

**Statement by Grete Faremo**  
**Under-Secretary-General and Executive Director of UNOPS,**  
**to UNDP/UNFPA/UNOPS Executive Board**  
**First Regular Session of the UNDP/UNFPA/UNOPS Executive Board**  
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[Check against delivery]

Thank you, Mr. President.

### **Introduction**

It is heartening to welcome you all, and in particular the new members of the Executive Board. I warmly congratulate our new President, His Excellency Mr. Cho Tae-yul, the Permanent Representative of the Republic of Korea, as well as our vice presidents.

### **UN reform**

This year, we are facing a very different start to the year. We have embarked on a journey of reform, and a transformation of the UN development system.

Many of you have heard me say this before. But in these trying times of profound change for many parts of the UN system, it is important to note that UNOPS is unique in the sense that we do not ask, nor receive, any core funding.

We live off a moderate fee on the services we render. We live off the quality of our services and partners' satisfaction – because if partners are not satisfied, they will turn to others.

Member States need more efficient, effective and accountable partners in the UN, serving human development. And we try – by the way we work, change and improve – to be exactly that.

In the months ahead, we must all make changes, small and large, to make the UN better. This will require a stronger culture of cooperation. The New Resident Coordinator System is key and it needs a sustainable funding arrangement.

At UNOPS, we firmly support the reform. We are ready to share a unique experience of speed and efficiency. We have seconded expertise to the transition team. And we have paid our contributions to the doubled cost-sharing. We await the new agreement on implementation, preferably as soon as possible, and will loyally follow up and help make the new system a success.

To implement the Sustainable Development Goals (SDGs), the world may need investments in the order of \$7 trillion globally, annually. Financial needs surpass by far what we as the UN can contribute.

Of these trillions, one trillion is estimated to come from public sources. A mere \$150 billion is official development assistance (ODA). Around 80 per cent of the total will have to come from private sources. Today, 80 per cent of global value creation comes from the private sector.

In many fast growing countries, not least in Africa, 80–90 per cent of employment is found in the private sector.

The bottom line is this: Development depends on the private sector offering job opportunities.

So we, the development part of the international public sector, must work more with the private sector.

We must find ways to use ODA catalytically, in cooperation with other partners, to unleash larger sources of sustainable financing - public and private.

### **Social impact investing**

All countries, and developing economies in particular, need large-scale investments in sustainable infrastructure.

At several previous board meetings, I have addressed how UNOPS is exploring ways of working with new partners toward that end. Since the last time I addressed the Board, we have made significant progress in our Social Impact Investing Initiative, which runs under the acronym S3I.

S3I is about accelerating investment in infrastructure. It provides opportunities for socially conscious investors to generate financial returns while ensuring their contributions make a positive social, environmental and economic impact.

UNOPS role is based on two core aspects: Our decades of operational experience, working in some of the most difficult places in the world; and our willingness to invest, to demonstrate our commitments to de-risk projects, so that private sector funds are more likely to step in.

The benefits are clear. First and foremost, this is about accelerating progress towards the SDGs – physically, conceptually and financially. And secondly, this is about learning from the private sector. Through access to new technologies and know-how. We can transfer skills for the benefit of all our partners.

And we can take our efficiencies to a whole new level of scale. Let me share what I mean by scale.

Four new agreements we have recently signed cover the construction of more than 330,000 affordable homes in Ghana, Kenya, India and across the Caribbean. The latter, the Caribbean project, aims to build 10,000 units across the Eastern Caribbean.

These are sustainable homes, with energy-efficient solar rooftops. Construction work will include local materials, equipment and expertise, which in turn will provide jobs – many jobs – to drive local economic growth.

A fifth agreement covers renewable energy, and the implementation of a number of projects across Africa, Latin America and the Middle East.

Through S3I, we are breaking down barriers.

Barriers that may prevent private investors from funding long-term development in emerging markets.

To enable all these projects to proceed, UNOPS role will mainly be operational. We have worked hard to limit our financial exposure. By providing seed funding of around \$50 million, we aim to become the catalyst for large, private investments.

We have more projects in the pipeline. And should you wish to look to examples that demonstrate the potential value UNOPS can provide working towards Agenda 2030, you should look no further.

## **Quality infrastructure**

In recent years, our expertise in supporting governments to better deliver sustainable and resilient infrastructure has increasingly been recognized.

With the government of Japan, we have been working to introduce a greater range of high quality standards. The European Union, has joined us in pursuing quality infrastructure in development projects. Japan has now invited us to introduce this work to the G20 Summit, later in the year.

At this year's meetings of the Commission on the Status of Women, UNOPS will focus on the role of gender-sensitive infrastructure. This is a topic few discuss, and we have found ourselves in a pioneering role.

Much of our conventional infrastructure is gender blind.

Is it fair that transport systems don't consider the vulnerability of women being exposed to harassment, and that this can make women less likely to travel on public transport? Is it fair that maternity clinics often don't meet women's needs, which can influence decisions to give birth at home, thus increasing the dangers for mothers and newborns? Is it fair that women waste time waiting in lines for bathrooms, while men do not? Is that equality?

It is wrong. It is biased. It has gone on too long.

And because infrastructure is built to last, it can discriminate for decades.

## **Rapid response**

Distinguished members.

The needs of today's world require flexibility and high speed. In crises, rapid response is critical.

At UNOPS, rapid reactions and response has long been one of our strong points. Often under the most difficult of circumstances. Faster than others. More flexibly than others.

Since we last met, I can again share two examples of our work, the first of which is in Gaza. Here, for most of 2018, severe electricity shortages resulted in blackouts of 19–20 hours, on a daily basis. This devastated the health sector, and water and sanitation facilities.

Then, after a deal funded by Qatar, and brokered through UNSCO and the UN Special Coordinator to the Middle East Peace Process, we were invited to the table. And since October last year, I can report that

UNOPS has delivered about 3 million litres of fuel a week to Gaza – and more than 30 million litres in total. Since then, daily electricity supply from the Gaza power plant has more than doubled. People in Gaza had an estimated 15 hours per day of power on average during November and December, increased from 6 hours, which has had a significant impact on the daily lives of the two million Palestinians.

It means families can have light.

It means refrigerators work and food can be preserved for longer.

It means children can study in the hours of darkness without relying on candles.

My second example concerns Yemen.

Last year, despite a deterioration in the humanitarian situation, more than 4.8 million tonnes of food, fuel and supplies, entered Yemen through the UN Verification and Inspection Mechanism (UNVIM), operated by UNOPS.

And following December's truce agreement brokered by the Special Envoy of the Secretary-General, we have been called upon to take on new responsibilities, in support of the Stockholm agreement.

Today, in addition to our role of verifying and inspecting vessels, to facilitate the entry of millions of tonnes of emergency relief supplies, our role has also been *extended*. Monitors are expected to deploy shortly to three ports in Hodeidah, Saleef and Ras Isa.

Through this extended role, more supplies can enter Yemen, reaching those in desperate need.

## **Innovation and technology**

How we adapt to and use new technology decides effectively how we respond to partners' needs. Over the last year, we have continued to introduce new tech and efficiencies into projects.

Let me share two examples.

In Afghanistan, we have introduced artificial intelligence to humanitarian responses, to drive efficiencies.

Here, as in Iraq, we manage a call centre on behalf of several UN partners. We help displaced populations access humanitarian responses more efficiently. Through chatbots, we can address callers with specific needs sooner. Which means we can now dedicate more of our time to helping those with the most challenging needs.

Another example here is in Yemen. The World Bank has recently awarded us their own *innovation award*, for a project where UNOPS aims to restore critical electricity supplies to more than a million Yemenis by use of solar energy.

Revitalizing our IT systems has saved us more than 2,500 hours of work last year. Process automation has reduced the time spent on procurement by 24 per cent. It saves us around \$400 on each procurement exercise.

Last year, in total, this represented savings of more than a million dollars, when compared to costs of two years ago.

And I can report that UNOPS systems have vast potential to adapt. We can be fully interoperable with the Secretariat-wide model: Umoja.

## **Public procurement**

Public procurement accounts for a significant part of the GDP in most countries. It can be a key driver for innovation and quality services to citizens. Yet, too often, public procurement can be tainted with corruption, bureaucracy and inefficiency.

UNOPS is mandated and specialized in procurement.

We are well versed in helping governments fight corruption in this area. Last year, for example, in Guatemala, through a transparent process, we helped stock hospitals nationwide, and saved the government more than \$155 million.

For many years now, we have been awarded gold standards in sustainable procurement. According to the Chartered Institute of Procurement and Supply – the world's leading purchasing and supply association – UNOPS is the only UN organization to consistently reach this level. And over the last two years, procurement has been the fastest growing area of our portfolio.

At the General Assembly last year, we launched a new partnership to defeat non-communicable diseases (Defeat NCDs).

To address this need, a reliable availability of medicines and equipment is vital. And to encourage and improve availability, one part of this initiative involves connecting vendors to buyers in a virtual, international marketplace.

The aim is better solutions and competitive prices for all. For government ministries and other healthcare providers – reduced prices can allow them to reach more people who need treatment and care. Better value for money for citizens, ensuring quality, should be an option in all national health procurement.

## **Gender**

Distinguished members.

Gender should be a primary consideration across all of our activities.

In 2018, we announced two major initiatives to prioritize gender equality both in our organization and in the projects we undertake on behalf of our partners. I reiterate our commitment to addressing these challenges.

We will compile our 2018 results to share with the Executive Board in June, at the annual session. Responding to the Secretary General's gender priorities, is simply a must. We can and will do more.

On a related note, I can confirm that three new members have accepted the nomination to join our Audit Advisory Committee, which means that gender parity has been achieved in this body. They are currently

members of UNOPS Strategic Advisory Group of Experts. It is my intention to merge the Audit Advisory Committee and the Strategic Advisory Group of Experts for efficiency reasons and we have no intention to add more members.

### **Conclusion**

And a final word, to paraphrase the Russian writer Tolstoy: All normal Januaries are alike. All unique Januaries are unique in their own ways.

This January and forward, many of us will be invited outside of our comfort zones to implement the reform and get a truly transformed UN development system up to speed.

We are bringing to the table core themes of UNOPS expertise of speed and efficiency, innovation and results.