Regular and other resources: 2011–2021

(Millions of United States dollars)



III. Institutional effectiveness and efficiency: progress made and future outlook

28. UN-Women has made steady progress in strengthening its institutional performance over the biennium 2018–2019. Effective United Nations system coordination, partnerships and communications, high-quality programmes, strong oversight mechanisms and improved management of human and financial resources supported the achievement of results for women and girls.

29. UN-Women continued to strengthen its work on United Nations system-wide coordination, coherence and accountability for gender equality and women’s

empowerment., including the roll-out of updated versions of the following two United Nations accountability frameworks for gender equality and women's empowerment: (a) a second generation of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women to promote corporate-level accountability; and (b) an updated system-wide gender-equality scorecard to promote accountability within United Nations country teams. UN-Women continues to support gender mainstreaming within the United Nations system by providing advice and guidance in a wide range of areas, including knowledge generation and capacity-building. It has also supported the efforts of the Secretary-General towards the achievement of gender parity within the Organization. Looking forward, UN-Women will take full advantage of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women as a concrete tool to support coherence in the context of the repositioning of the United Nations development system. It will further strengthen United Nations coordination as a key approach of its programming, including at the country level and as part of the redesigned the United Nations Sustainable Development Cooperation Framework process.

30. In January 2018, an in-house Internal Audit Service was established under the Independent Evaluation and Audit Services of UN-Women. A new governance framework, including the charter of the Independent Evaluation and Audit Services and the charter of Internal Audit Service, were presented to the Executive Board. Responding to a request from its Board, UN-Women has provided regular updates on the establishment of the Independent Evaluation and Audit Services. The Board was briefed on steps taken to ensure adequate coverage and the functional independence of both the Independent Evaluation and Audit Services and the Internal Audit Service. Also in 2018, the Director of the Independent Evaluation and Audit Services assumed the role of official responsible for liaison on matters pertaining to the investigation services provided by the Office of Internal Oversight Services of the United Nations Secretariat to UN-Women.

31. The charter of the Independent Evaluation and Audit Services sets out that the office shall provide credible evidence on the performance of UN-Women to support the achievement of gender equality and the empowerment of women, including assurance that the governance, risk management and control processes of the Entity are adequate, effective and functioning as intended in order to meet its strategic and organizational objectives. The Independent Evaluation and Audit Services and the Internal Audit Service are distinct bodies with one overarching goal: to assist UN-Women to achieve its strategic, programmatic and organizational objectives.

32. The Independent Evaluation and Audit Services has put processes in place to enhance synergies, notably collaboration with the Internal Audit Service in planning and reporting, effective knowledge-sharing and provisions for specific areas of joint work. Efficiencies have been achieved by streamlining the management and operations of the audit and evaluation services.

33. UN-Women is seeing a continuing trend towards a stronger culture of evaluation, which is exhibited through improved performance against the nine evaluation key performance indicators. In conformity with the evaluation policy, 87 per cent of regional and country offices have carried out at least one evaluation during the 2014–2018 period. About 85 per cent of the evaluation reports were externally assessed as being either good or very good, with significant improvements noted in country portfolio evaluations and regional evaluations.

34. UN-Women has received its seventh consecutive unqualified audit opinion from the United Nations Board of Auditors since 2011 for its corporate financial statements. The yearly implementation rate of audit recommendations from the Board of Auditors has significantly increased from 32 per cent in 2015 to 84 per cent in

2017. The number for audit recommendations issued by the Board has declined from 20 in 2016 to 12 recommendations in 2017. A central audit database has greatly facilitated the analysis of commonly identified high risk areas to guide management in prioritizing and focusing the use of its limited resources to implement needed improvements.

35. UN-Women is fully committed to transparency and accountability and in 2012 it signed on to the International Aid Transparency Initiative, which aims to make information about aid spending easier to access, use and understand. In 2018, UN-Women ranked in sixth place among 22 United Nations agencies that publish their aid information in the registry of the Initiative – a significant improvement from previous scores.

36. As part of the Inter-Agency Security Management Network, UN-Women significantly contributed to the development of policies, guidelines and manuals of the common system focusing on the inclusion of gender considerations within the United Nations security management system. UN-Women engaged in the joint development and delivery of crisis management training, ensuring that, as a primary objective, gender considerations are and continue to be fully integrated into system-wide planning and decision-making and into the Organization's response to all aspects of crisis management.

37. In 2018 UN-Women developed a customized end-to-end e-procurement system, a time and cost savings system that enables the automation of processes and their consistent application, the first of its kind in the United Nations. UN-Women also leads inter-agency collaboration on gender-responsive procurement, with gender-responsive procurement provisions incorporated, inter alia, into: (a) UN-Women solicitation documents; (b) the United Nations Global Marketplace – a supplier registration platform used by more than 40 United Nations entities; (c) the United Nations supplier's code of conduct; and (d) the internal policies of UN-Women. These measures drive positive gender equality outcomes and through them suppliers are urged to develop and offer products/services that are in line with gender equality objectives.

38. UN-Women has included technology and innovation as one of the “drivers of change” in its strategic plan 2018–2021. The UN-Women information and communications strategy 2018–2021 sets a direction to enabling the Entity to fully leverage technology to deliver on its mandate.

39. During the 2018–2019 biennium, investments in the integration of programme information management systems have enabled better organizational planning, project management, financial management, results-based management, human resource management and donor management functions. With the full implementation of the initiative, UN-Women will be able to measure the progress achieved by its programme work, draw lessons and make decisions that will help to further improve its performance and its delivery as a development partner. When fully functional, these systems will not only support the structured dialogue on financing with the Executive Board but will also allow UN-Women to fully meet its commitments under the International Aid Transparency Initiative. The addition of two news posts approved in the 2018–2019 integrated budget for managing information security and web architecture have contributed to reducing risk by further strengthening efforts to actively combat cyberthreats.

40. During the biennium 2018–2019, UN-Women fully instituted a dedicated workplace relations function to address, prevent and create awareness with regard to the code of conduct, sexual harassment and sexual exploitation and abuse, ethics and other issues relevant to workplace relations. UN-Women has conducted global awareness campaigns on the prevention of sexual exploitation and abuse and sexual

harassment and has developed a dedicated intranet site and e-course, along with a guide on sexual misconduct. UN-Women has issued new and revised policies on harassment, sexual harassment, discrimination and abuse of authority and protection against retaliation and will implement a new performance management system aligned to its recently launched performance management policy, which will involve all personnel in order to ensure improved performance management and oversight.

41. The Donor Agreement Management System dashboard is currently being used as a key monitoring and tracking tool throughout UN-Women to manage donor reporting obligations. UN-Women has seen a reduction, by 73 per cent, in the number of projects pending closure in 2017, leading to the retirement of a 5-year-old audit recommendation. In 2018, the timely closure of projects has reduced the number of overdue projects pending closure by 80 per cent when compared to 2017.

42. The recently launched Policy, Procedure and Guidance Framework is intended to establish an internal framework providing a coherent approach and mechanism to develop, approve, promulgate and manage policies and related guidelines. The framework has brought about organizational benefits and improvements in a number of areas, all of which are intended to enhance business performance and effectiveness, including: (a) the creation of an online portal and platform that provides a sole authoritative source for such documentation; (b) increased visibility and retrieval of relevant documentation; (c) bridging of gaps in policy comprehension; (d) strengthening accountability in terms of document ownership; and (e) enhancing compliance at various levels.

IV. Proposed integrated budget for 2020–2021

A. Integrated budget 2020–2021

43. The proposed budget is guided by the priorities set out in the strategic plan 2018–2021 and the provisions of Executive Board decision 2013/2 on an integrated budget and cost recovery. The integrated budget provides the projected income and use of resources for UN-Women for its programme components and institutional components funded from regular resources, in line with the harmonized cost classification categories.

44. Table 1 below shows the integrated resource plan for the biennium 2020–2021 for all cost classification categories funded from voluntary resources (regular and other). Total estimated voluntary resources available for use, inclusive of estimated opening balances, are \$1,244.3 million, out of which a total of \$457.3 million is from regular resources and a total of \$787.0 million is from other resources. In terms of the use of resources, a total of \$852.1 million (85 per cent) is dedicated to the use of development activities; \$115.6 million (11.6 per cent) is dedicated to management activities; \$32.0 million (3.2%) is dedicated to United Nations coordination activities; and \$3.0 million (0.03 per cent) is dedicated to special purpose activities. Compared to the integrated budget for 2018–2019, the proposed use of estimated resources represents a 7 per cent increase for development activities, a 4.9 per cent decrease for management activities and a 17.6 per cent increase in United Nations coordination activities, with no change in special purpose activities. UN-Women remains committed to ensuring that the bulk of the estimated resources are dedicated to the support of development activities and that all costs are aligned under the correct classification category.

45. The total estimated available income from regular resources is \$457.3 million, out of which \$232.9 million (58.2 per cent) is dedicated to the support of programme

activities and \$167.1 million is dedicated to the support of activities under United Nations coordination, management and special purposes combined (41.8 per cent).

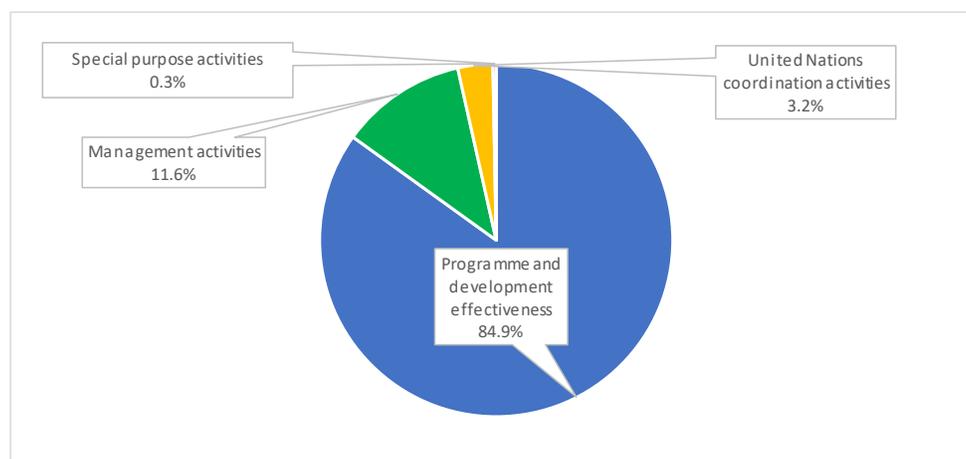
46. The estimated total of other resources is \$787.0 million, inclusive of an estimated opening balance of \$217 million. Out of the estimated total of other contributions of \$570 million, the cost recovery income of \$37.3 million is based on the 2018 actual effective cost recovery rate of 7 per cent.

47. Figure II below illustrates the proportion of resources that are devoted to each cost classification category, in line with the harmonized funding framework approved for UNICEF, UNDP, UNFPA and UN-Women, namely: development activities; management activities; United Nations development coordination activities; and special purpose activities.

48. UN-Women remains committed to focusing on its development activities while ensuring that it has in place the operational support needed to optimize its programmatic work. While keeping its projected development spending at the same level, it has decreased the share of management activities from 12.8 per cent to 11.6 per cent during the biennium 2020–2021.

Figure II

Proportion of resources: by cost classification category



B. Institutional budget 2020–2021

49. The proposed institutional budget builds on the approved budget for the 2018–2019 biennium of \$201.8 million. The main increase reflected in the 2018–2019 institutional budget over the 2016–2017 budget resulted from the net addition of three posts, a total of \$3 million for special purpose activities, non-discretionary items relating to inflation and staff costs, as well as a minor increase in volume offset by an application of a higher vacancy rate.

50. The institutional budget 2020–2021 proposes a budget appropriation of \$203.8 million, a cost increase over the 2018–2019 budget of \$2.6 million, reflecting the doubling of the share of the contribution of UN-Women to the cost-sharing arrangement of the United Nations Sustainable Development Group among the entities of the United Nations development system, effective 1 January 2019, as mandated by the General Assembly in its resolution [72/279](#). The doubling of its share of the contribution is a considerable financial cost for UN-Women to absorb, in particular considering that no additional posts and/or non-discretionary items are proposed under the institutional budget.

51. The total estimated institutional budget component of \$204.4 million is comprised of funds for development effectiveness (\$53.8 million), United Nations development system coordination (\$32.0 million), management (\$115.6 million) and special purpose (\$3.0 million) activities.

52. While there are no proposed changes to the staffing structures, all costs related to non-discretionary items relating to inflation and staff costs for the 465 institutional budget posts have been absorbed at the same level as the 2018–2019 overall budget amount of \$201.8 million.

53. The summary of the current institutional budget funded posts is reflected in table 2 below, with no changes proposed for the 2020–2021 budget period.

Table 1
Financial framework of UN-Women

(Millions of United States dollars)

	2018–2019 approved						2020–2021 estimates						
	Regular resources		Other resources		Total	Percentage	Regular resources		Other resources		Total	Percentage	
			Programme	Cost recovery					Programme	Cost recovery			
1. Resources available													
Opening balance	57.5	12.5	189.8	28.4	275.7	23.8	53.3	11.7	217.0		270.3	21.7	
Income													
Contributions	400.0	86.9	448.6	31.4	880.0	75.9	400.0	87.5	532.7	37.3	970.0	78.0	
Other income and reimbursements	3.0	0.7			3.0	0.3	4.0	0.9			4.0	0.3	
Total resources available	460.5	100.0	638.4	59.8	1 158.7	100.0	457.3	100.0	749.7	37.3	1 244.3	100.0	
2. Use of resources													
A. Development activities													
A.1. Programme	232.6		513.6		746.2		232.9		565.4		798.3		
A.2. Development effectiveness	43.8			6.3	50.1		46.4			7.4	53.8		
Subtotal development activities	276.4	68.1	513.6	6.3	796.3	84.0	279.3	69.8	565.4	7.4	852.1	84.9	
B. United Nations development system coordination	27.2	6.8			27.2	2.9	32.0	8.0			32.0	3.2	
C. Management activities													
C.1. Recurring	83.7			25.1	108.8		73.4			29.9	103.3		
C.2. Non-recurring											–		
C.3. Evaluation	6.7				6.7		6.3				6.3		
C.4. Audit and investigation	6.0				6.0		6.0				6.0		
Subtotal management activities	96.4	23.9	–	25.1	121.5	12.8	85.7	21.4	–	29.9	115.6	11.6	
D. Special purpose activities													
D.1. Resource mobilization	1.0		–	–	1.0				–	–			
D.2. ICT transformation	2.0		–	–	2.0		0.5		–	–	0.5		
D.3. Beijing +25							0.9				0.9		
D.4. Change management							1.6				1.6		
Subtotal special purpose activities	3.0	0.7	–	–	3.0	0.3	3.0	0.8	–	–	3.0	0.3	

	2018–2019 approved						2020–2021 estimates					
	Regular resources		Other resources		Total	Percentage	Regular resources		Other resources		Total	Percentage
			Programme	Cost recovery					Programme	Cost recovery		
Total institutional budget (A.2+B+C+D)	170.4	42.3	–	31.4	201.8	21.3	167.1	41.8	–	37.3	204.4	20.4
Total use of resources (A+B+C+D)	403.0	100.0	513.6	31.4	948.0	100.0	400.0	100.0	565.4	37.3	1 002.7	100.0
Balance of resources (1-2)	57.5		124.8	28.4	210.7		57.3		184.3	(0.0)	241.6	

Table 2
Institutional budget posts: by location

	2018–2019 proposed posts							Net changes					2020–2021 proposed posts							
	USG/ ASG	D-2	D-1	Other Professional	All other	Total	Percentage of total	USG/ ASG	D-2	D-1	Other Professional	All other	Total	USG/ ASG	D-2	D-1	Other Professional	All other	Total	Percentage of total
Field			10	179	117	306	66	–	–	–	–	–	0		10		179	117	306	66
Headquarters	1	4	10	94	50	159	34	–	–	–	–	–	0	1	4	10	94	50	159	34
Total	1	4	20	273	167	465	100	–	–	–	–	–	0	1	4	20	273	167	465	100

Abbreviations: USG: Under-Secretary-General; ASG: Assistant Secretary-General.

C. Cost recovery

54. Table 1 above, on the financial framework, includes the estimated cost recovery income related to cost recovery charges on bilateral, multilateral and programme country resources. UN-Women applies cost recovery rates in compliance with decision 2013/2 of the Executive Board on cost recovery, in which differentiated rates were recognized. Due to the application of differentiated rates, the 2018 effective rate of 7 per cent has been used to calculate the projected cost recovery income. Out of the total projected income under other resources of \$570.0 million, an amount of \$37.3 million is from cost recovery.

55. In 2018, UN-Women granted 10 indirect cost-recovery waivers that would have generated \$0.348 million in indirect income under other resources had an 8 per cent cost recovery rate been applied. With the reduced cost recovery rate of 7.0 per cent, the indirect other resources income is \$0.307 million, which represents an overall reduction of \$0.041 million (\$0.014 million in 2017). Detailed information on the waivers is included as an annex to the annual report of the Under-Secretary-General.

D. Allocation of regular resources to programme activities

56. UN-Women allocates the entire balance of its regular resources (core) after utilization by the institutional budget to programme activities. This allocation is based on the methodology that was used by the United Nations Development Fund for Women, one of the predecessor entities of UN-Women.

57. The current methodology for allocating regular resources for regional and thematic distribution is based on a straightforward percentage point, assigned for each programming category. Further distribution within the category is then based on programmatic needs and priorities. UN-Women continues to assess this methodology for relevance.

E. Integrated results and resources framework

58. Table 3 below presents the integrated results and resources framework for the 2020–2021 biennium. The proposed integrated budget supports the achievement of the five development outcomes and the four outputs of organizational effectiveness and efficiency results set out in the strategic plan 2018–2021, which are:

- (a) Enhanced coordination, coherence and accountability of the United Nations system for gender equality commitments;
- (b) Increased engagement of partners in support of UN-Women’s mandate;
- (c) Enhanced quality of programmes through knowledge, innovation, results-based management and evaluation;
- (d) Improved management of financial and human resources in pursuit of results.

59. For each cost classification category, linkages are made between organizational outputs, functional clusters and proposed resource requirements.

Table 3
Integrated results and resources framework: 2020–2021

(Millions of United States dollars)

Outcome/output	Cost classification	Functional cluster	2020–2021			Total
			Regular resources	Other resources	Cost recovery	
A comprehensive and dynamic set of global norms, policies and standards on gender equality and the empowerment of all women and girls is strengthened	Programme		17.8	43.3	–	61.1
Women lead, participate in and benefit equally from governance systems	Programme		41.8	101.5	–	143.4
Women have income security, decent work and economic autonomy	Programme		50.4	122.4	–	172.8
All women and girls live a life free from all forms of violence	Programme		76.5	185.6	–	262.1
Women and girls contribute to building sustainable peace and resilience, and benefit equally from crisis prevention and humanitarian action	Programme		46.4	112.5		158.9
Enhanced coordination, coherence and accountability of the United Nations system for gender equality commitments	United Nations coordination	United Nations Development Coordination	32.0	–	–	32.0
Increased engagement of partners in support of the mandate of UN-Women	Management	Corporate external relations and partnerships, communications and resource mobilization	7.9		3.4	11.3
	Development effectiveness	Alliance building and youth engagement	–	–	–	–
High quality of programmes through knowledge, innovation, results-based management and evaluation	Development effectiveness	Innovation and technology, knowledge hub, knowledge management, South-South cooperation, results-based management	46.5	–	7.4	53.9
	Management	Corporate oversight and assurance	12.3	–		12.3
		Corporate financial, information and communication technology and administrative management	16.5		6.9	23.4
Improved management of financial and human resources in pursuit of results	Management	Corporate human resources management	1.3	–	3.9	5.2
		Staff and premises security	1.8	–		1.8
		Leadership and corporate direction	2.6	–	4.9	7.5
		Field/country office oversight, management and operations support	43.3	–	10.7	54.0
	Special purpose activities	Information and communications technology transformation, resource mobilization Initiative	3.0	–	–	3.0
Total			400.0	565.4	37.3	1 002.7

F. Allocation of resources to development outcomes

60. The UN-Women integrated budget for 2020–2021 will cover the second biennium under the Entity's strategic plan 2018–2021. Indicative allocations of resources to development outcomes under the strategic plan are informed by the following criteria: (a) 2018 expenditure; (b) expenditure trends by outcome area for the past three years; and (c) expected future demands based on the existing pipeline.

61. A review of 2018 voluntary resource expenditures in UN-Women's Results Management System showed that: (a) 21 per cent of programme funds were spent on women's leadership and governance; (b) 15 per cent of programme funds were spent on women's economic empowerment; (c) 27 per cent of programme funds were spent on ending violence against women and girls; (d) 31 per cent of programme funds were spent on work on women, peace and security and humanitarian action (67 per cent of which was allocated to peace and security and 33 per cent of which was allocated to humanitarian action); and (e) 6 per cent of programme funds were spent on support to normative intergovernmental processes. An indication of trends is reflected as a percentage change in allocation to each outcome area in 2018 as compared to 2016. A review of trends in each outcome area over the last three years has shown strong growth in UN-Women's work on women, peace, security and humanitarian action, ending violence against women and girls and women's leadership and governance. UN-Women's work in women's economic empowerment has demonstrated a slightly slower rate of growth. The scale and scope of the normative support and coordination functions of UN-Women have expanded significantly since its founding and the adoption of the 2030 Agenda in 2015.

62. In addition, UN-Women predicts that, overall, country level demand will continue to exceed the resources available.

63. The future demand for the development outcomes supported by UN-Women is divided in the following manner: (a) 8 per cent of programme funds to support normative intergovernmental processes; (b) 18 per cent to support women to lead, participate in and benefit equally from governance systems; (c) 22 per cent to support women in obtaining income security, decent work and economic autonomy; (d) 33 per cent to support women and girls to live a life free from violence; and (e) 20 per cent to support women to engage in prevention, sustain peace and build resilience and to benefit equally from peace, security and humanitarian interventions.

64. In order to project allocations per outcome area for the 2020–2021 integrated budget, UN-Women applies a formula that adjusts 2018 allocations according to trends in past expenditure and expected future demand. In making this calculation, UN-Women uses its programme data, which is part of multi-year strategic note documents for expected demand.

65. UN-Women has also taken into consideration the following qualitative considerations in deciding on allocations across the outcome areas:

(a) Support for the work of UN-Women for normative intergovernmental processes (including the work of the Commission on the Status of Women, the Economic and Social Council, the General Assembly and the Security Council) will continue to be funded through regular budget resources and the institutional budget, as well as a small allocation of programme funds to support capacities at the national level to engage in normative intergovernmental processes;

(b) UN-Women believes that outcome 3 of its strategic plan 2020–2021 (women's economic empowerment) remains critical for its work and as a priority of the strategic plan. UN-Women has ensured that it remains appropriately resourced;

(c) Given UN-Women's critical role in the area of women, peace and security and humanitarian action, interventions in these areas have increased. Nevertheless, UN-Women believes that the rate of growth of this area of work needs to be prudent and has therefore suggested an indicative allocation that aligns with its absorptive capacity in this sphere of work.

66. Keeping these factors in mind, indicative allocations between the outcome areas of the strategic plan have been adjusted as follows:

(a) A comprehensive and dynamic set of global norms, policies and standards on gender equality and the empowerment of all women and girls is strengthened: this area of work will receive all of the regular budget resources received by UN-Women. In addition, 7 per cent of the Entity's programme funds are projected to be allocated to support capacities at the national level to engage in normative processes;

(b) Women lead, participate in and benefit equally from governance systems: 19 per cent;

(c) Women have income security, decent work and economic autonomy: 18 per cent;

(d) Women and girls live a life free from violence: 28 per cent;

(e) Women are engaged in, and benefit equally from, peace, security and humanitarian interventions to prevent crises and build resilience: 27 per cent.

67. As part of its ongoing analysis of the link between results and resources, UN-Women remains committed to leveraging its integrated programme management information system in order to:

(a) Strengthen planning, budgeting and the tracking of resources received;

(b) More precisely identify funding gaps and the subsequent need for reallocation of resources across outcome areas;

(c) More accurately track results obtained from its development activities.

G. Special purpose: capital investments

Information and communications technology

68. During the 2020–2021 biennium, UN-Women will start to implement and plan major enhancements for a group of dynamically linked modules under its integrated programme information management systems in order to strengthen the functions of planning, financial management, results management, project monitoring and reporting, human resources management and donor management. The implementation of these systems by UN-Women will digitize the programme management function, thus improving the transparency of its programme data at the project level and providing support for the strategic decision-making process. This will allow UN-Women to streamline its programme information management systems with reporting on the redesigned United Nations Sustainable Development Cooperation Framework process at the country level, in line with specific Sustainable Development Goals. When complete, these systems will not only support the structured dialogue on financing with the Executive Board, but will also allow UN-Women to fully meet its commitments under the International Aid Transparency Initiative. In this regard, it has been proposed that an amount of \$0.5 million be assigned for the digitization of programme management functions.

Twenty-five-year review of the Beijing Declaration and Platform for Action

69. An amount of \$0.9 million has been included in the integrated budget to provide strategic leadership support in the management of the 25-year review and appraisal of the Beijing Declaration and Platform for Action (Beijing+25), including: the design and implementation of political and social mobilization strategies; strategic support to countries and national committees on resource mobilization; outreach and coordination efforts; and communication and advocacy initiatives to give visibility to the gender equality and women's empowerment agenda, especially among youth.

Change management

70. As reflected in the overview in section I above, UN-Women has initiated a change management process to achieve optimized structures at headquarters and at regional and field offices. While all changes are strictly being worked out within zero-growth budget in the context of recurring requirements, there will be one-time cost implications resulting from such changes, including the redeployment of staff. While exact changes and associated costing are still being defined, the institutional budget for the 2020–2021 biennium includes seed funding of \$1.6 million to fund elements of this one-time cost. The full impact of the resulting one-time investments required to meet the realignment of structures will be set out in the integrated budget for 2022–2023.

V. Regular budget

71. In accordance with paragraph 75 of General Assembly resolution [64/289](#), the resources required to service the normative intergovernmental processes should be funded from the regular budget and approved by the Assembly; the resources required to service the operational intergovernmental processes and operational activities at all levels shall be funded from voluntary contributions and approved by the Executive Board.

72. In the budget for the biennium 2018–2019, the General Assembly approved five additional posts for the performance of normative intergovernmental functions (1 D-2, 1 D-1, 1 P-5, 1 P-4 and 1 P-3) (see General Assembly resolution [72/261](#)). Following the adoption of the budget, the total number of posts at UN-Women funded from assessed contributions currently stands at 49.

73. With the adoption of the change in the United Nations budget from a biennial to an annual budget exercise, following the decision of the General Assembly in its resolution [72/266](#), the 2020 proposed programme budget reflects no change in post and non-post requirements.

VI. Elements of a decision

74. The Executive Board may wish to adopt the following decision:

(a) *Welcomes* the UN-Women integrated budget for 2020–2021, which presents a single, integrated budget that includes all budgetary categories, to complement the Entity's strategic plan 2018–2021;

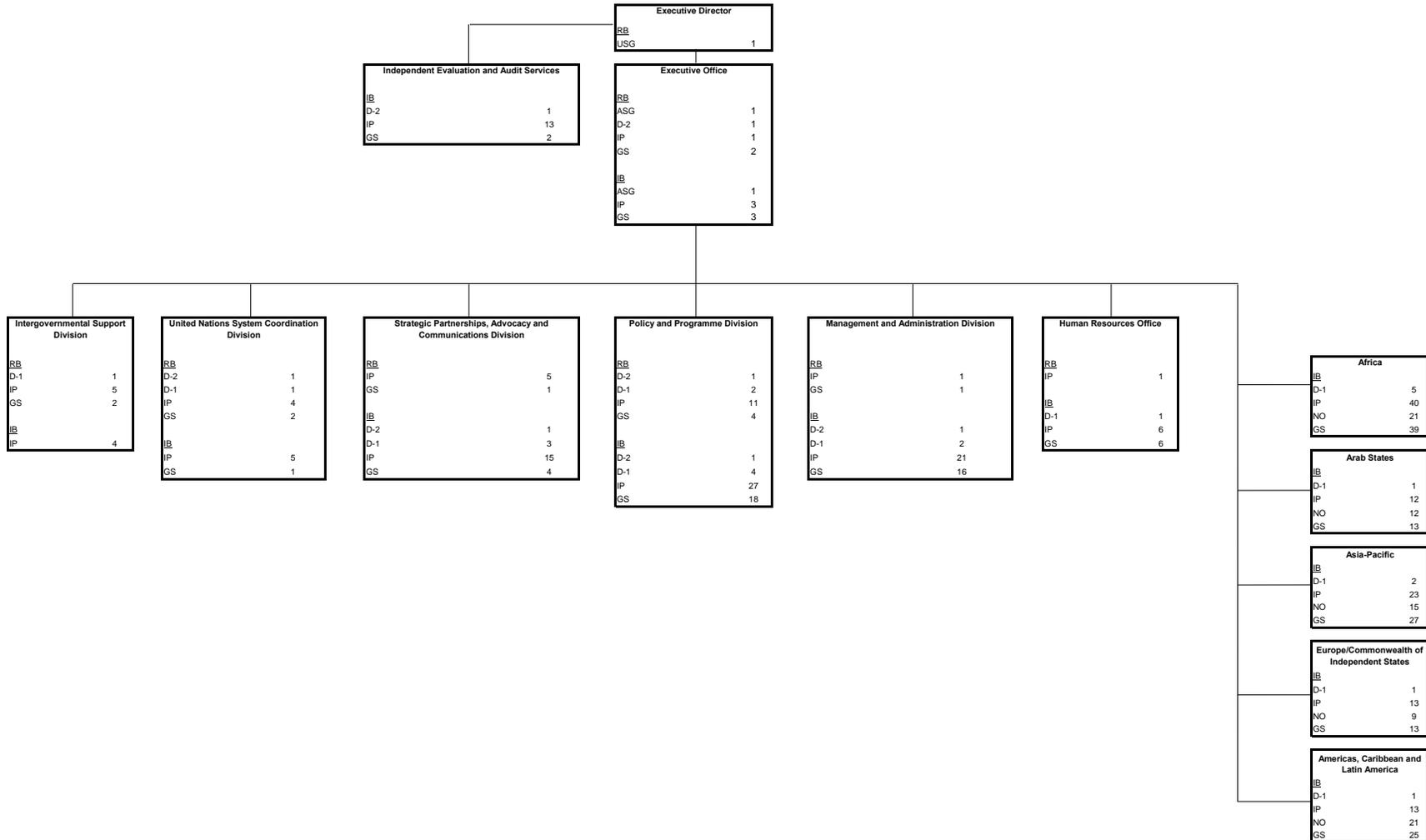
(b) *Approves* institutional budget resources in the amount of \$204.4 million to support organizational effectiveness and efficiency, and notes that these estimates include an amount of \$37.3 million for cost recovery from other resources;

(c) *Notes* that in the event that actual cost recovery is higher than the estimates included in the budget proposal, the additional amount may be used for management activities to allow more regular resources to be used for programme activities;

(d) *Requests* the Under-Secretary-General/Executive Director to present a comprehensive update of change management initiatives under way, including related resource implications aimed at increasing effectiveness and efficiency, in the integrated budget for 2022–2023.

Annex I

Proposed organization chart of the United Nations Entity for Gender Equality and the Empowerment of Women: 2020–2021



Abbreviations: ASG: Assistant Secretary-General; GS: General Service; IB: Institutional budget; IP: International Professional, National Officer; RB: Regular Budget; USG, Under-Secretary-General.

Annex II

Definitions

Appropriation. A specific amount approved by the Executive Board for the related period with respect to the organizational efficiency and effectiveness component of the integrated budget financed from regular resources.

Cost increase/decrease. Any increase or decrease in the cost of a resource input in a budget period compared with the previous budget period arising from changes in costs, prices and exchange rates.

Cost, non-discretionary. Cost of a resource input, or any increase thereof during the budget period, mandated by specific decisions legislated by the General Assembly and/or the Executive Board.

Development activities. Activities associated with programmes and development effectiveness activities essential for achieving development results.

Development effectiveness activities. Activities of a policy advisory, technical and implementation nature needed to achieve the objectives of programmes and projects in the areas of focus of the United Nations Development Programme (UNDP). While essential to the delivery of development results, they are not included in specific programme components or projects in country, regional or global programme documents.

Functional cluster. One or more discrete organizational units within a functional area that directly support(s) the management of the organization.

Institutional budget. The institutional (organizational efficiency and effectiveness) component of the integrated budget covering activities over a period based on a set of defined results from the strategic plan.

Management activities. The primary purpose of which is the promotion of the identity, direction and well-being of an organization, including executive direction, representation, external relations and partnerships, corporate communications, legal, oversight, audit, corporate evaluation, information technology, finance, administration, security and human resources.

Other resources. Resources of a voluntarily funded organization that are received for a specific programme purpose (“other resources relating to programmes”) and for the provision of specific services to third parties (“other resources relating to reimbursements”).

Regular budget. Portion of assessed contributions allocated to UN-Women through the United Nations programme budget, prepared by the Secretary-General and approved by the General Assembly.

Regular resources. Resources of a voluntarily funded organization that are comingled and untied. These include voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Special-purpose activities. Activities and associated costs of capital investments and non-UNDP operations administered by UNDP.

United Nations development coordination activities. Activities and associated costs supporting the coordination of development activities of the United Nations system.

Volume increase/decrease. Any increase or decrease in resource requirements attributable to changes in the level or nature of activities carried out by an organization during the current budget period and those proposed for the subsequent budget period. In order to permit direct comparison, volume is expressed using the same cost factors applicable to approved appropriations.
