Thank you Mr President, Distinguished Members of the Executive Board

I am proud to present UNOPS annual report.

2016: the operational context

Before I begin I would like to take a few moments to place this report in context.

For the international community, 2016 was a challenging year.

We saw the conflict in Syria going into its seventh year,
We saw escalating insecurity in places like South Sudan and Yemen;
and vast increases in the number of people fleeing violence.

We also saw positive challenges.

Prospects of peace in Colombia,
the signing, and the flow of ratifications of the climate change agreement from Paris,
and commitments at Habitat III in Quito to rethink how our cities are planned and managed.

In the UN of course, we saw the arrival of a new Secretary General.

And crucially, the Sustainable Development Goals came into force -
with calls for greater efforts towards their implementation.

Our annual report this year is also changed. You may have noticed a small logo on the first page.

The data is aligned to the Global Reporting Initiative – the model developed in collaboration with UN Environment and the Global Compact to unify sustainability reporting.

Implementation is what UNOPS is all about.

So I will start my report by sharing some examples of UNOPS implementation – and how these solutions supported the UN family in global priorities.

Peace and security

As we are all aware, the situation in Yemen continues to deteriorate.

Latest figures state that there are more than 18 million people in need, and more that 17 million without secure food supplies.
Life in these conditions must be indescribable.

Yet I am immensely proud of the role the UNOPS-run verification mechanism is playing. Since May last year it has allowed more than 6 million tonnes of food, fuel and supplies to reach the Yemeni people.

In Gaza, for example, we continue to implement efforts through another mechanism.

Here, we bring reconstruction materials into the territory.

More than 700,000 tonnes of cement were imported last year – to rebuild homes for more than 16,000 families.

In Iraq, we support a coordinated humanitarian response by running a helpline.

This may sound simple. But from a small information centre in Erbil, we provide life-saving information to millions of people fleeing violence.

Last year the UNOPS-run call centre shared information with more than 300,000 people, connecting needs to assistance from UN partners and NGOs.

This is one of the largest UN inter-agency projects of its kind.

As noted by our colleagues in UNHCR, it provides a vital link to help improve the humanitarian response in the country.

Colombia is another example, where there are more people displaced due to violence than anywhere else in the world.

Among the challenges, housing is in desperate need.

Our work with the government extends nationwide. It aims to improve around 6000 family homes, in more than 60 locations.

The list goes on.

Of course these are select cases. But they have a common thread – interagency co-operation.

**UNOPS in numbers**

When we look at UNOPS results in total, we see a broad picture.

Reporting our annual performance through the lens of sustainability has refined our thinking.

We ask; how can we best contribute to core UN values of reducing poverty and sustaining peace.

How can we best address the root causes of conflict?
How can better processes lead to better outcomes for millions in need?

We are looking again, into what is of utmost importance.

-------------

Amongst the strongest measures of UNOPS impact, are the jobs we create.

Over the course of 2016, UNOPS-supported projects created more than 3 million days of paid work for local people.

This is up from 2.2 million days reported last year.

We give greater importance to how to quantify the knowledge we provide through our expertise.

In 2016 we provided over 50,000 days of technical assistance to our partners, up from 44,000 in 2015.

And now financials:

UNOPS delivery in 2016 totalled $1.4 billion dollars. This reflects a consistent demand for our services.

Of greater importance is where: the countries of largest delivery were Myanmar, Somalia, Mali, South Sudan, and Afghanistan.

**Procurement**

Procurement is where the bulk of this delivery was recorded.

We procured more than 900 million dollars’ worth of goods and services last year.

Again, more important, is what these numbers mean.

At UNOPS we are committed to national capacity building.

In 2016, more than $400 million dollars of the 900, came from local suppliers – those based in the same country as the need.

This directly supports local economies, ensuring we help our partners strengthen capacity - locally and nationally.

Our common services across the UN included procuring over $80 million worth of goods through UNOPS client solution – now known as 'web-buy plus'.

Value is important, but also the nature of the goods and services we provide.

In total, more than 100 million doses of medicine were procured or distributed.

47 million medical supplies were handled, including the distribution of over 36 million mosquito nets.

These examples are health-related. But procurement is simply a reality of nearly every UN
activity. Every global goal: every mission; every operation.

Without medicines we have no health intervention,

Without safety equipment we cannot enter danger zones,

Without means of transport we can never reach those in dire need of help.

It can be often overlooked. But without the underlying structure of goods and services, attempts to address the world’s problems would be impossible.

The 900 million annual UNOPS figure is small compared to the total UN’s annual spending on procurement.

According to our work compiling UN procurement statistics, this totalled 17 billion dollars last year – a combined sum from 36 international organisations.

It raises a broader question. Are many, separate and independent procurement functions the most efficient way to conduct co-ordinated efforts?

17 billion is not a small sum. Even a 1% efficiency gain could make a real difference to boost economies where the need is greatest. Such and efficiency gain would free up 170 million dollars for other purposes.

Infrastructure

As with procurement, infrastructure underpins all the SDGs. Take goals on oceans, for example.

As UN colleagues meet to discuss solutions to clean up the world’s seas, we must not forget that 80% of ocean pollution comes from land-based activities.

And as a recent UNEP analysis of plastic in our oceans stated – whilst prevention is key, improving waste collection and management is the most urgent short term solution.

UNOPS infrastructure solutions can play a valuable role.

Last year, for example, under an EU programme in Sri Lanka, 400,000 people are set to benefit from improved waste management facilities.

These were developed by UNOPS to ensure waste is disposed of without damaging the environment, or negatively affecting communities.

Another example is in Tanzania, where our work with UNEP and the Government, seeks to increase the resilience of coastal zones against climate change and rising sea levels.

How are we doing this? By improving drainage and building sea defence walls.

All of this, whilst allowing communities in low-lying areas and informal settlements to continue making a living from the land, and having access to the sea.
Within the 3,000 kilometres of roads, 50 schools, 74 hospitals and 278 health centres we worked on last year, you will find contributions to nearly every SDG.
And along with our decades of infrastructure experience, comes substantial knowledge.

This has value in many forms. Here, we have much to contribute.

Examples:
With UN partners and support from Norway, for example, we are looking into refugee camp infrastructure. Can this be improved?
Whenever a decision is made to build camps – it must be based on the realities of a situation.
We know too many short-term solutions become homes for many years.

Safe, decent and humane facilities should be a fundamental consideration.
One can very quickly set up a tent camp. But experience shows that refugees can end up living in tent camps for years on.

Currently, we are co-ordinating the development of guidelines to make sure camp infrastructure meets human rights obligations.

And with the University of Oxford, we are pioneering a new national modelling system.

We ask; how can we help governments address the needs of population growth and urbanization?

How can we help develop infrastructure that will stand up to an uncertain future?

How can infrastructure lead to healthier and more prosperous societies?

---------

To help countries develop infrastructure that truly supports sustainable development, we are taking a new approach.
We call this “evidence based infrastructure, basing decisions available data and scientific forecasting.
It evaluates infrastructure performance and impact. And it quantifies risks – should, for example, an earthquake hit or sea levels rise. All of this, is on the scale of towns, cities and entire nations.

Ideally, governments would have the data to understand what the future holds for their nations. This is often not the case. So behind our work is a simple aim – to guide decision making.
By providing data, and by proving the benefits of long-term infrastructure investments, we believe we can help countries achieve sustainable development.

**New strategy**

As we work towards UNOPS new strategic plan, these thoughts are at the forefront of our minds.

How can we best align our strategy to our core competencies, and be responsive to the priorities of Member States?

Another area we are examining closely in this regard, relates to our human resources capacity. By the end of 2016 there were about 11,000 people on UNOPS contracts.

UNOPS has a system which allows us to adjust the deployment of human resources to changing needs on the ground.

Here, we can move quickly when rapid response is demanded.

In Nepal, where to address delays in distributing earthquake relief funds, the Government asked UNOPS to conduct a rapid census of victims eligible for support.

We issued tenders for contracts, then engaged and equipped 2,500 housing surveyors within 16 days.

I mentioned this in my speech to the board in January. Now we know the results:

Across Nepal’s mountains, more than 870,000 households were surveyed in 14 districts, and more than 600,000 people received funds to rebuild their homes.

Another area of rapid response we can support, concerns procurement.

For example, in Argentina, after heavy rains and mudslides, we helped the government buy 150 shelters for the most affected families.

The first shelters were sourced, procured and delivered in less than two weeks.

These may not be typical examples.

But they demonstrate that the typical bottlenecks that can affect many UN operations – which are often levelled at antiquated processes - need not be the sole option.

**Management, governance and reform**

Distinguished members,

At UNOPS we have long believed in submitting ourselves to the tests of international standards.

We owe it to those who trust in our ability, to prove we are on par with the best companies and institutions in the world.

By adopting recognised best practices, we ensure our internal processes increase the
effectiveness of operations on the ground.

In 2016, UNOPS was again awarded gold by the Chartered Institute of Procurement and Supply.

UNOPS is the first UN organization - one of only five in the world – to achieve this level.

Last year we also maintained and expanded our ISO certifications, extended the coverage international standards in health and safety, and – as late as last month – received a further accreditation in quality management.

In this case UNOPS processes were found to equal high performing organisations across public and private sectors.

Innovation and evolution is part of our DNA at UNOPS.

Our ICT systems have just been renewed through our state-of-the-art ERP platform.

We now look to innovate further.

Artificial intelligence, blockchain – could these burgeoning technologies help in the world of international assistance?

Could they bring ever greater efficiencies in pursuit of UN objectives?

Governing our investigations into process improvements, our management model has also been renewed.

We continue to expand a new governance, risk and compliance framework.

This has been designed to ensure we operate in an environment that is both efficient and effective, where responsibility is aligned to accountability.

In short: change is in our nature.

We reshape our structure continually, realigning, expanding and contracting our services based on the demands of the international community.

And from what we can tell, our partners value our approach.

Through our annual survey, we found that partners’ satisfaction was above 90 per cent. And also this year, I am happy to report: Our finances are solid

Within the UN, when reform is of such critical importance, it is only natural to look for solutions.

UNOPS are unique in this family. We are self-financed - no core contributions back up our work. We are not-for-profit.

And as I hope you agree from our annual report, we can deliver.

Thank you