

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

Report of the Executive Board on its work during 2013



United Nations • New York, 2013

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Note

Symbols of United Nations documents are composed of capital letters combined with figures.

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Part one

First regular session 2013

**Held at United Nations Headquarters in New York
from 28 January to 1 February 2013**

I. Organizational matters

1. The first regular session 2013 of the Executive Board of UNDP, UNFPA and UNOPS was held at United Nations Headquarters, New York, from 28 January to 1 February 2013. The President of the Board welcomed all delegations and thanked the outgoing President and Vice-Presidents for their leadership and commitment to the work of the Board in 2012. He congratulated the new members of the Bureau on their election.

2. In accordance with rule 7 of the rules of procedure of the Executive Board, the Board elected the following members of the Bureau for 2013:

President:	H.E. Mr. Roble Olhaye	(Djibouti)
Vice-President:	Mr. Andy Rachmianto	(Indonesia)
Vice-President:	Mr. Eduardo Porretti	(Argentina)
Vice-President:	Mr. Boyan Belev	(Bulgaria)
Vice-President:	Ms. Merete Dyrud	(Norway)

3. The Executive Board approved the agenda and workplan for its first regular session 2013 (DP/2013/L.1) and approved the report of the second regular session 2012 (DP/2013/1). The Board adopted the annual workplan for 2013 (DP/2013/CRP.1) and approved the tentative workplan for the annual session 2013.

4. Decisions adopted by the Executive Board in 2012 appear in document DP/2013/2, which was available on the Executive Board website at <http://www.undp.org/execbrd>.

5. The Executive Board agreed in decision 2013/10 to the following schedule for future sessions of the Executive Board in 2013:

Annual session 2013:	3 to 14 June 2013 (New York)
Second regular session 2013:	9 to 13 September 2013

UNDP segment

II. Statement by the Administrator and gender in UNDP

6. In her opening statement to the Executive Board, the Administrator thanked the outgoing President and Vice-Presidents for their support throughout 2012 and congratulated the newly elected President and Vice-Presidents for 2013. She also welcomed the new Executive Secretary of the United Nations Capital Development Fund (UNCDF).

7. The session was webcast live, and the Administrator, highlighting UNDP work in communications, showed a UNDP short film on energy poverty in Nepal. She presented the second edition of *The Development Advocate*, showcasing 12 green-themed stories from the annual storytelling competition. On a similar note, she informed delegations that the Board session was the first to use the green, cost-saving online services of PaperSmart.

8. The Administrator highlighted that 2013 was an important year for UNDP. The organization was working with Board members in developing the next UNDP strategic plan, 2014-2017, building into it guidance from General Assembly resolution 67/226 on the quadrennial comprehensive policy review (QCPR). UNDP

was fully engaged with Member States in discussions on the post-2015 Millennium Development Goals (MDGs) agenda as well as follow-up to the United Nations Conference on Sustainable Development of 2012 (post-Rio+20). In addition to its normal work, the organization continued to respond to new, often unforeseen challenges at country level.

9. The Administrator pointed out that UNDP had adopted a different approach in developing the new strategic plan, defining and building its services by first analysing external realities underlying development conditions, and then determining UNDP strengths and weaknesses against them. That approach had allowed UNDP to strengthen its capacities in areas where it had a comparative advantage. The strategic plan's new proposed structure, switching from a "practice" to "issues" focus, likewise reflected its adaptive capacity. She stressed that sustainable development and poverty reduction remained at the heart of the UNDP mandate, and underscored the vital importance of steady, predictable core resources necessary to fulfil that mandate. To achieve those goals, UNDP was working to improve talent management, align budget/reporting systems and deliver effectively in a restrained funding environment.

10. She drew attention to UNDP progress in: programming arrangements; joint work with UNICEF, UNFPA and UN-Women in developing the integrated budget, 2014-2017, and the related issue of cost recovery; accountability and transparency; and leadership in strengthening the coherence and coordination of the United Nations development system. On the outcome of the two evaluation reports (and management response) on the UNDP contribution to poverty reduction ([DP/2013/3](#)) and its support to conflict-affected countries in the context of United Nations peace operations ([DP/2013/5](#)), UNDP always welcomed scrutiny of its operations and results, and sought to learn from and exchange views. She reiterated the commitment of UNDP to transparency and accountability, drawing attention to the unqualified audit opinion UNDP received by the United Nations Board of Auditors for 2010-2011.

11. Board members appreciated the work UNDP was doing, and expected it continue to play a central role in leading the United Nations development system and in driving the development agenda forward. They were clear that the quadrennial review must form the basis of the new UNDP strategic plan and its mandate, in line with the QCPR resolution, was foremost poverty eradication and, to that end, building national capacity. They urged UNDP to focus its efforts on the neediest, especially in least developed countries. They highlighted the primacy of national ownership and the priorities of gender equality and South-South cooperation.

12. On the strategic plan, Board members supported the UNDP joint approach with UNFPA, UNICEF and UN-Women on the integrated budget and the harmonized cost-recovery rate. They supported UNDP efforts to redefine parameters to ensure greater balance and funding to programme countries. Board members also agreed that UNDP should undertake direct budget support and pooled funding within the parameters of its strategic plan and limits of its own expertise. The Board sought information on the UNDP approach to assessing the full range of risks associated with direct budget support and pooled funding, including monitoring actions. It also sought information on related evaluations and audits. (See chapter IV for complete coverage of the two evaluations.) They commended UNDP for its high

scoring in the recent Multilateral Organization Performance Assessment Network (MOPAN) review, which had ranked UNDP as an institution with a strong independent evaluation office.

13. The Administrator, thanking delegations, spoke to the issues of cost recovery and the integrated budget, noting that UNDP was working to become more responsive and flexible in covering its costs. She took note of Board insistence that UNDP must focus on poverty eradication. On the evaluation of the UNDP contribution to poverty reduction, she emphasized that policies which had the greatest impact on poverty were not necessarily the most narrowly pro-poor. The UNDP management response to the evaluation maintained the validity and relevance of the UNDP broad-based, multidimensional approach to poverty reduction. Despite its strong evaluation ranking by MOPAN, UNDP continued to address gaps. UNDP also sought to expand and engage in innovative partnerships. She thanked delegations promising additional funding to core resources, noting those specifically for South-South cooperation, and took note of delegations insistence on mainstreaming gender equality. The Administrator closed by thanking Board members for their continued confidence in UNDP as a partner of choice.

Gender in UNDP

14. The Associate Administrator, UNDP, presented the oral report of the Administrator on the implementation of the UNDP gender equality strategy, 2008-2013, including the report on the midterm review of the UNDP gender equality strategy.

15. Delegations commended UNDP for mainstreaming gender equality in its programmes and thematic areas, and encouraged it to operationalize gender mainstreaming in the next strategic plan and promote gender dimensions in the post-2015 development agenda. They were pleased with the work of the Gender Steering and Implementation Committee in strengthening corporate accountability for gender equality and parity results. UNDP should strengthen the UNDP Gender Team and share experiences with other United Nations organizations. They stressed the importance of implementing the United Nations system-wide action plan on gender equality and the empowerment of women to ensure greater coherence and accountability. They requested examples of achievements and challenges in gender equality in future reporting, and information on gender marker data. They were concerned by the lack of gender parity in UNDP middle/senior management, and requested information on gender training of resident coordinators and resident representatives.

16. The Associate Administrator, UNDP, assured delegations that UNDP would fully gender the new strategic plan, and align the new gender equality strategy. She highlighted that UNDP was working to achieve greater gender equality and parity within UNDP by adopting the system-wide action plan and gender-sensitive training. UNDP would continue to report annually on gender equality and parity, and share experiences with other United Nations organizations.

17. The Executive Board adopted decision 2013/1: Oral report of the Administrator on the implementation of the UNDP gender equality strategy.

III. Country programmes and related matters

18. The Associate Administrator, UNDP, introduced the following 12 country programmes documents: Cameroon, Democratic Republic of the Congo, Equatorial Guinea, Liberia and South Africa from the Africa region; Myanmar and Nepal from the Asia and the Pacific region; Libya, Sudan and the United Arab Emirates from the Arab States region; and Haiti and Nicaragua from Latin America and the Caribbean region. The Assistant Administrator, Regional Bureau for Africa, presented the draft country programme document for Eritrea ([DP/DCP/ERI/2](#)).

19. In accordance with decision 2006/36, the following 12 country programmes, which were discussed at the second regular session 2012, were approved by the Executive Board on a no-objection basis, without presentation or discussion: Cameroon, Democratic Republic of the Congo, Equatorial Guinea, Liberia and South Africa from the Africa region; Myanmar and Nepal from the Asia and the Pacific region; Libya, Sudan and the United Arab Emirates from the Arab States region; and Haiti and Nicaragua from Latin America and the Caribbean region.

20. In accordance with decision 2012/22, the Executive Board reviewed and approved the country programme document for Eritrea on an exceptional basis. The Executive Board also approved the common country programme for Pakistan, as well as the sub-regional programme for the Pacific Island Countries and Territories.

IV. Evaluation

21. The Associate Administrator, UNDP, introduced the item. The Director, Evaluation Office, UNDP, presented the evaluation of the UNDP contribution to poverty reduction ([DP/2013/3](#)) and the evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations ([DP/2013/5](#)). The Assistant Administrator, Bureau for Development Policy, UNDP, presented the management response to the evaluation of the UNDP contribution to poverty reduction ([DP/2013/4](#)), and the Assistant Administrator, Bureau for Crisis Prevention and Recovery, UNDP, presented the management response to the evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations ([DP/2013/6](#)).

22. Delegations welcomed the timeliness of both evaluations, and found them useful to spur dialogue, extract lessons and refocus priorities. They urged UNDP to ensure the recommendations be reflected in the strategic plan, and maximize its benefits for lessons learned. They commended UNDP for its high scoring in the Multilateral Organization Performance Assessment Network (MOPAN) review, which ranked UNDP as an institution with a strong independent evaluation office, with well-established practices for ensuring the quality of evaluations. They also commended UNDP for its evaluation function, which they would continue to support. They recommended that UNDP continue to work closely with national stakeholders and a wider pool of United Nations organizations, and pay close attention to gender equality in future evaluations.

23. On UNDP contribution to poverty reduction, delegations commended the Evaluation Office for an excellent report and for choosing to focus on poverty reduction. They noted that the evaluation reaffirmed the comparative advantage of UNDP in poverty reduction, especially as analytical leader in advocating for the

MDGs and in developing the human development reports and poverty reduction strategy papers. They reiterated that the organization's contribution to poverty reduction would continue to benefit from a gender equality perspective.

24. On the targeted versus holistic debate, the evaluation confirmed that the UNDP comparative strength was its multidimensional, integrated approach to poverty reduction. They supported pro-poor bias as a guiding principle when prioritizing UNDP work. The UNDP approach to poverty reduction should continue to be tailored to differing needs of poor populations and viewed through thematic perspectives. UNDP should continue to capitalize on its upstream policy advice and capacity building strengths, and work to ensure interventions have impact at the implementation level.

25. On UNDP support to conflict-affected countries, delegations were pleased with the outcome of the evaluation and the management response. They expressed full support for UNDP interventions in relief to development, using its ability to integrate sustainable development approaches in post-conflict countries. They were pleased with UNDP work in advocating for the role of women in post-conflict settings, and welcomed UNDP focus on recruiting expertise and strengthening staff capacity to respond to and work in conflict settings. UNDP could do more in conflict settings to improve results-based management and strengthen links between operations and policy. They suggested stronger collaboration with international financial institutions.

26. On coordination in conflict settings, delegations stressed the need to improve cooperation with the United Nations Department of Peacekeeping Operations (DPKO), the Department of Political Affairs (DPA) as well as with multilateral institutions. Delegations requested information on UNDP cooperation with non-United Nations actors, and urged UNDP to work with United Nations partners to ensure a clear division of labour.

27. The Assistant Administrator, Bureau for Development Policy, UNDP, said UNDP fully welcomed the evaluations and would ensure each recommendation was addressed and implemented. Their comments would inform the next strategic plan, 2014-2107, and make UNDP a stronger, more accountable partner. Poverty reduction would remain at the heart of the UNDP mandate, and UNDP would sharpen its pro-poor focus and strive for stronger links between poverty reduction and other areas of its work. Its pro-poor approach would continue to address gender equality and the feminization of poverty. While prioritizing immediate needs of recipient populations, UNDP sought to address root causes of crises and development problems, so that they did not recur. He underscored that the comparative strength of UNDP was precisely its multidimensional, holistic approach to poverty reduction.

28. The Assistant Administrator, Bureau for Crisis Prevention and Recovery, UNDP, noted that UNDP collaborated with partners to ensure clear division of labour and mutual respect, and to develop better conflict analysis and assessment tools. UNDP engaged with other United Nations organizations in conflict settings, and was co-chair of the International Network on Conflict and Fragility, a prime locus for working strategically in conflict-affected countries. He stressed the great strides made in the level of collaboration with DPKO and DPA, and noted that the global focal point mechanism, endorsed by the Secretary-General, greatly enhanced United Nations work in mission settings, enabling it to draw on expertise to meet country

demands. UNDP focused on areas where it had a comparative advantage, engaged Board members on the crisis-poverty nexus and seized opportunities to collaborate globally with non-United Nations actors.

29. The Associate Administrator, UNDP, added that UNDP aimed to incorporate a multidimensional approach to pro-poor bias in the strategic plan, a position supported by programme countries. It was committed to linking upstream and downstream activities, and applied standard criteria for choosing downstream projects: scalability, replicability and ability to inform policy. Most UNDP outcomes were upstream, and evaluations had credited UNDP upstream outcomes as the most successful. UNDP management was keen to build stronger partnerships and collaborate closer with United Nations and non-United Nations organizations.

30. The Director, Evaluation Office, UNDP, thanked delegations and UNDP management for constructive discussions. The two evaluations were the first to include a management response, and ensured a more transparent, comprehensive picture which helped to depict complex topics. On methodology, future evaluations would include a discussion of risk and gender, and specify the time period under evaluation. Because an evaluation was always a “snapshot”, it was critical to capture the dynamics of the organization, which the Evaluation Office sought to do through a regular process of engagement and debate, especially with the Board. The Evaluation Office stood ready to provide independent, critical evaluations, and fully appreciated the space the Board and UNDP allotted it to fulfil its function.

31. The Executive Board adopted decision 2013/2: (a) Evaluation of the UNDP contribution to poverty reduction, and the management response; and (b) Evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations, and the management response.

V. Financial, budgetary and administrative matters

32. The Associate Administrator, UNDP, introduced the item and the Assistant Administrator, Bureau for Development Policy, UNDP, presented the review of the UNDP engagement in direct budget support and pooled funds (DP/2013/7).

33. Delegations welcomed the review’s findings, and noted the success with which UNDP had engaged in direct budget support. The review provided sufficient justification for UNDP to continue that type of engagement, as it offered a more responsive, flexible strategic scope of action, enhancing UNDP relevance and effectiveness in policy advice and capacity development. They encouraged UNDP to step up its participation in pooled funding, an area where the organization could thrive and allow it to build partnerships and joint programmes more effectively.

34. Delegations cautioned UNDP to undertake direct budget support within the parameters of its strategic plan and the limits of its expertise. They requested information on fiduciary risks, which were not adequately addressed in the review, and the type of risk assessment UNDP undertook. They sought clarification on the long-term vision for direct budget support, and the processes followed when deciding (or not) to use direct budget support (assessing risks and complying with International Public Sector Accounting Standards), stressing efficiency and transparency. They requested information on the modality’s impact on policy dialogue and development

effectiveness, and encouraged UNDP to refine its guidance and regulations for direct budget support.

35. Several delegations from programme countries expressed strong support for direct budget support, which improved and made transparent the flow of official development assistance, and fostered MDG achievement and adherence to aid effectiveness. They strongly supported the pooled funding modality, evaluations having demonstrated that it produced positive results for budget absorption, coordination and resource mobilization. UNDP should consider: raising the resource ceiling once national institutions demonstrated capacity to manage; revisit UNDP management, accounting and auditing modalities to ensure compatibility with national systems; and advocate for system-wide use of direct budget support and pooled funds through the United Nations Development Group.

36. The Assistant Administrator, Bureau for Development Policy, UNDP, agreed that UNDP engagement in direct budget support and pooled funding was exceptional, and should not develop into a tool for interventions. UNDP would revert to them when they facilitated assistance to programme countries, especially for cost effectiveness and reduced fragmentation. UNDP engaged in direct budget support in areas specified in the strategic plan, 2014-2017, assessing risks prior to interventions, to measure public financial and management capacity. In certain circumstances, UNDP was unable to participate in discussions on major development issues at country level without the option of using direct budget support, which was why UNDP had made the request to the Board in 2008. In cases where conditions were not met, UNDP had been selective in choosing countries in which to use direct budget support.

37. UNDP only engaged in direct budget support and pooled funding through joint ventures, with programme and donor countries providing funds. The UNDP role was to provide technical support in a secure, cooperative environment without overstressing its mandate. UNDP stood ready to refine direct budget support and pooled funding guidelines and regulations, especially on risk assessment, once the Board agreed. UNDP was not recommending to raise the resource ceiling, which the Board had established and which UNDP considered a sufficient resource management tool. UNDP would continue to rely on country-level monitoring and reporting to undertake impact analyses.

38. The Executive Board adopted decision 2013/3: Review of UNDP engagement in direct budget support and pooled funding.

VI. Programming arrangements

39. The Deputy Assistant Administrator, Bureau of Development Policy, UNDP, presented the informal note on programming arrangements.

40. Delegations commended UNDP and supported the financial and operational requirements to maintain UNDP global presence and capacity to support programme countries, especially least developed and middle-income countries. They supported the policy of adapting country-level programming to the individual conditions of each programme country. Concerned that modifications to criteria for programme arrangements could change previous agreements and negatively impact some

countries, UNDP was encouraged to continue to provide resources and address national development priorities.

41. Delegations appreciated UNDP concern about its readiness and capacity to respond to emerging development situations. However, they questioned the value of setting up a separate contingency fund and requested clarification on criteria used to determine which countries/situations could benefit or not, particularly given the proposed percentage allocation. They encouraged UNDP to build on experiences of United Nations organizations that had set up a contingency fund. Given the trend of decreasing, fragmented core resources, UNDP could use funding allocated to contingency funds in other programming arrangements lines.

42. Delegations appreciated UNDP work to develop an integrated budget with other United Nations organizations, noted as a milestone in strengthening results oversight. Adjustments to programming arrangements were seen as a step forward in developing the integrated budget and ensuring UNDP focus on poverty eradication and sustainable development. Delegations viewed the adjustments as a way to offset the trend of falling core resources and consequently as an attempt to increase UNDP impact in programme countries.

43. The Assistant Administrator, Bureau of Management, UNDP, assured the Board that UNDP had adopted a balanced approach, focusing on results and balancing various funding sources and UNDP capacity to be present. On the contingency fund, UNDP was keen to include an additional fund within its toolbox to maintain a results focus. While it was difficult to prepare for unforeseen events, possessing the right tools to respond was crucial, and ensured UNDP could seize positive development opportunities. UNDP sought the creation of a limited fund with a ceiling, in addition to current UNDP funding, which would make UNDP a more flexible organization, and better able to respond.

44. The Deputy Assistant Administrator, Bureau of Management, UNDP, drew attention to international recognition of contingency funds. UNDP could not modify its programming documents and attached funds to adapt to emerging situations, which required immediate, strategic response. UNDP had already proposed a ceiling to use contingency funds, to which delegations would provide their comments. The proposed contingency fund did not deal with crises that arise under the target for resource assignment from the core (TRAC)-3 modality. Nothing in the proposals for the contingency fund or UNDP physical presence strayed from decision 2012/28 on TRAC-1, neither in terms of TRAC-1 percentages nor the agreed purpose of TRAC-1. Physical presence was already part of discussions on TRAC-1 and a complement to changes to TRAC-1 agreed in decision 2012/28.

45. The Executive Board adopted decision 2013/4: UNDP programming arrangements.

UNFPA segment

Opening remarks by the President of the Executive Board

46. The President of the Executive Board welcomed delegations to the UNFPA segment. Underscoring that 2013 was a crucial year for development, he drew attention to the challenges in meeting sustainable development commitments and targets while ensuring a balance with the environment. He noted that the visionary

Cairo agenda that emerged from the 1994 International Conference on Population and Development (ICPD) provided a blueprint for addressing the questions confronting the international community as it advanced towards the 2015 target date for the Millennium Development Goals (MDGs) and sought to shape the post-2015 development agenda.

47. The President highlighted the importance of the ICPD beyond 2014 review and noted that without sufficiently addressing the crucial issue of poverty eradication, the centrality of human beings in the development process — human rights, human dignity and a decent quality of life — would be lost. The President emphasized that UNFPA had a unique role to play in assisting countries in attaining these objectives and it was the responsibility of the Executive Board to support the organization, including through political and financial support, legislative guidance and strategic advice. He commended the UNFPA Executive Director for his effective leadership in guiding UNFPA in a highly challenging economic environment.

Statement by the Executive Director

48. At the outset, the Executive Director offered the sincere sympathy and condolences of UNFPA to the Government and the people of Brazil on the tragic accident and loss of life that had taken place recently in Santa Maria, Brazil. The Executive Director went on to congratulate the Executive Board President and members of the Bureau on their election. He thanked the outgoing President and outgoing Bureau members for their excellent leadership.

49. In his statement (available at <http://www.unfpa.org/public/home/exbrd/pid/12129>), the Executive Director updated the Executive Board on the progress achieved in implementing the initiatives he had described to the Board at the last session. He focused on the ICPD beyond 2014 review; the post-2015 development agenda; the quadrennial comprehensive policy review of the operational activities for development of the United Nations system (QCPR); the UNFPA strategic plan, 2014-2017; the integrated budget, 2014-2017, including cost recovery; evaluation; the reproductive health, population dynamics and development interlinkages; family planning, including the follow-up to the London Summit, and the UNFPA family planning strategy; the Campaign for the Accelerated Reduction of Maternal Mortality in Africa (CARMMA), including the recent African Union Summit where heads of State and Government had made new commitments to reduce maternal death and disability in Africa; the UNFPA adolescent and youth strategy; ageing; humanitarian response; staff security; and operational excellence. The Executive Director informed the Board about the healthy funding situation of UNFPA, noting that in 2012 the overall revenue of UNFPA grew by 7.9 per cent compared to 2011. Underscoring the priority that UNFPA accorded to accountability and transparency, the Executive Director elaborated on the adoption of the International Public Sector Accounting Standards (IPSAS); the focus on the International Aid Transparency Initiative; and the follow-up to the recommendations of the United Nations Board of Auditors. He was pleased to note the unmodified audit opinion issued by the Board of Auditors for the 2010-2011 biennium.

50. The Executive Director welcomed the newly appointed Director, Technical Division; the Director, West and Central Africa Regional Office; the Director, Arab States Regional Office; and the Chief, Executive Board and External Relations Branch. He assured the Executive Board that in 2013 UNFPA would focus on

generating stronger results in its core areas. Furthermore, the Fund would sharpen its strategic planning and would be more accountable and more responsive to the needs of women, mothers and young people.

51. Delegations noted their support for the work of UNFPA in the core areas of sexual and reproductive health and reproductive rights; gender equality; and population and development. They appreciated the work undertaken by UNFPA to respond to the development aspirations of developing countries. In drawing attention to the urgent need to address the issue of maternal mortality, delegations commended the CARMMA initiative. They also commended UNFPA work in addressing the challenges faced by young people. One delegation emphasized that population and health concerns were directly related to human security and noted the work of UNFPA in tackling human security-related projects for the protection of women's rights. It was noted that the unmet need for family planning could only be met through the collective commitment of all stakeholders. The Executive Director's chairmanship of the Family Planning 2020 Reference Group was welcomed. UNFPA work on ageing was commended. One delegation noted that it relied on the continued collaboration of UNFPA with UN-Women, the Member States and other stakeholders to ensure strong support for reproductive rights during future negotiations such as the upcoming Commission on the Status of Women. Furthermore, UNFPA was commended for its humanitarian efforts to support some of the most vulnerable populations displaced by ongoing crises in the Syrian Arab Republic, the Horn of Africa and the Sahel.

52. Underscoring the vital importance of General Assembly resolution [67/226](#) (pertaining to QCPR), delegations emphasized that the resolution must be implemented in full (not selectively) by the funds and programmes. Delegations stressed that the new UNFPA strategic plan, 2014-2017, and the integrated budget should be guided and informed by the QCPR resolution. They commended the Executive Director for the inclusive nature of consultations undertaken in developing the new strategic plan, 2014-2017.

53. Some delegations noted that a strengthened and fully independent evaluation capacity was essential for all stakeholders to have confidence in the quality and impact of UNFPA work. An independent evaluation capacity would require, inter alia, a clear delineation of the respective roles and responsibilities between evaluations and programmes. The candour and quality of the thematic evaluation of UNFPA support to maternal health was appreciated. UNFPA senior management was commended for demonstrating openness and delegations stated that they looked forward to a dialogue on how the recommendations of the report would be used to improve the delivery of results, particularly to meet the maternal health needs of the most vulnerable.

54. The African States, members of the Executive Board, while noting their support for the revision of the UNFPA evaluation policy, underscored that the allocation of resources for evaluation should not adversely affect the resources available for programming activities.

55. The Executive Director thanked the delegations for their comments and guidance, including with regard to the thematic evaluation of UNFPA support to maternal health, 2000-2011, and the evolving revised UNFPA evaluation policy. He assured the Executive Board that UNFPA was committed to an evaluation policy that would guarantee the independence of the evaluation function within UNFPA.

Furthermore, UNFPA was also committed to ensuring an open and transparent consultative process with the Board in revising the evaluation policy and would take forward the guidance provided by the Board. Concerning the thematic evaluation of UNFPA support to maternal health, he clarified that the evaluation covered a 10-year period, 2000-2010, with the report being written in 2011. Noting that the Maternal Health Thematic Fund had only been in existence since 2008, he stressed that in the period 2011 to date the focus of UNFPA maternal health support had changed a great deal with a strengthened emphasis on addressing in-country needs and country office requirements. Furthermore, during the past year UNFPA had established a cluster approach to sharpen and enhance its maternal health support. He reiterated that what had been achieved with 51 African countries at the recent African Union summit was testimony of UNFPA commitment to maternal health.

56. The Executive Director appreciated the various comments provided by Executive Board members regarding the cost-recovery issue and noted that UNFPA along with the concerned sister organizations would await Board guidance. He looked forward to future discussion on the UNFPA integrated budget and the UNFPA strategic plan, 2014-2017. Responding to a query regarding the global and regional programme audit, he noted that the report and the management response would become available in due course. Regarding staffing in the Humanitarian Response Branch, he assured the Board that human resource issues were taken seriously by UNFPA and were being addressed to ensure fit-for-purpose staffing. He noted that UNFPA was collaborating with UN-Women on the upcoming Commission on the Status of Women. He thanked the Board members for the support provided for the ICPD beyond 2014 review and noted that it would inform UNFPA work beyond 2014 as well as contribute to the post-2015 development agenda. Regarding the presence of UNFPA in middle-income countries (MICs), he noted that UNFPA would continue to be guided by the Executive Board and the United Nations system. He recognized that UNFPA had a role in MICs and would continue to engage on population issues and other areas in the UNFPA mandate. He thanked all delegations for their support and guidance.

VII. Evaluation

57. The Chief, Evaluation Branch, UNFPA, introduced the thematic evaluation of UNFPA support to maternal health, 2000-2011. The Deputy Executive Director (Programme) provided the management response. The Executive Director introduced the draft revised UNFPA evaluation policy.

58. Several delegations appreciated that the thematic evaluation of UNFPA support to maternal health was being discussed at the Executive Board. Emphasizing the evaluation's significance, they stated that the findings showed that UNFPA had played an important role in maternal health in many countries in guiding important policy changes and in coordination. While recognizing the steps already taken by UNFPA to address the issues identified, delegations added that additional work was required, including in key areas such as staff capacity, planning and monitoring. Underscoring the crucial importance of the evaluation function in improving the delivery of results, delegations noted that the evaluation findings would contribute to the development of the new UNFPA strategic plan. Delegations emphasized the need to ensure a strong linkage between the key mandate and strategic priorities of UNFPA and the evaluation function. They noted that in the future the management

response should be published well in advance of the Executive Board session to allow for an informed discussion on follow-up and implementation.

59. Several delegations encouraged UNFPA to stay focused on its core area of sexual and reproductive health and to strengthen its role as the technical expert, dialogue partner and policy advocate in that area. Observing that maternal health was a complex area to work in, one delegation noted that there was no magic bullet to solve the problems and a multisectoral approach was required. Delegations also drew attention to: ensuring maternal health support was based on local needs and country-specific strategies; addressing the falling birth rates in certain countries; and having partnerships “in” as well as “outside” the reproductive health arena. Delegations welcomed the UNFPA proposal to provide a progress report to the Executive Board.

60. Acknowledging the significant efforts UNFPA had undertaken in developing the draft revised evaluation policy, several delegations pointed out that the evaluation function was of crucial importance to improving the delivery of development results on the ground and for fostering institutional learning. They commended UNFPA for taking into account the requests of Executive Board members, inter alia, in decision 2012/26; and for having consulted other funds and programmes in drafting the revised evaluation policy. In particular, delegations welcomed the proposed creation of an independent evaluation office; a clear distinction between the evaluation function and other functions such as monitoring and audit; adequate and separate funding for the evaluation function; and clearer alignment with the United Nations Evaluation Group (UNEG) norms and standards. Delegations encouraged UNFPA to take the following elements into consideration in further developing the draft revised evaluation policy: (a) clearly defining the roles and responsibilities of different actors and distinguishing core evaluation tasks from evaluation-related tasks; (b) addressing issues related to monitoring follow-up to management responses, training and knowledge management; (c) addressing the evaluability of programmes and a strong results-oriented monitoring system; (d) presenting an annual evaluation plan formally to the Executive Board together with the annual report of the evaluation function; and (e) clearly indicating how the role of the Executive Board could be strengthened with regard to the evaluation function, including a direct reporting line between the evaluation office and the Board.

61. Noting that an evaluation culture was an essential part of an organization’s results-based management system, one delegation stated that it was essential for UNFPA to adopt an evaluation policy that would inculcate an evaluation culture. The delegation called on UNFPA to include in the revised evaluation policy the options considered for the institutional set-up. The delegation noted that it would be useful to clarify the changes from the earlier 2009 evaluation policy and to indicate how the changes were intended to address the issues raised in the review undertaken by the Office of Internal Oversight Services (OIOS).

62. The Executive Director thanked the Executive Board members for the comments on the thematic evaluation on support to maternal health, 2000-2011, and noted that it was a vindication of the process that UNFPA had started in 2011 (following the midterm review of the strategic plan) leading to the building of a new strategic plan that focused on maternal health and young people. He stated that one area of frustration encountered in medicine, including in his 41 years of experience as a medical doctor, was the area of maternal mortality. He underscored that it was

important to recognize that the causes of maternal mortality were rooted in poverty, lack of transportation, lack of timely decision-making, as well as various cultural dimensions. He assured the Board that UNFPA would continue to work and advocate for addressing the challenges and saving the lives of women and young girls. He reminded the Board that MDG 5B had only come into effect globally in 2007 and the international community's commitment had not been backed with financial resources. It was only during the last couple of years that resources were being directed to family planning. He emphasized that UNFPA was committed to supporting Member States and other partners, including H4+ and civil society, in reaching the last mile in addressing maternal mortality so that women would not die giving birth.

63. The Executive Director thanked the Executive Board members for the support and guidance provided for the revision of the UNFPA evaluation policy. He noted that the numerous informal consultations and interactions with Board members had been very useful. He assured the Board that he stood as the champion of evaluation in UNFPA and would ensure that Board concerns were clearly addressed, including regarding the independence of the evaluation function; the delineation of roles and responsibilities; and linkages with UNEG norms and standards. He noted that the latest draft of the revised UNFPA evaluation policy reflected improvements resulting from Board guidance, consultations with sister organizations, and extensive internal consultations. He stated that UNFPA was also committed to making the terms of reference of evaluations and the evaluation reports publicly available. He added that he was optimistic that UNFPA would meet the timing stipulated by the Board for presenting the revised evaluation policy for approval by the Executive Board at the annual session 2013.

64. The Deputy Executive Director (Programme) thanked the delegations for their comments and guidance. She observed that while achievement of MDG 5 was lagging behind the targets it set, between 2000 and 2011 and since, notable gains in reducing maternal mortality and improving maternal health had been made in many countries. She concurred with delegations that in confronting the challenges it would be critical to identify and use the levers that could bring about transformational change. She underscored that it was important to utilize partnerships and methodologies to leverage change that was scaled to the problem rather than scaled to the resources. While noting that improving methodologies was important, she pointed out that it was difficult to undertake multi-year programme planning without having multi-year financial commitments. She assured the Executive Board that UNFPA would provide documentation in a timely way and would also report on the progress in implementing the recommendations of the thematic evaluation.

65. The Executive Board adopted decision 2013/5: Thematic evaluation of UNFPA support to maternal health, 2000-2011, and the management response. Following the adoption of the decision, in a joint statement, several delegations noted that in decision 2013/5 the most appropriate choice would have been to keep the language used by the independent evaluation and not substitute agreed language that did not have the same meaning in that context.

VIII. Country programmes and related matters

66. The Deputy Executive Director (Programme) provided an introductory overview. The Director, East and Southern Africa Regional Office, introduced the draft country programme for Eritrea ([DP/FPA/DCP/ERI/4](#)).

67. Pursuant to decision 2006/36, the following eight country programmes and one common country programme, which were discussed earlier, at the second regular session 2012, were approved by the Executive Board on a no-objection basis, without presentation or discussion: Cameroon, Democratic Republic of the Congo, Equatorial Guinea, Liberia and South Africa from the Africa region; Sudan from the Arab States region; Pakistan (common country programme) from the Asia and the Pacific region; and Haiti and Nicaragua from the Latin America and the Caribbean region.

68. Pursuant to decision 2012/22, the Executive Board reviewed and approved, on an exceptional basis, the draft country programme document for Eritrea.

69. The delegations of the Democratic Republic of the Congo, Eritrea, Liberia and Pakistan thanked the Executive Board for the approval of their country programmes and expressed appreciation for the partnership with UNFPA and the support provided.

70. The UNFPA Deputy Executive Director (Programme) thanked the Executive Board for the approval of the country programmes and also thanked the Member States for appreciating UNFPA support and partnership.

71. The Executive Board adopted decision 2013/6, in which it decided to review and approve, on an exceptional basis, the UNDP and UNFPA draft country programme documents for Egypt at the annual session 2013 of the Executive Board.

Joint segment

IX. Recommendations of the Board of Auditors

72. The UNFPA Deputy Executive Director (Management) introduced the UNFPA report on the follow-up to the report of the United Nations Board of Auditors for 2010-2011: status of implementation of the recommendations ([DP/FPA/2013/1](#)). The UNDP Associate Administrator introduced the UNDP report on the implementation of the recommendations of the Board of Auditors, 2010-2011 ([DP/2013/8](#)). The UNOPS Deputy Executive Director introduced the UNOPS report on the implementation of the recommendations of the Board of Auditors, 2010-2011 ([DP/OPS/2013/1](#)).

73. Numerous delegations expressed appreciation for the unmodified audit opinion issued to UNFPA, UNDP and UNOPS by the United Nations Board of Auditors (BOA) for the biennium 2010-2011. They commended the reduction in the number of audit recommendations and progress made in implementing BOA recommendations for previous periods. They commended the three organizations for improvements made in their financial management, particularly implementation of International Public Sector Accounting Standards (IPSAS) and clean-up of outstanding account balances. Delegations emphasized the need for additional efforts to ensure

compliance with regulations for procurement, asset and inventory management; and underscored the importance of monitoring and oversight of country offices.

74. Turning to UNFPA, delegations noted that the report of the BOA confirmed that UNFPA had made a commendable effort to improve the weaknesses previously identified with regard to national execution. Delegations were pleased to note that UNFPA received an unmodified audit opinion from the BOA. They appreciated the efforts of the Executive Director to address systemic issues and commended him for taking a personal interest in driving through changes that enabled the necessary improvement. In particular, they commended him for chairing the audit monitoring committee. They commended UNFPA for its action on fraud and appreciated that the number of cases of fraud had decreased sharply, as a result of more strict internal control. They requested additional information on how the fraud cases had been followed up in the annual report of the internal auditor for 2012. They asked to see further progress on the long-standing audit recommendations to ensure that all were acted upon. Delegations asked UNFPA to intensify its effort to fill vacancies more swiftly and to ensure a more efficient recruitment process. Regarding the utilization of unspent balances from trust funds they stated that UNFPA should continue to obtain written permission from donors before transferring balances to a general fund in accordance with the respective donor agreements. They noted with approval that UNFPA had adopted revised procurement policies and procedures which were essential for transparency and accountability. They urged UNFPA to keep these processes under review to ensure continuing compliance across all business units, including the Procurement Services Branch and regional and country offices.

75. Delegations congratulated UNDP for obtaining an unqualified Board of Auditors opinion. They supported BOA recommendations and implementation plans UNDP had put in place, and noted progress made in implementing the top audit-related priorities. They urged UNDP to pursue 100 per cent implementation of its top nine priorities, and requested a completion rate for recommendations by issue. They looked forward to future status updates on implementation and improvement in project management at the country level. Delegations appreciated the marked decrease in fraud cases and asked UNDP to ensure affected Member States were kept fully informed of progress where donor funds were involved. Noting that the net loss remained at the same level as the previous biennium, UNDP should continue to enhance monitoring and provide more detailed accounts of efforts and information on how UNDP had followed up on fraud cases in its report on internal audit and investigations ([DP/2012/13/Rev.1](#)). Delegations welcomed UNDP efforts to improve accountability, transparency and efficiency in procurement through policies on micro-purchasing, delegation of authority and vendor protest procedures. Noting that procurement was a high value, high-risk area, they sought clarification on implementation measures.

76. Several delegations encouraged UNDP, in cooperation with UNFPA and the other members of the United Nations Development Group, to renew commitments and take actions to ensure the common guidelines for the harmonized approach to cash transfers (HACT) were used systematically, and revised if needed.

77. The Associate Administrator, UNDP, emphasized that improving programming was one of the top nine priorities. On procurement, UNDP was in the process of assessing country office procurement capacities before giving delegation of authority, and would develop a capacity-building strategy in procurement for

country offices below par, an approach that would apply equally to fraud. UNDP had the capacity to investigate fraud allegations about vendors, and already established a Vendor Review Committee for delisting vendors, along with a vendors' appeal mechanism. On HACT, pointing to a recent audit outcome, she noted that revising HACT tools and improving the system were priorities for the organizations involved.

78. The Assistant Administrator, Bureau of Management, UNDP, noted on micro-purchasing that UNDP sought to ensure that purchasing staff obtained procurement certification in line with international standards. The new vendor review system had not yet processed appeals, which would go through an inter-agency process. Given the complexity of fraud cases and recovery of funds, UNDP focused on investigating allegations and improving procurement training to ensure highest professional standards. UNDP sought to recover lost funds, a challenging task since those responsible were often unable to reimburse, and legal procedures were onerous. On programme design, UNDP was strengthening staff results-based management capacities and enhancing programming tools, and would look into developing a scorecard to track programme completion rates.

79. The Deputy Executive Director (Management), UNFPA, thanked the Executive Board members for their comments. Concerning internal controls and risk management in country offices, she noted the ongoing joint work on application of HACT and the considerable efforts undertaken by the comptrollers to address the issues and move forward. She underscored that cost savings could be achieved through joint audits by the agencies. She also referred to the unit set up in Somalia for joint risk assessment and mitigation, which UNFPA had joined recently. She noted that UNFPA had recently updated its internal control framework (ICF); and an external company had been used for quality assurance of the ICF. Furthermore, the UNFPA Executive Committee had accelerated a key change project around strategic information systems to enable pinpointing of any ICF weaknesses in the country offices. Concerning the comment about obtaining written permission to address unspent donor funds, she assured the Board that it was indeed the process that UNFPA followed. She requested donors to help speed up the process, as in some cases it took a very long time to obtain a response to the letters sent to the concerned donors. Regarding procurement, she referred to the extensive review of UNFPA procurement practices undertaken by the United Kingdom Department for International Development (DFID) and the review's favourable outcome. The review by the European Commission had also yielded positive results. She noted that, like UNDP, UNFPA was using international standards and certification of UNFPA procurement staff. UNFPA procurement staff would be granted access to the procurement modules only after obtaining certification. Regarding the request for additional information on fraud cases, she noted that UNFPA had already committed to providing it in the annual internal audit report. On the issue of filling vacancies and recruitment processes, she noted that considerable progress had been achieved. Also, the e-recruitment module enabled the identification of bottlenecks, which could then be addressed speedily. In 2012, the vacancy rate had been reduced from 16.4 per cent to 14.8 per cent and UNFPA was committed to further lowering the rate. She underscored that, in accordance with the business plan, recruitment and talent management were at the top of the UNFPA agenda in 2013.

80. The Deputy Executive Director, UNOPS, highlighted that in 2008 UNOPS had introduced the vendor appeals mechanism, Independent Bid Protest System, and had mixed experience; it expected to cover more cases, and had taken the system out of

the procurement domain to avoid conflict of interest. The General Counsel reviewed the cases submitted and gave full feedback to the parties concerned. UNOPS was determining whether to post cases on the Internet site for transparency and to publicize to vendors. He noted that UNOPS threshold for micro-purchasing was \$2,500, which fit UNOPS requirements, and underwent a periodic review.

81. The Executive Board adopted decision 2013/7: Reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors, 2010-2011.

X. Report to the Economic and Social Council

82. On behalf of UNDP, UNFPA and UNOPS, the Associate Administrator, UNDP, introduced the joint report of the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS to the Economic and Social Council (E/2013/5).

83. Delegations welcomed the report and indicated that maximizing its value and streamlining procedures to produce higher quality reports was desirable. They highlighted the importance of monitoring and reporting implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review (QCPR). They noted that reporting on QCPR should be clear, analytical and informative, and required a more systematic, structured, comprehensive and transparent approach lacking in the joint report (E/2013/5). The report provided a vague picture of overall implementation of the triennial comprehensive policy review (TCPR), focusing on activities implemented instead of results achieved. Delegations would have welcomed information on where UNDP and UNFPA had been unable to fulfil their TCPR mandates and remaining challenges. They recognized that the report's broad scope posed challenges to in-depth qualitative analysis and they supported efforts to explore ways to improve and streamline reporting to the Council, in accordance with the current reform process and existing reporting guidelines.

84. One delegation, referring to the report of the Secretary-General on the QCPR (A/67/93), noted the call for an overarching strategy for system-wide repositioning of United Nations development organizations with the aim of aligning their functioning with the changing development environment. Meeting that challenge required each organization to focus on strengthening core competencies and building capacities. The new strategic plans offered an opportunity to take the first steps toward answering the call of the Secretary-General. It was stressed that QCPR follow-up had to be an integral part of the organizations' operational activities, a key element in the implementation of their strategic plans, and a priority at the highest levels of management. One delegation underscored the importance of seeking innovative approaches to addressing issues in middle-income countries and commended UNFPA work in that regard.

85. The Assistant Administrator, Bureau for External Relations and Advocacy, UNDP, stated that the organizations agreed to do more to capture results, building on specific, targeted data. UNDP, UNFPA and UNOPS could envisage revisiting the design and purpose of the report to make it more useful. The QCPR proposed different reporting options to ensure collective input of United Nations organizations, especially for results achieved at country level. Fully capturing those results would help to improve operational activities. UNDP stood ready to work with its sister organizations to improve the report.

86. The Executive Director, UNOPS, indicated that UNOPS stood ready to revisit the design and purpose of the report to the Council. He noted that UNOPS had followed a standard routine for preparing the report, but was prepared to work with UNDP and UNFPA to produce a more in-depth report.

87. The Deputy Executive Director (Management), UNFPA, noted that with the adoption of “Delivering as One” as a possible business model, the organizations needed Executive Board assurance that they were being asked to “report as one” and not separately in separate reports. Clearly, UNFPA was committed to enshrining the directions of the QCPR in its next strategic plan and would report annually to the Board, individually as an organization, on progress in implementation. Regarding the collective efforts of the United Nations system, the organizations were firmly committed to developing a joint action plan for QCPR implementation — a rigorous action plan with time-bound benchmarks and milestones for delivering on the QCPR. The organizations wished to report collectively on that and at the right time, which would probably be at the Economic and Social Council. In that regard, the guidance and advice of the Board was needed and informal consultations could be held to further the conversation.

88. The Executive Board adopted decision 2013/8: Report of the Administrator of UNDP and of the Executive Directors of UNFPA and UNOPS to the Economic and Social Council.

XI. Financial, budgetary and administrative matters

89. The Assistant Administrator, Bureau of Management, UNDP, on behalf of the organizations, introduced the road map to an integrated budget: joint review of the impact of cost definitions and classifications of activities on the harmonized cost-recovery rates (DP-FPA/2013/1-E/ICEF/2013/8).

90. Delegations commended UNDP, UNFPA, UNICEF and UN-Women for collaborating in designing the joint review analysis and proposal for the revised cost-recovery framework. For several delegations, key was setting up a results-oriented budgeting and resourcing framework, to align the integrated budget with the strategic plans and the accompanying results frameworks. They requested a mock-up integrated budget, clearly demonstrating how resources were linked to results in the results frameworks of the organizations’ strategic plans.

91. Several delegations stated their strong support for the guiding principle of full cost recovery, proportionally from core and non-core resources, as mandated by General Assembly resolution [67/226](#) on the quadrennial comprehensive policy review (QCPR). They emphasized there should be full compliance with the QCPR. They were pleased that the proposed framework would lead to reduced cross-subsidization from core to non-core, which meant that more core resources could be dedicated to programme activities, a key incentive for core resource contributors. They noted that the proposed framework represented an important step toward greater proportionality of administrative burden-sharing between core and non-core, and greater transparency and cost-efficiency. They expected UNDP, UNFPA, UNICEF and UN-Women to implement changes within and between organizations and keep the Board informed.

92. On the proposed rate for indirect cost-recovery, several delegations felt a higher base rate for cost recovery at 9 per cent was warranted, given discounts for less restrictive earmarked non-core funding and programme country contributions. In the light of the Economic and Social Council decision expected later in the year, on United Nations coordination burden-sharing, delegations requested information on whether the organizations expected to include comparable costs in future cost-recovery calculations. Delegations welcomed the differentiated rates proposal to incentivize less restrictive earmarking and programme country contributions. They stated that differentiated rates needed to be harmonized across organizations to promote collaboration and avoid competition. They supported the proposed transitional arrangements for the new methodology's implementation, which while accommodating current practices and calculation methods, would move in the direction of improved attribution of costs, full recovery and proportionality. One delegation inquired about the amount of resources from cost recovery to be directed to programming.

93. While affirming that improving systems of risk management was a top priority, delegations indicated that it went beyond the discussion on the integrated budget and cost recovery. They asked the organizations for an inclusive, structured, cross-system approach on how to address risk management. Board members stressed the importance of monitoring and reporting in the new methodology and framework to allow the respective Executive Boards to make adjustments and collectively learn from challenges and benefits.

94. The Assistant Administrator, Bureau of Management, UNDP, in addressing the balance between full cost recovery and declining cross-subsidization from core to non-core resources, clarified that proposed incentives dealt with soft earmarking and duration and volume of grant money. Managing such funds incurred less costs to the organizations than managing individual earmarked contributions. If UNDP could have fewer but larger cost-sharing agreements, the related costs would be lower. He proposed agreeing on 9 per cent as a fair cost-recovery rate, balancing the position of donors against progress needed to reach full cost recovery. That agreement should be followed up with a midterm review to determine if cost-recovery incentives worked and reduced costs.

95. The Deputy Assistant Administrator, Bureau of Management, UNDP, in addressing the recommendation of adopting a 9 per cent cost-recovery rate, noted that the concerned organizations had undertaken extensive, complex analyses to reach the proposed 8 per cent rate. The provision of discounts was accompanied by a reduction in costs, whether for thematic or large volume funds. In light of extensive analysis, it was important to continue with the rate of 8 per cent, followed by a midterm review to track lessons in implementing the new cost-recovery policy and determine whether to review the rates again. He highlighted the need to set up transitional measures as part of the move to the integrated budget.

96. The Deputy Executive Director (Management), UNFPA, in responding to the comment on common risk-management approaches, noted that the agencies had been using the High-level Committee on Management (HLCM) as a forum to look at common risk-management approaches across the system to achieve improved risk management.

97. The Director, Division for Management Services, UNFPA, thanked the Executive Board members for their guidance and intense engagement in the

exercise, which had been driven by the QCPR. The teams of the organizations had collaborated closely and worked diligently to provide the data requested by the Board. He concurred with the comment that South-South cooperation was critical and noted that the cost-recovery proposal included a 5 per cent rate to provide incentive for South-South cooperation (the same rate as for government cost sharing). He assured the Board that UNFPA was committed to results-based budgeting and in the next budget clearer linkages would be evident between resources and results. He agreed about the importance of transparency and noted that table 3 in the document reflected it. He underscored the commitment of the organizations to coordination within the United Nations system and noted that it was also reflected in paragraph 28 of the document. He confirmed that country-level pooled funding would be taken into account. He stated that the entire United Nations system was waiting for the outcome of the cost-recovery discussions in the Executive Boards of the funds and programmes and the goal would be to ensure harmonization of the methodology and the rates through the Finance and Budget Network and HLCM. He concurred that transitional arrangements would be important. Based on the Executive Board's decision, the cost-recovery rates would be put into effect commencing in January 2014, and as existing donor agreements expired the new rates would be applied going forward. Responding to a query, he noted that the institutional budget was credited with indirect cost recovery thereby making those funds available for programming and disclosure in a transparent manner.

98. The Executive Board adopted decision 2013/9: Road map towards an integrated budget, beginning 2014, and update on cost recovery.

UNOPS segment

XII. Statement by the Executive Director

99. The Executive Director, UNOPS, welcomed the new President and Vice-Presidents of the Executive Board and looked forward to working closely with them throughout 2013, in particular on the new UNOPS strategic plan, 2014-2017.

100. He reviewed UNOPS work in 2012 and plans for 2013, and stated that in 2012 UNOPS had experienced an increase of its work in least developed countries and conflict and natural disaster affected countries. In country, UNOPS worked closely with United Nations country teams, and sought to use local personnel and supplies, working with local authorities to build national capacity. UNOPS sought to build partnerships with United Nations and non-United Nations organizations, whether non-profit or profit.

101. Turning to finances, the move to Public Sector Accounting Standards (IPSAS) had had a negative impact on UNOPS delivery and revenue figures in 2012, although less than expected. Total delivery under IPSAS for 2012 was close to \$960 million, although when compared to previous monitoring and performance under United Nations System Accounting Standards (UNSAS), delivery was in the range of \$1.07 billion. In terms of new business, UNOPS figures were strong, with \$1.35 billion in new projects, or 10 per cent above target — a clear sign of continued high demand for UNOPS services.

102. As a self-financing organization, UNOPS was keen to strengthen its performance through strong financial management. In 2012, in response to priorities identified in the midterm review of the strategic plan, 2010-2013, UNOPS had designed and was implementing a programme to reduce \$6 million in costs in old structures, while reinvesting \$4 million in new priorities, with a net savings of \$2 million. To meet those goals, UNOPS had strengthened its procurement and project management delivery services and set up a sustainable infrastructure delivery practice.

103. Looking to 2013 and the UNOPS strategic plan, 2014-2017, UNOPS was on track, eager to embrace change, become more focused, efficient and transparent, and accountable to stakeholders for results. UNOPS was keen to live up to the sustainability challenge, balancing social, economic and environmental concerns. At the Rio+20 conference, UNOPS had launched a new policy for sustainable infrastructure and was in the process of developing a sustainability screening tool. He highlighted UNOPS progress on the transparency front in 2011 and 2012.

104. In the sole intervention, one delegation commended UNOPS for its cost effective business model and ability to adapt to client needs. It stressed the importance of addressing climate change, especially its impact on climate-sensitive countries and small-island developing states, where it represented a security risk.

105. The Executive Director, UNOPS, thanked the delegation for its intervention and looked forward to working with all Board members in shaping UNOPS strategy for the future.

XIII. Other matters

United Nations Capital Development Fund

106. The Associate Administrator, UNDP, welcomed the new Executive Secretary of the United Nations Capital Development Fund (UNCDF) to his first Board session.

107. Board members congratulated the Executive Secretary, UNCDF, on his appointment and looked forward to furthering the mandate of UNCDF in least developed countries. They were pleased with the fund's recent strong growth, and supported its focus on financial inclusion and local economic development. They commended the fund's track record to focus with success on smaller, more risky investments, which other partners replicated and scaled up. They noted that its unique mandate to provide grants, loans and guarantees to subnational and private sector entities well positioned UNCDF to deliver on the post-2015 agenda. On resource mobilization, delegations encouraged UNCDF to pursue innovative solutions/partnerships with the private sector and international financial institutions, combined with stronger core resources founded on good cost recovery. The Board welcomed the inclusion of UNCDF in the UNDP strategic plan, 2014-2016, and asked how the UNCDF cost classification line, figuring in UNDP programming arrangements, was connected with intensified collaboration between UNCDF and UNDP.

108. The Executive Secretary, UNCDF, assured Board members that UNCDF would continue to work closely with United Nations organizations to achieve poverty reduction. On cost recovery with private sector partners, UNCDF saw scope for improvement through possible higher rates of cost recovery. UNCDF inclusion in

the UNDP programming arrangements was part of its broader inclusion in the new strategic plan, 2014-2016, which was coherent with the larger agenda agreed on by the Board. The inclusion allowed UNCDF to work more closely with UNDP in least developed countries, without the need to transfer funds between their respective accounts.

109. The Board took note of the presentation on the 2012 preliminary results and the status of the Stakeholder Consultations on the future of the United Nations Capital Development Fund.

Annex

Report of the joint meeting of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP

A. Operationalizing the decisions of the quadrennial comprehensive policy review

1. The Acting President of the WFP Executive Board opened the meeting, welcoming the Deputy Secretary-General and the Executive Directors of the six United Nations entities.

2. Introducing the item on behalf of the six entities, the WFP Executive Director welcomed the quadrennial comprehensive policy review for its focus on delivering and demonstrating results and promoting equitable progress for the most vulnerable, while demonstrating greater value for money. She confirmed the commitment of the United Nations Development Group entities to the implementation of the quadrennial comprehensive policy review and highlighted ways in which this has started, including by giving examples of how it is being mainstreamed into the new WFP strategic plan.

3. The Deputy Secretary-General made reference to the key recommendations in the quadrennial comprehensive policy review and stressed that it should guide the United Nations development system on the ground, preparing the system for the post-2015 period. He also reaffirmed the Secretary-General's commitment to its full implementation.

4. Statements were made by over 20 Member States with the following issues emerging:

(a) The comparative advantage of the United Nations development system in post-conflict and transition countries and the need to develop a comprehensive approach to risk management;

(b) The need to focus on inequalities, promote a human rights-based approach to development and green-growth policies;

(c) The centrality of national ownership and that United Nations reform must result in greater value-added at country level, rather than being about "how the United Nations can do better business with itself";

(d) The number of mandates for action in the quadrennial comprehensive policy review, including time-bound ones, and the need for prioritization and effective monitoring of its implementation;

(e) A call for improved funding levels and rebalancing of core and non-core resources, including through cost-recovery mechanisms;

(f) The importance of a continued focus on poverty eradication. Some highlighted the problems of inequality in middle-income countries;

(g) Support for "Delivering as one" as the model for implementation;

(h) Stronger results orientation, and the need to develop a robust approach to reporting, including on the implementation of the quadrennial comprehensive policy review;

(i) The need to strengthen the resident coordinator system and to burden-share coordination costs;

(j) A call to accelerate progress in simplification and harmonization of business practices, resolving bottlenecks at the Headquarters level;

(k) The need to retain the decision-making authority of the Executive Boards and the important role of the regional commissions;

(l) The need for greater integration with entities of the United Nations Secretariat;

(m) The need for a strengthened culture of evaluations including at the country level.

5. The members of the WFP Executive Board spoke as a group and stressed that the eradication of hunger is a priority for its membership and the dual mandate of WFP, active in both emergencies and development. The representative also highlighted the need to integrate lessons learned in the post-2015 agenda.

6. As first respondent, the UNDP Administrator emphasized the importance of poverty eradication in promoting sustainable development and that internal changes were needed to better deliver results. She referenced efforts made to strengthen and improve the quality of the resident coordinator system, but also the system's need for adequate and predictable resources going forward. The UNICEF Executive Director highlighted efforts made to improve results reporting and urged that the post-2015 agenda focus on inequities. The UNFPA Executive Director made reference to his agency's leadership in developing the standard operating procedures and that the agency will consider new business models to deliver more effectively. The UNOPS Executive Director highlighted the importance of capacity-building and sustainability and welcomed the call to accelerate business practices reform. The WFP Executive Director highlighted the need to consider entities' different funding modalities when adopting the resident coordinator funding scheme. The UN-Women Deputy Executive Director concluded the meeting by expressing appreciation for the strong emphasis on gender and results in the quadrennial comprehensive policy review. He highlighted the relevance of a rights-based approach going forward and recognized that the quadrennial comprehensive policy review represents a call for change for broader system-wide coherence.

B. Leveraging South-South and triangular cooperation

7. The President of the UN-Women Executive Board welcomed the representatives of the six United Nations organizations and the two guest speakers. Introducing the background paper on behalf of the six organizations, the UNICEF Executive Director underscored that South-South and triangular cooperation are growing organically, that they are key components of solutions to global problems, and that United Nations organizations have great potential to play a constructive facilitating role.

8. Presentations were made by two guest speakers: Macharia Kamau, Permanent Representative of Kenya to the United Nations, and John Ohiorhenuan of Columbia University.

9. Thereafter 12 delegations from Member States raised the following issues:

(a) South-South cooperation does not replace North-South cooperation and has its own core principles. The quadrennial comprehensive policy review provides key guidance on South-South cooperation and triangular cooperation. These will require different supporting mechanisms, as they are distinct;

(b) South-South cooperation already accomplishes much, but much more can be done. The United Nations system should step in to provide additional capacity development for countries in the south. The potential of regional arrangements for promoting South-South cooperation should be further applied;

(c) A comprehensive United Nations blueprint for South-South cooperation is needed to reap the benefits made possible by the United Nations comparative advantages. Agency guidance should dovetail with the United Nations guidance, to ensure better coordination at country level;

(d) All agencies should elaborate further on strategies for encouraging private-sector support for South-South cooperation and on means for improved reporting and evaluation;

(e) The United Nations Office for South-South Cooperation should continue to be strengthened.

10. Representatives of the six United Nations organizations made the following points:

(a) As first respondent, the UNFPA Executive Director emphasized that the new development landscape in which developing countries increasingly share development cooperation is based on the principles of solidarity, fairness, equality and national ownership;

(b) All six United Nations organizations reaffirmed the unique role of the United Nations in leveraging South-South and triangular cooperation;

(c) South-South and triangular cooperation have been embraced as primary development mechanisms and incorporated into strategic and operational plans by all six organizations. Ongoing efforts are directed towards further mainstreaming;

(d) There are numerous recent examples of successes in supporting South-South and triangular cooperation from each of the six United Nations organizations. Current achievements still only scratch the surface of what is possible;

(e) United Nations organizations' regional involvement continues to evolve in order to better support South-South and triangular cooperation;

(f) The growth of South-South cooperation raises issues of voice, appropriate representation at Executive Boards, and funding, possibly requiring formal discussion;

(g) Private-sector involvement can be encouraged by promoting examples of good public-private partnerships benefiting communities, and supporting adherence to international norms and standards;

(h) Reporting on results should take into account that South-South initiatives are owned by the partner countries, not by United Nations organizations. Emphasis on reporting and evaluation will continue to ensure value is added.

11. Summing up, the UNOPS Executive Director noted that all organizations have clearly recognized the United Nations role in facilitating South-South and triangular cooperation, and the importance of mainstreaming these efforts. The UN-Women Executive Board President closed the meeting by emphasizing that South-South cooperation represents an efficient, effective and inclusive way to achieve transformational change.

Part two
Annual session 2013

Held at United Nations Headquarters in New York
from 3 to 14 June 2013

I. Organizational matters

1. The annual session 2013 of the Executive Board of UNDP, UNFPA and UNOPS was held at the United Nations Headquarters, New York, from 3 to 14 June 2013.
2. The Executive Board approved the agenda and workplan for its annual session 2013 (DP/2013/L.2) and approved the report of the first regular session 2013 (DP/2013/9).
3. Decisions adopted by the Executive Board at the annual session 2013 appear in document DP/2013/39, which can be accessed at <http://www.undp.org/execbrd>.
4. The Executive Board agreed in decision 2013/26 to the following schedule for future sessions of the Executive Board in 2013:

Second regular session 2013: 9 to 13 September 2013.

UNDP segment

II. Statement by the Administrator and draft UNDP strategic plan, 2014-2017

5. In her opening statement to the Executive Board, the Administrator underscored the need for UNDP to adapt to a fast-changing world, noting the exciting and challenging times in development. In this regard, she reflected on the important guidance of the new strategic plan 2014-2017, the evolving post-2015 development agenda and the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR). She also provided a brief update on the acceleration of the Millennium Development Goals (MDGs) and the evolving post-2015 agenda and their reflection in the draft plan.
6. She presented an overview of key results of 2012 in the context of the cumulative review of the strategic plan 2008-2013, emphasizing successes in the areas of poverty reduction, democratic governance, crisis prevention and recovery, environment and energy. On institutional effectiveness over the last five years, she noted improved recruitment, transparency, accountability and internal planning systems. In addition, she addressed the outcomes of the Independent Evaluation of the strategic plan.
7. In introducing the draft plan, she thanked the Executive Board Members and broader community of Member States for their active and constructive participation in the drafting process. She outlined the plan's major objectives, touching upon the vision, proposed outcomes, areas of work, partnerships landscape, and action on institutional transformation and the accompanying draft integrated results and resources framework. She emphasized areas of work the new plan will focus on for its final approval in the second regular session 2013.
8. On funding, she expressed appreciation to UNDP donors who have maintained their contributions despite fiscal and other related challenges. She reviewed the need for a predictable and "critical mass" of core resources and enhanced non-core resources. She gave a status update on public disclosure of audit reports and other transparency and accountability initiatives. In concluding, she made special mention

of the continuing distress of people in the Syrian Arab Republic and announced the UNDP part in an appeal for a broader response to the situation, including support to affected neighbouring countries.

9. The Senior Adviser, Strategy and Change Implementation Group, highlighted key changes in the draft Plan, namely: (a) more focus with a single vision of poverty eradication and reduction of inequality and exclusion; (b) reduction from 25 to 7 outcomes; and (c) additional focus at the country level, with no more than 4 outcomes per country programme. She reviewed feedback from Member States, inter alia: (a) clarification of the vision statement; (b) more prominence to, and mainstreaming of, South-South and triangular cooperation; (c) linkage with United Nations documents and international agreements; (d) clearer articulation in the areas of work and scope, especially on structural transformation; (e) clearer reference to job creation and livelihoods; (f) clearer distinction between disasters and conflict and prominence to conflict prevention; and (g) clarification of the legacy outcome as a reporting tool outside of the seven development outcomes. She announced the next draft plan would be ready by late June, followed by an informal consultation and final draft submission, with the accompanying integrated results and resources framework and integrated budget, to the Executive Board prior to the second regular session 2013.

10. In their general remarks, delegations welcomed the reappointment of the Administrator to a second term, highlighting progress made in the last few years in building UNDP into a more strategic, results-focused, transparent and accountable organization. On the annual report, they encouraged more analysis and results-based reporting in future reports and strengthening of institutional effectiveness, noting learning as key to organizational transformation. They requested more information on results from the 2012 annual business plan and annual corporate priorities and plans to implement a cluster-based approach to support services at the global and regional levels. A few delegations requested explanation on Joint Inspection Unit recommendations not yet fully implemented.

11. Delegations expressed concern about the continuing decline of regular resources and over-reliance of UNDP on restrictive, earmarked non-core resources. In this regard, they wanted more information on fundraising efforts and strategies in the event of additional core contribution shortfalls. They urged Member States to increase core resources and improve the quality of non-core resources for more flexible use.

12. Turning to the draft plan, delegations commended UNDP on the inclusive and transparent consultation process. They welcomed the plan's sharpened strategic vision and the structure and framework of seven development outcomes and three areas of work. At the same time, they suggested that the outcomes may be too ambitious given estimated funding levels and requested more strategic concentration on core priorities based on funding analysis prospects, UNDP's unique role, identification of activities to withdraw from, and clear division of labour with development partners, especially for sustainable development and green growth objectives. Delegations questioned the plan's "legacy and country-specific outcomes", remarking it risked diluting the seven main development outcomes.

13. Delegations highlighted the need to sharpen the integrated results and resources framework and for an integrated budget that links core and non-core resources to expected outcomes. They remarked the three areas of work as broad in

scope, emphasizing ongoing assessment as critical in making sure UNDP contributions remain on distinct results. In this respect, they stressed the value of a strengthened evaluation office, the use of relevant indicators, baselines, milestones and targets at the output, outcome and impact levels, and indication of risks and challenges. They also encouraged refinement in the theories of change, remarking some touched upon the UNDP role but needed more concrete, results-oriented information on UNDP's contribution to results. A few delegations requested an update on harmonization of terminology across funds and programmes in building the results framework and on UNDP, the United Nations Population Fund, and the United Nations Children's Fund's joint efforts to strengthen the link between resources and results.

14. Delegations underlined the need for caution in using terminologies in the new Plan that have not been endorsed at the United Nations intergovernmental level and thus cannot be considered agreed upon for use in the United Nations development system.

15. Delegations stressed the importance of the plan's alignment with relevant intergovernmental mandates. They highlighted the QCPR as the backbone of the new plan, especially in its participative approach to achieving poverty eradication, time-bound obligations, guidelines for implementation, and sharing of best practices. On the evolving post-2015 agenda, delegations suggested the midterm review of the new plan as a timely platform for reviewing UNDP's core strategy in this respect. At the same time, they underscored the need to accelerate achieving the MDGs by 2015, including use of lessons learned, especially on South-South and triangular cooperation, and reflection of these in the new plan. In addition, they expected UNDP to take into account the green economy and Rio+20 outcomes.

16. Delegations made wide-ranging comments for more UNDP focus and reflection in the plan's proposed outcomes and areas of work, inter alia: (a) more prominence and mainstreaming of South-South cooperation and gender; (b) definition of women as agents of their own change; (c) comparative advantage of democratic governance, especially in fragile and post-conflict settings; (d) expansion of national capacity-building to mitigate and manage conflicts and underlying causes of violence; (e) broad country presence in countries prone to conflict and natural disasters; (f) human rights; (g) disability inclusive development at the regional, national and sub-national levels; and (h) UNDP work with the Joint United Nations Programme on HIV/AIDS, especially safeguarding rights of sexual minorities. Delegations also encouraged UNDP to define a partnerships strategy beyond the traditional aid agenda to include more South-South and triangular cooperation and international financial institutions, especially in the context of fragile states and women's empowerment.

17. On poverty eradication in the draft plan, delegations stressed for more emphasis on the poverty-environment nexus, economic transformation through job creation, new technologies, micro-finance for the poor, and special attention to structural transformation and pace of change in Africa. They urged for strengthened mechanisms for sustainable development and resource allocation to middle-income countries, where the majority of poor reside. In doing so, delegations called for a review of the new arrangements of UNDP physical presence in middle- and upper-middle income countries, stressing the importance of South-South and trilateral cooperation with UNDP for sharing knowledge and building capacity.

18. Delegations stressed the need for collaborative arrangements between UNDP and the United Nations Office for South-South Cooperation (UNOSSC), including clear division of reporting, accountabilities and tasks, reiterating the UNOSSC global and United Nations system-wide mandate, and for use of evaluation findings in designing UNDP's operational approach to South-South cooperation. They stated the arrangement should be subject to a decision of the United Nations General Assembly's High-Level Committee on South-South Cooperation.

19. Delegations emphasized for UNDP to instil a culture of learning and reflect evaluation findings and recommendations in the new plan. They underlined that lessons learned should be put into practice and in a more transparent way, and for concrete incentives for staff to make the necessary changes and be rewarded for innovation, all of which should be done as core activities. They urged to increase the analytical and forecasting components of evaluations, and the speed and flexibility of the reaction to evaluation results.

20. Delegations underscored the priority to improve results at the country level and focus on activities with the greatest potential for impact on development outcomes. They urged that activities be demand-driven and grounded in national priorities and ownership, with effective design of capacity development projects and reflection in United Nations Development Assistance Frameworks, country programme documents and action plans.

21. Delegations urged UNDP to strengthen "Delivering as One" for more concrete and cost-effective results. In this regard, they suggested the following areas for inter-agency coordination and in tracking implementation of the QCPR, inter alia: (a) identification of common and manageable indicators and cross-cutting issues; (b) clear division of tasks and mandates, including for peaceful resolution of conflicts; and (c) to drive forward the harmonization of business practices and standard operating procedures from analysis to implementation. In stressing the need for empowered Resident Coordinators and United Nations country teams, delegations highlighted that UNDP, as manager of the Resident Coordinator system, should address its inherent conflict of interest by clearly outlining UNDP's mandate in the new plan, to strengthen the ability to accomplish this with authority and integrity.

22. The Administrator welcomed the informative discussion and positive response to the process in developing the new plan. Along those lines, she noted a number of comments made as already taken on board through informal consultations and assured attention to those not yet addressed. She stressed alignment of the new plan with the QCPR and Rio+20 within the scope of the UNDP mandate and the evolving post-2015 agenda. In emphasizing linkages between environmental degradation and poverty eradication, she highlighted UNDP as the largest implementer of environment and energy programming in the United Nations system. She touched upon giving more prominence to South-South and triangular cooperation and interaction with the UNOSSC, lessons learned and recommendations from evaluations, partnerships, and UNDP's coordination role. In closing, she emphasized this Board meeting as an important milestone on the path to agreeing to the new plan, integrated results and resources framework and integrated budget, and looked forward to working with Member States in achieving this objective.

23. The Executive Board adopted decision 2013/11: Cumulative review of the strategic plan and annual report of the Administrator: performance and results for 2012 and decision 2013/12: Draft UNDP strategic plan, 2014-2017.

III. Funding commitments to UNDP

24. The Associate Administrator introduced the item by providing an overview of UNDP response to the downward trend in regular resources and the QCPR in consideration and implementation of the new plan. The Assistant Administrator and Director of the Bureau for External Relations and Advocacy presented the status of regular funding commitments to UNDP and its funds and programmes for 2013 and onwards ([DP/2013/13](#)).

25. A few delegations expressed concern at the estimated 13.2 per cent drop in regular resources below the target in 2012, the fall in overall resources, and overreliance on a small number of donors to give an estimated 85 per cent of core resources. They urged UNDP to avoid use of core resources to subsidize non-core activities. Given the difficulty in the current economic climate for some Member States to justify continued high levels of core resources, delegations stressed the importance of a focused new plan with a strategy of resource mobilization that reflects diverse sources of funding and a robust results framework that demonstrates UNDP contribution and reports in full on outcomes and effectiveness of activities.

26. In reiterating the QCPR call for Member States to make non-core contributions flexible and aligned with strategic priorities of programme countries and UNDP, and increase core contributions, delegations urged for more burden-sharing of costs among traditional and non-traditional donors and pressed for progress in defining a “critical mass” of regular resources with other funds and programmes. At the same time, they highlighted an increase by programme countries in their contributions to core resources and support for South-South cooperation initiatives and programmes implemented in their territories, including in-kind contributions such as rent-free office premises.

27. The Associate Administrator thanked delegations for their constructive comments. She outlined steps taken to make UNDP “fit for purpose” for the next plan, touching upon improvements in results-based management and reporting, engagement with programme country governments, and consultations with Member States. She emphasized efforts to increase UNDP impact in terms of potential for replication, informing policy and scaling up, highlighting the importance of transformational change for all. She recognized the integrated budget should reflect different types of core and non-core contributions and the cost-recovery solution. The Assistant Administrator and Director, Bureau of External Relations and Advocacy, reflected on actions required in establishing new partnerships and the need for predictable financing for UNDP and its partners in rolling-out the areas defined in the QCPR.

28. The Executive Board adopted decision 2013/13: Status of regular resources on funding commitments to UNDP and its funds and programmes for 2013 and onwards.

IV. Human Development Report

29. In line with General Assembly resolution [57/264](#), the Director, Human Development Report Office, presented an update on Human Development Report (HDR) consultations.

30. Delegations expressed concern about the use of concepts regarding the South and national sovereignty in the 2013 HDR, and underscored the need to focus on development successes in the South for potential replication and recognition of the increasing participation of the South in global economic institutions. They reiterated to avoid analysis of South-South cooperation using the same standards as North-South relationships or as replacement for North-South cooperation. For future reports, delegations urged for wider consultations with Member States headquartered in New York and clearer distinction on the UNDP role in promoting political concepts in the HDR.

31. The Executive Board took note of the update of the Human Development Report preparations and consultations.

V. Programming arrangements

32. The Assistant Administrator and Director, Bureau of Management, introduced the item. The Deputy Assistant Administrator and Chief Financial Officer presented the response to the Executive Board decision 2013/4 on UNDP programming arrangements ([DP/2013/37](#)).

33. A few delegations stressed that UNDP support be strategic and leverage United Nations Capital Development Fund (UNCDF) resources from third-party sources, such as regional and multi-lateral banks, triangular cooperation and development-oriented funds. They emphasized the Economists' Programme and Development Support Services should focus on strategic interventions while traditional technical assistance should be covered at the country programme level. They added that this also applies to the Office of Development Studies in the context of the global programme. Delegations requested to know the proposed allocation figure for UNCDF, rationale for that figure, and implications on core resources as well as previous allocation rationale.

34. The Assistant Administrator and Director, Bureau of Management, reaffirmed investments to UNCDF would allow for closer integration of activities and leveraging of the UNCDF mandate, and that UNDP would continue to work with UNCDF on resource mobilization projection. The Deputy Assistant Administrator and Chief Financial Officer outlined next steps to finalize the UNCDF proposal for presentation to the Board at the second regular session. He spoke about the rationale for the allocation to UNCDF, welcoming suggestions from Member States to determine an appropriate allocation.

35. The Executive Board adopted decision 2013/18: Response to Executive Board decision 2013/4 on UNDP programming arrangements.

VI. Evaluation

36. The Director, Evaluation Office, presented the Annual report on evaluation (DP/2013/16). The Assistant Administrator and Director, Bureau of External Relations and Advocacy, provided the management response.

37. Delegations reiterated that evaluation is critical to performance and stakeholder confidence in UNDP work and encouraged UNDP to foster a culture of evaluation, including through the results and resources framework of the new plan. They also emphasized that the new plan should have its own evaluation plan. They suggested that future reports on evaluation should include a cumulative analysis of evaluation findings and recommendations and over-arching lessons learned.

38. Delegations expressed concern about the high number of decentralized evaluations still of low quality, the low completion rate among senior field managers of the online evaluation training course, the low number of evaluations on crisis prevention and recovery, and the need to better reflect evaluation findings in the new plan. They asked if Member States could access the organization's database of performance ratings and findings from project evaluations.

39. Delegations stressed the need for adequate financial and human resources to carry out the evaluation function, highlighting the low resources allocated and the decline in monitoring and evaluation capacity at the country-office level. Along these lines, they wanted to know how UNDP planned to achieve its objective of 100 per cent evaluation compliance across programme units.

40. Delegations urged for strengthened national evaluation capacity support and closer coordination with United Nations agencies, especially for country-office level joint evaluations, and to report back on such efforts. They asked that a gender perspective be incorporated into all future independent evaluations and reports on UNDP performance.

41. Delegations encouraged UNDP to share its evaluation training tools. On participation of the Evaluation Office in the United Nations Evaluation Group (UNEG), they asked for information on progress in strengthening evaluation capacities, elaborating common norms and standards, and revising UNEG mandates and working methods in 2013.

42. The Assistant Administrator and Director, Bureau of External Relations and Advocacy, outlined initiatives underway to strengthen results-based management and UNDP evaluation culture, reaffirming commitment to use evaluation knowledge and lessons learned to inform decision-making, particularly at the country level. The Director, Evaluation Office, elaborated on UNDP activities as co-chair of UNEG, gender in evaluations, and next steps in follow-up to the recent peer review of the Evaluation Office, agreeing to discuss the results of the peer review with the Executive Board in an informal meeting. He emphasized that the results-based approach in the new plan will aid in its evaluation during and after implementation.

43. The Director, Evaluation Office, presented the reports on eight independent evaluations, in the following order: Evaluation of the UNDP global programme, 2009-2013 (DP/2013/19); Evaluation of the regional programme for Africa (DP/2013/21); Evaluation of the regional programme for Asia and the Pacific (DP/2013/23); Evaluation of the regional programme for Europe and the Commonwealth of Independent States (DP/2013/27); Evaluation of the regional

programme for Arab States (DP/2013/25); Evaluation of the regional programme for Latin America and the Caribbean (DP/2013/29); Evaluation of UNDP contribution to South-South and triangular cooperation (2008-2011) (DP/2013/31); and Evaluation of the UNDP strategic plan 2008-2013 (DP/2013/17). The Assistant Administrator and Director, Bureau of External Relations and Advocacy, provided the management response.

44. Delegations would have liked, in all evaluations, more analysis of current structures, resources and the potential impact of reductions in core funding, such as whether the balance of resource investment and structure of regional centres is appropriate and under what conditions declining resources would become an actual risk for results. They also requested clarity on intended actions and specific timeframes in management response to regional programme evaluations.

45. Delegations underscored the ongoing perception of South-South and triangular cooperation in UNDP as reactive, fragmented and ad hoc in approach. In this regard, they stressed the need for, inter alia: (a) stronger guidance at the regional and country levels; (b) development of a comprehensive UNDP strategy for South-South cooperation to guide integration into all programmes; (c) greater coherence at UNDP's leadership level; and (d) reflection of evaluation recommendations in the new plan. They asked UNDP to urgently implement the recommendations of the evaluation and of the Joint Inspection Unit to develop collaborative arrangements with the UNOSCC, including through operational guidelines and mechanisms to support South-South cooperation at regional and country levels and clear lines of reporting and accountabilities.

46. Delegations stressed as a priority the need for improved administrative and programmatic performance at the country level to address the issue of small-scale projects without wider impacts or links to national policy processes. In this regard, they desired explicit implementation strategies, to include guidance to managers and a system for senior management to check the status of implementation and make adjustments to overcome challenges. They highlighted more alignment among country office programmes, national demand and corporate strategic outcomes, suggesting a review of financial and human resources at the country level, to include clarity of functions. They called for integration of regional programmes into country level results frameworks and emphasized the primary role of global and regional programmes as providing support to country offices.

47. On the global and regional programmes, delegations expressed concern of global advisory services becoming a substitute for country office staff requirements. In this respect, they welcomed the development of a corporate strategy to guide advisory services and requested appropriate allocation of resources for advisory services among country, regional and global levels and clear distinction between policy functions and advisory or technical expertise. They underscored coordination between global and regional programmes to avoid duplications and improve synergies.

48. On the preparation of new regional programmes and for reflection in the new plan, delegations called for closer cooperation with Member States and countries in respective regions in defining priorities and activities, ensuring adequate resource mobilization and addressing of cross-border and country-specific problems. They stressed that the new global and regional programmes should be aligned with the new plan.

49. The Assistant Administrator and Director, Bureau of External Relations and Advocacy, and the Director, Evaluation Office, reiterated the importance of learning from evaluations and of maintaining an open dialogue with the Executive Board.

50. The Executive Board adopted decision 2013/15: UNDP evaluation.

VII. UNDP country programmes and related matters

51. The Associate Administrator introduced the item. The Assistant Administrator and Director, Bureau for Development Policy, presented the Report on the global programme, 2009-2013: performance and results (DP/2013/14) and extension of country programmes (DP/2013/15). The UNDP regional directors for Africa, the Arab States, Asia and the Pacific, and Latin America and the Caribbean, elaborated on the programmes from their respective regional perspectives.

52. In requesting more analysis in the report, such as aggregated findings on impact, delegations asked for a robust results framework, aligned with the new plan's results and resources framework, in the next global programme. They urged UNDP to strengthen policy and technical advisory services and create incentives for reform and for support to the United Nations country teams engaged in "Delivering as One".

53. The Executive Board reviewed a total of 10 draft country programmes, namely: Africa region — Benin, Burundi, Republic of Congo, Niger, Nigeria, Rwanda and Togo; Asia and the Pacific States region — Bhutan; Arab States region — Egypt; Latin America and the Caribbean region — Cuba.

54. The draft common country programme for Rwanda and draft country programme for Egypt were approved, on an exceptional basis. The Executive Board took note of the first one-year extensions for Afghanistan, Angola, Kenya and Venezuela. They approved the second one-year extensions of the country programmes for Guinea-Bissau and Mali; the exceptional third-year extensions of the country programmes for Madagascar, Tunisia and Paraguay; the two-year extension of the country programme for Côte d'Ivoire; and the two-and-half-year extension of the country programme for South Sudan.

55. The Executive Board adopted decision 2013/14: Report on the UNDP global programme, 2009-2013 and took note of the draft country programmes.

VIII. United Nations Capital Development Fund

56. The Associate Administrator introduced the item by touching upon the inclusion of UNCDF in the new UNDP strategic plan and strengthening of the links tying the two organizations, including through the unique financial mandate of UNCDF. The Executive Secretary, UNCDF, reported on results achieved in 2012 (DP/2013/33) and on the stakeholders consultations on scenarios for UNCDF's future. He highlighted significant results in programming, including the development of new financing instruments in local development finance, and the expansion of global thematic programmes in financial inclusion and progress achieved in partnerships and advocacy. He reviewed the key outcomes of the stakeholders consultations, which reaffirmed UNCDF value in the current aid

architecture and identified opportunities that fit the UNCDF mandate. In outlining the intended process for drafting the UNCDF draft strategic framework 2014-2017, he noted that it would be drafted on the basis of the final version of the UNDP strategic plan. He thanked UNDP management, donors from the public and private sectors for their effective cooperation with UNCDF, as well as UNCDF staff for their dedication and hard work.

57. Delegations recognized the success of UNCDF in mobilizing financial support from the private sector and the overall growth in revenue and delivery as a sign of confidence in UNCDF programmes. At the same time, they expressed concern about the imbalance between regular resources and non-core contributions. They underscored the problem of UNCDF dependence on too few donors for core resources and the challenge to reach a “critical mass” in core funding. In this respect, they raised attention to the potential weakening of UNCDF leveraging of resources and programming in least developed countries (LDCs) at a time when efforts should be intensified to reach the MDGs and in relation to the post-2015 development framework.

58. Delegations urged Member States and other contributors to provide more core resources, reiterating the outcome from the stakeholders consultations suggesting a minimum annual increase of \$10 million in core resources to avoid a negative scenario. They underlined the need for a realistic and flexible recovery policy for private sector contributions, stressing that all projects should carry their own administrative costs.

59. Delegations viewed support to aspiring entrepreneurs in LDCs as critical. They encouraged more partnership with development groups such as the World Bank and with the private sector, including through pro-active outreach to impact investors. A number of delegations requested additional UNCDF support to LDCs in the areas of small and medium enterprises, new technologies, and public investments.

60. The Executive Secretary thanked delegations for their comments, emphasizing they resonated with those made during the stakeholders’ consultations and welcomed more of these exchanges of information, advice and input. He reiterated his confidence in continuing the multi-stakeholder approach, especially in drafting the UNCDF strategic framework 2014-2017. He thanked donors for their consistent support to UNCDF. The UNDP Associate Administrator added that work was underway on the new UNDP strategic plan for a joint and coherent programmatic focus with UNCDF.

61. The Executive Board adopted decision 2013/16: Report on results achieved by the United Nations Capital Development Fund in 2012 and report on the stakeholders’ consultations on scenarios for the future of UNCDF.

IX. United Nations Volunteers

62. The Associate Administrator introduced the item by reflecting that the evolution of United Nations Volunteers (UNV) is invaluable to determining a way forward, and thanked United Nations Volunteers and staff for their contribution to UNDP and the United Nations System. The Executive Coordinator, UNV, presented the Report of the Administrator on the evolution of the role and function of the United Nations Volunteers programme since its inception (DP/2013/34). He

provided an overview of UNV history from the start of its operations, through the evolution of its mandate. He highlighted that the report has strongly contributed to the development of the UNV first strategic framework (2014-2017), which is to be clear and purposeful, with focused planning, transparency and accountability for results, and in alignment with the UNDP strategic plan, 2014-2017.

63. Delegations welcomed UNV growth from a reactive organization into a global leader on volunteerism for peace and sustainable development, and in supporting a wide spectrum of activities of the United Nations, especially in peace-building efforts. In this regard, they encouraged UNDP to continue involving UNV in its programmatic and operational planning and decision-making and within the wider development system. They highlighted volunteer activities should match actual needs of respective communities and increase the motivation, leadership and skills of volunteers. Delegations encouraged UNV involvement in post-2015 agenda discussions and more engagement with, and use of lessons learned from, the South.

64. Delegations hoped that the UNV first strategic framework would be a milestone in the organization's evolution. They emphasized the following areas: (a) adequate monitoring and evaluation capacity and use of lessons learned; (b) expansion of partnerships to non-traditional partners; and (c) alignment with the planning cycle of other funds and programmes. Delegations stressed the importance of accompanying the new framework with a results and resources matrix that sets realistic targets and indicators to demonstrate UNV impact and organizational effectiveness and in reporting results. They underscored programme targets should describe the desired impact and not only organizational outputs.

65. Delegations encouraged more focus on youth volunteer programmes in the context of the United Nations Secretary-General's five-year action agenda. They emphasized successes in university volunteer schemes and use of volunteers for forums such as Rio+20 and trilateral cooperation and encouraged replication of such initiatives. They called upon Member States to contribute to the UNDP/UNV Youth Volunteer Trust Fund, among others.

66. Delegations expressed concern about the insignificant increase in the number of female United Nations Volunteers, highlighting the importance of gender mainstreaming in the new strategic framework and for strategies to overcome gender discrepancy for organizations deploying United Nations Volunteers, especially in peacekeeping missions. They requested information on the future of United Nations Volunteers after completion of their assignments.

67. The Executive Coordinator thanked delegations for their guidance and positive approach to the report and development of the strategic framework. He reaffirmed commitment to focus on desired impact in the measurement of results of UNV work. He touched upon engagement with emerging economies of the South, youth-focused programmes, post-2015 agenda discussions and volunteers in academia schemes. In closing, he emphasized volunteerism being increasingly recognized as a "global common good". The Associate Administrator stressed commitment to the culture of volunteerism and the importance of measuring the impact of volunteer work and welcomed further dialogue with Member States on gender balance.

68. The Executive Board adopted decision 2013/17: Report of the Administrator on the evolution of the role and function of United Nations Volunteers programme since its inception.

UNFPA segment

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

69. In his statement (available at <http://unfpa.org/public/site/global/home/exbrd/pid/12130>), the Executive Director highlighted progress and achievements in 2012; challenges for the future; and UNFPA efforts to create a more impactful and more accountable organization. He stated that 20 years after the International Conference on Population and Development (ICPD), the global community had affirmed that sexual and reproductive health (SRH) and reproductive rights were pivotal for sustainable development. He noted that the ICPD review, led by UNFPA, provided an opportunity to contribute to the future of population and development policies at national, regional and global levels. The global consultation aimed not only to advance the ICPD agenda but also to ensure its close integration into the post-2015 global development agenda. He thanked the Member States for their support and guidance in helping UNFPA achieve its results. He focused particularly on three areas: programme results; building a more accountable organization; and linking resources to results. He underscored UNFPA advocacy in helping reposition the family planning agenda at the forefront of the international stage, noting that a woman's ability to have children by choice, not chance, transformed lives, communities and countries. He drew attention to the significant declines in maternal mortality in numerous countries, while noting that progress had been uneven and sub-Saharan Africa still had high maternal mortality. He stated that the revised humanitarian strategy and standard operating procedures enabled UNFPA to respond to emergencies more efficiently and effectively. In observing the significant progress in financial management, he noted that UNFPA had an unqualified audit.

70. The Executive Director noted the initiatives to improve UNFPA operations, embrace innovations, and stay abreast of the changing global development landscape. He stated that at the heart of the new strategic plan, 2014-2017, was the "bullseye" which placed women, adolescents and youth at the centre of UNFPA work. UNFPA would deliver human rights-based programming to contribute to improving people's lives. UNFPA would work tirelessly to decrease the unmet need for contraception; reduce maternal mortality; stop HIV transmission; promote quality maternal health care; promote the SRH of young people; champion reproductive rights; and contribute to reducing gender-based violence (GBV). He noted that the process of developing the next strategic plan, 2014-2017, and the accompanying integrated budget, 2014-2017, was well advanced. He thanked the Member States for their engagement in the process and for their valuable feedback. He focused, inter alia, on support to South-South cooperation; addressing the needs of least developed countries (LDCs) and middle-income countries (MICs); obstetric fistula; and the UNFPA internal action plan to ensure compliance with General Assembly resolution [67/226](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR). He welcomed the attention accorded by the High-level Panel of Eminent Persons on the post-2015 Development Agenda to young people; gender equality; and SRH as essential ingredients of sustainable development.

71. Delegations commended the Executive Director's comprehensive statement and his leadership. They commended UNFPA global leadership in supporting

countries in implementing the ICPD Programme of Action, the ICPD beyond 2014 review, Family Planning 2020, particularly with regard to ensuring SRH and reproductive rights. They expressed support for the inclusion of population issues in the post-2015 development agenda. They referred to the High-level panel's emphasis on the empowerment of women and girls, including the target to ensure SRH and reproductive rights. Delegations appreciated UNFPA global advocacy and contributions regarding prevention of female genital mutilation/cutting (FGM/C), HIV, and obstetric fistula. They expressed concern that progress on Millennium Development Goal (MDG) 5 was lagging behind. Delegations were satisfied to note the robust financial state of UNFPA but expressed concern about the growing imbalance between regular (core) and other (non-core) resources. Delegations encouraged UNFPA to diversify its funding sources.

72. The need to scale up UNFPA support to LDCs and to ensure the sustainability of programme results was stressed by some delegations. Some delegations emphasized the need to increase South-South and triangular cooperation. The Fund's contributions to system-wide coherence and "Delivering as One" were commended. UNFPA commitment to scale up its humanitarian work was welcomed.

73. In underscoring the progress in Africa in reducing infant, child and maternal mortality and HIV prevalence, the African group noted their appreciation for the Executive Director and thanked UNFPA for its support. In praising UNFPA for being a learning organization, the group stressed the need to utilize the lessons learned from evaluations and emphasized that resources for evaluation should not adversely affect the resources for programming.

74. Delegations commended the Fund's inclusive and transparent process in developing the new strategic plan, 2014-2017, and sharpening the plan's focus. They stressed the importance of abiding by the principles of national ownership and national leadership. Delegations commended the UNFPA work to improve the correlation between the strategy and the results framework of the new strategic plan and looked forward to receiving a clear theory of change for each outcome, including a risk analysis and the value added by different types of partnerships. They were satisfied with the focused strategic direction set out in the "bullseye". They underscored that the new strategic plan must fully take into account the QCPR. They emphasized the need to enhance joint programming and synergistic partnerships with sister agencies and the private sector.

75. The Latin American and Caribbean States underscored the need for continued UNFPA presence in MICs and stated that UNFPA commitment to maintaining human, technical and financial resources in their region should be reflected in the new strategic plan. Regarding the new UNFPA business model, they asked for information on its implications and impact on programme countries. They observed that international migration and ageing were in line with the strategic plan's "bullseye" but were not mentioned in the draft strategic plan.

76. Some delegations acknowledged the enhancement of UNFPA internal management and the quality and effectiveness of programmes and were pleased to note the unqualified audit. They hoped UNFPA would produce an analysis of the impact of its new business model and resource allocation system on programme countries to enable Member States to understand the implications of the new strategic plan. Some delegations expressed concern regarding issues and risks

pertaining to the global and regional programme (GRP) and noted the need for increased Executive Board oversight.

77. The Executive Director thanked the Executive Board members for their support. Noting that the organization was at an inflection point, he underscored that UNFPA counted on the support of Member States to take forward the people-centred ICPD agenda in the post-2015 development space. He emphasized the need to enhance progress towards MDGs 4 and 5. He thanked the Board for the valuable feedback concerning the development of the strategic plan, 2014-2017, noting that UNFPA would work with Member States regarding the resource allocation system and the rollout of the business plan. He noted that UNFPA was working to address the issues raised around the GRP and improvements had been made in the GRP governance. He assured the Board that UNFPA would work to enhance accountability. He thanked the Board members for their engagement in the development of the integrated budget, 2014-2017. He underscored the commitment of UNFPA to the LDCs. He also affirmed the Fund's commitment to a human rights-based approach to programming. He assured the Board about the Fund's continuing commitment to work in such areas as humanitarian response, gender equity, GBV, persons with disabilities and South-South cooperation. He appreciated the Board's acknowledgement of UNFPA leadership in "Delivering as One" and the Fund's efforts in implementing the QCPR. He noted that UNFPA engaged with Member States at a variety of levels and valued their interaction, advice and support. He concluded by thanking the President, the Member States and UNFPA colleagues.

78. The Executive Board adopted decision 2013/19: Report of the Executive Director for 2012: Cumulative analysis of progress in implementation of the UNFPA strategic plan, 2008-2013.

XI. Funding commitments to UNFPA

79. The Director, Information and External Relations Division (IERD), introduced the report on contributions by Member States and others to UNFPA and revenue projections for 2013 and future years (DP/FPA/2013/4). She updated the financial data in the report, noting that the overall contributions revenue projection for 2013 for regular and co-financing resources was \$986.0 million (\$470.0 million for regular resources and \$516.0 million for co-financing resources). In providing additional details on regular and co-financing resources, she underscored UNFPA efforts to diversify and broaden the Fund's donor base.

80. Only one delegation intervened and was pleased to note the Fund's historical high in total revenue. The delegation, however, expressed concern about the growing imbalance between regular and co-financing resources and called on Member States to contribute to UNFPA regular resources. The delegation of China announced that in 2013 the Government would contribute \$1.2 million to UNFPA regular resources (an increase of \$150,000 over its 2012 contribution).

81. The Executive Director thanked China and all Member States for their contributions. He noted that UNFPA was totally dependent on voluntary funds. He assured the Executive Board that UNFPA would utilize the resources in an accountable and responsible way. He thanked the Chief, Resource Mobilization Branch, and his team for their efforts in mobilizing resources. The Director, IERD, thanked all the donors for their technical, political and financial support.

82. The Executive Board adopted decision 2013/20: Report on contributions by Member States and others to UNFPA and revenue projections for 2013 and future years.

XII. Country programmes and related matters

83. The Deputy Executive Director (Programme) provided an introductory overview of the draft country programme documents (CPDs) for Benin, Congo, Cuba, Egypt, Niger, Nigeria and Togo; the draft common country programme documents (CCPDs) for Bhutan and Rwanda; and the programme extensions for Afghanistan, Angola, Côte d'Ivoire, Guinea-Bissau, Kenya, Madagascar, Mali, Paraguay, South Sudan, Timor-Leste, Tunisia and Venezuela (Bolivarian Republic of). She informed the Executive Board that the draft CPD for Palestine had been withdrawn for technical reasons and would be presented to the Board at the second regular session 2013. Following that, the Officer-in-Charge, East and Southern Africa Regional Office; the Director, West and Central Africa Regional Office; the Director, Arab States Regional Office; the Deputy Director, Latin America and the Caribbean Regional Office; and the Director, Asia and the Pacific Regional Office elaborated on the programmes from their respective regions.

84. Several delegations were pleased to note that the programmes had been developed in close consultation with the respective Governments and stakeholders and were well aligned with national plans and priorities. They expressed appreciation for the support and partnership provided by UNFPA. Delegations covered a range of issues in their comments on the various programmes, including the need to reduce maternal mortality; address the sexual and reproductive health of young people; strengthen the focus on family planning, including addressing the issue of commodity stockouts; enhance synergy and cooperation with other development partners, including the United States Agency for International Development; build capacity for data collection and analysis; address the issues of obstetric fistula and early marriage; and focus more attention on gender equality and the prevention of gender-based violence.

85. The following delegations thanked the Executive Board for consideration of their programmes/programme extensions and thanked UNFPA for its support: Benin, Bhutan, Congo, Cuba, Egypt, Kenya, Niger, Nigeria, Timor-Leste and Togo.

86. The Executive Board took note of the draft CPDs for Benin, Congo, Cuba, Niger, Nigeria, Togo and the draft CCPD for Bhutan and the comments thereon. The comments will be conveyed by UNFPA to the respective countries to take into account in finalizing the programmes, as per decision 2006/36. On an exceptional basis, in accordance with decisions 2012/17 and 2013/6, respectively, the Board approved the Rwanda and Egypt programmes. The Board also approved the programme extensions for Côte d'Ivoire, Guinea-Bissau, Madagascar, Mali, South Sudan and Tunisia; and took note of the programme extensions for Afghanistan, Angola, Kenya, Paraguay, Timor-Leste and Venezuela (Bolivarian Republic of).

87. The Deputy Executive Director (Programme), the Regional Directors, the Officer-in-Charge and the Deputy Regional Director thanked the Executive Board for its support.

XIII. Evaluation

88. The Executive Director introduced the revised UNFPA evaluation policy (DP/FPA/2013/5). Reiterating his personal commitment as champion of evaluation at UNFPA, the Executive Director underscored that accountability remained a top priority both for him and the organization.

89. One delegation, speaking also on behalf of 17 other delegations, delivered a joint statement of strong support regarding the revised UNFPA evaluation policy. Other delegations also made interventions. The delegations commended UNFPA for the major achievement and thanked the Executive Director and senior management for the open, transparent and consultative engagement with the Executive Board in developing the revised UNFPA evaluation policy. They underscored that the revised policy would allow UNFPA to attain better development results in the field, for which institutional learning, greater accountability and evidence-based decision-making were crucial. The delegations welcomed, inter alia, the creation of an independent evaluation office with a direct reporting line to the Executive Board; adequate resourcing for the evaluation function; the clear delineation of roles and responsibilities among different stakeholders; the distinction between evaluation and other functions such as monitoring and audit; adherence to and implementation of the norms and standards of the United Nations Evaluation Group; a strengthened role of the Board regarding evaluation results; and the commitment of the Executive Director to fostering a culture of evaluation in UNFPA. They also commented on various other aspects, including the selection of the head of the new Evaluation Office; the roles and responsibilities of regional advisers and regional offices with regard to evaluation as stipulated in the revised evaluation policy; transparency and knowledge sharing; and the need for UNFPA to make transitional arrangements when implementing the policy.

90. Delegations noted that the revised evaluation policy set the cornerstone for the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system. They also noted that four important documents would be regularly presented to the Executive Board in a logical sequence: (a) the annual report of the Evaluation Office on the evaluation function; (b) the annual report of the Executive Director containing a part on evaluation; (c) the biennial budgeted evaluation plan; and (d) the integrated budget, including the management budget for the Evaluation Office. Delegations noted the Fund's commitment to strengthen the quality of evaluation at regional and country levels. Emphasizing that UNFPA should never lose sight of delivering results, they underscored that evaluation should contribute to improved learning and knowledge for delivering results. They stressed that the evaluation function should be independent, useful and transparent. They noted that for the next planned review both the revised policy and its implementation should be reviewed. They appreciated the work of the Evaluation Branch and the outstanding value received by the Board.

91. The Executive Director thanked the Member States for their constructive engagement. He also appreciated the work of UNFPA colleagues in preparing the revised evaluation policy. He underscored that UNFPA would utilize evaluation to improve the quality of services delivered to women, men and young people.

92. The Executive Board adopted decision 2013/21: Revised UNFPA evaluation policy.

UNOPS segment

XIV. Statement by the Executive Director and annual report of the Executive Director

93. The Executive Director presented the Annual report for 2012 (DP/OPS/2013/2) and UNOPS strategic plan, 2014-2017 (DP/OPS/2013/3). He provided an overview of financial and operational results, emphasizing increases in delivery services, especially in low-income countries and conflict-affected nations. In underlining the organization's drive toward excellence, he highlighted UNOPS becoming the first organization in the world to be awarded the four top project management certifications. On the strategic plan, he highlighted the drive for sustainability and supporting national capacity, and the focus on UNOPS areas of expertise: sustainable project management, sustainable infrastructure, and sustainable procurement. In this regard, he emphasized that with the proposed increase of focus on the use of national systems UNOPS may in the future manage smaller volumes of funds through implementation services while expanding its advisory role to governments in its focus areas. In closing, he reaffirmed commitment to delivering services that make a difference in coordination with United Nations organizations.

94. Delegations commended the results achieved in 2012, especially following the midterm review of the current strategic plan. They encouraged UNOPS to continue increasing its work in LDCs and conflict-affected countries and to strengthen gender impact analysis, environmental safeguards, and a rights-based perspective in project management. They requested information on the new methodology for calculating UNOPS operational reserve and plans for consulting Member States in this regard, and the intention to increase the cost-recovery rate in the provision of advisory services.

95. Delegations welcomed the overall framework and focus of the new plan. They suggested additional national capacity focus on, inter alia: (a) preparedness and resilience to natural disasters, including building back better; (b) procurement of medical supplies to increase quality, availability and affordability of health services; (c) the use of new environmental standards; and (d) creation of conditions to allow developing countries to participate in the United Nations procurement system on equitable terms.

96. Delegations underscored the current trend away from joint procurement in the United Nations system as inefficient and worrisome. They stressed the QCPR mandate for harmonization and joint approaches in business practices, reiterating that joint procurement allows for cost savings and efficiency gains. They urged UNOPS to use its expertise in this area, requesting more information in this respect and emphasizing the wide scope for UNOPS to support inter-agency efforts.

97. The Executive Director reaffirmed his commitment to engage with partners for sustainable joint procurement practices and remarked on steps taken to review best practices in harmonization of business practices. The Deputy Executive Director, UNOPS, provided an overview of the new pricing policy and welcomed guidance from Member States on harmonization of joint procurement and business practices. He stressed that any significant investment from the excess of operational reserves over the requirement would be made in consultation with the Executive Board. In

closing, the Executive Director welcomed consultations with the Board on the draft budget proposal for the next two years.

98. The Executive Board adopted decision 2013/22: Annual report of the Executive Director, UNOPS, and decision 2013/23: UNOPS strategic plan 2014-2017.

Joint segment

XV. Internal audit and oversight

99. The Director, Office of Audit and Investigations, UNDP, the Director, Division for Oversight Services (DOS), UNFPA, and the Director of Internal Audit and Investigations Group, UNOPS, introduced the respective annual reports ([DP/2013/35](#); [DP/FPA/2013/6](#); and [DP/OPS/2013/4](#)). The Chair of the UNDP Audit Advisory Committee (AAC) and the Chair of the UNFPA Audit Advisory Committee (AAC) were also present.

100. The UNDP Assistant Administrator and Director, Bureau of Management, the UNFPA Deputy Executive Director (Management) and the UNOPS Deputy Executive Director presented the respective management responses of the three organizations.

101. Delegations commended the work undertaken by the three organizations and welcomed the reports, including the AAC reports. They also commended the implementation of the policy on disclosure of internal audit reports. Delegations requested information on strategies being implemented at the organization-wide level to address procurement, project monitoring and asset management weaknesses, and the scope of the country office support initiative. They also emphasized the need for the organizations to present consistent data on allegations, investigation and outcomes across each year to enable Member States to track progress. They asked that audit ratings be included for each audit report to clearly identify which ones revealed poor results. Delegations noted the value of joint audits and encouraged such collaboration. Referring to the 2011 report of UNDP on disciplinary measures taken in response to fraud, corruption and other wrongdoing, they asked UNFPA and UNOPS to produce similar reports.

102. Regarding UNDP, delegations expressed concern about insufficient resources to meet the broadening mandate of the Office of Audit and Investigations and increasing number of ethics complaints, and urged for improved monitoring and due diligence for funds provided. They also noted the large number of open investigations cases despite additional staff in 2012 and requested strategies to reduce the caseload. Delegations urged UNDP to address project management and procurement weaknesses, especially the slow implementation of recommendations related to procurement. In this regard, they underscored that ensuring compliance with a strong accountability framework would require major changes in management practices and behaviours. On disclosure of internal audit reports, delegations suggested future annual reports include priority issues, areas for improvement, and management practices showing audit priorities that underpin current and emerging risks. They asked why there was no annual report in 2012 on disciplinary measures taken in response to fraud, corruption and other wrongdoing and requested this report in the future.

103. Regarding UNFPA, delegations commended DOS for strengthening oversight procedures and practices and were pleased that the AAC had noted significant improvements in 2012. Delegations noted the incomplete audit programme at the end of 2012 and the level of vacancies at 21 per cent in 2012 compared to 8 per cent in 2011. They considered it critical that DOS had the resources necessary to ensure sufficient oversight coverage. They appreciated the work undertaken to implement the recommendations of the Board of Auditors and urged UNFPA to pursue timely implementation of the outstanding recommendations. Delegations asked about the decrease of cases received in 2012 compared to 2011, and the reasons for one case being considered sufficient for sanctions. They encouraged management, assisted by DOS, to enhance efforts to deter fraud and asked about the recovery of funds lost. Concern was expressed regarding issues raised in the audit of the UNFPA global and regional programme (GRP) and delegations looked forward to explanation of the weaknesses identified in programme design, governance and management, execution and the resource allocation process. Delegations noted their interest in engaging with management in addressing the issues.

104. Concerning UNOPS, delegations welcomed the clear indication of the amount of reports rated “satisfactory”, “partially satisfactory” or “unsatisfactory” and requested UNDP and UNFPA to do the same in future respective audit reports. They also welcomed the Deputy Executive Director’s remarks about the need for a proactive approach, software tools that address suspicious activity and learning among staff about risk management and fraud.

105. The UNDP Assistant Administrator and Director, Bureau of Management, gave an overview of initiatives under way to improve risk management and address weaknesses in project monitoring, procurement management and capacity. The UNDP Director, Office of Audit and Investigations, underscored the need for additional resources. He elaborated on UNDP audit ratings and fraud correction in 2012. The UNFPA Deputy Executive Director (Management) assured the Executive Board that UNFPA was working vigorously to address the issues raised in the GRP audit. Furthermore, UNFPA was working with the AAC on risk management and was investing in fraud detection systems. The circular pertaining to disciplinary measures would be provided to delegations and would be made available in the future on a regular basis. She reiterated that several measures were under way to improve procurement and project monitoring. The Director, DOS, UNFPA, noted that of the 10 audits outstanding at year-end, the draft reports of five were out and the remaining five reports were being drafted. She observed that the decrease in investigation cases from 48 to 42 was not significant. She noted that in one case management deemed the evidence insufficient to apply sanctions. The Deputy Executive Director, UNOPS, highlighted the organization’s project monitoring procedures.

106. The Executive Board adopted decision 2013/24: Reports of UNDP, UNFPA and UNOPS on internal audit and oversight for 2012.

XVI. Reports of the Ethics Offices of UNDP, UNFPA and UNOPS

107. The Director, Ethics Office, UNDP, the Adviser, Ethics Office, UNFPA, and the Ethics Officer, UNOPS, introduced the annual reports of their respective Ethics Offices ([DP/2013/36](#); [DP/FPA/2013/2](#); and [DP/OPS/2013/5](#)).

108. The UNDP Assistant Administrator and Director, Bureau of Management, the Deputy Executive Director (Management), UNFPA and UNOPS General Counsel, on behalf of the UNOPS Executive Director, presented the respective management responses.

109. Delegations commended the progress in raising the profile of ethics in all three organizations and highlighted the critical role of the Ethics Offices in protecting staff from retaliation when reporting wrongdoing in their respective organizations. They encouraged senior management to provide the necessary resources for the ethics function. Delegations reiterated their request for information on how each organization responds to real and perceived conflicts of interest, not just financial disclosure, and to include in future annual reports a statement about the organization's ethics climate, including assessments on strengths, weaknesses and priorities.

110. Concerning UNDP, delegations urged senior management to continue to work with the Ethics Office to address staffing shortfalls, emphasizing the need for the Office to carry out its function effectively. While recognizing UNDP improved financial disclosure compliance and streamlining of the filing process, delegations expressed concern on timely filing and asked for more information in this respect. They also requested clarification on the family relationships policy amendment and on early detection of conflicts of interest in recruitment, especially when it would be introduced and how it dealt with job applicants who had real or potential conflicts of interest.

111. Regarding UNFPA, delegations requested information on how UNFPA dealt with conflicts of interest.

112. Concerning UNOPS, delegations asked if, and how, UNOPS utilized the process of early detection of conflict of interest in its recruitment practice.

113. The Adviser, Ethics Office, UNFPA, responding to the query regarding conflicts of interest, clarified that of the 90 inquiries received from staff, the majority related to participation in outside activities and the Ethics Office had provided the necessary guidance. With specific reference to the issue of detecting potential conflicts of interest during the recruitment process, the Ethics Adviser clarified that the online UNFPA employment form included questions relating to the early detection of conflicts of interest. The UNDP Assistant Administrator and Director, Bureau of Management, reaffirmed commitment to improve the ethics climate at all levels of the organization, across staff and functions, and especially in procurement. He highlighted efforts in this respect with UNDP vendors. The Director, Ethics Office, UNDP, spoke about timely filing in 2012, harmonization of the family relationships policy with United Nations policies, early detection of conflicts of interest prior to recruitment finalization, and measures taken in response to staff participation in outside activities or conflicts of interest. The UNOPS General Counsel elaborated on the introduction of early detection of conflicts of interest in recruitment and reaffirmed UNOPS focus on ethics, especially at the field level and in future reporting.

114. The Executive Board adopted decision 2013/25: Reports of the ethics offices of UNDP, UNFPA and UNOPS.

XVII. Field visits

115. The report of the field visit of the Executive Board of UNDP/UNFPA/UNOPS to Timor-Leste (DP-FPA-OPS/2013/CRP.1) was introduced by the rapporteur. He expressed appreciation to the Government of Timor-Leste for hosting the mission, which had been led by the then President of the Board. He thanked UNDP, UNFPA and UNOPS staff and the Resident Coordinator office staff for organizing a comprehensive and well prepared programme. The rapporteur underscored that the Executive Board delegation was pleased to note that the Government considered the positioning of UNDP and UNFPA in Timor-Leste to be the right one. Support was expressed for the work of UNDP, UNFPA and UNOPS. The Executive Board delegation made a number of recommendations, which are contained in the report. The delegation of Timor-Leste thanked the United Nations organizations for the results on the ground and for contributing to peace through capacity-building and poverty eradication.

116. The report of the joint field visit of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP (DP/FPA/OPS-ICEF-UNW-WFP/2013/CRP.1) was introduced by the rapporteur. He thanked the Government and the people of Myanmar for their hospitality and also thanked the staff of the organizations in the regional offices in Bangkok, Thailand, and in the country offices in Myanmar. The usefulness of having visited the regional offices in Bangkok prior to arriving in Myanmar was underscored. The rapporteur outlined the lessons learned as well as key findings and recommendations, which are contained in the report. It was noted that the United Nations country team was highly committed to building an increasingly positive and fluid dialogue with the Government at all levels and supporting the country in a time of great transition. The delegation of Myanmar thanked the Executive Boards of the funds and programmes for the joint field visit and the United Nations organizations for their support to the country. The need for economic development was underscored.

117. The Executive Board took note of the report of the field visit to Timor-Leste and the report of the joint field visit to Myanmar.

XVIII. Other matters

Informal consultations

118. The following informal consultations were held:

- (a) Informal consultation on the UNOPS biennial budget estimates 2014-2015;
- (b) Informal consultation on the draft UNFPA strategic plan, 2014-2017, and the draft integrated budget, 2014-2017;
- (c) Informal consultation on the steps and timeline for the preparation of the next UNDP gender equality strategy;
- (d) Informal consultation on the draft UNV strategic framework, 2014-2017;
- (e) Informal consultation on the UNDP cumulative review of the strategic plan and annual report of the Administrator;
- (f) Informal consultation on the UNDP integrated budget.

Part three
Second regular session 2013

Held at United Nations Headquarters in New York
from 9 to 13 September 2013

I. Organizational matters

1. The second regular session 2013 of the Executive Board of UNDP, UNFPA and UNOPS was held at United Nations Headquarters, New York, from 9 to 13 September 2013.

2. The Executive Board approved the agenda and workplan for its second regular session 2013 ([DP/2013/L.3](#)) and its corrigendum ([DP/2013/L.3/Corr.1](#)), and approved the report of the annual session 2013 ([DP/2013/38](#)). The Board reviewed the annual workplan for 2014 ([DP/2013/CRP.2](#)) and approved the tentative workplan for the first regular session 2014.

3. Decisions adopted by the Executive Board in 2013 appear in document [DP/2014/2](#), available on the Executive Board website.

4. The Executive Board agreed in decision 2013/36 to the following schedule for future sessions of the Executive Board in 2014:

First regular session:	27 to 31 January
Joint meeting of the Executive Boards of UNDP/ UNFPA/UNOPS, UNICEF, UN-Women and WFP:	3 February
Annual session:	23 June to 4 July (Geneva)
Second regular session:	2 to 5 September

UNDP segment

II. UNDP strategic plan, 2014-2017

Statement by the Administrator

5. In her opening remarks to the Executive Board (available on the Executive Board website), the Administrator underscored that the session was an important milestone for UNDP. Since September 2012, UNDP had been actively engaged with Member States in developing and refining its new UNDP strategic plan, 2014-2017 ([DP/2013/40](#) and annexes) and the UNDP integrated budget, 2014-2017 ([DP/2013/41](#) and annexes). She looked forward to Board approval of the UNDP strategic plan, 2014-2017, and the UNDP integrated budget, 2014-2017, adding that once endorsed UNDP had to set about the task of implementation, beginning on 1 January 2014.

6. The Administrator stressed that the endorsed strategic plan would allow UNDP to focus on major priority areas of its work — supporting acceleration of the Millennium Development Goals (MDGs), influencing progress on the post-2015 development agenda and forging the parameters of future sustainable development goals. She emphasized the commitment of UNDP to transparency and accountability, and underlined the importance of the United Nations Development Group (UNDG) working together to achieve results.

7. In presenting the UNDP strategic plan, 2014-2017, UNDP honed in on the characteristics that would guide its work over the following four years. The plan

brought into relief the organization's determination to be more focused, results-driven, effective and efficient, while reflecting the guidance of the quadrennial comprehensive policy review and other outcome documents, such as that of the United Nations Conference on Sustainable Development, held in Brazil in 2012 (Rio+20). She reiterated that the overarching strategic goal of UNDP was to work towards poverty eradication in ways that simultaneously reduced inequality and exclusion, while respecting the environment.

8. She made clear that the work of UNDP would differ between countries in response to nationally determined demand and needs. And because poverty's causes were complex and interrelated, requiring a multitude of approaches and actors, UNDP would focus on its comparative advantages, and work with its partners in areas where it did not, through for example South-South and triangular cooperation.

9. In closing, the Administrator stressed that UNDP leadership on United Nations reform was more pertinent than ever. UNDP was committed to this role and to working through the UNDG, building on the progress of critical reforms already made, including the adoption of standard operating procedures for Delivering as One, business operations reform, better functioning of the resident coordinator system, and the new funding modality for system-wide cost-sharing of the resident coordinator system.

10. Board members were very positive about the work of UNDP and the progress it had made in 2013. They pointed to the importance of UNDP leadership and work in accelerating the MDGs, guiding and influencing international discussions on the post-2015 development agenda, and promoting the concept of sustainable development goals. They stressed that the process, however, should not stray attention away from MDG achievement, for which much remained to be done by 2015 and which remained at the crux of the quadrennial review mandate.

11. They were especially pleased with the consultation process UNDP had followed in developing the UNDP strategic plan, 2014-2017, and the UNDP integrated budget, 2014-2017. They commended UNDP for focusing on results-based management, developing theories of change for each outcome and producing an elaborated integrated results and resources framework, which had been greatly improved from previous versions. They were also pleased that UNDP had planned and designed its interventions based on its comparative advantages and a limited number of clearly defined outcome areas. They felt however that some outcome areas remained broad, especially area 1, and cautioned UNDP not to stray from its core competencies, and to collaborate with other United Nations system organizations.

12. Delegations urged UNDP to work exclusively within its outcomes areas and mandate, in accordance with its comparative advantages, collaborating with partners when necessary to avoid redundancies and inefficiencies. That approach would help UNDP to carry out its leadership and coordination mandate, and achieve greater effectiveness at all levels. They appreciated the organization's issues- (rather than practice-) based approach to development, which would make it a better knowledge manager. While country-level focus was welcomed, there was also a call for UNDP to use the strategic plan to sharpen its thematic focus in services it offered at the global level.

13. Board members stressed that the UNDP strategic plan, 2014-2017, had to be fully aligned with the quadrennial review, in particular with the mandate it gave to

prioritize poverty eradication. On that point, the Board emphasized that the vision statement of the strategic plan had to clearly link all UNDP areas of work to the overarching objectives of poverty reduction and inclusive growth. Stressing the multidimensional causes of poverty, especially in fragile states, delegations appreciated the attention UNDP had given to democratic governance, rule of law, gender equality, building resilience, disaster risk reduction, early recovery and transition. They urged UNDP to ensure that preparedness planning and early recovery were fully integrated into the United Nations system's humanitarian response processes.

14. A number of delegations, in particular programme countries, raised concerns that the central engagement principle of UNDP, based on the concept of sustainable human development, combined two ideas — “human development” and “sustainability” — that together could run counter to programme countries' development priorities. They stressed that UNDP only adopt concepts endorsed by the international community, and recommended that the engagement principles prioritize nationally identified and differentiated development needs and approaches.

15. Likewise, many Board members, especially from middle-income countries, highlighted their strong support for UNDP universal physical presence, considered one of its most important comparative advantages. South-South and triangular cooperation also received strong support from all Board members, who were pleased with the UNDP move to scale up its work in that area in the strategic plan, 2014-2017. They were particularly keen to benefit from information exchanges, lessons learned and capacity building initiatives focused on helping developing countries implement South-South projects. Some Member States expressed their wish to see the United Nations Office for South-South Cooperation strengthened.

16. Board members looked forward to the continued engagement of UNDP in refining the integrated results and resources framework to the strategic plan, specifically to strengthen indicators, baselines and targets. They wished to see better qualitative indicators, including in cross-cutting areas such as gender inequality, which they noted should be tracked in mainstreaming terms rather than through specific targets.

17. Board members also called for greater disaggregation of data to better capture inequalities, promote opportunities and more fully mainstream gender. They encouraged UNDP to incorporate sex disaggregated data indicators, baselines and targets where relevant. Stressing the importance of reporting progress, they cautioned against using parallel data collection systems, and recommended that UNDP investigate bottlenecks in data collection at the country level, while giving country offices the opportunity to tell their story when reporting results. They stressed the importance of strong, independent audit and evaluation mechanisms for accountability and feedback, and requested information on how UNDP planned to enhance the Evaluation Office in future and ensure its independence. Board members expressed concern that the results framework, as it stood, would not facilitate attribution of results to UNDP.

18. In response, the Administrator thanked delegations for their positive appraisal of the UNDP strategic plan, 2014-2017, and integrated budget, 2014-2017. She welcomed Board members' continued vision of UNDP as the linchpin of the United Nations development system, as well as its central role in accelerating the MDGs and influencing the post-2015 development agenda. She also noted the strong

emphasis the Board placed on the UNDP overarching mandate to work on poverty eradication and inclusive growth.

19. She assured Board members that the more focused strategic plan, 2014-2017, with a reduced number of outcomes, would facilitate UNDP efforts to respond to programme country needs in line with national ownership and according to UNDP comparative advantages. She took note of Board members' call for UNDP to play its full role in crisis and post-crisis countries. In all its activities, UNDP would work within its mandated outcomes areas and in close partnership with stakeholders at all levels, both within and outside the United Nations system, and through South-South and triangular cooperation initiatives. She stressed that the enhanced results and resources framework would allow for better planning and reporting.

20. The Executive Board adopted decision 2013/27 on the UNDP strategic plan, 2014-2017.

III. Financial, budgetary and administrative matters

UNDP integrated budget, 2014-2017

21. In her opening statement, the Administrator also covered topics that fell under item 3 on financial, budgetary and administrative matters: the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the UNDP integrated budget, 2014-2017 (DP/2013/42), annual review of the financial situation (DP/2013/43 and Corr.1) and detailed information relating to the annual review of the financial situation 2012 (DP/2013/43/Add.1).

22. She briefed the Board on the new UNDP integrated budget, 2014-2017, presented in a harmonized format with the budgets of UNFPA, the United Nations Children's Fund (UNICEF) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women). She highlighted that the integrated budget's four-year alignment with the strategic plan, 2014-2017, recognized the links between development and institutional results at the country, regional and global levels, and the associated resource requirements.

23. On resources, the Administrator noted that UNDP proposals had incorporated an annualized programming resource base that would increase from \$540 million per year in 2014-2015 to \$600 million per year in 2016-2017, owing to an expected rise in income and a significant lowering of the budget's institutional component, due in part to the new cost-recovery policy. As a result, UNDP would be able to allocate a greater share of regular resources to achieve development results. In addition to shielding the TRAC (target for resource assignment from the core)-1 programme line and support to the resident coordinator system, as already endorsed by the Board, UNDP proposed also shielding TRAC-3, Human Development Report Office and the United Nations Office for South-South Cooperation, from any reduction in the core programme resource base below the \$540 million level. UNDP also proposed a new programme line for the United Nations Capital Development Fund (UNCDF).

24. In addition, the Administrator pointed to the continuing decrease in core resources for 2013. On transparency and accountability, she highlighted the organization's unqualified audit opinion for its first ever International Public Sector Accounting Standards (IPSAS)-compliant financial statements in 2012, its new role

as host of the International Aid Transparency Initiative and the launching of its website open.undp.org, where UNDP publically disclosed financial flows, projects and internal audit reports.

25. The Board welcomed the increased coherence between the organization's strategic planning and budgeting documents and its linking of results to resources, noting that UNDP had made major progress. They appreciated the effort by UNDP to safeguard its resource allocations for development activities while proposing tough spending cuts on management costs. Welcoming the decreased share of management activities in the overall budget, they encouraged UNDP to continue to foster efficiency while fulfilling its mandate.

26. Board members reiterated their concern with the continuing core/non-core imbalance, and urged all countries to abide by financial commitments and encouraged those in a position to do so to make additional contributions to regular (core) resources. They noted that a weak core resource base might jeopardize the ability of UNDP to fulfil its mandate. They noted that unpredictable resources and a large majority of earmarked funds might make it difficult to achieve the goals set out in the strategic plan. They looked forward to continuing dialogue in 2014 in order to work toward predictable, sustainable funding. They also stressed the importance of the financial health of UNCDF, a key player in assisting least developed countries.

27. A number of delegations welcomed the increased contribution of non-core resources to the institutional budget, following Board decision 2013/9 on harmonized cost-recovery methodology and rate. They looked forward to the review of the actual implementation of the revised cost-recovery methodology, together with any related recommendations, at the annual session 2016, as requested in decision 2013/9.

28. On the issue of countries commitments to government local office costs (GLOC), a few delegations advised UNDP to take a more firm position if shortfalls continued.

29. Noting that resources allocated to development outcomes were indicative only, delegations advised UNDP to continue to align resources with the outcomes of the strategic plan, 2014-2017. Given the uncertainty engendered by the current financial crisis, they recommended that UNDP await the midterm review to adjust estimates and funding amounts in the integrated budget, 2014-2017. While encouraged by specific budget lines for gender equality, some members expressed concern that the proposed allocated amounts for gender in outcome 4 might fall short of what was required to achieve targeted goals and satisfy quadrennial review requirements. They expected UNDP to closely track gender resources allocated to other outcome areas.

30. Delegations also felt that the integrated budget, 2014-2017, could have provided greater clarity on the allocation of resources to different budget lines, for example to programme-related components. However, they welcomed the additional information provided by UNDP in the addendum to annex 1. They stressed the need to maintain adequate resource levels for the Office of Audit and Investigation, Ethics Office and Evaluation Office, and looked forward to further discussions with UNDP on the structural review.

31. In response, the Administrator emphasized that UNDP was eager to respond to Board requests fully and in a timely manner, and therefore suggested that Board requests for information be detailed and precise. She added that for the midterm

review to be useful in improving results-based management, UNDP would conduct the review of the strategic plan, 2014-2017, in full consultation with the Board.

32. In closing, the Administrator highlighted that funding remained a vital issue, especially the core budget. In light of the strategic plan, 2014-2017, structural changes to UNDP were necessary to ensure that the organization functioned within its mandate and according to its available resources. Following Board approval of the strategic plan, 2014-2017, the Administrator and UNDP looked forward to engaging closely with the Board in designing a funding plan for the future.

33. The Executive Board adopted decision 2013/28 endorsing the UNDP integrated budget, 2014-2017, and decision 2013/29 on the annual review of the financial situation, 2012. The Board took note of the ACABQ report on the UNDP integrated budget, 2014-2017 ([DP/2013/42](#)).

IV. Country programmes and related matters

34. The Associate Administrator, UNDP, provided an overview of the following two draft country programmes: Namibia ([DP/DCP/NAM/2](#)) from the Africa region; and Mexico ([DP/DCP/MEX/2](#)) from the Latin America and the Caribbean region. She also provided an overview of the first one-year extension of the country programme for Timor-Leste from the Asia and Pacific region, and the exceptional third-year extension of the country programme for the Syrian Arab Republic ([DP/2013/44](#)). The UNDP regional directors for Africa; Arab States; Asia and the Pacific; and Latin America and the Caribbean elaborated on the programmes from their respective regions.

35. Delegations thanked UNDP for its ongoing cooperation, commitment and support to their respective countries. They commended the organization for the scope and ambition of the country programmes, noting that they had been developed in close consultation with the government and other development partners and were aligned with national priorities and plans. Specific comments made by a number of delegations on some of the draft country programme documents would be conveyed to the concerned countries.

36. The Executive Board commented on the two draft country programme documents for Namibia and Mexico; took note of the first one-year extension of the country programme for Timor-Leste; and approved the exceptional third-year extension of the country programme for the Syrian Arab Republic. The Board adopted decision 2013/34 in which it decided to review and approve, on an exceptional basis, the UNDP and UNFPA draft country programmes for Kenya at the first regular session 2014 of the Executive Board.

37. In accordance with decisions 2001/11 and 2006/36, the Executive Board approved on a no-objection basis, without presentation or discussion, the following eight country programmes, which were discussed at the annual session 2013: Benin, Burundi, Niger, Nigeria, Republic of the Congo, Togo, Bhutan (common country programme) and Cuba.

V. Evaluation

38. The Director, Evaluation Office, UNDP, provided an oral presentation on the proposed topics for the two thematic evaluations, which were included in the programme of work of the Evaluation Office 2013, as contained in the annual report on evaluation 2102 ([DP/2013/16](#)), and begin in 2013 and terminate in 2014.

39. Several delegations thanked the Director for his presentation and close engagement with the Board. They agreed with the proposal by the Evaluation Office to conduct two evaluations on: the role of UNDP in supporting national achievement of the Millennium Development Goals (MDGs), and the overall contribution of the annual UNDP Human Development Report. Both were reasonably straightforward compared to other possible choices. Focusing on the MDGs was a wise choice given their high strategic importance, and would provide invaluable lessons learned for the post-2015 global development agenda. Delegations reiterated that accelerating MDG achievement to 2015 had to remain at the forefront of the UNDP strategic plan, 2014-2017. An evaluation of the human development reports, already noted for their intellectual acuity and use as a key accountability tool, would enable the Board to gauge the impact of public policy and the extent to which the reports have contributed to the knowledge pool and priorities and practices of development communities. The evaluation would guide UNDP in refining its intellectual contribution to development. Pointing to its proposal to include UNDP support to disability-inclusive development in the new UNDP strategic plan, 2014-2017, in line with the quadrennial review, the Board encouraged the Evaluation Office to follow through with its own proposal to include support to disability-inclusive development as a third topic for evaluation.

40. Board members looked forward to the medium-term programme of work of the Evaluation Office, scheduled to be presented at the first regular session 2014, and commended the office for following the principle of external validation. They emphasized that audit and evaluation were of fundamental importance and key for the Board to exercise its oversight functions; UNDP should therefore make every effort to ensure its audit and evaluation units remained strong, independent, and supplied with adequate resources. The midterm review of the integrated budget, 2014-2017, should likewise consider whether UNDP resource allocation for evaluation was sufficient, in particular in comparison with international standards, such as those elaborated by the United Nations Evaluation Group.

41. In response, the Director, Evaluation Office, UNDP, thanked delegations for their comments and noted with regard to conducting an evaluation of UNDP support to disability-inclusive development that the Evaluation Office was pacing it to cohere with the UNDP strategic plan, 2014-2017.

42. The Executive Board took note of the oral presentation on the proposed topics for the thematic evaluations of the programme of work of the UNDP Evaluation Office in line with decision 2013/15.

VI. Programming arrangements

43. The Associate Administrator, UNDP, presented the report on the funding of differentiated physical presence ([DP/2013/45](#)).

44. Several delegations together expressed their appreciation to UNDP for focusing on the issue of funding of differentiated physical presence. The decreasing levels of funding, especially regular core resources, was forcing organizations such as UNDP to optimize the resources at their disposal. They noted that because countries had different needs, and different expectations of UNDP based on those needs, UNDP could not pursue a one-size-fits-all approach to funding its physical presence. With that in mind, and in the light of decision 2013/4, several Board members expressed support for the proposal on funding of UNDP differentiated physical presence as presented in document [DP/2013/45](#), including the proposal to fund the post of resident coordinator and UNDP resident representative, provided country programme expenditures were above \$12 million for 2014-2017.

45. Another group of countries, while agreeing that each country had its own challenges and priorities, stressed the principle of UNDP universal presence in responding to developing countries' needs. With regard to the proposed criteria on the maintenance of UNDP presence in middle income countries, in particular those with four-year average gross national income (GNI) per capita above \$6,660, they raised concern that conditioning UNDP support on a country's fulfilment (or not) of its legal and financial obligations put middle income countries at a disadvantage because those countries were already behind in their respective government local office costs (GLOC) obligations. Delegations were concerned that in pursuing that approach UNDP risked closing its country offices in some middle-income countries. While concurring that UNDP should prioritize its core resources for programme countries most in need, they encouraged UNDP to allow GLOC-indebted programme countries to renegotiate debts by jointly preparing with UNDP cost contingency plans with reasonable timeframes for fulfilment.

46. In response, the Associate Administrator, UNDP, thanked delegations and reassured them that UNDP arrangements for funding its physical presence in middle-income countries with four-year average GNI per capita below the \$6,660 threshold, as well as low income countries, would continue without change. She noted on the issue of predictability, and the uncertainty that the proposal might engender for middle-income countries above the GNI per capita threshold, that UNDP had proposed a two-year transition period. She assured the Board that UNDP would make every effort to ensure it reached a solution for each country on the issue of UNDP universal presence and GLOC payments and debt negotiations.

47. The Executive Board adopted decision 2013/30 on the funding of differentiated physical presence.

UNFPA segment

VII. Statement by the Executive Director and UNFPA strategic plan, 2014-2017

48. In his statement to the Executive Board (available on the UNFPA Executive Board website), the Executive Director, UNFPA, underlined the critical importance of the two main topics of his presentation — the UNFPA strategic plan, 2014-2017, contained in the report of the Executive Director: the UNFPA strategic plan, 2014-2017 ([DP/FPA/2013/12](#) and annexes) and the UNFPA integrated budget, 2014-2017, contained in the UNFPA integrated budget estimates, 2014-2017 ([DP/FPA/2013/14](#)

and annex). Those two instruments would guide the work of the organization over the following four years, and help UNFPA to better deliver on its mandate.

49. The Executive Director stressed the importance of the moment not only for UNFPA but also for the international community. Countries were taking stock of achievements to date and what remained to be done to deliver on commitments made at the International Conference on Population and Development (ICPD) in Cairo in 1994. Similarly, the international community was deeply engaged in assessing achievements against the Millennium Development Goals (MDGs) in the final stretch towards the 2015 deadline, and determining what needed to be done while identifying new, emerging challenges, that would ultimately inform the post-2015 global development agenda and the formulation of future sustainable development goals.

50. Specifically on the ICPD agenda, he noted that 2014 would be a significant year, in the light of the ICPD beyond 2014 review, which presented a unique opportunity to link the ICPD beyond 2014 agenda with post-2015 development agenda. Discussions on the post-2015 development agenda, he affirmed, recognized all ICPD issues as critical. UNFPA was actively engaged in the ICPD review process through regional review conferences, which demonstrated strong, renewed global commitment to the ICPD agenda.

51. Likewise, UNFPA was taking stock of its own work. Focusing on improving its delivery of results, the Fund was retooling to meet the needs of a changing world. In the light of the UNFPA mandate, the Executive Director asserted that ensuring universal access to sexual and reproductive health and guaranteeing that women and young people are able to exercise their right to make informed choices were key to achieving equitable, sustainable development. He explained that the “bull’s eye” at the centre of the UNFPA strategic plan should be at the centre of the post-2015 development agenda because, despite progress on maternal mortality, reducing maternal deaths and achieving universal access to reproductive health (MDGs 5a and 5b) were the farthest from attainment and unlikely to be met by 2015. He appealed to Board members to step up efforts to help UNFPA fulfil its mandate and ensure that the spirit of the ICPD agenda featured prominently in the post-2015 development agenda.

52. Turning to the UNFPA strategic plan, 2014-2017, the Executive Director thanked Board members for their commitment, guidance and constructive engagement to refine and finalize the strategy and integrated budget. The strategic plan, 2014-2017, laid out a road map for UNFPA to be more focused, results-driven, accountable and nimble, enabling it to respond more efficiently and effectively to emerging opportunities, challenges and shifting needs. He noted that in developing the strategic plan UNFPA took an ambitious approach, looking more holistically at how the organization functioned, and identified areas for improvement, including the need to fully align the business model and funding arrangements with the new strategic direction of the bull’s eye, and positioning UNFPA in a rapidly changing environment.

53. The new strategic plan therefore signalled changes. The Executive Director underscored that UNFPA would work differently in different settings, tailoring its approach to national context and nationally defined needs — without introducing a graduation policy or eligibility criteria. He stressed that the organization’s physical presence would not change but remain intact across the globe. UNFPA would also

focus more heavily on the humanitarian front, especially preparedness planning, while mainstreaming humanitarian action in major areas of its development programming. UNFPA would strengthen its regional offices' capacity to assist country offices in ensuring that South-South and triangular cooperation initiatives lead to meaningful exchanges of knowledge. The Executive Director assured delegations that the Fund would continue to seek and engage in innovative partnerships with a wide range of actors from all sectors, including with United Nations organizations on United Nations reform and in advancing the Delivering-as-One approach. In closing, he appealed to Board members to continue to support the Fund financially and ensure its ability to deliver on its unique ICPD mandate.

54. Underscoring their commitment to UNFPA, Board members were certain that, under the leadership of the Executive Director, UNFPA would reach the goals it had set out in the new strategic plan, 2014-2017. Recognizing the challenges faced in designing the strategic plan and integrated budget, delegations commended UNFPA and its staff for their tireless efforts. Delegations were especially pleased with the active, constructive consultation process with Board members that UNFPA followed in refining and finalizing the plan and budget. They underscored the importance of the new strategic plan, 2014-2017, and its implementation in the context of international stocktaking of the MDGs and forging of the post-2015 global development agenda.

55. Board members applauded UNFPA work in setting a vision for women and youth and in investing in sexual and reproductive health and reproductive rights, including its efforts to eliminate gender-based violence. While recognizing progress made on the ICPD Programme of Action, they noted that many challenges remained. They urged UNFPA to make every effort to ensure that ICPD principles figured prominently in the post-2015 global development agenda. They stressed the need for a systematic, comprehensive and integrated approach to the implementation of the strategic plan and national-level programming instruments, taking into account the findings and conclusions of the global survey of the ICPD beyond 2014 review.

56. Board members recognized that the strategic plan, 2014-2017, and its integrated budget, grounded in the quadrennial review and a human rights-based approach, provided clear strategic direction, which would make UNFPA more results-based, focused and effective, and strengthen its ability to contribute to accelerated progress on the ICPD agenda and MDG 5 on maternal mortality and reproductive health, the core of its work. Board members did express concern over the inability of the international community to make adequate headway on MDG 5, which affected Africa in particular. They pointed to continuing challenges to the goal's realization, including lack of skilled personnel at country and local levels. Some delegations, while commending UNFPA for focusing in the strategic plan on the most marginalized and vulnerable, wished to see the needs of those groups addressed more clearly.

57. Delegations were pleased with the outcome-level theories of change, business model, funding arrangements, and focus in the integrated results framework on results-based management, including specific indicators for monitoring and reporting, which they felt provided a solid basis for results reporting. On that point, and given the attempt to link results to resources, delegations urged the continued refinement of indicators and stressed the importance of the midterm review exercise to ensure lessons learned and improvements were mainstreamed into future planning

and programming. Delegations encouraged UNFPA to further strengthen its focus on risk assessment, and pointed to the planned refinement of theories of change as an opportunity to distinguish between types of risk. Delegations were pleased that the new evaluation policy gave UNFPA tools to measure impact, and welcomed efforts to recruit a new director of the Evaluation Office who would report independently to the Board. They also underscored the importance of inter-agency coordination for organizational effectiveness, and stressed that continued engagement in the United Nations reform process and the Delivering as One approach would improve the effectiveness, efficiency and delivery of UNFPA.

58. Underlining the principle of universality and national ownership, delegations stressed their full support for the physical presence of UNFPA in all programme countries, including middle-income countries. They welcomed the differentiated approach to country-level engagement based on nationally defined needs, which made good use of limited resources and aligned with efforts to focus activities on the organization's comparative advantages. Some delegations, however, were concerned that a differentiated approach could deter UNFPA from working in certain critical areas and certain countries. Some delegations urged the Fund to ensure its physical presence and programmatic activities in all circumstances, especially in middle-income countries (MICs) and "upper" MICs. Other delegations, concurring that the differentiated approach should be the basic framework for the orientation of programmes, stressed that UNFPA should give priority to countries most in need.

59. On the global and regional programme, delegations expressed appreciation for the hard work of UNFPA in unravelling the issues at stake, aligning the programme with the results and resources framework, and developing plans to strengthen the oversight function. There was concern however that some proposed activities could prove ineffective if not linked to specific outcomes of the strategic plan. They encouraged UNFPA to move expeditiously in accurately classifying costs associated with the programme, in line with the new harmonized cost classification categories, by the midterm review. They welcomed management's proposal to report to the Board annually, underlining the need for effective Board oversight, and looked forward to consultations to further refine that approach.

60. Several delegations, especially from developing countries, commended UNFPA for incorporating in the strategic plan South-South and triangular cooperation, which they saw as a complement to traditional cooperation. They noted that such activities should be accompanied by innovative financing mechanisms, including private sector co-financing regimes. One delegation hoped that UNFPA would encourage trilateral co-financing arrangements, according to the circumstances and capacities of each country, and help developing countries leverage resources from local and international third sources, including the private sector. The delegation added that UNFPA private sector partnerships should be planned with national authorities, to ensure alignment with national policies and needs. Delegations discouraged making reference in the strategic plan to non-multilateral mechanisms, such as the Paris Declaration on Aid Effectiveness.

61. Board members also commended UNFPA for its frontline work in conflict situations. They welcomed the new chief of the UNFPA Humanitarian Response Branch, and appreciated UNFPA efforts to mainstream humanitarian work throughout the organization to meet the needs of vulnerable groups, especially displaced persons. They stressed that UNFPA leadership was critical in providing

access to sexual and reproductive health services and supplies in crisis situations to women and girls. They endorsed the formation of an internal cluster on humanitarian issues as a way to strengthen the organization's co-leadership on gender-based violence, and looked forward to discussing steps UNFPA could take in response to the Call-to-Action on violence against women and girls in emergencies, to be held in London in 2013.

62. In response, the Executive Director, UNFPA, thanked Board members for their continued strong commitment to UNFPA and reiterated that Board approval of the strategic plan, 2014-2017, and the integrated budget, would give UNFPA the tools to be more flexible, effective and transparent, and as a result better able to help the world's women, girls and children. UNFPA looked forward to implementing the plan in close collaboration with Board members. Noting the tight deadline of 2015, he stressed the importance of accelerating achievement of the MDGs and focusing on the ICPD review, identifying gaps and unfinished work, which would feed into post-2015 global development agenda discussions.

63. He thanked the Board for its reaffirmation of the Fund's strategic direction, focused on sexual reproductive health and reproductive rights. In response to the concern that MDG 5 on maternal mortality was lagging behind, the Executive Director assured delegations that UNFPA was working closely with partners to accelerate progress toward the 2015 deadline. On the issue of physical presence, he reaffirmed that UNFPA was not planning to close country or regional offices in any programme country, including middle-income countries, and would not limit its scope to advocacy and policy work. UNFPA would continue to be responsive to programme country priorities, in accordance with the principle of universality. The new business model and the related resource allocation system guaranteed that UNFPA would take a differentiated approach in line with programme country needs, and better enable it to respond to the needs of the least development countries. UNFPA also continued to fully support South-South and triangular cooperation initiatives.

64. On the topic of cost sharing by programme countries, a number of delegations expressed concern that the proposal might create an unnecessary burden on developing countries that went beyond the provisions of standard basic agreements, and might deter developing countries from fully participating in South-South initiatives. They requested that the proposal be excluded from the decision on the strategic plan and integrated budget, and adopted without the proposed cost-sharing mechanism. On the issue of cost sharing at the country level, he noted that UNFPA would follow the directives of the Executive Board.

65. On the global and regional programme, the Executive Director thanked Board members for their guidance, including specific directives on governance and oversight, and assured them that UNFPA would address those issues. Accountability, he affirmed, remained key and a central characteristic of the Fund's engagement with the Board. On risk management, he assured Board members that UNFPA already had a plan to implement its enterprise risk management policy that prioritizes risks based on an assessment of impact and trend, and strengthens human resource systems for more knowledgeable and better skilled staff.

66. The Executive Board adopted decision 2013/31 on the report of the Executive Director: the UNFPA strategic plan, 2014-2017.

VIII. Financial, budgetary and administrative matters

UNFPA integrated budget estimates, 2014-2017

67. In his opening statement, the Executive Director also presented the UNFPA integrated budget estimates, 2014-2017 (DP/FPA/2013/14 and annex), highlighting that the budget was harmonized with the budgets of UNDP, the United Nations Children's Fund (UNICEF) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women). Connecting resources to results, UNFPA ensured that both the business model and the funding arrangements were fully aligned with the new strategic direction of the bull's eye. The integrated budget, he affirmed, was therefore designed in full alignment with the strategic plan, 2014-2017.

68. In line with estimates in the integrated budget, 2014-2017, the Executive Director stated that UNFPA would continue to direct the majority of its resources to development activities, while reducing the proportion of resources allocated to management services. He noted that the integrated budget proposal was based on income projections that reflect the growth of both regular (core) and other (non-core) resources, with a marked shift towards non-core contributions. Referring to the quadrennial review, he confirmed his intention to seek increased, more predictable contributions to UNFPA core resources.

69. UNFPA would ensure that its resources were deployed in line with the vision and direction of the strategic plan and bull's eye. The budget framework contained the full spectrum of results and resources, including development outcomes and organizational efficiency and effectiveness outputs — providing an integrated picture of all UNFPA resources and how they link to the strategic plan outcome and outputs. On the development front, UNFPA invested the largest share of its resources in improving the availability and use of integrated sexual and reproductive health services that meet standards for quality care and equity in access. On organizational effectiveness and efficiency, UNFPA was strengthening results-based monitoring and evaluation, human resource management, and financial and administrative oversight. At the field level, it was investing in leadership, including administrative and financial oversight, and programme oversight and coordination. The Fund was keen to bolster its information technology, business analytics and communications to support programme delivery. The Executive Director noted that all UNFPA investments were predominantly field focused.

70. UNFPA had worked hard to balance the institutional budget component, and had maintained the budget proposal at zero real growth by aligning costs, efficiencies and savings, as recognized by the Advisory Committee on Administrative and Budgetary Questions (ACABQ). He emphasized that the Fund was committed to paying its fair share of joint activities, including contributions to the resident coordinator system. The integrated budget, 2014-2017, also incorporated the new cost-recovery policy approved by the Board in its decision 2013/9, which was critical for deterring cross-subsidization between core and non-core resources, as mandated by the quadrennial review.

71. Board members expressed appreciation for the hard work of the Executive Director, the commitment of the inter-agency effort and progress made on joint budget reform. They were likewise pleased with the efforts to provide the Board with better insight into how the organizations planned to use the resources at their

disposal. Delegations found the “information value” of the integrated budget to be quite good, and welcomed the news that total incomes were expected to increase significantly in 2014-2017.

72. They were also pleased to learn that the institutional budget, including recurring management costs, as a proportion of total use of resources, was expected to decrease and thereby increase the share of total available resources for programme activities. They were keen to understand the reasons behind those savings, including savings acquired thanks to United Nations reform processes. A number of delegations indicated their readiness to continue their contribution to regular (core) resources at a high level. They remained however concerned about the declining trend in core resources and, referring to the quadrennial review, urged all Member States that support the ICPD agenda to consider providing or increasing their core contributions, which they urged the Fund to prioritize for programming activities.

73. Delegations welcomed the improved results focus, enhanced links with the strategic plan results and harmonized methodology, including cost classification, attribution and cost recovery. Some delegations would have liked to see an annual breakdown of the integrated resource plan, and felt that UNFPA could do more to strengthen the budget as an instrument to support implementation of the priorities of the strategic plan. Delegations encouraged UNFPA to utilize the midterm review to identify remaining challenges to enhance results-based budgeting, and to assess if the cost-recovery methodology in use met the expectations of the quadrennial review on full cost recovery. They questioned, however, if introducing the emergency fund and opportunities fund would make it difficult for UNFPA to eliminate fragmentation as planned.

74. Underlining the importance they attached to the independence and capacity of the corporate oversight function, delegations expressed appreciation for the Fund’s introduction of a separate budget line for the new Evaluation Office, including the proposed increase in the number of posts. Likewise, they welcomed the separate budget line for the Division of Oversight Services, including the proposed additional internal auditor posts. Delegations were pleased with the role UNFPA played in helping to reach agreement among members of the United Nations Development Group (UNDG) on cost sharing for United Nations coordination, as well as with the Fund’s inclusion of its share in the integrated budget, 2014-2017.

75. In response, the Executive Director, appreciating the concern expressed by many delegations over the continuing core/non-core resource imbalance, highlighted that under the new strategic plan UNFPA would allocate resources against the plan’s strategic priorities, an approach which he hoped would encourage Board members to increase their contributions to core resources and ensure greater predictability. UNFPA was in the process of setting up systems to track resources against results to further enhance results-based management, and would work with UNDP, UNICEF and UN-Women in applying the integrated budget and the harmonized cost-recovery mechanism, and all aspects of United Nations reform, including cost-sharing and division of labour.

76. The Executive Board adopted decision 2013/32 on the UNFPA integrated budget estimates, 2104-2017, and took note of the ACABQ report on UNFPA integrated budget estimates, 2014-2017.

IX. Country programmes and related matters

77. The Deputy Executive Director (Programme) provided an overview of the following two draft country programmes: Namibia ([DP/FPA/CDP/NAM/5](#)) from the East and Southern Africa region; and Mexico ([DP/FPA/DCP/MEX/6](#)) from the Latin America and the Caribbean region. She also provided an overview of the first one-year extension of the country programme for the State of Palestine ([DP/FPA/DCP/2013/17](#)) from the Arab States region. The UNFPA regional directors for East and Southern Africa; Arab States; and Latin America and the Caribbean elaborated on the programmes from their respective regions.

78. The delegations thanked UNFPA for its cooperation and the support provided to their respective countries. They noted that the country programmes had been developed in close consultation with the respective governments and other development partners and were well aligned with national plans, priorities and frameworks. They underscored that UNFPA support was necessary to assist countries in reaching the Millennium Development Goals. Delegations made specific comments on some of the draft country programme documents (CPDs), which would be conveyed to the concerned countries.

79. The Executive Board took note of the following two draft CPDs, one country programme extension and the comments thereon: Namibia, Palestine and Mexico. The comments would be conveyed by UNFPA to the respective countries. The Board adopted decision 2013/34, through which it decided to review and approve, on an exceptional basis, the UNDP and UNFPA draft CPDs for Kenya, at the first regular session 2014 of the Executive Board.

80. In accordance with decision 2006/36, the Executive Board approved on a no-objection basis, without presentation or discussion, the following seven country programmes, which were discussed earlier at the annual session 2013: Benin, Niger, Nigeria, Republic of the Congo, Togo, Bhutan (common country programme) and Cuba. In response to a request made by UNFPA and subsequent to post-session consultations with the respective regional representatives of the Executive Board, the Bureau of the Executive Board, in official correspondence dated 21 November 2013, confirmed agreement among Board members to a third extension of the UNFPA country programme for the Syrian Arab Republic, on an exceptional basis, for 2014.

UNOPS segment

X. United Nations Office for Project Services

81. The Executive Director, UNOPS, presented the UNOPS budget estimates for the biennium 2014-2015 ([DP/OPS/2013/6](#) and annexes), the report of the Advisory Committee on Administrative and Budgetary Question (ACABQ) on the UNOPS budget estimates for the biennium 2014-2015 and the review of the UNOPS operational reserve ([DP/OPS/2013/7](#)), and the review of the UNOPS operational reserve ([DP/OPS/2013/CRP.1](#)). The Deputy Executive Director, UNOPS, presented the annual statistical report on the procurement activities of the United Nations system organizations 2012 ([DP/OPS/2013/8](#)).

82. In his statement, the Executive Director highlighted that the 2014-2015 budget estimates showed how UNOPS would implement its newly endorsed strategic plan, 2014-2017, invest in core work areas, tighten cost control and protect its financial strength and stability — prerequisites for a self-financing organization. He stressed that focus was essential and that UNOPS had already begun investing in consolidating knowledge and experience in its areas of comparative advantage: project management, infrastructure and procurement. By sharing its knowledge and expertise with partners and clients, UNOPS helped to build government and community capacity to create and manage their own sustainable infrastructure, while becoming more valuable to the United Nations and partners.

83. In June 2013, UNOPS had been awarded the ISO 14001 certification, which came on the footsteps of UNOPS development of an environmental management system that allowed project managers to consider environmental factors from earliest project stages. UNOPS was investing in rolling that system out across the globe. Similarly, in the area of project management, UNOPS was awarded four accreditations in early 2013 for excellence in consultancy and training services; in its report on UNOPS budget estimates, ACABQ encouraged UNOPS to share its experiences and best practices.

84. The Executive Director assured Board members that UNOPS would continue to manage costs tightly and make them more transparent, in particular by charging them to projects it implemented. The 2014-2015 budget estimates corresponded to a 6 per cent real reduction in management resources compared to the previous biennium. UNOPS was committed to maintaining its flexibility to invest and react quickly to new demands and needs, and to restrict spending and adjust its structure as needed. In the previous seven years, UNOPS had rebuilt its operational reserves, produced consistently clean audit records and regained Board confidence. That financial stability and strength guaranteed UNOPS ability to provide high quality services that partner demanded.

85. For the upcoming biennium, 2014-2015, UNOPS aimed for zero net revenue, with the operational reserve projected to remain above the minimum requirement — an essential element of its risk management strategy. Following a review of its operational reserve, in line with International Public Sector Accounting Standards (IPSAS), UNOPS proposed a minimum requirement for its operational reserve as the equivalent of four months of average management budget expenses over the previous three years, already approved by ACABQ. In conclusion, he emphasized that the biennium budget estimates, 2014-2015, offered a solid way forward, and a strong tool for UNOPS to fully implement its new strategic plan, 2014-2017.

86. Board members commended the Executive Director for his leadership. They noted that the strategic plan, 2014-2017, adopted by the Board set out a compelling strategic vision and welcome focus on sustainability and building national capacity in line with nationally defined needs and approaches. They were pleased to see in the budget estimates the confirmed viability of the organization's business model, and reduction in management costs, thanks to greater efficiency and effectiveness. They appreciated UNOPS compliance with the principle of full cost recovery, in line with the quadrennial review, and efforts to minimize cost-recovery rates. They were also pleased with the harmonized budget approach with UNDP and UNFPA.

87. Several delegations commended UNOPS strong support for the United Nations Global Compact, urged other funds and programmes to follow suit, and encouraged

suppliers to join the Global Compact. They congratulated UNOPS for receiving the prestigious ISO 14001 award, the most recognized environmental management standard. They applauded UNOPS sustainable infrastructure practice group for developing an environmental management system to help project managers gauge projects' environmental impact. Delegations were also pleased to learn of the increase in procurement usage in developing and transitional countries, representing 62 per cent of total United Nations procurement. They applauded UNOPS compliance with the highest international standards for procurement, including ensuring that suppliers comply with conditions on mines, child labour, sexual exploitation and workers' rights. They were pleased to note that IPSAS adoption had helped to improve UNOPS accountability, and supported ACABQ recommendations to build on the positive outcomes of IPSAS implementation.

88. Another delegation acknowledged that UNOPS had not only achieved good results but also improved efficiency and effectiveness in the area of institutional and project management. There were high expectations that UNOPS would use the released funds from the operational reserve to further invest in innovative organizational development. The delegation commended UNOPS for developing an ambitious plan on gender mainstreaming, and welcomed UNOPS efforts to ensure workforce gender balance, while noting progress still needed at the professional level. Since UNOPS had a particular role to play on the Delivering-as-One front as lead organization for joint procurement, other funds and programmes were encouraged to work with UNOPS to create synergies and utilize UNOPS procurement services.

89. The Executive Director, UNOPS, thanked delegations for their encouragement and assured the Board that its positive appraisal of UNOPS work made the organization even more committed to fulfilling its mandate.

90. The Executive Board adopted decision 2013/33 on UNOPS budget estimates for the biennium 2014-2015.

Joint segment

XI. Financial, budgetary and administrative matters

91. The Director, Procurement Support Office, UNDP, and the Chief, Procurement Services Branch, UNFPA, delivered a joint statement on behalf of the three organizations on the report of UNDP, UNFPA and UNOPS on joint procurement activities (DP-FPA-OPS/2013/1), as requested in Board decision 2012/25.

92. Board members expressed approval of the general trend and joint actions that the three organizations had taken to improve and harmonize their procurement functions. They saw their collective effort as a positive move that would ensure greater efficiency and effectiveness, and lead to better delivery of results.

93. A couple of delegations focused their comments on four issues. One, they requested clarification on the possible undertaking of a joint assessment on the potential for joint procurement, similar to that of 2004. Two, they wished to learn more about the organizations' work on the common vendor sanctions framework, including an update on whether it was necessary to revise anti-fraud and anti-corruption guidelines. Three, they encouraged the organizations to inform the

Board about common procurement activities in the health sector, in terms of cost efficiencies and handling of environmental issues. Four, they urged the organizations to research positive joint procurement examples at country level, along with other best practices, and to continue to pursue common services, as per the quadrennial review.

94. Several delegations drew attention to the key work of the procurement network of the UNDG High-level Committee on Management (HLCM) in promoting long-term collaborative practices in sustainable procurement. While recognizing progress, delegations felt more could be done on collaboration and efficiency. They were keen to learn about steps to implement procurement elements of the quadrennial review, including building capacity of partner governments and systems. They requested, for Board review, further analyses of procurement challenges (for example, differences between big and small funds, programmes and specialized agencies), and urged the organizations to seek ways to address those challenges.

95. The delegations encouraged the organizations to collaborate more closely on procurement planning and forecasting, in order to aggregate demand to better influence markets, foster economies of scale and drive better value for money. They urged the organizations to build on existing inter-agency agreements, create new agreements and design robust mechanisms to track vendors underperforming. They wished to see joint procurement become the norm at local, regional and headquarters levels, facilitated by common guidelines and tools. They suggested organizing a workshop for Board members on procurement activities and more regular reporting on procurement and savings, including a section on procurement in organizations' statistical annexes, which could include the ratio of joint procurement activities undertaken relative to total procurement, to spur coordination and improve transparency. That approach would lead to long-term cost effectiveness and efficient, harmonized use of procurement volumes throughout the United Nations system. It would improve programme delivery and generate savings that would liberate resources for poverty reduction. In sum, Board members encouraged the organizations and the HLCM procurement network to explore opportunities for collaboration.

96. One delegation expressed concern about the trend of procurement in transition countries. Despite the positive trend in procurement in developing countries, data indicated that procurement was decreasing in Eastern Europe and Commonwealth of Independent States. It urged a more active approach to procurement through more diversified engagement with suppliers in those countries. The delegation requested that the organizations inform the Board of their efforts to change the situation. It also stressed the importance of transparency when designing and applying procurement rules and procedures to ensure predictability and fairness. On enhancing the vendor and supplier registration system, the delegation proposed that UNOPS hold training for companies in suppliers' states to acquaint them with procurement innovation.

97. In response, the Director, Bureau of Management, UNDP, recognized delegations' strong support for a common, harmonized approach to procurement. He assured Board members that he would relate their positive view and suggestions back to the UNDG High-level Committee on Management so that it could apply the Board's suggestions to ongoing work. He highlighted that procurement entailed the broad set of processes that begin with programme implementation and encompassed the entire purchasing cycle. He pointed out that the area in which organizations could gain benefit and make most progress was more in common purchasing than in

common services. On antifraud, he stressed that the issue pertained more broadly to the United Nations as a system, although not all United Nations organizations had a sanction policy in place, which was unfortunate because it would make for a stronger United Nations system.

98. The Director, Procurement Support Office, UNDP, focused on specific questions by delegations. On supply diversity, in particular in Eastern Europe, he noted that UNDP had a large, diverse range of suppliers and had piloted an e-tendering system in 2012 to attract and train suppliers on UNDP procurement and the tendering tool, which received positive feedback. On the United Nations Global Marketplace (UNGM) website, a single supplier registration interface and tool owned by United Nations organizations, which UNDP fully supported, he pointed out that the system had been recently simplified, in response to the high fatality rate of registrations, and would be re-launched in late 2013. He underlined the benefits of the interface as an instrument for screening suppliers. He added that UNDP worked with a number of vendors in developing and transition countries, in line with its strategic direction. On joint assessments, he assured the Board that UNDP was fully on board and working through the HLCM, where other common procurement tools had been created and funded. UNDP already had in place for six months the vendor sanctions framework, adopted by 45 United Nations organizations, and had suspended a number of vendors, and succeeded in establishing an open dialogue with the investigations unit. That process had allowed UNDP to inform and discuss vendor sanctions with vendors in fault in complete transparency, and lead to a path of rehabilitation. On common procurement services, the organizations had made significant progress and established joint procurement teams at headquarters locations, which were already collaborating. The funds and programmes were aligning their policies to facilitate sharing of long-term agreements. In terms of value for money, the organizations were seeking to apply the concept of “total cost of ownership” — a means for evaluating a product’s cost over time. He stressed that collaborative procurement worked well, especially in areas where organizations had common undertakings, but it was not beneficial in all circumstances. On procurement planning and aggregating volumes, he noted that UNDP had made great strides internally and looked forward to aggregating those achievements across organizations. He stated that UNDP was keen to collaborate with Member States, donors and United Nations organizations in seeking ways to expand and improve common procurement practices further.

99. The Chief, Procurement Service Branch, UNFPA, noted that transparency was one of the founding principles of procurement, and pointed out that a vendor could not do business with UNFPA without being registered on the UNGM portal. UNFPA had adopted the common vendor sanction framework, and was keen to work jointly with other organizations through a common sanctions board. Using procurement in the health sector was a priority for UNFPA, especially with regard to contraceptives and medical equipment. Due to overlapping mandates, UNFPA had been able to resort to common procurement transactions with other United Nations organizations in purchasing medical equipment. For other products, such as contraceptives, a common approach was not possible because other organizations did not purchase them. On the quadrennial review mandate, he noted that UNFPA had been the first organization to fulfil the requirements set by the HLCM procurement network in phase one on harmonizing procurement policies among United Nations organizations. He indicated that phase two would focus on further harmonization at the country level. At the global level, he stressed it was difficult for UNFPA to

collaborate on collective procurement for contraceptives with the United Nations system, but it did work with organizations outside the United Nations.

100. The Executive Board adopted decision 2013/35 on the report of UNDP, UNFPA and UNOPS on joint procurement activities.

XII. Follow-up to UNAIDS Programme Coordinating Board meeting

101. The Deputy Executive Director (Programme), UNFPA, and the Deputy Director, Bureau for Development Policy, UNDP presented the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (UNAIDS) (DP/2013/46-DP/FPA/2013/16).

102. Board members recognized the ongoing contribution of UNDP and UNFPA to the global response to HIV, and commended the organizations for their implementation of the UNAIDS Agenda for Accelerated Country Action for Women, Girls, Gender Equality and HIV. A number of delegations, welcoming the report, expressed support for the December 2012 UNAIDS Programme Coordinating Board decision to fully implement the Agenda for Women and Girls over the following two years, and to reallocate funds from the UNAIDS Unified Budget, Results and Accountability Framework and jointly mobilize additional resources.

103. Several delegations, applauding UNDP and UNFPA roll-out of the Agenda for Women and Girls, commended the organizations for integrating gender, critical enablers and synergies in their support to countries to apply strategic investment approaches. Implementing the Agenda for Women and Girls should remain a priority, including the collection, analysis and use of sex/age disaggregated data to inform programmes, strengthening women's and girls' involvement in those processes, and fortifying links between gender and HIV work. They noted that lack of coordination at country level could be an impediment to progress, and stated their readiness to work with governments and United Nations country teams to improve coordination for effective HIV responses. They encouraged UNDP and UNFPA to assume continued leadership in support of gender equality and HIV, and stressed the importance of a multisectoral approach to HIV.

104. A number of delegations were pleased to note that UNDP and UNFPA aligned their strategic plans with the UNAIDS Unified Budget, Results and Accountability Framework. They encouraged both organizations, in finalizing the integrated results and resource framework, to use the specific indicators agreed in that framework. Interventions echoed statements from the 2012 Board session on HIV and reiterated that HIV should continue to be a priority for both organizations. They emphasized the importance of integrating HIV across other UNDP and UNFPA work areas, highlighting the importance of effective multisectoral responses.

105. Another delegation expressed concern over the increasing number of deaths due to HIV in Eastern Europe and Central Asia. It stressed the need for UNDP, UNFPA, UNAIDS and the Global Fund to Fight AIDS, Tuberculosis and Malaria to pursue preventive measures against HIV and expand the range of services for people living with HIV in the region. They saw the need for greater exchange of information and sharing of experiences in countries that achieved sustainable

results. They hoped that the Global Fund new funding model would help to increase predictability of financing for the HIV response, and ensure more immediate reaction to programme country needs.

106. In response, the Deputy Director, Bureau for Development Policy, UNDP, addressed three issues. He concurred that the Global Fund new funding model provided greater predictability and national ownership, and assured the Board that UNDP would continue to work with UNFPA and UNAIDS in that direction. He recognized the importance that women and girls play in the response to AIDS. On the strategic plan, 2014-2017, he noted that UNDP was working to refine the results and resources framework and align it with the indicator framework common to the United Nations system and UNAIDS results-based management. He assured Board members that UNDP included HIV-related support items in its institutional budget.

107. Deputy Executive Director (Programme), UNFPA, addressed four issues. First, she underlined the importance that UNFPA tied to validated, reliable data, evidence-based planning and aligning programme and resource allocation. She stressed that UNFPA and UNDP were committed to intensifying efforts to take that work forward, ensure data were gender and age disaggregated, and timely in order to track trends. Second, UNFPA was working to ensure that the indicators in its new strategic plan, 2014-2017, were identical to those of the UNAIDS Unified Budget, Results and Accountability Framework, and strongly aligned to those of other United Nations organizations. She gave the example of harmonized indicators at the goal level in tracking the prevalence of HIV in young people. Third, she noted that funding was essential, but that funding shifts should not lead to deterioration of delivery in other areas. She emphasized that the correlation between money and quality outcomes depended equally on powerful political commitment, often on unpopular issues, and sound planning for success. Only with that combination, buttressed by a strong enabling environment and rule of law, would the United Nations succeed in responding effectively to the HIV epidemic, promoting human rights and dignity of key populations and ensuring quality health services. Finally, she called for a greater multisectoral response to HIV and AIDS, beyond the critical technical expertise needed, and its integration in other delivery areas, without which HIV interventions could not be sustained.

108. The Executive Board took note of the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS ([DP/2013/46-DP/FPA/2013/16](#)).

XIII. Other matters

Meeting with the UNDP/UNFPA/UNOPS/UN-Women Staff Council

109. The Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff Council updated the Executive Board on issues of concern for staff at all levels and from all corners of the globe, distinguishing them between UNDP, UNFPA and UNOPS. He commended the management of the organizations for their openness and availability to meet with the Staff Council in an effort to maintain good working relations. He focused on issues of managerial transparency in hiring, recruitment and contracting, staff participation in restructuring plans, and management and staff communications, and with regard to UNOPS, the number of personnel under non-staff contracts.

110. The Director, Bureau of Management, UNDP, Deputy Executive Director, UNFPA, and Deputy Executive Director, UNOPS, responded separately to the comments of the Chairperson. They reiterated their readiness and commitment to continue to work closely with the Staff Council to ensure staff concerns were addressed in an open and transparent manner, and to iron out any outstanding issues.

111. The Executive Board took note of the address of the Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff Council and the respective management comments of UNDP, UNFPA and UNOPS.

Annex I

Decisions adopted by the Executive Board in 2013

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2013/1

Oral report of the Administrator on the implementation of the UNDP gender equality strategy

The Executive Board

1. *Takes note of* the oral report on the implementation of the UNDP gender equality strategy, 2008-2013;
2. *Recognizes* the importance of gender equality in achieving sustained and inclusive economic growth, poverty eradication and sustainable development, as reflected in General Assembly resolution [67/226](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system;
3. *Takes note of* the efforts of UNDP in achieving concrete gender-equality development and institutional results in 2012;
4. *Takes note of* the progress UNDP has made to systematically integrate gender dimensions in the country programme documents submitted to the Executive Board, and encourages UNDP to continue to do this;
5. *Urges* UNDP to continue to allocate a level of expenditure appropriate to the importance of gender equality, and reiterates its request to UNDP to strengthen its capacity for gender mainstreaming, within the context of its programming and the overall agenda for organizational change;
6. *Requests* UNDP to ensure the mainstreaming of gender-equality perspectives in the preparation of the UNDP strategic plan, 2014-2017, taking fully into account the findings of the midterm review of the implementation of the current gender equality strategy;
7. *Requests* UNDP to update the Executive Board at its annual session 2013 on the steps and timeline for the preparation of the next gender equality strategy, and looks forward to the presentation of that strategy at the first regular session 2014, together with a report on the implementation of the gender equality strategy in 2013;
8. *Takes note of* the partnership of UNDP with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and urges UNDP to continue to work closely with UN-Women to advance gender equality on the basis of complementary and synergetic relationships;
9. *Appreciates* the commitment of UNDP to addressing gender parity for staff at all levels of the organization; requests UNDP to further improve gender parity at mid-to-senior levels; and further requests UNDP to take steps to ensure the representation, at all staff levels, of women from programme countries, at headquarters, regional and country levels, keeping in mind the principle of equitable geographical representation, in the framework of the forthcoming UNDP report on the gender parity strategy;
10. *Commends* UNDP on the work of the Gender Steering and Implementation Committee in strongly encouraging senior management on gender equality and requests the Committee to be vigilant in holding senior managers accountable for achieving results in gender equality;

11. *Requests* UNDP to include, in its future annual reports on the implementation of its gender equality strategy, the actions it has taken to implement the United Nations System-Wide Action Plan on Gender Equality and the Empowerment of Women.

1 February 2013

2013/2

Evaluation (UNDP)

- (a) Evaluation of the UNDP contribution to poverty reduction, and the management response;**
- (b) Evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations, and the management response**

The Executive Board

With regard to the evaluation of the UNDP contribution to poverty reduction (DP/2013/3), and the management response thereto (DP/2013/4):

1. *Takes note of* the evaluation of the UNDP contribution to poverty reduction and the management response thereto;
2. *Takes note of* the findings and the conclusions of the evaluation of the UNDP contribution to poverty reduction, and requests UNDP to take them fully into account when preparing its next strategic plan, global programme and regional programmes, and to ensure that poverty eradication is a central component of that process;
3. *Urges* UNDP to implement the recommendations of the evaluation report when planning its programmes and projects and to report to the Executive Board, at its second regular session 2016, on the steps taken in this regard;
4. *Reaffirms* that eradicating poverty is the greatest global challenge facing the world today;
5. *Acknowledges* the efforts undertaken by UNDP to address the multidimensional challenges of poverty in a sustainable manner by adopting enabling strategies that impact the social determinants of poverty;
6. *Urges* UNDP to strengthen its pro-poor focus and work with relevant stakeholders at the country level, in order to better contribute to achieving the Millennium Development Goals, to national efforts for poverty reduction, and to reducing rising inequalities;
7. *Requests* that UNDP prioritize its contributions to capacity development and policy advice, based on the principles of national ownership and sustainability;
8. *Emphasizes* the need for UNDP to strengthen its country-level capacities, as well as incentives to learn from its activities, and encourages, upon request of the national government and as appropriate, that the lessons are included in national policy and programme development;
9. *Encourages* UNDP to develop a clear and robust results framework that demonstrates complete results chains that establish results at the output, outcome and impact levels, with a view to better assessing the UNDP contribution to poverty reduction;

10. *Encourages* UNDP to strengthen its efforts to create more effective integration of its focus areas for poverty reduction at the country level and stronger partnership with other United Nations organizations, in order to support poverty eradication in all its dimensions;

With regard to the evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations (DP/2013/5), and the management response thereto (DP/2013/6):

11. *Takes note of* the evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations and the management response thereto;

12. *Takes note of* the conclusions and findings of the evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations, and, in this regard, urges UNDP to implement the recommendations of the evaluation report when planning its programmes and projects;

13. *Welcomes* UNDP efforts to establish an early alert and action system, as well as promote the appropriate use of conflict analysis, recognizing that these are critical steps for UNDP to better leverage its presence on the ground into quick and effective action;

14. *Welcomes* the planned efforts of UNDP and humanitarian partner organizations to establish a common definition of early recovery and a common set of guiding principles on the scope and funding mechanisms for early recovery activities in the immediate aftermath of conflict, such as consolidated appeals;

15. *Urges* UNDP to follow through on its stated intention to strengthen collaboration with other United Nations organizations involved in integrated United Nations peace operations, especially the United Nations Department of Political Affairs and the United Nations Department of Peacekeeping Operations, to enhance coordination and, in particular, to better prepare for the transition period, commencing with the drawdown of peacekeeping missions;

16. *Recognizes* that there are difficulties in attracting and retaining female staff in conflict-affected countries, and urges UNDP to take action to improve the gender balance of its workforce in these settings and to continue its broader efforts to improve the capacity of country teams to achieve results;

17. *Encourages* UNDP to ensure that all nationally and directly implemented programmes and projects carried out in conflict-affected countries clearly outline their objectives aimed at national capacity-building, in line with a well-planned exit strategy.

1 February 2013

2013/3

Review of UNDP engagement in direct budget support and pooled funding

The Executive Board

1. *Takes note of* document [DP/2013/7](#) on the review of UNDP engagement in direct budget support and pooled funding;

2. *Recognizes* that the primary value-added contribution of UNDP lies in supporting national capacity and policy development;

3. *Agrees* to maintain the changes in the rules and regulations, as contained in document [DP/2008/36](#), for a subsequent pilot period, 2013 to 2014, in order to continue to provide country offices with the needed flexibility in a direct budget-support environment, and for UNDP to gain different experiences from this work, recognizing that these rules and regulations may be further refined, with a view to strengthening transparency and accountability in the context of the harmonized regulations and rules currently under consideration at the United Nations;

4. *Requests* that appropriate evaluations and audits of the activities during the pilot periods 2008 to 2012 and 2013 to 2014 be undertaken in order to provide information about the impact of these activities, particularly on the UNDP contribution to national capacity and policy development, and to learn from the experience gained; and further requests that the findings and recommendations be shared within UNDP and with the members of the United Nations Development Group;

5. *Requests* UNDP to provide a report, prior to the first regular session 2015 of the Executive Board, on the UNDP approach to assessing, prior to allocating funds, the full range of risks associated with the provision of direct budget support and pooled funding, and on the actions taken to continuously monitor and review those risks, with recommendations on the most appropriate approach to assessing the associated risks;

6. *Requests* UNDP to submit the evaluations and audits, as well as any refinement of the rules and regulations, for the consideration of the Executive Board at its first regular session 2015, in order for the Board to adopt a decision on continued UNDP engagement in direct budget support and pooled funding.

1 February 2013

2013/4

UNDP programming arrangements

The Executive Board

1. *Recalls* decision 2012/1 on the second review of the programming arrangements, 2008-2013, and decision 2012/28 on the programming arrangements, 2014-2017;

2. *Takes note of* the note on the programming arrangements dated 24 January 2013, presented informally at the first regular session 2013;

3. *Approves* the target for resource assignment from the core (TRAC)-2 resource facility, which continues to use non-formula based criteria, with organizational priorities and incentives built therein to enhance UNDP ability to effectively respond to differentiated country needs;

4. *Endorses* protection measures to shield resource allocations with respect to TRAC-1 and programme support to resident coordination activities from the impact of programming base levels potentially falling below \$700 million;

5. *Takes note of* the rationale for including the United Nations Capital Development Fund (UNCDF) in the programming arrangements, and agrees to its inclusion in these arrangements;

6. *Further requests* UNDP to provide a comprehensive formal proposal at the annual session 2013 to include UNCDF in the programming arrangements, and that this proposal should, inter alia, include the implications such an inclusion would have on the core resources available for programming, especially the rationale for making it an annual recurring expenditure;

7. *Endorses* the principles of global strategic presence, and, as UNDP presence should be based on the differentiated development needs of countries and a no “one-size-fits-all” approach in order to ensure efficient and effective response to national development priorities, agrees on the differentiated approach of physical presence, and requests UNDP to provide comprehensive information, in a formal report, on its implementation for the middle-income countries with gross national income per capita above \$6,660;

8. *Endorses* the further rationalization of the lines in the programming arrangements framework, contained in the note on programming arrangements dated 24 January 2013, as follows:

(a) With respect to the programme activities cost classification category:

(i) a country window covering TRAC-1, TRAC-2, TRAC-3 and the Programme of Assistance to the Palestinian People;

(ii) a regional window covering regional programmes;

(iii) a global window covering the global programme, including the Office of Development Studies, and the Human Development Report Office;

(b) With respect to the development effectiveness cost classification category:

(i) South-South cooperation programme;

(ii) development support services;

(iii) economists’ programme;

(iv) gender mainstreaming;

(v) policy advisory services;

(vi) United Nations Capital Development Fund;

(c) With respect to the United Nations development coordination cost classification category:

(i) support to the resident coordinator;

9. *Requests* UNDP to provide, prior to the annual session 2013, more information on the performance of the functions financed under the following fixed lines: development support services, economists’ programme, policy advisory services, as well as the Office of Development Studies, as a basis for considering the funding requirements for these functions;

10. *Requests* UNDP to present an informal draft budgetary proposal for the programming arrangements framework within the integrated budget, for consultation with the Executive Board at its annual session 2013, and for formal consideration at its second regular session 2013.

1 February 2013

2013/5

Thematic evaluation of UNFPA support to maternal health, 2000-2011, and the management response

The Executive Board

1. *Notes* the thematic evaluation of UNFPA support to maternal health, 2000-2011, and the management response to that evaluation;
2. *Recalls* decision 2012/26, and welcomes the presentation of the thematic evaluation, the presentation of the management response, and the subsequent discussion as an opportunity for the Executive Board to engage in evidence-based, strategic discussions, as well as an important step in promoting transparency and a culture of evaluation in UNFPA;
3. *Welcomes* the recognition, in the thematic evaluation, of the important contribution that UNFPA has made towards improving maternal health in many countries, for example, by guiding important policy changes and coordinating maternal health support, and by helping to develop capacity in areas such as midwifery, emergency obstetric and newborn care, family planning and fistula repair;
4. *Welcomes* the conclusions and findings of the thematic evaluation and notes that it raises a number of critical, strategic issues that require the continued attention and follow-up of management, including in the context of developing the UNFPA strategic plan, 2014-2017, such as the need to:
 - (a) strengthen medium-term to long-term strategic planning at the country level;
 - (b) better define the operational implications of targeting the needs of women and girls in the most vulnerable situations;
 - (c) improve staff and organizational capacity in maternal health, ensuring the proper mix of skills in the organization in order to maximize comparative strengths and reflect the strategic focus of UNFPA;
 - (d) strengthen results-based monitoring and evaluation at the country level and increase the focus on the generation of knowledge and learning;
5. *Welcomes* the efforts currently undertaken by UNFPA to enhance its work in maternal health and to address many of the issues identified in the thematic evaluation, and looks forward to continued, robust implementation of these initiatives;
6. *Notes* the importance of building, maintaining and continuously assessing partnerships with civil society, policymakers, national governments and other United Nations organizations, including the Health 4+ (the World Health Organization, UNFPA, UNICEF, the World Bank, the Joint United Nations Programme on HIV/AIDS and the United Nations Entity for Gender Equality and the Empowerment of Women), in order to address weaknesses in health systems and improve maternal health in the long term; and encourages UNFPA to continue to enhance its efforts in this key aspect of improving maternal health, including through joint programming;

7. *Further notes* the need to strengthen results-oriented monitoring, and encourages UNFPA to strengthen monitoring systems in its programmes, including by ensuring that the results frameworks for country programmes and thematic funds are fully aligned with the UNFPA results framework during the next strategic plan period, 2014-2017;

8. *Welcomes* the recognition, in the thematic evaluation, of the UNFPA Maternal Health Thematic Fund as a catalytic tool to facilitate evidence-based maternal health programming in priority countries, and encourages UNFPA to continue its work to better integrate the UNFPA Maternal Health Thematic Fund into its organizational structures and planning;

9. *Requests* UNFPA to fully take into account the recommendations of the thematic evaluation in its strategic and operational response, including in the context of the development of the next UNFPA strategic plan, and to include an update on the implementation of this decision in the annual report of the Executive Director for 2013, to be presented at the annual session 2014.

1 February 2013

2013/6

UNDP and UNFPA draft country programme documents for Egypt

The Executive Board

1. *Recalls* its decisions 2001/11 and 2006/36 on the programming approval process;
2. *Notes* the request by Egypt to present the UNDP and UNFPA draft country programme documents to the annual session 2013 of the Executive Board;
3. *Decides* to review and approve, on an exceptional basis, the UNDP and UNFPA draft country programme documents for Egypt at the annual session 2013 of the Executive Board.

1 February 2013

2013/7

Reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors, 2010-2011

The Executive Board

1. *Takes note of* the reports of UNDP ([DP/2013/8](#)), UNFPA ([DP/FPA/2013/1](#)) and UNOPS ([DP/OPS/2013/1](#)) on the implementation of the recommendations of the Board of Auditors for 2010-2011;
2. *Encourages* UNDP, in cooperation with UNFPA and other members of the United Nations Development Group, to take actions to ensure that the common guidelines for the harmonized approach to cash transfers are used systematically, including the revision of those guidelines, if necessary;
3. *Commends* UNDP, UNFPA and UNOPS for their efforts in implementing the international public sector accounting standards and looks forward to the continuation of this process;

With respect to UNDP:

4. *Notes* the unqualified audit opinion issued by the United Nations Board of Auditors;
5. *Welcomes* the progress made by UNDP in addressing audit-related priorities in 2010-2011;
6. *Supports* ongoing UNDP management efforts to address the revised top nine audit-related management priorities for the 2012-2013 biennium;
7. *Underlines* the need to improve project management and ensure satisfactory internal control at the country level, and encourages a more detailed account of these efforts, including the follow-up of fraud cases, in the UNDP report on internal audit and investigations, 2012;

With respect to UNFPA:

8. *Notes* the unqualified audit opinion issued by the United Nations Board of Auditors;
9. *Commends* the progress made by UNFPA in addressing audit-related priorities in 2010-2011, in particular with regard to cooperation with national partners;
10. *Welcomes* the further actions initiated by UNFPA in implementing the recommendations of the United Nations Board of Auditors for the 2010-2011 biennium, and looks forward to further progress in implementing the remaining 17 long-standing recommendations from the Report of the Board of Auditors, 2009, to ensure that all recommendations are acted upon as a matter of priority;
11. *Supports* ongoing UNFPA management efforts to address audit-related management priorities for the 2012-2013 biennium;
12. *Encourages* a more detailed account of the efforts to follow up fraud cases in the annual report on UNFPA internal audit and oversight activities, 2012;
13. *Encourages* UNFPA to intensify its efforts to fill vacancies and ensure an efficient recruitment process;
14. *Welcomes* the adoption of revised procurement policies and procedures by UNFPA, underlining the need to keep these processes under review to ensure continuing compliance by all business units;

With respect to UNOPS:

15. *Notes* the unqualified and unmodified audit opinion issued by the United Nations Board of Auditors for the biennium 2010-2011;
16. *Welcomes* the progress made by UNOPS in addressing audit-related priorities highlighted by the United Nations Board of Auditors;
17. *Supports* ongoing UNOPS management efforts to address the special challenges faced by UNOPS in transitioning from the United Nations system accounting standards to the international public sector accounting standards.

1 February 2013

2013/8**Report of the Administrator of UNDP and of the Executive Directors of UNFPA and UNOPS to the Economic and Social Council***The Executive Board*

1. *Takes note of* the report of the Administrator of UNDP and of the Executive Directors of UNFPA and UNOPS to the Economic and Social Council ([E/2013/5](#));
2. *Encourages* UNDP, UNFPA and UNOPS to continue to enhance reporting, taking into account the relevant guidance in General Assembly resolution [67/226](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system;
3. *Decides* to transmit the above-mentioned report to the Economic and Social Council, together with the comments and guidance provided by delegations.

*1 February 2013***2013/9****Road map towards an integrated budget, beginning 2014, and update on cost recovery***The Executive Board*

1. *Recalls* UNDP/UNFPA decision 2012/27 and United Nations Children's Fund (UNICEF) decision 2012/20, which requested further development of the harmonized conceptual framework and calculation methodology for cost-recovery rates, and also recalls the need to implement General Assembly resolution [67/226](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, in particular chapter II, section D, on ensuring full cost recovery, proportionally from core and non-core funding sources, and providing incentives to increase core funding;
2. *Recognizes* that full cost recovery, proportionally from core and non-core resources, will lead to fewer resources being drawn from core resources to finance the management costs of non-core contributions, and a larger share of core resources being allocated to programme activities, thereby providing incentives for core contributions;
3. *Approves* the harmonized methodology for calculating cost-recovery rates presented in document [DP-FPA/2012/1-E/ICEF/2012/AB/L.6](#), which is further developed in the present document (DP-FPA/2013/1-E/ICEF/2013/8), and welcomes the increased transparency and proportionality in the new harmonized framework;
4. *Endorses* a general, harmonized cost-recovery rate of 8 per cent for non-core contributions that will be reviewed in 2016, with the possibility of increasing the rate if it is not consistent with the principle of full cost recovery, proportionally from core and non-core funding sources, as mandated by the quadrennial comprehensive policy review of operational activities for development of the United Nations system; and decides that the review of the cost-recovery rate will take place after the analysis and independent assessment of the reports mentioned in paragraphs 15 and 17, below;
5. *Underscores* that the principle of harmonized rates will also apply to differentiated cost-recovery rates, with the aim of promoting collaboration among

United Nations organizations and avoiding competition in resource mobilization, and further endorses the following differentiated cost-recovery rate structure:

(a) a harmonized 1 per cent reduction for the thematic contributions at the global, regional and country level in UNDP, UNFPA and UNICEF (8 per cent - 1 per cent = 7 per cent), with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) maintaining the 8 per cent as a temporary arrangement;

(b) maintaining the existing preferential rates for government cost-sharing, South-South contributions and private-sector contributions;

6. *Decides* that existing agreements will be honoured using the previous cost-recovery rates and that new or renewed agreements will comply with the present decision;

7. *Decides* that, on an exceptional basis and when the urgency of the circumstances requires, the Administrator of UNDP and the Executive Director of UNFPA may consider granting a waiver of the cost-recovery rates on a case-by-case basis, taking into account specific priorities, modalities that incur lower management costs, and harmonization goals, and that the Executive Board will be informed of these waivers in the annual financial reports;

8. *Decides* that the new cost-recovery methodology and related rates will be applied as of 1 January 2014;

9. *Notes* the guiding principles of the integrated budget contained in: (a) the joint note of UNDP, UNFPA and UNICEF on steps taken towards the integrated budget and the mock-up of the integrated budget, submitted at the second regular session 2012; and (b) the mock-up of the integrated resource plan, with a harmonized presentation of the cost-recovery amount, contained in table 6 of the present document (DP-FPA/2013/1-E/ICEF/2013/8);

10. *Reiterates* the need for regular consultations with the Executive Board on the UNDP and UNFPA integrated budgets, 2014-2017, and requests UNDP and UNFPA to present for review, their informal draft integrated budgets, including core and non-core resources, as a part of the discussion of their respective draft strategic plans, 2014- 2017, at the annual session 2013;

11. *Requests* UNDP and UNFPA to provide fully transparent and consistent costing proposals that will enable contributors to understand those costs that are directly charged to programmes and projects, as well as the cost-recovery rate that is applied;

12. *Stresses* the need for increasingly efficient and transparent use of the cost-recovery resources, and requests that UNDP and UNFPA provide, in their annual financial reports to the Executive Board, the amounts received from cost recovery and the use thereof;

13. *Requests* UNDP and UNFPA to further pursue efficiency and cost effectiveness with a view to reducing management costs, in the effort to minimize the necessary cost-recovery rate, as mandated by the quadrennial comprehensive policy review of operational activities for development of the United Nations system, and to include information and analysis in this regard in the midterm review of their integrated budgets;

14. *Requests* UNDP and UNFPA to each prepare an integrated budget proposal, based on the above approved cost-recovery rates and the conceptual framework of the integrated budget;

15. *Requests* UNDP and UNFPA, in collaboration with UNICEF and UN-Women, to include in the midterm review of their integrated budgets, information on the implementation of the approved cost-recovery rates, including the approved underlying calculation methodology and the inclusion of each cost category; their actual cost-recovery rates for the two previous financial years; and an analysis of compliance with the principle of full cost recovery, funded proportionally from core and non-core resources, as mandated in General Assembly resolution [67/226](#);

16. *Further requests* UNDP and UNFPA, in the context of the midterm reviews of their integrated budgets, in collaboration with UNICEF and UN-Women, to recommend adjustments to the approved cost-recovery rates, as required, to be presented at the annual session 2016 of the Executive Board;

17. *Requests* that an independent and external assessment be performed in 2016 on the consistency and alignment of the new cost-recovery methodology with General Assembly resolution [67/226](#).

1 February 2013

2013/10

Overview of decisions adopted by the Executive Board at its first regular session 2013

The Executive Board

Recalls that during its first regular session 2013, it:

Item 1

Organizational matters

Elected the following members of the Bureau for 2013:

President: H.E. Mr. Roble Olhaye (Djibouti)
Vice-President: Mr. Andy Rachmianto (Indonesia)
Vice-President: Mr. Eduardo Porretti (Argentina)
Vice-President: Mr. Boyan Belev (Bulgaria)
Vice-President: Ms. Merete Dyrud (Norway)

Adopted the agenda and workplan for its first regular session 2013 ([DP/2013/L.1](#)).

Adopted the report of the second regular session 2012 ([DP/2013/1](#)).

Adopted the annual workplan for 2013 ([DP/2013/CRP.1](#)).

Approved the tentative workplan for the annual session 2013.

Agreed to the following schedule for the remaining sessions of the Executive Board in 2013:

Annual session 2013: 3 to 14 June 2013 (New York)
Second regular session 2013: 9 to 13 September 2013.

UNDP segment**Item 2****Gender in UNDP**

Adopted decision 2013/1 on the oral report of the Administrator on the implementation of the UNDP gender equality strategy.

Item 3**Country programmes and related matters (UNDP)**

Approved the following final country programme documents:

Africa: Cameroon, the Democratic Republic of the Congo, Equatorial Guinea, Eritrea, Liberia and South Africa

Asia and the Pacific: Myanmar, Nepal, Pakistan (common country programme) and the subregional programme for the Pacific Island Countries and Territories

Arab States: Libya, Sudan and the United Arab Emirates

Latin America and the Caribbean: Haiti and Nicaragua.

Adopted decision 2013/6 on the UNDP and UNFPA draft country programme documents for Egypt.

Item 4**Evaluation (UNDP)**

Adopted decision 2013/2 on: (a) Evaluation of the UNDP contribution to poverty reduction, and the management response; and (b) Evaluation of UNDP support to conflict-affected countries in the context of United Nations peace operations, and the management response.

Item 5**Financial, budgetary and administrative matters (UNDP)**

Adopted decision 2013/3 on the review of the UNDP engagement in direct budget support and pooled funding.

Item 6**Programming arrangements**

Adopted decision 2013/4 on the UNDP programming arrangements.

UNFPA segment**Item 7****Evaluation (UNFPA)**

Adopted decision 2013/5 on the thematic evaluation of UNFPA support to maternal health, 2000-2011, and the management response.

Heard a briefing on the draft revised UNFPA evaluation policy.

Item 8
Country programmes and related matters

Approved the following final country programme documents:

Africa: Cameroon, Democratic Republic of the Congo, Equatorial Guinea, Liberia and South Africa

Arab States: Sudan

Asia and the Pacific: Pakistan (common country programme)

Latin America and the Caribbean: Haiti and Nicaragua.

Adopted decision 2013/6 on the UNDP and UNFPA draft country programme documents for Egypt.

UNOPS segment

Heard an update from the Executive Director, UNOPS.

Joint segment

Item 9
Recommendations of the Board of Auditors

Adopted decision 2013/7 on the reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors, 2010-2011.

Item 10
Report to the Economic and Social Council

Adopted decision 2013/8 on the report of the Administrator of UNDP and of the Executive Directors of UNFPA and UNOPS to the Economic and Social Council.

Item 11
Financial, budgetary and administrative matters

Adopted decision 2013/9 on the road map towards an integrated budget, beginning 2014, and update on cost recovery.

Item 12
United Nations Capital Development Fund

Heard a presentation on the preliminary 2012 results and an update on the stakeholder consultations on the future of UNCDF.

Joint meeting

Held a joint meeting of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP on 4 February 2013, which addressed the following topics: (a) operationalizing the recommendations of the quadrennial comprehensive policy review of operational activities for development of the United Nations system; and (b) leveraging South-South and triangular cooperation.

Also held the following briefings and informal consultations:

UNDP

Informal consultation on the preliminary findings of the evaluation of the UNDP strategic plan, 2008-2013;

Informal consultation on the road map leading to the UNDP strategic plan, 2014-2017;

Briefing on the UNCDF ongoing stakeholder consultation process mandated by the Executive Board (as per decision 2012/12);

UNFPA

Informal consultation on the UNFPA strategic plan, 2014-2017;

UNOPS

Informal consultation on the preparation of the UNOPS strategic plan for 2014-2017: discussion of key issues.

1 February 2013

2013/11

Cumulative review and annual report of the Administrator on the UNDP strategic plan: performance and results for 2008-2012

The Executive Board

1. *Takes note* of the present report ([DP/2013/11](#));
2. *Welcomes* the reported progress made across all outcomes areas;
3. *Encourages* UNDP to use the lessons identified in the report, including those from the evaluation reports presented at the annual session, for the preparation of the strategic plan, 2014-2017;
4. *Further encourages* UNDP, in future reports, to continue improving its results-reporting systems to ensure more evidence-based information on the achievement of expected results at an aggregate level, including an analytical narrative on the development contributions of UNDP, as well as on challenges identified.

14 June 2013

2013/12

Draft UNDP strategic plan, 2014-2017

The Executive Board

1. *Recalls* its decision 2012/9 on the annual report of the Administrator on the strategic plan;
2. *Takes note with appreciation* of the consultative and participatory process conducted by UNDP in developing the draft strategic plan, 2014-2017, and *requests* UNDP to continue consulting with Member States and other relevant stakeholders in an inclusive manner with a view to finalizing the plan and its annexes for adoption at the second regular session 2013;

3. *Notes* the inclusion in the strategic plan of some terms that have not been intergovernmentally endorsed in the United Nations system, and that for this reason these cannot be considered intergovernmentally agreed;
4. *Endorses* the new vision statement of the draft strategic plan, 2014-2017, which is to help countries achieve the simultaneous eradication of poverty, and significant reduction of inequalities and exclusion;
5. *Welcomes* the structure and framework of the draft strategic plan, 2014-2017, including its proposed set of focused areas of work and development outcomes, recognizing that the exact formulation of these is still evolving, and *requests* UNDP to prepare a final version of the draft based, inter alia, on the comments and inputs received from Member States during the annual session 2013 of the Executive Board and during the ongoing process, which will require further consultations, clarification and amendments, bearing in mind the need for organizational focus, for finalization and approval at its second regular session 2013;
6. *Requests* UNDP to initiate actions to finalize the integrated budget, 2014-2017, and the integrated results and resources framework, on the basis of the framework and structure of the draft strategic plan, 2014-2017, recognizing that the exact formulation of these is still evolving, for adoption by the Executive Board at its second regular session 2013;
7. *Takes note* of the structure and approach of the draft integrated results and resources framework of the draft strategic plan, 2014-2017, recognizing that the exact formulation of these is still evolving, and *requests* UNDP to further develop the indicators, baselines, milestones and targets with a view to their finalization by the annual session 2014;
8. *Notes* that the implementation of the strategic plan, 2014-2017, in programme countries must take into account country-level dialogue about national priorities and needs on a demand-driven basis, as reflected in programming instruments at the country level;
9. *Requests* UNDP to provide more information, in time for the second regular session 2013, on how results will be achieved, inter alia, by clearly demonstrating how outputs are directly attributable to UNDP; how outputs and outcomes are linked; and how risks are assessed and will be managed, as a means to achieve the results;
10. *Takes note* of the efforts by UNDP to include the mandates of the quadrennial comprehensive policy review of operational activities for development of the United Nations system in the next UNDP strategic plan, 2014-2017; *requests* UNDP to fully align the next strategic plan, 2014-2017, with these mandates, and *further requests* UNDP to continue contributing to discussions with other funds and programmes toward developing a common approach to tracking implementation of the quadrennial review;
11. *Recalls* paragraph 2 of decision 2013/2 and *requests* UNDP to take fully into account, in the strategic plan, 2014-2017, findings, conclusions and recommendations of all relevant evaluation reports, presented to the Executive Board in the period of the current strategic plan, 2008-2013, particularly those presented at the annual session 2013 of the Executive Board;

12. *Requests* UNDP to provide further information in time for the second regular session 2013, on the way in which the organization will work together and divide labour within the United Nations system, including with other funds, programmes and specialized agencies of the United Nations development system, taking into account their respective mandates, in order to enhance coherence and avoid overlap and duplication, with the aim of improving results on the ground and delivery for programme countries;

13. *Requests* UNDP to indicate the allocation, per year, of core and non-core resources against the development outcomes in the integrated results and resources framework, 2014-2017, when finalizing the draft integrated budget, 2014-2017;

14. *Requests* UNDP to fully take into account the views of Member States in finalizing the strategic plan, 2014-2017, including mainstreaming South-South cooperation and the need for UNDP to engage effectively in addressing extreme poverty, for adoption at the second regular session 2013.

14 June 2013

2013/13

Status of regular funding commitments to UNDP and its associated funds and programmes for 2013 and onwards

The Executive Board

1. *Takes note* of the report on the status of regular funding commitments to UNDP and its funds and programmes for 2013 and onwards (DP/2013/13), and its annexes;
2. *Takes note with concern* that 2012 contributions to regular resources decreased by 13.2 per cent, to \$846.1 million from \$974.51 million in 2011, which is well below the revised funding target of \$1.05 billion for 2012 regular resources (DP/2011/22, para. 204);
3. *Also takes note with concern* that total contributions (regular and other resources) to UNDP also decreased in 2012 to \$4.64 billion from \$4.82 billion in 2011;
4. *Recalls* General Assembly resolution 67/226 of 21 December 2012 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system;
5. *Reiterates* that core/regular resources, because of their untied nature, continue to be the bedrock of operational activities for development of the United Nations system and, in this regard, *reiterates* the need for UNDP to address, on a continuous basis, the imbalance between core/regular and non-core/other resources;
6. *Stresses* the need to avoid the use of core/regular resources to subsidize non-core financed activities, including the use of core/regular resources to cover costs related to the management and support of non-core funds and their programme activities;
7. *Recognizes* that Member States and UNDP should prioritize the allocation of core/regular resources and non-core resources that are more predictable, flexible, less earmarked and better aligned with the priorities of programme countries, including those included in the United Nations Development Assistance Framework, and with the strategic plan and mandate of UNDP;

8. *Calls upon* UNDP to make every effort possible to broaden the donor base, inter alia, by increasing the number of countries and other partners making financial contributions to UNDP in order to reduce the reliance on a limited number of donors;

9. *Encourages* all countries that have not yet done so to provide contributions to regular resources for 2013;

10. *Urges* donor countries and other countries in a position to do so to maintain and substantially increase their voluntary contributions, in a manner consistent with their capacities, to the core/regular budget of UNDP and to contribute on a multi-year basis, in a sustained and predictable manner.

14 June 2013

2013/14

Report on the UNDP global programme, 2009-2013: performance and results

The Executive Board

1. *Takes note* of the final report on the global programme, 2009-2013 (DP/2013/14);

2. *Recommends* that UNDP provide more integrated and programme-focused policy advice, covering the areas of work to be identified in the strategic plan, 2014-2017, to be more effective in helping countries respond to increasingly complex and interconnected development challenges.

13 June 2013

2013/15

UNDP evaluation

- (a) **Annual report on evaluation and the management response;**
- (b) **Evaluation of the UNDP strategic plan, 2008-2013, and the management response;**
- (c) **Evaluation of the global programme and the management response;**
- (d) **Evaluation of the regional programme for Africa and the management response;**
- (e) **Evaluation of the regional programme for Arab States and the management response;**
- (f) **Evaluation of the regional programme for Asia and the Pacific and the management response;**
- (g) **Evaluation of the regional programme for Europe and the Commonwealth of Independent States and the management response;**
- (h) **Evaluation of the regional programme for Latin America and the Caribbean and the management response;**
- (i) **Evaluation of UNDP contribution to South-South and triangular cooperation and the management response.**

The Executive Board

1. *Welcomes* the commitment of UNDP management to evaluation and to creating a culture of evaluation throughout the organization, as well as the commitment and work of the Evaluation Office; *encourages* both UNDP management and the Evaluation Office to continue these efforts; and, in this regard, *emphasizes* the importance of providing adequate and timely funding to the evaluation function at the corporate, regional and country levels as a way of safeguarding its effectiveness and independence; and *requests* UNDP management to consult the Executive Board on any changes in the allocation to the evaluation function subsequent to approval by the Executive Board;
2. *Takes note* of the efforts of UNDP management to ensure that all evaluations, centralized and decentralized, receive a management response with specific timetables for action;
3. *Further takes note* of the suggestion for an independent review of the UNDP evaluation policy, in compliance with Executive Board decision 2010/16; and *requests* that the Evaluation Office facilitate this review under Executive Board guidance;

With regard to the annual report on evaluation (DP/2013/16) and the management response:

4. *Notes* the increase in evaluation compliance of country programmes completed in 2012;
5. *Requests* UNDP, in cooperation with other United Nations organizations, to continue its support to build national evaluation capacity in a systematic manner with clear objectives, measurable targets and timelines through cost-effective approaches;
6. *Requests* the UNDP Evaluation Office to better mainstream the principles of gender equality throughout its evaluation work, including in efforts to reinforce a culture of evaluation in the organization, and to report on its efforts in future reports;
7. *Notes* the improvement in the quality of decentralized evaluations but at the same time *notes* the decline in the monitoring and evaluation capacity at the country office level; *welcomes* the suggestion of the peer review panel that the link between decentralized evaluations and the central evaluation function should be significantly strengthened; and *supports* the need for a formative evaluation to understand why, in several areas of UNDP work, decentralized evaluation and monitoring remain below quality standards;
8. *Approves* the revised programme of work for 2013 and *requests* UNDP to give an oral presentation on the proposed topics for the two remaining thematic evaluations at the second regular session of the Executive Board for its approval;
9. *Notes that* the programme of work for 2014 is at an early stage of development, and *requests* that the Evaluation Office provide a detailed workplan which fully integrates the new UNDP strategic plan, 2014-2017, to the Executive Board at its first regular session 2014; and *further requests* that the 2014 work plan set out a comprehensive medium-term evaluation plan for UNDP;

10. *Welcomes* the findings of the peer review panel on methodology and knowledge-sharing contained in the report, and *urges* the Evaluation Office to implement the suggestions of the panel;

11. *Approves* the new series of evaluations focused on gauging impacts and *supports* the effort of the Evaluation Office to conduct joint evaluations with programme partners;

With regard to the evaluation of UNDP strategic plan, 2008-2013 (DP/2013/17), and the management response (DP/2013/18):

12. *Urges* UNDP to take fully into account the findings and recommendations of the report in the development of the new strategic plan, 2014-2017, especially with regard to prioritizing support at the country level; and *further requests* that UNDP also take into account the finding and recommendations on: (a) focused and clear strategic direction; (b) the need to strengthen capacity development and sustainability of results at country level; (c) clearer division of roles and responsibilities at global, regional and country levels; and (d) strengthened accountability framework, including monitoring, evaluation and reporting;

13. *Recalls* paragraph 2 of decision 2013/2, and *requests* UNDP to take fully into account, findings, conclusions and recommendations of all relevant evaluation reports presented to the Executive Board in the period of the current strategic plan, 2008-2013, particularly those presented at the annual session 2013 of the Executive Board;

14. *Welcomes* the evidence that UNDP has become a stronger organization since the adoption of the strategic plan, 2008-2013, and that UNDP is likely to have made important development contributions across all of its focus areas;

15. *Urges* UNDP to better address cross-cutting issues, such as capacity development and gender equality at country level, to strengthen and institutionalize knowledge management and learning as central to the development results contribution of UNDP;

16. *Requests* UNDP to brief the Executive Board by the time of its second regular session 2013, on the way in which UNDP addresses findings, conclusions and recommendations of all relevant evaluation reports presented to the Executive Board in the period of the current strategic plan, 2008-2013, particularly those presented at the annual session 2013 of the Executive Board;

With regard to the evaluation of the global programme (DP/2013/19) and the management response (DP/2013/20):

17. *Takes note* of the report on the evaluation of the global programme and the management response;

18. *Requests* UNDP to take into account and fully integrate the findings and recommendations of the evaluation report in the new strategic plan, 2014-2017, and the future global programme, with due regard to issues raised in the report, including the need for: (a) a more clearly defined value added of the global programme to the regional and country programmes of UNDP; (b) a more systematic knowledge-sharing approach; (c) better integration of gender equality in all thematic areas and adequate allocation of resources for gender equality in

programme planning and implementation; and (d) clearer lines of accountability for more effective coordination between policy and regional bureaux;

19. *Requests* UNDP to ensure that the development of the global programme includes clearly elaborated results frameworks, and *further requests* that the global programme be presented at the first regular session 2014;

20. *Notes* the recommendation, and acceptance of the recommendation in the management response, to develop a corporate strategy by June 2014 to guide advisory services; and *requests* that the strategy address the allocation of advisory service resources among country, regional and global levels in support of stronger performance at country level, and make a clearer distinction between “policy” functions and the provision of “advisory or technical” expertise;

With regard to the evaluation of the regional programmes for Africa, Asia and the Pacific, Arab States, Europe and the Commonwealth of Independent States, Latin America and the Caribbean and South-South and triangular cooperation (DP/2013/21, DP/2013/23, DP/2013/25, DP/2013/27, DP/2013/29, and DP/2013/31), and the management responses (DP/2013/22, DP/2013/24, DP/2013/26, DP/2013/28, DP/2013/30, and DP/2013/32):

21. *Takes note* of the reports on the evaluation of the regional programmes and of South-South and triangular cooperation and the management responses;

22. *Requests* UNDP to take into account and fully integrate the findings and recommendations of the reports into the new strategic plan, 2014-2017, and future regional programmes with due attention to the systemic issues raised in the reports including the need for: (a) clear and focused regional frameworks and results oriented regional strategies aligned with the UNDP strategic plan, 2014-2017, and regional needs and demands; (b) improved monitoring, evaluation, reporting and communication for results; (c) regional service centres focusing their expertise on UNDP thematic priorities, cross-country exchanges and knowledge-sharing; and (d) inclusive consultation processes with all relevant stakeholders when designing regional programmes, strategies and projects;

23. *Recognizes* the comparative advantage of UNDP in supporting and facilitating South-South and triangular cooperation;

24. *Notes* the efforts by UNDP to mainstream South-South cooperation in its programmes, and *requests* UNDP to take a more systematic approach in this regard, particularly in the areas of knowledge-sharing platforms and institutional reporting systems concerning South-South cooperation with a view to enhancing learning and/or systematically providing information on performance;

25. *Requests* UNDP to clarify the division of labour, roles, responsibilities, and lines of accountability for outcome achievement between UNDP and the United Nations Office for South-South Cooperation and to ensure that South-South and triangular cooperation is positioned as a key element in UNDP efforts to contribute to enhanced national capacities for sustainable development and the achievement of the internationally agreed development goals, including the Millennium Development Goals.

13 June 2013

2013/16

Report on results achieved by UNCDF in 2012 and report on the stakeholders consultations on scenarios for the future of UNCDF

The Executive Board

1. *Takes note* of the report (DP/2013/33) and *welcomes* the continued strong performance of UNCDF against set targets;
2. *Welcomes* the new initiatives of UNCDF and partnerships with public and private-sector development partners in 2012 within the areas of expertise of UNCDF which are relevant in the discussions on the post-2015 development agenda;
3. *Notes with concern* the growing imbalance between the limited core resources of UNCDF and its fast-growing non-core resources which will prevent UNCDF, in the short term, from fulfilling its core mandate of providing capital investment to the least developed countries (LDCs) and *recognizes* the need for management to address the unsustainable nature of this situation as a top priority;
4. *Also notes with concern* that the systematic use of the core budget to cover the administrative costs of implementing projects financed by non-core contributions could further prevent UNCDF from delivering on its mandate and, in this regard, *welcomes* the previous measures taken in order to ease the pressure on the core resources of UNCDF, in particular decision 2013/9;
5. *Further notes with concern* the dependence of UNCDF on very few donors for its core resources and *recognizes* the need for management to intensify its efforts to broaden the core-donor base, including from resources from the private sector;
6. *Calls on* Member States, in a position to do so, to contribute to the core resources of UNCDF to ensure that it can reach the “critical mass” target of \$25 million per year in annual core resources to ensure continued support to at least forty LDCs.

13 June 2013

2013/17

Report of the Administrator on the evolution of the role and function of the United Nations Volunteers programme since its inception

The Executive Board

1. *Notes* with appreciation the report of the Administrator (DP/2013/34) on the evolution of the role and the function of United Nations Volunteers (UNV) programme, and how they have influenced the operations of the UNV;
2. *Takes note with appreciation* of the contribution of UNV to the culture of volunteerism throughout the United Nations development system through the work carried out since 1971, and particularly UNV work towards the achievement of internationally agreed development commitments, such as the Millennium Development Goals;
3. *Recognizes* past and ongoing efforts of all development partners to support the work of UNV, specifically their financial and human resources contributions, notably from developing countries that currently provide the majority of United Nations Volunteers deployed globally;

4. *Welcomes* the leadership role of UNV in developing and promoting a youth volunteer programme in the context of the Five-Year Action Agenda of the Secretary-General;
5. *Welcomes* the request of the General Assembly to the Secretary-General for UNV to develop a plan of action to integrate volunteering in peace and development in the next decade for consideration at its seventieth session, in line with General Assembly resolution [67/138](#) of 20 December 2012 on integrating volunteering in the next decade;
6. *Welcomes* resolution [67/138](#), which called on organizations in the United Nations system to continue to assist in the promotion of United Nations Volunteers;
7. *Recognizes* UNDP for the continuous programmatic, financial, administrative and legal support provided to UNV to deliver on its mandate; and
8. *Welcomes* the initiative of UNV to develop a strategic framework for the period 2014-2017.

13 June 2013

2013/18

Response to Executive Board decision 2013/4 on UNDP programming arrangements

The Executive Board

1. *Takes note* of the present response to Executive Board decision 2013/4 on UNDP programming arrangements ([DP/2013/37](#));
2. *Takes note* of the information provided by UNDP for inclusion of UNCDF in the programming arrangements; *reiterates* decision 2013/4 on the inclusion of UNCDF in the programming arrangements; and *requests* UNDP to provide further information about the rationale for the actual amount to be allocated to UNCDF before the second regular session 2013;
3. *Recalls* decision 2013/4, *acknowledges* the information provided in [DP/2013/37](#) and *requests* UNDP to provide, in the informal discussion leading up to the formal discussion of the integrated budget, before the second regular session 2013, information presenting the funding requirements and the rationale, the interrelationships and the synergies for the functions financed under the following fixed lines: development support services, economists' programme, policy advisory services, as well as the Office of Development Studies.

14 June 2013

2013/19

Report of the Executive Director for 2012: cumulative analysis of progress in implementation of the UNFPA strategic plan, 2008-2013

The Executive Board

1. *Takes note* of the documents that make up the report of the Executive Director for 2012: [DP/FPA/2013/3](#) (Part I, Part I/Add.1 and Part II);
2. *Takes note* of the progress achieved in implementing the development results framework of the UNFPA strategic plan, 2008-2013;

3. *Acknowledges* the important global leadership that UNFPA has taken in a number of global processes to accelerate progress on the International Conference on Population and Development (ICPD) agenda, and to contribute to the achievement of the Millennium Development Goals (MDGs) and to the discussion on the post-2015 development agenda;
4. *Encourages* UNFPA to contribute further to accelerating progress towards achieving Millennium Development Goal 5 by 2015, since the accomplishment of this goal continues to lag behind the other MDGs;
5. *Encourages* UNFPA to continue improving analysis in future annual reports on how the Fund has contributed to outcomes, handled risks and incorporated lessons learned;
6. *Acknowledges* the efforts that UNFPA has undertaken to implement its revised strategic direction and to address the recommendations of the midterm review of the strategic plan, 2008-2013, through the business plan, and *recognizes* that as a result UNFPA is becoming a more results-oriented organization;
7. *Appreciates* the ongoing inclusive, consultative and participatory process based on thoughtful reflection and research for developing the next UNFPA strategic plan, 2014-2017;
8. *Notes* that the implementation of the strategic plan in programme countries must take into account country-level dialogue about national priorities and needs, on a demand-driven basis, and as reflected in programming instruments at the country level;
9. *Welcomes* the strategic direction laid out in the UNFPA draft strategic plan, 2014-2017, as earlier agreed in the midterm review of the strategic plan, 2008-2013 ([DP/FPA/2011/11](#));
10. *Calls upon* UNFPA to further develop in the strategic plan, 2014-2017, its planned engagement on issues related to population dynamics, human rights and gender equality — integral parts of the ICPD agenda — and by doing so to demonstrate how this engagement contributes to achieving the strategic goal of UNFPA, including for the most vulnerable and marginalized women, adolescents and youth;
11. *Takes note with appreciation* of the efforts by UNFPA to include the mandates of the quadrennial comprehensive policy review of operational activities for development of the United Nations system in the next UNFPA strategic plan, 2014-2017, and *requests* UNFPA to fully align the next strategic plan, 2014-2017, with these mandates, and *further requests* UNFPA to continue contributing to discussions with other funds and programmes towards developing a common approach to tracking implementation of the quadrennial review;
12. *Notes* the proposals on the differentiated UNFPA engagement according to country context, *acknowledges* the principle of basing the business model and resource allocation system — as described in paragraphs 17 to 31 and paragraphs 88 to 98, respectively, of the draft UNFPA strategic plan, 2014-2017, of 20 May 2013 — on the strategic focus of the strategic plan, 2014-2017, *notes* that these are still to be finalized and, in this regard, *requests* UNFPA to continue consulting with Member States on how this will be implemented;

13. *Requests* UNFPA to further elaborate on how it will plan and budget activities at regional and global levels for the strategic plan period, 2014-2017, and *requests* UNFPA to demonstrate how its work at all levels contributes to achieving the strategic goal of the organization as reflected in the next strategic plan, 2014-2017;

14. *Commends* UNFPA for presenting a draft integrated budget, 2014-2017, for consultation with the Executive Board;

15. *Encourages* UNFPA to include further information in the next UNFPA strategic plan, 2014-2017, on the way in which it will work together and divide labour within the United Nations development system, including with other funds, programmes and specialized agencies, taking into account their respective mandates, in order to enhance coherence and avoid overlap and duplication, with the ultimate goal of improving results on the ground and delivery in programme countries; and *requests* UNFPA to provide more information when developing the next UNFPA strategic plan, 2014-2017, on how results will be achieved, inter alia, by demonstrating how outputs are directly attributable to UNFPA, the link between outputs and outcomes, and how risks are assessed and will be managed;

16. *Appreciates* the improvements made in the draft results framework, 2014-2017, and *requests* UNFPA to include in the results framework baselines and targets for outcomes and outputs;

17. *Recognizes* the importance of increasing and achieving stability and predictability in: (a) contributions to UNFPA regular resources, which are the foundation and bedrock of its operations, and (b) qualitatively better earmarked funding;

18. *Recognizes* that timeliness in the payment of contributions is essential for maintaining liquidity and for facilitating continuous programme implementation to assist countries in achieving ICPD goals and other internationally agreed development goals, including the Millennium Development Goals, as well as for UNFPA engagement in all relevant processes and activities leading to the adoption of the post-2015 development agenda.

13 June 2013

2013/20

Report on contributions by Member States and others to UNFPA and revenue projections for 2013 and future years

The Executive Board

1. *Takes note* of the report on contributions by Member States and others to UNFPA and revenue projections for 2013 and future years ([DP/FPA/2013/4](#));

2. *Takes note* that 2012 contribution revenue to regular resources decreased by 2.9 per cent, to \$437.5 million from \$450.7 million in 2011, which is below the revised funding target of the strategic plan of \$500 million for 2012 regular resources. In 2012 contribution revenue to co-financing resources increased by 12.5 per cent, to \$525.7 million from \$440.1 million in 2011, which is well above the target of \$330 million ([DP/FPA/2013/4](#), paras. 9 and 10);

3. *Takes note also* that 2012 total contributions (regular and co-financing resources) to UNFPA increased by 8.1 per cent, to \$963.2 million from \$890.8 million in 2011;
4. *Commends* the efforts being made by UNFPA to broaden the funding base and mobilize additional resources and other forms of support from diversified sources, including from the private sector;
5. *Emphasizes* that regular resources are the bedrock of UNFPA and essential to maintaining the multilateral, neutral and universal nature of its work, and *encourages* UNFPA to further mobilize these resources while also continuing to mobilize supplementary resources for its thematic funds and programmes;
6. *Encourages* all Member States to increase their core contributions and also *encourages* countries that are in a position to do so to make contributions by the first half of the year and to make multi-year pledges in order to ensure effective programming;
7. *Encourages* all programme country Governments to expand contributions to programmes in their own countries;
8. *Encourages* all Member States to increase support for Millennium Development Goals 3, 4, 5 and 6 in order to accelerate results and enable the attainment of the targets by 2015;
9. *Emphasizes* that UNFPA needs strong political and increased financial support as well as predictable core funding in order to enhance its assistance to countries to fully integrate the agenda of the International Conference on Population and Development into national development strategies and frameworks and achieve the internationally agreed development goals.

7 June 2013

2013/21

Revised UNFPA evaluation policy

The Executive Board

1. *Recalls* decision 2012/26 on the biennial report on evaluation and the review of the UNFPA evaluation policy;
2. *Recognizes* that the quadrennial comprehensive policy review of operational activities for development of the United Nations system (General Assembly resolution [67/226](#)) contains key principles with regard to evaluation, which are applicable for all funds and programmes, including UNFPA;
3. *Welcomes* the consultative and inclusive process that UNFPA management utilized in developing the revised evaluation policy with significant input from Member States and experts;
4. *Approves* the revised UNFPA evaluation policy ([DP/FPA/2013/5](#));
5. *Welcomes* the creation of an independent UNFPA Evaluation Office with a direct reporting line to the Executive Board, assuming the roles and responsibilities as set out in the revised evaluation policy;

6. *Recognizes* that strengthened accountability, increased institutional learning and better evidence-based decision-making are three equally important purposes of evaluation, and *emphasizes* the role of evaluation in contributing to more effective programming;
7. *Acknowledges with appreciation* the steps taken by UNFPA to ensure an independent, credible and useful evaluation function;
8. *Requests* UNFPA to ensure compliance with the evaluation policy at all levels of the Fund through the establishment of appropriate mechanisms for its implementation, including adequate regional evaluation support and increased capacities in the field of evaluation;
9. *Requests* that UNFPA allocate sufficient human and financial resources to the Evaluation Office and the overall evaluation function when presenting the integrated budget at the second regular session 2013, while at the same time encouraging the Fund to preserve, to the extent possible, resources available for programmes;
10. *Requests* the Executive Director of UNFPA, when appointing, renewing and/or dismissing the Director of the Evaluation Office, to consult with the Executive Board in line with the standards of the United Nations Evaluation Group;
11. *Requests* the UNFPA Evaluation Office to include in its annual report, to be presented to the Executive Board at its annual session every year, information on evaluation activities and results as well as on the status of the implementation of the revised evaluation policy and biennial evaluation plan;
12. *Requests* the UNFPA Evaluation Office to present the biennial budgeted evaluation plan for approval at the second regular session of the Executive Board beginning 2013;
13. *Requests* UNFPA that any review of the evaluation policy focus not only on the policy itself but also on its implementation.

7 June 2013

2013/22

Annual Report of the Executive Director, UNOPS

The Executive Board

1. *Takes note* of the present report ([DP/OPS/2013/2](#)) and the details of the operational and management results of the organization provided therein;
2. *Takes note* of: (a) the significant contributions made by UNOPS, often in the most challenging environments, to the operational results of the United Nations and its partners; and (b) the increased focus on sustainability and investment in its core areas of expertise, notably infrastructure, procurement and project management;
3. *Takes note* of the support given by UNOPS to the United Nations and its partners to implement peacebuilding, humanitarian and development operations that matter for people in need;
4. *Takes note with appreciation* of the demonstrated ability of UNOPS to: (a) continuously improve its efficiency, including through the adoption of internationally recognized standards of performance; and (b) enhance the quality of its products and services while simultaneously reducing its management budget.

7 June 2013

2013/23**UNOPS strategic plan, 2014-2017***The Executive Board*

1. *Expresses* appreciation to UNOPS for the consultative process in the preparation of the strategic plan, 2014-2017;
2. *Endorses* the strategic plan, 2014-2017, as contained in document [DP/OPS/2013/3](#), recognizing its foundation on earlier decisions and policy guidance;
3. *Welcomes* the enhanced focus of UNOPS services to partners in the United Nations and beyond, the emphasis on sustainability, national ownership and capacity development, recognizing that it is firmly grounded in the self-financing business model of UNOPS;
4. *Takes note with appreciation* of the inclusion in the UNOPS strategic plan of measures that will strengthen the contribution of UNOPS to a broad range of stakeholders, including other organizations within the United Nations development system, national governments, international financial institutions and non-governmental organizations and foundations, and *encourages* UNOPS to continue engaging with partners in this regard in the future;
5. *Calls on* United Nations system organizations to actively seek efficiency gains through greater collaboration, taking into account the competitive advantages of UNOPS in its mandated areas of expertise: procurement, infrastructure and project management, including provision of implementation, transactional and management advisory services;
6. *Encourages* UNOPS to contribute, within its mandated areas of work, to innovation and the adaptation of best-practice standards of sustainability and quality;
7. *Supports* the development of a sustainability screening tool for review of UNOPS engagements against the three dimensions of sustainability, and *requests* UNOPS to widely share this instrument after its finalization.

7 June 2013

2013/24**Reports of UNDP, UNFPA and UNOPS on internal audit and oversight for 2012**

- (a) **UNDP report on internal audit and investigations**
- (b) **Report of the Director of the Division for Oversight Services on UNFPA internal audit and oversight activities in 2012**
- (c) **Activity report for 2012 of the Internal Audit and Investigations Group of UNOPS**

*The Executive Board**With regard to UNDP, UNFPA and UNOPS:*

1. *Welcomes* the ongoing commitment of UNDP, UNFPA and UNOPS to greater accountability and transparency and, in this regard, *welcomes* the implementation of the decision on public disclosure of the internal audits;

2. *Takes note* of the respective progress made by UNDP, UNFPA and UNOPS in the implementation of audit recommendations;

3. *Notes* the number of recurring recommendations on project management and monitoring, procurement and human resources, and *urges* UNDP, UNFPA and UNOPS to address recurring and outstanding issues in these areas in a timely and thorough manner;

4. *Notes with appreciation* the work of the organizations in preparing an increased number of joint audits, and *encourages* UNDP, UNFPA and UNOPS to work collaboratively with each other, and with other United Nations development organizations, to find opportunities for further joint approaches, and in addition *underscores* the importance of the review of the harmonized approach to cash transfers (HACT), which should provide clear guidance for adequate application of this approach jointly developed by the organizations;

5. *Requests* UNDP, UNFPA and UNOPS to ensure that the information provided to the Executive Board by their audit and investigation offices is presented in an informative and consistent manner from year to year, and in a way that facilitates easy comparison between the organizations, with regard to data on allegations, investigations and actions thereon, including a list of internal audits carried out and ratings received; and also clearly describes the way in which audit priorities address current and emerging risks;

6. *Underscores* the need for the audit and investigation offices to be sufficiently resourced, including the investigation function, in order for the offices to carry out their full mandate effectively;

With regard to UNDP:

7. *Takes note* of the report on internal audit and investigations ([DP/2013/35](#)), its annexes and the management response;

8. *Expresses* its continuing support for strengthening the internal audit and investigation functions of UNDP;

9. *Takes note* of the annual report of the Audit Advisory Committee for the calendar year 2012;

10. *Notes* the importance of the Office of Audit and Investigations for UNDP and, in this regard, *requests* UNDP to assess and ensure that the Office of Audit and Investigations has the level of resources, including staffing, to respond adequately to the needs for audit, investigation and advisory services;

11. *Reiterates* the concern by the Audit Advisory Committee that the large number of open investigation cases may undermine the overall integrity and reputation of UNDP, and *encourages* UNDP to prioritize the clearance of cases carried forward;

With regard to UNFPA:

12. *Takes note* of the report of the Director of the Division for Oversight Services on UNFPA internal audit and oversight activities in 2012 ([DP/FPA/2013/6](#)), its annexes and the management response;

13. *Expresses* its continuing support for the strengthening of the oversight functions at UNFPA, and *reiterates* the importance of safeguarding the quality, impartiality and independence of these functions;

14. *Acknowledges and supports* the engagement of the Division for Oversight Services in joint oversight activities;

15. *Takes note* of the annual report of the Audit Advisory Committee and the management response thereto contained in document [DP/FPA/2013/6/Add.1](#);

16. *Notes* that the audit risk assessment found that UNFPA is exposed to significant risk and, in view of this, *encourages* UNFPA to redouble its effort to enhance risk management across the organization in line with the recommendations of the Audit Advisory Committee, and *looks forward* to viewing the Enterprise Risk Management Plan by December 2013;

17. *Requests* UNFPA to provide further information to the Executive Board with regard to overcoming the limitations and weaknesses identified in the performance audit of the global and regional programme of UNFPA;

18. *Notes* the work undertaken by UNFPA to implement outstanding recommendations, and *encourages* UNFPA to implement urgently the outstanding recommendations that remain, particularly in the area of information and communications technology;

19. *Notes* the importance of the Division for Oversight Services for UNFPA, and *also notes* the incomplete implementation level of the audit programme in 2012 and, in this regard, *encourages* UNFPA to ensure that the Division for Oversight Services has the appropriate level and balance of financial and staffing resources to respond adequately to the needs for audit, investigation and advisory services;

20. *Notes with appreciation* that the Division for Oversight Services plans audit activities around identified key priorities and risks, and *urges* the Division for Oversight Services to include in its reporting to the Executive Board information on the extent to which the audit plan addresses these priorities and risks clearly;

With regard to UNOPS:

21. *Takes note* of the annual activities report for 2012 of the Internal Audit and Investigations Group of UNOPS ([DP/OPS/2013/4](#)) and its annexes;

22. *Takes note* of the progress made in implementation of audit recommendations more than 18 months old;

23. *Takes note* of the annual report of the Strategy and Audit Advisory Committee for 2012 (in line with Executive Board decision 2008/37).

13 June 2013

2013/25

Reports of the ethics offices of UNDP, UNFPA and UNOPS

The Executive Board

1. *Takes note* of the reports of the ethic offices of UNDP, UNFPA and UNOPS ([DP/2013/36](#), [DP/FPA/2013/2](#) and [DP/OPS/2013/5](#)), and the UNDP, UNFPA and UNOPS management responses;

2. *Recognizes* that the ethics offices of UNDP, UNFPA and UNOPS provide vital contributions to fostering a culture of ethics, integrity and accountability in the organizations and within the United Nations system;

3. *Welcomes* the efforts of the ethics offices to enhance outreach and awareness about their services through face to face training, online communication and social media, as well as their commitment and efforts to protect staff from retaliation for reporting misconduct;
4. *Encourages* the continued participation of the ethics offices of UNDP, UNFPA and UNOPS in the United Nations Ethics Committee and in the Ethics Network of Multilateral Organizations;
5. *Welcomes* the UNDP, UNFPA and UNOPS practice of including the director of the ethics office in relevant senior management meetings and decision-making processes;
6. *Requests* the management of UNDP, UNFPA and UNOPS to continue to strengthen the functions of their ethics offices in their respective organizations, including through the provision of adequate resources, in order to implement the recommendations to strengthen an organizational culture of integrity and compliance, ensure that their ethics offices can work effectively to identify and meet the ethics needs of their staff at all levels, and bring best practices to their organizations.

7 June 2013

2013/26

Overview of decisions adopted by the Executive Board at its annual session 2013

The Executive Board

Recalls that during its annual session 2013, it:

Item 1

Organizational matters

Approved the agenda and workplan for its annual session 2013 ([DP/2013/L.2](#));

Approved the report of the first regular session 2013 ([DP/2013/9](#));

Agreed to the following schedule of future sessions of the Executive Board in 2013:

Second regular session 2013: 9 to 13 September 2013;

Adopted the tentative workplan for the second regular session 2013 of the Executive Board.

UNDP segment

Item 2

Annual report of the Administrator

Adopted decision 2013/11 on the cumulative review and annual report of the Administrator on the UNDP strategic plan: performance and results for 2008-2012;

Took note of the report of UNDP on the recommendations of the Joint Inspection Unit in 2012 ([DP/2013/11/Add.1](#));

Took note of the statistical annex ([DP/2013/11/Add.2](#)).

Item 3
UNDP strategic plan, 2014-2017

Adopted decision 2012/12 on the draft UNDP strategic plan, 2014-2017.

Item 4
Funding commitments

Adopted decision 2012/13 on the status of regular funding commitments to UNDP and its associated funds and programmes for 2013 and onwards.

Item 5
Human Development Report

Took note of the oral report on consultations regarding the 2014 Human Development Report in accordance with General Assembly resolution [57/264](#).

Item 6
Country programmes and related matters (UNDP)

Adopted decision 2013/14 on the UNDP global programme, 2009-2013: performance and results;

Took note of the first one-year extensions of the country programmes for Afghanistan, Angola, Kenya and Venezuela for a period of one year, from 1 January to 31 December 2014 ([DP/2013/15](#));

Approved the second one-year extensions of the country programmes for Guinea-Bissau and Mali, from 1 January to 31 December 2014;

Approved the exceptional third-year extensions of the country programmes for Madagascar, Tunisia and Paraguay, from 1 January to 31 December 2014;

Approved the two-year extension of the country programme for Côte d'Ivoire, from 1 January 2014 to 31 December 2015;

Approved the two-and-half-year extension of the country programme for South Sudan, from 1 January 2014 to 30 June 2016;

Approved, on an exceptional basis, the common country programme document, including the results and resources framework, for Rwanda;

Approved, on an exceptional basis, country programme document for Egypt;

Took note of the following draft country programme documents and the comments made thereon:

Africa

Draft country programme document for Benin ([DP/DCP/BEN/2](#))

Draft country programme document for Burundi ([DP/DCP/BDI/3](#))

Draft country programme document for the Republic of the Congo ([DP/DCP/COG/2](#))

Draft country programme document for Niger ([DP/DCP/NER/2](#))

Draft country programme document for Nigeria ([DP/DCP/NGA/2](#))

Draft country programme document for Togo ([DP/DCP/TGO/2](#))

Asia and the Pacific

Draft common country programme document for Bhutan ([DP/FPA/OPS-ICEF/DCCP/2013/BTN/1](#) and Add.1)

Latin America and the Caribbean

Draft country programme document for Cuba ([DP/DCP/CUB/2](#)).

Item 7**Evaluation (UNDP)**

Adopted decision 2013/15 on the (a) annual report on evaluation and the management response; (b) evaluation of the UNDP strategic plan, 2008-2013, and the management response; (c) evaluation of the global programme and the management response; (d) evaluation of the regional programme for Africa and the management response; (e) evaluation of the regional programme for Arab States and the management response; (f) evaluation of the regional programme for Asia and the Pacific and the management response; (g) evaluation of the regional programme for Europe and the Commonwealth of Independent States and the management response; (h) evaluation of the regional programme for Latin America and the Caribbean and the management response; and (i) evaluation of UNDP contribution to South-South and triangular cooperation and the management response.

Item 8**United Nations Capital Development Fund (UNCDF)**

Adopted decision 2013/16 on the report on results achieved by UNCDF in 2012 and report on the stakeholders consultations on scenarios for the future of UNCDF.

Item 9**United Nations Volunteers**

Adopted decision 2013/17 on the report of the Administrator on the evolution of the role and function of the United Nations Volunteers programme since its inception.

Item 18**Programming arrangements (UNDP)**

Adopted decision 2013/18 on the response to Executive Board decision 2013/4 on UNDP programming arrangements.

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

Adopted decision 2013/19 on the report of the Executive Director for 2012: cumulative analysis of progress in implementation of the UNFPA strategic plan, 2008-2013;

Took note of the statistical and financial review, 2012 ([DP/FPA/2013/3](#), Part I, Add.1);

Took note of the report on the recommendations of the Joint Inspection Unit in 2012 ([DP/FPA/2013/3](#), Part II).

Item 11
Funding commitments to UNFPA

Adopted decision 2013/20 on the report on contributions by Member States and others to UNFPA and revenue projections for 2013 and future years.

Item 12
Country programmes and related matters (UNFPA)

Approved the second one-year programme extensions for Guinea-Bissau and Mali;

Approved the second one-year extension for the Madagascar programme;

Approved the two-year programme extension for Côte d'Ivoire;

Approved the exceptional two-and-a-half year programme extension for South Sudan;

Approved the exceptional third one-year programme extension for Tunisia;

Took note of the six-month programme extension for Kenya ([DP/FPA/2013/9](#));

Took note of the one-year programme extensions for Afghanistan, Angola, Paraguay, Timor-Leste and Venezuela (Bolivarian Republic of); ([DP/FPA/2013/7](#), [DP/FPA/2013/8](#) and [DP/FPA/2013/9](#));

Approved, on an exceptional basis, the country programme document for Egypt;

Approved, on an exceptional basis, the common country programme document, including the results and resources framework, for Rwanda;

Took note of the following draft country programme documents and the comments made thereon:

Africa

Draft country programme document for Benin ([DP/FPA/DCP/BEN/8](#))

Draft country programme document for the Niger ([DP/FPA/DCP/NER/8](#))

Draft country programme document for Nigeria ([DP/FPA/DCP/NGA/7](#))

Draft country programme document for the Republic of the Congo ([DP/FPA/DCP/COG/5](#))

Draft country programme document for Togo ([DP/FPA/DCP/TGO/6](#))

Asia and the Pacific

Draft common country programme document for Bhutan ([DP/FPA/OPS-ICEF/DCCP/2013/BTN/1](#)) and addendum ([DP/FPA/OPS-ICEF/DCCP/2013/BTN/1/Add.2](#))

Latin America and the Caribbean

Draft country programme document for Cuba ([DP/FPA/DCP/CUB/8](#)).

Item 13
Evaluation (UNFPA)

Adopted decision 2013/21 on the revised UNFPA evaluation policy.

UNOPS segment**Item 14****United Nations Office for Project Services**

Adopted decision 2013/22 on the annual report of the Executive Director, UNOPS.

Item 14**United Nations Office for Project Services**

Adopted decision 2013/23 on the UNOPS strategic plan, 2014-2017.

Joint segment**Item 15****Internal audit and oversight**

Adopted decision 2013/24 on the (a) UNDP report on internal audit and investigations; (b) report of the Director, Division for Oversight Services, on UNFPA internal audit and oversight activities in 2012; and (c) activity report for 2012 of the Internal Audit and Investigations Group of UNOPS.

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

Adopted decision 2013/25 on the reports of the ethics offices of UNDP, UNFPA and UNOPS.

Item 17**Filed visits**

Took note of the report on the field visit to Timor-Leste (DP-FPA-OPS/2013/CRP.1);

Took note of the report of the joint field visit of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-Women and WFP to Myanmar (DP/FPA/OPS-ICEF-UNW-WFP/2013/CRP.1).

Item 19**Other matters**

Held the following briefings and consultations:

UNDP

Informal consultation on: (a) the cumulative review of the strategic plan and annual report of the Administrator; and (b) steps and timeline for the preparation of the next UNDP gender equality strategy (decision 2013/1);

Informal consultation on the draft UNV strategic framework, 2014-2017, and informal discussion of the first draft of the UNV strategic framework, 2014-17, by the UNV Executive Coordinator.

UNFPA

Informal consultation on the draft UNFPA strategic plan, 2014-2017, and the draft integrated budget, 2014-2017.

UNOPS

Informal consultation on the UNOPS management budget for 2014-2015, and revision of the methodology for calculation of UNOPS operational reserve.

14 June 2013

2013/27

UNDP strategic plan, 2014-2017

The Executive Board

1. *Recalls* its decision 2012/9 on the annual report of the Administrator on the strategic plan and decision 2013/12 on the draft UNDP strategic plan, 2014-2017;
2. *Notes with appreciation* the inclusive, open and participatory consultative process undertaken by UNDP in developing the strategic plan;
3. *Approves* the UNDP strategic plan, 2014-2017, as contained in document DP/2013/40;
4. *Requests* UNDP to further focus all its areas of work and outcomes towards achieving the vision of the strategic plan, which is to help countries achieve the simultaneous eradication of poverty and significant reduction of inequalities and exclusion;
5. *Notes with appreciation* the efforts by UNDP to align its strategic plan, 2014-2017, with the mandates of General Assembly resolution [67/226](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system;
6. *Requests* UNDP to implement its strategic plan in a focused way, on a demand-driven basis and in a manner consistent with UNDP's mandate, comparative advantage and expertise, recognizing the roles and leadership of other members of the United Nations system on specific issues and coordinating efforts with them, while also recognizing the principle of national ownership and the different contexts and particular characteristics of each programme country;
7. *Reiterates* that the implementation of the strategic plan, 2014-2017, in programme countries must take into account country-level dialogue about national priorities and needs, as reflected in programming instruments at the country level;
8. *Requests* UNDP to take into account the guidance provided by General Assembly resolution [67/226](#) when implementing the strategic plan and to continue to contribute to strengthening the accountability, effectiveness and coherence of the United Nations development system;
9. *Notes* the inclusion in the strategic plan of some terms that have not been intergovernmentally endorsed in the United Nations system, and that for this reason, these cannot be considered intergovernmentally agreed;
10. *Takes note* of the progress in linking resources to results;

11. *Notes with appreciation* the inclusion of the specific indicators for monitoring and reporting on the implementation of the quadrennial comprehensive policy review as part of a common approach of the funds and programmes;

12. *Requests* UNDP to implement the strategic plan while developing and refining complementary, publicly available documentation in consultation with Member States and other stakeholders, including:

(a) Refinement of indicators and development of baselines, targets and annual milestones as contained in annex II of [DP/2013/40](#), appropriately disaggregated, including by sex and age, where relevant, to be finalized by the annual session 2014, as well as developing capacity throughout UNDP for data collection and reporting on the indicators; and

(b) Refinement of the informal “theory of change” documents for the seven development outcomes by the annual session 2014;

13. *Recognizes* that highly qualified staff are key for UNDP to achieve its vision and outcomes as outlined in its strategic plan, and *notes* the value of a balanced and diverse representation among UNDP management and staff;

14. *Requests* UNDP to present to the Executive Board at its second regular session 2014, an outline of the format and information that will be provided in the annual results reports based on the new results framework;

15. *Requests* the UNDP Administrator to present a midterm review of the UNDP strategic plan, 2014-2017, including an assessment of results achieved, cost-effectiveness, evaluations, comparative advantages and progress made in achieving the vision of the strategic plan, and report to the Executive Board at its annual session 2016.

13 September 2013

2013/28

UNDP integrated budget, 2014-2017

The Executive Board

1. *Welcomes* the UNDP integrated budget estimates, 2014-2017, in response to the request of the Executive Board in decision 2009/22 to present a single, integrated budget that includes all budgetary categories, with an improved results focus and enhanced linkages with the strategic plan results and harmonized in methodology and presentation, including on cost classification, attribution and recovery, with UNICEF, UNFPA and UN-Women;

2. *Takes note* of document [DP/2013/41](#) on UNDP integrated budget estimates for 2014-2017, of the additional information provided in the addendum to annex I of [DP/2013/41](#) and of the report of the Advisory Committee on Administrative and Budgetary Questions ([DP/2013/42](#)) on the institutional components of UNDP integrated budget estimates, and the recommendations contained therein;

3. *Recalls* Executive Board decisions 2009/22, 2010/32, 2011/10, 2012/27, and 2013/9 with respect to the joint roadmap to an integrated budget, and Executive Board decisions 2007/33, 2010/2, 2012/1, 2012/28, 2013/4, and 2013/18 with respect to the programming arrangements;

4. *Approves* the integrated budget for 2014-2017 as based on projected regular and other resources available, and their projected utilization, subject to provisions of this decision;

5. *Takes note* of the proposed new strategy for financing personnel costs with respect to positions at grade P-5 and below;

6. *Takes note* with concern of the estimated level of regular resources for the period 2014-2017 and urges donor countries and other countries in a position to do so, to increase their voluntary contributions of regular resources to UNDP and requests UNDP to submit proposals on measures to be taken to increase regular resources in its report on funding commitments;

7. With respect to the programmatic components of the integrated budget:

(a) *Decides* that the programmatic components of the integrated budget are governed by the principles and methodologies distributing regular resources to programme activities previously legislated through the programming arrangements, per decisions 2007/33, 2010/2, 2012/1, 2012/28, and 2013/4;

(b) *Authorizes* the following enhancements:

i. Annual regular resources programming base levels for 2014-2017 as follows:

\$540 million per year for 2014-2015; and

\$600 million per year for 2016-2017;

ii. The adjustment of the resource allocation levels for the lines in the programmatic component of the integrated budget as outlined in table 2 in [DP/2013/41](#); and

iii. Recalling the protection measures endorsed by the Executive Board in decision 2013/4 with respect to TRAC-1 and programme support to resident coordination activities, additional protection measures to shield resource allocations with respect to TRAC-3, Human Development Report Office (HDRO), and South-South Cooperation Programme from the impact of annual regular resources programming base levels potentially falling below \$540 million and that further shielding for those items be subject to the provisions in 9 (d);

(c) *Decides* that, except for the changes authorized in the preceding paragraph, all other legislative provisions of the programmatic components of the integrated budget as previously legislated through the programming arrangements remain unchanged;

8. With respect to the institutional components of the integrated budget:

(a) *Approves* an appropriation from regular resources for the institutional component of the integrated budget, 2014-2017, of \$1,510.4 million, noting that \$788.3 million is earmarked for 2014-2015 and \$722.1 million is earmarked for 2016-2017, taking into account the gradual phase-out of the transitional measures discussed in [DP/2013/41](#);

(b) *Notes* the need to maintain adequate resource levels of the Office of Audit and Investigation, the Ethics Office, and the Evaluation Office, and requests

that budget allocations to them based on their workplans that are approved by or submitted for information to the Executive Board be presented as distinct line items;

(c) *Agrees* that in case adjustments are required due to major changes in the overall financial framework, an appropriate review with respect to the institutional component of the integrated budget for the 2016-2017 period will be undertaken at the second regular session 2015;

(d) *Decides*, in continuation of the existing arrangements, to grant the Administrator with exceptional authority, during 2014-2017, in addition to the provisions of paragraph 8 (a) above, to access up to \$30 million in regular resources for security measures; and *decides* that UNDP will limit the use of those funds to new and emerging security mandates, as defined in United Nations Department of Safety and Security (UNDSS) directives, and will report to the Executive Board on the use of those funds in its annual review of the financial situation; and, in this regard, *requests* UNDP to provide additional information to the Executive Board at its first regular session 2014 through a document clarifying:

- i. the rationale for the amount reserved;
- ii. situations under which it would be utilized;
- iii. new and emerging security mandates, as defined in the UNDSS directives, and UNDP's role in this regard; and
- iv. the timeline for review of the amount committed under this provision;

9. *Requests* the Administrator to:

(a) *Report* expenditure against the integrated budget and addendum, including the explanation for proposed changes in the allocation of resources;

(b) *Submit* to the Executive Board for review annually at its second regular session an updated integrated resource plan and its distinct line-item allocations, following review of the financial projections on which the plan is based;

(c) *Ensure* that the midterm review of the integrated budget in conjunction with the strategic plan further assesses performance against these institutional and programme components;

(d) *Present* a cumulative review at the annual session in 2017 with a view to contribute to the Executive Board's considerations of future resource allocations;

(e) *Submit* to the Executive Board, in conjunction with the midterm review of the integrated budget, information on the actual implementation of the revised cost-recovery methodology, together with any related recommendations, at the annual session of 2016, as requested by the Executive Board in decision 2013/9, and also to include in the midterm review an assessment of ways to enhance results-based budgeting;

(f) *Present* information on resources allocated to posts by location to the Executive Board annually on a post facto basis; when the structural review of UNDP is completed;

(g) *Take into account* the recommendations provided in the Report of the ACABQ with regard to the implementation of the integrated budget 2014-2017 and the preparation of the midterm review.

13 September 2013

2013/29

Annual review of the financial situation, 2012

The Executive Board

1. *Takes note* of documents [DP/2013/43](#) and [DP/2013/43/Add.1](#);
2. *Notes with concern* the decrease in regular resources and their importance in allowing UNDP to plan ahead, be strategic and responsive, and provide predictable, differentiated services across programme countries, particularly the poorest and most vulnerable;
3. *Notes* the important need to enhance the quality and predictability of other resource contributions, which comprise an important complement to the regular resource base;
4. *Urges* Member States to commit, as early as possible, contributions to UNDP regular resources for 2013 and onwards, if possible through multi-year pledges;
5. *Recalls* the importance of funding predictability and timeliness of payments to avoid liquidity constraints in regular resources.

12 September 2013

2013/30

Funding of differentiated physical presence

The Executive Board

1. *Recalls and reaffirms* the principle of universality that should guide the operational activities for development of the United Nations system;
2. *Recalls* its decisions 2012/1, 2012/28 and 2013/4 on the UNDP programming arrangements;
3. *Endorses* document [DP/2013/45](#) on funding of differentiated physical presence;
4. *Decides* that UNDP's regular resources funding of physical presence in middle-income countries with gross national income per capita above \$6,660, premised on a country programme of at least \$12 million during 2014-2017, will consist of full funding of the United Nations Resident Coordinator/UNDP Resident Representative, including minimal office capacities to carry out key leadership and coordination functions, as well as 25 per cent of requisite critical cross-cutting capacities as referred to in paragraph 16, table 3 of document [DP/2013/45](#);
5. *Decides* to retain the current policy for full funding of the United Nations Resident Coordinator/UNDP Resident Representative position and appropriate office capacities for the resident coordinator in net contributor countries, premised on a country programme of at least \$12 million during 2014-2017;
6. *Reaffirms* the necessity for all programme countries to meet their obligations with respect to government local office costs (GLOC); and in this regard requests UNDP, in relation to paragraph 19 of document [DP/2013/45](#), to propose in close consultation with the affected programme countries, mechanisms to resolve issues of outstanding GLOC debts, taking into consideration: (i) the negotiation of a GLOC debt repayment schedule; (ii) the adoption of a reasonable time frame before

reviewing the funding of physical presence, and report on the status of all outstanding GLOC debts to the Executive Board at its second regular session.

13 September 2013

2013/31

UNFPA strategic plan, 2014-2017

The Executive Board

1. *Notes with appreciation* the consultative process undertaken by UNFPA in developing the strategic plan, 2014-2017 (DP/FPA/2013/12);
2. *Endorses* the strategic plan, 2014-2017, as contained in document DP/FPA/2013/12 and its accompanying documents, subject to the provisions of the present decision;
3. *Welcomes* the progress in linking resources to results;
4. *Takes note with appreciation* of the efforts by UNFPA to align its strategic plan, 2014-2017, with the mandates of the General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities of the United Nations development system;
5. *Requests* UNFPA to implement the strategic plan, taking into account the guidance provided by General Assembly resolution 67/226 and to continue to contribute to strengthening the accountability, effectiveness and coherence of the United Nations development system;
6. *Notes with appreciation* the inclusion of specific indicators for monitoring and reporting on the implementation of the quadrennial comprehensive policy review as part of a common approach of the funds and programmes;
7. In regards to paragraph 82 of the strategic plan and relevant paragraphs in the annexes, *decides* to adopt a differentiated approach to the floor of UNFPA contributions from regular resources to programme countries, as follows:
 - (a) for countries classified as low and lower-middle income, the floor is set at \$500,000;
 - (b) for countries classified as upper-middle or high income, the floor is set at \$300,000;
8. *Requests* UNFPA to replace the mechanism in paragraph 83 of the strategic plan and relevant paragraphs in the annexes, by UNFPA matching any optional contribution provided by countries classified as upper-middle or high income to their own programme activities on a one-to-one basis up to an amount of \$100,000 (which shall be in addition to the \$300,000 floor);
9. *Encourages* countries classified as upper-middle and high income to inform UNFPA of their optional contributions to the country programme by September of the preceding year to facilitate the matching of funds;
10. *Acknowledges* the important contributions that many programme countries make in support of their own country programmes and through South-South and triangular cooperation and *recognizes* the importance of mobilizing additional resources from all sources;

11. *Acknowledges* that specific allocations for programme activities at the country level are determined in country programme documents approved by the Executive Board;

12. *Endorses* the proposed approach for resource allocation as outlined in document [DP/FPA/2013/12](#), including the procedure for categorizing countries and the relative share of resources presented in the following table:

	Share, 2014-2015	Share, 2016-2017
Red	50-52%	59-63%
Orange	21-23%	20-22%
Yellow	10-12%	6-8%
Pink	15-17%	9-13%

13. *Acknowledges* that the distribution of resources to individual countries be made in a fair, transparent and flexible manner with due account to their needs and in line with the UNFPA mandate and *requests* UNFPA to report to the Executive Board on the actual distribution of resources as part of regular annual reporting;

14. *Recommends* that the model of differentiated engagement by setting as described in table 1 (“modes of engagement by setting”) of the strategic plan and in its annex 3 be implemented in a flexible manner, with due account to programme countries’ needs and in line with the UNFPA mandate;

15. *Requests* UNFPA to review the categorization of countries in light of updates in data as a part of the midterm review and to reassess the classification of a particular country in the event that it informs UNFPA of a potential error;

16. *Recognizes* the role of global and regional interventions in the achievement of the outcomes of the strategic plan and *notes* the approach for financing global and regional interventions as detailed in annex 4 to the strategic plan and DP/FPA/2013/CRP.1;

17. *Authorizes* \$275 million of the projected regular resources, as a ceiling for global and regional interventions in the 2014-2017 period, which cannot be exceeded without the approval of the Executive Board;

18. *Requests* UNFPA to submit to the Executive Board for discussion at the first regular session of 2014 and for approval at the annual session of 2014 a strategic framework for global and regional interventions for the period 2014-2017, which is based on the organization-wide integrated results framework and includes projected resources per outcome disaggregated at global and regional levels;

19. *Requests* UNFPA to report on the implementation of and funds spent on global and regional interventions against the strategic framework in an annex to the annual reports of the Executive Director;

20. *Requests* UNFPA to finalize a unified funding architecture by the end of 2017 as outlined in the strategic plan and in DP/FPA/2013/CRP.1, and *encourages* UNFPA to consult with other funds and programmes in doing so;

21. *Requests* the Executive Director to present a midterm review of the UNFPA strategic plan, 2014-2017 to the Executive Board at its annual session of 2016; and, in this regard, take into consideration the results of the discussions of the discussions of the United Nations post-2015 development agenda as well as the review of the International Conference on Population and Development.

12 September 2013

2013/32

UNFPA integrated budget estimates, 2014-2017

The Executive Board

1. *Welcomes* the UNFPA integrated budget, 2014-2017, in response to decision 2009/26 to present a single, integrated budget that includes all budgetary categories to complement the strategic plan, 2014-2017;
2. *Welcomes* the improved results focus and enhanced linkages with the strategic plan results and harmonized methodology and presentation, including cost classification, attribution and recovery;
3. *Takes note* of the results and resource requirements in the UNFPA integrated budget estimates, 2014-2017, including linkages of results and resources, as contained in document [DP/FPA/2013/14](#);
4. *Takes note* of the decision on the UNFPA strategic plan, 2014-2017, adopted at its second regular session 2013 and the budget-relevant provisions therein;
5. *Approves* the presentation of activities and associated costs reflected in document [DP/FPA/2013/14](#);
6. *Approves* gross resources in the amount of \$664.1 million representing 2014-2017 estimates for the institutional budget and *notes* that these estimates include an amount of \$166.7 million for cost recovery from other resources;
7. *Approves* an annual allocation of \$5 million of regular resources for the emergency fund;
8. *Resolves* that the appropriated amounts should be used to achieve the results of the strategic plan that are linked to these resources;
9. *Endorses* the proposal of the Executive Director, similar to that of decision 2008/6 and decision 2012/3, to grant him exceptional authority during 2014-2017 to access up to an additional \$5.8 million in regular resources for security measures, and *decides* that UNFPA will limit the use of those funds to new and emerging security mandates, as defined by the directives of the United Nations Department of Safety and Security, and will report to the Executive Board on the use of those funds in its annual review of the financial situation;
10. *Notes* the separate budget line and increased allocation for the Evaluation Office, in line with the new evaluation policy approved by the Executive Board in its decision 2013/21;
11. Further *notes* the separate budget line and the increased allocation to the Division for Oversight Services, in line with decision 2013/24;

12. *Notes with concern* the projected level of regular resources and *urges* donor countries and other countries in a position to do so, to increase their regular resources contributions to UNFPA, and *requests* UNFPA to submit proposals on measures to be taken to increase regular resources in its report on funding commitments;

13. *Requests* the Executive Director to:

(a) *provide* actual financial information in the format of the integrated resource plan and to assess performance against the integrated budget in the annual reporting to the Executive Board;

(b) *submit* to the Executive Board annually at its second regular session an updated integrated resource plan, following review of the financial projections;

(c) *submit* to the Executive Board, in conjunction with the midterm review of the integrated budget, information on the actual implementation of the revised cost-recovery methodology, together with any related recommendations, at the annual session of 2016, as requested by the Executive Board in its decision 2013/9, and also to include in the midterm review an assessment of ways to enhance results-based budgeting;

(d) *take into account* the recommendations provided in the Report of the Advisory Committee on Administrative and Budgetary Questions with regard to the implementation of the integrated budget, 2014-2017, and in the preparation of the midterm review.

12 September 2013

2013/33

UNOPS budget estimates for the biennium 2014-2015

The Executive Board

1. *Approves* the net revenue target;
2. *Endorses* the two-year aspiration of UNOPS with respect to its management results and the targeting of resources to pursue operational excellence;
3. *Approves* the change of the minimum requirement for the operational reserve of UNOPS to be set at four months of the average of the previous three years' expense under its management budget.

12 September 2013

2013/34

UNDP and UNFPA draft country programme documents for Kenya

The Executive Board

1. *Recalls* its decisions 2001/11 and 2006/36 on the country programme approval process;
2. *Notes* the request by Kenya to present, on an exceptional basis, the UNDP and UNFPA draft country programme documents to the first regular session 2014;
3. *Decides* to review, on an exceptional basis, the UNDP and UNFPA draft country programme documents for Kenya at the first regular session 2014;

4. *Also decides* that the revised UNDP and UNFPA country programme documents will be posted on the websites of the organizations no later than six weeks after the discussion, and that the country programme documents will be approved by the Executive Board on a no-objection basis, without presentation or discussion, at its annual session 2014, unless at least five members have informed the Secretariat in writing before the session of their wish to bring the country programme documents before the Executive Board.

12 September 2013

2013/35

Reports on procurement

The Executive Board

1. *Takes note* of the 2012 Annual Statistical Report on United Nations Procurement and the procurement activities of the United Nations system 2012;
2. *Welcomes* the increase in participation from United Nations entities in providing the information necessary to compile the Annual Statistical Report on United Nations Procurement;
3. *Appreciates* the transparency under which the report is made available to the public by UNOPS through the International Aid Transparency Initiative (IATI) on data transparency;
4. *Acknowledges* the value of the annual thematic supplements and their importance in contributing to the professionalism of the procurement profession;
5. *Recalls* its decision 2012/25 and in this regard also takes note of the report on UNDP, UNFPA and UNOPS joint procurement activities;
6. *Acknowledges* that progress has been made on joint procurement initiatives;
7. *Encourages* UNDP, UNFPA and UNOPS, and invites other United Nations entities to continue and intensify their collaborative efforts for joint procurement and address the barriers to greater procurement cooperation to achieve savings and value;
8. *Invites* UNDP, UNFPA, UNOPS and other United Nations entities to start closer collaboration on procurement planning and forecasting to enable aggregating demand to better influence markets, achieve economies of scale and drive better value;
9. *Recognizes* the need for better reporting on joint procurement, and in this regard requests future Annual Statistical Reports on United Nations Procurement to include details of joint procurement such as items, volumes and values.

12 September 2013

2013/36

Overview of decisions adopted by the Executive Board at its second regular session 2013

The Executive Board

Recalls that during its second regular session 2013, it:

Item 1

Organizational matters

Approved the agenda and workplan for its second regular session 2013 (DP/2013/L.3) and its corrigendum (DP/2013/L.3/Corr.1);

Approved the report of the annual session 2013 (DP/2013/38);

Agreed to the following schedule of future sessions of the Executive Board in 2014:

First regular session 2014:	27 to 31 January 2014
Annual session 2014:	23 June to 4 July 2014 (Geneva)
Second regular session 2014:	2 to 5 September 2014

Approved the draft annual workplan of the Executive Board for 2014 (DP/2013/CRP.2) and adopted the tentative workplan for the first regular session 2014.

UNDP segment

Item 2

UNDP strategic plan, 2014-2017

Adopted decision 2013/27 on the UNDP strategic plan, 2014-2017, as presented in document DP/2013/40.

Item 3

UNDP financial, budgetary and administrative matters

Adopted decision 2013/28 on the UNDP integrated budget, 2014-2017, as presented in document DP/2013/41;

Adopted decision 2013/29 on the annual review of the financial situation, 2012, as presented in documents DP/2013/43 and DP/2013/43/Add.1;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the UNDP integrated budget, 2014-2017 (DP/2013/42).

Item 4

Country programmes and related matters

Approved the following country programme documents on a no-objection basis, without presentation or discussion, in accordance with decisions 2001/11 and 2006/36:

Africa: Benin, Burundi, Republic of the Congo, Niger, Nigeria, Togo

Asia and the Pacific: Bhutan (common country programme)

Latin America and the Caribbean: Cuba

Adopted decision 2013/34 on the UNDP and UNFPA draft country programme documents for Kenya;

Approved the exceptional third-year extension of the country programme for the Syrian Arab Republic;

Took note of the first one-year extension of the country programme for Timor-Leste;

Commented on the draft country programme documents for Namibia and Mexico.

**Item 5
Evaluation**

Took note of the oral presentation on proposed topics for the thematic evaluations of the programme of work of the UNDP Evaluation Office in line with decision 2013/15.

**Item 6
Programming arrangements**

Adopted decision 2013/30 on the funding of differentiated physical presence as presented in document [DP/2013/45](#).

UNFPA segment

**Item 7
UNFPA strategic plan, 2014-2017**

Adopted decision 2013/31 on the report of the Executive Director: The UNFPA strategic plan, 2014-2017 ([DP/FPA/2013/12](#)).

**Item 8
Financial, budgetary and administrative matters**

Adopted decision 2013/32 on the UNFPA integrated budget estimates, 2014-2017 ([DP/FPA/2013/14](#));

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the UNFPA integrated budget estimates, 2014-2017 ([DP/FPA/2013/15](#)).

**Item 12
Country programmes and related matters (UNFPA)**

Approved the following final country programme documents:

Africa: Benin, Niger, Nigeria, Republic of the Congo, Togo

Asia and the Pacific: Bhutan (common country programme)

Latin America and the Caribbean: Cuba

Adopted decision 2013/34 on the UNDP and UNFPA draft country programme documents for Kenya;

Took note of the first one-year programme extension for the State of Palestine ([DP/FPA/2013/17](#));

Took note of the following draft country programme documents and the comments made thereon:

Africa

Draft country programme document for Namibia ([DP/FPA/DCP/NAM/5](#))

Latin America and the Caribbean

Draft country programme document for Mexico ([DP/FPA/DCP/MEX/6](#)).

UNOPS segment

Item 9

UNOPS budget estimates for the biennium 2014-2015

Adopted decision 2013/33 on the UNOPS budget estimates for the biennium 2014-2015 in line with [DP/OPS/2013/6](#).

Joint segment

Item 10

Financial, budgetary and administrative matters

Adopted decision 2013/35 on the report of UNDP, UNFPA and UNOPS on joint procurement activities (DP-FPA-OPS/2013/1).

Item 11

Follow-up to UNAIDS Programme Coordinating Board meeting

Took note of the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS ([DP/2013/46-DP/FPA/2013/16](#)).

Item 13

Other matters

Took note of the address of the Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff Council and the respective management comments of the three organizations (UNDP, UNFPA and UNOPS).

Held the following informal briefings and consultations:

UNDP

Informal consultation on the progress preparation process for the next gender equality strategy, 2014-2017.

UNFPA

Informal consultation on the UNFPA transitional biennial budgeted evaluation plan, 2014-2015.

UNOPS

Informal consultation on UNOPS biennial budget estimates for 2014-2015.

13 September 2013

Annex II

Membership of the Executive Board in 2013

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

African States: Angola (2015), the Republic of the Congo (2015), Djibouti (2013), Ethiopia (2015), Lesotho (2015), Liberia (2014), Morocco (2014), Niger (2015).

Asian and Pacific States: Bangladesh (2013), China (2013), Fiji (2015), Indonesia (2014), the Islamic Republic of Iran (2015), Pakistan (2015), Republic of Korea (2014).

Latin American and Caribbean States: Argentina (2013), Brazil (2014), El Salvador (2013), Guatemala (2015), Nicaragua (2014).

Eastern European States: Belarus (2013), Bulgaria (2015), Czech Republic (2013), Russian Federation (2014).

Western European and other States (WEOG)*: France, Germany, Ireland, Japan, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, United Kingdom, United States.

* WEOG has its own rotation schedule, which varies every year.

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