

**'Check Against Delivery'**  
**Statement by Jan Mattsson**  
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**to UNDP/UNFPA Executive Board Second Regular Session**  
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Mr. President, Distinguished Members of the Executive Board

I am delighted to present this year's Annual Statistical Report on United Nations Procurement that UNOPS has compiled on behalf of the UN system. The report shows that the procurement of goods and services by the United Nations reached \$13.8 billion, up 1.5 percent on the previous record year, with the largest sums spent on transport, food, medicines and construction. I will not go into all the details here, but the report is full of information about the types of goods and services procured, where they were procured and by whom. I would like to thank the other members of the UN family who have conscientiously provided the information that makes this report possible.

Indeed, this year we received more data than ever before, and while there is still work to be done in ensuring its quality, consistency and completeness, I believe the report offers a real insight into the operations of the UN and how they are developing. And we continue to find new ways to better display and understand the data, - for example this year we included a comparative analysis of each agency's share of goods and services procured.

For the second time we have also produced a thematic supplement to accompany the report, which looks at a current issue in global procurement. Last year we focused on sustainable procurement - this year the supplement discusses procurement from developing countries and economies in transition. This subject was chosen in response to comments made at this meeting last year. Looking at the figures from 2009 we can see UN procurement from these countries has increased from 51 percent of total procurement in 2008 to 55 percent in of total procurement in 2009.

As a background to these figures, the supplement outlines some significant efforts made by the international community to promote procurement from developing countries. These successful examples of capacity development and knowledge transfer provide real inspiration to us all. As the Secretary-General states in the foreword to the supplement, by providing business opportunities to a wider range of

companies, procurement can help build well-functioning communities. Moreover, buying goods and services directly from the countries we aim to support can also help ensure local ownership of UN projects, boosting their effectiveness.

I welcome ideas for a topic for the 2011 supplement. We have noticed that the articles stimulate debate and help share knowledge about best procurement practices.

*Distinguished delegates*

It is only around two months since I last addressed you so I will keep my comments about developments at UNOPS short. At the Annual Meeting I was pleased to share with you how the organization has been able to reform and reach a new level of financial stability. If anything the past two months have strengthened my conviction that this optimism was well placed, that UNOPS is on the right path and better positioned than ever to serve our partners and deliver results that matter to people in need.

Let me share with you a few events that have re-enforced this belief. In July we held our annual Global Management Meeting, bringing together more than 80 senior managers from around the world to discuss how we can best respond to the challenges given to us by Member States within our 2010-2013 Strategic Plan. I was delighted to see the increasing levels of maturity in the organization and the thoughtful commitment of managers to the opportunities and responsibilities you have given us.

It was also a chance to take stock of the demand for UNOPS services. While traditional project implementation and procurement services will remain the bedrock of UNOPS work for many years, it is clear that we face a growing demand for management advisory services. We can offer capacity development, oversight and advice within our mandate and core competencies. These services add more value to countries, and place greater emphasis on national ownership. For example, rather than building a hospital as a turn-key project, UNOPS could advise government staff on how to manage the construction project, we could train them, or provide independent engineering supervision. Instead of buying the hospital equipment on behalf of the government, we could offer advice on how to get best value for money, or help with a part of the procurement process where national capacity may be weak, such as international competitive tendering.

Sensitivity to and respect for national capacities is a paramount principle of our Strategic Plan. We must always support, never displace national capacity.

I am happy to say that UNOPS stable financial position allows us to follow up on the themes of the Global Management Meeting. For example, we will provide more learning opportunities for managers and staff to improve their skills and invest more, within our limited means, in building and sharing our knowledge in project management, procurement, human resource administration and financial services.

Another very positive development was the outcome of the UNBoA audit for the biennium 2008 - 2009. When the Executive Board met in June the draft audit report had been issued; since then we have received the final report. A clean external audit opinion is a major asset for UNOPS. It is proof that the efforts to bring accountability and control to the organization have borne fruit. A clean bill of health gives confidence to our partners, many of whom use our services to reduce their own risks. Unfortunately mistakes from several years ago may still be regurgitated in the media from time to time. The UNBoA report shows the reality of the organization today. We look forward to discussing it with you at the next meeting.

Financial stability and an accountable and solid organization are not ends in themselves, rather the platform we need to deliver results that matter. At our last meeting I presented the 2009 Annual Report, which detailed UNOPS contributions to our partners' results and how we have become a better member of the UN family. Today I would just like to highlight UNOPS continued operations in Haiti where we are working in close cooperation with the Haitian Government, the World Bank and, of course, the UN Country Team.

Here UNOPS is involved in assessing buildings for structural damage, producing transitional shelters and repairing roads, areas where we have expertise and where we use methods that create jobs for Haitians. By ensuring aid money spent on Haiti is spent in Haiti, we can directly benefit communities. In all the projects we support we are working hard to develop local capacity, use local suppliers and ensure Haitian institutions take the lead.

This is the kind of support we aim to provide in Pakistan, another severe natural disaster where the UN is being looked upon to support the national government to tackle the devastating consequences of the still ongoing floods. These targeted interventions following natural disasters are the outcome of the detailed

analysis of opportunities for UNOPS in the humanitarian response architecture, complementing mandates and capacities of other UN organizations. This analysis formed the basis for the 2010-2013 Strategic Plan, prepared and adopted with the active support of Member States.

*Distinguished delegates*

We are now already well into the third quarter of 2010 and so far the indication is that demand for UNOPS services is holding up well. Financially the figures are telling me that we are on the way to meet our targets, although experience tells me that we will have to be extremely vigilant to ensure that we actually reach them. From my own travels and from the reports of partners I know that UNOPS personnel are continuing to support the goals of the UN in hundreds of projects around the globe, often in the most challenging environments, and that they are doing so with greater and greater efficiency.

Looking ahead, we will seek the support of the Executive Board as we pursue common services opportunities that benefit the UN system as a whole. For example, in areas where volume buying and specialization could bring about significant savings, such as in the procurement of vehicles. We would certainly welcome the chance in future meetings to share more with you of our thinking about the prospects of such savings.

Mr. President, I once again thank the Board for its support and consideration. I would be happy to answer any questions you may have.

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