



# **UNDP Informal Consultation on Structured Funding Dialogue**

30 August 2018  
10:00 a.m. – 1:00 p.m.  
CR-12

# 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

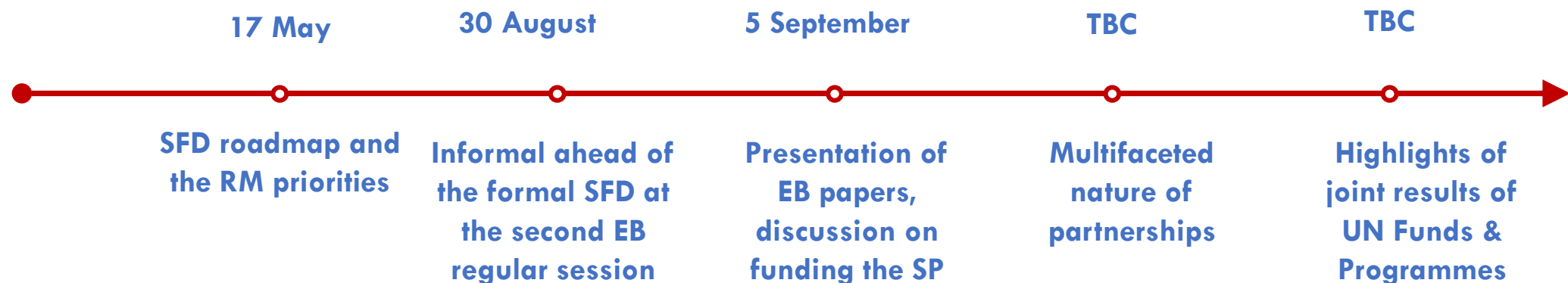
## UNDP'S OFFER TO HELP COUNTRIES MEET THE SDGs

- 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



# Roadmap for UNDP's Structured Funding Dialogues

- UNDS to improve the functioning and effectiveness of the structured funding dialogues to fund development results, agreed to in the Strategic Plan 2018-2021.
- A revitalized SFD to improve the quality and transparency of funding, and better match funding to SP outcomes.
- The SFD proposed roadmap reflects an interactive process throughout the year rather than an annual event, with a timeline as follows:



# Outline

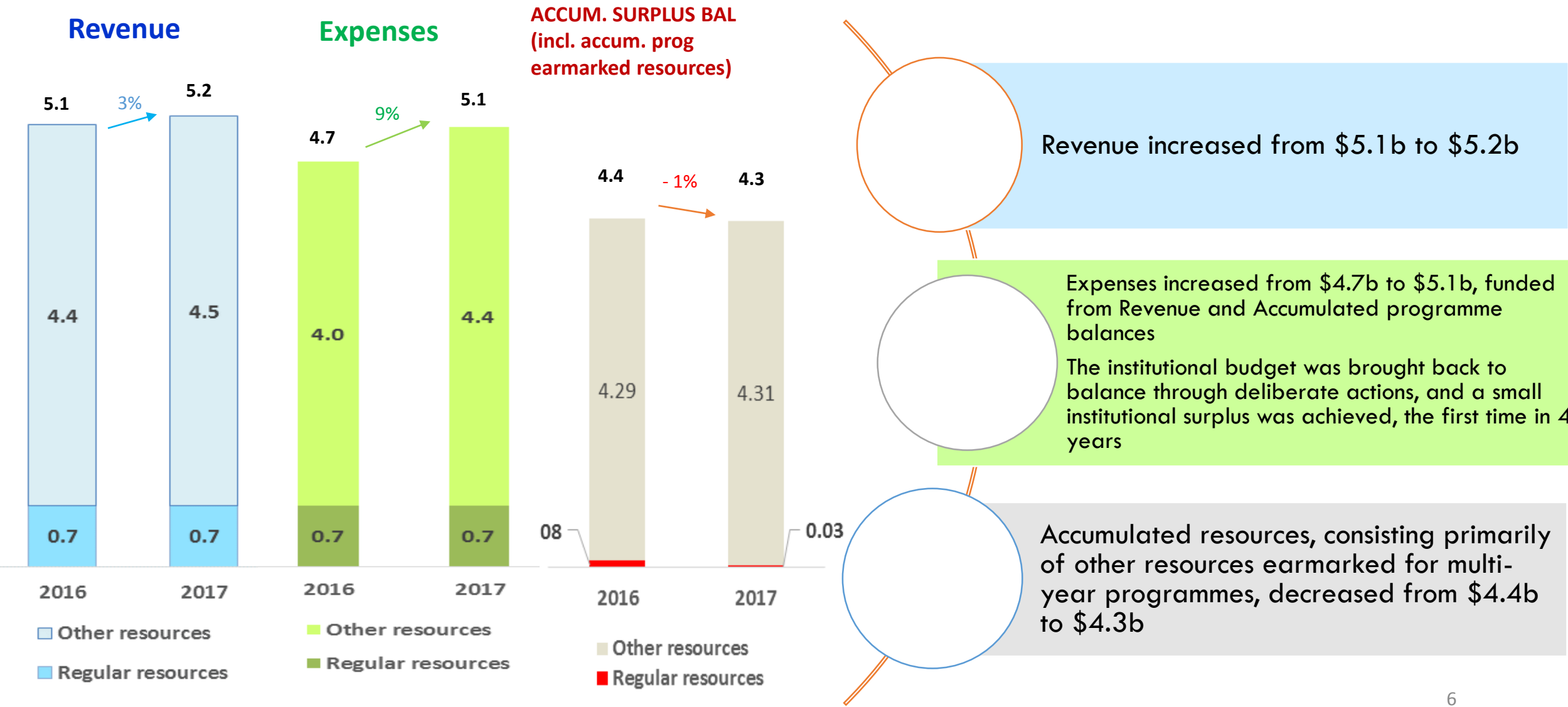
- **Annual Review of Financial Situation for 2017**
- Quick Recap of our Starting Point for 2018-2021
- Resource-Results linkage
- Status of Funding
- Questions and Discussion

# 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

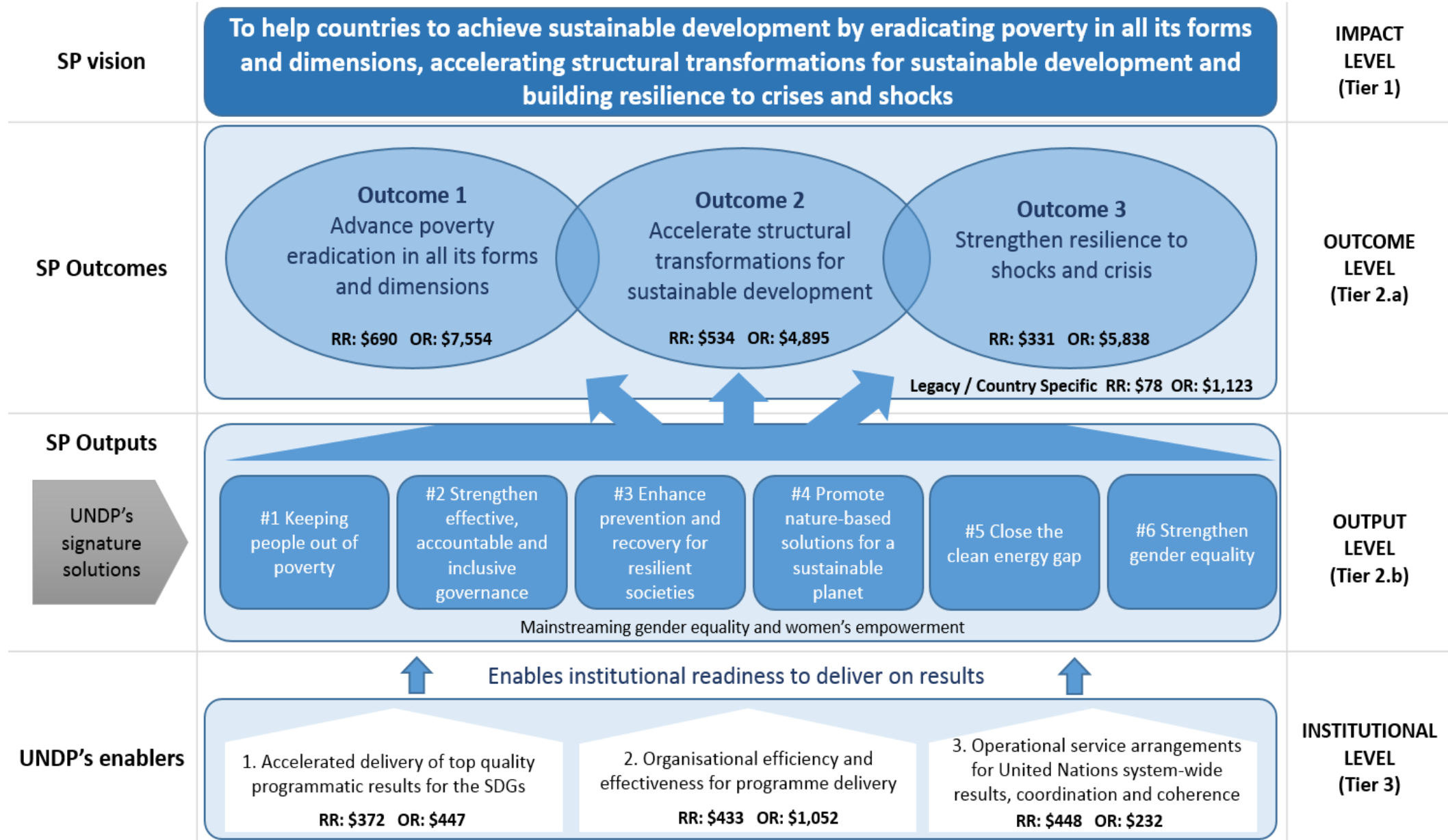


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# Recap: UNDP Strategic Plan (2018-2021)



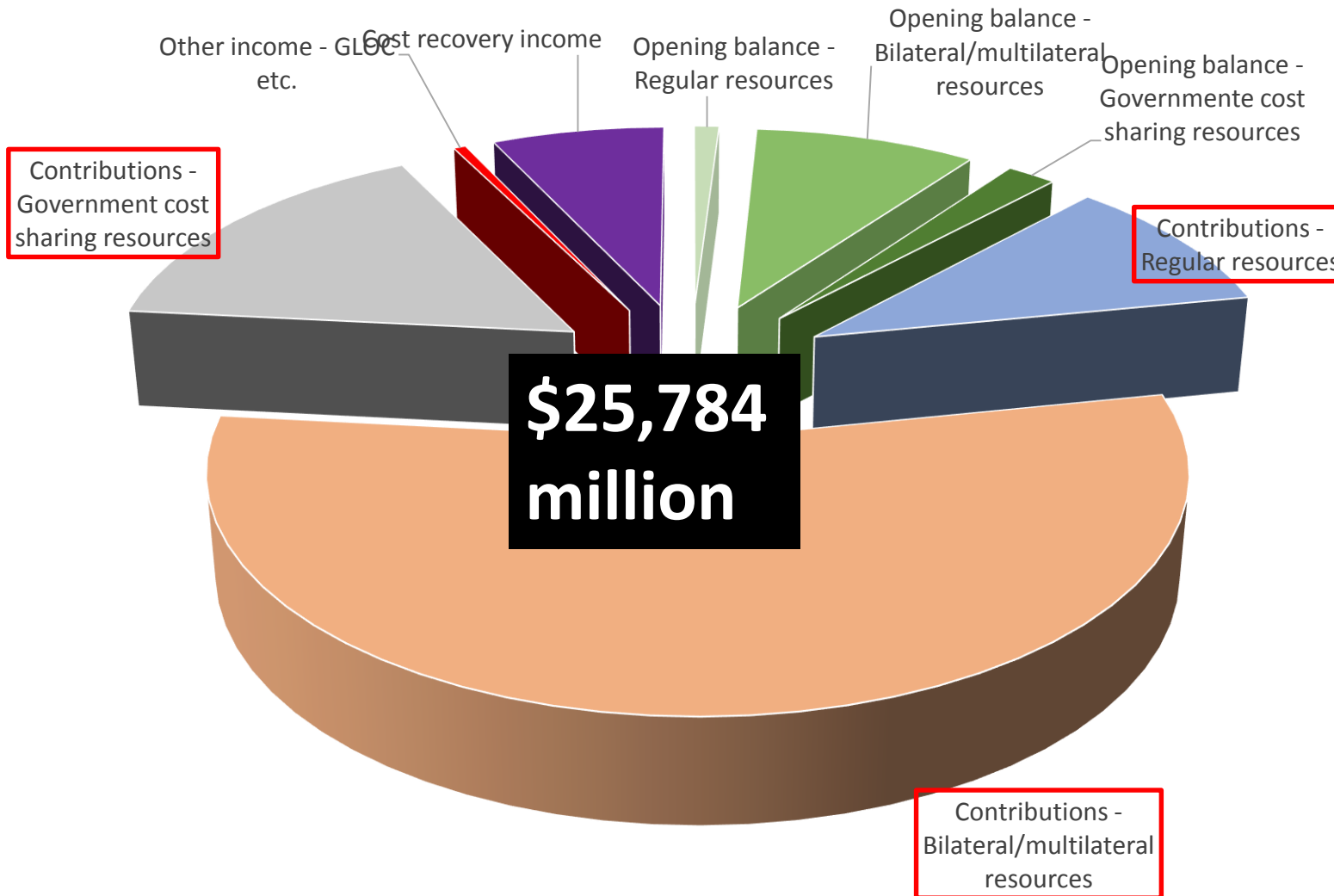


# IRP 2018-2021: Estimated Resources

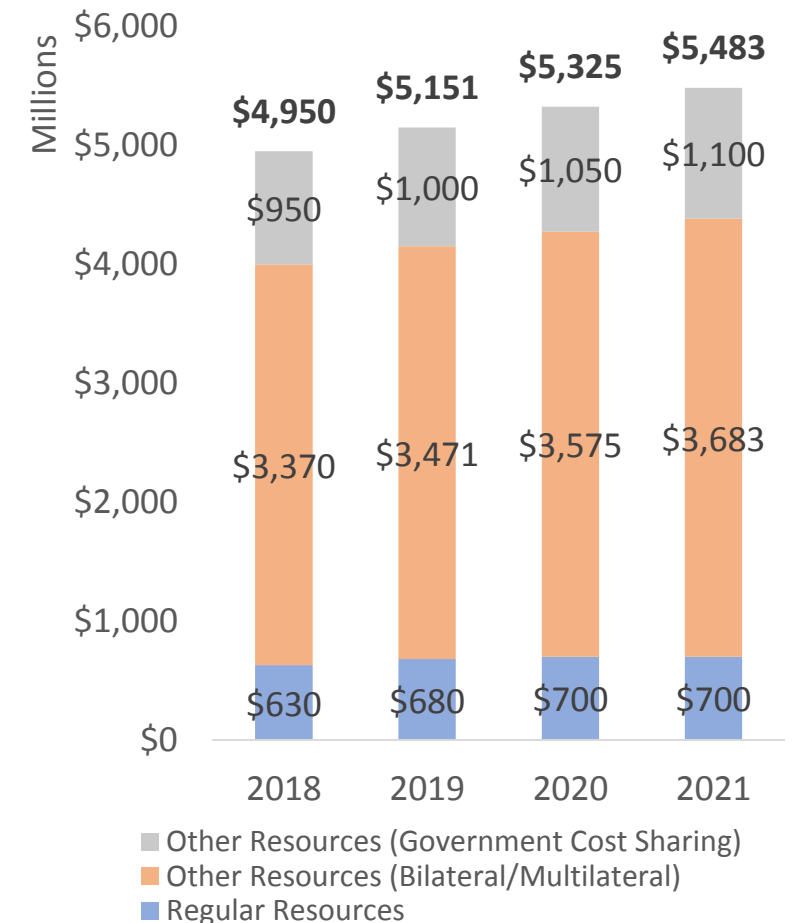
## Total Estimated Resources



## Total Estimated Contributions

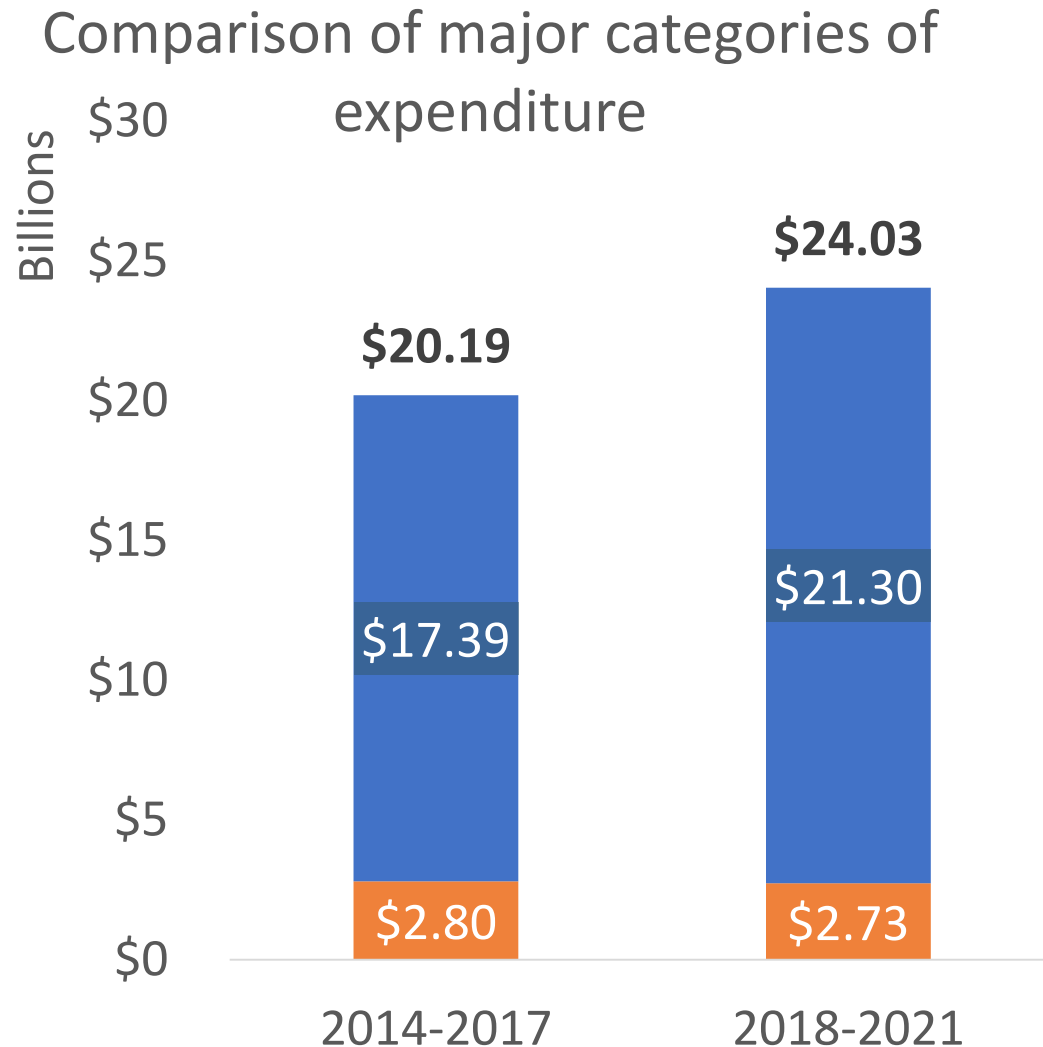


Source: DP/2017/39 Annex A, Figure 1a



Source: DP/2017/39 Annex A, Figure 1b

# IRP 2018-2021: Estimated Expenditures



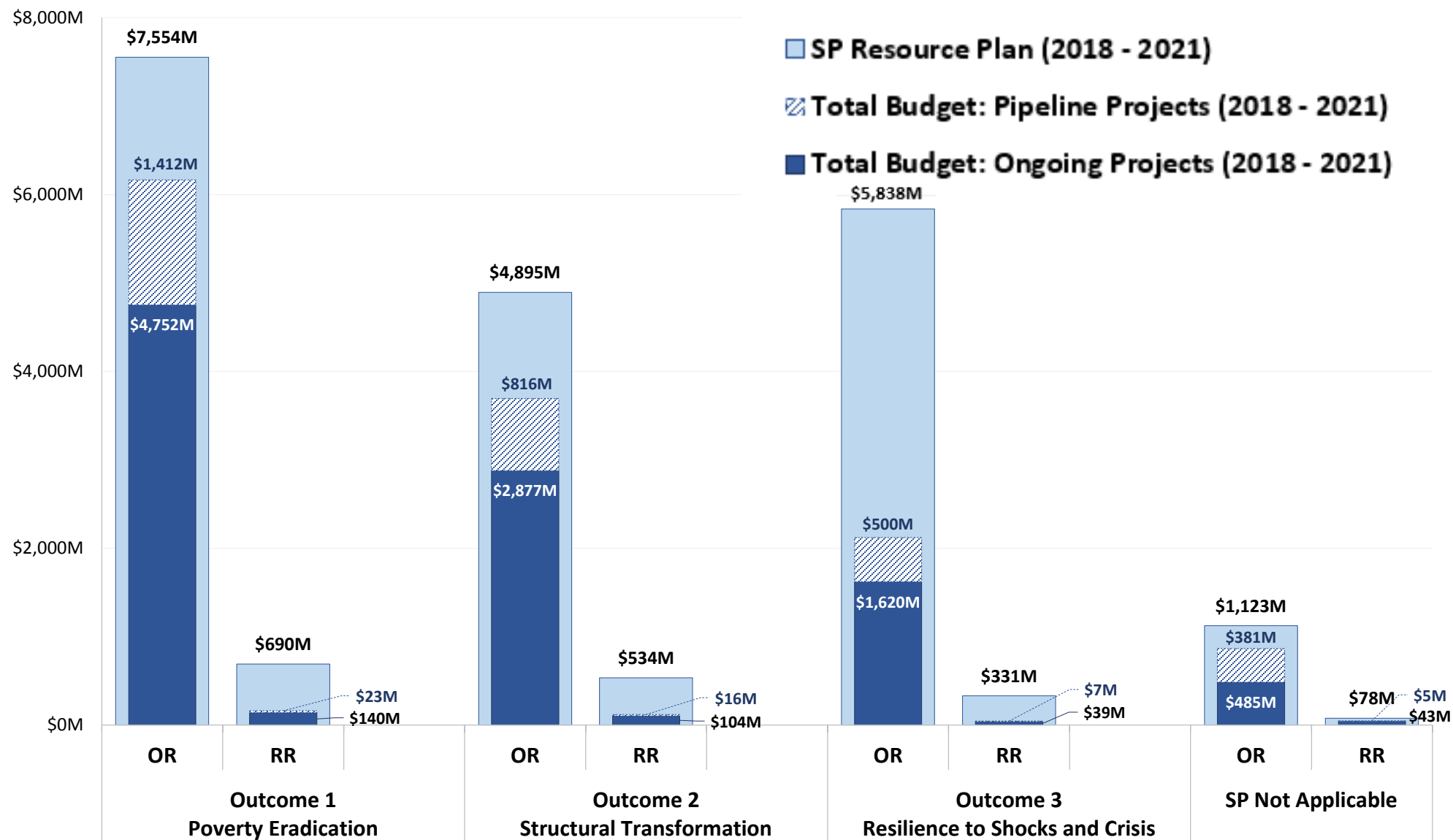
Major Expenditure Category	Change from 2014-2017 (\$)	Change from 2014-2017 (%)
Programmatic Component	+\$3,912m	+ 23%
Institutional Component	- \$74m	- 3%
Grand Total	+3,838m	+ 19%

Source: UNDP Integrated Resources Plan (IRP), 2018-2021

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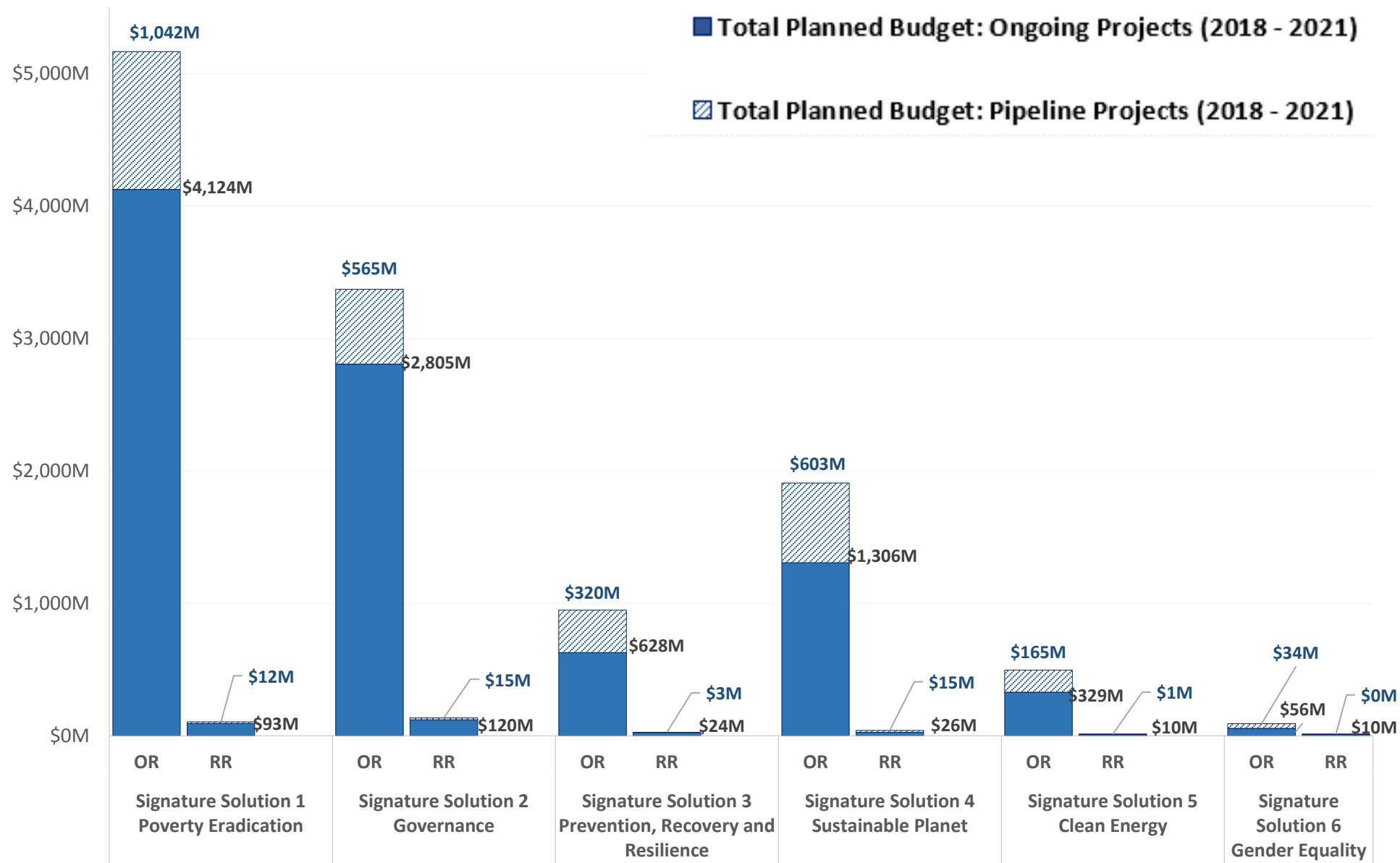
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# RESOURCES-RESULTS LINK: Estimated Expenditures vs. Programmed Budgets



Note: Budget analysis included regional and global projects

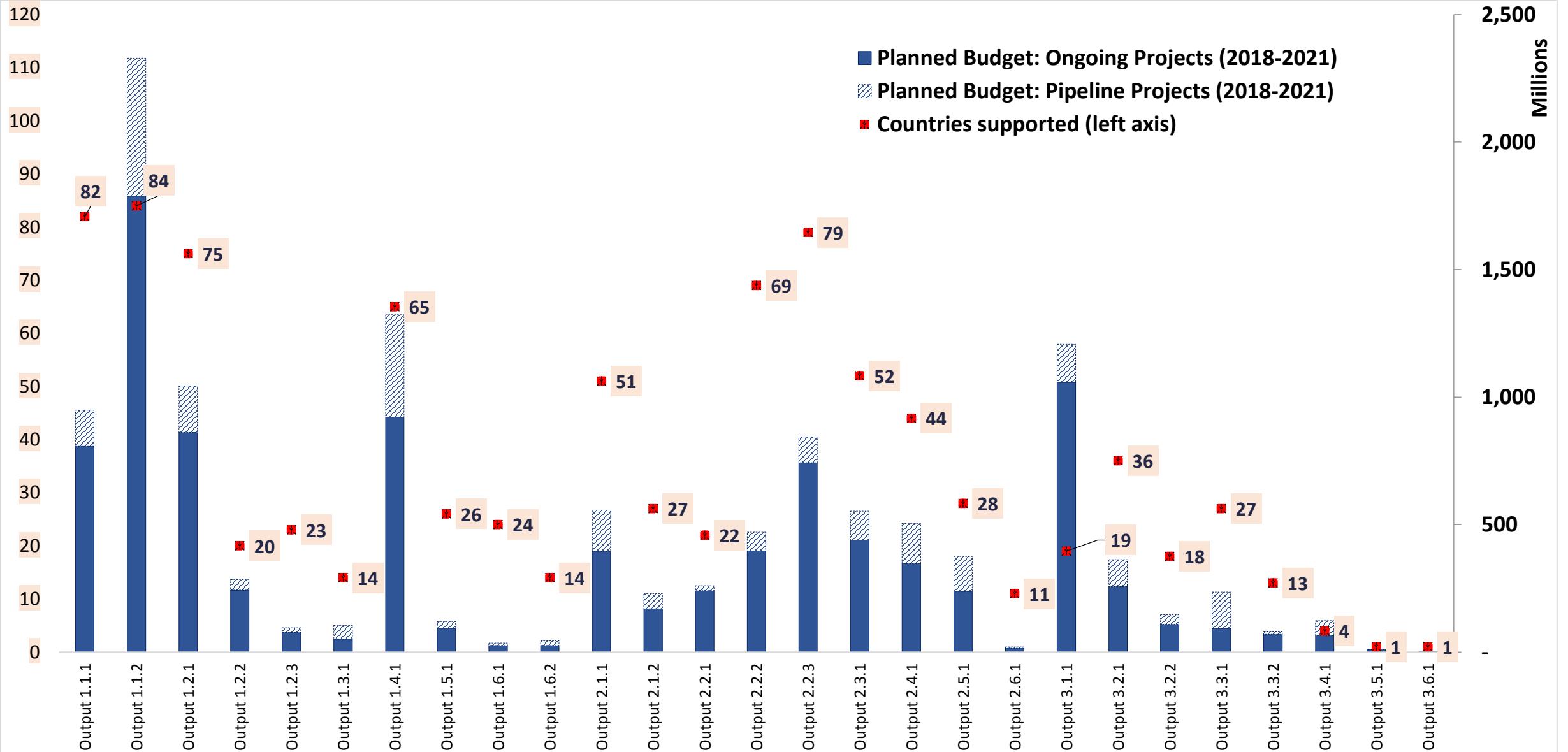
# Budget by Signature Solution (2018-2021)



Note:

- Budget analysis included regional and global projects

# Budget by SP Output (2018-2021) – Footprint



# Towards greater transparency: LINKING RESULTS AND RESOURCES

<https://open.undp.org>



UNDP

HOME PROJECTS DONORS SUSTAINABLE DEVELOPMENT GOALS ABOUT US DOWNLOAD

Data last updated on: 31 July 2018

## UNDP Transparency Portal

In UNDP, we are committed to eradicating poverty, fighting climate change and reducing inequalities and exclusion around the world. Discover how, with the help of our partners, we work day to day to make this a reality.

Search using Projects, Donors, Recipients or Keyword

◀ 2018 ▶

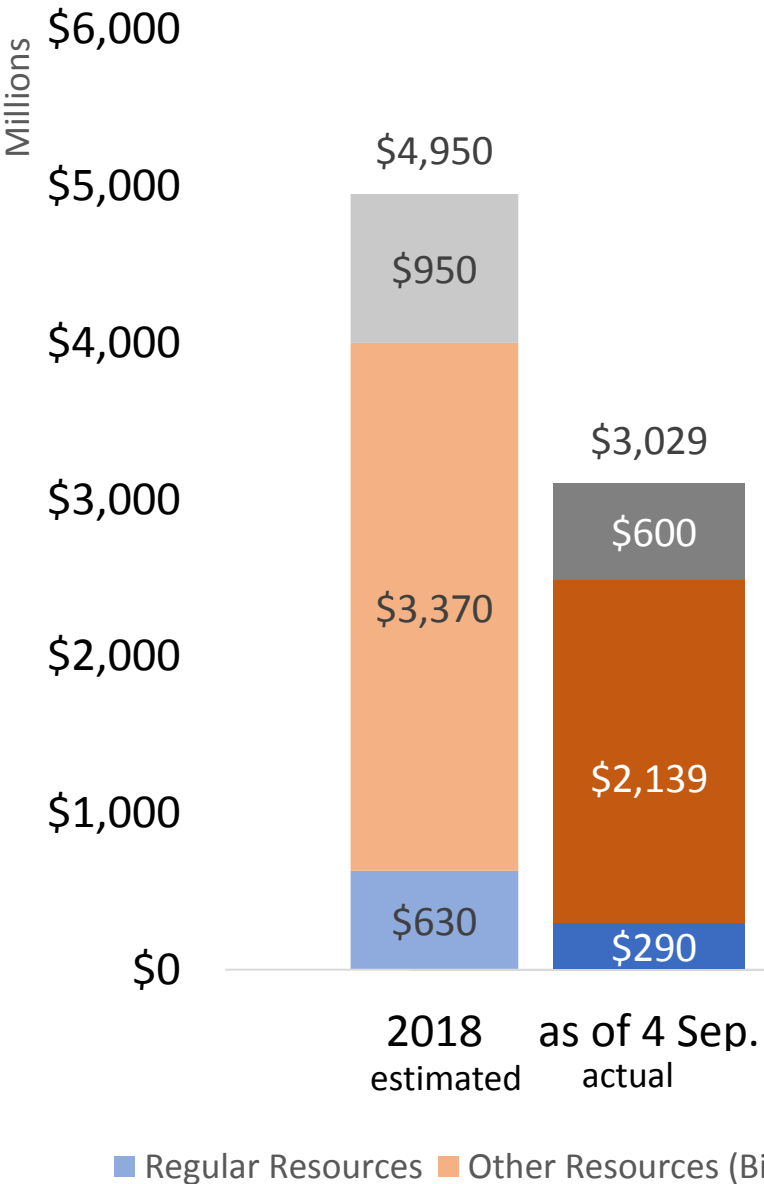
\$5,558.34M	\$2,069.70M	154	4,186	957
Budget	Expense	Countries	Projects	Donors



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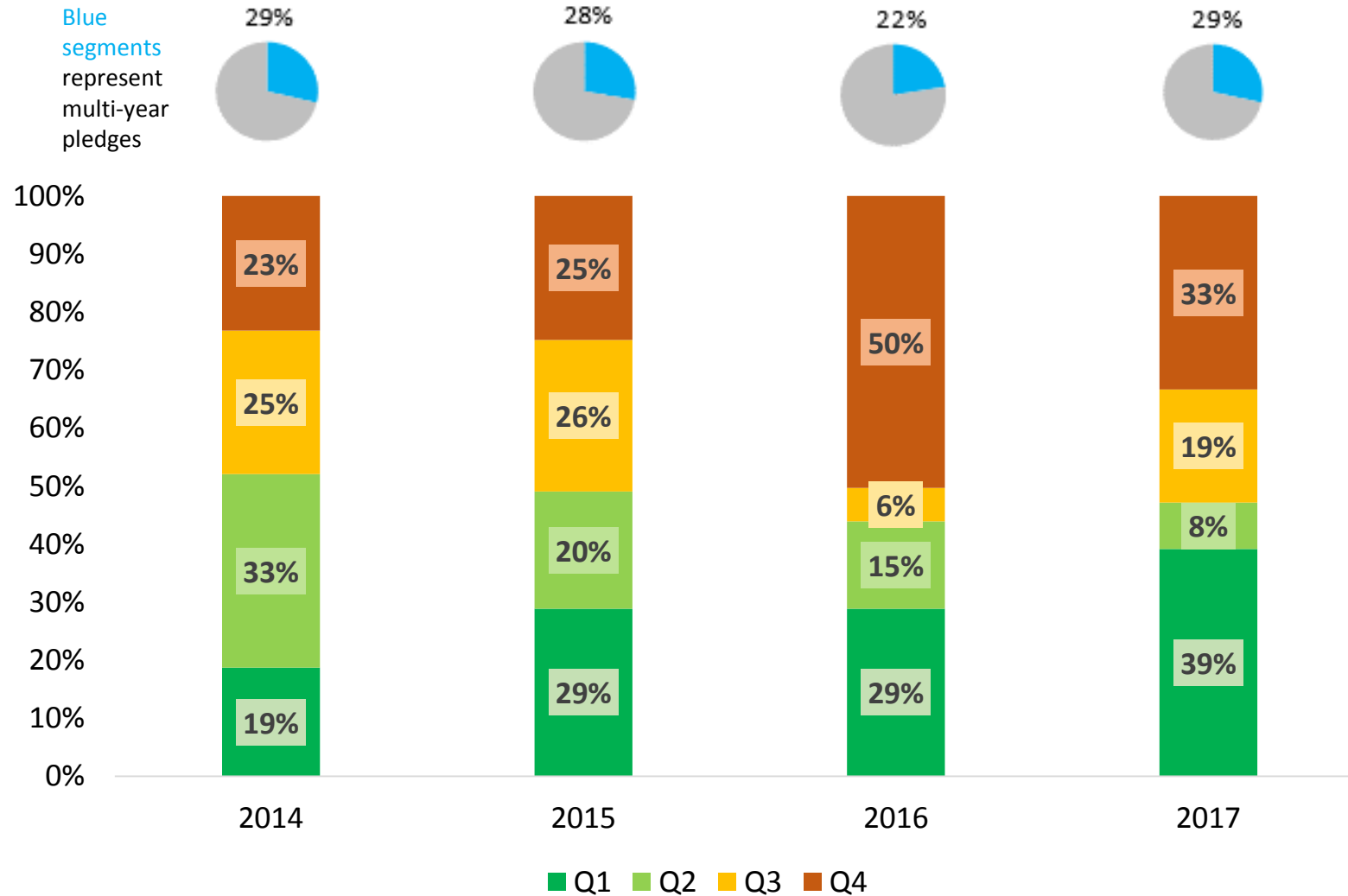
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# Current Status of Funding: Estimated Contributions vs. Received



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

# Predictability and Timeliness of Core Contributions



## 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)

# Importance of Core



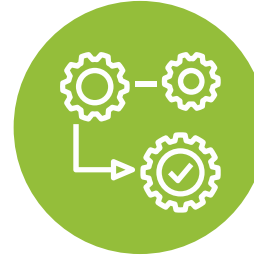
## **Enables thought leadership, innovation and results culture**

- Core spurs innovation and quality programming
- Demonstrable Results focusing on the poorest, particularly in crises and fragile contexts
- Allows quick emergency response



## **Leverages financing for the SDGs**

- For every \$1 received in core resources in 2014-2017, country offices in LDCs and LICs mobilized \$7 in other resources, while MICs mobilized \$32



## **Ensures Higher Quality Standards**

- Compliance and oversight
- Monitoring and Evaluation
- Social and environmental safeguards
- A Gender Seal standard



## **Plays an Integrator, Accelerator, & Operational Backbone Role**

- Country support platforms as new ways of collaboration
- Afford operational services for 80 UN entities in 137 locations
- Offer close to \$700 million in financial services to the system

# 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

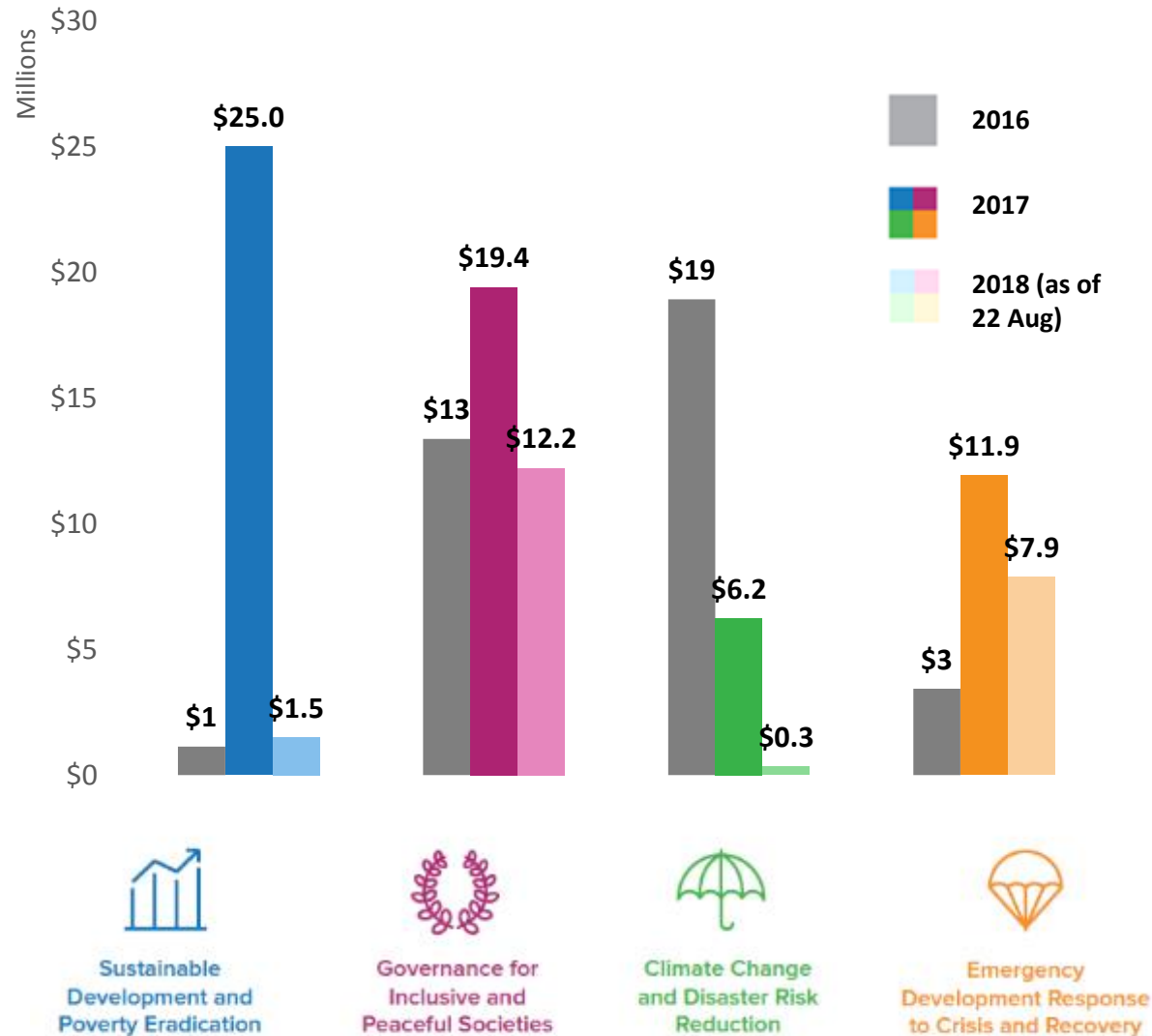


UNDP and the Government of **Maldives** came up with an out-of-the-box idea. They used drones across the islands to create three-dimensional maps and chart the topography of the terrain to use in disaster planning and relief missions. UNDP partnered with DJI, the leading drone company from China. The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

# UNDP Funding Windows



## Benefits of the Funding Windows

### Integrated Approach

- One secretariat and one governance/ allocation mechanism allows maximum flexibility in fund allocation
- Facilitates multi-disciplinary approaches that cut across thematic areas

### Strategic Alignment

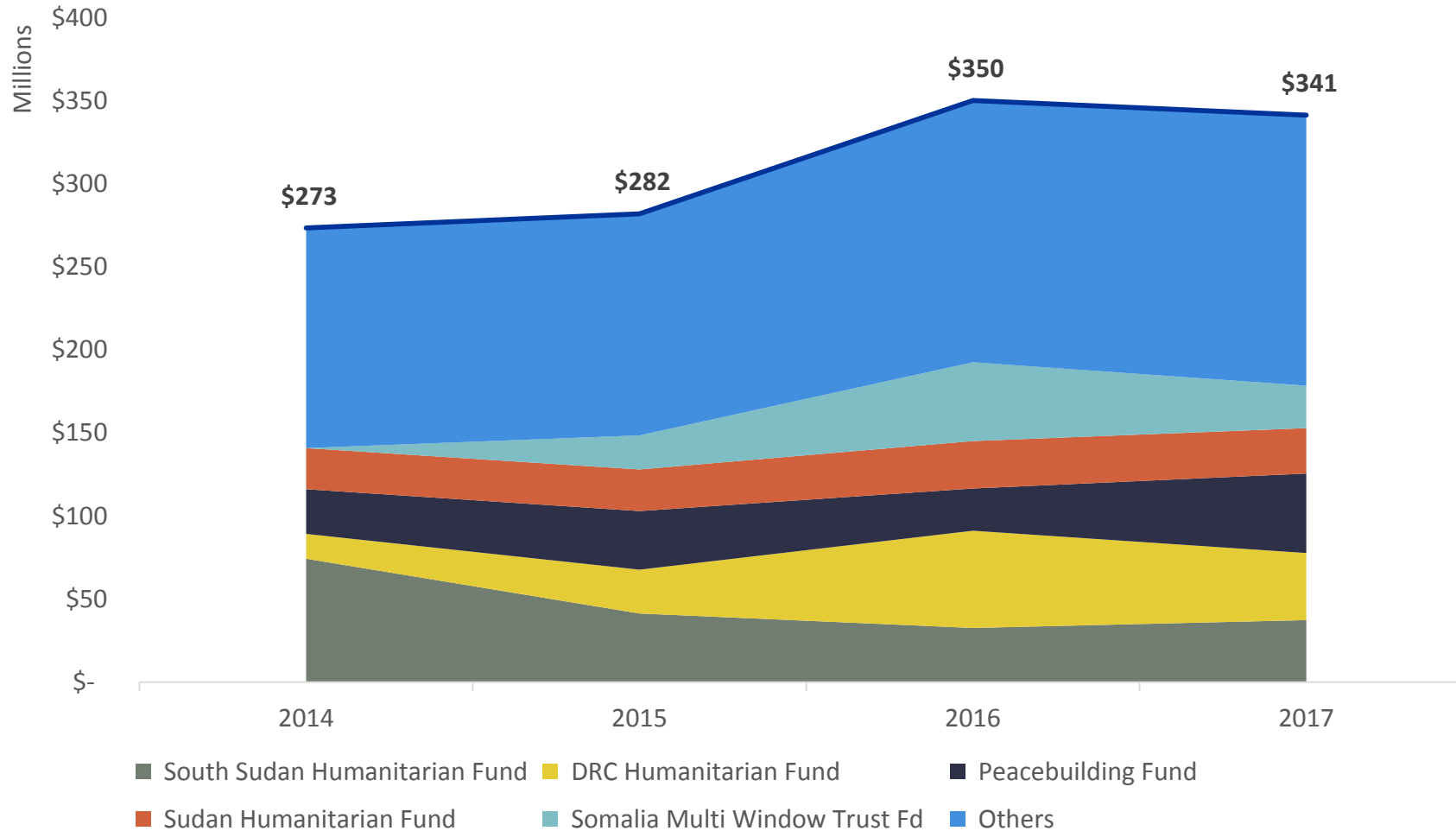
- Ability to respond to critical country, regional and global needs
- Allows UNDP and partners to align around common goals

### Efficiencies

- Reduced transaction costs (management, reporting)
- Simplified Management Arrangements (e.g. fast-tracking)

# UNDP and UN Pooled Funds

UN pooled funds received by UNDP as a participating UN organization, 2014-2017



## New Funds





# 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

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## Questions and Discussion