



**Executive Board of the  
United Nations Development  
Programme and of the  
United Nations Population Fund**

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**Annual report of the Executive Director**

***Summary***

The year 2009 saw significant progress towards the implementation of the United Nations Office for Project Services (UNOPS) 2007-2009 business strategy. Wide-ranging internal reforms and more rigorous financial and management controls enabled UNOPS to better contribute to the results of its partners' peacebuilding, humanitarian and development operations.

In 2009 UNOPS delivered \$1.1 billion through project implementation and spent \$62.1 million administering it. The contribution to the operational reserve was \$12 million, bringing the reserve to \$42.1 million – a 40 per cent increase compared to 2008.

With the strong support of stakeholders, UNOPS adopted the Strategic Plan 2010-2013, which spells out the UNOPS mission and vision, and will guide the organization during the next four years. This year's annual report follows the structure of the Strategic Plan and reports on UNOPS operational results under the contribution goals and cross-cutting concerns outlined in the strategy.

***Elements of a decision:*** The Executive Board may wish to: (a) take note of the UNOPS wide-ranging contributions to the operational results of the United Nations and its partners, often in the most challenging environments; (b) welcome the improved financial position of UNOPS and the increased professionalism of its services and personnel.

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## **I. Introduction**

1. The Executive Director is pleased to inform the Executive Board of progress made in 2009 towards the implementation of the 2007-2009 business strategy that focused on financial viability, partner satisfaction, world-class business practices and performance, and workforce competence and motivation. As reported below, significant strides were made in all these areas. The financial clean-up of the organization is almost complete, business practices have been professionalized and a more stable and motivated workforce established. This has enabled UNOPS to better support its partners' peacebuilding, humanitarian and development work, delivering results that matter to people in need.

## **II. Management results framework**

2. The 2007-2009 business strategy helped transform UNOPS into a more robust, professional and financially viable organization. During 2009 much work went into developing a strategy for building on this success. The process of formulating the Strategic Plan 2010-2013 involved extensive consultation with stakeholders including Member States, fellow members of the United Nations family, outside partners and UNOPS personnel. The Executive Board endorsed the Strategic Plan in September 2009.

3. The Strategic Plan defines what UNOPS will do and the values and principles on which the organization is based. It provides focus and inspiration, firmly positioning UNOPS as an integral part of the United Nations family. It details the organization's role and provides the language needed to communicate with partners in a consistent and transparent way.

4. While the Strategic Plan did not come into effect until January 2010, the current report reflects its structure and reports on operational results in line with the contribution goals outlined in the plan. This will provide a benchmark for subsequent years and support the dissemination of the strategy.

### **A. Partner perspective**

5. In 2009 the Executive Board reaffirmed the UNOPS mandate to act as a service provider to United Nations system agencies, funds and programmes, international and regional financial institutions, intergovernmental organizations, donor and recipient governments and non-governmental organizations.

6. As the United Nations looks to improve efficiencies, combine capacities and improve delivery, the role and need for UNOPS has become more pronounced. Business acquisition in 2009 exceeded targets at \$1.44 billion, demonstrating confidence in the ability of UNOPS to contribute effectively to operations and outcomes. UNOPS continued to act as a central resource for the United Nations system in procurement and contracts management as well as in civil works and physical infrastructure development, including related capacity development activities. UNOPS added value by providing efficient, cost-effective services to partners in the areas of project management, procurement, human resources, financial management and common/shared services.

7. The Strategic Plan articulates focus areas, known as Implementation Support Practices (ISPs) that are demand-driven, and will be reviewed annually. The current focus is to provide implementation support services to partners in the following areas: physical infrastructure; public order and security; census and elections; environment; and health - all areas in which UNOPS has a recognized ability to

enhance the capacities of United Nations agencies and partners. In 2009, health was the largest ISP, representing 30 per cent of total delivery. Public order and security represented 21 per cent, while infrastructure accounted for 16 per cent. Support to the environment totalled 10 per cent, and census and elections 2 per cent. However, the UNOPS infrastructure portfolio is significantly larger than reflected in the above numbers as many of the projects within the thematic ISPs contain infrastructure outputs. For example, building hospitals within the health ISP and police stations within the public order and security ISP.

8. The second annual partner satisfaction survey was conducted early in 2010 and showed a marked increase in the number of respondents. The majority of respondents, 74 per cent, were either satisfied or highly satisfied with the services received from UNOPS in 2009. Project management, procurement and human resources administration remained the predominant management practices in terms of partner usage. UNOPS received good ratings on the majority of its quality of service indicators, with the highest rating given to its ability to understand the needs of partners. Some respondents expressed concerns with the timeliness of financial reporting. UNOPS is redoubling its efforts to deal with this issue, for example by developing an “extranet” to allow partners direct access to project documentation and real-time reporting tools.

9. To integrate the survey into future reports a set of key targets relating to partner satisfaction were established in the management results framework for 2010 onwards.

10. In 2009 a new memorandum of understanding for a Strategic Partnership between UNDP and UNOPS was signed. It is a platform for building trust and realizing potential mutual benefits for the two organizations and their stakeholders.

11. In 2009 UNDP continued to be the most important partner of UNOPS. UNDP accounted for 44 per cent of total implementation expenditures with six per cent from core funds, about 10 per cent from trust funds (excluding United Nations Development Group multi-donor trust funds) and 28 per cent from management services agreements. As in 2008, the largest partnership was with the Government of Peru through a management services agreement, accounting for 18 per cent of UNOPS total implementation expenditures. Total direct support to governments, excluding management services agreements, rose from \$217 million in 2008 to \$303 million in 2009, accounting for 27 per cent of total delivery.

12. In 2009 UNOPS strengthened its partnerships with international financial institutions. UNOPS worked with the World Bank on projects that implemented more than \$140 million worth of delivery in 2009. This included where the World Bank was a direct funder, was responsible for a multi-donor trust fund or lent to national governments. Activities with the African Development Bank rose from \$108,000 to \$2.1 million. Projects funded by the Inter-American Development Bank rose from \$2.8m to \$11.6m. In addition, UNOPS signed its first agreement with the Asian Development Bank in Afghanistan.

13. Work with the European Commission nearly doubled in the reporting period from about \$12 million to \$22 million, in part as a result of the Financial and Administrative Framework Agreement signed in 2008. UNOPS offices in Afghanistan, the Democratic Republic of the Congo, Liberia, Peru and Senegal received funding from the European Commission in the reporting period. To ensure that this partnership remains robust, UNOPS opened a liaison office in Brussels.

14. UNOPS operations centre directors and managers increased their participation in United Nations country teams and United Nations Development Assistance Framework (UNDAF) processes on the ground. UNOPS regional offices

participated in regional United Nations coordination efforts. UNOPS participated in the High-level Committee on Management and the United Nations Development Group (UNDG), focusing primarily on operational issues.

15. Following a decision of the Executive Board in September 2009 and approval from host country governments, UNOPS appointed representatives in Kenya, Afghanistan, Peru, the Democratic Republic of the Congo, Sri Lanka and Jordan.

16. A new motto was adopted in 2009, “Operational excellence for results that matter”, emphasizing the operational role of the organization and its commitment to delivering on the contribution goals.

17. To increase accountability and transparency, UNOPS expanded its website and broadened coverage of operations. During the year there was a steady increase in visitors to [www.unops.org](http://www.unops.org). In a comparison of November 2008 and November 2009, monthly visits increased from over 41,000 to over 61,000, while individual page views (not counting the popular vacancies pages) increased from 143,000 to 186,000.

## **B. Business process perspective**

18. In 2009, UNOPS strengthened its policy framework by issuing or revising 12 of its 26 corporate policies. These included the revision of the Legislative Framework and the Financial Regulations and Rules. Among the other policies issued or revised were the Engagement Acceptance Policy and the Client Pricing Policy, both of which focus engagements in areas where UNOPS can reliably contribute to results, balancing opportunity as well as risk.

19. A major revision was made to the UNOPS global structure, institutionalizing the “practice approach”. This aligns policy, business processes, tools and people across functions, areas of service and support, and geography. It also enables coordinated decision-making across the four management practices of project management, finance, procurement and human resources. In an accompanying revision to its legislative framework, UNOPS made practice leads responsible for the development of business processes which support the consistent operations of their practices.

20. UNOPS continued to adopt best practices in enterprise risk management, preparing a set of organizational directives which were launched in early 2010.

21. To increase operational capacity and in preparation for ISO 9001 quality management certification, UNOPS developed the online Practice and Quality Management System. The system provides guidance to practitioners, manages the improvement agenda for practice leads and links to practice knowledge-sharing systems.

22. Consistent with UNOPS adaption of the Prince2 project management methodology, guidance has been developed for all stages of the project cycle and has been categorized as a set of 10 mandatory instructions with supporting guidance. The project management practice also developed information technology tools to strengthen project monitoring and capture lessons learned. These include a Project Document Centre that allows for the retention of UNOPS project files online and gives alerts on project performance.

23. During 2009, the finance practice group performed monthly closure of sub-ledgers and quarterly closure of the general ledger. This improved financial reporting business process has resulted in increased data accuracy, completeness and timeliness of financial reporting and monitoring.

24. UNOPS initiated a review of the Individual Contractor Agreement (ICA) policy, which resulted in a range of recommendations for improvements and the reduction of the time taken to process ICA payments by more than half.

25. In the procurement practice, the Executive Board's approval of new financial regulations and rules enabled a revision of the UNOPS procurement manual. This afforded the opportunity to revise thresholds and delegations of authority to better reflect the needs of partners, strengthen the role of procurement advisers in line with the global structure, introduce a policy for vendor suspension and embed guidance on sustainable procurement throughout the process. This work should be seen in the broader context of developing a procurement and supply chain strategy during 2010.

26. The average time to complete procurement and recruitment processes was less than 90 days, down from 115 a year ago. UNOPS monitors these indicators on a weekly basis.

27. The UNOPS Internal Audit and Investigation Group adopted and now conforms to the Institute of Internal Auditors "International Standards for the Professional Practice of Internal Auditing (Standards)" as revised in January 2009.

### **C. People perspective**

28. The total staff workforce at the end of 2009 was 839. UNOPS recruited 156 staff in 2009, divided into the following categories: 40 appointments of limited duration, 88 international Professional staff members and 28 General Service staff. The number of staff who left the organization was 154. For 2009 staff turnover was 18 per cent, in line with 2008, but down from between 25 per cent and 30 per cent in 2006 and 2007. The gender balance is still unsatisfactory, with only 38 per cent female staff. UNOPS will intensify its efforts to address this issue. Efforts are being made in the most challenging field locations to ensure female participation and gender-sensitive questions in interview panels. For example, the Sudan Operations Centre created a dedicated gender-based programming and recruitment workshop for all senior management and project staff.

29. In 2009, UNOPS efforts were primarily concentrated on staff retention, motivation and job satisfaction. These were addressed through the Invest in Our People project. Special attention was given to talent and performance management.

30. UNOPS developed a policy for work/life harmonization and flexible working arrangements, which was widely used by female personnel. The policy includes specific provisions for international personnel working in hardship locations.

31. UNOPS developed a system to provide management with an overview of the existing UNOPS workforce and enable succession management analysis.

32. Following the approval by the Executive Board of the proposed comprehensive reclassification of staff in the Professional category, UNOPS conducted a review of posts. From a total number of 442 under review, 53 posts or 12 per cent have been upgraded, effective 1 January 2010. Decisions on the three management practice groups based at headquarters, human resources, procurement and finance have been suspended until the new practice leads have established the structure of their practices. UNOPS will report on the impact of the reclassifications in the Executive Director's annual report at the 2011 annual session of the Executive Board.

33. The online Performance and Results Assessment (PRA) was launched in January 2009, improving the assessment completion rate. The tool allows human

resources and senior management to generate reports on performance ratings and PRA status.

34. UNOPS participated in the development of the One Staff contract as part of United Nations contractual reform and implemented measures for the transition to the new contract and the provisional staff rules.

35. The Global Personnel Survey conducted in March 2009 showed a majority of personnel are clear about their responsibilities, that their role is in line with their strengths and skills and that they are adequately empowered to achieve their tasks. The working relationship between supervisor and their respective team is strong across a large part of UNOPS. Personnel trust in the leadership team is high and has improved over the past year. The survey showed high scores in areas of respect for cultural diversity.

36. A new policy on learning and development was adopted in 2009 with all personnel having to complete six mandatory courses, including those covering security and ethics. UNOPS arranged for external procurement certification to be conducted by the Chartered Institute of Purchasing and Supply. Arrangements were also made with the Association of Chartered Certified Accountants and Cornell University for external certification programmes. Altogether 1,187 personnel undertook elective training.

#### **D. Financial perspective**

37. At the end of December 2009, UNOPS operational reserves stood at \$42.1 million – a 40 per cent increase compared to a year earlier, representing a significant milestone in the UNOPS financial performance.

38. During 2009 UNOPS delivered \$1.1 billion in project management services and earned \$61.9 million in revenue.<sup>1</sup> In addition, service income and miscellaneous income earned was \$20.9 million and \$7.8 million, respectively. Total income was \$90.3 million. This represents a 32 per cent annual growth rate for 2009. The administrative costs incurred in support of revenue earned amounted to \$62.1 million, up just one per cent. This resulted in a net surplus of income over expenditure of \$28.3 million. UNOPS has set aside a further \$16.3 million in provisions for losses and write-offs, mainly relating to the closure of pre-2007 projects.

39. UNOPS is preparing to implement the International Public Sector Accounting Standards (IPSAS) by January 2012 in harmony with UNDP and UNFPA, which share the same enterprise resource planning system. UNOPS is managing the transition from United Nations System Accounting Standards to IPSAS on the Prince2 project management methodology.

#### **E. Ethics**

40. The UNOPS Ethics Office was established as an independent office in February, and in April UNOPS adopted the draft United Nations Code of Ethics. In 2009 there were 96 referrals to the Ethics Officer. Of these, 92 were completed as a result of advice, the solving of issues raised, or by referrals to other officers. There was one request for guidance on financial disclosure, which was addressed to the General Counsel.

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<sup>1</sup> Revenue is accounted for on UNSAS – the same accounting basis as used in 2006/2007.

41. The Ethics Officer drafted an annual report that was submitted to the Executive Director. In line with a recommendation by the United Nations Ethics Committee, the report was submitted to the Committee for review prior to being sent to the Executive Director.

42. Among actions taken to raise awareness of ethics issues in 2009, an Ethics Information intranet page was set up and an integrity course made mandatory for all UNOPS personnel.

### **III. Operational results framework**

#### **A. Introduction**

43. In 2009 UNOPS implemented around 900 projects on behalf of its partners. Owing to the varied nature of this work in theme, scope and location, it is not always possible to produce comprehensive overviews and aggregate figures. The following sections offer a representation of UNOPS work to provide an indication of how it contributed to the results of its partners.

44. The unique role of UNOPS inherently affects any results-based assessment of its performance. As a provider of services to partners, UNOPS can handle all aspects of project design and implementation or provide selected services. UNOPS contributes to the programme outcomes of its partners, and since project ownership rests with partners, their own reports may elaborate results at the outcome level. UNOPS reports mainly at the output level.

45. UNOPS contributions are split between the four goals described in the Strategic Plan: Goal One - Rebuilding peace and stability after conflict; Goal Two - Early recovery of communities affected by natural disasters; Goal Three - Ability of people to develop local economies and obtain social services; and Goal Four - Environmental sustainability and adaptation to climate change.

46. There are also three cross-cutting concerns: gender equality and empowerment of women; enhanced national capacity; and environmental sustainability. They are detailed in a separate section but results relating to the concerns can be found throughout the sections on contribution goals.

47. Results are not duplicated across contribution goals even though projects may contribute to more than one. All projects that took place in conflict-affected areas are included under Goal One, even if they also relate to the environment or local economic development. Projects that took place in a post-disaster setting are included in Goal Two and all other development projects are included in Goal Three. The exception to this is reporting on Goal Four that focuses on cross-border projects or multiple country programmes that may be implemented in post-conflict, post-disaster or development settings.

#### **B. Key results**

48. UNOPS uses the pursuit of the Millennium Development Goals (MDGs) as one of its guiding principles in choosing whether to accept projects. In 2009 UNOPS projects contributed towards all eight of the MDGs, with a particular focus on health.

49. As the lead United Nations entity for large-scale physical infrastructure projects in peacebuilding settings, UNOPS managed significant volumes of

construction work in Iraq, the Sudan, Afghanistan and the Democratic Republic of the Congo in 2009. UNOPS also undertook substantial efforts in Indonesia and Sri Lanka, continuing reconstruction following the 2004 tsunami.

50. Overall UNOPS supervised the construction or rehabilitation of 124 schools, 61 hospitals and health centres, 15 police stations, 30 prisons/detention centres and over 130 other government buildings. In 2008, UNOPS supervised the construction or rehabilitation of 186 schools, 34 hospitals and health centres, 31 police stations, 20 prisons/detention centres, and 14 other government buildings.

51. UNOPS constructed or rehabilitated 18 bridges and over 2,200 kilometres of paved and unpaved roads in 2009, compared to 100 bridges and 1,300 kilometres of roads in 2008.

52. A vast range of medical goods were procured for partners, for example equipping 26 medical centres and hospitals in Peru. UNOPS procured more than two million bednets to reduce the threat of malaria in Asia.

53. In total, UNOPS procured over 238 million doses of medicines around the world, including immunizations for tuberculosis and anti-malarial drugs. To combat HIV/AIDS alone UNOPS procured over 128 million doses.

54. UNOPS helped partners deliver training to more than 170,000 people in the fields of health, election monitoring and agriculture, among others. In 2008 UNOPS helped clients deliver training to more than 95,000 people in similar areas.

55. UNOPS helped the Office of the United Nations High Commissioner for Refugees support over 600,000 refugees and internally displaced persons. UNOPS implemented disaster preparation schemes that helped up to a million people.

56. UNOPS supported the implementation of 34 international water projects and acted as the executing agency for the Small Grants Programme, administering almost 4,000 community grant projects in more than 120 countries. In 2008 UNOPS administered more than 3,000 community projects, in more than 100 countries.

57. UNOPS procured more than \$870 million worth of goods (49 per cent) and services (51 per cent) in 2009. The competitive rate of procurement actions above \$100,000 was 90 per cent, up 10 percentage points from 2008. In total, 8,848 Individual Contractor Agreements were processed.

58. UNOPS provided common services for other United Nations agencies, for example supporting United Nations missions in Haiti and Iraq, running compounds in Afghanistan and building facilities for the World Food Programme, the World Health Organization and UNDP, among others. Through UNWebbuy UNOPS procured over \$68 million worth of goods ranging from vehicles to IT equipment. UNOPS also compiled the *2008 Annual Statistical Report on United Nations Procurement*.

#### **Box 1. Managing construction of United Nations facilities in Peru and the Democratic Republic of the Congo**

A new United Nations House in Peru is providing a home for seven United Nations agencies and a source of funding for children in need. Unused buildings in an orphanage complex in Lima from the early 1900s were leased by UNDP and refurbished by UNOPS in order to create the new office complex. The money also paid to renovate living conditions in the orphanage section.

UNOPS supervised the design, which was in keeping with the building's rich heritage and using the latest environmental techniques. The project received

the Architects Association of Peru National Architectural Quality Prize for 2009.

UNOPS also managed the construction of the new World Food Programme office in Kinshasa, the Democratic Republic of the Congo, which provides larger working spaces, new facilities and up-to-date security measures.

### **Box 2. Measuring impacts as well as outputs in the Sudan**

Owing to the nature of UNOPS, successes are measured at the output level, but in certain cases, with the support of partners, impacts and outcomes can also be gathered. In the Sudan for example, UNOPS is building roads on behalf of the Government of Southern Sudan, the Multi-Donor Trust Fund and USAID.

The construction of the first 70 kilometres of the Yambio-Tambura road has already resulted in an upsurge of economic activities. Before the road was built, the Nzara market contained three shops, providing basic supplies. By October 2009 Nzara had 120 shops and 15 restaurants, with a further 20 shops under construction.

This can be credited mainly to the reduction in travel time along that stretch, from more than four hours to only 90 minutes, regardless of wet weather. This has improved the quality of goods and services available and boosted the overall development of the area, directly benefiting an estimated 130,000 citizens.

## **C. Goal One: Rebuilding peace and stability after conflict**

59. In 2009 UNOPS supported efforts to foster sustained peace and development in post-conflict situations. From Iraq, Afghanistan and the Occupied Palestinian Territory to the Sudan and the Democratic Republic of the Congo to Haiti, UNOPS managed projects on behalf of its partners in some of the world's most challenging environments. UNOPS services in support of this goal involved a range of projects focusing on security and public order, reconstruction and capacity-building.

60. Over 1,500 kilometres of roads were constructed or rehabilitated in conflict-affected areas, providing hundreds of thousands of labour days for local people as well as improving access to vital goods, services and humanitarian aid. For example, in Afghanistan, under the National Emergency Rural Access Project, funded by the World Bank and the Afghanistan Reconstruction Trust Fund, UNOPS supported the construction or rehabilitation of 680 kilometres of roads.

61. UNOPS helped a range of partners construct or rehabilitate 12 bridges in post-conflict areas in 2009. For example the Bandami Bridge, a key link connecting Southern Sudan, Uganda and the Democratic Republic of the Congo, was rebuilt as part of the Sudan Accelerated Infrastructure Programme, funded by USAID.

62. UNOPS helped its partners construct or rehabilitate over 200 facilities in conflict-affected areas, rehabilitating or constructing government buildings, communications networks and more. For example, a range of new administration buildings were built across Liberia to strengthen the capacity of the local administration, as part of a UNDP project under the United Nations Country Support Team Joint Programme, financed mainly by Sweden.

63. UNOPS rehabilitated 17 hospitals/wards and three new health centres, in Iraq, the Democratic Republic of the Congo, Somalia, Liberia and the Sudan on

behalf of partners including national governments, bilateral partners such as USAID, and United Nations agencies such as UNDP, WHO, UNICEF and UNFPA.

64. UNOPS supported its partners by providing the infrastructure necessary for the rule of law. For example, 11 police stations and training centres were constructed or rehabilitated in the Sudan on behalf of UNDP and the Government of Southern Sudan, funded by the Multi-donor Trust Fund.

65. Proper construction of prisons to rigorous international standards is necessary to improve conditions. In total 25 prisons and detention centres were constructed by UNOPS in Afghanistan, Kosovo and the Sudan, and four more were designed by UNOPS architects, including Gardez Prison in Afghanistan, which increases women's access to the formal justice system, funded by the United Nations Office on Drugs and Crime and the World Bank.

66. UNOPS also worked with national governments to provide the infrastructure needed to maintain a viable state, such as strong border controls. For example, UNOPS helped to strengthen the capacity of the Afghan Government to effectively manage its borders on behalf of a large group of donors, including the Government of Japan.

67. UNOPS focused on improving the justice system in post-conflict areas. For example, on behalf of the European Commission, the United Nations Mission in Kosovo and the United States Government, UNOPS administered the vetting and selection of over 400 judges and prosecutors in Kosovo.

68. Restoring education services is vital to rebuilding the lives of conflict victims and in 2009 UNOPS supported partners to build more than 40 schools in conflict-affected areas, the bulk of which were in the Sudan, funded by USAID, and in Liberia for the Ministry of Education.

69. Elections were held in Iraq and Afghanistan last year and UNOPS provided support in a variety of ways. For example, in Iraq, in conjunction with the United Nations Assistance Mission for Iraq, UNOPS helped train over 50,000 observers, as well as setting up a pan-Iraq communications network, for projects funded by the United Nations Development Group Iraq Trust Fund. UNOPS also assisted the European Commission, the Organization for Security and Cooperation in Europe, CANADEM, the Government of Norway and Switzerland in their Electoral Observation Mission of the Afghanistan Presidential Elections.

70. In order to provide shelter for tens of thousands of internally displaced persons in Sri Lanka, UNOPS constructed temporary shelters in the north in partnership with the Government of Sri Lanka. The project was funded by UNICEF, UNHCR, the Government of the United Kingdom and the United Nations Central Emergency Response Fund. UNOPS is the largest provider of emergency shelters in Sri Lanka.

71. UNOPS emphasized the empowerment of women in line with United Nations goals to expand women's access to markets, goods and services. For example, in Iraq UNOPS helped administer micro-loans to over 120 female entrepreneurs, in partnership with the International Labour Organization and others, funded by the United Nations Development Group Iraq Trust Fund.

72. UNOPS also focused on empowering women in post-conflict settings through recruitment. For example, in Afghanistan UNOPS supported the Government to implement the Rural Accessibility Improvement Project by constructing 85 kilometres of roads, in a project funded by Sweden. UNOPS supported efforts to encourage women's participation, setting up a female community group to oversee the work of more than 50 women.

73. Special efforts were also made to stimulate local employment and develop the capacity of local workers when building peace. For example, on behalf of the Sudan Accelerated Infrastructure Programme, UNOPS used local contractors in order to generate employment and develop local capacity.

74. In 2009 UNOPS helped UNDP and the United Nations Mine Action Service (UNMAS) respond to the problems of landmines and explosive remnants of war, providing services such as recruitment, procurement, contracting commercial and national organizations, technical and operational support, and financial and legal services.

75. UNOPS supported UNMAS activities that provided direct assistance to 10 United Nations peacekeeping missions, and technical advice to four more. In Afghanistan, mine clearance was conducted in 282 communities, clearing or cancelling over 1,000 minefields, while in the Democratic Republic of the Congo, over 330,000 people received mine risk education. In the Sudan the clearance of 36,000 kilometres of roads by UNMAS since 2005 has led to approximately \$150 million savings in the cost of air transport for the United Nations Mission in the Sudan and humanitarian agencies.

### **Box 3. High quality schools in Kabul**

More than 10,000 male and female students in the Afghan capital will be provided with high quality learning facilities as a result of new buildings at the Ghazi Boys High School and the Sardar Kabuli Girls High School. The programme is funded by USAID and implemented by UNOPS.

At the Ghazi Boys High School site a new three-storey school building providing 72 classrooms is being erected and on the site of the Sardar Kabuli Girls High School, 54 new classrooms are being added. Both schools will also have science and computer laboratories, library facilities and administrative offices. The buildings meet international standards for earthquake and fire safety and disabled access.

Capacity development of the local engineering and construction industry is a major component of the Kabul Schools Programme, with UNOPS providing onsite training for approximately 500 engineering students, including women who have traditionally been excluded from the construction industry in Afghanistan.

### **Box 4. Clearing unexploded ordnance in the Occupied Palestinian Territory**

Inhabitants of the Occupied Palestinian Territory live and work in communities extensively contaminated by explosive remnants of war. In early 2009, after the Israeli military operation “Cast Lead”, the United Nations Mine Action Service deployed teams into Gaza to mitigate the immediate threat of unexploded ordnance and facilitate the safe delivery of humanitarian aid and the removal of rubble. Within 10 days the teams had cleared all major road access routes and all United Nations facilities. During 2009 United Nations teams assessed more than 1,600 sites and removed 337 pieces of unexploded ordnance in preparation for rehabilitation projects. The programme is funded by the governments of the Netherlands, the United Kingdom, Australia, Sweden, the European Commission, United Nations Office for the Coordination of Humanitarian Affairs, UNDP and the United Nations Voluntary Trust Fund. UNOPS is the implementing partner providing human resources and procurement services.

#### **D. Goal Two: Early recovery of communities affected by natural disaster**

76. In 2009 UNOPS helped communities affected by natural disaster by supporting reconstruction and disaster management projects. In previous years UNOPS supported a large number of projects providing post-disaster reconstruction in countries affected by the 2004 tsunami (see box 6). By 2009 many of the projects had finished but UNOPS continued to implement the UNICEF school building project, managing the construction of 53 earthquake-resistant schools in Indonesia for UNICEF and the Government of Indonesia.

77. In order to reduce damage caused by natural disasters, UNOPS worked with a number of countries to develop their capacity for prediction, preparedness and mitigation. In Argentina UNOPS helped UNDP procure specialized earthquake equipment on behalf of the Government. In the Democratic Republic of the Congo, UNOPS helped over one million people reduce their risks in the event of a volcanic eruption (see box 5).

78. UNOPS also supported environmental measures to reduce the threat of natural disasters. For example, with funding from the European Commission, UNOPS supported the Government of Sri Lanka to plant some 50 hectares of trees to provide coastal communities with greater protection, as well as sustainable firewood collection.

79. When working in the aftermath of a natural disaster, UNOPS generally focuses on infrastructure damage assessment, creating initial shelters, procuring necessary goods and planning future reconstruction projects. The work UNOPS has done in Haiti since the January earthquake is a clear example of UNOPS Goal Two focus, and will be reported in the 2010 annual report.

##### **Box 5. Monitoring volcanic risk and raising awareness in the Democratic Republic of the Congo**

In the Democratic Republic of the Congo, nearly one million people living in the shadow of a highly active volcano are safer as a result of a monitoring and awareness-raising project. Mount Nyiragongo last erupted in 2002, destroying part of Goma city centre, leaving nearly 160 people dead and over 120,000 people homeless.

Several initiatives are now monitoring the volcano as well as providing risk education to locals. A Volcano and Environmental Risk Management Unit estimates risk levels in the area, with help from international experts who train local scientists and install updated monitoring equipment. The data collected by the unit in collaboration with the local Volcanic Observatory has led to the creation of hazards maps and a new contingency plan, enabling safer urban planning.

UNOPS has partnered with UNDP, the governments of the United Kingdom, Switzerland and Luxembourg and the European Union to deliver this project.

##### **Box 6. Building back better – post-tsunami reconstruction**

The 2004 Indian Ocean tsunami and subsequent earthquake in 2005 claimed the lives of more than 220,000 people and caused over \$10 billion in damages. Alongside the rush of emergency aid, there was also a realization of

the need for longer-term reconstruction programmes and the chance to “build back better”.

In Indonesia and Sri Lanka, many of the reconstruction projects UNOPS has been active in are now drawing to a close. In support of its partners in those countries, over the past five years UNOPS managed the construction of 251 schools and 89 health facilities, as well as hundreds of kilometres of roads, five bridges, 142 school kitchens and 90 houses.

The largest single programme was in Aceh Province and Nias Island, Indonesia, where on behalf of UNICEF, UNOPS managed the construction of 225 new primary schools and 27 integrated health, nutrition and early childhood development centres. Among a broad range of projects in Sri Lanka, UNOPS managed the construction of 21 schools and 33 health facilities on behalf of UNICEF and 16 health centres on behalf of UNFPA. In both countries UNOPS worked closely with national and local authorities to ensure accountability and national ownership.

#### **E. Goal Three: Ability of people to develop local economies and obtain social services**

80. UNOPS supported local economic development and improved access to social services across all environments in 2009 but for the sake of clarity in reporting, this section will only look at projects in areas which are neither post-conflict nor post-disaster.

81. UNOPS contributed to partners’ efforts in low- and middle-income countries to eradicate extreme poverty and hunger, achieve universal primary education, reduce child mortality, improve maternal health, and combat HIV/AIDS, malaria and other diseases.

82. UNOPS did this by, among other things, managing the construction of physical infrastructure, such as roads, schools and local government buildings, supporting income-generation initiatives and through the procurement of goods.

83. A vast range of medical goods were procured for partners, including over 500 items of high-tech hospital equipment for health providers in six Latin American countries. This included equipping 26 medical centres and hospitals in Peru, such as procuring specialist cardiology equipment for the Peruvian National Heart Institute. In Peru UNOPS also helped the national health insurance agency EsSalud extend health insurance to over eight million Peruvians on behalf of the Government.

84. Over two million bednets were purchased in Asia to reduce the threat of mosquito-borne malaria. The bulk of these were in India, where UNOPS works on behalf of the national Government, the World Bank and the Global Fund to Fight Aids, Tuberculosis and Malaria (GFATM) to ensure the most efficient and transparent use of public funds.

85. In 2009 UNOPS procured over 238 million doses of drugs around the world, for example, buying almost 20 million doses in Argentina for a UNDP project on behalf of the Government.

86. UNOPS has supported its partners in the fight against HIV/AIDS in accordance with MDG 6, procuring over 128 million doses of essential HIV/AIDS medicines in 2009.

87. In Myanmar the Three Diseases Fund seeks to reduce the suffering caused by HIV/AIDS, tuberculosis and malaria. In 2009 the fund supported the distribution of more than 2.5 million clean needles to prevent HIV transmission among drug users.

Through its implementing partners, the fund reached over 500,000 people with HIV prevention schemes and distributed almost 25 million condoms. UNOPS manages the fund in agreement with the Ministry of Health and on behalf of the donor consortium which consists of Australia, the European Commission, the Netherlands, Norway, Sweden, Denmark and the United Kingdom.

88. UNOPS is contracted by the GFATM to provide Local Fund Agent services in 14 countries in Africa, Asia and Europe. National teams of technical consultants provide independent assessments and provide recommendations to build national capacity in grant management and implementation and to enable results-based financial decisions for continued GFATM grant funding.

89. In total UNOPS supported the training of more than 20,000 people in various health techniques, for example recruiting and training 643 women in India as part of the Government of Norway-funded Norway India Partnership Initiative, combating under-five child mortality.

90. In total UNOPS built or rehabilitated over 30 hospitals and health centres in low- and middle-income countries, including nine new hospitals in Peru on behalf of the Government.

91. UNOPS also helped its partners run a range of large infrastructure projects designed to boost local development, for example constructing or rehabilitating over 450 kilometres of roads across 80 villages in Peru. Working with UNDP, UNOPS is a strategic partner to the Ministry of Housing of Peru in the development and execution of the programme. In Sri Lanka UNOPS managed the rebuilding of two fishing harbours in a project, funded by the Government of Greece, benefiting about 10,000 fishermen and their families, which has significant environmental benefits.

92. Over 200 Local Economic Recovery Strategic Plans were developed in low- and middle-income countries with help from UNOPS, leading to a range of economic initiatives. For example, under a plan developed in Kenya, local companies were trained to save money through energy efficiency. This project was implemented in partnership with UNDP and UNEP, and also sought to combat climate change by reducing CO<sup>2</sup> emissions.

93. UNOPS supported its partners in developing rural livelihoods, and implemented over 100 rural development schemes across Africa and Latin America. For example, in Peru UNOPS worked with the United Nations Office on Drugs and Crime to reduce illicit coca cultivation, improving farmers' incomes.

94. UNOPS helped partners support the rule of law in low- and middle-income countries, for example procuring uniforms for more than 92,000 police officers in Peru as part of a government-funded project. In Argentina UNOPS helped increase access to social services by supporting the Ministry of the Interior in its roll-out of a new type of identity card, procuring all the goods necessary to produce over 10 million cards.

#### **Box 7. Improving transport in Peru**

An estimated five million people in Lima are to benefit from a new Central Bus Station and road network that seeks to reduce pollution, accidents and access problems.

The recently completed station is to be the main hub of a new transportation system known as the Metropolitano, which includes an eco-friendly network of 500 gas-powered buses. The Metropolitano will ease traffic between key

commercial and industrial locations, as well as improving access to schools and residential areas.

The project budget of \$36 million has been funded by the Lima Metropolitan Municipality and the Inter-American Development Bank. UNOPS supervised the station works and was responsible for fund and project management.

#### **Box 8. Helping India achieve transparent and efficient health procurement**

In a country of India's size, procurement for health is a vast undertaking, requiring the transparent management of large sums and the efficient delivery of much-needed goods. To help overcome some of these challenges, the Government of India, through a competitive process, chose UNOPS as a procurement agent in 2007, to procure goods for health sector programmes, with an annual budget of more than \$100 million.

In 2009 UNOPS issued 56 international tenders for medical equipment and drugs to combat a number of diseases. In 2009 the project procured more than two million bednets to reduce malaria, almost one million diagnostic kits for HIV, hepatitis C virus and hepatitis and over 150 million doses of drugs, among other things. The project is funded by the governments of India and the United Kingdom, the GFATM, and the World Bank.

#### **F. Goal Four: Environmental sustainability and adaptation to climate change**

95. UNOPS helped partners implement climate change adaptation activities, address the environmental consequences of natural disaster or conflict, protect biodiversity, international waters and vulnerable areas, implement sustainable energy solutions, and support small grants for non-governmental and community organizations.

96. In many cases the transboundary nature of environmental issues necessitates coordinated international action. The International Waters cluster of UNOPS executes projects with a focus on transboundary water systems, at the request of UNDP and funded by the Global Environment Facility (GEF). These include multi-country rivers, marine eco-systems lake basins and shared groundwater resources. The 34 projects in the portfolio help countries to work together to fight ecological stress, such as overfishing and industrial pollution. Projects cover regions, including the Yellow Sea, the Caspian Sea, the Orange-Senqu River, and the Benguela Current. In addition projects such as "International Waters: Learn" and Capacity-building for Integrated Water Resources Management (CAPNET) concentrate on knowledge-sharing and capacity-building among projects.

97. UNOPS served as the executing agency for the UNDP implemented GEF - Small Grants Programme. The GEF Small Grants Programme addresses global environmental issues while also contributing to the needs of local populations and promoting environmental policy in participating countries. UNOPS provided administrative and financial management to about 4,000 community grant projects in more than 120 countries. These small-scale environmental initiatives cover a huge range of projects, such as the protection of sea turtles in Albania, the solar powering of villages in Benin and the protection of the rare mountain bongo antelope in Kenya. Of the 4,000 grant projects, 48 per cent dealt with biodiversity, 19 per cent climate change and 16 per cent land degradation, and 17 per cent with other environmental issues.

98. UNOPS helped 21 African countries build their environment management capacity and adjust national development processes to incorporate climate change risks and opportunities. The countries involved have now introduced planning mechanisms to manage the uncertainties of climate change, are implementing climate-resilient policies and have built leadership capacities and institutional frameworks to manage climate change risks and opportunities. The project was funded by UNEP, UNDP, GEF and the Universal Postal Union.

**Box 9. Small grants bring solar power and reforestation to Guatemalan village**

A remote community of 21 families in Guatemala is learning how to preserve their land and harness solar power with the support of a \$19,098 grant from the GEF Small Grants Programme, implemented by UNDP and executed by UNOPS.

Five solar-powered light bulbs were installed in each of the village homes, replacing environmentally harmful fuel sources, satisfying the GEF objective on climate change mitigation. In order to ensure long-term sustainability, community members were trained to maintain the solar equipment.

The community, dependent on local resources, also used part of the grant to reforest nearly two hectares with 8,000 native trees.

**Box 10. Protecting biodiversity in the Congo Basin**

Gorillas, elephants and other threatened species living in the world's second largest expanse of tropical rainforest are receiving additional protection thanks to the TRIDOM project.

The biodiversity of the Congo Basin is under threat owing to poaching, timber exploitation, mining and human settlements. The TRIDOM project is assisting the governments of Cameroon, Gabon and Congo to create and run a 40,000 km<sup>2</sup> transboundary complex of nine protected areas with a central zone spread across the three countries.

Local communities are involved in the management of natural resources as well as developing revenue-generating activities related to the conservation of the area. The seven-year project is funded by the GEF, implemented by UNDP and executed by UNOPS.

**G. Cross-cutting concerns**

99. In 2009 UNOPS helped partners pursue a range of cross-cutting initiatives across all four contribution goals, as detailed in earlier chapters. In some cases the cross-cutting concerns were pursued as a primary outcome and in others cross-cutting outcomes were integrated into a project with a different primary goal.

*Gender equality and the empowerment of women*

100. Gender equality and the empowerment of women are keys to development, as well as important goals on their own. Gender equality is the focus of MDG 3, affects all the other MDGs and is essential to peacebuilding and humanitarian relief and recovery.

101. UNOPS emphasized gender equality and the empowerment of women in many projects operational in 2009. In the future UNOPS will further improve in this area, including gender components in all relevant projects.

102. UNOPS focused on helping partners build the capacity of women in the labour force, as entrepreneurs or police officers, engineers or labourers. For example, UNOPS helped the Palestinian Authority develop the Jericho Police Training Centre, funded by the European Commission, which specifically included separate facilities to encourage female recruits. It helped create the conditions for women to become day-labourers on Swedish-funded road projects in Afghanistan, while providing female Afghan engineering students with crucial building-site experience on the USAID Kabul schools project.

103. UNOPS focused on gender in the field of health, helping partners train female health workers and improve maternal and child health. For example, as part of the Norway India Partnership Initiative, funded by the Government of Norway, UNOPS assisted in the training of 10,300 female Accredited Social Health Activists.

104. UNOPS supported partners' efforts to change negative attitudes to women, for example in Pakistan, where a UNDP project funded by the United Kingdom Government strengthened police knowledge of existing gender-based violence laws.

#### *National capacity development*

105. National capacity development is a central objective of the operational activities of the United Nations system. UNOPS complements the efforts of United Nations partners towards this goal by providing relevant services and sharing its knowledge and experience.

106. In 2009 governments increasingly requested UNOPS support to supplement and develop their own capacities in a range of ways, and some form of training was present in a majority of projects. UNOPS helped its partners deliver direct training to more than 170,000 people in the fields of health, election monitoring and agriculture, among others. For example, in Kenya, on behalf of the Common Fund for Commodities, over 1,300 coffee farmers received training on good coffee husbandry, helping to double productivity in the area.

107. UNOPS also helped partners deliver on-the-job training to local workers, for example in the Sudan Accelerated Infrastructure Programme, where activities included training Sudanese contractors in road construction and maintenance. UNOPS also supported efforts to raise the capacity of government bodies, training staff at the State Ministry of Physical Infrastructure in the Sudan to deliver a project to international specifications.

#### *Environmental sustainability*

108. Environmental sustainability is of global concern, and people living in poverty are likely to bear the brunt of environmental hazards, including the depletion of natural resources and the effects of climate change. Environmental sustainability is the focus of MDG 7 and affects several other goals.

109. UNOPS targeted environmental sustainability and climate change as a contribution goal, helping partners implement climate change adaptation activities, protect biodiversity, international waters and vulnerable areas, implement sustainable energy solutions, and support small grants aimed at environmental non-governmental organizations (see Goal Four).

110. UNOPS also addressed the environmental consequences of natural disaster or conflict and mainstreamed sustainable infrastructure across all contribution goals and practices, as reported in preceding sections. For example, when UNOPS managed the rebuilding of two fishing harbours in Sri Lanka in a project funded by the Government of Greece, environmental benefits such as protecting the beach from fuel spills were included.

111. UNOPS also focused on sustainable procurement across a range of projects and at headquarters. For example, in conjunction with UNEP, UNOPS worked towards a United Nations-wide sustainable procurement policy. UNOPS worked with UNEP to create product guidelines, an eco-label guide and training courses as well as a comparison mechanism to help UNwebbuy users select vehicles according to environmental performance. When compiling the 2008 Annual Statistical Report on United Nations Procurement, UNOPS also created a thematic supplement on sustainable procurement.

**Box 11. Developing the capacity of government departments and local women by helping the environment in Afghanistan**

The Afghanistan Conservation Corps works to conserve Afghanistan's biodiversity, improve rural livelihoods and build national capacity to manage forests and watersheds sustainably.

Labour-intensive methods provide work for vulnerable local residents, such as returning refugees, internally displaced persons, ex-combatants and women. In 2009 alone the Corps planted 500,000 tree saplings while creating at least 50,000 labour days.

The Corps also provided training to 420 women on poultry farming, and to 290 government staff and farmers on soil and water conservation, and forestry. It worked closely with the Women's Affairs Department to select vulnerable women to receive gardening training before being given work rehabilitating public spaces such as parks, hospital compounds and school gardens. The Corps is funded by the United States Government and managed by UNOPS. Projects are identified by and implemented in collaboration with Afghan government ministries and local communities.

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