Statement by Jorge Moreira da Silva
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to UNDP/UNFPA/UNOPS Executive Board Annual Session
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Mr President, honourable members of the Executive Board,

It is a pleasure to speak with you all, and to attend my first Executive Board session.
It comes as I have been with UNOPS for just under two months.
It has - as you can imagine - been a rather busy time.
I have learnt much about UNOPS - and its unique role to support implementation capacity for the Sustainable Development Goals (SDGs). And I have much more to learn as well.

In recent weeks I have benefitted immensely from our interactions and your guidance. These focused, among other things, on our midterm review - which also serves as the 2022 annual report, and our restated strategic plan for 2022-2025.

These consultations have been extremely helpful. I look forward to building on your inputs in my statement today, as I reflect on 2022, and present to you my vision and UNOPS priorities as we move forward.

Annual Report 2022:

Let me start by acknowledging 2022. Both in terms of how UNOPS has responded to significant management failures, but also how my colleagues continued to deliver meaningful results, despite those challenges.

Under your guidance - UNOPS started a wide-ranging set of reforms, including a strategic reset at the highest level. These were guided by a comprehensive response plan, which my predecessor Jens Wandel initiated. For the past year, discussions on these topics have been the core focus of numerous and
extensive dialogues between UNOPS and the Board, with both myself and my predecessor. You may well have spent more time on these topics than I have, since I arrived at UNOPS in April.

We continue to meet monthly on these topics. So rather than repeat this information to you again, I will use this opportunity to seek your view on how best to proceed in this regard. Do you see the format and frequency of these updates as an appropriate model to extend over the coming months and years, and what, if anything, should we do to adapt this to our current context?

Instead of dwelling further on these concerns today, my address will instead focus on the achievements of UNOPS personnel despite the institutional crisis of 2022, and the direction set in our restated strategic plan (2022-2025): namely, that UNOPS will collaborate with partners to expand their implementation capacity -- to help people in need, and to support countries in accelerating achievement of the Sustainable Development Goals.

Honourable delegates,

Let me acknowledge the remarkable dedication of my colleagues, who around the world in 2022 continued to deliver on UNOPS core mission: to help people build better lives and countries achieve peace and sustainable development.

Their commitment to our mission, their steadfastness in the face of challenges, gives me great pride. And I would like to share with you some of those achievements in this annual report.

From the perspective of contributions to sustainable development, we recorded significant demand for UNOPS services contributing to SDG3 (good health and well-being) and SDG16 (peace, justice and strong institutions). At the same time, we saw increasing interest for support in response to SDG13 (climate change), and for addressing cross-cutting issues through sustainable implementation.

Last year, we worked in more than 80 countries. And the majority of our activities were in fragile and conflict affected contexts.

The projects UNOPS supported created 9 million days of paid work for local people. Of this figure,
women carried out 47 per cent of this work, while 1.2 million days of work were created for young people.

In total, UNOPS delivered more than $3.5 billion dollars worth of project services in 2022. A single large-scale project in Mexico contributed close to a billion dollars of these figures - yet even without this project the achievements for an organization the size of UNOPS are truly remarkable.

Of course, the meaning of these projects is not to be found in aggregate numbers. So I would like to share with you some tangible examples of some of the projects we supported, in connection to key global challenges.

We contributed to crisis and conflict response:

- In Ethiopia, UNOPS procured and delivered over 300,000 metric tonnes of wheat, in an effort to help stabilize the market amid inflated cost of food.
- In Pakistan, we supported millions impacted by flooding, by procuring mosquito nets and tents to help respond to some of the flood-related health challenges.
- In Ukraine, we helped deliver essential equipment and supplies for vulnerable communities. We are also supporting early recovery and reconstruction efforts – including the rehabilitation of schools and public infrastructure – with a focus on building resilience and advancing sustainable development.

We supported efforts to mobilize climate action:

- In Papua New Guinea, UNOPS technical expertise is helping introduce local mini-grids using solar and hydropower hybrid systems for hard-to-reach communities across five provinces.
- In Sierra Leone, UNOPS support helped provide clean energy to rural areas, electrifying community health centers, installing distribution grids in villages and establishing significant generation capacity, in a programme that benefited nearly half a million people.

We worked with our partners to promote good health and well-being:
● In Somalia, with the UNFPA and WHO, we supported the government to build the country’s first fully functioning national blood bank, paying particular attention to sustainability principles, along with gender and cultural sensitivities.

● In Honduras, we supported the Honduran Social Security Institute (IHSS), in procuring medicines and medical supplies, as well as in broader institutional strengthening. This work aimed to ensure IHSS receives greater value for its money, and develop transparent, efficient and sustainable processes that include gender, diversity and inclusion elements.

And we helped partners to fight inequalities:

● In Serbia, we supported efforts to improve lives through enhanced local governance and better access to public services. We helped strengthen the capacities of local self-governments to provide services, improving the socio-economic position of over 15,000 vulnerable people, and enhancing gender equality mechanisms throughout the country.

● In Yemen, funded by the World Bank, we work to restore access to critical urban services, and strengthen resilience to the impacts of conflict, COVID-19, floods and other climate-related shocks. Our activities include restoring power and providing renewable energy solutions to health and education facilities, rehabilitating roads, water and sanitation infrastructure, and improving waste management services. Here, too, our focus is on sustainable implementation, including partnering with local Yemeni institutions and helping invigorate local businesses.

These are but a few of the 900 projects UNOPS supported in 2022.

This was a year of upheaval and uncertainty at UNOPS. But for my colleagues around the world, one thing was certain: our job is to improve lives for the communities we serve, and to build a sustainable, resilient and inclusive future that leaves no one behind.

As UNOPS’ leader, I am inspired by—and committed to—that spirit. In a world beset by challenges, from economic instability to conflict, geopolitical tensions and the devastating impacts of the climate crisis, my intention is to lead UNOPS to be an impactful part of our joint response to global issues.
Strategic focus

Our focus is now without a doubt on the 2030 Agenda and the Sustainable Development Goals. This is the direction set in our restated Strategic Plan, 2022-2025.

And it is also what has driven me to take this job to lead UNOPS—because I believe that through its implementation focus—UNOPS has an important role to play in helping its partners deliver on the 2030 Agenda.

Two months into this job, I am now more convinced than ever of the importance of this implementation focus.

A few days ago I attended the 2023 ECOSOC Operational Activities for the Development Segment. The Secretary-General’s message was clear there. Halfway to the deadline for the 2030 Agenda, we are leaving more than half the world behind.

Only 12 per cent of the Sustainable Development Goal targets are on track.
Progress on 50 per cent is weak and insufficient.
And our world has tragically stalled or gone into reverse on more than 30 per cent of the SDGs, including crucial goals of reducing poverty and hunger.

There are clearly huge policy and financing gaps.
But there is also a clear implementation gap
And that is where UNOPS sits best in supporting efforts to advance the SDGs.

Financing for development is a key part of the challenge.
I know that in the light of all that has happened with the former Sustainable Infrastructure and Innovation initiative (S3I), it is also—understandably—a sensitive subject for UNOPS to speak to.

But the simple truth is that achieving the SDGs will not be possible without the financial resources to back them - and I will use this opportunity to clarify how I see UNOPS role here:
The challenges around financing for development involve issues of supply, demand, and market regulations. And the global development community simply needs to get better at connecting these three parts.

That includes supporting the capacity of developing countries to make the most strategic use of the available resources for development, and helping create an enabling environment for financing and investment.

This is where I see a role for UNOPS, to support our partners on the demand side of financing. We can be a reliable partner in helping bridge the implementation gap, so that we support governments in making the best of the development resources available to them.

How can we support? By providing technical assistance and capacity building on project preparation, tender, award, and project management. Furthermore, we can help - through our Sustainable Infrastructure Financing Tool (SIFT) - to bridge the gap between governments and infrastructure financiers to accelerate the implementation of infrastructure projects for sustainable, resilient and inclusive development.

Our Strategic Plan is clear about what we will not do in this area: We will not engage in impact investments using UNOPS reserves.

As per our restated Strategic Plan, 2022-2025 - we are refocusing our mission to expand partners’ implementation capacity for the SDGs, across humanitarian, development and peace efforts. In doing this, we draw on our functional expertise for procurement, infrastructure and project and programme implementation.

We are committed to respond to the needs of countries in special and fragile situations, and the most vulnerable people, including in middle-income countries.

This builds on our track record with around 70 per cent of our in-country activities in least developed
countries, landlocked developing countries, small island developing States, and countries in fragile situations.

We will be guided by anticipated demand. Firstly based on experience - on how our partners have called on us in the past. And secondly based on our partners views on where we can be of the greatest value. This will include a focus on harnessing capacity for health, climate and renewable energy.

And I want to emphasize the importance here of sustainable approaches to implementation, so that we can maximize the contribution our interventions make to development outcomes of partners.

We know, for example, that as things stand now - we are 300 years away from gender equality. We know that we have an opportunity - through our project implementation - to promote gender equality and social inclusion. Our Gender Equality and Social Inclusion Mainstreaming in Projects Strategy 2022-2025, confirms our commitment to strengthening diversity and inclusion throughout the project lifespan, including through our procurement practices.

As part of the UN family - we are firmly grounded in the values of the United Nations. We will not work on development projects that do not support the SDGs. And we will not undertake high greenhouse gas emissions activities if there are workable alternatives.

We are conscious that we do not have a policy mandate. Our role in the UN system is implementation, with our presence and activities fully based on the needs of our partners. And we remain deeply committed to working as part of the UN system to reignite progress on the SDGs, and deliver meaningful actions for people, planet and prosperity.

Organizational transformation

Honourable members,
Our ambitions are high.

But I also recognise that the journey of reform that we embarked on last year continues.
We want to truly build on the long-term strategic changes that these entailed - to help us deliver on our key priorities, and be a fit-for-purpose partner.

A key lesson for us from 2022, which our midterm review also highlighted - was an urgent need to work on rebuilding trust and reforming our culture. This is a key priority for me moving forward.
I am absolutely committed to the openness, honesty and accountability that this process takes.

This will be a long process - but this work is progressing.

We want to openly address questions and hear feedback from UNOPS colleagues working as contractors.

We have created a dedicated internal forum to seek input and feedback from everyone concerned, and also to directly address concerns.

We are progressing with a review of our contractual model, and have taken initial steps to reclassify positions where it was found that roles should have been undertaken by staff members directly.

Strengthening our culture of ethics - and the independence of the Ethics function - are another key part of this exercise. Here, too, there is some good progress. An independent review of UNOPS Ethics Function’s impartiality and independence was conducted by the Ethics Officers from UNESCO and the IMF. That review is now completed and I want to take this opportunity to sincerely thank colleagues from UNESCO and IMF for leading this exercise and sharing with us their findings.

Over the past year, we have also made every effort to ensure the independence and sufficient capacity of oversight functions, especially our internal audit and investigation, and ethics functions, as per recommendations by the Board and third-party reviews.

It was for my colleagues in our Ethics and Audit and Investigations functions to brief you independently on these topics, but let me assure you that I am fully committed to continuing this support - including ring-fencing of budget - to continue to strengthen the independence and effectiveness and the respect shown by management towards those functions over the coming years.
Similarly, I am absolutely committed to continuing our efforts to prevent sexual exploitation and abuse and harassment. UNOPS has zero tolerance to inaction for sexual misconduct and will continue to take all possible efforts to prevent allegations and respond appropriately when they do arise.

Another ongoing activity as part of the UNOPS reform journey is our commitment to the distribution of excess reserves to paying entities.

UNOPS remains fully committed to refunding the $124 million USD excess reserves as of 31 December 2022 and has continued to engage in conversations with a large number of partners on this issue.

Many partners need time and additional details to see how such a process can be accommodated to ensure transparency and compliant processes for all partners involved. They all have policy frameworks, and we all recognise that we are dealing with exceptional circumstances.

As of 1 June 2023, we have transferred $17.7 million to a total of 31 partners including $1.4 million to the UN Development Coordination Office (DCO). We have so far contacted 121 partners representing 94 per cent of the value of funds that we have to refund of $124 million.

We are doing our utmost to expedite the refunds, but as you can appreciate, we can only respond as fast as our partners instruct us to do.

In addition, as per the Board’s request, we are now also working on a mechanism for refunding any excess reserves accumulated in the future. To ensure that we do not continue to accumulate excess reserves, we are committed to a transparent cost recovery and net zero revenue. We propose that the excess be evaluated at the end of the strategic plan cycle and refunds made thereafter. This will allow UNOPS to adjust the cost recovery rates during the bi-annual budgeting cycles to minimize accumulation of excess while avoiding overcharging partners.

Another critical ongoing set of activities related to improving our digital tools and systems with the ultimate goal of ensuring positive tangible benefits for countries and people in need.
Measuring progress

Honourable members of the Executive Board,

Through all of our actions, we remain committed to achieving measurable progress.

We have expanded the scope of our results framework to enable accountability for the full breadth of what we set out to do in the restated strategic plan. It now covers:

a) how we manage;

b) what we aim to contribute; and

c) the ambitions we have for impact

We will use external thematic evaluations, more advanced data analytics, systematic documentation of projects, and structured SDG reporting by the countries where we have critical mass.

We intend to learn from these evaluations how we could improve our support and contributions to partners’ impact, be it through support services or integrated solutions.

Given our implementation role, what we do and where we deploy is in response to the demand of our many different partners.

New elements in our results framework cover two additional areas:

- A level with targets for our operations - intended to guide behavioural choices, for example, in relation to sustainable implementation practices and engagement with the wider development system.

- A level with focus on ambitions for impact. The intent of this level is to better understand - and learn from - the effect of our implementation for the most vulnerable people and in the countries where we are present.

Significant internal effort is needed for us to realize our ambitions for management, contributions and impact of our mission.
Significant internal effort is needed to undertake our commitments to the comprehensive response plan.

Significant internal effort is required to undergo a digital transformation programme.

And significant internal effort is required to undergo a cultural transformation.

Given the scale of these undertakings, I want to be clear that we are now well into a set of long-term change initiatives, and I will ask for the Board to continue to help guide me through these processes, so they are not rushed, so we make the right decisions, and these changes can have lasting impacts.

In its simplest sense, this all amounts to an organization in the process of rebuilding, with a positive future ahead of it. We began this journey in 2022. And I expect it to continue through this strategic plan period.

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To conclude, I am excited, humbled, and in awe of what this organization can do to support efforts to respond to our global challenges, and make tangible differences to lives in the communities we serve.

And I am still learning. I want to thank you —once again—for your engagement and comments in our recent meetings, ahead of the annual session of the Board. I look forward to your continued guidance as we implement our restated strategic plan to help build a better future for all.

Thank you.

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