



Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

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Management response to ACABQ Report on 2020-2021 Integrated Budget for UN-Women Executive Board

This paper provides the management response of UN-Women in response to the report of the ACABQ dated 6 August 2019 on the Integrated Budget 2020-2021.

I. Conclusion of ACABQ report

1. The Advisory Committee recommends that the Executive Board approve the institutional component of the integrated budget estimates of UN-Women for 2020-2021 in the amount of \$204.4 million including \$37.3 million for cost recovery from other resources.

II. Integrated budget

1. Overview

2. The Executive Director is proposing an integrated budget with projected voluntary contributions of \$970 million for the biennium 2020-2021 which represents an increase of \$90 million or 11.25 per cent compared with the projection for the biennium 2018-2019. In addition, the Executive Director requests the Executive Board to approve an institutional budget of \$204.4 million representing an increase of \$2.6 million or 1.3 per cent compared to the approved institutional budget for 2018-2019.

3. The Executive Director's report indicates that the total resources for 2020-2021 are estimated at \$1,244.3 million, inclusive of \$970 million of voluntary contributions and \$4 million in other income and reimbursements, along with the projected unspent balance to be carried forward of \$270.3 million. The total resources would comprise \$457.3 million of regular resources (unearmarked

voluntary contributions) and \$787 million of other resources (earmarked voluntary contributions).

4. The report also indicates that UN-Women continues to be aligned with the harmonized results-based budgeting and the cost classification methodology applied by the United Nations Development Programme, the United Nations Children's Fund and the United Nations Population Fund. UN-Women continues, however, to present a two-year budget to ensure that its work remains aligned with its 2018-2021 Strategic Plan.

2. Resource mobilization

5. The report indicates that in order to reach its estimated targets for the biennium 2020-2021, UN-Women will continue implementing its resource mobilization and partnership strategy with a focus on deepening engagement with partners. The report also indicates that the projections for 2020-2021 are based on the voluntary contributions received in 2018, the past trend and on-going partner engagement. In 2018, UN-Women mobilized 384.3 million of voluntary resources representing 87 per cent of the projected resources of \$440 million. According to the Executive Director, this result constitutes an improvement compared to the biennium 2016-2017 when the entity achieved 77 per cent of its projections. The report further indicates that in 2018, 104 Member States made voluntary contributions to the entity with the top eight contributors providing 61.8 per cent of the total voluntary contribution. Upon enquiry, the Advisory Committee was provided with information on the level of voluntary contributions over the past five years as contained in the table below.

UN-Women, Voluntary resources, 2014-2018

(Millions of US dollar)

year	2014		2015		2016		2017		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Total	310	323	380	306	410	319.8	470	360.6	440	384.3

6. The Advisory Committee notes that, with the exception for the year 2014, actual funds received have remained below the amount projected. While the Committee commends UN-Women for its achievements in term of resource mobilization, it continues to encourage the entity to strengthen the fundraising efforts, including by engaging with the private sector.

Management response:

7. UN-Women notes the ACABQ's encouragement to strengthen its fundraising efforts in order to reach its revenue projections for the biennium 2020-2021 and fully concurs with the importance the ACABQ places on those efforts. In addition to deepening engagement with government and inter-governmental partners in line with its Resource Mobilization and Partnership Strategy, UN-Women is seeking to diversify its funding sources by focusing on investing in the private sector, particularly unrestricted Regular Resources from individual givers through a strengthened network of National Committees, as well as leveraging efficient

inter-agency and agency-specific pooled funding mechanisms. This approach is intended to take the fullest advantage of the commitments around the Funding Compact. UN Women is furthermore leveraging movements, events, advocacy campaigns and appeals, such as the recently launched Generation Equality campaign in support of the upcoming twenty-fifth anniversary of the Beijing Declaration and Platform for Action in 2020, HeforShe, and humanitarian action appeals, to make an ever stronger case for support for the work of the United Nations and partners on gender equality, including the work of UN Women. UN Women believes 2020 will offer particularly strong opportunities to capitalise on increased attention to gender equality to provide a platform for UN Women's resource mobilisation efforts.

III. Institutional budget

8. As noted in paragraph 2 above, an appropriation of \$204.4 million is proposed for the institutional budget for the biennium 2020-2021. The proposed increase of \$2.6 million or 1.3 per cent compared to the approved institutional budget for 2018-2019 reflects the doubling of the cost-sharing arrangement among United Nations Development System entities effective 1 January 2019 as mandated by General Assembly resolution 72/279. The report indicates that the proposed institutional budget is built around the following main activities: development effectiveness (\$53.8 million), UN System coordination (\$32 million), management (\$115.6 million) and special purpose activities (\$3 million).

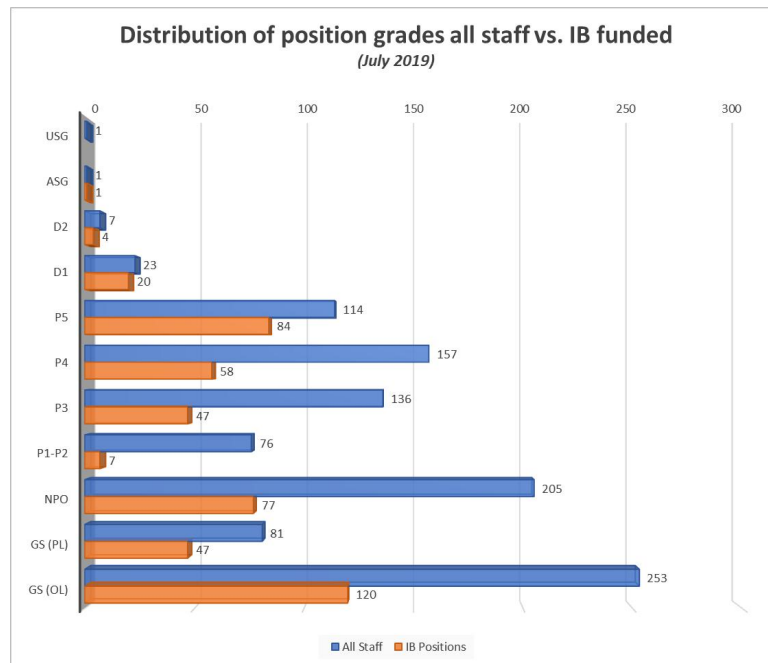
3. Staffing Structure

9. The Executive Director's report also indicates that the institutional budget will provide for the continuation of 465 posts (1 ASG, 4 D-2, 20 D-1, 84 P-5, 58 P-4, 47 P-3, 7 P2-/1, 47 GS (PL), 120 GS (OL) and 77 NPO). There is no proposed change to the staffing structure compared to the biennium 2018-2019. The Advisory Committee notes however, that a significant portion of the institutional budget posts are at levels of P-5 and above. **The Committee trusts that UN-Women will continue to review its overall staffing structure and ensure that its staff levels are commensurate with the mandated tasks entrusted to the entity.**

Management response:

10. UN-Women always strives to ensure that its human and financial resources are efficiently distributed and utilized. UN-Women takes note of the Advisory Committee observation and will take this into account during the ongoing realignment change management initiative where the staffing structure and funding sources will be looked at in greater detail.

In the meantime, we are attaching a comparison chart of the overall staffing structure compared to the IB positions (as at end of July 2019).



11. With regard to the location of the UN-Women workforce, the report indicates that 34 per cent of the institutional posts (or 159 posts) are located at headquarters, together with the 49 posts financed by the UN regular budget. As to whether UN-Women’s functions are predominantly policy-oriented or operational, the Advisory Committee was informed upon enquiry, that on the basis of General Assembly resolution 64/289, UN-Women has developed the following functions and activities: a) Normative support functions to assist Member states in strengthening global norms, policies and standards related to gender equality and women empowerment; b) UN system coordination functions and global advocacy and partnerships to support the UN system and partners to deliver results for gender equality and women’s empowerment; and c) operational activities to provide policy advice to governments, upon their request, and support, as appropriate, social mobilization and capacity development to translate global norms into national policies, programmes, plans and practices. The Advisory Committee was also informed that in accordance with General Assembly resolution 64/289, UN-Women operates as part of the Resident Coordinator system by leading and coordinating the work of the country team on gender equality and the empowerment of women, under the overall leadership of the Resident Coordinator.

12. **The Advisory Committee considers that the distribution of posts between headquarters and field locations should also be kept under review and adjusted as necessary to ensure that the distribution is on the basis of a thorough analysis of UN-Women’s mandate and functions. The Advisory Committee trusts that detailed information on the activities of UN-Women personnel at headquarters and in field locations will be included in the next budget submission of the entity.**

Management response:

13. UN-Women has started a realignment change management initiative where the staffing structure and funding sources will be looked at in greater detail to ensure alignment with EB approved funding framework; adequate staffing capacity to support functions as dictated by mandate both in terms of HQ and field offices deliverables. UN-Women takes note of the Advisory Committee request and will provide additional information during the next budget submission cycle.

14. In terms of gender distribution of staff members, the Advisory Committee was informed upon enquiry, that as at 31 May 2019, 75 per cent of the UN-women staff were women. The Committee was also informed that since 2011, when UN-Women was established through the regrouping of four distinct parts of the UN system, the overall proportion of male staff has increased from 20 per cent to 25 per cent. **The Advisory Committee welcomes the efforts of UN-Women to improve its gender balance and encourages the Entity to continue its efforts in this regard.**

Management response:

15. UN Women follows a gender equal approach in recruitment and aims to have gender balance distribution in selection panels, and in all longlists and shortlists and makes effort to recruit staff with due regard to gender diversity. As per the Committee's recommendations, we will continue the efforts to achieve gender balance.

16. **With regard to the geographical distribution of UN-Women's staff members, the Advisory Committee trusts that updated information on this matter will be provided to the Executive Board at the time of its consideration of the present report.**

Management response:

17. Please refer to Annex 1 Distribution of Nationalities for Staff (as at 31 May 2019 as referred to in the ACABQ submission).

Nationality	Total
Afghanistan	14
Albania	8
Algeria	3
Antigua and Barbuda	1
Argentina	3
Armenia	1
Australia	20
Austria	4
Bangladesh	9
Barbados	7
Belarus	1

Nationality	Total
Belgium	10
Benin	3
Bolivia (Plurinational State of)	3
Bosnia and Herzegovina	5
Brazil	12
Bulgaria	1
Burundi	7
Cambodia	4
Cameroon	12
Canada	20
Chile	2
China	8
Colombia	16
Congo	1
Costa Rica	3
Côte d'Ivoire	8
Croatia	1
Czech Republic	2
Democratic Republic of the Congo	7
Denmark	5
Dominican Republic	5
Ecuador	9
Egypt	25
El Salvador	3
Ethiopia	17
Fiji	16
Finland	10
France	18
Georgia	12
Germany	15
Ghana	2
Greece	2
Grenada	1
Guatemala	3
Guinea	2
Guyana	1
Haiti	7
Honduras	3
India	39

Nationality	Total
Indonesia	6
Iraq	3
Ireland	4
Israel	1
Italy	14
Jamaica	2
Japan	16
Jordan	15
Kazakhstan	8
Kenya	20
Kiribati	1
Kyrgyzstan	8
Lao People's Democratic Republic	1
Latvia	1
Lebanon	2
Liberia	5
Libya	1
Lithuania	1
Malawi	9
Malaysia	1
Maldives	1
Mali	17
Mexico	19
Mongolia	2
Morocco	13
Mozambique	4
Myanmar	5
Namibia	1
Nepal	13
Netherlands	5
New Zealand	1
Nigeria	11
Norway	6
Pakistan	22
Panama	13
Papua New Guinea	5
Paraguay	3
Peru	6

Nationality	Total
Philippines	11
Portugal	2
Republic of Korea	4
Republic of Moldova	9
Republic of North Macedonia	2
Rwanda	11
Samoa	1
Senegal	20
Serbia	4
Sierra Leone	10
Slovakia	1
Solomon Islands	1
Somalia	3
South Africa	15
South Sudan	2
Spain	27
Sri Lanka	2
State of Palestine	7
Sudan	6
Sweden	14
Switzerland	7
Syrian Arab Republic	1
Tajikistan	2
Thailand	18
Timor-Leste	4
Togo	2
Trinidad and Tobago	3
Tunisia	3
Turkey	19
Uganda	16
Ukraine	4
United Arab Emirates	1
United Kingdom of Great Britain and Northern Ireland	23
United Republic of Tanzania	7
United States of America	93
Uruguay	3
Uzbekistan	1
Vanuatu	1

Nationality	Total
Venezuela (Bolivarian Republic of)	2
Viet Nam	5
Yemen	1
Zambia	1
Zimbabwe	14
Former Yugoslavia	3
Grand Total	1043

4. Contractual status of personnel

18. With respect to the contractual status of personnel, the Advisory Committee was informed upon enquiry, that as at 31 May 2019, 39.4 per cent of UN-Women employees were employed under staff contracts, while 60.6 per cent were engaged under non-staff contracts (28.3 per cent under service contracts; 21.5 per cent were consultants under special service agreements; and 10.8 per cent were UN Volunteers, interns, and fellows). The Advisory Committee recalls that it has previously highlighted this practice in its report on UN-Women dated 7 August 2017 and notes the increasing trend in non-staff contracts particularly the proportion of personnel engaged as consultants under special service agreements. **The Advisory Committee notes again with concern that the share of non-staff personnel is on the increase and trusts that UN-Women will reduce its reliance on such personnel both at headquarters and the field. The Committee expects that efforts to address this trend will be prioritized and progress will be included in the context of the integrated budget report for the biennium 2022-2023.**

Management response:

UN-Women will continue to closely monitor and review the usage of contract modalities to ensure that contracts are issued in accordance with the applicable policies and guidelines. UN-Women also engages Consultants for a limited period to provide expert services, advisory services, technical skills or knowledge for the performance of a specific task or piece of work. Most of the consultants work part-time / home-based and are engaged for short-term functions / roles (example: translation, research for reports, etc.) which do not necessarily merit the establishment of a staff position. Contractual modalities also depend on sources of funding and UN Women notes that non-core funded projects generally result in an increase in non-staff contractual modalities (primarily Service Contracts), which are specifically meant and engaged for project implementation. With its non-core resources increasing, UN Women has also seen an increase in such contractual modalities. UN-Women's focus is to ensure that there is no misuse in the usage of these contractual modalities and any report of a misuse is promptly addressed.

In the context of the UN Reform and realignment of its structure and as per the Committee's recommendations, UN Women will continue to monitor the usage of non-staff personnel with a view to ensure that they are used appropriately and in line with the guidelines and policies on use of contract modalities.

5. Consultants monitoring tool

19. In its report on the financial report and audited statements on UN-Women for the year ended 31 December 2017, the Board of Auditors recommended that after a feasibility assessment, UN-Women should consider establishing a monitoring tool to record key details on the hiring of consultants, including such information as analysis of total hiring cost, performance measurement and supervisor's comments at every stage of the assignment, based on the agreements made with each individual consultant (See A/73/5/Add.12, para. 57). Upon enquiry, the Advisory Committee was informed that as at 12 July 2019, UN-Women was still in the process of reviewing the current systems and processes in place as well as those in preparation, to assess how the recommendation could be addressed by leveraging what is already in place in order to reduce the effort and financial burden on the organization. The Committee was also informed that once the feasibility study is completed, the findings and recommendations will be reviewed and a decision on the way forward will be made at the end of 2019. **The Advisory Committee expects that the recommendation of the Board of Auditors on the global individual consultants monitoring tool will be implemented without further delay.**

Management response:

20. UN-Women takes note of the observation and is on target to conclude the feasibility study by the planned date of end of Q4 2019.