Framework for restating the UNOPS strategic plan, 2022-2025

I. Introduction

1. This conference room paper presents a framework for the process of restating the UNOPS strategic plan, 2022-2025. The restated strategic plan will emphasize on support to accelerating countries’ achievement of the Sustainable Development Goals and ‘Our Common Agenda’.

2. In accordance with the provisions of decision 2022/24 of the Executive Board, UNOPS will present for approval at the annual session 2023:

   (a) An early midterm review of the UNOPS strategic plan, 2022-2025, including the annual report of the Executive Director for 2022; and

   (b) The UNOPS strategic plan, 2022-2025, restated.

3. The restated plan will be informed by a midterm review process (‘midterm review+’). Through that process UNOPS will reflect and take stock of internal and external developments since the Executive Board adopted the strategic plan, 2022-2025, and propose strategic direction for the remainder of the period.

4. The midterm review+ will include a comprehensive situational analysis with a forward-looking perspective for restatement of the strategic plan, 2022-2025. The midterm review+ will include several consultations with Member States, our clients more broadly, and the Executive Board. These will be central to the co-creation process. Details are provided in the high-level road map, below. The outcome of the midterm review+ is intended to firmly position the implementation role of UNOPS following General Assembly resolution 65/176 and relevant decisions of the Executive Board.

5. In parallel with the midterm review+ UNOPS will pursue fast-tracked implementation of the independent third-party review recommendations in accordance with a comprehensive response plan. The strategic, forward-looking recommendations of the KPMG management consultancy firm will also inform management priorities in the restated strategic plan, and a revision of relevant financial regulations and rules.

---

1 Compilation of the midterm review and the annual report in one document is congruent with the practices of the Board in relation to UNDP and UNFPA, which submitted their last midterm reviews together with their annual reports (e.g., DP/2020/8).
6. Pursuant to adoption of the restated strategic plan, 2022-2025, at the second regular session
   2023 UNOPS will propose biennial budget estimates for 2024-2025 to resource the
   implementation of the final two years of the restated plan. It is envisaged that the strategy period
   will conclude with a final review to ascertain that lessons of the preceding independent third-
   party reviews have been taken into account and implemented as appropriate.

II. Document structure

7. The restated strategic plan will be divided into three chapters. This structure is aligned with
   the proposed format for an enhanced annual report of the Executive Director presented to the
   Executive Board at its second regular session 2022. The main sections of the document are
   expected to be:
   I. Global context and progress towards the Sustainable Development Goals
      A. Global outlook
      B. UNOPS positioning and collaboration with the United Nations system
   II. What we do: operational priorities
      A. Capacity and value proposition
      B. Operational targets and contribution to results for 2022-2025
   III. How we do it: management priorities
      A. Operating model, structure, and cost-recovery
      B. Management ambitions for 2022-2025

8. By the time of the annual session, the formal document will be supplemented by different
   types of digital and other communication material, such as dashboards.

III. Forward looking perspectives

9. It is envisaged that the top-line positioning and focus of the restated strategic plan will
   include the perspectives highlighted below.

I. Global context and progress towards the Sustainable Development Goals

A. Global outlook

10. Focus effort on support to the Goals, and respond to the vision of Our Common Agenda
    and the evolving needs of people and countries.

11. In line with the quadrennial comprehensive policy review, focus on helping people and
    supporting countries in particular need, including least developed countries, landlocked least
    developed countries, small island developing States, countries in conflict and post-conflict
    situations, and the most vulnerable people in middle-income countries. The plan concentrates on
    getting the self-financing performance-based operating model to work effectively in those
    countries.

B. UNOPS positioning and collaboration with the United Nations system

12. Position UNOPS to fulfil its role in the United Nations family by expanding
    implementation capacity in accordance with General Assembly resolution 65/176, decisions of
    the Executive Board, and the guidance of the Secretary-General.

13. Stress the collaborative advantage of the UNOPS implementation role, and affirm
    commitment to collaboration through the resident coordinator system, regional collaborative
    platforms within the repositioned development system, and expanded implementation capacity
    for Our Common Agenda, in accordance with Member States guidance.
14. Emphasize how, through focus on cross-cutting concerns and application of sustainable implementation approaches based on United Nations values, UNOPS can in practice help connect international agendas that are disjointed – to the detriment of those falling behind.

15. Reaffirm that UNOPS will continue to expand partners’ implementation capacity for acceleration of the Sustainable Development Goals, while intensifying its focus on some where it has significant experience and/or anticipates particular demand for the support it can offer its partners by matching functional capacity with substantive needs. The focus on the Goals does not presume a normative policy mandate.

16. Express how UNOPS, firmly grounded in United Nations values and principles and based on United Nations plans, can offer solutions for sustainable development across infrastructure, procurement and project management, including by providing secretariat services for the hosting of multi-partner initiatives.

17. Illustrate how the Sustainable Development Goals focus is primarily determined and captured at the level of the UNOPS partner; and commit to better capturing and presenting the direct and indirect contributions UNOPS makes to accelerating achievement of the Goals.

18. State clearly what UNOPS will not do in the future:
   (a) not engage in impact investment with seed capital from the UNOPS reserves;
   (b) not support development activities that do not directly or indirectly contribute to countries’ achievement of the Goals; and
   (c) not enable partners’ greenhouse gas emissions if there are workable net-zero alternatives.

II. What we do: operational priorities

A. Capacity and value proposition

19. Articulate the UNOPS value proposition with offerings combining substantive and functional perspectives, and provide clarity on the type(s) of role(s) UNOPS can assume when responding to the needs of clients and partners, including by considering the level of maturity of the capacity and standards in different focus areas.

20. Present the concept for purpose-based capacity statements focusing UNOPS efforts towards the Goals based on its capacity and expertise of project services in infrastructure, procurement and project management, including financial management and human resources, and in response to the needs of different partners.


22. Define the UNOPS role in innovative and blended financing in response to the Addis Ababa Action Agenda of the Third International Conference on Financing for Development (A/RES/69/313), together with the future of the Helsinki office, based on Executive Board guidance.

B. Operational targets and contribution to results for 2022-2025

23. Reset the strategic contribution goals of UNOPS to drive its core role and responsibility to expand implementation capacity through cost-effective, sustainable implementation, accelerating countries’ achievement of the Sustainable Development Goals.

24. Stress the collaborative advantage of engaging through United Nations coordination, and the imperative of learning from monitoring, analysis, and reporting on contributions to partners and the Goals.
III. How we do it: management priorities

A. Operating model, structure, and cost-recovery

25. Define a new operating model with specific service offerings in support of the Sustainable Development Goals based on the UNOPS value proposition and capabilities tailored to clients’ needs.

26. Emphasize that the composition of the overall project portfolio is ultimately a factor of the dynamic relationship between the capacity of UNOPS and its collaboration with partners. Thus, in the new operating model, risk considerations will be based on the ‘fit’ of a proposed engagement with the capacity of the organization.

27. Embed strategic, forward-looking recommendations of the independent third-party reviews by, inter alia, introducing an organizational structure with two separate but linked pillars for operations and management, and capacity to deliver on commitments – including through United Nations coordination and corporate monitoring, analysis and reporting.

28. Present a new strategic results framework with targets and indicators to focus impact, contributions and management. The result framework will build on statutory and other reporting requirements of the United Nations system, including submissions to the Chief Executive Board and its subsidiary inter-agency bodies, the International Aid Transparency Initiative, and the ‘UN Info’ platform.

29. Overhaul the UNOPS cost recovery model in line with the cost classification agreed by the High-level Committee on Management to ensure full cost recovery, while at the same time avoiding any undue accumulation of reserves.

B. Management ambitions for 2022-2025

30. Leverage the capacities of the United Nations Chief Executives Board for Coordination 2.0 capacities to drive management performance and focus change and transformation in support of contributions and management results.

31. Set management goals and targets for the balanced management of organizational risks and results, including ambitions for:
   (a) rebuilding trust within an organizational culture embracing United Nations values;
   (b) leveraging digitalization for cost-effective business processes and solutions;
   (c) ensuring transparent cost recovery and investment in organizational capacity; and
   (d) creating value through collaboration with partners.

IV. Situational analysis

32. The restated strategic plan will be based on a midterm review providing situational analysis, including annual report of the Executive Director for 2022. The situational analysis will be framed based on the enhanced format for an annual report of the Executive Director presented to the Executive Board at its second regular session 2022.

33. The situational analysis is envisaged to include:
   (a) Extensive stakeholder consultations, including several informal sessions with the Executive Board. It will also include consideration of advice provided by the UNOPS client board, an analysis of feedback obtained through the 2022 partner survey, a capacity survey of UNOPS global leadership, and feedback obtained through pulse surveys of UNOPS personnel.
   (b) Reaffirmation of the international agreements contextualizing the plan, including desk review of resolutions and international priorities agreed since the strategic plan, 2022-2025, was prepared – such as Our Common Agenda, the outcomes of the twenty-seventh United Nations Climate Change Conference and the United Nations Biodiversity Conference, the
Doha Programme of Action for least developed countries, and General Assembly resolutions of the 76th and 77th sessions.

(c) Desk review of external studies, with particular attention to longer-term strategic issues and recommendations in the KPMG reviews conducted in 2022. In addition, the review will consider observations and recommendations of past studies such as the reports of the United Nations Board of Auditors for 2020 and 2021, the 2021 assessment conducted by the Multilateral Organization Performance Assessment Network, and the 2018 review of management and administration in UNOPS conducted by the Joint Inspection Unit.

(d) A multifaceted portfolio analysis covering the Sustainable Development Goals, types of countries and partners, and the services offered by UNOPS. The analysis may also consider deployment in the context of needs and challenges faced by people and countries:

- (i) development;
- (ii) peace and security;
- (iii) humanitarian risks;
- (iv) climate change; and
- (v) transparency. Relevant aspects can be benchmarked against data for the previous two strategy periods.

(e) External evaluation of contributions and lessons learned, based on several project case studies conducted by external experts. The case studies will be recommended by the external experts using selection criteria intended to ensure a representative sample of projects. The primary focus will be projects contributing to Goals 3, 7, and 13, and service lines of infrastructure, procurement and project/programme implementation.

(f) Annexes to the documents are expected to include mandatory reporting on: internal oversight arrangements (decision 2022/22); recommendations of the Joint Inspection Unit; indicative financial performance in 2022; and sexual exploitation and abuse. In addition, annexes are expected to include (i) reporting on existing key performance indicators for management performance; (ii) reporting on key performance indicators for sustainable implementation approaches; (iii) executive summary of results of the partner survey; and (iv) a report based on the framework of the Global Reporting Initiative.

(g) Supplements to the document may include: (i) more fully-fledged capacity statements developed in advance of the March 2023 client board; (ii) a report with findings from external assessments of contributions and lessons learned; and (iii) a comprehensive summary of the portfolio analysis with particular focus on Sustainable Development Goals in 2022. The latter could potentially be made available in digital format on the UNOPS website in advance of the annual session 2023.

Notes: SDG=Sustainable Development Goal; LDC=least developed country; COP27=Climate conference 2022; GA=General Assembly; MOPAN= Multilateral Organization Performance Assessment Network; JIU=Joint Inspection Unit; UNBOA=United Nations Board of Auditors; KPI=key performance indicator; GRI=Global Reporting Initiative; IAIG=Internal Audit and Investigations Group
V. High-level road map for the midterm review+ process

34. The high-level road map for the midterm review+ process includes:

(a) 26 January – informal consultation with the Executive Board on the midterm review+ process (including strategic top-line positioning and focus).

(b) 31 January – first regular session. Report of the working group; framework for restating UNOPS strategic plan, 2022-2025; role of UNOPS in blended and impact financing for the Sustainable Development Goals; formal response plan to the recommendations of KPMG; and financial outlook for 2023.

(c) 13-18 March – informal consultation with the Executive Board on the midterm review+ process (including the technical focus of the expanded results framework and key performance indicators).

(d) 15-16 March – annual meeting of the client board. Advise pursuant to the outcome of the partner survey and targeted capacity statements.

(e) 30 March – Audit Advisory Committee to advise on midterm review+.

(f) 15-20 May 2023 – informal consultations in advance of the annual session.

(g) 5-6 June 2023 – annual session. The midterm review and the restated strategic plan, 2022-2025.