

**Statement by Grete Faremo,  
Under-Secretary-General and Executive Director UNOPS,  
to UNDP/UNFPA/UNOPS Executive Board Second Regular Session,  
New York – 6 September 2019**

Check against delivery

Mr President, distinguished representatives,  
Once more it is good to be with you all in New York.

**Social impact investing**

The scenes of destruction in the wake of Hurricane Dorian serve as a stark reminder of how dependent we all are on infrastructure.

Every aspect of our lives is affected: Our homes, our livelihoods, our ability to learn, heal and thrive in a functioning society.

It is heart-breaking to see that devastation.

What we have seen this week graphically and brutally shows us the value of a home and a livelihood.

It makes us at UNOPS more determined to create and support quality infrastructure that leads to better lives.

Having a home and having a livelihood, is not self-evident for hundreds of millions of people.

Needs are immense. The cost of implementing the Agenda 2030 likewise.

We know the funding required by far surpasses the funding sources that the public sector can afford. Innovative financing is needed.

UNOPS has over the past few years developed the Social Impact Investing Initiative.

Three years ago, we were encouraged by this board to take the initiative forward.

Today we have built a pipeline of projects, with private sector partners, that represents the most ambitious affordable housing programme in the world.

We build partnerships between the public and private sector to unleash larger sources of sustainable financing.

We create a space where investors can help generate social, environmental and economic impact while making a financial return, which is key to attracting private financial resources.

We structure bankable projects in line with UN values and principles.

And we have put some of our own reserves into these deals. Thereby helping de-risk projects, and move investment decision from a no to a yes.

This way we pave the way for capital to flow into developing countries, at scale, to accelerate the achievement of the SDGs.

Last year, at the General Assembly, we were signing agreements with the first partner countries.

Twelve months later, we are on the ground, with land identified, factories being built, and production of construction material set to start in the next few months.

Today, with governments and private sector partners in Kenya, Ghana, India, Pakistan and in the Caribbean, we have committed to deliver more than 850,000 affordable homes.

Let that number sink in.

It will improve millions of lives.

It will provide hundreds of thousands of local jobs.

It will support sustainable local economies.

It will deliver on the SDGs.

And indeed, this is one of the most promising of UNOPS success stories.

Just last week, I was in Ghana, where work will soon begin on the production of construction materials for the first batch of 200,000 affordable and sustainable homes near the capital Accra and elsewhere in the country.

To coordinate and manage this initiative and its growing portfolio, we plan to open a new office in Helsinki, Finland, led by my deputy. There will be continued increased demands for his leadership as we go forward. His role is similar to a CEO in a private company and as we can see already, the private sector responds.

I truly appreciate the support from the Government of Finland and the City of Helsinki.

From this base, we look forward to continuing to support nations to achieve their SDG priorities.

## **Quality infrastructure**

Within the UN, UNOPS is unique in having a specific mandate in infrastructure.

We build roads and schools. We build homes and hospitals.

We build water and waste management facilities - which also address the primary sources of plastic and pollution reaching our oceans.

Earlier this year, UNOPS expertise was called upon to help shape the G20 principles for quality infrastructure investment.

Later today, we will hear more on this topic, in our first ever interactive dialogue at the board.

I look forward to trialling this new format, and encourage representatives to share your experience and perspectives on the topic. What do you think is important? Do we factor in the right aspects?

### **Gender**

And now, on the issue of gender. As you may recall, across our work, the subject of gender is UNOPS' number one priority.

In June, I provided an update on our determination to achieve gender parity within our workforce.

Then, women represented 40 percent of UNOPS personnel. We confirmed goals to aim for 43 per cent by the end of this year. Our targets are rightly ambitious.

Since we spoke in June, for the first time in UNOPS history, 60% of 'new hires' have been women.

As a result of this drive, women now constitute 41% of our workforce.

I repeat our clear ambition to go beyond UN staff targets.

We include all of our personnel in our gender goals -- irrelevant of contract types, and encourage other members of the UN family to extend gender principles across workforces.

We know that there is still much work to be done, but see no reason to compromise.

And I reiterate our determination to do better.

I will continue to share regular updates on this with the board.

### **UN Procurement**

Next, I would like to share updates on the topic of procurement.

Procurement is simply a reality of nearly every UN activity: every global goal, every mission, every operation.

As we look to be more efficient and effective, state-of-the art procurement practices offer great opportunities to help drive responsible consumption and production and to save money - or deliver more to the citizens.

This is why it is important to compile an annual report of all procurement across the UN. 39 organizations provided their information to UNOPS last year.

So I have the pleasure of presenting the 2018 Annual Statistical Report on UN Procurement, which UNOPS undertakes on behalf of the UN system.

It showed that the UN spent \$18.8 billion on goods and services last year.

The procurement from developing countries, countries with economies in transition, and least developed countries, reached its **highest level ever, \$11.7 billion.**

This constitutes over 60 per cent of the total, with \$3.5 billion spent in least developed countries.

In order to do business with the UN in today's world, suppliers of goods and services need to think local.

I am also pleased to report continued progress among UN organizations in embedding sustainability in their procurement activities.

For the first time, all 39 participating organizations reported on their sustainable procurement practices.

A record 95 per cent of organizations included environmental sustainability as a main consideration in their procurement processes while social and economic considerations continued to play an important role.

This report presents an opportunity for the UN family to reflect on what we could do differently to make efficiency gains and enhance the value of UN procurement.

I encourage all Member States to read the report.

## **UNOPS procurement**

Finally, a few updates on UNOPS procurement.

We have made great strides advising governments on public procurement that benefits the whole society.

We offer solutions to address fraud and corruption, increasing competitiveness and effectiveness.

In Mexico, for example, UNOPS provides supervision and tracking of federal contracts, projects, proposals and tenders. We assist with economic proposals, procurement of medicines, and the sale of state assets.

To give you a recent example, our technical advice recently helped the government of Mexico City save more than \$50M in international tendering for transport infrastructure, and, in the first consolidated procurement of medicines, the government has saved another \$50M with the support of UNOPS.

By working together to enhance efficiency, effectiveness and transparency, we can reduce the opportunities for corruption, and make sure that public resources go further.

## **UN Reform**

And now, some words on reform. Donors would like to see a more effective, more efficient and more accountable UN.

I am deeply committed to this cause.

And in support of those aims, I have accepted a request from the Secretary General, to become the new chair of the High-Level Committee on Management, of the Chief Executives Board for Coordination.

I will assume this role in addition to my responsibilities at UNOPS.

And I can assure you I take this responsibility extremely seriously, coming as it does, in such a critical stage of UN reform.

A cornerstone of UN reform is accepting the need to refine our management approach, and to become less bureaucratic and more innovative.

And I believe that UNOPS experience is critical in support of this drive.

There is always room for improvement.

And we embrace change.

As you will see in our budget estimates and a report from the Advisory Committee on Administrative and Budgetary Questions (ACABQ) before you today, UNOPS is in good shape.

And as the demand for UNOPS services increases, we continue to improve our efficiency.

As stated in UNOPS annual report for 2018 presented to the Board in June, we are enjoying consecutive years of record delivery.

For the period of 2020-2021, the UNOPS management expense is projected to increase by the expected inflation rate only.

At the same time the revenue is projected to increase faster than management expense.

The diligent approaches UNOPS employ on controlling our expense secure our financial health.

We take into account that a larger portfolio means extra risk, so we need to be ever vigilant and financially prepared.

Success affords us the opportunity to think long and hard about the best structure for UNOPS. So in the spirit of continuous improvement, we have recently restructured our Senior Leadership Team to stay flexible and nimble.

## **Conclusion**

To deliver the Sustainable Development Goals, I firmly believe that UNOPS experience will continue to play a key role in delivering on core areas.

Through the significant benefits we can achieve by improving public procurement.

By championing the critical importance of infrastructure that follows international quality standards.

And by bringing significant private funding, to deliver on national agendas for governments across the world.

As outlined in our strategy, by being more efficient, more effective, and bringing more resources, we achieve our goals.

Thank you.