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COVER: In Peru, a UNDP programme helps students learn to use computers for analysing environmental data. They exchange information with other school children around the world.

#### A REINVIGORATED AGENDA FOR DEVELOPMENT

2012 marked the beginning of a process of reinvigorating the global development agenda. At Rio+20, the UN Conference on Sustainable Development, UN Member States agreed that sustainable development is the only viable path forward, based on integrated approaches to economic and social development and environmental protection. Towards that end, Member States agreed to shape sustainable development goals which could guide national and international actions beyond 2015.

Much has changed since the MDGs were launched over a decade ago. Across the developing world, there has been much remarkable progress. The clarity, conciseness, and measurability of the MDGs have rallied policy makers, development experts, and civil society together around a common cause.

The more that can be achieved under the MDGs, the more it will be possible to build confidence in and support for a bold and ambitious post-2015 development agenda which could realistically aim at eradicating extreme poverty.

UNDP has long played important roles as a lead advocate for the MDGs and a supporter of measures to achieve them, both through our own programmes and our leadership of the UN development system.

We are currently working with national and international partners in some 46 countries to apply the MDG Acceleration Framework endorsed by the UN Development Group. It seeks to accelerate achievement of the Goals by identifying and overcoming bottlenecks to progress.

Governments, working with partners, are using the approach to reshape national plans, budgets, and actions. Donors such as the European Union and Japan have aligned their support with some of the acceleration action plans. The President of the World Bank has thrown his weight behind these acceleration efforts. Our joint work can speed up progress through to the 2015 date for reaching MDG targets.

The MDGs are valuable for the progress they have spurred, and because the process of striving for them has produced a wealth of experience and evidence of what works. These should inform a renewed global development agenda.

UNDP has played an important part in the facilitation of a very large global conversation on future goals. Outreach through ICT platforms and conventional methods of gathering communities together have been used to collect perspectives on future development priorities from more than 750,000 people around the world. Many have highlighted the need to complete the unfinished agenda of the MDGs, place greater focus on inequalities in development progress, and broaden opportunities for people's voice and participation.

UNDP will continue to be heavily engaged in these discussions, at the same time as we strive to contribute to real improvements in people's lives, as outlined in this report. We are preparing our new strategic plan oriented around sustaining human progress and environments and managing risks in a volatile world. We will be fine-tuning our services, improving

UNDP Administrator Helen Clark (right) visits a women's organization in Uganda that helps impoverished communities solve economic and social problems in environmentally sustainable ways.



our effectiveness, and strengthening our partnerships. We are working for a world where development is sustainable and equitable, and where all people and communities can build resilience to adversity.

The MDGs have taught us all to aim high and think bigger. The well-being of people and the planet we share depend on that.

Helen Clark

UNDP ADMINISTRATOR

Helen Clade

#### IIIIIIIIIIIII INTRODUCTION IIIIIIIIIIIIIII

# DEVELOPMENT WORKS



Advancements in human well-being are at the core of what <u>UNDP</u> does as the UN's global development organization. From our presence in 177 countries and territories, we support actions to lift living standards, create opportunities and enable people to live fulfilling lives.

**OUR VISION** is a hopeful one: a world free from poverty, unshackled from inequalities and exclusion, and oriented around the common benefits of sustainable human development.

Our optimism is rooted in the fact that today the world can celebrate unprecedented progress on almost every dimension of human well-being. With the right commitment and investments, development works.

UNDP's 2013 Human Development Index found that countries in all regions have been converging towards higher levels of human development. Where data are

complete, no country is behind where it was in 2000. Sustained economic growth is transforming many developing countries into the engines of the global economy.

More evidence comes from the achievement of some of the MDGs. Far fewer people are living in extreme poverty; many more have access to clean water. We are close to seeing every child in primary school; gender parity in primary education has been reached. Focused spending on vaccines, bed nets and nutrition has helped push child mortality rates in sub-Saharan Africa down by 41 percent. Over 98 percent of ozone-depleting substances have been phased out.

"We all benefit if developing countries have vibrant economies, are well governed and peaceful, have educated and healthy populations, and can support the fight against climate change by pursuing low-carbon routes to development."

— Helen Clark | UNDP Administrator







We also know that great challenges remain, from climate change to widening disparities. Too many people are still hungry and undernourished; too many women still die in childbirth. Not enough has been done to attain the MDG target on extending improved sanitation, vital to human health and dignity. Fifty states deemed fragile by the World Bank will not achieve a single MDG by 2015.

At UNDP, we recognize both the possibilities and the perils in today's world. Many are complex and interrelated,

fostering volatility. But as a nimble, responsive development partner, widely trusted by the people we serve, we are rising to the challenges, knowing from experience that development works; solutions can be found.

This report highlights some from 2012-2013, across our four areas of focus: poverty reduction, democratic governance, crisis prevention and recovery, and the environment and sustainable development.

















ABOVE: The eight  $\underline{\text{MDGs}}$  encapsulate some foundations of development.

TOP LEFT: With UNDP support, Afghanistan's Bamyan province has electricity that runs computers and lights, and allows girls to learn.

TOP RIGHT: As part of the formation of a new nation, women police train in Western Bahr el Ghazal, South Sudan.

At the Report launch (from left): Helen Clark, UNDP Administrator; Enrique Peña Nieto, President of Mexico; Khalid Malik, UNDP Human Development Report Office Director; Ricardo Lagos, ex-President of Chile; and José Antonio Meade Kuribreña, Minister of Foreign Affairs of Mexico.

"UNDP's Human Development Report highlights the deep change in global dynamics, by which I mean the rise of developing countries like Brazil, China, India, South Africa and Turkey, and of course Mexico. These emerging nations today are transforming their reality with active social policies and improved living conditions of the most vulnerable groups."

— Enrique Peña Nieto | President of Mexico, at the launch of the 2013 Human Development Report

Each of these is critical to the final push to achieve the MDGs by 2015. They are integral to the 2012 Rio+20 commitments to a common path of sustainable development, where further economic and social development depends on the careful stewardship of environmental resources.

UNDP stands by countries in their efforts to put people at the centre of sustainable human development. We help make links—across countries, peoples, partners, issues—so that development works harder and faster, and the dividends are widely shared.

In a time of global interdependence, that's important to everyone. People and our planet are our most worthwhile investments.



#### THE RISE OF THE SOUTH

UNDP's landmark 2013 Human Development Report, The Rise of the South, drew worldwide attention to one of the most profound shifts in the modern world—the transformation of once poor nations. Today's dynamic developing countries drive economic growth, lift hundreds of millions of people from poverty and send billions more into the middle class.

Never before have so many lives improved so fast, so dramatically. An epochal rebalancing dwarfs the Industrial Revolution, with the South steering global progress for the first time in centuries.

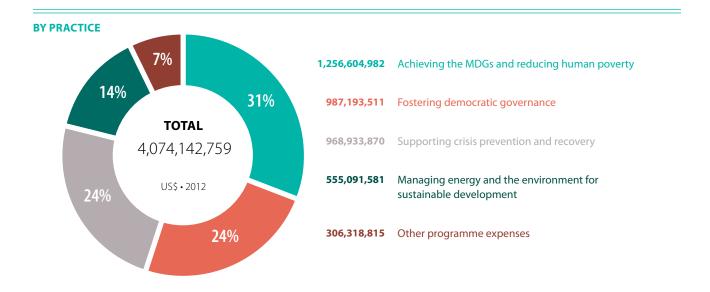
The report chronicles how the proportion of people living in extreme income poverty plunged from 43 percent in 1990 to 22 percent in 2008. Between 1980 and 2010, developing countries doubled their share of world merchandise trade, touching 47 percent. Mobile phones with Internet connections are found in households across the South, most made by industries based there.

While the successes of countries such as Brazil, China and India are well known, more than 40 countries have made significant leaps forward in human development. These largely stem from deliberate investments in education and health care, as well as strategic engagement in the global economy. Innovative social policies to reduce inequalities in some countries are being widely emulated in others.

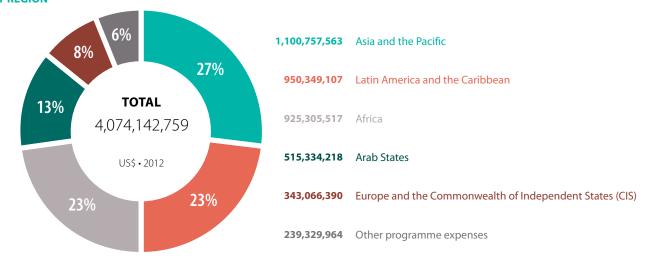
Looking forward, countries in the North and South face common challenges in sustaining human development achievements, such as environmental pressures and climate change. At the same time, given a growing concentration of resources and expertise in the South, there are possibilities for new partnerships to advance solutions.

The report stresses that human development is not a zero sum game of winners and losers. "The South needs the North," it says, "and, increasingly, the North needs the South."

#### **UNDP PROVISIONAL PROGRAMME EXPENDITURE DISTRIBUTIONS\***



#### **BY REGION**



<sup>\*</sup> Provisional as of February 2013, extracted prior to the finalization and auditing of UNDP financial data. SOURCE: Operations Support Group/UNDP





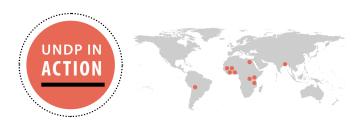
# Reducing Poverty & Achieving the MDGs

Reducing poverty, the first of the MDGs, remains the greatest global challenge. While the world can celebrate reaching the MDG target of halving poverty before the 2015 deadline, large pockets of impoverishment persist in both poor and better-off countries.

Poverty reduction lies at the heart of everything UNDP does to advance human dignity and inclusive development. To bring about deep-rooted change, we help countries act on the multiple and interconnected dimensions of poverty and inequality. Our programmes, among other aims, connect people to livelihoods, secure food sources, better health care and higher standards of living.

"The MDGs are the most successful global anti-poverty push in history."

- Ban Ki-moon, UN Secretary-General



Under the African Facility for Inclusive Markets, UNDP promotes regional value chain development, including trade links between **Burkina Faso**, **Côte d'Ivoire**, **Ghana**, **Kenya**, **Mali**, **Tanzania** and **Uganda**. More than 10,500 smallholder farmers and 80 small and medium enterprises are producing and trading commodities such as sorghum, onions and mangoes, building on better local agricultural extension services, and technology to improve quality and reduce post-harvest losses. Better livelihoods and new jobs have led to higher incomes.

People in rural areas of Upper **Egypt** are by far the poorest in the country. UNDP is collaborating with three other UN agencies to upgrade farmers' cultivation, management and marketing skills. An agri-business company has increased their bargaining power. Reduced use of pesticides has secured higher prices and paved the way for scaling up European Union exports.

A grant and microcredit programme in **Bolivia** has targeted poor indigenous women, helping more than 4,600 obtain funding to boost agricultural productivity or start small businesses. The programme also provides training on management and technical skills, and facilitates access to legal documents, such as those to vote or to secure a bank loan.

Under the MDG Acceleration Framework, UNDP has assisted 45 countries to identify bottlenecks to the goals and take high-impact actions to reduce them. In **Bangladesh**, which has done well on the goals overall, the south-eastern hill districts still lag behind. We have helped improve health services with 80 satellite clinics and 1,000 mobile health workers to provide care to about 1.2 million people.

Globally, the Gender and Economic Policy Management Initiative has equipped more than 600 policy makers, economists, statisticians and gender equality experts from 58 countries with skills to design macroeconomic policies that support gender equality and the MDGs.

## EUROPE AND THE CIS: FOR YOUTH, A FUTURE

Aleksandr Vrhovac was desperate. He had looked for a job with no success. His only option seemed to be leaving **Bosnia and Herzegovina**, where the youth unemployment rate tops 60 percent.

But then he found the Centres for Information, Counseling and Education, part of the national public employment bureaux, and sponsored by UNDP in partnership with UN Volunteers (UNV) and three other UN agencies. Spanning the country, the 17 centres offer its first specialized youth employment services.

Aleksandr applied new job-hunting skills and found a position at a national retailer. "Centre staff gave me confidence," he says. "I'm so happy to work."

The centres have provided counselling and training to nearly 42,000 youth so far, and introduced innovations like sharing job ads on a Facebook page, with almost 32 million hits by early 2013.

In Georgia, UNDP has supported youth employment in conflict-affected regions. Gori University now has one of the country's best professional education programmes, with a full menu of vocational courses. At new facilities in Poti and Zugdidi, about half the 1,500 students have been displaced by conflict.

Nino Narmania is one. Her professional tailoring programme has been a dream come true. "I can find a nice job," she says. "This college is my future."



A tailoring course gives Nino Narmania hope for her future.



# To Cut Poverty, Cultivate Agriculture

Ethiopia aims to become a middleincome country in the next 15 years. But despite high economic growth rates, it struggles with poverty and food insecurity. For development to be successful, benefits must be widely shared.

That's why UNDP has focused a significant portion of its support to **Ethiopia** on agriculture. It accounts for nearly half the economy and over 80 percent of employment.

One intervention has been to help reduce vulnerability to climate change and erratic rainfall. Mohammed Hassen was one of many farmers who did not know how to adapt. People in his rural district had farmed the same way for as far back as anyone could remember.

Changes came through a partnership between the Ministry of Agriculture, UNDP and the Global Environment Facility (GEF). It equipped Hassen and his neighbours with drought-resistant seeds. Based on experiences in Zimbabwe, UNDP introduced simple plastic rain gauges so farmers in one locality could track weather patterns and plan for droughts. Farmers were encouraged to re-adopt inexpensive and environmentally friendly traditional pesticides.

Today, Hassen marvels at how his income has doubled, and his family enjoys three meals a day instead of two. And he can buy supplies for his children to go to school.

The Ministry of Agriculture has supplied the rain gauges nationwide; local extension offices collect data complemented by satellite feeds for national forecasts. Crop losses from pests have declined, and farmers have saved substantial sums on costly imported pesticides. Initially, the three-year project sought to assist 41,000 people. But word of its success spread rapidly; over 100,000 farmers practise the new methods.

UNDP has also helped the Government of Ethiopia devise a national Growth and Transformation Plan with goals that include doubling agricultural output and strengthening links to markets. An Agricultural Transformation Agency was established to guide implementation, and UNDP mobilized international donors behind a \$300 million investment programme.

One major step forward has been creating the Ethiopian Commodities Exchange, the first of its type in sub-Saharan Africa. It connects buyers, sellers, distributors and exporters, who trade agricultural products collected by 16 warehouses

across the country. The exchange ensures that deliveries and payments happen on time, particularly important for smaller producers. Both buyers and sellers can access up-to-the-minute information on pricing through electronic notice boards in market centres.

In 2012, trading volumes on the exchange rose by 23 percent over the previous year, and earnings grew by 31 percent.

Since the exchange facilitates links with global markets, it has fostered new ways of managing the quality and marketing of commodities, particularly coffee. Ethiopia is the birthplace of coffee, and the industry today employs more than 20 percent of economically active Ethiopians.

When Japan found traces of chemicals in coffee purchases, UNDP aided a quick response by the Ministry of Agriculture, putting in place a laboratory to screen the beans. The exchange now has systems for regular quality control. Further improvements include coding systems to track the origins of beans, important to branding in premium markets.







# Building Inclusive Societies

In inclusive societies, all citizens can pursue opportunities and realize their potential. They fully participate in <u>democratic governance</u>, and can depend on well-functioning public institutions and fair justice. Social stability takes root; development is sustained.

Different local and national institutions have central roles in furthering social inclusion. UNDP helps them cultivate essential capacities and knowledge, including during transitions when governments modernize in response to people's growing aspirations. The results include better public services, progressive laws, peaceful elections, and new options for women, the poor, people with disabilities and others struggling on the margins. All of these are essential for achieving the MDGs.



UNDP helped invest in the future of Libya's fledgling democracy in the run-up to the 2012 congressional elections, the first in 60 years. Training of a core group of civic educators allowed them to reach out to youth—the half million students in Libya's public universities and 18,000 members of the Libyan Scouts Organization—with messages on voting and public participation. The *My Voice for Her* campaign, conducted with civil society groups, helped ensure that 1.3 million women registered to vote.

For the 2013 poll in Kenya, UNDP managed a \$36 million electoral fund, with efforts geared towards preventing violence. Among other activities, assistance went towards training 240,000 polling staff, setting up an early warning system to detect incidents of violence and hate speech, and dispatching nearly 3,000 volunteers to educate voters and spread messages of peace. Support to elections in <a href="Timor-Leste">Timor-Leste</a> contributed to women garnering 38 percent of parliamentary seats, the highest proportion in Asia.

A significant portion of UNDP's democratic governance programmes advances legal reform. Over the past eight years, UNDP-supported mobile documentation clinics in <a href="Sri Lanka">Sri Lanka</a> have assisted over 175,000 people to apply for legal documents, including more than 31,000 in 2012. Over 2 million documents have been digitized, helping uphold legal rights related to marriage, property and citizenship, among others. With the clinics increasingly streamlined and efficient, many services can be completed through one stop, encouraging public use and reducing corruption.

In **El Salvador**, UNDP has helped 27 municipalities with high rates of crime and the central Government devise citizen security and violence prevention plans that target at-risk youth, including gang members. The plans stress new employment and education options, and have contributed to a nearly 42 percent decline in armed violence.

#### **OCCUPIED PALESTINIAN TERRITORY:**

#### **ADVANCING WOMEN'S RIGHTS**

Palestinian women have a far greater chance of protecting themselves and their rights under the first national strategy to combat violence against women. Through a joint UN programme backed by the MDG Fund, UN Women and UNDP helped bring government officials, politicians and women's activists together to design and pass it.

UNDP has followed up by encouraging six ministries to implement it. The Ministry of Justice, for example, is reviewing all laws and legal practices to improve responses to violence—a recent presidential decree made so-called honour killings illegal for the first time.

A complementary UNDP initiative has set up a network of 18 legal aid clinics in Gaza that have so far provided free services for 10,000 people, mostly women. Many come because violence at home is destroying their lives.

Asma is one—a clinic helped her divorce and secure custody of her children after years of abuse. "Without their help, I would never have obtained justice," she says.

Besides the work to end violence, the joint UN programme has acted on other issues essential to women's empowerment, with UNDP leading in its areas of expertise. Government institutions now collect higher quality data on women and gender equality to guide more targeted programmes. During the 2012 local elections, we helped the Ministry of Local Government uphold an agreed 20 percent quota for women. While still too low, women's representation rose from 16 percent.



Asma used free legal aid to assist with a divorce.



# Teaming Up to Improve Public Services

or 20 years, basic water, sewer and garbage services were a rare luxury for most people in Telenesti, Moldova. The town of 9,000 used to be one of the country's poorest. Decaying infrastructure languished without repairs.

For residents like Mihai Druta, 76, that meant struggling to carry water over a kilometre to his home, where a rancid smell from uncollected garbage fouled the air.

But today, he speaks with pride about a community initiative that made sure the water flows, sewer connections run and garbage is regularly collected. "It's a change that makes our life easier," he says. "The price is reasonable and the service is good."

The transformation came about when UNDP encouraged Telenesti's municipal government to team up with local residents to improve basic services. A longstanding problem in Moldova is that local governments have limited experience in guiding local development. Historically, under socialism, they depended on the distant central Government for direction.

Based on its experiences with decentralizing government functions in a range of countries, UNDP knew that local problems

usually require local solutions. It introduced a model where community members and local officials began meeting to define their development concerns—like gaps in basic services. They then created a strategy with actions to resolve them, and successfully raised domestic and international donor resources to pay for changes.

Telenesti has gone on to renovate its water network, better light its streets, and construct new roads. It became the first town in Moldova where all residents have access to the sewage system. Seven neighbouring villages joined an effort to create an inter-municipal solid waste management system.

The participatory model has worked so well that 70 towns and communities have adopted it, with 350,000 Moldovans involved in improving local development. "This is the only way to strengthen local autonomy," says Victoria Cujba, the central government official in charge of decentralization.

In 2012, Parliament adopted the National Decentralization Strategy, the first public policy document based on widespread public consultations. It bolsters local government roles in managing public services, and promotes participation,

including among marginalized groups. To implement the law, UNDP helped train over 10,000 local officials—80 percent of the national total—on how to engage with community members and better manage public services.

UNDP has encouraged Moldova to build on its successes in other ways. Many communities have ranked energy shortages as among their top concerns, for example, especially as imported fuel has become expensive. In response, the central Government has decided to scale up renewable energy, aiming for a future of energy independence.

Over 100 villages in 21 districts have introduced biomass heating systems in public buildings, using readily available agricultural wastes such as straw. Systems have begun operating in schools, health centres and other facilities, demonstrating a new option for low-cost heating. An added benefit is the creation of jobs, with entrepreneurs coming on board to supply the fuels. By 2012, within the first year of the project, the number of biomass fuel-producers had soared more than 10 times.







# Preventing & Recovering from Crisis

Disasters and conflicts undercut all aspects of development, interrupting education and jobs, and compromising health and well-being. Since the potential for crisis exists worldwide, the vast majority of UNDP offices now conduct activities related to prevention and recovery.

The most important response to a threat is to be well-prepared. We assist countries in identifying and managing risks, and building resilience so that people can more readily overcome setbacks.

When crisis strikes, UNDP is on the ground helping countries and communities recover and rebuild. Our expertise aids in reorienting around better, more sustainable development paths, such as through improved public institutions and services, modernized legal systems, more inclusive governance and new livelihoods. Close coordination with humanitarian partners streamlines operations and reduces administrative burdens on fragile states.



In <u>Pakistan</u>, where 1.7 million Afghan refugees wait to return to their country, UNDP has helped over 8,300 Afghans and Pakistanis come together in nearly 650 community organizations. These build social cohesion as the two groups jointly identify solutions to common development problems. In 2012, they carried out 212 local projects, such as to improve water supplies.

UNDP manages the \$115 million South Sudan Recovery Fund, part of the largest state-building exercise of a generation. It sponsors major infrastructure projects in insecure areas, helping to extend government services and mitigate conflict. New police posts, water reservoirs, radio stations and roads have reached 1.6 million people across four states.

**Burundi** has used support from UNDP, in partnership with UNV, to introduce an innovative employment scheme for ex-combatants and returnees. In eight provinces, it provides a mix of temporary jobs, business start-up capital and business support services, all geared towards repairing community infrastructure and jumpstarting local economies. Over 17,000 people have participated; the Government has agreed to scale up the programme nationwide.

When Kyrgyzstan in 2012 became the first Central Asian country to adopt parliamentary democracy, UNDP assisted in drafting a new Constitution guiding a peaceful transfer of power. During elections, local early warning and response systems successfully managed the risk of ethnic tensions. UNDP is now aiding the new Parliament to improve budget and audit systems, key measures of accountability.

In <u>Iraq</u>, UNDP is helping courts and police strengthen judicial systems to extend access to justice. Three cities in Kurdistan set up legal aid help desks; mobile clinics provide outreach to prisons, women's shelters and camps for internally displaced people. Since 2011, one-on-one consultations have assisted nearly 3,700 people to answer legal queries; over 500 people have received legal representation.

## PHILIPPINES: BLUNTING FALLOUT FROM NATURAL HAZARDS

With over 7,000 islands, the <u>Philippines</u> is among the countries most vulnerable to natural hazards, more so with climate change. A single typhoon in 2012 killed over 1,000 people, displaced more than 700,000 families and cost about \$900 million in damages.

The Philippines knows it needs to be better prepared. Over the past several years, UNDP has provided expertise to the Government as it passed new climate change and disaster risk reduction laws. In 2012, the People's Survival Fund was set up to finance climate adaptation.

A presidential order now requires all provincial governments to integrate disaster risk reduction in planning. UNDP has helped identify low-cost measures such as early warning systems and safe evacuation sites, and provided comprehensive training to officials in all 81 provinces.

These efforts began to pay off during the 2012 storm, especially among cities most actively pursuing changes. Surigao City evacuated at-risk citizens on time and in an orderly fashion. The cities of Iligan and Cagayan de Oro, which had nearly 1,200 casualties in a 2011 typhoon, suffered one between them.

In Albay, where more than 1,300 local officials have learned to climate-proof development plans, there is growing interest in exploring how'savings' from reduced exposure to disasters can be invested in local economies. The province has set up a Climate Change Academy so officials continue to learn, and the issue remains at the top of their agendas.



Tsunami drills are among many measures to cut disaster risks.



# Displaced People Restart Their Lives

Salomón Manuel Petro once had a happy life with his family in northwestern Colombia. He made a living as a farmer, and was known in his community for his skill in singing popular songs.

Then everything changed. The paramilitary groups that terrorize parts of Colombia, often pitting powerful interests against the poor, arrived in town. They beat Don Manuel with the flat sides of their machetes and threatened him with death if he did not leave immediately.

He and his family fled to Medellín, Colombia's second largest city. They considered themselves lucky. "I received only blows; others were killed," Don Manuel says. "And my family was unharmed."

In Medellín, thousands of people displaced by Colombia's longstanding internal conflict end up trying to survive by selling trinkets or begging on the streets. Once proudly self-sufficient, they have few other options, including to return home.

But some are gaining hope and rebuilding new lives through a partnership between UNDP, the UN High Commissioner for Refugees (UNHCR), and the Government of Colombia. Operating in eight areas of the country, it has helped around 40,000 people establish themselves in new localities.

The idea behind the programme is simple: give people the tools they need to start over. These include basic housing, small plots of land for cultivation, core social services and economic development programmes. New community centres and better schools help bring new and existing residents together. Primary health care for the first time is available in settlements of displaced people once deemed illegal.

Today, Don Manuel lives on a new plot of land in La Argentina, in southwestern Colombia. With tears in his eyes, he says he misses his former life. But he and his family are safe and beginning to thrive. "I feel more at peace," he says. "The most important thing is to be willing to act, to recover what was lost. That is why we resisted so much hardship."

Since Colombia may be addressing the problem of displacement for decades to come, UNDP support has gone beyond assisting people directly affected by it.

We are also helping the Government develop a framework for returning to peace and stability.

One major step was the 2011 passage of the Victims' Rights and Land Restitution Law. It emerged through public and political consultations backed by UNDP and other UN agencies. The process allowed 4,000 survivors of violence to express their concerns and make recommendations, many of which were reflected in the law.

The Government is committed to returning about 20,000 square kilometres of illegally obtained land to the rightful owners, mainly poor rural people. A special temporary justice system mediates disputes, and a new government unit, established with UNDP expertise, assists survivors. In 2012, 157,000 people received reparations.

In three territories designated as rural reserves, where displaced farmers will be guaranteed opportunities to restart their livelihoods, UNDP has helped set up Rural Development Municipal Committees. For the first time, survivors have an avenue to directly negotiate with the Government on how land will be allocated and used.







# Managing Resources for Sustainability

Ecosystems and natural resources sustain life. They are fundamental to reducing poverty and advancing human development, as the 2012 Rio+20 Earth Summit affirmed. Fulfilling basic human needs for food, water, energy and jobs, they must be shared equitably and managed for the long term.

For decades, UNDP has been a global leader in connecting social, economic and environmental needs—the three pillars of sustainable development. Our priority is ensuring that the poor have fair access to the resources they need for survival and development, now and in the future. We help extend energy and water services, boost energy efficiency, and sustainably manage land, forests, biodiversity and other resources.



In <u>Croatia</u>, with Global Environment Facility (GEF) financing, UNDP has aided systematic energy monitoring resulting in new efficiencies in around 11,000 public buildings in 95 out of 127 cities. Along the Dalmatian coast, our partnerships with local governments and banks have mobilized \$28 million in new green business investments, mostly for organic agriculture. The number of organic producers has soared from 60 to 178.

Eritrea has its first wind energy pilot programme through UNDP support and GEF financing. Windmills near the port city of Assab generate 20 percent of the city's energy needs; annual energy costs have dropped by more than 30 percent. Success convinced the national Government to draft a Renewable Energy Policy.

Across the nine islands of **Tuvalu**, in collaboration with Pacific regional partners, UNDP has introduced water-efficient sanitation technology. On the island of Funafuti, six percent of households have adopted composting toilets, with water savings of 30 percent. The **Federated States of Micronesia**, **Vanuatu**, **Nauru** and the **Republic of the Marshall Islands** have begun to use the devices.

Through the <u>UN-REDD</u> Programme, UNDP assists governments in designing national strategies to reduce deforestation and forest degradation, mobilizing over \$67 million for 16 countries. In 40 countries, the <u>MDG Carbon Facility</u> has screened 200 carbon emissions reduction projects. By 2012, 12 had been registered with the Clean Development Mechanism and are expected to catalyse \$180 million in clean energy investments.

To eliminate ozone-depleting substances, mitigate climate change and implement the Montreal Protocol, UNDP since 1991 has supported 115 countries to access \$650 million from the Multilateral Fund and \$34 million from the GEF. In 2012, we helped secure \$39 million in funding. With our support, for example, Colombia converted its entire domestic refrigeration industry to ozone-friendly technology, aiding local industry and avoiding job losses.

### LATIN AMERICA: CLEANER ENERGY SAVES HEALTH AND THE ENVIRONMENT

In poorer areas of **Peru**, families live in clay houses with a single room and no connections to electrical grids or gas for cooking and staying warm. Traditional woodburning stoves operate without ventilation, producing clouds of toxic smoke that permanently damage residents' lungs.

UNDP has worked closely with the Government of Peru to introduce improved cookstoves. These produce the same heat for 50 percent less wood and use a chimney to direct smoke outside the house. By early 2013, over 88,000 stoves had been installed in six provinces, particularly among remote communities high in the Andean mountains. Around 530,000 people have reaped the benefits.

One of them is Angélica Flores Farfán. "I used to suffer from bronchitis and my walls were black. Now everything has changed," she says.

Other positive changes include spending less time to collect wood, which frees women to earn incomes and help their children with school. Since less wood needs to be burned, Peru has reduced its carbon emissions by about 105,000 tonnes of carbon dioxide a year. The Government expects to eventually trade this reduction on international carbon markets for funds to apply to development.

In **Brazil**, a partnership between UNDP and local nongovernmental organizations (NGOs) has introduced similar stoves. Distribution has targeted indigenous communities. About 53,000 people will have opportunities to lead healthier lives as a result.



An energy-efficient cookstove has improved Pilar Valladolid's health.



# Power to the People

n rural Nepal, life without power means children have no light to study late at night. Women spend hours a day collecting wood to burn. And people leave for the cities or migrate abroad because they can't scrape together enough income to sustain their families.

Nepal faces particular challenges in extending modern energy to its people—namely, the towering Himalayan mountains. Only around 60 percent of Nepalis in rural areas have access to electricity; where power is available, supplies can be sporadic.

But slowly this barrier to development is beginning to fall, in part because of an innovative UNDP programme. It is helping the country overcome its power deficits using two of its greatest resources—its water and its people.

Nepal's massive mountain glaciers feed streams and rivers that could generate enough electricity for the entire country. Instead of proposing a series of large, unaffordable dams, however, UNDP sought to harness this potential within individual localities.

It developed a model where communities learned to create their own micro-hydro

projects. Water flows into a powerhouse and turns a flywheel on a generator, and out comes electricity. The communities dig channels for the water, string power lines and install lights.

Today, 1,140 micro-hydro power plants have reached the most remote and impoverished regions of Nepal, providing the first access to power for over 960,000 people in 55 districts.

The central Government has mandated local governments to establish the systems, providing funds to them and grants to rural households under the nation-wide Micro-hydro Village Electrification Programme. Supporters have included UNDP as well as the World Bank and the Governments of Denmark and Norway. In some areas, mini-grids now connect the plants, balancing electrical loads to ensure steady supplies.

While the UNDP model has always been about providing power, it has a bigger goal: to advance human well-being. In areas that now have electricity, progress on the MDGs has surpassed the national average.

Many individuals can tell how electricity has changed their lives. Tul Bahadur Thapa, a third grade student, describes new ways of learning in school. "My teachers use a projector to teach math and science. We use calculators and computers," he says excitedly.

New local businesses include mills to grind rice, carpentry factories and poultry farms. Pabitra Giri started a business manufacturing herbal soap sold across Nepal. "My dream was to run this business," she says. "It has been very beneficial for my family."

This simple solution to what was once a complex problem has been so successful that the US Agency for International Development (USAID) has funded a regional centre on micro-hydro power in Nepal, designed to share experiences with other developing countries.

Already, micro-hydro systems have spread to Afghanistan's Bamyan province, where until recently the only power came from burning kerosene, wood and cow dung. Afghanistan has one of the world's lowest rates of energy consumption.

But now Bamyan has 18 micro-hydro electric plants. An idea proven to help one country is illuminating lives in another.



# UNDP BY THE Numbers

100

countries better equipped to manage
TRANSBOUNDARY MARINE
AND FRESHWATER SYSTEMS
in 2008–2012

71 percent

more people could **VOTE** in 2011-2012

of UNDP country programme outcomes supported GENDER EQUALITY

in 2012, up from 30 percent in 2008 91 percent

of UNDP country programme outcomes helped

EXPAND LONG-TERM

NATIONAL CAPACITIES

in 2012



UNDP Country Offices supported

SOUTH-SOUTH COOPERATION

in 2012

15.3 million

people had greater
FOOD SECURITY
in 2011–2012



countries built **RESILIENCE** to future disaster risks in 2008-2012

# Partnerships MAKE A BIGGER DIFFERENCE

"UNDP is a true leader and practitioner of development.
Japan fully aligns itself with the UNDP efforts to empower lives and build resilient nations. Together with UNDP, Japan strives to achieve human security and the Millennium Development Goals and to establish an effective post-2015 development agenda."

— Fumio Kishida | *Minister for Foreign Affairs, Japan* 



# Partnerships are at the heart of how UNDP operates in an increasingly interdependent world.

WE COLLABORATE with governments, businesses, civil society, multilateral organizations and others. By bringing people together—and their knowledge, commitment, connections and resources—we make a bigger difference for development.

UNDP's partners know that we have a universal presence, and deep reservoirs of trust and expertise. Our partnerships emphasize value through sustainable solutions and prudent trusteeship of resources.

#### **NEW RESOURCES FOR DEVELOPMENT**

UNDP has longstanding relationships with governments in the 177 countries and territories where we provide assistance. We are ideally positioned to assist countries now poised to offer their own resources and knowledge to other developing nations.

UNDP and **China** signed a new agreement to promote **South-South cooperation**— the first such arrangement between China and a multilateral or bilateral partner. UNDP has helped broker connections, develop knowledge of foreign aid systems, and expand engagement in regional and global forums.

In 2012, UNDP linked Chinese experts and Cambodian officials to reduce Cambodia's dependence on low-value unprocessed cassava exports. China has shared strategies to boost higher-value processed products and, towards implementation, for the first time allocated funding through UNDP. Other efforts have included a programme, backed by Denmark, to transfer low-cost renewable energy technology from China to Ghana and Zambia. With support from the United Kingdom, UNDP has helped Bangladesh, China and Nepal cooperate on improved disaster management.





South-South cooperation catalysed by UNDP, the African Development Bank and Japan means Liberian farmers cultivate high-yielding NERICA (new rice for Africa) rice. Grown in 31 countries, it bolsters food security.

commitments. In 2012, UNDP began collaborating with the **Organisation for Economic Co-operation and Development** (OECD) to monitor these and jointly support national ministers from 160 countries to review progress.

#### **MAJOR CHALLENGES, GLOBAL ACTION**

Global partnerships tackle major challenges by pooling knowledge and resources. The Global Fund to Fight AIDS, Tuberculosis and Malaria involves governments, international agencies, civil society groups, businesses and localities. In over 40 countries, UNDP has helped implement large-scale programmes, managing around \$2.7 billion of the fund's portfolio since 2003, with benefits for millions of people. In Tajikistan, for example, strategic support to a network of public and civil society organizations with deep roots in their communities has helped ensure the nearly universal use of sterile injecting equipment by intravenous drug users, up from 69 percent in 2010.

UNDP is a founding implementing agency of the Global Environment Facility, the world's largest public funder of measures to improve the environment. Since 1991, the GEF has provided \$11.5 billion in grants to over 165 countries. In Europe and the CIS, for example, UNDP has helped countries apply GEF financing to

2013 marked the 20th anniversary of the Tokyo International Conference on African Development (TICAD). A partnership to promote cooperation between Asia and Africa, it involves the Government of Japan, the UN Office of the Special Adviser on Africa, UNDP, the World Bank and the African Union Commission. Governments, businesses and civil society groups meet regularly to develop joint programmes, foster business development and exchange new technology.

As part of TICAD commitments, funds from Japan, for example, helped African countries to extend roads and improve border posts to enhance regional trade. The World Bank is also scaling up financing of transport corridors among other measures. UNDP has led UN efforts to accelerate progress on lagging MDG targets.

At the 2011 Fourth High-Level Forum on Aid Effectiveness in Busan, a range of governments endorsed landmark







The Black Sea Box, conceived through a UNDP partnership with The Coca-Cola Foundation, uses creative games to teach students the fundamentals of caring for shared water resources.

improve the management of 395 protected areas totaling over 87 million hectares. Management effectiveness scores have increased on average by 23 percent.

UNDP has aided over 70 developing countries to participate in the UN Secretary-General's Sustainable Energy for All programme. During Rio+20, businesses, governments and international organizations pledged over \$300 billion to extend sustainable energy services, particularly to people in poverty.

Through the World Alliance of Cities

Against Poverty, UNDP provides a platform for more than 900 cities to solve common development challenges. Members meet in conferences, through a website and on social media. In early 2013, the alliance held its 8th world forum in Dublin. Representatives from 500 municipalities—joined by 2.8 million online

followers—exchanged ideas for making cities safer, improving environmental management and applying technology to reduce poverty.

#### **BUSINESS WORKS FOR INCLUSION**

UNDP knows that businesses and development can work for each other. Our global Business Call to Action has engaged 55 companies in pursuing business models that are commercially successful and benefit the poor. Collectively, they have taken measures that have employed nearly 240,000 people, and provided new energy services to 80 million, better health care to 75 million and improved financial services to 40 million.

In 2012, for example, Japan's giant Unicharm Corporation agreed to localize

production, streamline manufacturing and simplify packaging to provide affordable hygiene products to 36 million low-income women in Asia and the Arab states. The company will employ 8,000 women in its manufacturing plants, and expects annual production to grow from 10 billion to 12 billion diapers and feminine napkins. Two other Japanese companies, ITOCHU Corporation and kurkku, agreed to scale up organic cotton cultivation in India, where 30,000 famers can expect larger incomes and a healthier environment. The companies predict that by 2015 they will sell organic cotton to 250 Japanese apparel brands, up from 60.

# UNDP's **Growing Inclusive Markets** initiative, a collaboration with bilateral

donors, business associations and academic institutions, has encouraged companies to see the value of poorer people as consumers, producers, business owners and





New Yorkers were among people from 100 locations in 50 countries participating in the Social Good Summit on using technology for a better world. Mashable, the UN Foundation, the Bill & Melinda Gates Foundation, UNDP and New York's 92nd Street Y organized the event.

In Uganda and elsewhere, people flocked to special centres with technology enabling real-time participation in the Social Good Summit.

employees. In earthquake-damaged Haiti, for example, a partnership with the cell phone company Digicel led to the world's first project to repair houses through a system of mobile money payments. The project notified poor householders by text message that they had been given grants for building materials; they could then collect building supplies at local stores, which received electronic payments. Around 1,200 households and 15 small businesses have benefited, with sales topping \$1.3 million in 2012.

#### **FOUNDATIONS SHARE EXPERTISE**

Philanthropic foundations are increasingly significant participants in international development. UNDP's **Every Drop**Matters partnership with The Coca-Cola

Foundation combines our development knowledge with their expertise in outreach and water management. The initiative has extended access to water and sanitation for 350,000 people between 2007 and 2012, and currently has 62 projects in Eastern Europe and the CIS, the Arab States and Asia. One in southern Lebanon, for instance, has doubled the storage capacity of a communal reservoir, ensuring a more reliable water supply and boosting agricultural productivity through better irrigation.

National and regional awareness campaigns have reached mass audiences with messages about water conservation, using creative means to capture attention. The Black Sea Box, a kit of educational games and exercises, has helped teach half a million students in **Turkey**, the **Russian Federation** and **Ukraine** about cleaning

up a critical shared water resource. In 2013-2014, the kit will be rolled out for another 1.5 million students in **Bulgaria**, **Georgia** and **Romania**.

The online news site Mashable, the Bill & Melinda Gates Foundation, the UN Foundation, UNDP and New York's 92nd Street Y in 2012 hosted the Social Good Summit on using technology to solve global challenges. Tens of thousands of people in 100 locations in nearly 50 countries tuned in, with the first-ever use of technology allowing simultaneous streaming in seven languages. The meeting shared highly replicable innovations such as the use of inexpensive LED lights to protect livestock from wild predators, an invention by a nine-year-old Kenyan boy that has spread around the world. A web platform will sustain the event's networks, and sense of connection and community.

# GLOBAL CENTRES BRING PEOPLE TOGETHER TO LEARN

UNDP affiliates with a growing network of global centres that provide cutting-edge research to extend the frontiers of thinking on development. They contribute to global debates and inform policy advice. Mostly situated in developing countries, on the request of national partners with rich experiences to share, the centres foster learning across nations in the global South.

### **Brazil:** The International Policy Centre for Inclusive Growth

shares knowledge and supports dialogue across a network of over 30,000 development practitioners in 189 countries. With a focus on innovations to accelerate inclusive growth, the centre has produced more than 500 reports, op-eds, blogs and other communication products, with over a million downloads. Recent events included a 10-day global e-discussion on climatesmart agriculture.

#### **India:** The <u>International Centre</u> <u>for Human Development</u>

promotes policy dialogue on human development in the global South. It aims to place people at the centre of development agendas. It provides technical assistance with planning, budgeting and policy-making, and helps translate human development analysis into action.

#### **Kenya:** The <u>Drylands</u> **Development Centre** backs implementation of the UN Convention to Combat Desertification. Projects in 16 African and Arab countries assist with new policies and practices to improve resilience and livelihoods. In Uganda, for example, 200 poor communities developed environmental action plans that introduced household rainwater harvesting and energy efficient stoves, among other measures. The centre's Africa-Asia network on drought risk management brings together more than 2,000 members.

Norway: An incubator of ideas, and known for pioneering work on governance assessments, context analysis, and measuring governance in the post-2015 agenda, the Oslo Governance **Centre** initiated work in 2012 on the governance of political transitions. A major South-South conference in Oslo created new partnerships and identified global policy issues for follow up in 2013, including through regional knowledge exchanges on evidence-based policy options as well as research and dialogue.

#### UNDP Seoul Policy Centre for Global Development Partnerships emphasizes the middle-income stage of development, with research on issues such as the roll-out of social protection programmes.

Republic of Korea: The

development, with research on issues such as the roll-out of social protection programmes. It supports discussions on aid and development, as well as implementation of the Busan Global Partnership for Effective Development Cooperation.

Singapore: Created in 2012, the Global Centre for Public Sector Excellence focuses on research and sharing knowledge among public service thinkers and practitioners. It encourages the uptake of public service policies and institutional practices that are efficient, reduce inequalities, and contribute to human well-being and sustainable development.

Turkey: The UNDP
Istanbul International
Center for Private Sector in
Development, a partnership
with the Government of Turkey,
advocates for inclusive markets
and business models, while
generating knowledge that
encourages businesses to take a
greater role in poverty reduction,
including through job creation.
In 2013, the centre is focusing
its work on private sector
procurement and vocational
training approaches.



UNDP has helped establish new markets in remote areas of the Lao People's Democratic Republic. Poor communities have increased incomes.

#### **CIVIL SOCIETY ACCELERATES CHANGE**

Civil society organizations have proven value as partners in advocacy. In Latin America, UNDP has helped the Regional **Network of Transgender People** (REDLACTRANS) develop leadership skills and mobilize resources to advance legal protections for transgender people. In 2012, the group successfully lobbied the Argentinian Senate to adopt a new Gender Identity Law, which makes sex reassignment surgery a legal right. Parliamentarians from six countries have now signed an agreement to advocate for similar laws; REDLACTRANS is aiding them to exchange information on moving legislation forward.

A UNDP partnership with the Huairou Commission has raised attention to differences in how men and women experience corruption. A groundbreaking

study collected data and testimonies from eight countries, finding, for example, that women caregivers are most vulnerable to corruption because they have the highest need for public services. The report received global media attention, and was discussed at the UN Commission on the Status of Women and the UN Human Rights Council. UNDP is now funding pilot projects in a handful of countries that engage women in fighting corruption.

#### AMBASSADORS FOR A BETTER WORLD

UNDP's global and national Goodwill
Ambassadors freely lend their public prominence to advocate for a better world.
On International Women's Day in 2013, film star Antonio Banderas launched an appeal to end violence against women, urging men to stand up against it.

2012 was the 10th anniversary of the Match Against Poverty, sponsored by the Fédération Internationale de Football Association (FIFA) and the Union of European Football Associations (UEFA). Broadcast around the world, the match took place in Porto Alegre, Brazil, where 50,000 fans cheered teams led by Goodwill Ambassadors and football legends Ronaldo and Zinédine Zidane. Ronaldo emerged the victor but the big winners were marginalized youth in Brazil and Cape Verde. All proceeds—\$360,000—went to programmes to improve their education and foster social inclusion through sports.

Other global Ambassadors include Iker Casillas, Didier Drogba, Misako Konno, Maria Sharapova, Marta Vieira da Silva and Crown Prince Haakon Magnus of Norway.







LEFT: At the Match Against Poverty, Goodwill Ambassadors Zinédine Zidane (left) and Ronaldo (right) join UNDP Associate Administrator Rebeca Grynspan.

RIGHT: Goodwill
Ambassador Antonio
Banderas called for men to
step up and stop violence
against women.

Reaching 224,000 Twitter followers, Goodwill Ambassador Maria Sharapova urged action on the MDGs.

#### II UN CAPITAL DEVELOPMENT FUND II

# BETTER THAN CASH FOR THE POOR



Mobile money services have reached 450,000 people in five Pacific countries, a shift from an insecure, costly cash system. Inexpensive payment and savings services increase financial access for the poor.



Syria's conflict has forced thousands to flee to Turkey. To provide basic necessities, the World Food Programme (WFP) is distributing aid funds on prepaid cards widely accepted in Turkish shops. The cards give refugees, mostly women, the dignity of making choices for themselves. They are quick and cost-effective to distribute, and increase security, transparency and financial inclusion.

#### THIS IS JUST ONE RECENT EXAMPLE

of how UN organizations, NGOs, governments and the private sector are working together to encourage a shift from cash to electronic payments to assist poor and vulnerable populations.

The UN Capital Development Fund (UNCDF), a UNDP partner, is the UN's capital investment agency for the world's 49 least developed countries. As the lead UN agency working to promote inclusive

financial systems, in 2012 it began hosting a new global initiative: the <u>Better Than</u>
<u>Cash Alliance</u>.

The partnership promotes electronic payments and helps members achieve shared goals of empowering people and boosting economies. Cash assistance programmes typically have high transaction and administrative fees, and often reach poor families through a series of intermediaries. Electronic payments can significantly lower costs while going directly to people who need them most.

The Better Than Cash Alliance is a dynamic public-private partnership funded by the Bill & Melinda Gates Foundation, the Citi Foundation, the Ford Foundation, the Omidyar Network, USAID and Visa Inc. Members include the Governments of Afghanistan, Colombia, Kenya, Peru and the Philippines; international organizations such as UNDP and WFP; and development organizations such as ACDI/VOCA, CARE, Chemonics, Concern, the Grameen Foundation and Mercy Corps.

Throughout 2012, 6,807 <u>UN Volunteers (UNVs)</u> from 159 countries supported UN partners in peace and development activities. Eighty-one percent came from developing countries; 39 percent were female.

UNDER UNDP'S PARTNERSHIP with UNV, about 2,038 volunteer development practitioners worked to reduce poverty, advance MDG progress, strengthen democratic governance, prevent crisis and aid post-crisis recovery. In South Sudan, an exercise to build key public institutions drew on 150 specialist volunteers. In Ukraine, volunteers trained 124 teachers and coaches on youth development through football and fair play, engaging over 1,200 young people.

About 3,000 volunteers worked in UN peacekeeping and special political missions, supporting, for example, disaster relief and recovery efforts in Haiti, and post-conflict electoral processes in Côte d'Ivoire, the Democratic Republic of the Congo and Timor-Leste. Another 1,000 engaged in humanitarian relief with UNHCR, working with refugees and internally displaced people in 82 countries, such as Colombia, Kenya and Sudan.

The UNV Online Volunteering Service in 2012 allowed some 11,000 online volunteers to undertake nearly 16,000 assignments to support UN development activities, as well as those of NGOs and

governments. Sixty-two percent were from the South, 56 percent were women and 2 percent reported having disabilities.

A key priority has been creating a <u>UNV</u> <u>Youth Volunteer Programme</u>, in accordance with the UN Secretary-General's 2012 Five-Year Action Agenda. Launched in 2013, the programme will focus on engaging young people as agents of change in their communities, giving them access to volunteering opportunities and promoting cooperation across developing countries.

The Arab Youth Volunteering for a Better Future programme, which began in 2012, helps develop regional and national initiatives to support youth volunteers. Five UNV youth development specialists worked with 45 community volunteers to organize national youth consultations in Egypt, Jordan, Morocco, Tunisia and Yemen, as well as a regional workshop. Attendees called for creating new opportunities for social, political, civic and economic inclusion, with special attention to women and minorities. The programme will support young volunteers in working towards these and other goals through 2015.

#### IIIIIIIIIIII UN VOLUNTEERS

# TALENTED PEOPLE FOR DEVELOPMENT





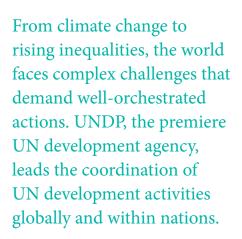
A UNV from France, Kevin Kiffer (right) surveys people in the Republic of Congo on their needs and aspirations. The goal is to encourage communities to take active roles in local development.

Patricia Saffa holds the identification card that allowed her to vote in Sierra Leone's 2012 elections. Fourteen UN agencies provided coordinated assistance. UNDP helped set up a biometric voter registration system.

#### IIIIII UNDP AND THE UN SYSTEM IIIIIII

# LEADERSHIP THROUGH UN COORDINATION





**BY 2012,** most UN country teams had joint plans or programmes to manage assistance in line with national development priorities. Seventeen conflict-affected countries had special strategies guiding collaboration between UN peacekeeping and special political missions, and development agencies aiding relief and recovery.

Thirty-two countries had embraced <u>Delivering</u> as <u>One</u>, a strategy entailing extensive coordination within a given nation. A 2012 independent evaluation concluded that it has bolstered national leadership of UN activities, lowered costs for governments and increased transparency. UN Member States have recognized these results and asked the <u>UN Development Group</u>—which provides coordination guidance to 32 UN organizations and is led by UNDP—to support countries wishing to adopt the model with a set of standard operating procedures.

Well-coordinated UN support can make the best use of valuable resources. A recent global survey of 90 countries, for example, found average savings of 12.5 percent from joint long-term procurement agreements. Eighty percent of the countries noted a decline in duplicated procedures, and 74 percent reported enhanced service provision. Globally, the UN system saved \$20 million in 2011-2012 by harmonizing currency exchange practices.

As the head of the system of UN Resident Coordinators, who lead UN development coordination within countries, UNDP has taken steps to improve the rigour of selection and training. A continued drive for gender parity and geographical diversity in 2012 resulted in the highest-ever shares of women and people from the global South in the position, at 41 percent and 44 percent, respectively.

# ico, UNDP partners with the

MEXICO: COLLABORATING TO KEEP YOUTH IN SCHOOL

In Mexico, UNDP partners with the UN Children's Fund (UNICEF) and the UN Educational, Scientific and Cultural Organization (UNESCO) to improve the quality of education and keep young people from dropping out of school. ConstruyeT (Build Yourself) encourages youth to learn how to successfully negotiate the transition to adult life, such as by cultivating self-confidence and avoiding destructive behaviours.

UNDP brokered longstanding relationships with the Government of Mexico and civil society groups to implement the programme. UNICEF and UNESCO provided expertise on life skills education. The programme now operates in 18 percent of Mexico's high schools, with nearly 350,000 young people participating.

### SIERRA LEONE: PARTNERSHIPS FOR PEACE

UN support for Sierra Leone has drawn on contributions from 14 UN development agencies and a peacebuilding mission mandated by the UN Security Council. Working together in the wake of the country's brutal civil war, UN organizations have helped establish a Human Rights Commission, provide reparations to more than two-thirds of registered war victims, double the size of the rural road system, extend health services and improve the effectiveness of the civil service.

Successful presidential, parliamentary and local elections in 2012 heralded another step in Sierra Leone's return to a functioning state. European Union and other observers praised the conduct of the poll. In advance, UN organizations coordinated logistical arrangements, security and public outreach. The UN

system and bilateral donors trusted UNDP to manage a \$40 million common election fund, a mechanism that aligned activities, increased transparency and encouraged the most strategic use of resources.

UNDP's many other contributions included developing skills at the National Election Commission and supporting passage of a Public Elections Law establishing the first electoral offences court. A sophisticated biometric voter registration system was set up; 2.7 million voters were registered and issued voter ID cards.

In tandem, the UN peacebuilding mission trained over 12,500 police and security personnel on polling duties and the investigation of electoral offences. Training sessions on new electoral laws built common understanding—and reduced the potential for disagreement—across all 10 registered political parties.

#### **FUNDING COMMON PRIORITIES**

UNDP administers 55 multi-partner trust funds that foster more effective UN coordination. By encouraging UN organizations to work together, the funds streamline the management of resources, reducing costs for donors and beneficiaries. They encourage a unified focus on common priorities, countries or strategies such as *Delivering as One*.

In 2012, UNDP received about \$753 million for the UN funds that it administers. Since 2004, donors have contributed \$6.3 billion. Seven new multi-partner funds in 2012 included the South Sudan Common Humanitarian Fund, a national transition fund for Yemen, two development funds and three funds for work on climate change.

The MDG Achievement Fund has been instrumental in tackling complex development issues, such as gender equality and youth employment, and has triggered significant changes for millions of people. Sponsored by the Government of Spain and managed by UNDP on behalf of the UN system, the fund has funneled around \$900 million into joint UN programmes in 50 countries since 2006.

\$6.3 billion

contributed by donors since 2004.

\$900 million

funneled into UN programmes by the MDG Achievement Fund since 2006.

#### 

# ACCOUNTABILITY AND TRUST



Throughout 2012, UNDP accelerated improvements under its internal Agenda for Organizational Change. Significant business process reforms ensure UNDP delivers maximum results for every development dollar, and remains a nimble, highly valued development partner.

#### **UNDP PUTS A PREMIUM** on

accountability and transparency, integral to trust in its stewardship of public resources. By 2012, anyone with a computer could examine the results of our over 6,000 development projects in 177 countries and territories. These are available on open.undp.org, a website launched as part of implementing the International Aid Transparency Initiative (IATI).

The Task Force for Financial Integrity and Economic Development, a global coalition of civil society organizations and more than 50 governments, commended UNDP for showing that detailed reporting is feasible and cost-effective. Even before the site launched, UNDP became the

highest-ranking UN agency on Publish What You Fund's Global Campaign for Aid Transparency index.

In 2013, a UNDP-led consortium won a bid to manage IATI. The consortium comprises representatives from Ghana and Sweden, the UN Office for Project Services, and the United Kingdom-based group Development Initiatives. More than 100 UN agencies, multilateral banks, bilateral donors and NGOs providing 76 percent of aid publish data in line with IATI guidelines.

UNDP maintains high standards of financial management. In 2012, the UN Board of Auditors gave us our third consecutive clean audit opinion; all UNDP internal audit







reports are now publicly available online. Finance staff from 50 Country Offices are obtaining international qualifications from the Chartered Institute of Public Finance and Accountancy, cultivating high-level financial skills required by UNDP, especially following adoption of the International Public Sector Accounting Standards.

A number of measures have further strengthened results-based management. A robust annual business planning process gives greater cohesion and focus across the organization by steering

actions and resources to consistently back strategic goals. Through improved monitoring, managers can readily respond to off-track areas.

Globally, UNDP country programmes have become more focused, with fewer, more targeted strategic objectives, and a 50 percent reduction in the number of projects. In early 2013, we began rolling out the Country Office Support Initiative to help all offices, large and small, develop capacities for collecting evidence that improves programme responsiveness and results.

Anyone can go online at open.undp.org and find detailed information about the funding and progress of UNDP projects. The website is part of UNDP's commitment to aid transparency under the IATI. We rank highest of any UN agency on Publish What You Fund's Global Campaign for Aid Transparency index.

#### LEADING THE WAY TOWARDS GENDER EQUALITY

Three UNDP offices in 2012 took top honours under the corporate Gender Seal awards. The initiative showcases leading gender equality achievements in programmes and internal practices.

UNDP **Argentina** has a gender unit dedicated to keeping its gender equality strategy on track. The office invests around 40 percent of its budget in gender equality aims, and has played a major role in new measures to implement the national law on stopping violence against women.

At UNDP **Bhutan**, managers regularly encourage male and female staff to balance work and family responsibilities. A system to integrate gender equality across all programmes has accelerated gender equality results. UNDP advocacy, for example, helped the passage of a law mandating gender reviews of all new national legislation.

In **Kyrgyzstan**, UNDP has rigorously applied guidelines on avoiding gender biases in hiring and trained all staff to actively support gender equality goals. It helped the Government develop a series of action plans to implement the 2012-2020 National Gender Strategy.

Since UNDP works in increasingly diverse national contexts, we are updating our country office business models to ensure operations are 'fit for purpose.' Specifically for crisis countries, in 2012, we adopted a 14-Point Action Plan and revised standard operating procedures. Management decisions have become faster, more efficient and better informed. A new unit on crisis governance guides programmes for fragile and crisis-affected countries. These strengthen interactions between a state and its people as essential for lasting transitions to stability.

UNDP manages one of the UN's largest procurement operations, procuring almost \$3 billion in goods and services each year. We help ensure that developing countries have cost-effective access to election materials, for example, and emergency relief. Over 70 percent of purchases come from suppliers in developing countries.

Our value-for-money approach has shortened contracting times. New e-tendering procedures are expected to save \$500,000 annually in staff time and other costs, with additional savings of \$1.3 million over five years from

#### UNDP Offices Give High Marks to the Organization's Global Support Services Percentage client satisfaction

	Poverty Reduction & MDGs	HIV & AIDS	Democratic Governance	Environment & Sustainable Development	Gender Equality	Capacity Development
Practice leadership & policy guidance/ programme advice and support	80	88	80	79	81	74
Programme/project formulation and implementation support	73	83	76	78	79*	71
Knowledge management frameworks, products and services	76	81	76	75	78	77

<sup>\*</sup> Refers to gender mainstreaming/capacity support.

SOURCE: Global Products and Services Survey 2012/UNDP

electronic signatures for purchase orders. An externally accredited procurement certification programme for staff supports compliance with international standards. It won the prestigious 2012 European Supply Chain Excellence Award for Training and Professional Development.

As part of our commitment to sustainable development within corporate operations, UNDP adopted a set of environmental and social screening procedures in 2012. All larger projects are now assessed for impacts on gender equality, indigenous peoples, climate change, ecosystems, biodiversity, livelihoods and health, among other issues.

In our operations, we have led the UN system in systematically tracking greenhouse gas emissions, and reducing travel, purchasing renewable energy and upping use of electronic communications to reduce our carbon footprint. UNDP headquarters in 2012 became climate neutral for the first time through a 34 percent reduction in emissions over 2008, and the purchase of emissions reduction credits that support sustainable development and the MDGs.

# UNDP RESOURCES



UNDP is working towards diversification and consolidation of its resource base.

**UNDP IS FUNDED** entirely from voluntary contributions by a range of partners, including UN Member States, and multilateral and other organizations. These contributions are provided as either regular budget resources or as other resources earmarked by contributors. Fifty countries contributed to regular resources in 2012, which totalled \$846.1 million.

Other resources reached \$3.79 billion in 2012. Local resources provided by

programme countries increased by 5.7 percent in 2012 over 2011. Multilateral contributions rose to over \$1.5 billion.

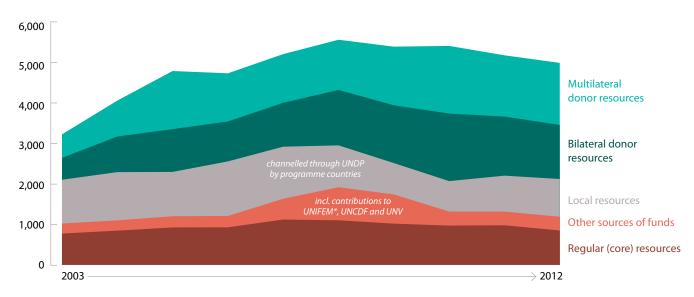
Development is a long-term challenge that requires both strategic focus, and the ability to actively respond to crises and opportunities. In a changing development environment, UNDP is working towards diversification and consolidation of its resource base.

#### **REGULAR RESOURCES** Preliminary as of March 2013

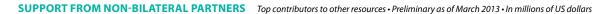
	2011 (millions of US dollars)	2012 (millions of US dollars)	% difference from 2011
Bilateral	\$974.5	\$846.1	(13.2)

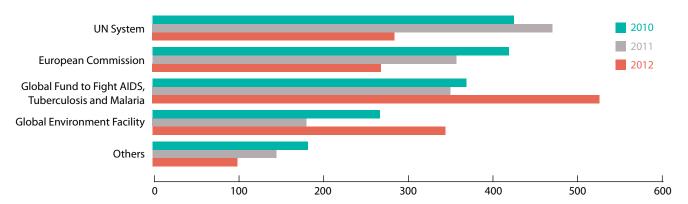
#### **OTHER RESOURCES** Preliminary as of March 2013

	2011 (millions of US dollars)	2012 (millions of US dollars)	% difference from 2011
Bilateral	\$1,450	\$1,330	(8.3)
Multilateral	\$1,510	\$1,530	1.3
Local resources (government cost-sharing)	\$884	\$931	5.3
Total other resources	\$3,844	\$3,791	(1.4)



<sup>\*</sup> Includes income received by UNIFEM from 2003-2009.





SOURCE: UNDP

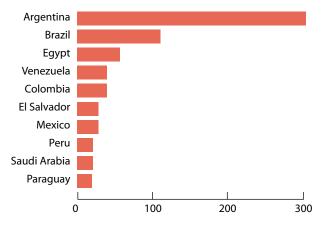
**GROSS INCOME RECEIVED IN 2012** Ranked by top contributors to total resources • Preliminary as of March 2013 • In US dollars

	RESOURCES				
DONORS	REGULAR*	OTHER	TOTAL		
Japan	80,472,261	363,200,230	443,672,491		
United States	78,403,644	246,636,333	325,039,977		
Sweden	103,375,844	113,299,306	216,675,150		
Norway	137,819,939	65,848,906	203,668,845		
United Kingdom	87,301,807	105,762,446	193,064,253		
The Netherlands	71,428,571	39,774,127	111,202,698		
Germany	29,036,903	75,461,395	104,498,298		
Switzerland	58,064,516	31,465,757	89,530,273		
Australia	21,565,762	66,935,652	88,501,414		
Denmark	57,668,048	27,468,736	85,136,784		
Republic of Korea	5,000,000	57,928,893	62,928,893		
Spain	8,000,000	41,183,081	49,183,081		
Finland	24,875,622	17,557,127	42,432,749		
Belgium	27,775,837	3,493,707	31,269,544		
Canada	**	31,225,935	31,225,935		
France	18,286,235	1,239,018	19,525,253		
Ireland	11,930,295	6,375,212	18,305,507		
New Zealand	6,514,658	10,071,686	16,586,344		
Saudi Arabia	2,000,000	8,955,306	10,955,306		
Luxembourg	3,917,663	6,360,011	10,277,674		
China	3,625,000	1,552,000	5,177,000		
Austria	2,390,438	1,979,326	4,369,764		
Turkey	1,100,000	2,374,256	3,474,256		
India	**	2,080,000	2,080,000		
Russian Federation	650,000	662,500	1,312,500		
Italy	-	1,143,932	1,143,932		
Portugal	550,000	389,610	939,610		
Thailand	865,112	-	865,112		
Kuwait	570,000	-	570,000		
Bangladesh	401,000	1,000	402,000		

<sup>\*</sup> List of donors based on contributions to regular resources, thematic trust funds and thirdparty cost sharing.

#### **SUPPORT FROM PROGRAMME COUNTRY GOVERNMENTS**

Top 10 contributors to local resources in 2012 • Preliminary as of March 2013 • In millions of US dollars



#### **TOP RECIPIENTS OF OTHER RESOURCES IN 2012**

Preliminary as of March 2013 • In US dollars

Afghanistan	615,638,298
Zimbabwe	195,005,739
Sudan	136,906,931
Democratic Republic of the Congo	114,162,066
South Sudan	95,167,748
Bangladesh	53,707,650
Zambia	53,606,373
Kenya	49,902,551
Programme of Assistance to the Palestinian People	48,741,011
Pakistan	47,814,045
Somalia	47,220,163
Haiti	36,874,420

<sup>\*\*</sup> The contributions of Canada and India for 2012 were received in 2013.

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#### **ACRONYMS**

CIS Commonwealth of Independent States

IATI International Aid
Transparency Initiative

MDG Millennium Development Goal

NGO Non-governmental organization

**NERICA** New Rice for Africa

FIFA Fédération Internationale de Football Association

**GEF** Global Environment Facility

**OECD** Organisation for Economic Co-operation and Development

REDD Reducing emissions from deforestation and forest degradation

**REDLACTRANS** Regional Network of Transgender People

TICAD Tokyo International Conference on African Development

UEFA Union of European Football Associations

UNCDF UN Capital Development FundUNDP UN Development Programme

UNESCO UN Educational, Scientific and Cultural Organization

**UNHCR** UN High Commissioner for Refugees

UNICEF UN Children's Fund

**UNIFEM** UN Development Fund for Women

**UNV** UN Volunteers

US Agency for International Development

WFP World Food Programme

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— Helen Clark



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