‘Check against delivery’
Statement by Jan Mattsson
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to UNDP/UNFPA/UNOPS Executive Board First Regular Session
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Mr President, Distinguished members of the Executive Board

I would like to congratulate the President and the Vice-Presidents on their appointments and welcome all new members of the Board. Together with UNOPS management team, I look forward to working closely with you all over the next important year, a year in which the direction of UNOPS will be set by the adoption of a new Strategic Plan.

The Board’s guidance and advice will be crucial in this process. With your support, we can continue to build an organization that is able to meet evolving global challenges and expand the capacity of our partners to manage projects, infrastructure and public procurement for the benefit of people in need. An organization that makes a concrete, tangible difference on the ground – which supports our partners in the delivery of sustainable results.

At the next Annual Session of the Board in June, I will present a detailed report on how UNOPS supported its partners’ projects in 2012. However, I take the opportunity now to mention some of the highlights. Once again, in 2012 we appear to have seen an increase in the proportion of work we do in least developed countries and in those recovering or suffering from conflict and natural disasters. In Afghanistan, where we are supporting the government to build roads, airports and customs facilities. In Haiti, where we are building hospitals and clinics under a South-South cooperation project. In Myanmar, where we are working with communities and many UN and NGO partners to tackle disease and develop livelihoods. In the 13 countries around
the globe, where we are providing extensive administrative support to DPKO/UNMAS Mine Action programmes.

In these countries and in others, such as South Sudan, Somalia and Iraq, UNOPS personnel work in some of the most challenging environments, supporting partners in their vital operations. At the same time UNOPS continues to provide services to partners in countries where local capacity may be greater and conditions more peaceful, but where specific gaps or difficulties exist that mean UNOPS can help enhance development efforts.

Wherever we work, we always emphasize the importance of being good members of the UN Country Teams under the leadership of the Resident Coordinator and Humanitarian Coordinator.

In all our projects, UNOPS strives to use local personnel and supplies, working closely with governments and communities to raise national capacity. I think of our work in Afghanistan as a positive example of such transformation in the last decade. Where once we were typically delivering turnkey infrastructure, such as roads or buildings, we are now normally working inside the ministries, such as the Ministry of Public Works. Here we act in an advisory and capacity building role, supporting government efforts as they build the roads and the buildings.

On the financial side the move to International Public Sector Accounting Standards, or IPSAS, has had a negative impact on our delivery and revenue figures for 2012 but not as much as we had feared. The one-time delay in recognizing delivery and related revenue was expected, as now we only record delivery when the actual goods and services are delivered, rather than when purchase orders are raised. Under IPSAS, total delivery for 2012 was close to $960 million. In order to compare like with like, we have continued to monitor our performance according to UNSAS rules, our previous accounting
standard. The good news here is that our delivery in those terms is comparable to our 2012 delivery of $1.07 billion. New business figures are also strong, with $1.35 billion in new projects, or ten percent above our target. This continued strong demand for UNOPS services is reassuring.

As a self-financing organization, strong financial management and a solid bottom line is fundamental to UNOPS performance. We are constantly monitoring our costs and our revenue, and putting in place cost-reduction measures as well as investing in our people and services as needed. This has been especially true in 2012, as we have moved to focus on the strategic priorities identified in the mid-term review of the Strategic Plan 2010-2013. Specifically, I want to share with you that since the second regular meeting of the Board in September last year we have designed and are now implementing a programme to reduce $6 million in costs in our old structures while re-investing $4 million in new priorities, with net savings of $2 million.

This has meant strengthening our procurement and project management delivery practices and establishing a sustainable infrastructure delivery practice. In these core areas of our mandate, UNOPS is expanding its expertise and holding itself accountable against international standards. Indeed, this time last year I talked about our ambitious plans to obtain ISO certification of our environmental management system for infrastructure projects, ISO 14001. Progress has been solid and I hope to have good news when we meet again in June. By achieving international certification we can ensure that we deliver on our vision to always satisfy partners with management services that meet world-class standards of quality, speed and cost effectiveness. We are also heeding important calls on sustainability in the Rio outcome document, ‘The future we want’, and the QCPR resolution.

To do this we will continue to reach out, not just to our UN colleagues but to outside organizations, be they non-profits or the private sector. Only by
sharing knowledge and best practice can we increase the quality and efficiency of our operations and raise the effectiveness of development spending.

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I have already been fortunate enough to discuss with many of you our thinking about the coming Strategic Plan 2014-2017, including in the informal that took place earlier today. This consultation follows on from the extensive work we did last year for the mid-term review, where over 350 partners and potential partners were interviewed at length about what they want and need from UNOPS. Where we had a suite of five informals with the Board and received very clear and helpful guidance on the way forward in the two relevant board decisions, in our two most recent Board meetings.

We are building on a firm base, as outlined in the Strategic Plan 2010-2013 and in your decision on the mid-term review. We are an organization confident that we are on the right track. But such confidence must never be confused with complacency. It is the confidence to embrace change, to continue to develop strength through measures to increase focus, improve efficiency, enhance transparency, and above all to be accountable for our contributions to the results of our partners. In our Annual Report for 2012 we will report on how we are doing so far. In the Strategic Plan 2014-2017, to be submitted to the same session, we will set the ambitions and expectations for the future.

In the mid-term review you placed sustainability at the core of our work. You asked us to integrate and balance the economic, social and environmental dimensions of our work in project management, infrastructure and procurement. In line with the United Nations Conference on Sustainable Development in Rio last year, we realize we must be in a position to help our partners translate international commitments into action on the ground.
If we build a school in Haiti, how are we ensuring that it is energy efficient so as to reduce CO$_2$ emissions and ensuring more reasonable maintenance costs during the life of the building? Are we making sure its design and location promote the enrolment of girls and cater for their needs? How does the construction activities support livelihoods in the local community? And overall, how does the project help develop capacity? Only by beginning to measure our contributions to sustainability can we be sure we are helping to turn policies into results.

Last year, in Rio, UNOPS launched a new policy for sustainable infrastructure. Since then we have given thought to how best to develop a practical tool to support our personnel and our partners in the design, management and reporting of projects. In the informal meeting that just took place, we discussed a Sustainability Screening Tool that we are in the process of developing.

We are also proud of the headway we made on transparency in 2011 and 2012, and the encouragement we have had from the Board to move ahead. It appears that the next frontier, beyond the current International Aid Transparency Initiative (IATI) standards, which are input oriented, would be in the area of results. I believe UNOPS can contribute here.

We look very much forward to continued dialogue with you and our partners about this and other aspects of our work.

Distinguished members

This year will also see our sister organizations UNDP and UNFPA adopt their new strategic plans. This gives us a great opportunity to coordinate among ourselves, and gives the Board an opportunity to once again help each
organization focus on its core mandate and comparative advantages, where it can make the best contributions to sustainable development.

Mr. President and members of the Board, the years have shown that UNOPS business model works, and that we can play an important role in supporting the UN and its partners to deliver tangible results. I look forward to working with you all over the coming months in setting a path that will ensure UNOPS continues to make real contributions to peacebuilding, humanitarian and development operations that make a difference for people in need.

Thank you.

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