

Annexes to the annual report of the Executive Director on the activities of the United Nations Office for Project Services

Annex 1

2007 revenues and administrative expenditures (in \$ thousands)

	2006	2007	Total
Revenue from project implementation	47,748	50,620	98,368
Revenue from service projects	9,512	9,391	18,903
Revenue from other sources	5,604	2,983	8,587
Total revenue	62,864	62,994	125,858
Staff cost	17,216	15,412	32,628
Non-staff cost	16,395	14,802	31,197
Total RO and CO cost	33,611	30,214	63,825
Staff cost	8,546	10,212	18,758
Non-staff cost	9,717	5,806	15,523
Total HQ cost	18,263	16,018	34,281
United Nations service fees (UNDSS, UNDP, etc.)	2,697	1,702	4,399
Total corporate cost	2,697	1,702	4,399
Total cost	54,571	47,934	102,505
Net revenue from ongoing operations	8,293	15,060	23,353
Provision and write-off of receivables		11,494	11,494
Savings on other biennium encumbrance	622		622
Net revenue	8,915	3,566	12,481
Contribution to the reserve			12,481
Reserve opening balance			4,362
Reserve Closing Balance			16,843

Annex 2

Overview of the 10 strategic performance objectives within the 4 perspectives

Finance	...improve financial performance (SPO1)	...mitigate financial risks (SPO2)	
Clients and Stakeholders	...improve timeliness and quality of reporting (SPO3)	...deliver services that meet or exceed client expectations (SPO4)	...improve communications (SPO5)
Business Processes	...improve efficiency and effectiveness of business processes (SPO6)		...foster a knowledge-sharing culture (SPO7)
People	...improve competencies of staff (SPO8)	...enhance diversity in the workforce (SPO9)	...increase staff motivation (SPO10)

Annex 3

Methodological approach for 2007 UNOPS contributions to the operational results of the United Nations

Managing for – and reporting on – development or other operational results confronts United Nations organizations with common and well-documented methodological challenges. These include, inter alia, appropriate attribution of results when one organization works in partnership with another (most especially when such programmes are owned by host countries), accurate aggregation of results for organizations with geographically dispersed programmes and projects, careful identification and systematic capture of relevant indicators and proper assessment of a given activity's long-term impact on society or target groups. All of these challenges apply to UNOPS, with the added complication that, by its very definition as a service provider, UNOPS contributes its efforts to accomplish results on behalf and to the credit of its clients.

Through its various services UNOPS contributes to the effectiveness and efficiency of client-directed initiatives. For this reason, the organization has heretofore made little effort to capture or report to the Executive Board on tangible, operational results. Previous UNOPS Annual Reports concentrated instead on reporting financial results as the primary measure of UNOPS viability as a self-financing business model unique within in the United Nations system.

The UNOPS Business Strategy 2007–2009 pledged all institutional levels to manage for organizational results, sometimes referred to as management results, by building a UNOPS capable of meeting its fundamental expectations: i.e., making significant contributions to the peacebuilding, humanitarian and development operations of the United Nations. Consistent with that Business Strategy, a Balanced Scorecard with financial, client, internal process and people perspectives has already been launched, and it informs Section III of the present report. In addition, UNOPS has introduced results-based budgeting for the 2009-2009 biennium.

Reporting to the Executive Board on specific UNOPS contributions to the operational results of the United Nations required synthesis of the diverse requirements and approaches of UNOPS many clients, and systematic capture of the differing results indicators specified by the various project documents and memoranda of agreement. A further hurdle was that the services offered by UNOPS range from full project management responsibility to single, targeted activities such as procurement, human resource administration or fund supervision. Nevertheless, despite these factors it remains as important for UNOPS as for any other organization to report to its stakeholders precisely how it adds value to operational objectives.

The first step in creating a methodology to accomplish this was to identify results sectors and select indicators that appropriately reflect the substance of UNOPS work and its relevance to its clients. As the UNOPS client and project portfolio – which changes from year to year depending on client demand – spans peacebuilding, humanitarian and development operations, it was necessary to focus on tangible UNOPS contributions to results in the specific environments targeted by each client.

Ten main sectors and related sub-sectors were therefore selected using the vocabulary common to each area. Four sectors came from the United Nations peacebuilding inventory concluded in 2006, namely security and public order, justice and reconciliation, governance, and public works. Contributions to humanitarian results were consolidated in a single sector. In the development area, UNOPS efforts corresponding to seven of the Millennium Development Goals have been recorded in

five sectors: poverty (MDG 1), education (MDG 2), gender (MDG 3), health (MDGs 4, 5, and 6), and environment (MDG 7). Several of these ten sectors straddle the sector definitions in the different source documents used, so an attempt has been made to cross-reference the sub-sectors as indicated in the list below.

A key methodological decision was to focus reporting of UNOPS contributions to results at the output level. As a service provider, it is difficult for UNOPS to report its impact on its clients' programmes, and certainly UNOPS is not yet ready to do so. While this is most obvious when services are provided to other United Nations entities, the same caution may be applied to work performed in the spirit of the Paris Declaration, where UNOPS provides services directly to governments.

Since results sectors and indicators were not previously incorporated in agreements with clients or uniformly captured as part of project implementation, for the present report it was necessary to collect data retrospectively. All offices compiled their results per the designated sub-sectors and reported according to a list of specific output indicators, such as schools designed, roads built, etc. In some service areas, such as Mine Action, detailed information was readily available. In others, such as gender, the desired data were not always available. In a number of instances qualitative data was more readily available than quantitative measures. Almost certainly some underreporting of results exists in the present document.

This inaugural report nevertheless offers a useful, if indicative, picture of general UNOPS contributions to operational results. Furthermore this undertaking will yield important lessons for future reporting, as UNOPS is committed to perfecting its capacity to report on contributions to such results. An internal review will evaluate the results sectors and output indicators used in the present report to determine whether changes are required for future submissions. Also, instructions and guidance will be issued on how to improve reporting on results by defining better reporting mechanisms in subsequent client agreements, to include appropriate indicators and to specify evaluations and impact assessments in the design of larger programmes and projects that can capture UNOPS contributions.

Finally it should be noted that as of 2008 the OECD/DAC classifications are applied to all new projects undertaken by UNOPS, and results consistent with those classifications are captured for all projects active in 2005–2007. This should further help place UNOPS activities on the same map as that of its key partners, making it easier to measure contributions to standards adopted elsewhere in the United Nations system.

Result sectors and sub-sectors used in the 2007 Annual Report

[P – peacebuilding; H – humanitarian; D – development]

- A. Education**
Improving educational opportunities [D]
- B. Environment**
Climate change [D]
Biodiversity conservation [D]
International waters [D]
- C. Gender equality and empowerment of women**
Gender equality and empowerment of women [D]
- D. Governance**
Public administration [P/D]
Elections [P]

- E. Health**
 - Health administration [D]
 - Procurement for health [D]
 - Medical facilities [D]
- F. Humanitarian relief and recovery**
 - Disaster preparedness [H/D]
 - Disaster relief [H]
 - Disaster recovery [H/D]
- G. Justice and reconciliation**
 - Human rights [P/H/D]
 - Transitional justice and corrections [P]
- H. Poverty mitigation**
 - Integrated rural development [D]
- I. Public works**
 - Construction of roads and bridges [P/H/D]
 - Water supply and sanitation [P/D]
 - Power [P/D]
- J. Security and public order**
 - Disarmament, demobilization, and reintegration (DDR) [P]
 - Mine action [P/D]
 - Mission support services [P]

Annex 4

UNOPS clients and client groups

UNOPS clients

Client Name			Delivery				Business Acquisition	
			2006		2007		2007	
			Project Exp.	Revenue	Project Exp.	Revenue	Budget	Revenue
UN	UN Departments and Offices	DESA	0.02%	0.03%	0.03%	0.03%		
		DPA	0.78%	0.74%	0.89%	0.89%	0.27%	0.32%
		DPKO	12.55%	15.29%	14.59%	16.98%	13.86%	14.46%
		OCHA	0.10%	0.13%	0.16%	0.19%	0.38%	0.46%
		OHCHR	1.20%	1.58%	1.14%	1.40%	0.61%	0.84%
	UN Specialised Agencies	UNODC	1.85%	2.08%	1.13%	1.39%	0.85%	0.94%
		FAO	0.00%	0.00%	0.04%	0.04%	0.23%	0.02%
		IFAD	0.73%	0.71%	0.69%	0.71%	0.97%	1.07%
		ILO	0.34%	0.38%	0.08%	0.13%	0.00%	0.01%
	UN Programmes and Funds	UNESCO	0.32%	0.32%	0.24%	0.26%	0.29%	0.50%
		WHO	0.20%	0.25%	0.01%	0.00%	0.02%	0.02%
		UNCDF	0.05%	0.09%	0.03%	0.01%	0.00%	0.00%
		UNDG	1.37%	1.03%	1.98%	2.01%		
		UNDP - MSA	12.82%	9.62%	19.76%	14.28%	20.44%	11.73%
		UNDP Core and Trustfunds	28.18%	29.41%	19.55%	23.02%	27.12%	26.76%
		UNEP	1.53%	1.82%	0.87%	1.11%	0.65%	0.43%
		UNFPA	0.63%	0.64%	0.29%	0.29%	0.28%	0.34%
		UN-HABITAT					0.01%	0.01%
		UNHCR	0.15%	0.22%	0.62%	0.76%	0.35%	0.40%
	UN Research and Training Institutes	UNICEF	6.55%	5.74%	6.25%	6.33%	3.85%	4.08%
		UNICEF GAIN	0.00%	0.00%				
		UNIFEM	0.17%	0.20%	0.10%	0.12%		
		WFP	0.82%	0.60%	0.22%	0.21%	0.19%	0.12%
	UN Other Entities	UNICRI	0.02%	0.02%	0.09%	0.14%	0.03%	0.04%
		UNIDIR	0.02%	0.02%	0.02%	0.02%		
		UNITAR	0.23%	0.34%	0.18%	0.31%	0.11%	0.19%
		DBSA	0.04%	0.06%	0.03%	0.04%		
		GFATM					0.33%	1.80%
	International Financial Institutions	ISDR	0.00%	0.00%				
		UNAIDS	0.05%	0.04%	0.04%	0.06%		
UNU		0.09%	0.12%	0.00%	0.00%	0.00%	0.00%	
Governments	UPEACE	0.01%	0.02%	0.00%	0.00%			
	ADB	0.00%	0.01%	0.00%	-			
	African Development Bank	0.18%	0.58%	0.37%	0.03%			
	CFC	0.08%	0.09%					
	World Bank	21.70%	19.49%	13.05%	13.07%	9.16%	14.75%	
	Afghanistan	5.38%	5.08%	3.64%	4.08%	5.78%	8.39%	
	Cambodia	0.02%	0.02%	0.02%	0.02%	0.01%	0.02%	
	China			0.02%	0.03%	0.02%	0.03%	
	European Commission			0.03%	0.03%	0.70%	0.37%	
	Haiti			0.38%	0.45%			
	India			6.53%	4.51%	6.77%	4.83%	
	Iraq			0.40%	0.40%	0.41%	0.43%	
	Italy			0.34%		0.05%		
	Liberia	0.08%	0.09%					
	3 Diseases Trustfund	0.23%	0.24%	2.37%	2.56%			
OPT	0.03%	0.02%	0.55%	0.45%	1.12%	1.11%		
Sri Lanka	0.59%	0.43%	0.95%	0.80%	0.37%	0.29%		
Sudan	1.12%	1.14%	1.59%	1.43%	4.79%	5.26%		
United Arab Emirates	0.03%	0.06%			0.00%			
United Republic of Tanzania	0.03%	0.10%	0.01%	0.02%				
TOTAL		100%	100%	100%	100%	100%		

Annex 5. 2007 implementation expenditures and revenues (in dollars)

UNOPS has commenced aligning to the OECD-DAC CRS purpose codes to bring its reporting into closer conformity with that of other United Nations organizations. A summary of 2007 project expenditures and implementation revenues follows.

OECD Group	OECD Detail	2007 Delivery				
		Project Expenditures	Implementation Revenues			
110	11110	Education policy and administrative management	418,185	0.0%	31,961	0.1%
	11120	Education facilities and training	43,437,925	5.1%	1,452,923	2.9%
	11330	Vocational training	352,902	0.0%	21,594	0.0%
	11430	Advanced technical and managerial training	259,898	0.0%	18,587	0.0%
		Total	44,468,910	5.2%	1,525,065	3.0%
120	12110	Health policy and administrative management	167,997	0.0%	2,220	0.0%
	12191	Medical services	65,882,722	7.8%	2,651,087	5.2%
	12230	Basic health infrastructure	40,199,914	4.7%	1,703,262	3.4%
	12240	Basic nutrition	505,475	0.1%	0	0.0%
	12250	Infectious disease control	22,506,607	2.6%	1,485,420	2.9%
	Total	129,262,715	15.2%	5,841,989	11.5%	
130	13010	Population policy and administrative management	81,909	0.0%	0	0.0%
	13040	STD control including HIV/AIDS	2,833,328	0.3%	281,808	0.6%
		Total	2,915,236	0.3%	281,808	0.6%
140	14010	Water resources policy and administrative management	23,753,041	2.8%	1,442,751	2.9%
	14015	Water resources protection	3,325,210	0.4%	231,014	0.5%
	14020	Water supply and sanitation - large systems	3,097,980	0.4%	196,454	0.4%
	14050	Waste management/disposal	3,678,526	0.4%	227,539	0.4%
		Total	33,854,757	4.0%	2,097,758	4.1%
150	15110	Economic and development policy/planning	9,496,803	1.1%	538,147	1.1%
	15130	Legal and judicial development	5,332,267	0.6%	344,856	0.7%
	15140	Government administration	11,365,363	1.3%	879,364	1.7%
	15150	Strengthening civil society	1,733,115	0.2%	82,135	0.2%
	15161	Elections	699,284	0.1%	19,179	0.0%
	15162	Human rights	13,392,523	1.6%	931,321	1.8%
	15163	Free flow of information	430,543	0.1%	21,527	0.0%
	15164	Women's equality organisations and institutions	1,418,581	0.2%	103,607	0.2%
	15220	Civilian peace-building, conflict prevention and resolution	5,881,272	0.7%	418,137	0.8%
	15230	Post-conflict peace-building (UN)	134,874,074	15.9%	9,293,269	18.4%
	15250	Land mine clearance	7,722,484	0.9%	466,065	0.9%
		Total	192,346,310	22.6%	13,097,607	25.9%
160	16010	Social welfare services	4,997,006	0.6%	166,651	0.3%
	16020	Employment policy and administrative management	1,588,325	0.2%	87,326	0.2%
	16030	Housing policy and administrative management	4,030,022	0.5%	315,192	0.6%
	16061	Culture and recreation	4,979,952	0.6%	303,473	0.6%
	16062	Statistical capacity building	224,029	0.0%	12,493	0.0%
	16063	Narcotics control	296,101	0.0%	21,124	0.0%
		Total	16,115,435	1.9%	906,259	1.8%
210	21020	Road transport	19,023,346	2.2%	784,525	1.5%
	21050	Air transport	273,645	0.0%	15,160	0.0%
	22020	Telecommunications	3,705,215	0.4%	277,582	0.5%
	22040	Information and communication technology (ICT)	2,320,231	0.3%	214,684	0.4%
	Total	25,322,437	3.0%	1,291,951	2.6%	
230	23010	Energy policy and administrative management	607,288	0.1%	47,589	0.1%
	23065	Hydro-electric power plants	3,211,435	0.4%	224,800	0.4%
	23067	Solar energy	139,246	0.0%	11,140	0.0%
	23081	Energy education/training	362,197	0.0%	36,220	0.1%
		Total	4,320,166	0.5%	319,748	0.6%
240	24040	Informal/semi-formal financial intermediaries	1,574,772	0.2%	145,164	0.3%
	24081	Education/training in banking and financial services	1,733,526	0.2%	129,984	0.3%
		Total	3,308,298	0.4%	275,148	0.5%
311	31110	Agricultural policy and administrative management	774,699	0.1%	37,929	0.1%
	31120	Agricultural development	1,122,499	0.1%	76,657	0.2%
	31140	Agricultural water resources	105,653	0.0%	5,283	0.0%
	31165	Agricultural alternative development	2,580,680	0.3%	191,479	0.4%
	31193	Agricultural financial services	188,756	0.0%	15,101	0.0%
		Total	4,772,287	0.6%	326,449	0.6%
312	31210	Forestry policy and administrative management	1,428,559	0.2%	77,702	0.2%
	Total	1,428,559	0.2%	77,702	0.2%	
321	32130	Small and medium-sized enterprises (SME) development	852,648	0.1%	45,704	0.1%
	Total	852,648	0.1%	45,704	0.1%	
331	33110	Trade policy and administrative management	1,830,751	0.2%	171,653	0.3%
	Total	1,830,751	0.2%	171,653	0.3%	
410	41010	Environmental policy and administrative management	56,511,482	6.6%	3,551,330	7.0%
	41020	Biosphere protection	4,661,181	0.5%	339,418	0.7%
	41030	Bio-diversity	8,592,625	1.0%	607,316	1.2%
	41081	Environmental education/ training	1,260,035	0.1%	100,505	0.2%
	41082	Environmental research	347,278	0.0%	26,156	0.1%
	Total	71,372,601	8.4%	4,624,725	9.1%	
430	43010	Multisector aid	18,159,379	2.1%	1,475,454	2.9%
	43030	Urban development and management	3,031,079	0.4%	172,849	0.3%
	43040	Rural development	19,675,688	2.3%	1,400,297	2.8%
	43081	Multisector education/training	960,036	0.1%	76,803	0.2%
	43082	Research/scientific institutions	203,710	0.0%	14,621	0.0%
		Total	42,029,892	4.9%	3,140,024	6.2%
510	51010	General budget support	7,896,928	0.9%	372,743	0.7%
	Total	7,896,928	0.9%	372,743	0.7%	
720	72010	Material relief assistance and services	3,780,566	0.4%	237,298	0.5%
	72050	Relief co-ordination; protection and support services	4,644,331	0.5%	389,190	0.8%
	Total	8,424,898	1.0%	626,488	1.2%	
730	73010	Reconstruction relief and rehabilitation	210,436,919	24.8%	12,369,460	24.4%
	Total	210,436,919	24.8%	12,369,460	24.4%	
740	74010	Disaster prevention and preparedness	4,691,922	0.6%	342,230	0.7%
	Total	4,691,922	0.6%	342,230	0.7%	
998	99810	Sectors not specified	1,955,204	0.2%	197,744	0.4%
	99820	Promotion of development awareness	2,772,144	0.3%	258,046	0.5%
		Total	4,727,348	0.6%	455,790	0.9%
-	-	-	39,702,098	4.7%	2,429,596	4.8%
	Total	39,702,098	4.7%	2,429,596	4.8%	
	Total	850,081,113	100%	50,619,897	100%	