

## Information note

### UNOPS mandate and portfolio

#### *Executive summary*

This information note is presented at the request of the Executive Board in advance of its first regular session in 2024. It provides detailed information on the past (2014-2022) and future (2023-2025) composition of the UNOPS portfolio of projects, particularly on how it is anchored in the UNOPS mandate established in General Assembly resolution 65/176.<sup>1</sup>

The note explains the facets of the UNOPS mandate and how it is operationalized through the restated strategic plan<sup>2</sup> adopted by the Executive Board in 2023. The analysis of the global portfolio of projects is contextualized in the mandate with a view to illustrating why UNOPS does what it does, with whom, and where. It provides comprehensive information on the past and anticipated future UNOPS portfolio, which is firmly anchored in resolution 65/176.

The note is complemented by annex 1, containing the General Assembly resolution and Executive Board decisions on the UNOPS mandate; and annex 2, with facts, figures and examples on the UNOPS mandate and portfolio. The latter builds on the [portfolio analysis of the 2014-2022 period](#) presented as a supplement to the UNOPS midterm review, 2023.<sup>3</sup>

On 25 January 2024, UNOPS will organize an informal briefing on the UNOPS mandate and portfolio. To facilitate the conversation, members of the Executive Board are encouraged to provide **written questions** to [PortfolioQ@unops.org](mailto:PortfolioQ@unops.org), by **15 January 2024**.

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<sup>1</sup> Resolution [65/176](#)

<sup>2</sup> [DP/OPS/2023/6](#)

<sup>3</sup> [DP/OPS/2023/5](#)

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## **Introduction**

1. This note builds on the work done to prepare the fast-tracked midterm review of the UNOPS strategic plan, 2022-2025, including the annual report of the Executive Director, 2022 (DP/OPS/2023/5), presented in 2023.
2. By 31 December 2022, the **UNOPS workforce comprised 5,234 full-time personnel, 51.4 per cent female**. On an annual basis, the **UNOPS portfolio comprises about 700 distinct engagements with its partners. In 2022, it provided project services worth \$2.5 billion**, excluding about \$1 billion of pharmaceutical procurement on behalf of the government in Mexico. Due to its size and one-time nature, the latter has been excluded from the portfolio analysis, so as not to skew the year-on-year comparison.
3. The 2023 midterm review provided a detailed assessment based on the prior strategy period (2018-2021). In the review, UNOPS presented its activities in accordance with its **mandated project services which functionally span infrastructure, procurement, and project management, including human resources and financial management**. It also described its three distinct service models: support services, technical advice, and integrated solutions.
4. Procurement is the functional service in greatest demand. In 2022, it amounted to about \$1 billion, 42 per cent of the portfolio. Procurement services are an essential component, underpinning infrastructure and project management services.
5. **The detailed assessment stressed that UNOPS project services are accounted for and audited as exchange transactions, as opposed to the non-exchange transactions of agencies, funds and programmes**. In addition, it highlighted how the risk level varies across functional service and service models, which in turn is key to determining whether the UNOPS responsibility is that of principal or agent.
6. **The analysis highlighted that UNOPS has worked with about 290 different partners within the United Nations and beyond**. They include programme countries, donor countries, regional and other intergovernmental organizations, vertical funds, multi-partner initiatives, and international and regional financial institutions.
7. Although most services are in demand from all types of partners, some are in greater demand than others. For example, programme and donor countries have high demand for integrated offerings; programme countries tend to have demand for technical advice; and United Nations partners tend to request support services.
8. In 2022, the partners with the highest demand were programme countries. Even excluding Mexico, their demand amounted to about \$1 billion. Services for United Nations partners amounted to more than half a billion dollars, having grown slightly over the years. Demand from international financial institutions has increased significantly. In 2022, the bilateral demand from donor countries decreased, to less than \$300 million.
9. **The review reported in-country activities across more than 85 countries and territories**, excluding countries where annual project expense was below \$2 million. About 11 per cent of the portfolio comprised global activities. **Some 70 per cent of in-country**

**activities involved countries in special and fragile situations.** This emphasizes the unique ability of UNOPS to operate and expand implementation capacity in even the most challenging contexts. The review highlighted the demand for expanding capacity across all three United Nations functions: development, humanitarian, and peace operations.

10. Like the UNOPS country presence, its substantive focus is determined by partner demand. Over the years, the Sustainable Development Goals with the greatest demand for UNOPS contributions have been Goal 3, 'good health and well-being', and Goal 16, 'peace, justice and strong institutions'. In addition, partners and management indicated potentially strong demand for contributions to Goal 7, 'affordable and clean energy', and Goal 13, 'climate action'.

11. UNOPS subsequently focused strategic efforts on harnessing its expertise to expand capacity for those four goals. **UNOPS commissioned external evaluations of past contributions to assess its impact in those areas. The lessons learned for the first three were presented in the midterm review. They are listed in section F and in annex 2, together with summaries of six project case studies.**

12. As part of its ambition to enhance contributions to the Goals, UNOPS reiterated its commitment to a more systematic application of sustainable implementation approaches to cross-cutting concerns in its projects. In this context, Goals 5, 'gender equality', 8, 'decent work and economic growth', 10, 'reduced inequalities', and 13, 'climate action', were deemed especially pertinent in addressing cross-cutting concerns for sustainable implementation.

13. In the restated strategic plan, UNOPS affirmed its role to expand implementation capacity for partners in the United Nations and beyond. It summarized its operational aspirations through three contribution goals: (a) enable partners through cost-effective project services; (b) help people through sustainable implementation approaches; and (c) support countries in accelerating achievement of the Goals.

14. With the intent of raising the level of ambition for what UNOPS does and how it does it, the restated plan set three boundaries challenging the status quo. They concerned development projects' focus on the Goals; partners' greenhouse gas (GHG) emissions; and impact investment. As a result, (a) all engagements are now mapped to the Goals to which they contribute; (b) all UNOPS impact investing activities have been discontinued; and (c) UNOPS has taken additional measures to better organize its efforts and commitment to fight climate change.

15. **The acceptance of new engagements with partners is regulated by the UNOPS engagement acceptance process, which mandates escalation of decisions based on the size and complexity of the engagement and the associated risks. All managers with delegated authority to accept engagements (and responsibility for overseeing implementation of the portfolio) are required to ensure that the current and future portfolio within their purview is firmly anchored in the UNOPS General Assembly mandate. That assurance will be embedded in the annual attestation letter, further strengthening the UNOPS internal control framework.**

16. **The forecast for 2023 and estimates for 2024-2025 suggest continued growth in project expenses. They suggest overall continuity across sectors, Goals, and**

**functional services. Procurement is expected to remain the functional service most in demand. Demand for infrastructure services is expected to increase.**

17. Analysis of the forward-looking portfolio suggests continued demand for contributions to Goals 3 and 16. It also indicates growth in demand for contributions to Goal 4, 'quality education', and Goal 11, 'sustainable cities and communities'. The analysis illustrates the relatively short time horizon for the global portfolio, emphasizing the need to supplement forward planning with other types of intelligence on global trends, partner demand, and the capacity of the organization.

18. UNOPS has committed to continuing its efforts to enhance transparency on the composition of its global portfolio, including through the establishment of a "portfolio insights gateway" where Member States will have real-time access to portfolio data and information similar to that presented in the portfolio analysis.

19. UNOPS will present its account of 2023 performance in its report on the implementation of its restated strategic plan, 2022-2025. The report will be presented at the annual session 2024.

### ***Background***

20. At its second regular session 2023 the Executive Board requested additional information on the past and future composition of the UNOPS portfolio of projects and its anchoring in the UNOPS General Assembly mandate.

21. The request was made with reference to [the portfolio analysis of the 2014-2022 period](#) provided as a supplement to the fast-tracked midterm review of the UNOPS strategic plan, 2022-2025, which was endorsed by the Executive Board at its annual session 2023.

22. Excerpts of the Executive Board request in decisions 2023/22 and 2023/23 regarding the mandate and portfolio are provided in annex 1, box 1, and excerpts from the resolution on the mandate and the related Executive Board decisions are provided in annex 1, box 2.

## **I. The UNOPS mandate and restated strategic plan**

### ***The mandate for functional services in resolution 65/176***

23. The UNOPS General Assembly mandate was adopted on 20 December 2010.<sup>4</sup> It sets out why the organization was established in the United Nations system, what services it is expected to deliver, who it is expected to work with, and the contexts in which it is expected to operate.

24. The restated strategic plan is firmly anchored in, and clearly sets out, the intent of UNOPS in accordance with the General Assembly mandate (see annex 1, Box 2). It reiterates that in the United Nations system, UNOPS has status as an 'other entity'.<sup>5</sup> It was

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<sup>4</sup> In 1994, the General Assembly had decided that UNOPS should become a separate and identifiable entity as of 1995 ([General Assembly decision 48/501](#)).

<sup>5</sup> [United Nations system chart](#)

established as a United Nations entity expanding capacity for implementation and operations, not as a new agency, fund or programme with a normative policy mandate.<sup>6</sup>

### ***Why we exist – substantive focus***

25. The restated plan refocuses UNOPS activities in its core role and competence – expanding implementation capacity. The role of UNOPS in the United Nations is to expand implementation capacity across peace and security, humanitarian and development efforts, by providing collaborative advantages to partners in the United Nations system and beyond.

26. UNOPS can be a resource for all the Goals. Like its in-country presence, its substantive focus is ultimately determined by partners' demand for UNOPS to help people in need through sustainable implementation, and to support countries in accelerating achievement of the Goals. Its commitment to sustainable implementation of the Goals does not presume a normative policy mandate or programmatic role.

### ***What we do - functional services and service models***

27. The plan reiterates that mandated UNOPS project services are flexible, modular, and functionally span infrastructure, procurement and project management, including human resources and financial management. Engagements typically combine two or more service lines.

28. Since 2012, the audited UNOPS financial statements have illustrated how its role can be that of principal or agent, depending on the risks and liabilities associated with the service. UNOPS is typically principal for infrastructure and project management, and agent for procurement, financial management and human resources services.

29. It should be noted that the General Assembly mandate for “financial management” is not a mandate for “impact investing”. The latter was originally encouraged in decision 2016/12 and has since been discontinued. The General Assembly mandate for “financial management” is for “grants management and funds implementation”, which, as explained in the plan, is considered a variation of project, programme and portfolio implementation.

30. The restated strategic plan illustrates how the functional service lines come together for responses through three main service models: support services; technical advice; and integrated offerings. The three rely on different delivery modalities.

### ***Who we work with – our partners***

31. The restated plan reiterates the UNOPS mandate to work with partners in the United Nations system and beyond, including governments of programme and donor countries, intergovernmental institutions, international and regional financing institutions, foundations, the private sector, and non-governmental organizations.

### ***Where we operate – United Nations functions and country context***

32. The restated strategic plan reiterates the UNOPS mandate to expand implementation capacity across peace and security, humanitarian and development efforts. It also

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<sup>6</sup> Executive Board decision [94/12](#)

emphasizes attention and the ability to respond to the needs of countries in special and fragile situations.

## **II. The past portfolio underpinning the UNOPS mandate**

33. Annex 2 provides facts, figures and examples on the portfolio of projects, anchored in the UNOPS mandate for functional services expressed in resolution 65/176.

### **A. What our portfolio comprises – services, focus and countries, 2018-2021**

34. The past portfolio (2018-2021) is summarized across functional services, United Nations functions, and development sectors. It provides an overview of the geographical regions and types of countries where UNOPS has worked. An exception is the analysis of the primary Goal focus, which is based on data from when this was first mapped, in 2022.

#### ***What we do – UNOPS functional services and United Nations functions***

35. Procurement accounts for more than one third of UNOPS functional services. Financial management – grants management and funds implementation – account for almost a quarter. Procurement services are an essential component underpinning infrastructure and project management implementation. Human resources account for about 10 per cent.

36. Development activities comprise about three quarters of the UNOPS United Nations functions. The fourth quarter is fairly evenly split between peace and security, and humanitarian activities.

#### ***Why we do what we do – development sectors and Goals***

37. Almost two thirds of UNOPS activities are in the ‘social infrastructure and services’ sector. The remaining third is comprised of activities in the ‘humanitarian aid’ sector, the ‘economic infrastructure and services’ sector, and the ‘multi-sector/cross-cutting’ environmental sector.

38. In 2022, two primary Goals accounted for more than half of UNOPS activities. One third was services for Goal 3, ‘Good health and well-being’, and almost a fifth for Goal 16, ‘Peace, justice and strong institutions.’ The other half supported several other Goals. The overall distribution, based on detailed sector analysis, is consistent with prior-year trends.

#### ***Where we operate – geographical reach and types of countries***

39. Almost all UNOPS in-country services are across three geographical regions. Asia and Africa each account for around a third of all services, and the Americas for a fifth. In addition, a small fraction comprises services in Europe and Oceania. About a tenth consist of global services managed from Geneva, New York and Copenhagen.

40. More than two thirds of UNOPS in-country activities are in countries in special and fragile situations.



## **B. What we do and with whom – partners and functional services, 2014-2022**

41. The overview of the past portfolio provides a breakdown of the types of partners serviced, as well as an overview of which outputs have been in the greatest demand over the period 2014-2022. It also illustrates which types of services are in demand by different types of partners.

### ***Who we work with – partners***

42. The analysis illustrates that from 2014 to 2022 the size of the portfolio more than doubled, from \$1.2 billion in 2014 to \$2.5 billion in 2022.<sup>7</sup> UNOPS experienced increased demand from every type of partner.

43. Service delivery for programme countries and international financial institutions saw exponential growth. By 2022, services for programme countries represented the largest portion. This remains the case even when the sizable procurement project in Mexico is omitted from 2021-2022 calculations.

44. UNOPS service delivery for United Nations partners has grown – from just below half a billion dollars to just above that sum. Demand has shifted between different United Nations partners.

### ***What we do – functional services and outputs in demand by our partners***

45. Demand has grown for most functional services in the UNOPS mandate. This has particularly been the case for stand-alone procurement services, which grew from some \$250 million in 2014 to over a billion dollars by 2022.<sup>8</sup>

46. The functional services have spanned more than 140 different outputs. The most prevalent outputs for each functional service were:

- (a) *Infrastructure*. Hospitals and other health infrastructure; roads, bridges; schools; renewable energy; technical studies and reports; water treatment and supply.
- (b) *Procurement*. Drugs, medical supplies; service contracts; information and communications technology.
- (c) *Project management*. Portfolio, programme and project management; project team management; technical assistance and training.
- (d) *Financial management*. Grantee selection and grants management; grants management under preselection.
- (e) *Human resources*. Human resources contract management and recruitment; human resources contract management under preselection.

47. Not all types of partners have the same functional services in demand:

- (a) *United Nations partners'* main demand is for project management and human resources services.
- (b) *Programme countries'* main demand is for procurement services.
- (c) *Donor countries and regional and other intergovernmental organizations'* main demand is for procurement, infrastructure and financial management services.

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<sup>7</sup> In order not to skew the multi-year analysis, the project for procurement of medicines in Mexico, 'PharmaMex', has been excluded from the analysis.

<sup>8</sup>Excluding PharmaMex.



- (d) *Vertical funds and multi-partner initiatives'* main demand is for financial management services for grant management and funds implementation.
- (e) *International financial institutions'* main demand is for procurement and infrastructure services.

### **C. How functional services come together in projects – partners and Goals**

48. Annex 2, with facts, figures and examples on the portfolio of project, provides an overview of the specific value proposition and the key services associated with each of the five functional services in the UNOPS mandate. It includes 16 concrete examples of how the UNOPS functional services come together in projects, expanding implementation capacity for many different partners and for most of the Goals. The examples below illustrate the breadth of geographical scope and operational contexts in which UNOPS can respond.

#### ***Infrastructure services***

49. Sustainable, resilient and inclusive infrastructure is essential for combating the triple planetary crisis and is an enabler of development and sustained peace. Adequate infrastructure can help reduce inequalities, remove barriers, and enable livelihoods and healthy ways of living. To expand implementation capacity:

- (a) We plan, design and construct sustainable, inclusive and resilient infrastructure, and advise governments on making infrastructure more effective.
- (b) Our key infrastructure services include: (i) asset assessment and management; (ii) design, building and rehabilitation; (iii) planning; and (iv) capacity analysis and strengthening.

#### ***Procurement services***

50. Public procurement has the transformative potential to drive sustainable, resilient and inclusive development. It can be an agent of change, promoting social inclusion, fairness and value for money. To expand implementation capacity:

- (a) We help governments and other partners plan and implement transparent, cost-effective public procurement for sustainable impact.
- (b) Our key procurement services include: (i) tender support; (ii) UN Web Buy Plus; (iii) purchasing for impact; (iv) procurement agent; (v) emergency procurement; and (vi) systems design and strengthening.

#### ***Project management services***

51. The capacity to implement within the constraints of limited time and resources is a cornerstone of sustainable development, translating policy and financing into results on the ground. To expand implementation capacity:

- (a) We apply sustainable approaches to implement projects, programmes and portfolios.
- (b) Our key project management services include: (i) technical assessment and project design; (ii) building capacity; (iii) getting back on track; and (iv) maximizing impact.

#### ***Financial management services***

52. The pooling of limited resources for a joint objective and collective impact is a recognized way of facilitating and supporting sustainable development. To expand implementation capacity:

- (a) We support the implementation of grants and multi-partner pooled funds, and provide fiscal oversight for projects, programmes and portfolios, operationalized through an efficient, effective platform.
- (b) Our key financial management services include: (i) cash-based assistance; (ii) grants management; (iii) fund implementation; and (iv) monitoring and oversight.

### ***Human resources services***

53. Having the right people in the right place at the right time is key for any United Nations entity to deliver effectively on its mandate, especially in the context of humanitarian crises and emergency response. To expand implementation capacity:

- (a) We provide flexible, tailored human resources solutions to United Nations partners across peace and security, humanitarian and development efforts, enabling them to rapidly adjust their capacity to their needs.
- (b) Our key human resources services include: (i) contract administration and payroll; (ii) recruitment; (iii) paying agent services; and (iii) flexible contract modality.

## **D. Why we do what we do – the sectors and Goals we supported, 2014-2022**

### ***Why we do what we do – expand capacity in many sectors and contribute to many Goals***

54. We expand implementation capacity in many development sectors. Across most sectors, the demand for our activities has continued to grow, particularly in (a) the 'social infrastructure and services' sector, in the sub-sectors of: 'health', 'conflict prevention and resolution, peace and security' and 'government and civil society'; (b) the 'humanitarian aid' sector; and (c) the 'economic infrastructure and services' sector, in the energy sub-sector.

55. We expand implementation capacity for many of the Goals. In 2022, the two with the most demand for implementation capacity were: Goal 3, 'good health and well-being', and Goal 16, 'peace, justice, and strong institutions'. Most UNOPS engagements contribute to more than one Goal, including as cross-cutting concerns. The most frequent 'secondary' Goals include Goal 5, 'gender equality', Goal 8, 'decent work and economic growth', Goal 10, 'reduced inequalities', Goal 16, 'peace justice and strong institutions', and Goal 17, 'partnerships for the goals'.

56. The two Goals in the greatest demand rely on all five functional services but draw particularly on procurement services. Goal 3 also draws much on financial management services. Demand for capacity to support Goal 3 is particularly high from programme and donor countries, vertical funds, and international financial institutions. Goal 16 draws mainly on project management services. United Nations partners have the highest demand for capacity to support Goal 16.

## **E. Where we operate – contexts, regions and types of countries, 2014-2022**

### ***Where we contribute – development, humanitarian and peace contexts***

57. There is demand for UNOPS to expand the implementation capacity of partners across development, humanitarian and peace contexts. Since 2014, demand for support in development contexts has grown exponentially. UNOPS has also seen increasing demand

for support in humanitarian contexts. Partners indicate continued demand for UNOPS to expand their capacity across all three United Nations functions.

***Where we operate – five regions, four types of countries, and Goals we put capacity behind***

58. From 2014 to 2022, the demand for implementation capacity has increased in all regions. The strongest growth has been in the Americas and Africa. The main countries in each region included:

- (a) *Asia*. Afghanistan, Bangladesh, Iraq, Jordan, Myanmar, Pakistan, State of Palestine, and Yemen
- (b) *Africa*. Central African Republic, Democratic Republic of the Congo, Ethiopia, Mali, Somalia, South Sudan, and Sudan
- (c) *Americas*.<sup>9</sup> Argentina, Costa Rica, Guatemala, Honduras, and Peru
- (d) *Europe*. Ukraine, Serbia, and Kosovo (UNSCR 1244/99)
- (e) *Oceania*. Samoa, Vanuatu, and Solomon Islands

59. From 2014 to 2022, the demand for implementation capacity has increased in all types of countries. Demand remains strongest for countries in special and fragile situations. The main countries of each type included:

- (a) *Countries in special and fragile situations*: Afghanistan, Central African Republic, Bangladesh, Democratic Republic of the Congo, Ethiopia, Iraq, Mali, Myanmar, State of Palestine, South Sudan, Sudan, Somalia, Ukraine, and Yemen
- (b) *Other programme countries*:<sup>10</sup> Argentina, Guatemala, Honduras, Jordan, Pakistan, and Peru
- (c) *Global from donor countries*: Copenhagen, Geneva, and New York

60. From 2018 to 2021, UNOPS was present in many countries where the level of human development was lowest and the degree of humanitarian risk highest. Countries in special and fragile situations accounted for about 70 per cent of its in-country activities. In those countries there was particularly strong demand for capacity behind Goal 3, 'good health and well-being' and Goal 16, 'peace, justice and strong institutions'. Other programme countries had demand for UNOPS capacity behind Goal 3, and also Goal 11, 'sustainable cities and communities'.

**F. What we learned from external evaluation – project case-studies presented in 2023**

***Seven lessons learned from external evaluation***

61. Annex 2, with facts, figures and examples, provides a summary of lessons learned distilled from the external thematic evaluation of UNOPS contributions to [Goal 3](#), [Goal 7](#) and [Goal 13](#) presented to the Executive Board in 2023. The main lessons include:

- (a) *Linkage to outcomes and impacts*. UNOPS can further link its projects to development outcomes and impacts, based on a theory of change and grounded in the Goals.
- (b) *Different roles and collaboration*. UNOPS can play different roles depending on the development intervention and local context. At times, UNOPS may need to further clarify its collaborative advantage with the United Nations country team.
- (c) *Technical and local expertise*. The mix of technical and local expertise is key to

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<sup>9</sup> Excluding PharmaMex

<sup>10</sup> Excluding PharmaMex

successful implementation of projects and programmes.

- (d) *Sustainable implementation approaches*. UNOPS can reduce lost opportunities to increase contributions through further systematic application of sustainable implementation approaches.
- (e) *National capacity and post-handover funding*. Enduring positive impacts are more likely to be achieved when post-intervention funding and capacity development have been considered at the outset of the project.
- (f) *Incorporating lessons learned into future projects*. UNOPS could develop procedures to ensure that specific technical lessons learned inform similar projects in the future.
- (g) *Replicability and scalability of projects*. UNOPS should further explore the replicability and scalability of existing projects to add value for other interventions.

### **Six project case-studies**

62. Annex 2 provides a summary of the project case studies developed by the external evaluator. All include a short summary of the nature and purpose of the projects, and an overview of:

- (a) the primary and secondary Goals to which they contributed;
- (b) the countries of operation;
- (c) the partners supported;
- (d) the functional services applied; and
- (e) the lessons learned from strengths and areas for improvement.

## **III. The future portfolio underpinning the UNOPS mandate**

### **A. What we will not do – the boundaries we set to challenge status quo**

63. With the intent to raise the level of ambition for what UNOPS does and how it does it, the restated plan set three boundaries challenging the status quo. They concerned development projects' focus on the Sustainable Development Goals; partners' GHG emissions; and impact investment. In response to the request of the Executive Board, annex 2, with facts, figures and examples on the UNOPS mandate and portfolio, includes an update on actions taken since the restated strategic plan was adopted in June 2023.

#### **No development activities that do not contribute to the Goals**

64. In the restated strategic plan UNOPS committed to not supporting development activities that do not directly or indirectly contribute to achievement of the Goals. In 2023, UNOPS mapped its engagements to primary and secondary Goals, and introduced a practice of linking new engagements with the Goals to which they directly or indirectly contribute.

65. In the coming years, UNOPS will further substantiate the link between the outputs that it is typically accountable for and the outcomes and Goals to which it contributes. It aims to achieve this by ensuring that theories of change exist for projects where UNOPS makes direct contributions to partners' objectives. This, in turn, should enable UNOPS to more systematically demonstrate how its development activities contribute to countries' achievement of the Goals.

#### **No GHG emissions if there are workable net-zero alternatives**

66. In the restated strategic plan, UNOPS set an ambition to not enable its partners' greenhouse gas emissions if there are workable net-zero alternatives. It committed to rallying

efforts across the organization to combat climate change: (a) as a cross-cutting issue permeating everything we do; and (b) to respond through projects focused on addressing mitigation, adaptation, and response to loss and damage.

67. At COP28, UNOPS committed to reduce its corporate emissions by 45 per cent by 2030, and to reach net zero before 2050. As a project-based organization UNOPS will, by 2030: (a) embark on scope 3 emissions accounting and management, and present options for carbon savings to its partners for the life cycle of all relevant projects; and (b) mainstream systematic climate risk management in its entire medium and high-risk infrastructure portfolio. From 2024, it will organize internal efforts in a new 'Climate Action Programme'.

#### ***No impact investment with seed capital from reserves***

68. In the restated strategic plan, UNOPS committed to not engage in impact investment using seed capital from the UNOPS reserves. Since then, all UNOPS impact investing activities have been discontinued. There will be no future impact investments using UNOPS reserves.

69. By the end of 2023, all 'S3i' activities had been operationally closed. The discontinued activities include the office in Helsinki, eight impact investments, and three innovation centres.

70. To exit S3i, UNOPS worked closely with the Government of Finland. It provided support to five other countries: Antigua and Barbuda, Ghana, India, Kenya, and Pakistan. Work towards fund recovery, led by the United Nations Office of Legal Affairs, will continue in 2024-2025.

#### ***How the future portfolio composition is decided***

71. Annex 2 provides an overview of how decisions on the future composition of the UNOPS portfolio are made. It illustrates how the process is grounded in a system of delegated authority and the requirement to escalate decisions on new engagements deemed high risk.

72. UNOPS has initiated an internal process for recurrent assurance that all current and future engagements in the portfolio are within mandate (General Assembly resolution 65/176). Managers with delegated authority to accept engagements and responsibility for overseeing implementation of the portfolio are required to ensure that the current and future portfolio within their purview is firmly anchored in the UNOPS General Assembly mandate. That assurance will be embedded in the annual attestation letter to further strengthen the UNOPS internal control framework.

### **B. What we expect to be doing, where, and why – estimate for 2024-2025**

73. As requested by the Executive Board, annex 2 provides a forward-looking estimate of the portfolio composition for 2024-2025, as well as a forecast for 2023. These were based on project portfolio and pipeline information available on 30 November 2023.

74. UNOPS foresees continued growth in demand for its services. The expense forecast for 2023 is \$2.7 billion, compared to \$2.5 billion in 2022.<sup>11</sup> The estimated expense is \$2.9 billion for 2024, and \$3 billion for 2025.

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<sup>11</sup> Excluding PharmaMex

### **Functional services in the future portfolio, 2019-2025**

75. UNOPS expects that procurement will remain the largest of its five functional services. At the same time, it expects significant growth in infrastructure services. An overview, by order of services estimated to account for the largest share of 2024 expenses, follows below:

- (a) *Procurement*. An estimated 42% share in 2024 suggests overall stability, compared to 34% in the 2023 forecast and 44% in the 2022 result.
- (b) *Infrastructure*. An estimated 31% share in 2024 is a significant increase, compared to 22% in the 2023 forecast and 12% in the 2022 result.
- (c) *Financial management*. An estimated 14% share in 2024 suggests overall stability, compared to 20% in the 2023 forecast and 18% in the 2022 result.
- (d) *Project management*. An estimated 9% share in 2024 suggests a decrease, compared to 14% in the 2023 forecast and 16% in the 2022 result.
- (e) *Human resources*. An estimated 4% share in 2024 suggests a significant decrease, compared to 11% in the 2023 forecast and 11% in the 2022 result.<sup>12</sup>

### **Development sectors of the future portfolio, 2019-2025**

76. UNOPS expects that 'social infrastructure and services' will continue to comprise about two thirds of all its activities. An overview of the three sectors estimated to account for the largest share of 2024 expenses follows:

- (a) *The 'social infrastructure and services' sector*. An estimated 61% share in 2024 is in absolute terms a continued year-on-year increase, compared to 63% in the 2023 forecast and 62% in the 2022 result. The subsectors concern 'health and population', 'education', and 'water and sanitation'.
- (b) *The 'multi-sector/cross-cutting' sector*. An estimated 6% share in 2024 is a slight decrease, compared to 9% in the 2023 forecast and 8% in the 2022 result. The subsectors concern 'environment', 'gender projects', and 'urban and rural development'.
- (c) *The 'economic infrastructure and services' sector*. An estimated 5% share in 2024 is a decrease, compared to 9% in the 2023 forecast and 10% in the 2022 result. The subsectors concern 'transportation and communications' and 'energy'.

### **Goals in primary focus for the future portfolio, 2022-2025**

77. UNOPS expects that Goal 3, 'good health and well-being', will remain the Goal for which demand for its services is greatest. It expects that Goal 16, 'peace, justice and strong institutions', will continue to see significant demand. An overview of the four Goals estimated to account for the largest share of 2024 expenses follows:

- (a) *Goal 3, 'good health and well-being'*. An estimated 41% share in 2024 is a continued year-on-year absolute increase, compared to 32% in the 2023 forecast and 34% in the 2022 result.
- (b) *Goal 4, 'quality education'*. An estimated 17% share in 2024 is a significant increase compared to 5% in the 2023 forecast and 4% in the 2022 result.
- (c) *Goal 16, 'peace, justice and strong institutions'*. An estimated 13% share in 2024 is a decrease compared to 16% in the 2023 forecast and 17% in the 2022 result.
- (d) *Goal 11, 'sustainable cities and communities'*. An estimated 8% share in 2024 is a significant increase compared to 5% in the 2023 forecast and 4% in the 2022 result.

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<sup>12</sup> The medium-term demand for human resources services is difficult to estimate because it often varies due to fast-changing operational conditions.



### C. How we will enhance portfolio transparency – vision for 2024 and beyond

78. UNOPS is committed to gradually enhancing the breadth and depth of the portfolio information directly available to Member States. In particular, UNOPS commits to increasing transparency through the establishment of a “portfolio insights gateway”. This will be built on the experiences from the International Aid Transparency Initiative and from the portfolio analyses shared with the Executive Board in recent years.

## Annexes

### Annex 1. UNOPS mandate – General Assembly resolution and Executive Board decisions

**Box 1: The Executive Board request in decisions 2023/22 and 2023/23 (emphasis added)**

**Decision 2023/22**

3. *Reiterates* the need for UNOPS to return to and remain within its original mandate of providing infrastructure, procurement and project management services, as stated in General Assembly resolution 65/176 of 20 December 2010;

4. *Notes* the estimated project expenses and requests UNOPS to provide, during briefing before the first regular session 2024, information on the project portfolio underlying the biennium budget estimates, 2024-2025 and its alignment to UNOPS original mandate and its restated Strategic Plan, 2022-2025, as per decision 2023/16, including detailing the nature of services provided;

**Decision 2023/23**

6. *Reiterates* the need for UNOPS to return to and remain within its original mandate of providing infrastructure, procurement and project management services, as stated in General Assembly resolution 65/176 of 20 December 2010

7. *Requests* that UNOPS provide the Executive Board, before the first regular session 2024, with:

- (a) An additional breakdown of the 2014-2022 portfolio along the three pillars of the UNOPS original mandate, including the subcategories of the five functional services;
- (b) Information on the impacts of Executive Board decision 2022/24, calling on UNOPS to return to its original mandate, the recently conducted multifaceted portfolio analysis and the midterm review+ of the Strategic Plan, 2022-2025, on the current UNOPS portfolio and decision-making regarding future developments of the portfolio;



**Box 2: The UNOPS mandate in resolution 65/176 and Executive Board decisions reference therein (emphasis added)**

**Resolution 65/176**

“Reaffirming also the role of the United Nations Office for Project Services as a central resource for the United Nations system in procurement and contracts management as well as in civil works and physical infrastructure development, including the related capacity development activities,

Recognizing the potential for value-adding contributions that the United Nations Office for Project Services can make in providing efficient, cost-effective services to partners in the areas of project management, human resources, financial management and common/shared services,”

The resolution also reaffirmed the UNOPS mandate as contained in Executive Board decision 2009/25 and recalled relevant provisions of decision 2010/21. The two decisions set out: “why we do what we do”, “what we do”, “who we work with” and “where we operate”.

**Why we do what we do**

*Executive Board Decision 2009/25, para 3:*

“Reaffirms the mandate of UNOPS, in the context of coherence and the furtherance of United Nations objectives, to act as a service provider (...)”

Pursuant to the above, we expand implementation capacity for the 2030 agenda, guided by the quadrennial comprehensive policy review.

**What we do**

*Executive Board Decision 2009/25, para 4*

“Reconfirms the role of UNOPS as a central resource for the United Nations system in procurement and contracts management as well as in civil works and physical infrastructure development, including the relevant capacity development activities.”

*Executive Board Decision 2009/25, para 5*

“Recognizes the potential for value-adding contributions that UNOPS can make in providing efficient, cost-effective services to development partners in the areas of project management, human resources, financial management and common/shared services.”

*Executive Board Decision 2010/21, para 5*

(...) integrate national capacity development in its operations;”

**Who we work with**

*Executive Board Decision 2009/25, para 3:*

“(...) service provider to the United Nations system agencies, funds and programmes, international and regional financial institutions, intergovernmental organizations, donor and recipient governments and non-governmental organizations.”

**Where we operate**

*Executive Board Decision 2010/21, para 4:*

“(...) enhance engagements as a service provider to various actors in the development, humanitarian and peacekeeping arena, including the United Nations, governments, intergovernmental institutions, international and regional financial institutions, foundations, private sector and non-governmental organizations;”

**Annex 2: facts, figures and examples - UNOPS mandate and portfolio**

*Annex 2 is available as a separate document.*