

Background note

Allocation of resources to development outcomes of the Strategic Plan 2018-2021

This note provides an overview of the methodology followed by UN Women to determine the level of resources necessary to achieve each development outcome of the Strategic Plan, 2018-2021. The methodology also informed the development of UN-Women's Integrated Budget, 2018-2021, which covers the first biennium of the Strategic Plan cycle.

Indicative allocations of resources to development outcomes under this strategic plan are informed by the following criteria:

- (1) 2016 expenditure;
- (2) expenditure trends by outcome area for the past 3 years; and
- (3) expected future demand based on existing pipeline¹.

1) 2016 expenditure

In 2016, 100 percent of regular budget resources (assessed contributions) were allocated and spent in support of UN-Women's normative intergovernmental support function in line with the programme budget approved by the General Assembly.

In addition, a review of 2016 voluntary resource² expenditures in UN-Women's Results Management System (RMS) showed that:

- (a) 15 percent of programme funds were spent on women's voice, participation and leadership;
- (b) 21 percent of programme funds were spent on women's economic empowerment;
- (c) 29 percent of programme funds were spent on ending violence against women;
- (d) 26 percent of programme funds were spent on work on women and peace and security (80% of which was allocated to peace and security and 20% of which was allocated to humanitarian action);
- (e) 7 percent of programme funds were spent on governance and national planning for gender equality commitments and priorities; and
- (f) 2 percent of programme funds were spent on support to strengthening global norms and standards.

¹ For this analysis, UN-Women has also drawn upon the findings and data from its annual Structured Dialogue on Financing which provide clarity on: the demand for UN-Women's work across its impact areas; existing levels of funding; resulting financing gaps, as well as suggestions on how existing funding should be allocated in order to ensure that UN-Women is best able to leverage its existing resources to deliver on results.

² Voluntary resource expenditures include both regular and other resource spending (core and non-core)

A closer look: Funding UN-Women's normative support function

UN-Women's **normative support function** stems from its founding resolution that states: "Based on the principle of universality, the Entity shall provide, through its normative support functions and operational activities, guidance and technical support to all Member States, across all levels of development and in all regions, at their request, on gender equality, the empowerment and rights of women and gender mainstreaming" (A/Res/64/289, para 51b). This resolution also determined that "the resources required to service the normative intergovernmental processes shall be funded from the regular budget" (para. 75).

UN-Women's **support to intergovernmental processes** (including CSW, Economic and Social Council, General Assembly, Security Council) is one area of work under the Entity's normative support functions. It is captured under Outcome 1 of the Strategic Plan 2018-2021 and is funded through regular budget resources (assessed contributions) and the institutional budget. Historically, approximately 2% of programme funds have been used to complement the latter sources of fund.* To avoid double counting, only this third source of funds is captured under Outcome 1 of the integrated results and resources framework (IRRF).

As part of its normative support functions, UN-Women also provides **support for translating intergovernmental norms into national policies and supporting their implementation**. This work is financed through voluntary contributions and captured in programme activities under Outcomes 2, 3, 4 and 5 of the Strategic Plan 2018-2021.

The roll-out of UN-Women's new programme management information systems (PMISs) will enable the Entity to better break down staff and track programme expenditure by function during the 2018-2021 Strategic Plan. This will allow UN Women to consolidate and report budget allocations against normative support in an integrated manner.

** As part of the proposed programme budget for the biennium 2018-2019, the Secretary-General submitted an proposal for increase in regular budget resources in order to enable UN Women to carry out its mandate of servicing normative intergovernmental processes. (A/RES/64/289, para 75, and A/RES/70/133, para 8 and A/72/6, Sect. 17). Such an increase would enable UN-Women to draw less on voluntary contributions for this function.*

2) Trends in expenditure across UN-Women's current strategic plan

Trends are calculated as a percentage change in allocation to each outcome area in 2016 as compared to 2014 and 2015.³

As per UN-Women's Results Management System⁴:

- A review of trends in each outcome area from 2014 to 2016 has shown strong growth in UN-Women's work on women's economic empowerment and on the elimination of violence against

³ UN-Women's current strategic plan covers the period from 2014 – 2017, however the trends analysis is based on 3 years of data, as 2017 expenditure figures will only be finalized in 2018.

⁴ 2016 data is sourced from UN-Women's Results Management System (which is integrated with UN-Women's financial management system ATLAS). 2014 data was sourced directly from ATLAS as the RMS had not yet been launched.

women. The most notable growth has occurred in the area of peace, security and humanitarian action, which has more than doubled in expenditure over a 3-year period. This high rate of growth is driven by expanded programming in the Arab States and West and Central Africa as well as East and Southern Africa

- While UN-Women's expenditure in women's political empowerment has demonstrated a slightly slower rate of growth compared to other areas, overall expenditure has increased between 2014-2016.
- For outcome area 1, regular budget resources have remained constant over the past three years.

3) Analysis of expected future demand across UN-Women's development outcomes

The scale and scope of UN-Women's normative support and coordination functions have expanded significantly since the Entity's founding and the adoption of the 2030 Agenda.

In addition, UN-Women predicts that overall, country-level demand will continue to exceed resources available.

In order to track this demand, UN-Women has developed LEADS, a pipeline management system for project proposals which tracks a project from inception (i.e. the drafting stage) to funding (i.e. securing a signed funding contract)⁵.

Based on current LEADS data⁶, expected future demand across UN-Women's development outcomes is divided in the following manner:

- 4 percent of programme funds to support normative intergovernmental processes. ;
- 20 percent of programme funds to support women to lead, participate in and benefit equally from governance systems;
- 32 percent of programme funds to support women to have income security, decent work and economic autonomy;
- 21 percent of programme funds to support women and girls live a life free from violence; and
- 23 percent of programme funds to support women to contribute to and have greater influence in building sustainable peace and resilience and to benefit equally from the prevention of natural disasters and conflicts and from humanitarian action.

Conclusion

In order to calculate allocations for each outcome area, UN-Women applies a formula which adjusts 2016 allocations according to trends in past expenditure and expected future demand. In this calculation, UN-Women uses data from its LEADS about programmes and projects that are in the pipeline as a proxy for expected demand. Since expenditure data is based on actual numbers and future demand is based on predicted income, expenditure has been given a weighting that is double that of pipeline numbers from LEADS.

⁵ The LEADS system aggregates data from UN-Women offices (both at headquarters in the field) on expected funding that will be received for project / programme proposals in each of UN-Women's outcome areas. Each 'lead' is furthermore assigned a probability of success to provide a weighted total of projected income for each outcome area. UN-Women remains committed to leveraging LEADS data as a proxy indicator to predict future demand and available funding in each of its outcome areas.

⁶ Data in LEADS system as of May 16th, 2017.

UN-Women has also taken into consideration the following qualitative considerations in deciding on allocations across the outcome areas:

- UN-Women's support to normative intergovernmental processes (including CSW, Economic and Social Council, General Assembly, Security Council) will continue to be funded through regular budget resources (assessed contributions) and the institutional budget, as well as a small allocation of programme funds to enhance normative support capacities.⁷
- Despite a slightly slower rate of growth for Outcome 2 (women lead, participate in and benefit equally from governance systems), UN-Women believes that this outcome area remains critical for UN-Women's work and a priority in the Strategic Plan 2018-2021 and has ensured that this area remains appropriately resourced.
- In line with trends and projections, allocations to Outcome 5 (women and girls contribute to and have greater influence in building sustainable peace and resilience and benefit equally from the prevention of natural disasters and conflicts and from humanitarian action) have increased. Nevertheless, UN-Women believes that the rate of growth of this area of work needs to remain prudent, and has therefore suggested an indicative allocation that aligns with its absorptive capacity in this area.

Keeping these factors in mind, indicative allocations to the outcome areas have been adjusted as follows:

- a) A comprehensive and dynamic set of global norms, policies and standards on gender equality and the empowerment of all women and girls is strengthened -- this area of work will receive all of the regular budget resources received by UN-Women (which are proposed to increase by about 8 percent in the 2018 – 2019 biennium). In addition, 2 percent of programme funds are projected to be allocated to normative support capacities.
- b) Women lead, participate in and benefit equally from governance systems — 17 percent;
- c) Women have income security, decent work and economic autonomy— 20 percent;
- d) Women and girls live a life free from violence — 29 percent;
- e) Women and girls contribute to and have greater influence in building sustainable peace and resilience and benefit equally from the prevention of natural disasters and conflicts and from humanitarian action— 32 percent.

Tables summarizing these calculations can be found in Annexes 1 and 2.

As part of its ongoing analysis on the link between results and resources, UN-Women remains committed leveraging its Programme Management Information Systems (PMISs) in order to:

- Strengthen planning, budgeting and the tracking of resources received;
- More precisely identify funding gaps and the subsequent need for reallocation of resources across outcome areas; and
- More accurately track results obtained from its development activities.

⁷ The roll-out of UN-Women's new programme information management systems will enable the Entity to better break down, track and report on staff and programme expenditure by function during the 2018-2021 Strategic Plan, including for normative support.

Annex 1. Calculations for adjusting allocation of resources to Outcome 1 for the 2018-2019 Integrated Budget

Outcome 1 captures UN-Women's support to normative intergovernmental processes (such as the CSW). This outcome area does not include UN-Women's significant additional normative support work that UN Women undertakes as part of its operational activities (i.e. support to Member States to translate global intergovernmental norms at the national level), which is captured under each of the respective thematic areas (i.e. in Outcomes 2 – 5) where the support is provided.

	Regular Budget		Voluntary contributions (core and non-core)				
	Past expenditures for 2016 (%)	Percentage change in expenditure between 2014 - 2016	Past expenditures for 2016 (%)	Percentage change in expenditure between 2014 - 2016			
Outcome 1 – Comprehensive and dynamic set of global norms, policies and standards on gender equality and the empowerment of all women and girls is strengthened	100%	0% (<i>expenditure remained the same</i>)	2%	31% decrease	4%	108% (<i>this figure takes into account UN-Women's pending proposal for an additional 5 posts to be funded by regular budget funds</i>)	2%

Annex 2. Calculations for adjusting allocation of resources to development outcomes 2-5 for the 2018-2019 Integrated Budget

	Past expenditures for 2016 (%) ⁸	Percentage change in each planned expenditure between 2014 - 2016 ⁹	Expected future demand as per UN-Women's LEADS system (%) ¹⁰	New allocations for the 2018 – 2019 biennium (using past expenditure, % change from 2014-2016, data from LEADS and qualitative measures) ¹¹
Outcome 2 – Women lead, participate in and benefit equally from governance systems	22% ¹²	20% increase	20%	17%
Outcome 3 – Women have income security, decent work and economic autonomy	21%	42% increase	30%	20%
Outcome 4 – All women and girls live a life free from violence	29%	59% increase	22%	29%
Outcome 5 – Women are engaged in, and benefit equally from, peace, security and humanitarian interventions to prevent crisis and build resilience	26%	112% increase	22%	32%

⁸ As reported in UN-Women's Results Management System (RMS)

⁹ Calculated as a percentage change in expenditure by outcome area between 2014 and 2016

¹⁰ Represents percentage of programme funds allocated to each outcome area in LEADS system (with amounts adjusted for probability of success)

¹¹ Formula: $(((2 * \text{percentage change in expenditure from 2014} - 2016) + (\text{Expected future demand})) / 3) + 1$ *2016 expenditure (adjusted to ensure total portfolio = 100%)

¹² The expenditures for this category combine spending on 'women's voice, participation and leadership' as well as for 'governance and national planning for gender equality commitments and priorities' (categories which exist independently in the strategic plan, 2014-2017 but have been merged in the strategic plan 2018 – 2021).