

# INSIDE UNDP

## LIVING UP TO INTERNAL COMMITMENTS

### MANAGING FOR RESULTS

Accountability has always been an important and firmly established guiding principle of UNDP's work. Since the approval of the UNDP Accountability Framework and Oversight Policy by the Executive Board of UNDP and UNFPA in 2008, the organization continues to ensure that accountability principles are in practice at all levels and in all offices across the world. Key initiatives in 2009 included the launch of an internal accountability website that provides easy-to-access resources and information on applying accountability and responsibility in the workplace, including training opportunities.

# 400%

The amount UNDP's volume of procurement transactions has increased in the past five years, leading UNDP to develop a new procurement strategy launched in 2009 to train and accredit its procurement staff.

A high-priority area of risk management concerns the safety and security of UNDP personnel and its programmes. By the end of 2009, 95 percent of UNDP Country Offices were compliant with the organization's security standards, an increase of over 10 percent from 2008. The security response to emergencies related to natural disasters was tested in **Myanmar** in 2008 and again in **Haiti** in 2010. UNDP deployed security advisers and provided emergency response equipment to staff in both places within 48 hours of the natural disasters that affected the two countries and the UNDP staff who were there to help them respond.

In 2009, UNDP also put in place improved measures to protect soft and intangible assets, including a large amount of data used for operations management and financial transactions. These include improvements in the governance and use of information and communications technology applications. For example, UNDP has migrated its main pro-

gramme for tracking operations and financial transactions to new and much more powerful central servers at the UN International Computing Centre in Geneva.

Accountable, professional and transparent procurement is essential for aid effectiveness and central to achievement of development results. UNDP's volume of procurement transactions has increased fourfold in the past five years, with the bulk of the increase resulting from complex transactions at the country level, such as providing personnel to staff voter registration programmes and hiring consultants to assist in demobilization and reintegration programmes for ex-combatants in countries recovering from conflict.

In response to this dramatic change, UNDP developed a new corporate procurement strategy that it launched in 2009. UNDP is now implementing an internationally accredited procurement certification programme to professionalize the competence of UNDP procurement staff. The certification programme offers training courses at both a certificate and a diploma level, and it is tailored to the procurement context of UN organizations, taking into account the specific legal, policy and procedural challenges unique to UN procurement.

UNDP's programme for the adoption of International Public Sector Accounting Standards (IPSAS) is well on track for its scheduled 2012 adoption. IPSAS will bring greater transparency to UNDP's financial reports, greater comparability with the reports of other UN organizations, better prediction of future asset and cash flow needs and greater support for results-based management. This past year has seen significant development in UNDP's new IPSAS-compliant financial policies, a system-wide analysis of organizational impact and the beginning of IPSAS training for staff.

## HUMAN RESOURCES IN UNDP

**Contractual Reform** UNDP, together with other UN agencies, was required by the UN General Assembly to implement contractual reform. In July 2009, the Secretary-General issued a new set of staff rules governing all staff appointments. This represents the single largest change to UNDP's human resources governance in over 40 years. To manage this transition as smoothly as possible, UNDP worked diligently to keep staff informed every step of the way, including through newsletters, direct communications from senior management and online clinics that provided live, detailed explanations.

The contractual reform process is ongoing. A new recruitment and selection framework has been implemented and the UN, with contributions from all organizations and staff representatives, is working to complete a revised version of the staff rules based on feedback since 1 July 2009.

While it has been a period of major transition for staff and offices, the effort will result in a streamlined system of contracts that will support the delivery of UNDP's mandate in a coherent way, and harmonize the conditions of its staff with those of other UN colleagues.

**Talent Sourcing** As part of a comprehensive talent management initiative, UNDP has developed a new recruitment and selection strategy that, in the coming year, will focus on a more strategic way to locate and develop talented staff members to better meet UNDP's needs for a diverse talent pool that can grow with the organization over the years. As part of this initiative, UNDP is establishing candidate pools of rigorously pre-assessed staff members.

For the first time in its history, a woman is leading UNDP as Administrator. Additionally, in 2009 a woman was also appointed to the position of Associate Administrator. The latest gender parity data show that, while women comprise the majority of the workforce in junior posts, their presence tapers off in mid- and senior-level posts. Currently, women account for 35 percent of Resident Coordinators and 29 percent of Country Directors. UNDP is redoubling its efforts to find innovative solutions to address this gap, including prioritizing gender considerations



*UNDP senior manager Bruno Lemarquis lends a hand at a Haiti cash-for-work programme in Carrefour-Feuille following the January 2010 earthquake.*

as part of the candidate-pool concept.

In 2009, UNDP's Junior Professional Officers (JPOs) programme recorded an impressive increase of 29 percent from 2008, thus contributing to the talent pool for future generations of leaders. The JPO programme provides young professionals pursuing a career in development with critical hands-on experience in participating UN agencies, including UNDP and the funds that it manages.

UNDP continues to invest in its Leadership Development Programme, called LEAD, established as an entry point for talented young development professionals interested in a career with UNDP. The LEAD programme serves as a valuable talent pool of people to draw upon in order to replenish middle management positions in the short term and senior management positions in the long term. In 2009, UNDP saw its largest intake ever of LEAD participants, more than half of whom were women, and half from countries in the Global South.

UNDP is one of the few agencies in the UN system that already has a policy for the recruitment of persons with disabilities. In support of the implementation of the UN's Convention on the Rights of Persons with Disabilities, UNDP launched in 2009 a required online training programme to mainstream disability awareness and promote inclusive employment in the organization. The training programme is the first of its kind in the UN system, not only because of its content, but also because it has built-in accessibility features so people with visual, hearing, motor and cognitive impairments can take the training.

The important role of microcredit in the fight against poverty is well-recognized and documented. Microcredit enables poor people to increase their incomes and protect against setbacks. It empowers women in particular, who account for the majority of borrowers from many financing institutions.

Less known, but potentially as significant for reducing poverty, is the high demand amongst poor families for savings opportunities. Many poor households are in fact net savers seeking convenient and safe alterna-

Foundation, provides loans and grants on a competitive basis to microfinance providers that are based in developing countries, are pursuing savings-based approaches and have already established themselves as market leaders. MicroLead funding enables these established leaders to expand into underserved markets in LDCs, giving poor families convenient and reliable ways to keep their money safe. The savings, in turn, then become a new source of microfinance for larger communities.

MicroLead also has a special window for early support to post-conflict countries. By encouraging the entry of good practice providers into post-conflict countries as soon as key security conditions are met, MicroLead is helping to ensure that a vital component of early recovery — sustainable financial services — are available for poor families and small firms.

In its initial phase in 2008/2009, MicroLead awarded 12 competitive grants — eight of which went for operations in post-conflict countries — for a total of \$18.9 million. The recipient institutions will themselves bring over \$100 million of new capital into underserved markets, serving a total of 950,000 new depositors and 620,000 new borrowers by the end of 2013. Approximately six million people will benefit from the initial phase of MicroLead.

MicroLead is a good example of UNCDF providing 'catalytic capital.' UNCDF's initial \$6.6 million investment is projected to result in \$263 million in new loans in the hands of poor people by 2013, leveraging UNCDF's initial investment 40 times. UNCDF is currently exploring possibilities with partners for launching subsequent phases of MicroLead.

# 620,000

Projected number of new borrowers who will benefit from the UNCDF-supported MicroLead grants by 2013.

tives to keeping money outside of formal financial institutions, or investing in illiquid or inherently risky assets such as livestock. The demand for savings alternatives is particularly high amidst the uncertainty of crisis and post-conflict environments.

Basic savings accounts can meet the needs of poor families and enable households to plan for the future. Getting savings into formal financial systems means they can ultimately be used to fund microcredit activities, for the larger benefit of entire communities. Local funding also tends to be more stable than donor or capital market funding, and carries no foreign currency risk.

The UNDP-affiliated UNCDF is helping to bring a savings-based approach to underserved markets in LDCs via MicroLead, a new \$26 million South-South cooperation facility that became fully operational in 2009. MicroLead, which has received substantial funding from the Bill and Melinda Gates

## New System of Administration of Justice

On 1 July 2009, the UN launched a new system for the administration of justice. An important aspect of the new system is the greater emphasis on informal resolution of disputes through an expanded and integrated Office of the UN Ombudsman and Mediation Services. The Office now has locations in both the UN's New York headquarters as well as in other

headquarters and field locations, making it much more accessible to staff. Furthermore, the new system includes two new tribunals, both of which are staffed with professional and independent judges. Throughout the year, UNDP has worked to prepare staff for the transition to the new system of justice, contributing to a seamless transition for UNDP. ●