## Annex III

## Driving and reporting on sustainable implementation approaches

1. The UNOPS restated strategic plan, 2022-2025 articulates the UNOPS sustainable implementation approaches, which aim to frame safeguards and drive tangible results for people through implementation projects. The embedding of sustainable implementation approaches is based on context and the nature of the activities performed, and the UNOPS implementation standards management framework which provides tools and guidance on recognized practices.

2. In the budget estimates 2020-2021, UNOPS presented an initial framework for monitoring and reporting on these approaches across the three mutually reinforcing dimensions of economic, social, and environmental sustainability. The framework was finalized, and 2019 results reported, in the midterm review of the strategic plan, 2018-2021, drawing on key indicators from the UNOPS sustainability report, which is based on the standards of the Global Reporting Initiative. The framework was then also presented in the budget estimates 2022-2023. For the 2024-2025 biennium, the framework has been updated based on the experiences and lessons learned from the previous reporting cycles.

3. The framework provides a structured approach to monitor, assess and demonstrate the effect of the sustainable implementation approaches, particularly in implementation projects where UNOPS acts as a principal. The aim is to further enhance accountability and transparency of UNOPS performance and results in furtherance of its strategic goals through sustainable implementation. The approaches include measures for local and national capacity development, and comprise three mutually reinforcing dimensions of sustainability: (a) equitable economic growth; (b) social justice and inclusion; (c) environmental respect.

4. UNOPS already aligns its annual report to the Global Reporting Initiative ('GRI') – the sustainability reporting organization developed in collaboration with the United Nations Environment Programme and the United Nations Global Compact. To ensure consistent reporting on UNOPS sustainable practices, GRI standards and disclosures are mainstreamed into the sustainability framework (see below table), which is organized around economic, social and environmental topics in line with the restated strategic plan, 2022-2025.

| Dimension                          | Approach   | Measure   | 2022<br>baseline | 2025<br>ambition |
|------------------------------------|--|---|------------------|------------------|
| a) Equitable<br>economic<br>growth | (i) Ensuring optimum value for money by<br>pursuing effective management practices and<br>investment strategies, upholding the principles<br>of transparency and accountability, and<br>considering appropriate exit strategies <sup>1</sup> | Share of infrastructure projects generating labour days | 90%              | 90%              |
|                                    |  | Number of labour days created for local workers         | 8.7<br>million   | 5.0<br>million   |
|                                    | (ii) Contributing to improved livelihoods<br>through equitable employment opportunities<br>for local workforce <sup>1</sup>  | Number of labour days created for local women workers   | 4.1<br>million   | 1.0<br>million   |
|                                    |  | Number of labour days created for young local workers   | 1.2<br>million   | 1.0<br>million   |
|                                    | (iii) Supporting local communities through<br>expanded market access and use of local<br>suppliers wherever possible, including  | Share of procurement with local suppliers <sup>3</sup>  | 45%              | 55%              |

## Framework for monitoring and reporting on sustainable implementation approaches

<sup>&</sup>lt;sup>1</sup> GRI 203-2: Significant indirect economic impacts

<sup>&</sup>lt;sup>3</sup> GRI 204-1: Proportion of spending on local suppliers

|                                       | opportunities for women- and youth-owned businesses <sup>2</sup>  | Micro, small and medium-sized enterprises and<br>women-owned businesses whose capacity has been<br>developed  | 792               | 1,500             |
|---------------------------------------|---|---|-------------------|-------------------|
|                                       |   | Women-owned businesses participating in tender processes  | 1,777             | 2,000             |
|                                       |   | Value of tenders awarded to women- owned businesses   | \$40.5<br>million | \$40.0<br>million |
| b) Social<br>justice and<br>inclusion | <i>(i) Exercising due diligence, respect for human rights and rights-based approaches, including for people with disabilities and other special-interest groups, and for advancing gender equality and empowerment of women and girls throughout implementation projects</i> <sup>1</sup> | Share of infrastructure projects with capacity building activities as part of project delivery                | 79%               | 80%               |
|                                       |   | including women   | 75%               | 80%               |
|                                       |   | including people with disabilities  | 25%               | 25%               |
|                                       | (ii) Engaging local communities and<br>beneficiaries and ensuring equitable access to<br>project benefits, with a particular emphasis on<br>protecting the most vulnerable <sup>4</sup>   | Share of infrastructure projects with local<br>community engagement activities as part of project<br>delivery | 60%               | 65%               |
|                                       |   | including women   | 60%               | 65%               |
|                                       |   | including people with disabilities  | 30%               | 30%               |
|                                       | (iii) Facilitating access to food, water;<br>sanitation, energy, health, education, justice<br>and security-related service <sup>s</sup>  | Share of infrastructure projects enabling access and use of facilities and/or services                        | 63%               | 65%               |
|                                       |   | including for women   | 62%               | 65%               |
|                                       |   | including for people with disabilities  | 34%               | 35%               |
| c) Environ-<br>mental<br>respect      | (i) Mitigating adverse impacts on the<br>environment and improving biodiversity and<br>ecological resilience  | Share of infrastructure projects with significant adverse impact on biodiversity <sup>6</sup>                 | 5%                | 0%                |
|                                       |   | Share of infrastructure projects directly protecting and/or restoring habitat areas <sup>7</sup>              | 8%                | 10%               |
|                                       | (ii) Using renewable resources, taking into<br>account the interactions between human<br>development and environmental sustainability   | Share of UNOPS energy consumption from self-generated renewable energy sources <sup>8</sup>                   | 2%                | 3%                |
|                                       | (iii) Encouraging environmentally responsible<br>supply chains for project implementation   | Share of new suppliers screened using environmental criteria <sup>9</sup>                                     | 55%               | 80%               |
|                                       |   | Share of suppliers completing corrective action and preventive action plans <sup>10</sup>                     | 66%               | 50%               |

 <sup>&</sup>lt;sup>2</sup> GRI 204: Procurement practices
<sup>4</sup> GRI 413-1: Operations with local community engagement, impact assessments, and development programmes
<sup>5</sup> GRI NGO4: Measures to integrate gender and diversity into program design and implementation, and the monitoring, evaluation, and learning cycle
<sup>6</sup> GRI 304-2: Significant impacts of activities, products, and services on biodiversity
<sup>7</sup> GRI 304-3: Habitats protected or restored
<sup>8</sup> GRI 302-1: Energy consumption within the organization
<sup>9</sup> GRI 308-1: New suppliers that were screened using environmental criteria
<sup>10</sup> GRI 308-2: Negative environmental impacts in the supply chain and actions taken