

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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Report of the first regular session 2025 (27 to 31 January 2025, New York)

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I. Organizational matters

1. The first regular session 2025 of the Executive Board of UNDP, UNFPA and UNOPS was held from 27 to 31 January 2025.

2. The Executive Board approved the agenda and workplan for its first regular session 2025 (DP/2025/L.1) and approved the report of the second regular session in 2024 (DP/2025/1). The Board adopted the annual workplan for 2025 (DP/2025/CRP.1).

3. Decisions adopted by the Executive Board in 2024 appeared in document DP/2025/2, which was available on the Executive Board website.

4. The Executive Board approved the tentative workplan for the 2025 annual session to guide discussions and decision-making.

Statement by the President of the Executive Board

5. The President of the Executive Board described an uncertain global landscape, marked by deepening inequalities, conflicts, humanitarian crises, a growing trust deficit and escalating climate change impacts. He noted that debt servicing was limiting investments in essential services while progress on gender equality remained fragile. While the digital revolution presents opportunities, it has also deepened disparities. Emphasizing the need to strengthen multilateralism, he underscored the critical role of UNDP, UNFPA, and UNOPS in addressing global challenges. He stressed the importance of achieving tangible results for those in need while ensuring the effective use of resources. Looking ahead, the development of new strategic plans along with the continued implementation of the quadrennial comprehensive policy review, will guide the Executive Board's work.

Joint segment

II. Recommendations of the Board of Auditors

6. The UNDP Assistant Administrator and Director of the Bureau for Management Services, UNFPA Deputy Executive Director (Management), UNOPS Deputy Executive Director, and Executive Secretary of the United Nations Capital Development Fund (UNCDF) presented the following reports: UNDP: Report on the implementation of the recommendations of the United Nations Board of Auditors, 2023 (DP/2025/3); UNFPA: Report on the implementation of the recommendations of the United Nations Board of Auditors, 2023 (DP/2025/3); UNFPA: Report on the implementation of the recommendations of the United Nations Board of Auditors, 2023 (DP/PA/2025/2); UNOPS: Report on the implementation of the recommendations of the United Nations Board of Auditors, 2023 (DP/OPS/2025/1); and UNCDF: Report on the implementation of the recommendations of the United Nations Board of Auditors, 2023 (DP/2025/4).

7. Delegations raised concerns regarding specific audit findings, including outdated supply management information for UNFPA and low partner satisfaction with UNOPS service delivery and inadequacies in procurement and emergency procedures. Delegations inquired about a UNOPS disagreement with audit findings on inappropriate financial derivative transactions and weaknesses in internal controls.

8. Delegations commended UNDP for its high implementation rate of audit recommendations and urged UNFPA to further strengthen its humanitarian response and risk management practices. Suggestions were made, including providing a brief summary of audit findings and specific findings in country offices and business units. Delegations also requested additional data from UNDP on any fraud cases while welcoming ongoing efforts to strengthen risk management. They also underlined the importance of UNOPS enhancing its risk awareness and risk management, in line with the recommendations of the Board of Auditors.

9. In response, representatives of the Board of Auditors agreed with suggestions to improve the

report summary. While country office and senior management receive letters specific to different country offices, they acknowledged the need for a better focus on transversal issues. Regarding UNOPS, they noted the importance of paying close attention to higher-risk financial options.

10. The UNDP Assistant Administrator and Director of the Bureau for Management Services outlined progress in updating the corporate accountability framework and recovering funds lost to fraud. Approximately 43 per cent of funds lost through fraud between 2013 and 2023 had been recovered. While it remains a challenge, UNDP pursues full recovery of funds lost to fraud based on the actions proposed by an inter-bureau standing board established to provide transparency on the collection process, ensuring rigorous follow up on the substantiated losses. Data on presumptive fraud and fraud is reported through the Office of Audit and Investigation as part of its annual report, which will be addressed during the annual session.

11. The UNFPA Deputy Executive Director (Management) described the evolution of supply chain management at the organization, including steps to improve tracking in 2025, aligned with best industry practices. He also outlined plans to strengthen the humanitarian division through the upcoming strategic plan and ongoing risk management measures.

12. The UNOPS Deputy Executive Director detailed improvements in partner satisfaction and reaffirmed the organization's commitment to transparency, accountability, and efficiency in procurement. In response to audit recommendations, UNOPS is reviewing and updating emergency procurement procedures and enhancing risk assessments through an integrated risk management system to address emerging challenges.

13. The UNCDF Executive Secretary highlighted recent restructuring to return the organization to its original mandate as a fund that helps catalyse larger flows of capital towards economic development, mainly in least developed countries (LDCs), and to address various issues, including clearer segregation of functions to minimize risks. UNCDF is updating its control framework in line with UNDP policies and practices.

14. The Executive Board adopted decision 2025/1 on the reports of UNDP, UNCDF, UNFPA and UNOPS on the implementation of the recommendations of the United Nations Board of Auditors for 2023.

III. Update on the assessment of how the Executive Board executes its governance and oversight functions

15. The President of the Executive Board provided updates on the assessment of how the Executive Board executes its governance and oversight. These updates included preliminary observations by UNDP, UNFPA and UNOPS on the Joint Inspection Unit report and the establishment of a 15-member taskforce with balanced regional representation.

16. A group of delegations called for targeted governance improvements to strengthen the Board's effectiveness, particularly in addressing pressures on multilateralism and resource constraints. They highlighted that some early actions to strengthen and streamline Board processes would enable greater focus on strategic risks, opportunities, and robust operational accountability. Delegations raised concerns about the terms of reference for the working group, stressing the importance of remaining consistent with decision 2024/12 and aligning with the broader United Nations governance framework and oversight mechanisms.

17. The Executive Board adopted decision 2025/2, reaffirming its commitment to enhancing governance and oversight functions, as informed by the Joint Inspection Unit report and Board deliberations.

IV. Follow-up to UNAIDS Programme Coordinating Board meeting

18. The UNDP Assistant Administrator and Director of the Bureau for Policy and Programme Support and the UNFPA Deputy Executive Director (Programme), presented the UNDP and

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UNFPA report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (DP-FPA/2025/1).

19. The UNAIDS Deputy Executive Director (Programme) commended the contributions of UNDP and UNFPA to the HIV response but noted that challenges were increasingly arising from reduced resources. These challenges were affecting the most vulnerable populations, the protection of civic space, and gender equality.

20. A group of delegations underscored growing challenges in addressing HIV/AIDS, including widening inequalities, human rights setbacks, declining funding, and legal barriers. Noting the emphasis on scaling up HIV/AIDS work in the current UNDP Strategic Plan, they inquired about lessons learned and how UNDP and UNFPA would maintain engagement despite resource constraints. Another concern raised was the provision of support to countries affected by conflict, climate impacts, and declining human rights protections. One delegation also highlighted successes, including reduced drug costs, the use of solar energy to strengthen health systems, and the development of targeted strategies for vulnerable populations.

21. In response to delegations, the UNDP Assistant Administrator and Director of the Bureau for Policy and Programme Support emphasized the need for greater differentiation, focus, localization, and the use of new prevention technologies to end HIV/AIDS. He stated that UNDP had successfully reached people in complex contexts while leveraging \$10 for every dollar from UNAIDS.

22. The UNFPA Deputy Executive Director (Programme) emphasized the importance of integrated programming to reach the last-mile populations and youth.

23. The Executive Board took note of the joint report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS

V. Risk management

24. UNDP, UNFPA and UNOPS provided updates on enterprise risk management and identified critical risks of strategic importance.

25. The UNDP Associate Administrator and Chief Risk Manager described risk management as essential to how UNDP operates and an area of ongoing improvement. He outlined several critical risks, including a continued decline in core resources, escalating crises, and technological challenges. UNDP is actively mitigating these risks by integrating audit findings, evaluation insights, and risk forecasting into decision-making processes. The new strategic plan would reflect the continued evolution of risk management.

26. The UNFPA Deputy Executive Director (Management) provided updates on the enterprise risk management system, including a policy and formal risk appetite statement, the appointment of a Chief Risk Officer, the establishment of risk committees, and targeted training. Moving forward, priorities include enhanced inter-regional coordination, deeper integration into strategic decision-making, and fostering a risk-aware culture. He stated that risk management maturity at UNFPA now extends beyond standard parameters. Current risks being mitigated include pushback against the UNFPA mandate.

27. The UNOPS Director of the Risk and Compliance Group highlighted that the organization's enterprise risk management framework was designed to address its complex and often high-risk operating environment. UNOPS had made significant progress, including aligning with United Nations practices. It had surpassed the seven recommendations on risk management outlined in the comprehensive response plan, with an ambitious reform agenda focused on future sustainability.

28. A group of delegations called for greater clarity on how funding shifts would impact operations and on reversals in gender equality, which exacerbate vulnerabilities. Delegations also raised concerns about additional risks, including funding diversion from development to armed conflicts, inflexible financing structures that hinder crisis responses, and emerging security threats,

including terrorism. They requested more information on defining and applying risk appetite, information-sharing among United Nations organizations, security risks in fragile and complex settings, and risks related to artificial intelligence.

29. In response, the UNDP Associate Administrator and Chief Risk Manager noted the increasingly acute risks from declining core resources, noting that further discussions could explore whether the model in place for 60 years needed updating. He highlighted the impact of declining core resources on gender equality work and the ability to leverage artificial intelligence while mitigating its risks. He stressed that UNDP has very strong counter-terrorism policies, supported by a deliberate investment of core resources.

30. The UNFPA Deputy Executive Director (Management) detailed steps to manage declines in core resources, including diversifying income sources, negotiating agreements with international financial institutions, and expanding individual giving and philanthropy. Like UNDP, UNFPA has implemented stringent counter-terrorism measures and is advancing the integration of artificial intelligence, underpinned by robust data and privacy safeguards.

31. The UNOPS Director of the Risk and Compliance Group explained that the organization was developing a risk statement aligned with United Nations standards. She described a two-stage process to assess artificial intelligence applications for bias, discrimination, and other ethical issues and noted recent enhancements to due diligence and policies related to terrorism risks, particularly in recruitment. While UNOPS does not have core funding, flexible funding has become even more critical in complex environments, an issue addressed in part through enhanced financial foresight and data management.

32. The Executive Board adopted decision 2025/3 on the updates from UNDP, UNFPA, and UNOPS on enterprise risk management and critical risks of strategic importance.

VI. Organizational culture

33. UNDP, UNFPA, and UNOPS presented a joint update on organizational culture. The UNDP Director of the Bureau for Management Services described a new People Index, which demonstrated a measurable increase in programme delivery where staff engagement and inclusion are high. As a result, a forthcoming organizational development framework will integrate various data and feedback to provide tailored solutions, helping teams overcome structural, cultural, and people-related challenges and drive performance. UNDP has maintained strong performance in leadership, gender parity, support for persons with disabilities, a geographically balanced workforce, and empowering staff to uphold ethical standards and raise concerns without fear of retaliation.

34. The UNFPA Deputy Executive Director (Management) highlighted the organization's commitment to psychological safety, fostering a positive workplace culture, and creating an enabling environment for all personnel. An integrity group has been established to reinforce a speak-up culture. UNFPA has achieved high performance on rigorous gender and intersectional equity standards. In 2024, it launched a robust two-year strategy and workplan aimed at preventing sexual exploitation and abuse and harassment.

35. The UNOPS Director of the People and Culture Group shared that the organization had developed a comprehensive culture roadmap and a set of culture statements aligned with United Nations values to enact desired personnel behaviours. A 2024 culture and engagement survey indicated a consistent recovery trend. UNOPS has integrated cultural objectives into performance evaluations for leaders and strengthened resources for preventing sexual exploitation and abuse and harassment. The organization plans to continue advancing diversity and inclusion, with progress being monitored through the redesigned culture and engagement survey.

36. A group of delegations commended efforts to establish structures, policies, and networks but sought clarification on how these initiatives and indicators—beyond surveys—effectively monitor progress and facilitate learning. They asked how organizations ensured they reached everyone, stressed the importance of visible follow-up on collected feedback, and inquired about inter-agency

collaboration and learning, as well as cooperation among oversight offices.

37. Referring to significant reform and optimization processes, delegations sought further details on staff engagement initiatives, measures to address concerns, and mechanisms ensuring transparency and accountability in workplace culture reforms. Other issues included the importance of equal opportunities and meritocracy, broader geographical representation, a better understanding of how contract types influence staff experiences, and further details on efforts to work with oversight bodies to address sexual abuse, exploitation and sexual harassment, and bullying, harassment as well as discrimination.

38. In response, the UNDP Director of the Bureau for Management Services emphasized that linking engagement with performance would provide deeper insights into results. He noted that surveys had not revealed significant variations among staff with different contract types.

39. The UNFPA Director of Human Resources explained a payroll audit process to verify statements on equity and diversity, supported by a policy review and a staff perceptions survey. Geographical representation, including in leadership roles, had shifted significantly.

40. The UNOPS Director of the People and Culture Group indicated that personnel on either staff or International Individual Contract Agreement (IICA) contract modality can access the ombudsman and mediation services. She emphasized the critical role of the established victim support advocate function and the revamped whistleblowing mechanism.

41. The chairperson of the UNDP, UNFPA, UNOPS, UN-Women Staff Council addressed the Board, acknowledging the ongoing commitment to staff engagement and well-being. However, challenges remained in addressing gaps in open communication, learning and growth opportunities, and ensuring staff could speak up without fear of retaliation. Workload imbalances compromised gender parity efforts. Organizational change processes at UNFPA and UNOPS had resulted in low morale and the risk of losing valuable expertise, underscoring the importance of clear and honest communication. The chairperson emphasized that more discussions were needed on the impact of artificial intelligence on the workforce, the heavy reliance on non-staff contracts, and the need for greater investment in human resources to ensure high performance.

42. In a management response, the UNDP Director of Human Resources outlined a variety of measures to support gender parity, including contributions to digital literacy among staff for the fair and ethical use of artificial intelligence. A new contract modality had been introduced to align with specific project needs while ensuring staff benefits such as leave.

43. The UNFPA Deputy Executive Director (Management) reaffirmed that staff mental health and well-being had been a priority during organizational changes and reported that morale had remained high. He detailed the relocation of staff from New York to Nairobi as a well-planned and important move to enhance delivery.

44. The UNOPS Director of the People and Culture Group shared that the establishment of the UNOPS Global Personnel Associations Forum in 2024 was a milestone in engagement with all local personnel associations across regions. A recent resizing initiative, which involved difficult decisions to comply with a net-zero revenue approach, was conducted in accordance with clear, fair guidelines and additional support for impacted personnel.

45. The Ombudsman for the United Nations Funds and Programmes presented the 2023 annual report for the Office of the Ombudsman. He noted an upward trend in cases and mediations and provided observations on areas requiring more attention, including mental health, where staff face multiple pressures but remain reluctant to seek help. Continued concerns also related to reprisals, performance management, and discrimination.

46. A delegation inquired about how entities addressed recommendations from the Office of the Ombudsman for the United Nations Funds and Programmes. The Ombudsman explained that each organization reviews these recommendations within its own internal frameworks and policies.

47. The Executive Board adopted decision 2025/4 on the joint update on organizational culture and took note of the address by the Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff

Council, as well as the annual report from the Office of the Ombudsman for the United Nations Funds and Programmes.

VII. Addressing racism and racial discrimination

48. Noting that further details would be provided at the annual session in June 2025, the UNDP Director of the Bureau for Management Services presented an update on recommendations from the Joint Inspection Unit on addressing racism and racial discrimination within the United Nations system, including UNDP-specific actions and system-wide collaboration. A proposal on racial categorization would serve as a foundation for a joint United Nations system solution, with formalized inter-agency coordination taking place through a High-level Committee on Management working group. She shared that UNDP has developed a comprehensive suite of antiracism learning tools, programmes promoting equal opportunities for underrepresented groups, and clear results frameworks with performance indicators mapped to a maturity model.

49. The UNFPA Deputy Executive Director (Management) shared that the organization had hosted over 50 webinars and workshops for staff to address systemic biases. UNFPA had also established the People of African Descent Initiative and invested in young professionals from Africa and those of African descent. In 2025, UNFPA plans to develop an anti-racism and decoloniality accountability framework.

50. The UNOPS Director of the People and Culture Group described the development of an integrated diversity, equity, and inclusion learning package with a focus on anti-racism and highlighted resource investment in anti-racism expertise to support dedicated employee resource groups. UNOPS plans to launch an anti-racism accountability plan in 2025, followed by a comprehensive diversity and inclusion strategy in 2026.

51. Delegates acknowledged progress in addressing discrimination but noted that significant challenges remain. They inquired whether entities had collaborated to define implementation plans and if they had applied recommendations from the Convention on the Elimination of Racial Discrimination.

52. The UNDP Director of the Bureau for Management Services shared that entities were collaborating on these issues and noted that UNDP expects more detailed data from its next inclusion survey.

53. The Executive Board took note of the updates on addressing racism and racial discrimination.

VIII. Field visits

54. A member of the Bureau of the Executive Board presented the report of the joint field visit of the Executive Boards of UNDP, UNFPA and UNOPS, UNICEF, UN-Women and WFP to Cambodia (DP/FPA/OPS-ICEF-UNW-WFP/2025/CRP.1). He also presented highlights of the field visit of the Executive Board of UNDP, UNFPA and UNOPS to the Republic of Moldova and Ukraine, noting that an official report will be presented at the 2025 annual session.

55. The Executive Board took note of the report on the joint field visit to Cambodia and the briefing on the field visit to the Republic of Moldova and Ukraine. An official report on the latter will be presented at the annual session.

UNDP segment

Interactive dialogue with the UNDP Administrator

56. In his <u>statement</u>, the UNDP Administrator acknowledged the organization's 60th anniversary and highlighted key development milestones that UNDP has contributed to over its 60 years, including the first Human Development Report, the concept of risk informed development, the

role of technology as a development driver, and the approach of addressing emerging and interconnected development challenges in an integrated manner. Throughout, UNDP remained focused on poverty reduction and assisting governments in delivering development more efficiently and effectively.

57. He referred to UNDP as a connector within the development sphere, adding value beyond individual projects. UNDP is locally responsive and embedded within the multilateral system, helping countries chart pathways toward achieving international commitments. The moonshots in the current strategic plan underscored the cumulative impact of UNDP efforts, such as supporting over 800 million people in exercising their right to vote and aligning over \$700 billion in public and private finance with the Sustainable Development Goals.

58. He described 2024 as a challenging year. Despite this, UNDP delivered results even in the most complex crises, including conflict, disasters, and the debt crisis that threatens hard earned development gains. He stressed that UNDP, as a development platform, is uniquely positioned to address the intersections between these critical issues.

59. He referred to UNDP as a backbone of the larger United Nations development system, supporting major intergovernmental processes and providing an institutional platform to entities that serve the whole United Nations system, such as the United Nations Volunteers, United Nations Office on South-South Cooperation, Multi-Partner Trust Fund and United Nations Capital Development Fund. UNDP also provides essential support to the United Nations system through common premises, payroll transactions and its new enterprise resource planning system, Quantum.

60. The Administrator highlighted several indicators that demonstrate how UNDP efficiently delivers value, including its top performance across all five categories of the United Nations 2.0 action plan, the 19th clean audit from the United Nations Board of Auditors in 2024, and recognition in AidData's listening to leaders survey, where UNDP is the only United Nations organization consistently ranked among the top five development partners by leaders receiving its advice or assistance. He highlighted that the achievements of UNDP are largely the result of strategic investments made possible through its core resources. The ability to multiply every dollar of its core funding eightfold has enabled UNDP to mobilize additional resources for critical development issues, expanding its reach beyond traditional bilateral aid. To ensure the efficient and effective use of its resources, UNDP has made substantial investments in accountability, transparency, and risk management.

61. The Administrator stressed the organization's capacities to innovate, embrace new technologies and co-create development solutions with the countries it serves. These capacities foster widespread trust in its partnership, including in navigating difficult development choices. He provided a brief outlook on the next strategic plan, indicating it as an opportunity enhance the value that UNDP brings to supporting countries achieve the Sustainable Development Goals. UNDP conducted more than 570 consultations across 115 countries to provide baseline evidence for Member States when considering the new strategic plan that will guide UNDP over the next four years. The new plan would build on the organization's six-decade history and on its evolution as a future-smart, agile, digitally literate, and accountable entity.

62. In response to the Administrator, members of the Bureau offered reflections, noting that UNDP not only creates and delivers value but also plays a key role in partnering with sister United Nations entities. They supported UNDP initiatives on digital transformation, artificial intelligence, governance reforms, inclusive growth, crisis prevention, and integrating climate change and environmental sustainability with innovation to build resilient societies.

63. A group of delegations commended UNDP for driving sustainable development thinking and achieving tangible results, while remaining responsive to the evolving needs of programme countries. They emphasized the need to accelerate reform of international financial institutions and the trade structure, enhancing the representation of developing countries in economic decision-making. Delegates appreciated the organization's continued prudent financial management and efficiency gains, but highlighted insufficient core funding as a critical risk.

64. A group of delegations, citing the 2024 Quadrennial Comprehensive Policy Review, expressed support for enhanced collaboration among United Nations agencies and welcomed the introduction of the checklist. They underscored the importance of evidence-based reporting, efficiency gains, enhanced innovation, strategic foresight capacities and the implementation of system-wide strategies. Recognizing UNDP's central role in advancing sustainable development, they called on the organization to maximize its mandate, partnerships, and presence to further accelerate progress in this area.

65. A group of delegations, highlighting persistent and significant development disparities, called for bridging the financing gap, taking climate action, and investing in infrastructure and technology. Another group of delegations inquired about the plans of UNDP to support the interagency system-wide strategy for middle-income countries and scale up its efforts for inclusive growth, governance, and financing. They also emphasized the importance of addressing the unique needs of small island developing states, urging increased support for finance, digital and data, renewable energy, infrastructure, and the blue economy, as well as integrating the multidimensional vulnerability index into policymaking.

66. Delegations appreciated the inclusive process to develop the next UNDP strategic plan, emphasizing continued support for good governance and poverty eradication. They looked forward to discussions on the resource allocation formula, suggesting that lessons from past experiences be considered. They proposed including concrete and measurable collaborations with international financial institutions, systematic integration of digital and artificial intelligence, and an emphasis on resilience-building for both current and future emergencies. They proposed sharpening thematic priorities and clarifying the UNDP narrative on its role in a rapidly changing development space.

67. On resources, delegations called for donor countries to uphold their contributions and for programme countries to take a more proactive role in financing UNDP initiatives within their borders. They expressed concern about resource limitations forcing the agency to work on a project basis. They suggested rethinking resource mobilization strategies, introducing innovations to secure the regular budget, and expanding the donor base.

68. On programming and partnerships, delegations commended efforts to close gaps across humanitarian, peace, and development action. They lauded support for complex transitions and welcomed integrated programming approaches. Delegates also called for increased attention to ending gender and racial inequality, and enhancing capacity-building and triangular cooperation. One delegation sought insights on UNDP support for the right to development.

69. In response to delegations, the Administrator affirmed the significance of UNDP investment in digital technologies. Regarding artificial intelligence, he underscored the need for tested models to understand how this technology will interface with development and shape future offers. The strategic planning preparation process has reaffirmed that UNDP support is most valued at the intersection of development issues, where it can help address the complexity of development systems.

70. He stated that the strategic plan would reflect the quadrennial comprehensive policy review, the Pact for the Future, outcomes from the extensive consultations, and decisions by the United Nations and the Executive Board. He highlighted priorities, including the revenue model and partnership processes, emphasizing that UNDP had diversified its funding and continued to do so. Due to potential disruptions in core funding, UNDP is implementing mitigation measures. At the same time, with improved monitoring, transparency, and a 30 per cent reduction in operational costs over the last decade, the discussion could advance toward a realistic approach to efficiency and effectiveness, including through comparisons with other multilateral and bilateral organizations. The Administrator noted that UNDP collaborates closely with United Nations entities.

71. He concluded by describing UNDP as a trusted platform for engaging in development decisions that matter both to individual countries and to the global community. UNDP is integral to the United Nations and serves as a unique source of value for the international community.

IX. Human Development Report

72. The Director of the Human Development Report Office provided an update on the Human Development Report consultations, stating that the upcoming report is the second in a trilogy addressing global uncertainty. The report will focus on harnessing artificial intelligence for human development, following a report on polarization. The third report in the series will address planetary change. He noted wide uptake of the reports, with eight million page views on their website recorded in 2024.

73. Consultations for the forthcoming report have covered all five regions and engaged experts and leaders from industry, academia, trade, labour, human rights, and United Nations organizations, amongst others.

74. The Executive Board took note of the update on the Human Development Report.

X. UNDP country programmes and related matters

75. The UNDP Associate Administrator presented an overview of the new UNDP country programme documents for Bahrain, Colombia, Iraq, Paraguay and Rwanda, and the extensions for the country programmes for Guatemala, Kuwait, Mali and the Republic of Sudan.

76. The regional directors for Africa, the Arab States, and Latin America and the Caribbean provided insights from their respective regions.

77. The Executive Board, in line with decision 2014/7, approved the UNDP country programme documents for Bahrain (DP/DCP/BHR/4), Colombia (DP/DCP/COL/4), Iraq (DP/DCP/IRQ/4), Paraguay (DP/DCP/PRY/4) and Rwanda (DP/DCP/RWA/4), ensuring alignment with national priorities and the UNDP Strategic Plan.

78. The Executive Board took note of the first one-year extension of the country programmes for Guatemala, Kuwait and Mali, and approved the fourth one-year extension of the country programme for the Republic of Sudan (DP/2025/5).

XI. UNDP evaluation

79. The Director of the Independent Evaluation Office presented the independent review of the UNDP evaluation policy and the Independent Evaluation Office response (DP/2025/6). The UNDP Assistant Administrator and Director of the Bureau for Policy and Programme Support provided the management response (DP/2025/7).

80. Delegations sought further details on collaboration with other United Nations evaluation functions, the evaluation function's role in the UNDP strategic planning process and the evaluation funding target. They inquired about how UNDP would leverage its portfolio approach to align decentralized evaluations with strategic priorities and requested continued updates on the impacts of the portfolio approach on the evaluation policy.

81. The Director of the Independent Evaluation Office affirmed that United Nations evaluation offices regularly collaborate, including through the United Nations Evaluation Group and on joint evaluations. Recent efforts entailed using artificial intelligence to synthesize work across the United Nations. The office had also developed internal guidance for portfolio evaluations and recently drafted an evaluation of the UNDP Strategic Plan, 2022-2025, for presentation at the 2025 annual session of the Executive Board. A new workplan would revisit evaluation coverage in line with the next strategic plan.

82. The Director of the Bureau for Policy and Programme Support highlighted that with the portfolio approach, a key consideration would be reducing the large volume of project-based evaluations. He also noted that UNDP was close to meeting the one per cent funding target for evaluation, reflecting a commitment to ongoing learning that would carry into the next strategic

plan.

83. The Executive Board adopted decision 2025/5 on UNDP evaluation, which included the independent review of the UNDP evaluation policy, the Independent Evaluation Office response and the management response.

UNFPA segment

Statement by the UNFPA Executive Director

84. In her <u>statement</u>, the UNFPA Executive Director described how, to respond to challenges and uncertainty, UNFPA remained committed to deliver on the ground, providing life-saving resources, in an inclusive manner, ensuring that no one is left behind. As a result, in over 150 locations, mothers are safer, babies are healthier, more women and couples can decide freely whether or when to have children, and more girls can stay in school and out of marriage. However, UNFPA had received stop-work orders from a major donor, which had immediate impacts on women and girls, personnel, implementing partners, and the broader aid community.

85. She addressed three key areas of increasing focus at UNFPA: climate change, the integration of population dynamics into development policies in response to demographic shifts, and increased action to reduce maternal deaths. Guided by the recent formative evaluation of the current UNFPA strategic plan, the new plan would emphasize an agile and adaptive organization, accelerating progress toward the three transformative outcomes. A proposed fourth outcome on demographic resilience would better position UNFPA to reflect the full scope of its mandate and the agenda of the International Conference on Population and Development (ICPD). It would enhance and reinforce UNFPA work to advance sexual and reproductive health and rights across the lifecycle The overall focus would be on sustaining gains, stepping up progress, and leaving no one behind. Efforts to protect the ICPD agenda would be fully integrated, with the plan aligned to the quadrennial comprehensive policy review.

86. The Executive Director emphasized the importance of the global leadership and experience of UNFPA in addressing the complex interlinkages between demographic trends, health, wellbeing, and the achievement of the Sustainable Development Goals. UNFPA would also continue to work to protect, promote, and advance the ICPD agenda in normative spaces.

87. She highlighted that a continued internal transformation journey included the headquarters optimization initiative, which was being implemented according to the plan and already yielding positive results. UNFPA had invested significantly in organizational culture, oversight, innovation, and robust risk management, fostering trust and confidence among stakeholders. UNFPA had also received an unqualified audit opinion from the United Nations Board of Auditors and a very positive assessment from the Multilateral Organization Performance Assessment Network.

88. She expressed concern over 2024 being the deadliest year for aid workers, with more than 280 humanitarians killed, and that the safety and security of UNFPA personnel remained a top priority. Given their critical role in supporting women and girls in crises she shared examples from Gaza, Haiti, Sudan, and the Sahel, while stressing that crisis response remained severely underfunded, with gaps of up to 75 per cent in some countries.

89. While 2024 was another record-breaking year for UNFPA in terms of overall funding, this was largely driven by a significant rise in non-core funding. However, the stagnation of core funding remained a concern, as flexibility was more critical than ever amid shifting needs and environments. UNFPA had engaged in conservative scenario planning and was identifying operational savings, in anticipation of a potential reductions in core resources, along with a significant loss in humanitarian funding, in the next budget cycle. In addition, UNFPA remained committed to diversifying and expanding revenue streams and its partnerships base. It had built a strong pipeline of funding from international financial institutions and achieved a threefold increase in funding from foundations and philanthropies compared to 2023. The organization was also exploring innovative financing approaches, a major gift strategy targeting high-net-worth

individuals, and expanded engagement with the private sector.

90. She concluded by emphasizing that when women and girls have access to sexual and reproductive health care, entire societies benefit. This principle remained at the heart of the ICPD consensus and continued to be relevant today. UNFPA plans to continue seeking common ground and work diligently with partners and communities to uphold the rights and well-being of women and girls.

91. The Regional Director for Eastern Europe and Central Asia provided a brief update on UNFPA activities in the region, including support for countries in adopting a comprehensive, life-course approach to demographic changes in alignment with the ICPD agenda.

92. To open the interactive dialogue, a Bureau member acknowledged the challenges facing UNFPA implementation efforts and emphasized the importance of collective action to maintain confidence in its work, as well as to sustain financial and political support. The Bureau member also noted that a recent field visit demonstrated UNFPA efforts to avoid duplication with other United Nations agencies, which could help mitigate funding concerns.

93. A group of delegations underscored the urgency of collective action, particularly in advancing gender equality, within the framework of the 2024 quadrennial comprehensive policy review. Another group of delegations welcomed updates on headquarters optimization, recognizing its role in fostering a more integrated structure, enhancing collaboration, and improving knowledge management. While they commended efforts to diversify the donor base and explore innovative financing, they also expressed concern over declining core contributions.

94. Delegations emphasized that the role of UNFPA in implementing the ICPD agenda and the Sustainable Development Goals was more crucial than ever. They welcomed the successful transformation of UNFPA into a development-humanitarian organization, effectively aligning its operating model with its strategic vision.

95. Several delegations endorsed the emphasis on population dynamics and welcomed a heightened focus on climate change. They highlighted the interdependence between the Beijing Declaration and Platform for Action and the ICPD agenda, and welcomed the revised UNFPA gender equality strategy. One delegation suggested that sexual and reproductive health and rights, along with the ICPD agenda, should be a unifying theme across UNFPA work within the broader United Nations offer.

96. Delegations appreciated proactive efforts to mitigate financial risks through strengthened resource mobilization with existing donors and diversification of funding sources. They encouraged continued advocacy for national resource mobilization and full implementation of mandates from the General Assembly, particularly regarding global partnerships and core resources. Additional recommendations included enhancing risk assessment, governance transparency, humanitarian response capabilities, and supply chain management.

97. In response to delegations, the Executive Director noted that the new strategic plan would enhance the tailoring of evidence-based assistance by countries. She welcomed support for a stronger emphasis on population dynamics in light of rapid shifts in population structures and stressed the importance of engaging with youth, reaching marginalized groups, and ensuring the inclusion of persons with disabilities.

98. She reaffirmed full alignment of UNFPA with the quadrennial comprehensive policy review and its commitment to harmonizing efforts with other United Nations entities. Core resources would be critical given the current challenges. She also welcomed delegations' recognition of the importance of evaluations, risk assessments, and oversight, highlighting that an integrity group had been established to link various oversight offices.

99. The Deputy Executive Director (Management) provided an overview of the significant growth in humanitarian work, highlighting that funding in 2024 had increased compared to 2019 and now made up over 40 per cent of total funding. A large portion of this funding had been

impacted by recent stop-work orders.

100. The Deputy Executive Director (Programme) detailed key areas of work in Africa, including advances in the youth agenda, maternal health, South-South cooperation, the supplies partnership, and mobilization of both domestic and international financing.

101. The Director of the Programme Division outlined plans to expand engagement with countries facing demographic changes, ensuring social and economic policies and programmes are responsive to evolving population trends while upholding individual rights and choices.

102. The Regional Director for Eastern Europe and Central Asia highlighted the risks to gender equality in countries concerned about declining fertility rates. She emphasized the importance of investing in human capital to navigate these challenges, including measures to support women in balancing careers and family life according to their intentions.

XII. UNFPA evaluation

103. The Director of the Independent Evaluation Office presented the formative evaluation of the UNFPA Strategic Plan, 2022-2025 (DP/FPA/2025/1). The UNFPA Deputy Executive Director (Programme) presented the management response (DP/FPA/2025/CRP.1).

104. Delegations emphasized the importance of balancing the acceleration of progress with preventing setbacks, and increasing capacity for normative work, funding, and strategic communication. They inquired how the inclusion of a fourth outcome in the plan would support the three transformative results and core mandate. One delegation called for attention to the United Nations Board of Auditors recommendations on the Division of Humanitarian Response, risk management, and the Quantum system.

105. The Director of the Independent Evaluation Office, referring to evaluation findings, explained that UNFPA could further strengthen normative work at the country level through training and a better balance of existing skills.

106. The Deputy Executive Director (Programme) affirmed that the strategic plan would accelerate progress and safeguard gains, including through enhanced organizational effectiveness, efficiency, and resilience. The fourth outcome would help Member States better understand population dynamics and their impact on each transformative result, while maintaining sexual and reproductive health at the core of UNFPA activities. She also stressed the commitment to swiftly implement outstanding audit recommendations. UNFPA had already taken multiple steps to strengthen humanitarian capacity, improve the Quantum system, and enhance risk management.

107. The Executive Board took note of the formative evaluation of the UNFPA Strategic Plan, 2022-2025.

XIII. UNFPA country programmes and related matters

108. The UNFPA Deputy Executive Director (Programme) presented an overview of the new UNFPA country programme documents for Colombia, Iraq, Paraguay and Rwanda, and the extensions for the country programmes for Mali and Sudan.

109. The regional directors for the Arab States, East and Southern Africa, and Latin America and the Caribbean provided insights from their regional regions.

110. The Executive Board, in line with decision 2014/7, approved the UNFPA country programme documents for Colombia (DP/FPA/CPD/COL/8), Iraq (DP/FPA/CPD/IRQ/4), Paraguay (DP/FPA/CPD/PAR/9) and Rwanda (DP/FPA/CPD/RWA/9), ensuring alignment with national priorities and the UNFPA Strategic Plan.

111. The Executive Board took note of the first one-year extension of the country programme for

Mali, and approved the fourth one-year extension of the country programme for Sudan (DP/FPA/2025/4).

UNOPS segment

Statement by the UNOPS Executive Director

112. The UNOPS Executive Director began his <u>statement</u> by providing a brief update on the delivery of support in Afghanistan, Gaza, Haiti, Mozambique, Myanmar, Sudan, Ukraine and Yemen, including support related to livelihoods, mine action and food security. These experiences reinforced the critical need for the practical solutions that UNOPS provides.

113. He reported that by the end of 2024, all comprehensive response plan reforms had been implemented, except for the multi-year process innovation and digitalization (PID) programme. UNOPS had taken over 80 actions under 43 recommendations, including a strengthened focus on organizational culture, a review of financial regulations and rules, enhanced risk management, and a heightened focus on integrity. The multi-year PID programme will ensure that UNOPS processes and information systems are fit-for-purpose, integrated and digitalized.

114. UNOPS continued to take all necessary measures to recover overdue repayments from the former Sustainable Investments in Infrastructure and Innovation (S3i) initiative, working with the United Nations Office of Legal Affairs. It concluded the refund exercise of \$124 million in excess reserves with more than 200 partners and is now implementing all subsequent decisions by the Executive Board. Following a recommendation from the United Nations Board of Auditors, UNOPS proposed a revised methodology for calculating excess reserves on a liquidity basis in alignment with the Executive Board guidance on operating on a zero net-revenue basis.

115. The Executive Director stated that UNOPS would continue reporting on expenditures related to the implementation of the comprehensive response plan and the six transformation initiatives. Third-party reviews and internal surveys had shown positive trends in restoring trust in the organization. Additionally, a record number of engagements with UNOPS in 2024 indicated a renewed willingness to work with the organization. He looked forward to a forthcoming third-party review to validate reform efforts, all of which had been detailed in publicly available documents.

116. As the next step, the Executive Director described an ambitious climate agenda to reduce emissions from internal operations, account for emissions through suppliers, and work with partners to promote climate-resilient development. He concluded by noting that the lagging progress on the Sustainable Development Goals underscored the key role of UNOPS, given its focus on implementation and support for countries and the United Nations system. With clear guidance from Member States and a commitment to reform, UNOPS was stronger, more agile, and better positioned to offer practical solutions.

XIV. Comprehensive response plan in response to the recommendations of the two independent third-party reviews of UNOPS

117. Following the opening statement of the Executive Director, Bureau members highlighted the thirtieth anniversary of UNOPS as an opportunity to reflect on how it can best fulfil its mandate, particularly as it develops its next strategic plan. They agreed that notable accomplishments in humanitarian assistance, infrastructure development, and economic development demonstrated UNOPS' ability to deliver tangible results despite significant challenges.

118. A group of delegations commended UNOPS for implementing the third-party review recommendations and urged it to continue addressing the outstanding recommendations related to the process innovation and digitalization programme. They emphasized the vital role and contribution of UNOPS in advancing the 2030 Agenda and encouraged exploring innovative ways to mobilize private capital for infrastructure development and bridge digital divides.

119. Another group of delegations called on UNOPS to support resident coordinators in leading

and coordinating country teams, making system-wide coherence, coordination, and development impact a priority objective.

120. Delegations emphasized the need for continued efforts to promote inclusive decision-making, accountability, and transparency, including through ongoing communication with the Executive Board. They reiterated the need for solid risk management systems, a safe and inclusive organizational culture, confidential whistleblower mechanisms, and adequate protections against sexual exploitation, abuse, and harassment. Delegations also highlighted the importance of maintaining a continued focus on the core mandate for implementation and suggested that the new strategic plan should clearly define its comparative advantages.

121. While taking note of the progress made in the implementation of the comprehensive response plan, delegations raised some concerns about limited communications around recent staff reductions, efforts to recover lost funds, and indications of financial mismanagement and operational deficiencies. They noted that inadequate communication about the closure of comprehensive response plan recommendations had undermined trust. They also inquired about measures to ensure the sustainability of investments in the reorganization of UNOPS.

122. In response, the Executive Director noted the resurgence of a spirit of collegiality, mutual accountability, and trust among UNOPS staff. He explained that the 47 staff reductions at the end of 2024, from an approximate total of 6,000, were necessary to meet the net-zero revenue target and strategically realign the organization. To his knowledge, no allegations of impropriety had been made.

123. Regarding collaboration with the private sector, he noted that half of UNOPS suppliers are from developing countries and that infrastructure work relies heavily on local capabilities. He anticipated that the next strategic plan would define UNOPS contributions to priorities defined by Member States under the quadrennial comprehensive policy review. He further emphasized that reforms had already better positioned UNOPS for this alignment and stressed that the organization adhered strictly to its mandate, as demonstrated by its refusal of over \$252 million worth of projects in the past year. On development finance, he explained that UNOPS could support demand-driven implementation capacity, enabling countries to make the best use of available resources.

124. The Director of the People and Culture Group reported that staff engagement and satisfaction had recovered to 2021 levels. Key behaviour metrics, cultural objectives and team engagement scores were among several indicators integrated into people performance appraisals aimed at reinforcing accountability, while a revamped whistleblowing policy was launched in January 2025.

125. The Executive Board adopted decision 2025/6 on the comprehensive response plan in response to the recommendations of the two independent third-party reviews of UNOPS (DP/OPS/2025/2).

XV. Report on the process innovation and digitalization programme implementation

126. The UNOPS Chief of Staff presented the UNOPS annual report on the implementation of the process innovation and digitalization programme (DP/OPS/2025/3).

127. The Executive Board took note of the report.