UNDP Executive Board Meeting on Structured Funding Dialogue

5 September 2018
10:00 a.m. – 1:00 p.m.
ECOSOC Chamber

Context

CHALLENGES

- Conflict, persistent pockets of poverty and hunger, inequality, climate and rapid urbanization
- Difficult political climate - nationalism, protectionism, isolationism and withdrawal
- Pressure on ODA, funding practice that deepen 'bilateralisation' of multilateralism

OPPORTUNITIES

- Reform: UN-wide Strategy for Financing A2030, UNDS Funding Compact
- Rising interest in leveraging ODA to mobilize private finance
- Data and innovation – IoT, AI, automation, etc.
- Development focus on preventative measures

UNDP'S OFFER TO HELP COUNTRIES MEET THE SDGS

- Integrated signature solutions to deal with complex development challenges
- Country platforms for UN system wide integrated support to countries achieve the SDGs
- Revamped global policy network leveraging expertise/knowledge from around the world
- SDG acceleration labs building off innovation facilities
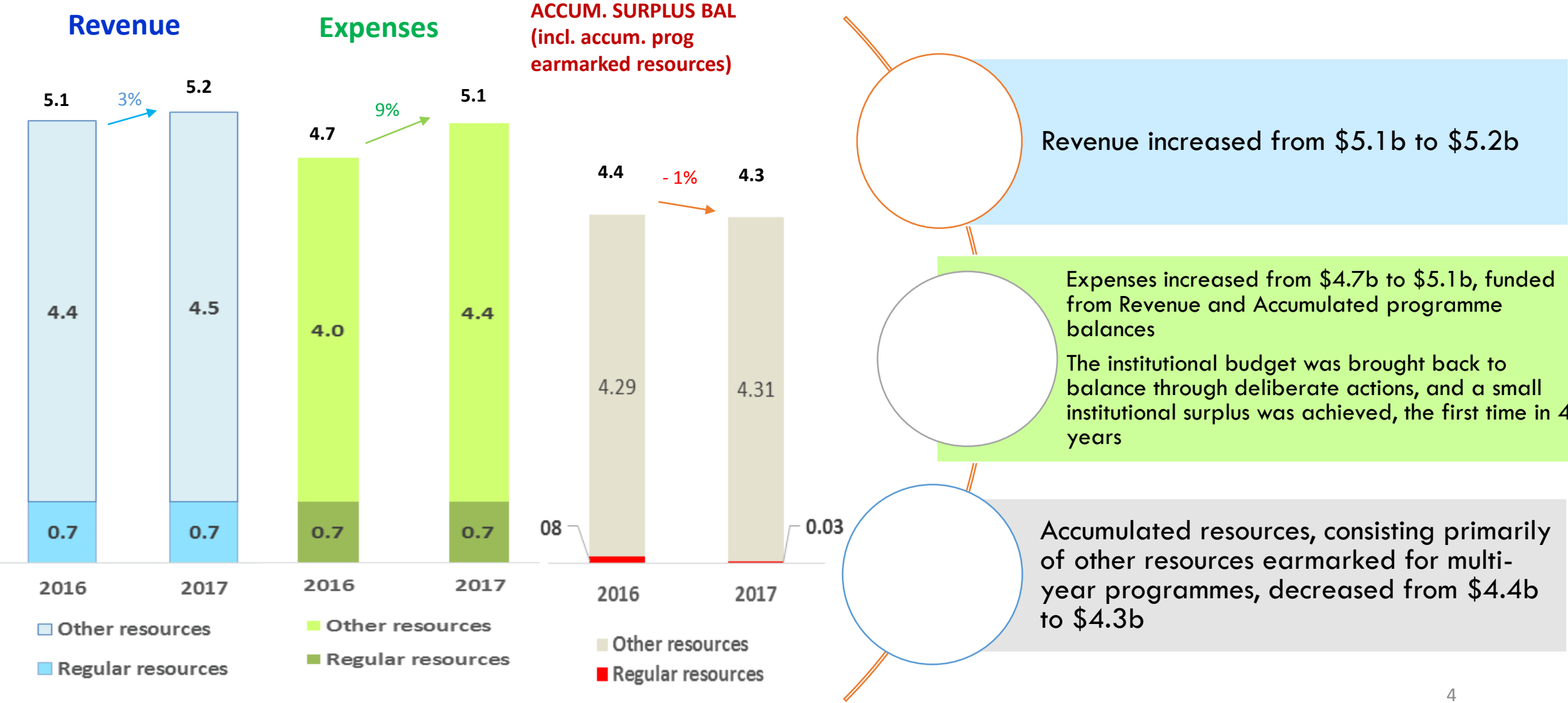- Country investment facility

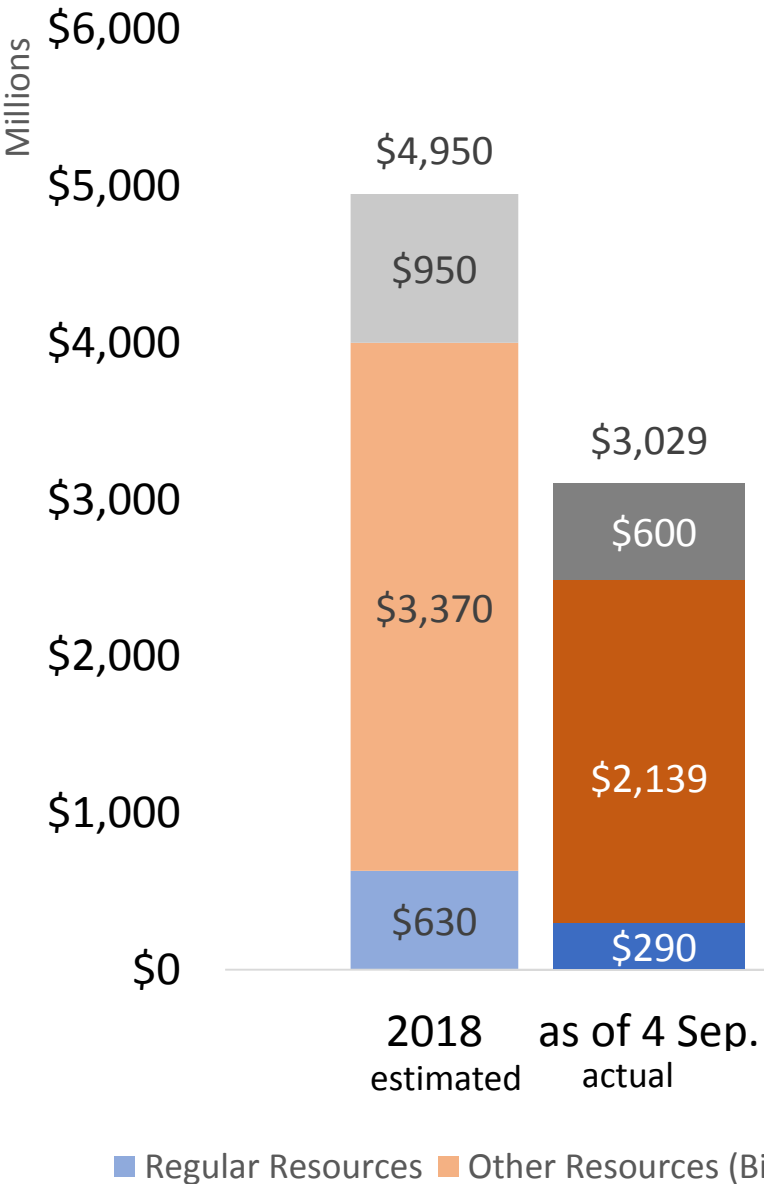# Annual Review of Financial Situation for 2017: Key messages

- **13 consecutive years of unqualified audit opinions by UN Board of Auditors on UNDP's financial statements**

- **Satisfactory audit opinion** by the Office of Audit and Investigations (OAI) on **the adequacy and effectiveness of UNDP's governance, risk management and control (GRC) framework**

- **2017 ratio of core to other resources:** 12% and 88% respectively (2016: 13% and 87%). Core is increasingly important to maintain healthy oversight and management

- **Balanced budget for the first time in four years**

- **Year-end core liquidity maintained above the 3 months minimum threshold** requested by the Executive Board

- **UNDP maintained an overall positive net asset position** on the balance sheet

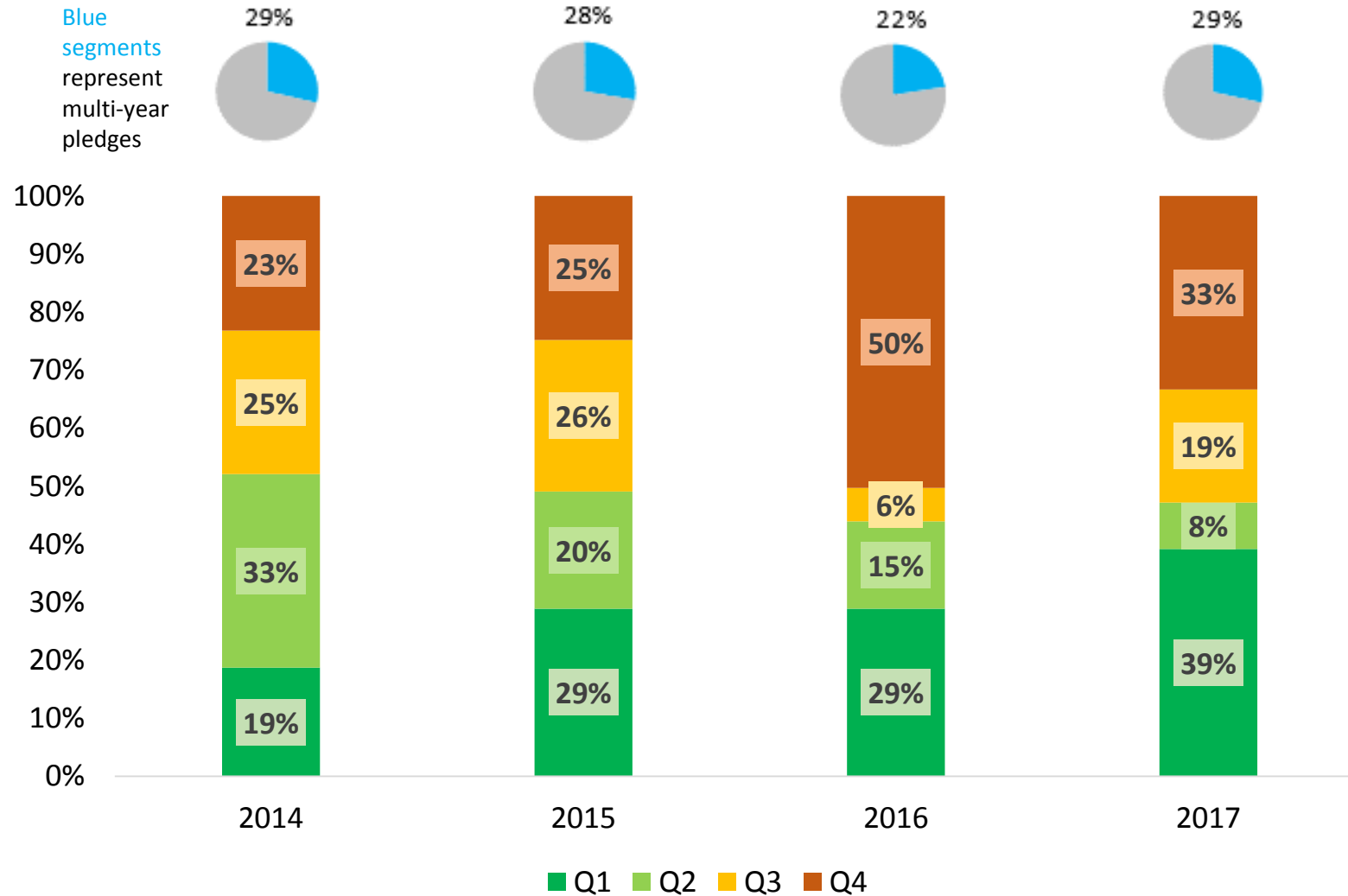# Annual Review of Financial Situation for 2017: Key Features

Data in $ billion

Revenue

5.1 → 3% → 5.2

Expenses

4.7 → 9% → 5.1

ACCUM. SURPLUS BAL (incl. accum. prog earmarked resources)

4.4 → - 1% → 4.3

Revenue:
- 2016: Other resources 4.4, Regular resources 0.7
- 2017: Other resources 4.5, Regular resources 0.7

Expenses:
- 2016: Other resources 4.0, Regular resources 0.7
- 2017: Other resources 4.4, Regular resources 0.7

Accum. Surplus Bal:
- 2016: 4.29, 08
- 2017: 4.31, 0.03

Legend:
- Other resources / Regular resources

Revenue increased from $5.1b to $5.2b

Expenses increased from $4.7b to $5.1b, funded from Revenue and Accumulated programme balances

The institutional budget was brought back to balance through deliberate actions, and a small institutional surplus was achieved, the first time in 4 years

Accumulated resources, consisting primarily of other resources earmarked for multi-year programmes, decreased from $4.4b to $4.3b

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Current Status of Funding: Estimated Contributions vs. Received

As of 4 September:		
Resource Type	Received in 2018	Compared to 2017
Regular	$290m	-$97m
Other	$2,739m	+$419m

Chart (Millions):

- **2018 estimated** — Total $4,950
  - Regular Resources: $630
  - Other Resources (Bilateral/Multilateral): $3,370
  - Other Resources (Government Cost Sharing): $950
- **as of 4 Sep. actual** — Total $3,029
  - Regular Resources: $290
  - Other Resources (Bilateral/Multilateral): $2,139
  - Other Resources (Government Cost Sharing): $600

Legend: ■ Regular Resources ■ Other Resources (Bilateral/Multilateral) ■ Other Resources (Government Cost Sharing)

Predictability and Timeliness of Core Contributions

Blue segments represent multi-year pledges

CURRENT MULTI-YEAR PLEDGERS TO REGULAR RESOURCES

Australia (2016-19)

Belgium (2017-20)

Canada (2016-18)

Denmark (2017-20)

New Zealand (2016-18)

Sweden (2018-19)

Switzerland (2018-20)

Q1 Q2 Q3 Q4

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Importance of Core: Stories from the Field

UNDP **Costa Rica** and the Green Commodities Programme developed the world's first land use monitoring system including the use of satellite images to monitor forest gain and loss associated with export commodity production. Core was essential in terms of expertise and investment in remote sensor interpretation.

UNDP assisted **Zimbabwe** to conduct credible and transparent harmonized elections through the Zimbabwe Electoral Commission Capacity Building project, by developing a biometric voters roll entailing 54% women and 44% youth, a creative and innovative voter education campaign resulting in 85% voter turn out, a free campaign environment and having strong oversight by national and international observers

UNDP and the Government of **Maldives** came up with an out-of-the-box idea. They used drones across the islands to create three-dimensional maps and chart the topography of the terrain to use in disaster planning and relief missions. UNDP partnered with DJI, the leading drone company from China. The initial proof of concept was developed using a mix of UNDP core resources and other resources.

The Yemen Enhanced Early Recovery Project aims at creating a platform and capacities to enhance the coordination between humanitarian response and development-oriented crisis-response initiatives. The project is key to achieving common outcomes of the humanitarian-development nexus in the Yemen crisis.

For More Stories: https://open.undp.org/projects

Efforts Towards a Stronger UNDP: RECAP of our commitments

Results & Innovation-driven culture

Strong performance across all areas of previous SP

Alternative finance, big data, behavioral insight, innovation labs

Effectiveness & Efficiency

Recognized as top org. for 'value for money'

2017 management efficiency ratio of **6.9%**, well under the target of **8.1%**

Transparency

Ranked the world's most transparent aid agency

Link Results and Resources + Open Data

Diversification

Private Sector

IFI/DFI

UNDS Working Together

Common Chapter Reporting

Inter-Agency MOUs

Country Support Platforms

Country-level joint programmes

Towards greater transparency:
LINKING RESULTS AND RESOURCES

https://open.undp.org