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UNITED NATIONS POPULATION FUND

Integrated budget estimates, 2014-2017

Summary

The Executive Director, UNFPA, is pleased to submit the proposed integrated budget estimates for 2014-2017, concerning the resources that contribute to achieving the Fund's integrated results framework. The integrated budget should be considered in conjunction with the strategic plan,2014-2017 (DP/FPA/2013/12).

The budget proposal's development was guided by the following principles: (a) alignment with the priorities of the strategic plan, including the emerging business model on how UNFPA will operate; (b) alignment with Executive Board decisions and mandates; (c) deployment of a larger share of available resources to programmes; and (d) identification of efficiencies, savings and value for money.

Income projections in the proposal are based on indications from donors, actual trends and other financial analyses. Investments are proposed within the integrated budget to ensure that the Fund's capacity remains commensurate with the results expected of a growing organization. These strategic investments are predominantly field-focused and have been contained within the budget proposal through realignments of costs, efficiencies and savings. In accordance with General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, the investments reflect continuing emphasis on common premises and shared services in headquarters and the field.

For 2014-2017, UNFPA proposes to allocate 87.8 per cent of total available resources to development activities, compared with 85.4 per cent in 2010-2013. Resources available for programmes will increase from 81.8 per cent in 2010-2013 to 84.3 per cent in 2014-2017.

UNFPA estimates that $3,571.2 million will be available for programmes in 2014-2017, compared with $2,647.2 million in 2010-2013, an increase of $924 million or 34.9 per cent. The institutional budget component of the integrated budget, which is presented for the Executive Board appropriation, is proposed at $664.1 million. As a relative share of the total use of resources, the institutional budget is decreasing from 18.2 per cent to 15.7 per cent.

UNFPA will present the integrated budget proposal to the Advisory Committee on Administrative and Budgetary Questions. The Committee's report will appear in document DP/FPA/2013/15.

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Contents

I. The integrated budget: strategic and financial context

1. The concept of an integrated budget was formally introduced by the Executive Boards of UNDP/UNFPA[1] and the United Nations Children's Fund (UNICEF) as part of decisions on the 2010-2011 biennial support budgets, whereby the organizations were requested to develop a "single, integrated budget for each organization, beginning in 2014" (decision 2009/26, paragraph 16).

2. A road map for the integrated budget was developed in the joint note of UNDP, UNFPA and UNICEF, dated 15 December 2009, submitted to the Executive Board at its first regular session of 2010 (decision 2010/2). The present integrated budget proposal was developed on the basis of the following elements, which were included in the road map: revision and harmonization of the classification of activities and associated costs (approved in 2010); the development of a harmonized results-based budgeting framework for management results (approved in 2011); a review of the cost-recovery methodology and rate, and a mock integrated budget (both approved in January 2013).

3. The driving force behind the call for an integrated budget was the Executive Boards' desire to consider a funding proposal that encompassed all the cost categories and results of the organization within a single, integrated framework, in contrast to the former practice of submitting an institutional budget proposal that did not link results and resources to costs classified as "programme".

4. The present budget proposal comprises the resources contributing to achieve the UNFPA integrated results framework (IRF) and is an integral part of the organization's strategic plan.

5. The integrated budget resource projections cover a four-year period, coinciding with the duration of the strategic plan, unlike the institutional budget and previous support budgets, which were prepared for two years. To provide a meaningful comparison for the integrated budget estimates, financial estimates for 2010-2013 are used as a basis. In line with Executive Board decision 2012/27, the integrated budget will be reviewed together with the midterm review of the strategic plan. This will also provide an opportunity for further realignments with the emerging business model.

[1] As of January 2011, the name changed to the Executive Board of UNDP, UNFPA and UNOPS.

A. Strategic framework

6. The UNFPA strategic plan, 2014-2017 (DP/FPA/2013/12), sets out a vision for changes in the lives of women, adolescents and youth that UNFPA seeks to bring about in the next four years, including the substantive focus of the organization, the IRF, the emerging business model and the funding arrangements needed for the organization to achieve its desired impact. It reaffirms the strategic direction of the midterm review of the 2008-2013 strategic plan (DP/FPA/2011/1), as represented by the “bullseye”, and presents a set of organizational changes that support its attainment.

7. As described in the strategic plan, key trends with significant implications for UNFPA during 2014-2017 include that approximately 800 women would die every day from childbirth and complications of pregnancy and that more than 220 million women would have unmet needs for modern contraception. Gender inequality remains one of the most pronounced forms of inequity, with the female half of the world’s population owning only 1 per cent of the world’s wealth. Also, fragile contexts have generally seen much less progress than other areas. Core tenets of the Programme of Action of the International Conference on Population and Development (ICPD) are still under threat from a well-funded opposition that is unrelenting in its challenge to reproductive rights and gender equality. Although official development assistance has stagnated, emerging powers are an important new source of financing for development. Meanwhile, public sources of financing are dwarfed by private flows to developing countries, whether through investments, migrants’ remittances or philanthropy. Population dynamics are shifting and new technologies are creating innovative ways to improve the lives of people.

8. These trends affect the selection of UNFPA development outcomes and organizational effectiveness outputs as well as the new resource investment choices of the organization.

9. The IRF comprises four development outcomes and three organizational effectiveness and efficiency outputs for UNFPA. The integrated budget is the financial plan to enable the organization to deliver on all of these results.

10. The four development outcomes are as follows:

(a) Outcome 1: Increased availability and use of integrated sexual and reproductive health services (including family planning, maternal health and HIV) that meet human rights standards for quality of care and equity in access;

(b) Outcome 2: Increased priority on adolescents, especially on very young adolescent girls, in national development policies and programmes, particularly increased availability of comprehensive sexuality education and sexual and reproductive health;

(c) Outcome 3: Advanced gender equality, women's and girls' empowerment, and reproductive rights, including for the most vulnerable and marginalized women, adolescents and youth;

(d) Outcome 4: Strengthened national policies and international development agendas through the integration of evidence-based analysis of population dynamics and their links to sustainable development, sexual and reproductive health and reproductive rights, HIV and gender equality.

11. The three outputs of organizational effectiveness and efficiency outputs are as follows:

(a) Output 1: Enhanced programme effectiveness by improving quality assurance, monitoring and evaluation;

(b) Output 2: Improved mobilization, management and alignment of resources through an increased focus on value for money and systematic risk management;

(c) Output 3: Increased adaptability through innovation, partnership and communications.

12. The results and resources framework in the integrated budget links these results and the resources allocated to achieve them. For the first time, the link between results and resources is provided for both development results and organizational effectiveness and efficiency results within an integrated framework.

B. Financial framework

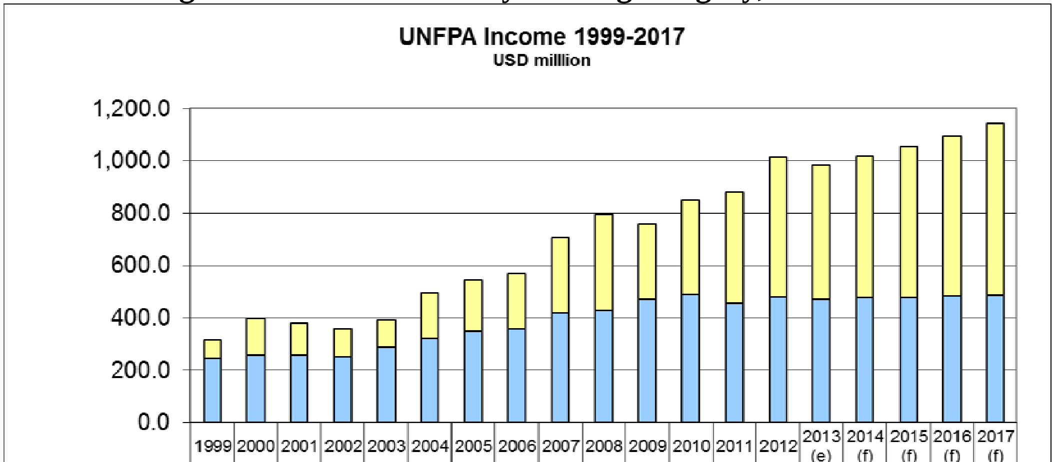
13. The UNFPA donor base is one of highest among the United Nations development system's funds and programmes. Overall revenue, consisting of regular and other contributions, has continued to grow. Also, for the first time in the Fund's history, in 2012 UNFPA received a higher proportion of other resources contributions over regular resources contributions (42 per cent in 2010, 49 per cent in 2011 and 55 per cent in 2012).

14. This trend is not unique to UNFPA, as other organizations are also increasingly moving towards earmarked funding. The share of other resources is projected to increase significantly during 2014-2017; regular resources are also projected to grow, albeit at a lower rate. Thus, resources for 2014-2017 are

projected to be significantly higher than in previous periods, with a marked shift towards other resources contributions.

15. Total revenue for 2010-2013 is projected to be significantly higher than was initially estimated. At the time of the budget preparations, 2010-2013 revenue was estimated to be $3,118.8 million; it is now projected at about $3,779.7 million. Projections for 2014-2017 are based on these actual trends: for the planning period, revenue is projected at $4,346.7 million, consisting of $1,964.6 million in regular resources (which includes $42.9 million from interest and miscellaneous income), and $2,382.2 million in other resources.

Figure 1: Contributions by funding category, 1999-2017



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 (e)	2014 (f)	2015 (f)	2016 (f)	2017 (f)
Other Resources	72	143	124	110	104	171	194	210	286	366	290	359	424	535	516	542	573	611	656
Regular Resources	245	257	258	250	289	323	351	361	419	429	469	488	455	481	469	476	478	482	486

Source: For 1999-2012, annual financial statements; for 2013, estimate (e); for 2014-2017, forecast (f).
Note: Figures for regular resources contributions exclude interest income; for 2010-2013 they reflect adjustments of refunds to staff for income tax levied by a Member State.

16. The estimated total revenue for 2014-2017 is based on indications from donors and a financial model with probabilities assigned to a set of scenarios for both regular and other resources. UNFPA will continue to engage Member States and other partners to increase regular resources, the bedrock of the operational activities for development as underscored in General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR). It will also continue to work with the donor community, strengthening partnerships with middle-income countries and working with emerging donors to widen resource mobilization for the ICPD agenda.

II. Proposed integrated budget, 2014-2017

A. Integrated resource overview

17. The integrated budget covers the projected use of resources for development outcomes and organizational effectiveness and efficiency outputs in 2014-2017, including regular and other resources. For all funding sources, programme design is aligned with the strategic plan. However, allocation mechanisms differ: for other resources, allocation is done in close cooperation with respective donors and stakeholders; for regular resources, allocation mechanisms vary, as follows.

Country programmes

18. The largest share of UNFPA resources will be spent through country programmes, for the attainment of four development outcomes. These resources will continue to be allocated through the resource allocation system (RAS). The strategic plan includes an overview of the RAS and its alignment with the strategic direction of the organization – the bullseye – and the emerging business model.

19. The indicators that determine resource allocations through the RAS have been reviewed and streamlined as part of the strategic plan to ensure they are in line with the bullseye and support the achievement of the results set out in the IRF. A system of relative weights of RAS indicators has been proposed, grouping countries according to the modalities of engagement identified as part of the emerging business model.

20. As a result, countries are grouped into quadrants, aligned with the modes of engagement, and their corresponding resource-intensity levels. The strategic plan annex contains a list of countries by quadrant.

Modes of engagement by setting

	Need			
Ability to finance	**Highest**	**High**	**Medium**	**Low**
Low	A/P, KM, CD, SD	A/P, KM, CD, SD	A/P, KM, CD	A/P, KM
Lower-middle	A/P, KM, CD, SD	A/P, KM, CD	A/P, KM	A/P
Upper-middle	A/P, KM, CD	A/P, KM	A/P	A/P*
High	A/P*	A/P*	A/P*	A/P*

A/P = Advocacy and policy dialogue/advice
KM = Knowledge management
CD = Capacity development
SD = Service delivery
* Physical presence only in select countries.

21. Given the voluntary nature of the organization's funding and the characteristics of country programmes in terms of national ownership, aggregate resources assigned to country programmes are indicative. A resource framework for country programmes will continue to be submitted to the Executive Board for approval.

Global and regional programme

22. A proportion of the available regular resources will be allocated for the global and regional programme. Details regarding the global and regional programme, including the allocation for 2014-2017, will be provided separately in the context of the submission of the strategic plan.

Other programme funds

23. To strengthen and facilitate rapid and robust responses to humanitarian crises, UNFPA proposes to increase the existing emergency fund from $3 million to $5 million annually. This fund is not intended to become the primary vehicle to finance the humanitarian response, but it plays an important role in providing catalytic funding, which often increases capacity to generate additional resources.

24. Other programme funds include the Executive Director's discretionary fund to address emerging issues impacting programme delivery, up to a maximum of $1 million a year, allocated through the regular resource distribution mechanism.

Institutional budget

25. In addition to the programme resources discussed above, the integrated resource plan includes the cost categories that correspond to the institutional budget, namely: development effectiveness, management (recurring and non-recurring), special purpose and United Nations development coordination. These elements are approved by the Executive Board as a nominal appropriation.

B. Integrated resource plan

26. Table 1 shows the 2014-2017 integrated resource plan for all cost categories, including for regular resources and for other resources. The figures presented in table 1 and in all other tables are rounded to the closest decimal and thus may not add up to the decimal point.

Table 1: Integrated resource plan, 2014-2017 (in millions of dollars)

1. Resources available	2010-2013					2014-2017				
	Regular resources	Other resources		Total resources	% of total	Regular resources	Other resources		Total resources	% of total
		Programme	Cost recovery				Programme	Cost recovery		
Opening balance [a]	51.7	278.4		330.1		28.9	185.4		214.3	
Income										
Contribution	1,939.0	1,130.0		3,069.0		1,921.7	2,382.2		4,303.9	
Other [b]	49.8			49.8		42.9			42.9	
Total Income	1,988.8	1,130.0	-	3,118.8	-	1,964.6	2,382.2	-	4,346.7	
Less: tax reimbursements [c]						(19.7)			(19.7)	
Total available	2,040.5	1,408.4	-	3,448.9	-	1,973.8	2,567.6	-	4,541.3	
2. Use of resources										
A. Development activities										
A.1 Programmes [d]	1,509.8	1,223.0	(85.6)	2,647.2	81.8%	1,427.1	2,310.8	(166.7)	3,571.2	84.3%
A.2 Development effectiveness	98.3		18.1	116.4	3.6%	149.3			149.3	3.5%
Total Development	1,608.1	1,223.0	(67.5)	2,763.6	85.4%	1,576.4	2,310.8	(166.7)	3,720.5	87.8%
B. United Nations development coordination					0.0%	8.6			8.6	0.2%
C. Management activities										
C.1 Recurring costs	382.0		67.5	449.5	13.9%	329.4		157.7	487.1	11.5%
C.2 Non-recurring costs	15.6	-	-	15.6	0.5%	10.2		9.0	19.1	0.5%
Total management	397.6	-	67.5	465.1	14.4%	339.5		166.7	506.2	12.0%
D. Special purpose										
D.1 Capital investments	5.9			5.9	0.2%					0.0%
Total use of resources (A+B+C+D)	2,011.6	1,223.0	-	3,234.6	100.0%	1,924.5	2,310.8	-	4,235.3	100.0%
3. Balance of resources (1-2) [e]	28.9	185.4	-	214.3	6.6%	49.3	256.8	-	306.0	7.2%
Summary institutional budget:										
A.2 Development effectiveness	98.3		18.1	116.4	3.6%	149.3			149.3	3.5%
B. UN Development Coordination						8.6			8.6	0.2%
C.1 Management recurring costs	382.0		67.5	449.5	13.9%	329.4		157.7	487.1	11.5%
C.2 Management non-recurring costs	15.6		-	15.6	0.5%	10.2		9.0	19.1	0.5%
D.1 Special purpose	5.9		-	5.9	0.2%	-		-	-	0.0%
Total	**501.8**		**85.6**	**587.4**	**18.2%**	**497.4**		**166.7**	**664.1**	**15.7%**

[a/] Opening balance for 2010-2013 has been revised as per financial statements for the 2008-2009 biennium.

[b/] Includes interest and miscellaneous income.

[c/] Adjustment for tax reimbursements to staff who are nationals of one Member State, different presentation from the 2010-2013 period in which a portion of this amount related to the institutional budget was included as part of resources available and reflected as a cost within the institutional budget projections. This minor adjustment must be considered when comparing financial figures for 2010-2013 and 2014-2017.

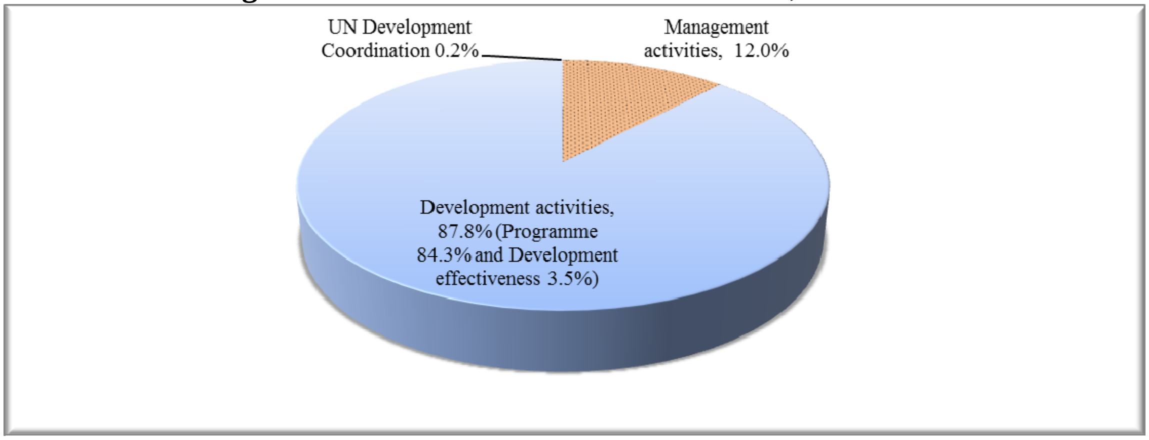
[d/] 'Other Resources - Programme' reflects total programme expenses as per financial statements; the cost recovery is offset to enable a comparison with the estimates in the budget document.

[e/] Includes the addition to the operational reserve.

Note: Figures in this table and in other tables in this document are rounded to the closest decimal; therefore, they may not add up.

27. The proposed use of resources from table 1 is illustrated in figure 2, which shows the proportion of resources devoted to development activities, management activities and United Nations development coordination activities. UNFPA continues to be committed to channelling the majority of its resources to development activities and to reducing the proportion of resources allocated to management activities. For 2014-2017, UNFPA will allocate 87.8 per cent of total available resources to development activities, compared with 85.4 per cent in 2010-2013. Resources available for programmes will increase from 81.8 per cent in 2010-2013 to 84.3 per cent in 2014-2017.

Figure 2: Allocation of available resources, 2014-2017



28. The institutional budget amounts to $664.1 million. This includes an additional $8.6 million of United Nations development coordination costs, not included in the 2010-2013 period, as well as other statutory increases absorbed within the budget and discussed in the sections below.

29. In line with the recent cost-recovery decision 2013/9, development effectiveness activities arising from the implementation of programmes and projects funded from other resources will be charged directly to those programmes and projects. Thus, development effectiveness costs arising from the projected growth in other resources that would have otherwise been included as part of the budget appropriation have instead been reflected as direct charges to the projects and shown under other resources programme.

30. Procurement services to third parties are administered separately from regular resources. Income generated from third-party procurement is offset by direct costs and operating expenses related to procurement services.

31. The proportionate share of institutional budget resources to the total use of resources is 15.7 per cent, down from 18.2 per cent in 2010-2013. The proportionate share of recurring management costs to the total use of resources is 11.5 per cent, down from 13.9 per cent in 2010-2013.

32. Total available resources for 2014-2017 have been adjusted by $19.7 million for tax reimbursements to staff who are nationals of one Member State. This is a different presentation from the 2010-2013 period, in which the portion of this amount related to the institutional budget was included as part of resources available and reflected as a cost within the institutional budget projections. This minor adjustment must be considered when comparing financial figures for 2010-2013 and 2014-2017.

33. As a changing organization, UNFPA needs a degree of flexibility to address emerging challenges that arise throughout the four-year budget period. UNFPA will engage with the Executive Board to jointly address this need.

C. Cost recovery

34. The 2014-2017 integrated budget proposal is in accordance with the recent Executive Board decision on cost recovery (2013/9), which approved a new methodology for the calculation of cost recovery and a new base rate of 8 per cent, with exceptions that included a preferential rate of 5 per cent for government cost sharing. The amount estimated for cost recovery from other resources for 2014-2017 is $166.7 million in management costs (both recurrent and non-recurrent).

35. The calculation of cost recovery for 2014-2017 is based on projections for various types of other resources income. Because cost recovery is earned on project expenditure, the income estimates were discounted with the projected implementation rate for other resources. For each type of other resource expenditure, the corresponding cost-recovery rate based on the Executive Board decision was applied, reflecting also the exceptions contained in the decision.

36. In addition to the above, the new cost-recovery rate was validated in the context of the 2014-2017 integrated resource plan. To conduct this analysis, the new methodology approved by the Executive Board in decision 2013/9 was applied to the projected 2014-2017 resources, yielding a cost-recovery rate in line with the harmonized framework.

37. As part of the new methodology, centrally managed costs that could be directly identified to programmes and projects are directly attributed in the integrated budget proposal, rather than funded through cost recovery. This will enable budget owners and donors to be better informed regarding the costs of projects, facilitating decision-making that is more conducive to generating efficiencies.

38. In addition, posts and other costs directly arising from the implementation of programmes and projects will be funded directly from other resources. Thus, development effectiveness costs arising from the projected growth in other resources that would have otherwise been included as part of the budget appropriation have instead been reflected as direct charges to the projects and are not part of the institutional budget appropriation.

39. Cost recovery arising from the implementation of projects funded from other resources is credited to the budget, which is approved by the Executive Board on a gross basis. In the event that actual cost recovery is higher than the

estimates included in the budget proposal, the additional amount is used to build capacity for project implementation, thereby ensuring that capacity remains commensurate with actual programme and project delivery. Any use of cost recovery in excess of budget estimates is reported in the annual audited financial statements.

40. The harmonized cost-recovery methodology applied in the integrated budget is grounded on the fundamental principle that regular resources should not subsidize other resources, as mandated by the recent General Assembly resolution 67/226 on QCPR. It is therefore critical that all direct costs arising from the implementation of other resources are included in the corresponding project budgets. UNFPA will continue to engage with donors to ensure abidance by this principle in the development and negotiation of project proposals.

D. Results and resources framework

41. The results and resources framework for the 2014-2017 period is presented in table 2. For the first time, the results and resources framework contains the full spectrum of results and resources, including for development activities and organizational efficiency and effectiveness activities.

42. The entry point of the results and resources framework is the four development outcomes and the three organizational effectiveness and efficiency outputs of the strategic plan. Thus, the IRF contained in the strategic plan is the single, overarching IRF for the organization and there are no budget-specific results and indicators.

43. The link between results and resources is, as in any conceptual framework, a simplified version of a complex reality. Accountability for the results in the IRF does not lie solely with the units or programmes whose resources are linked to those results. For example, for organizational effectiveness and efficiency outputs, while the full cost of each functional cluster is tied to one output, the accountability for achieving the outputs is shared across organizational units or functional clusters, as outputs reflect corporate priorities to which multiple units must contribute. Similarly, the achievement of development outcomes is the culmination of a concerted effort that involves various stakeholders. Accountability is key to the achievement of results, which is why the strategic plan clearly identifies the means through which the results framework will be reviewed, monitored and evaluated in 2014-2017.

44. Table 2 shows the high-level allocation of resources to results (allocations are indicative).

Table 2: Integrated results and resources framework, 2014-2017 (indicative) (in millions of dollars)

Outcome / Output	Cost Classification	Functional cluster	2014-2017 Regular resources	Other Resources	Cost Recovery	Total
Increased availability and use of integrated sexual and reproductive health services (including family planning, maternal health and HIV) that meet human rights standards for quality of care and equity in access	Programme		895.7	1,415.1	-	2,310.9
Increased priority on adolescents, especially on very young adolescent girls, in national development policies and programmes, particularly increased availability of comprehensive sexuality education and sexual and reproductive health	Programme		104.1	171.5	-	275.6
Advanced gender equality, women's and girls' empowerment, and reproductive rights, including for the most vulnerable and marginalized women, adolescents and youth	Programme		151.0	235.9	-	386.9
Strengthened national policies and international development agendas through integration of evidence-based analysis on population dynamics and their links to sustainable development, sexual and reproductive health and reproductive rights, HIV and gender equality	Programme		219.8	321.6	-	541.4
Enhanced programme effectiveness by improving quality assurance, monitoring, and evaluation	Programme		18.0	-	-	18.0
	Development effectiveness	Technical expertise for effective response to development challenges	13.2	-	-	13.2
		Programme planning, policy and management support	128.2	-	-	128.2
		Procurement and quality-assured supply base for reproductive health commodities	7.9	-	-	7.9
	Management	Corporate Evaluation	5.5	-	3.6	9.1
Total			**172.9**	**-**	**3.6**	**176.5**
Improved mobilization, management, and alignment of resources through an increased focus on value for money and systematic risk management	Management (recurrent costs)	Corporate oversight and assurance (internal audits and investigations)	14.4	-	9.1	23.5
		Corporate financial, information and communication technology and administrative management	41.6	-	30.1	71.7
		Field office oversight, management and operations support	205.2	-	79.2	284.4
		Staff and premises security	3.8	-	2.0	5.8
		Corporate human resources management	16.4	-	10.8	27.2
	Management (non-recurrent costs)		10.2	-	9.0	19.1
	Special purpose		-	-	-	-
Total			**291.6**	**-**	**140.1**	**431.7**
Increased adaptability through innovation, partnership, and communications	Programme		38.3	-	-	38.3
	Management (recurrent costs)	Leadership and corporate direction	16.1	-	6.9	23.0
		Corporate external relations and partnerships, communications and resource mobilization	26.2	-	16.1	42.3
	United Nations Development Coordination		8.6	-	-	8.6
Total			**89.3**	**-**	**23.0**	**112.3**
Total			**1,924.5**	**2,144.1**	**166.7**	**4,235.3**

Allocation of resources to development outcomes

45. The allocation of resources to the four development outcomes is submitted for the first time for the consideration of the Executive Board, as part of the present integrated budget proposal. The figures reflect the results that UNFPA seeks to achieve in 2014-2017. The details of this are captured in the strategic plan and the accompanying targets in the IRF, but a few elements are important to highlight.

46. First, the focus on the bullseye that is described in the strategic plan is reflected clearly in the allocation of resources. The largest share of the Fund's resources will be directed to improving the availability and use of integrated sexual and reproductive health services that meet human rights standards for quality of care and equity in access. Emphasis will be on increasing investments that support strengthening national capacity to deliver family planning services, such as through improving the supply of contraceptives and ensuring that health personnel are trained to deliver services that meet standards for quality of care and are free of coercion, discrimination and violence.

47. The organization will also continue to invest heavily in strengthening national capacity around maternal health, such as through supporting midwifery education, using emergency obstetric and newborn-care needs assessments, and establishing maternal death surveillance and response systems. UNFPA will also increase support to ensuring that the sexual and reproductive health needs of women, adolescents and youth are guaranteed even in the event of humanitarian crises.

48. The bullseye specifically focuses on two key target populations: women and adolescents and youth. Therefore, the organization will increase its investments in interventions that reach these groups. For example, a new initiative will be supported to reach marginalized adolescent girls at risk of child marriage. UNFPA is also financing efforts to build national capacity to deliver comprehensive sexuality education programmes that promote human rights and gender equality, working closely with UNICEF.

49. UNFPA will continue to invest in strengthening capacity to improve the quality of national policies by making better use of evidence-based analyses of population dynamics, such as by supporting censuses and other national household surveys.

50. Across all of these programmatic areas, UNFPA will shift its investment pattern over time to increase resources going to upstream areas such as advocacy and policy dialogue/advice, in line with the emerging business model.

51. The resource estimates reflect the different settings in which the organization works, based on the emerging business model. Countries in the red quadrant (see paragraph 20), which have the highest needs related to sexual and reproductive health, are projected to spend more of their programme resources on outcome 1, which focuses on sexual and reproductive health. Conversely, countries in the pink quadrant, which have lower sexual and reproductive health needs, are still estimated to spend a considerable fraction of their resources on outcome 1, but will spend proportionally more on outcomes 3 and particularly 4, because most of these countries are middle income and so have more significant needs relating to, for example, emerging population issues (outcome 4).

52. Based on this methodology, it is estimated that the four outcomes in the IRF will receive the following shares of programme resources:

(a) Outcome 1 (sexual and reproductive health and reproductive rights): 66 per cent;

(b) Outcome 2 (adolescents and youth): 8 per cent;

(c) Outcome 3 (gender equality and women's empowerment): 11 per cent;

(d) Outcome 4 (population dynamics and national policies/international agendas): 15 per cent.

53. Several important elements influence the interpretation of these numbers. First, the IRF has been designed as an integrated approach to deliver upon the bullseye, so the outcomes are not distinct but, rather, are interrelated. This particularly affects outcome 2, as resources directed at adolescents and youth are contained in each of the four outcomes, not solely in outcome 2. For example, the work that UNFPA does to support the delivery of sexual and reproductive health services for adolescents and youth is contained in outcome 1 (to reflect the integration of these services with broader sexual and reproductive health services), rather than outcome 2.

54. Secondly, the programme strategies for the different outcomes vary based both on the setting and on the nature of the work. For example, work on outcome 4 often takes the form of advocacy and policy dialogue/advice, whereas work on outcome 1, employs a full spectrum of strategies, ranging from advocacy and policy dialogue/advice to knowledge management, capacity development and, in some circumstances, service delivery.

55. Thirdly, these are global estimates rather than precise amounts that each country is expected to spend on each outcome. The amounts that each country

spends on each outcome will be determined by dialogue at the national level, and approved separately by the Executive Board. Therefore, the allocations of resources to development outcomes must be seen as indicative only.

56. Finally, these are not fully-costed estimates of what is necessary to achieve each outcome. The attainment of results at the outcome level involves the participation of many other actors – particularly national governments – besides UNFPA. The figures in table 2 represent estimates of the UNFPA contribution towards the achievement of these results, rather than the sum total necessary to reach the targets.

57. In addition to the figures listed above, the trends over time are important and will be monitored closely. Exact historical comparisons are difficult because the structure of the previous development results framework does not correspond exactly to the IRF. The general pattern is towards increased resources for outcomes 1 and 2, a shift that is expected to be phased in gradually over the course of 2014-2017. This is in line with the progressive approach outlined in the strategic plan for the implementation of the emerging business model and resource allocation system. The midterm review of the strategic plan and integrated budget provides an opportunity to assess the approach.

58. Another way to look at the shift of resources over time is by using the quadrants from the business model. Countries in the red quadrant have the highest needs and lowest abilities to finance their own responses, and so receive the largest share of resources. They will see this share increase over the course of 2014-2017, as per table 3.

Table 3: Resource allocation by quadrant

Quadrant	Share, 2014-2015	Share, 2016-2017
Red	51-53%	60-62%
Orange	20-22%	19-21%
Yellow	10-12%	6-8%
Pink	15-17%	11-13%

59. This shift is discussed further in the section of the strategic plan that addresses the resource allocation system.

Allocation of resources to organizational efficiency and effectiveness outputs

60. In terms of organizational effectiveness and efficiency outputs, the allocation of resources to results follows the harmonized methodology approved by the Executive Board in decision 2011/10. The three organizational effectiveness and efficiency outputs are linked to resources for seven management functional clusters (harmonized with UNDP, UNICEF and the United Nations

Entity for Gender Equality and the Empowerment of Women, UN-Women) and three development effectiveness functional clusters (which are UNFPA-specific).

61. Functional clusters are groupings of organizational units that carry out activities to deliver intended outputs. As such, they constitute the conceptual link between results and resources in the results-based budgeting framework approved by the Executive Board.

62. As discussed in the strategic plan, the IRF replaces the separation of previous development results and management results frameworks by consolidating results into a seamless results chain. Similarly, certain costs classified as programme are linked to organizational effectiveness and efficiency results, in support of development outcomes.

63. The share of programme resources that contributes to the organizational effectiveness and efficiency results reflects the fact that these are part of an IRF that brings together developmental and managerial results. These are primarily human resources at the global level that are responsible for programmatic activities that do not tie directly to any of the four development results outcomes. Rather, they relate to programme effectiveness, partnerships and advocacy activities. These costs are clearly identified under each organizational effectiveness and efficiency output in table 2.

Output 1: Enhanced programme effectiveness by improving quality assurance, monitoring and evaluation

64. Resources allocated to this output in 2014-2017 amount to $176.5 million ($18 million in programme, $149.3 million in development effectiveness and $9.1 million in management). Main areas of investment under this output in 2014-2017 include the following.

65. <u>Strengthening programme oversight and coordination in the field</u>. In country offices, this function is performed primarily by Deputy Representatives and Assistant Representatives and constitutes an important area of investment in this budget proposal. The profile of country offices was reviewed to ensure that capacity is commensurate with the complexity of programme delivery by aligning the level of this function with the demands of the modes of engagement identified through the emerging business model. By taking an across-the-board approach that encompasses all country offices, investments in offices with a high level of programme complexity are partially offset by realignments in offices with less complex programmatic challenges. Programme oversight and coordination capacity was also enhanced at the regional level, although on a smaller scale. The amount of $17.88 million, classified as development effectiveness, will be

invested in this function in 2014-2017, partially offset by realignments and savings of $9.31 million.

66. Strengthening independent evaluation, in line with the new evaluation policy. Another key element of this output is the focus on evaluation as a means of enhancing accountability, evidence-based decision-making and improved programme effectiveness through the capture of lessons learned, in line with the revised evaluation policy submitted to the Executive Board (DP/FPA/2013/5). Existing resources and evaluation expertise in UNFPA, supplemented by additional capacity and resources for corporate evaluations and quality assurance, will be leveraged for the establishment of an independent Evaluation Office that will report administratively to the Executive Director and directly to the Executive Board. The amount of $3.79 million, classified as management, will be invested in this function in 2014-2017.

67. In line with the revised evaluation policy, the Evaluation Office is responsible for selecting the evaluations to be undertaken by business units ("programme-level evaluations"). Article 14(e) proposes a number of selection criteria, including feasibility, which, in turn, requires an assessment of financial resources dedicated to programme-level evaluations. The Evaluation Branch estimates that the cost of country programme evaluations conducted at the decentralized level ranges from $70,000 to $100,000, depending on the country programme complexity and related volume of activities/budget (core and non-core resources). The evaluation policy proposes that country programmes are to be evaluated at least once every two programme cycles, instead of every cycle (article 13(a)).This will result in fewer country programme evaluations conducted at a decentralized level which, in turn, will allow the organization to focus on raising their quality. In accordance with this reduced coverage, it is anticipated that, during 2014-2017, approximately 50 per cent of country programmes will undergo an evaluation (80 country programme evaluations) for a total estimate of $6.8 to $7.5 million. These resources are included as part of country programme allocations.

68. Article 37 of the evaluation policy foresees that a first transitional budgeted biennial evaluation plan (2014-2015) will be presented by the Evaluation Office to the Executive Board at its second regular session 2013. The plan will include corporate evaluations to be conducted by the Evaluation Office and programme-level evaluations which are the responsibility of relevant business units, as well as their corresponding funding allocations.

69. Enhancing the distribution of quality-assured, cost-effective reproductive health commodities and medical supplies. UNFPA will continue to work towards achieving universal access to sexual and reproductive health (including family planning), by procuring and distributing quality-assured, cost-effective

commodities and medical supplies in a timely manner, as well as by performing capacity-building activities. In particular, UNFPA will draft and perform a liaison function for activities related to International Organization for Standardization standards for male and female condoms. This activity will be funded from programme.

70. Implementing the International Aid Transparency Initiative (IATI).The implementation of IATI is an important area of investment to enhance aid effectiveness in 2014-2017. UNFPA remains committed to implementing the aid transparency standards, including by strengthening information processes and systems and by institutionalizing IATI across the organization. This activity will be funded from programme.

71. Strengthening programme support, monitoring and coordination in headquarters. An amount of $1.38 million, classified as development effectiveness, will be invested in this function in 2014-2017, primarily to strengthen coordination and programme oversight and monitoring functions. Further investments, funded from programme, include the implementation of the global programming system, to address identified programmatic and operational shortfalls in terms of programme management information, and the strategic information system, to strengthen monitoring across the organization.

Output 2: Improved mobilization, management and alignment of resources through an increased focus on value for money and systematic risk management

72. Resources allocated to this output amount to $431.7 million in management (including recurring and non-recurring costs). Main areas of investment under this output in 2014-2017 include those listed below.

73. Strengthening leadership capacity in country offices. A key aspect of this output is to strategically position the UNFPA mandate and to mitigate risks by ensuring that the leadership function in country offices is aligned with the programmatic, political and operational complexities of the programme. Through a comprehensive approach to the review of all country offices, the representation function was strengthened in a financially prudent and budget-neutral manner, whereby investments in offices needing representational strengthening were largely offset by commensurate realignments and savings. An amount of $2.87 million, classified as management, will be invested in this function at the country-office level in 2014-2017, largely offset by realignments and savings of $2.81 million.

74. Strengthening administrative and financial oversight capacity in the field. The emerging business model aims at ensuring that field offices operating in

complex programme settings are appropriately resourced to address challenges and risks associated with such complexity. Thus, the operational complement of field offices was reviewed in light of the emerging business model's modes of engagement and its implications for the operationalization of programmes. While overall operational capacity in field offices will be strengthened in 2014-2017, significant realignments and efficiencies were also identified to mitigate the budgetary impact of the emerging business model. An amount of $12.76 million, classified as management, will be invested in this function in field offices, partially offset by realignments and savings of $9.31 million.

75. Strengthening strategic human resource capabilities in the field. The objective of this investment is to augment and place human resource management capabilities closer to line managers in the field. The next strategic plan, 2014-2017, will likely add to the demands for an agile, flexible, engaged and highly skilled workforce. Line managers are increasingly seeking engaged and programme-driven assistance for strategic repositioning, change management, capability enhancement and changes in staff profiles. Although many positive steps are being taken to enhance support to country offices, more support is needed. This will allow the UNFPA human resource function to contribute tangibly to the strategy and execution of priority projects and business plans. An amount of $4.06 million, classified as management, will be invested for this initiative.

76. Undertaking strategic initiatives in human resources services. Such initiatives would include establishing leadership pools to address succession and career development issues for core management and leadership positions; strengthening surge capacity rosters to allow UNFPA to react quickly in humanitarian crises; undertaking initiatives designed to take a longer term approach to succession planning and to ensure that UNFPA has the right talent in the new development landscape beyond ICPD+20 and post-2015; deploying resources for employer messaging and branding to attract the right talent to UNFPA; and strengthening the Fund's internal consulting capacity to drive the UNFPA change agenda. An amount of $4.66 million, classified as management, will be invested for these initiatives.

77. Strengthening the internal audit and investigation capacity. To fulfil the fiduciary oversight function for the organization and provide additional assurance to the Executive Director, and ultimately the Executive Board, on the governance, risk management and internal control processes in place, it is proposed to augment engagement teams for internal audits of high- and medium-risk country offices, of regional offices and of business processes. This would entail deploying teams of UNFPA internal auditors, supplemented by audit services, procured from outside audit firms, to bring additional capacity, local or specialized, knowledge as appropriate, for instance, in information technology. For low-risk field offices,

a continuous auditing and monitoring tool will be utilized. Further, to help address the growing investigation caseload and the investigation function's expanded mandate, its capacity will be augmented through the support of outside consultants when possible. A net amount of $2.61 million over the period 2014-2017, classified as management, will be invested for these initiatives.

78. Implementing an electronic content management system. To mitigate the risk of loss or misplacement of critical institutional information, the development, roll-out and implementation of an electronic content management system is being proposed. Such a project is necessarily multidimensional, involving applications development, policy writing, and the development of a phased roll-out plan, training, implementation, assessment, refinement and full operation. Amounts of $2.25 million, classified as management (non-recurring), and $0.85 million as management (recurring) will be invested for this initiative.

79. Increasing capacity in information technology. UNFPA will be investing in information technology to meet emerging business needs with commensurate capacity and skill levels. Specific areas where information technology capacity will be strengthened include: reporting to ensure that the organization produces robust data to monitor and assess programmes and operations; developing modules of the enterprise management system and other applications to support emerging organizational priorities; and providing infrastructure support to ensure reliable network operating systems hardware, software and related infrastructure. An amount of $4.04 million, classified as management, will be invested for these initiatives.

80. Strengthening financial and administrative oversight in headquarters. While significant progress has been made in terms of financial and administrative management, UNFPA will continue to ensure that processes and systems are strong and aligned with the organizational strategic vision, and that field offices continue to receive the required support, in line also with Executive Board decision 2012/3 on the 2012-2013 institutional budget, which required the organization to "further strengthen financial and administrative oversight at all levels". Investments in this area include a more field-focused approach to supporting country offices in financial oversight, an integrated resource management and planning function, and a value-for-money approach to administrative processes, such as travel services. An amount of $2.7 million, classified as management, will be invested for these initiatives.

81. Finally, in line with previous budget proposals, the Executive Director requests the Executive Board to grant him exceptional authority, similar to that in decision 2008/6 and 2012/3, to access up to $5.8 million in regular resources for security measures, in the event that unforeseen requirements arise in connection with United Nations-mandated security costs. UNFPA would limit the use of

those funds to new and emerging security mandates as defined through the United Nations Department of Safety and Security (UNDSS) directives. The amount of $5.8 million represents approximately 20 per cent of the three largest security cost components for 2014-2017, totalling $29.1 million as follows: $12.4 million estimated UNFPA-apportioned share of the costs of UNDSS; $8.7 million recurring insurance and security costs fund-wide; and $8 million for investments in fund-wide compliance with the minimum operating security standards and the minimum operating residential security standards.

Output 3: Increased adaptability through innovation, partnership and communications

82. Resources allocated to this output amount to $112.3 million ($38.3 million in programme and $73.9 million in management). The main areas of investment in 2014-2017 include the following.

83. Strengthening partnerships in support of the UNFPA mandate. UNFPA will continue to advocate for implementing the ICPD Programme of Action and strengthening partnerships with governments, non-governmental organizations and other stakeholders to advance its global agenda. A number of conferences and advocacy events are planned for 2014-2017, inter alia, the sixth and seventh international parliamentarians conference on the implementation of the ICPD Programme of Action (IPCI/ICPD). UNFPA will continue to work with partners to advocate to government officials, parliamentarians and the general public. This activity will be funded from programme.

84. Implementing the new communication strategy. The Fund's new communication strategy aims at raising the public profile of the organization and at maximizing public awareness concerning its mandate. Traditional and new media tools and channels will be leveraged to provide to the right audiences a content aligned with the UNFPA mission statement, institutional priorities, programmes and branding. In addition, UNFPA will work with public relations firms to develop and manage a partnership strategy to get highly influential voices to promote the ICPD agenda in strategically chosen countries and at the global level. An amount of $1.18 million, classified as management, will be invested for these initiatives.

85. Increasing the focus of high-level media coverage. Media efforts will be strategically implemented to increase the visibility of UNFPA in global, regional and national media. Leveraging the media to reflect the impact of UNFPA work will become increasingly critical to ensuring that UNFPA priority issues remain at the heart of the post-2015 development agenda. Key to all of this will be the design and ongoing refinement of sharp, compelling messages focusing on UNFPA priority areas, which will be made available for dissemination throughout

the organization to ensure that UNFPA speaks with one consistent, credible voice. This activity will be funded from programme.

E. Summary of increases and decreases in the institutional budget

86. The 2014-2017 integrated budget component related to the institutional budget amounts to $664.1 million compared with $587.4 million in 2010-2013, constituting 15.7 per cent of the total use of resources in 2014-2017 as opposed to 18.2 per cent in 2010-2013.

87. Changes to nominal amounts are a combination of volume changes (including corporate initiatives and investments), cost increases (non-discretionary items) and efficiencies and savings. The impact of each of these elements is summarized in table 4.

88. Although most of the volume increases and decreases have been linked to the strategic plan outputs, others are the result of additional mandatory charges, implications of the cost-recovery decision, or other areas that cannot be directly attributed to a strategic investment. Those areas, along with the impact of cost increases, are discussed below.

Cost increases

89. The budget incorporates non-discretionary cost increases, with a net cost increase of $76.4 million or 13 per cent.

90. These include increases in post costs due to salary-scale revisions, within-grade salary increments and other post entitlements determined by the International Civil Servants Commission. They also include provisions for after-service health insurance and for bridging the gap of unfunded liabilities for staff entitlements and operating-cost adjustments resulting from inflation.

Investments in the organization – volume increases

91. Strategic investments are proposed within the integrated budget to ensure that UNFPA capacity remains commensurate with the results expected of a growing organization. Investments, linked to the strategic plan's IRF as discussed above, are predominantly field-focused, aimed particularly at deploying resources in complex country programme settings. These investments have been contained within the budget proposal through realignments of costs, efficiencies and savings.

92. Main volume increases already described and discussed within the scope the results and resources framework are included in table 4 as items (i) through (xii).

93. In addition, the present proposal absorbs increases of $3.99 million for the full operation of the West and Central Africa Regional Office (established in 2013 and therefore budgeted for one year in the 2012-2013 institutional budget proposal); increases of $1.24 million for replacement of obsolete equipment; a provision of $4 million for organizational implications potentially arising from the implementation of the emerging business model; $3.61 million for realignments of costs to conform to the harmonized cost classification categories; and other miscellaneous investments of $2.95 million, driven mostly by post realignments.

94. The budget proposal absorbs higher or new statutory costs related to payments to the United Nations system, such as the projected contribution of UNFPA to the funding of the Resident Coordinator system (classified as United Nations development coordination and amounting to $8.6 million), and new charges by the United Nations Department for General Assembly and Conference Management (DGACM) for document translation and editing in the amount of $4.42 million.

Savings, efficiencies and austerity measures – volume decreases

95. Volume decreases related to realignments and efficiencies arising from the proposed initiatives identified in the results and resources framework include realignment of leadership positions in the field ($2.81 million), realignment of operations in the field ($4.61 million) and realignment of programme oversight and coordination in the field ($9.31 million).

96. Other volume decreases relate to other position realignments in headquarters to contain the costs of investment proposals ($3.6 million), the effect of the change in the treatment of tax reimbursements ($13.2 million), reductions in one-time investments compared with the previous period given the completion of the regionalization process, the International Public Sector Accounting Standards project and the headquarters move finalization ($9.0 million), as well as other general operational efficiencies ($8.53 million).

97. An important volume decrease relates to the cost apportionment of centrally managed costs as a result of the implementation of the cost-recovery decision ($38.38 million), thereby ensuring that costs are correctly attributed to the source of funding where the cost originally initiates.

98. Table 4 shows the summary of the cost and volume increases and decreases for 2014-2017.

Table 4: Summary of increases and decreases (in millions of dollars)

			Total	% increase / (decrease)
I.		**2010-2013 institutional budget**	**587.4**	
II.		**Increases and decreases due to costs**		
	(i)	Inflation, currency and staff costs	76.4	13.0%
		Net total increases due to costs	**76.4**	**13.0%**
III. a.		**Increases due to volume**		
	(i)	Strengthened leadership capacity in the field	2.87	0.5%
	(ii)	Strengthened strategic human resource capacity in the field	4.06	0.7%
	(iii)	Strengthening programme oversight and coordination in the field	17.88	3.0%
	(iv)	Strengtehed financial and administrative oversight in the field	12.76	2.2%
	(v)	Strengthened programme support, monitoring and coordination in headquarters	1.38	0.2%
	(vi)	Strategic initiatives in human resources services	4.66	0.8%
	(vii)	Strengthening evaluation	3.79	0.6%
	(viii)	Strengthened internal audit capacity	2.61	0.4%
	(ix)	Strengthened financial and administrative oversight in headquarters	2.70	0.5%
	(x)	Increased capacity in information technology	4.04	0.7%
	(xi)	Implementation of electronic content management	3.10	0.5%
	(xii)	Implementation of the new communications strategy	1.18	0.2%
	(xiii)	Impact of fully operational West and Central Africa regional office	3.99	0.7%
	(xiv)	Replacement of equipment after austerity measures	1.24	0.2%
	(xv)	Reimbursement to UN resident coordinator system	8.60	1.5%
	(xvi)	Reimbursement to UN documents control	4.42	0.8%
	(xvii)	Organizational implications potentially arising from business model	4.00	0.7%
	(xviii)	Realignment of cost classification with function performed	3.61	0.6%
	(xix)	Other investments	2.95	0.5%
		Total increases due to volume	**89.8**	**15.3%**
b.		**Decreases due to volume**		
	(i)	Realignment of leadership positions in the field	(2.81)	-0.5%
	(ii)	Realignment of operations in the field	(4.61)	-0.8%
	(iii)	Realignment of programme oversight and coordination in the field	(9.31)	-1.6%
	(iv)	Other position realignments in headquarters	(3.63)	-0.6%
	(v)	Apportionment of centrally managed costs as a result of the new cost recovery	(38.38)	-6.5%
	(vi)	Effect of tax adjustment	(13.20)	-2.2%
	(vii)	General operating efficiencies	(8.53)	-1.5%
	(viii)	Reductions in one-time investments (special purpose and management)	(9.00)	-1.5%
		Total decreases due to volume	**(89.5)**	**-15.2%**
IV.		**Net volume increases/(decreases) (III.a + III.b.)**	**0.4**	**0.1%**
V.		**Total 2014-2017 institutional budget**	**664.1**	
VI.		**Estimated income to the institutional budget**	**(166.7)**	
VII.		**2014-2017 net institutional budget (V + VI)**	**497.4**	

Summary of post changes

99. Table 5 provides an overview of proposed post changes in 2014-2017, compared with 2010-2013. UNFPA proposes a net additional 12 posts, 10 in the field and two in headquarters.

Table 5: Summary of post changes

	2012-2013 approved posts							Changes: increase and (decrease)						2014-2017 proposed posts						
	USG/ ASG	**D2**	**D1**	**Other IP**	**All other**	**Total**	**% of total**	**USG/ ASG**	**D2**	**D1**	**Other IP**	**All other**	**Total**	**USG/ ASG**	**D2**	**D1**	**Other IP**	**All other**	**Total**	**% of total**
Field	0	6	42	155	529	**732**	73.4%	0	0	(3)	24	(11)	**10**	0	6	39	179	518	**742**	73.5%
Headquarters	3	6	21	134	101	**265**	26.6%	0	0	3	0	(1)	**2**	3	6	24	134	100	**267**	26.5%
Total	3	12	63	289	630	**997**	100.0%	0	0	0	24	(12)	**12**	3	12	63	313	618	**1,009**	100.0%

Note: IP= international professional

100. The 10 net new posts in the field are the result of the following:

(a) Net downgrade of three D1 positions to P5, in alignment with the modalities of engagement of the emerging business model (however, these downgrades do not affect the final post count, as the posts are included under the other international professional category);

(b) Net increase of 24 posts mostly driven by 31 new professional posts (including Representatives, Deputy Representatives and International Operations Managers, in line with the modes of engagement of the emerging business model), partially offset with a net of seven abolishments and realignments across categories;

(c) Net decrease of 11 posts in the general administrative and national professional category (referred to as "all other" in table 5), driven by 24 abolishments and realignments across categories (mostly as a result of the creation of international professional posts) partially offset by 13 new posts (mostly national operations managers and other support staff).

101. In headquarters, a net two posts are being proposed, a result of three net additional posts in the international professional category (not easily visible in table 5 as they are offset by upgrades across post categories) and the net reduction of one general administrative post.

III. Elements of a decision

102. **The Executive Board may wish to:**

(a) *Welcome* 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;

(b) *Welcome* the improved results focus and enhanced linkages with the strategic plan results and harmonized methodology and presentation, including cost classification, attribution and recovery;

(c) *Take 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;

(d) *Approve* the presentation of activities and associated costs reflected in document DP/FPA/2013/14;

(e) *Approve* gross resources in the amount of $664.1 million representing 2014-2017 estimates for the institutional budget and note that these estimates include an amount of $166.7 million for cost recovery from other resources;

(f) *Approve* an annual allocation of $5 million of regular resources for the emergency fund;

(g) *Resolve* that the appropriated amounts should be used to achieve the results of the strategic plan that are linked to these resources;

(h) *Endorse* 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. 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.

Summary table 1: Integrated resource plan, 2012-2013 - plan versus actual/estimated (in millions of dollars)

	2012-2013 Estimate (DP/FPA/2012/1)				2012 actual -2013 Estimate			
1. Resources available	**Regular resources**	**Other Resources**	**Total resources**	**% of total**	**Regular resources**	**Other Resources**	**Total resources**	**% of total**
Opening balance [a/]	55.3	191.9	247.2		49.8	407.5	457.3	
Income								
Contribution	1,013.5	680.0	1,693.5		902.2	1,042.1	1,944.3	
Other [b/]	25.3		25.3		19.5	18.6	38.1	
Total income	1,038.8	680.0	1,718.8		921.7	1,060.7	1,982.4	
Total available	1,094.1	871.9	1,966.0		971.5	1,468.2	2,439.7	
2. Use of resources								
A. Development activities								
A.1 Programmes - gross [c/]	820.4	686.5	1,506.9		715.5	985.3	1,700.8	
Cost recovery		(47.3)	(47.3)			(59.3)	(59.3)	
A.1 Programmes - net [c/]	820.4	639.2	1,459.6	83.3%	715.5	926.0	1,641.5	85.3%
A.2 Development effectiveness	47.1	10.4	57.5	3.3%	41.2	12.8	54.0	2.8%
Total Development	867.5	649.6	1,517.1	86.6%	756.7	938.8	1,695.5	88.1%
B. United Nations development coordination				0.0%				0.0%
C. Management activities								
C.1 Recurring costs	191.1	36.8	227.9	13.0%	177.5	46.4	223.9	11.6%
C.2 Non-recurring costs [d/]	6.8	-	6.8	0.4%	5.6	-	5.6	0.3%
Total management	197.9	36.8	234.7	13.4%	183.1	46.4	229.5	11.9%
D. Special purpose								
D.1 Capital investments				0.0%				0.0%
Total use of resources (A+B+C+D)	1,065.4	686.5	1,751.8	100.0%	939.8	985.2	1,925.0	100.0%
3. Balance of resources (1-2) [e/]	28.7	185.4	214.2	12.2%	31.7	483.0	514.7	26.7%

Summary table 2: Posts by location (institutional budget)

Source of funds/ organizational unit	USG ASG	D2	D1	Other IP	All Other	Grand Total
A. Development effectiveness						
1. Field						
2012-2013 Regular resources		0	5	60	77	142
2014-2017 Regular resources		0	6	64	73	143
2. Headquarters						
Technical Division						
2012-2013 Regular resources		1	6	9	8	24
2014-2017 Regular resources		1	5	1	7	14
Programme Division						
2012-2013 Regular resources		1	3	12	5	21
2014-2017 Regular resources		1	4	14	8	27
Procurement Services						
2012-2013 Regular resources		0	1	3	5	9
2014-2017 Regular resources		0	1	3	5	9
Quality Management Unit						
2012-2013 Regular resources		0	0	4	1	5
2014-2017 Regular resources		0	0	5	0	5
Total: A2 Development effectiveness, headquarters						
2012-2013 Regular resources		2	10	28	19	59
2014-2017 Regular resources		2	10	23	20	55
Total: A. Development effectiveness						
2012-2013 Regular resources	0	2	15	88	96	201
2014-2017 Regular resources	0	2	16	87	93	198

Summary table 2 (continued): Posts by location (institutional budget)

Source of funds/ organizational unit	USG ASG	D2	D1	Other IP	All Other	Grand Total
B. Management						
1. Field						
2012-2013 Regular resources		6	37	95	452	590
2014-2017 Regular resources		6	33	115	445	599
2. Headquarters						
Office of the Executive Director						
2012-2013 Regular resources	3	0	1	10	8	22
2014-2017 Regular resources	3	0	2	10	8	23
Division for Oversight Services						
2012-2013 Regular resources		1	1	15	4	21
2014-2017 Regular resources		1	0	16	4	21
Division for Management Services						
2012-2013 Regular resources		1	2	23	30	56
2014-2017 Regular resources		1	3	21	30	55
Information and External Relations Division						
2012-2013 Regular resources		1	4	20	20	45
2014-2017 Regular resources		1	4	22	19	46
Management Information Services						
2012-2013 Regular resources		0	1	18	5	24
2014-2017 Regular resources		0	1	23	4	28
Division for Human Resources						
2012-2013 Regular resources		1	1	13	12	27
2014-2017 Regular resources		1	1	12	12	26
Ethics Office						
2012-2013 Regular resources		0	1	0	1	2
2014-2017 Regular resources		0	1	0	1	2
Evaluation Office						
2012-2013 Regular resources		0	0	4	1	5
2014-2017 Regular resources		0	1	5	1	7
Office of the Security Coordinator						
2012-2013 Regular resources		0	0	3	1	4
2014-2017 Regular resources		0	1	2	1	4
Total B2. Management headquarters						
2012-2013 Regular resources	3	4	11	106	82	206
2014-2017 Regular resources	3	4	14	111	80	212
Total:B Management						
2012-2013 Regular resources	3	10	48	201	534	796
2014-2017 Regular resources	3	10	47	226	525	811
Grand Total						
2012-2013 Regular resources	3	12	63	289	630	997
2014-2017 Regular resources	3	12	63	313	618	1,009

Figure 3: Organizational chart (institutional budget)