

## **Note from the Secretariat**

### **Review of UNOPS Financial Regulations and Rules**

1. The origins of the United Nations Office for Project Services (UNOPS) trace back to 1973, and until 1994 UNOPS was part of the United Nations Development Programme (UNDP). By decision of the General Assembly, UNOPS became a separate, self-financing entity on 1 January 1995<sup>1</sup> under the auspices of the Assembly, the Economic and Social Council, and the Executive Board.
2. Through its project services — including infrastructure, procurement, project management, human resources, and financial management services — UNOPS supports governments, the United Nations, and other partners in achieving Member States' Global Goals, and local objectives for people and countries.
3. UNOPS has a broad global reach with activities in more than 85 countries. Its flexible structure of country and multi-country offices, backed by global support and delivery structures, enables it to meet changing demand and to support partners in the most complex settings. In 2022, about 70 per cent of UNOPS in-country project expenses were in least developed countries, landlocked developing countries, small island developing States, and other countries in fragile situations.
4. In this context, sound financial governance ensures the effective financial administration and economical use of resources administered by UNOPS. Issued by the Executive Board, the UNOPS financial regulations are the foundation of the financial framework and define broad legislative directives governing the financial management of the organization. Through the financial rules, the Executive Director provides instruction on how the financial regulations are to be implemented. The financial rules also define clear parameters within which personnel and management must exercise their responsibilities. The financial regulations and rules are complemented by UNOPS financial policies.
5. The UNOPS Financial Regulations and Rules (FR&R) were first issued in 1995 when the organization became a separate entity, and were last reviewed in 2012 to formalize the adoption of the International Public Sector Accounting Standards (IPSAS).<sup>2</sup> At the time, UNOPS delivered US\$ 967.6 million in services to partners. Since then, UNOPS portfolio of services has increased significantly, totaling US\$ 3.48 billion in 2022.

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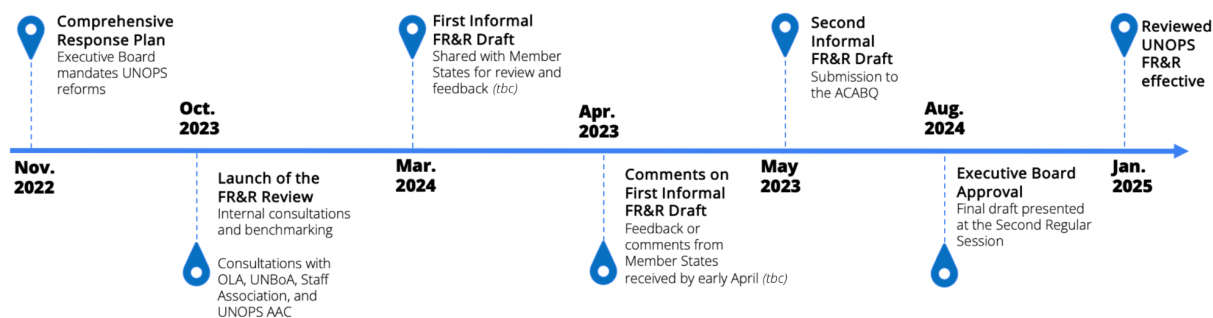
<sup>1</sup> [Decision 1994/12](#)

<sup>2</sup> [Decision 2012/5](#). See current UNOPS Financial Regulations and Rules [here](#).

6. While UNOPS has always adapted to changing contexts to better serve the needs of its partners, in 2022 under the guidance of the Executive Board the organization initiated ambitious and wide-ranging reforms, captured in the Comprehensive Response Plan<sup>3</sup> to address strategic and administrative issues. The review of the UNOPS FR&R was identified as one of the priority actions. It is closely linked to other elements of the reforms including the review of the UNOPS policy framework and the Digitalisation Programme.
7. UNOPS aims to submit the proposed revised Financial Regulations and Rules for approval at the 2024 Second Regular Session of the Executive Board, with the view that the revised Financial Regulations and Rules would be effective 1 January 2025.
8. With the purpose of incorporating international best practices and contributing towards United Nations system-wide policy coherence, UNOPS will, as part of its consultations, seek inputs from the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the United Nations Office of Legal Affairs (OLA), the United Nations Board of Auditors (UNBoA), the UNDP/UNFPA/UNOPS/UNWomen Staff Association, and the UNOPS Audit Advisory Committee (AAC).

## Review of UNOPS Financial Regulations and Rules (FR&R)

### Tentative Roadmap



<sup>3</sup> [Decision 2022/24](#), paragraph 13