UNITED NATIONS DEVELOPMENT PROGRAMME

Empowered lives.
Resilient nations.

Annual Report 2011/2012

THE SUSTAINABLE FUTURE WE WANT

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COVER PHOTO: With UNDP support, Indra Man Tamang and many others have become successful entrepreneurs in Nepal's strawberry industry, after spending years as day labourers.

UNDP IN ACTION

The year 2011 will be remembered as a year of uprisings and transitions in the Arab States region. UNDP, along with partners, contributed to the reform process through electoral support in Egypt, Tunisia and Yemen, and in many other ways throughout the region. The year 2011 was also an important year in the lead-up to Rio+20, and for advocacy around sustainable development, which integrates economic, environmental and social policy.

UNDP believes that it is critical for growth both to be equitable and to respect planetary boundaries. Our decades of working alongside national, regional and local-level government, civil society and development partners enable us to play a unique role in supporting the green and inclusive world which our future must be.

UNDP is working in more than 170 countries and territories to empower people to build a better future for themselves and their families and to build resilience to withstand crises, whether they are natural or man-made, environmental or financial.

We work within our mandate of four focus areas: poverty reduction; democratic governance; crisis prevention and recovery; and energy and environment. Each area is a critical component of sustainable development.

Our common future depends on resource-efficient, low-emission development. How access to energy is obtained will play an important part in that. Achieving sustainable energy for all will reduce energy poverty and can help combat climate change. Today, 1.4 billion people are still without electricity access, and three billion use firewood and other biomass and coal as fuel for cooking and heat, causing indoor pollution and leading to illnesses which kill two million people every year.

UNDP has been working with countries to achieve universal energy access and sustainable energy transitions. We have assisted countries in investing more than US$4.7 billion over the last decade in projects that have brought sustainable energy to 10 million poor around the world.

In **Nepal**, more than 50,000 people benefited from an off-grid network of micro-hydropower systems set up with support from UNDP and the World Bank. This is one of many UNDP local initiatives which are now being carried out as fully fledged, expanded programmes that have reached around 10 million people in the past decade, most of them the rural poor. In **Peru**, we are providing safe and energy efficient cook stoves to what will be a total of 175,000 households, in a programme which is simultaneously addressing health, climate change and forest preservation.

In addition to our programmes in the field, UNDP is also a thought leader in sustainable development policy. In 2011, to support Governments in setting their countries on low-emission, climate-resilient development paths, UNDP launched 'Catalysing Climate Finance,' a step-by-step guide on how governments can attract clean energy investments, by identifying and implementing a mix of public policies, funding and being able to attract private finance.

Looking at the future, UNDP commits to promoting sustainable development, with equity and environmental protection placed at the heart of everything we do.

UNDP Administrator Helen Clark visits a herder family in Mongolia.

Helen Clark
UNDP ADMINISTRATOR

INTRODUCTION

THE SUSTAINABLE FUTURE WE WANT

Early in 2011, the UN Secretary-General outlined a five-year action plan to build "the future we want," one that is safer, more secure, more sustainable and more equitable.

With our support destitute women in rural Bangladesh benefited from 17.9 million workdays, repairing more than 25,000 kilometres of roads, graduating from poverty and earning respect for building infrastructure for their communities.

A number of critical imperatives lay at the heart of this plan: sustainable development; preventing and mitigating conflicts; preventing human rights abuses; minimising the impacts of natural disasters; building a safer and more secure world; supporting countries in transition; and working to engage the talents of women and young people.

UNDP has a presence on the ground in over 170 countries and territories and decades of concrete development experience in countries ranging from fragile States to middle-income countries like Brazil and Indonesia. This, combined with our four focus areas — poverty reduction and achievement of the Millennium Development Goals (MDGs); democratic governance; crisis prevention and recovery; and environment and sustainable development — make us uniquely situated and qualified to answer the Secretary-General's call for a better future.

Indeed, all four of these pillars are necessary if we are to realize a sustainable future:

Poverty Reduction and MDG Achievement

Sustainable development refers not just to the environmental aspects of development but also to the economic and social dimensions. For example, along with a stronger focus on developing a green economy, governments and the private sector must also ensure that pro-poor policies provide equal benefits for all groups of people in a country. This is why UNDP launched a poverty-fighting programme in **Bangladesh** that is reaching out to the poorest and most vulnerable in 23 cities and towns. The programme, called Urban Partnerships for Poverty Reduction, is helping communities establish their own development committees and town-level federations; 90 percent of elected leaders are women. The committees plan and implement projects to construct basic infrastructure like wells and latrines; establish apprenticeships and vocational training programmes; and deliver block grants to start small businesses. Over 2.3 million people, especially women and children, are benefiting from the programme's success.

UNDP ENGAGEMENT

IN 2011, UNDP CONTRIBUTED TO	RESULTS	NUMBER OF COUNTRIES
Raising awareness	Change in attitude by the public about gender inequality	81
	The brokering of successful partnerships for development between groups, from human rights institutions and civil society organizations to justice ministries and peace and reconciliation commissions	87
Changing policy	The development of national gender plans or strategies	56
	A change in national and subnational budgets to account for human development needs	70
Implementing projects	The establishment of public/private partnerships ensuring that low-income households and small businesses have access to a broad range of financial and legal services	22
	Pilot projects that demonstrated effectiveness for scaling up or replication	89
Strengthening resilience	Building resilience to natural and man-made crisis at national and local levels	94
	Strengthening the ability of institutions, from environment ministries to private microfinance organizations, to withstand crises and shocks	45

Additionally, a high priority for UNDP in 2011/2012 and beyond continues to be the acceleration of MDG progress. UNDP developed the MDG Acceleration Framework, which is now being rolled out in a growing number of countries. By the end of 2012, more than 30 nations will be in the process of implementing their tailor-made acceleration action plans.

Democratic Governance

Such an ambitious future cannot be realized without responsive and participatory governance and rule of law. A key component of sustainable development is ensuring that there is no marginalization of particular groups or communities from the benefits of sustainable development policies. Growth must be inclusive to be sustainable.

Crisis Prevention and Recovery

Armed conflict, high food prices, the lingering effects of the economic and financial crises and the increasing frequency and intensity of natural disasters are hampering development efforts around the world.

Environment and Sustainable Development

Access to sustainable energy is critical for making societies more equitable and inclusive, and for encouraging green growth and sustainable development overall. Governments must balance the financing of large-scale energy projects with support for off-grid, decentralized energy solutions that help meet the needs of the poorest and most marginalized people.

A UNDP-supported GEF-financed programme in Tanzania is working with local people to ensure sustainable management of Lake Tanganyika's rich, but threatened, resources, including perch and freshwater sardines.

UNDP AND THE GLOBAL ENVIRONMENT FACILITY (GEF)

Since 1991, over 150 countries have selected UNDP to assist them in accessing $14 billion of grant funds administered by GEF. As a GEF implementing agency, UNDP provides specialized technical services to governments to formulate GEF initiatives, combine GEF grant funds with other sources of funds — called co-financing — to support global, regional and national programmes.

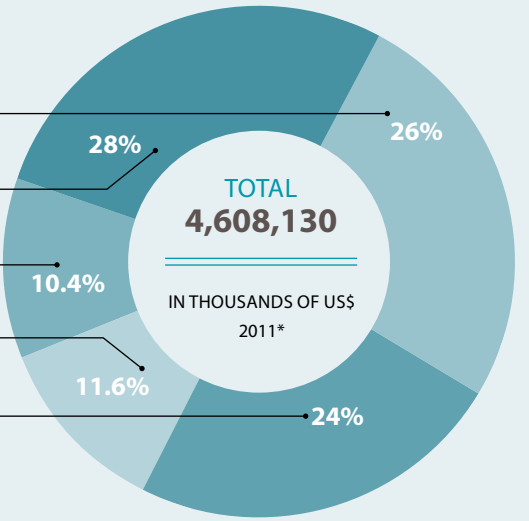
During 2010/2011, 150 countries were working with UNDP to implement 323 projects representing a total investment of $5.2 billion in environmental and sustainable development priorities in these countries, with $1.2 billion of this from GEF grant funds and $4 billion from co-financing.

The GEF Small Grants Programme, also implemented by UNDP, has for the past 18 years invested $450 million and leveraged similar levels of co-financing for over 12,000 community projects in 122 countries. The programme delivers between $35 and $40 million a year through grants of up to $50,000 each to local communities including indigenous people, community-based organizations and other non-governmental groups.

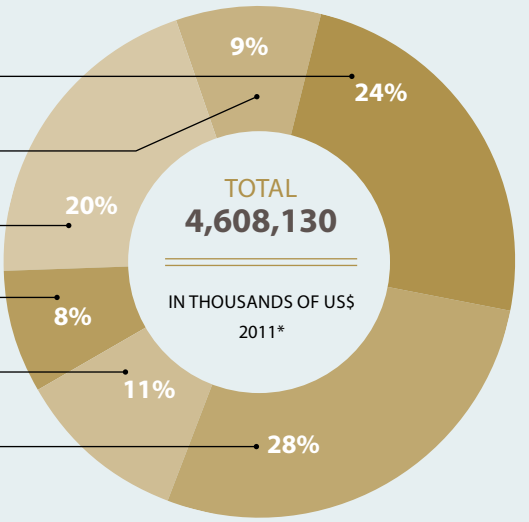
A 2011 UNDP report, *Toward an Energy Plus Approach for the Poor*, found that energy access programmes must be set up in conjunction with other development initiatives, including microfinance, transport infrastructure, telecommunications, schools and health facilities. Additionally, the report concludes that giving people access to renewable forms of energy can help lift them out of poverty. The benefits of achieving universal access to modern energy services are transformational: lighting for schools, functioning health clinics, pumps for water and sanitation, cleaner indoor air, faster food processing and more income-generating opportunities, among others.

UNDP PROVISIONAL PROGRAMME EXPENDITURE DISTRIBUTIONS

BY FOCUS AREA



BY REGION



* Provisional as of 13 April 2012

**Includes global, regional and country programme expenditure not linked to the UNDP Strategic Plan development results framework, in addition to resources for Development Support Services, Evaluation, Human Development Report Office, Special Unit for South-South Cooperation, Office of Development Studies, Economist Programme, and special initiatives.

SOURCE: Operations Support Group/UNDP

"UNDP ... plays a valuable role in ensuring the Government of India can draw on a ready network of solutions to foster inclusive development."

— Dr. Alok Sheel, Joint Secretary,
Ministry of Finance, Government of India

Poverty Reduction and Achieving the MDGs

UNDP believes that countries and their citizens are best positioned to create their own poverty eradication strategies, based on local needs and priorities. As a result, UNDP sponsors innovative pilot projects and locally-based development programmes. In 2011, with UNDP's support, 29 countries adopted official policies promoting small enterprises and women's entrepreneurship; 50 countries introduced social protection schemes that specifically included youth, women and other vulnerable groups.

UNDP also supports the achievement of the MDGs — a set of human development targets agreed to by wor3nd aderes, with yhelptinggpovernments ts th(y w)10(or)-4kh ov(r)10nd thm. Fncally cagst(a)4(tngd t)6(allH)⊠U/Span⊠ActualText⊠EFF0044 NP and A IPt

UNDP AT WORK

Thanks to a government programme supported by UNDP, **Azerbaijan**'s pension system is now one of the most modern in the world. Electronic payments via the banking system are now made on time to 97 percent of pensioners and complaints have fallen dramatically.

UNDP and the wider UN family in **Mexico** have been focusing on working with several states whose indicators lag behind national averages — notably in Chiapas, Guerrero and Oaxaca — and have supported the design and implementation of public policy there. In Chiapas, extreme poverty has decreased by 5 percent over the past three years, with special attention given to indigenous people.

UNDP supported the Government of **Egypt** in scaling up its innovative conditional cash-transfer programme, after successfully piloting it in a Cairo neighbourhood. Up to 25,000 families living in extreme poverty in the rural areas of Upper Egypt stand to benefit from the programme, which disburses regular cash payments to women heads of households who make sure their children go to school and receive regular health check-ups.

In October 2011, as a result of a UNDP-organized conference on social protection success stories in **Brazil**, **Russia**, **India** and **China** — known as the BRICs by economists — the Government of **South Africa** incorporated four pro-poor UNDP policy recommendations into its 20-year national development plan.

With UNDP support, 275 local health centres in Ukraine — serving more than 340,000 rural citizens in remote communities — have been renovated.

UKRAINE: TAKING THEIR FUTURE IN THEIR OWN HANDS

In 1991, when Ukraine gained independence, it inherited top-down governance that excluded citizens from decision-making processes. The return in the 1990s of almost 300,000 ethnic Crimean Tatars compounded these challenges. The Ukraine peninsula of Crimea faced increasing ethnic tensions, undermining people's ability to work together.

UNDP's Crimea Integration and Development Programme — supported by a number of partner countries and implemented by UNDP — recognized that people could be empowered to work to solve common problems. Together with local authorities, it helped to organize people into community organizations that gave them a voice and a platform. Since 2007, all of Ukraine's 25 regions have adopted the community-based development approach.

Through these efforts, by the end of 2011 UNDP had assisted approximately 2,000 rural and urban communities across the country, benefiting over half a million Ukrainians. It has supported the implementation of 1,700 projects, training more than 10,000 local officials, community leaders, teachers and health workers in the process.

Independent surveys found that satisfaction with local governments was significantly higher in communities employing local development strategies than in Ukraine as a whole. In these communities, some 41 percent of respondents reported more trust in local government.

Improving the Lives of People Living with HIV and AIDS in the Pacific

UNDP's support has had "the most profound e ect in capacity building of the Judiciary."

— Emmanuel Akomaye Agim,
Chief Justice of the Republic of the Gambia

Democratic Governance

In 2011, the powerful winds of change that swept across the globe and engulfed whole nations and communities, most dramatically in the Arab States and Africa regions, reaffirmed the pivotal importance of democratic governance premised on inclusion, accountability, participation and non-discrimination, especially of women and youth.

UNDP supports an election somewhere in the world every two weeks. In 2011, the organization also helped 15 countries adopt initiatives that successfully increased the percentage of eligible voters, many of them women. In sub-Saharan Africa, in particular, there has been increased female representation in legislative bodies, local governments, local development committees and ministerial positions. UNDP stepped in to support transitions in the aftermath of revolutionary movements in the Arab States, providing election training and technical expertise to seven countries in the region, including **Egypt**, **Tunisia** and **Yemen**.

UNDP helped mobilize a record number of young people to participate in **Tunisia**'s first democratic election in October 2011 through traditional and social media campaigns.

UNDP AT WORK

In September 2011, with more than $400,000 from UNDP, **Benin**'s Parliament inaugurated a radio station offering live coverage of all parliamentary discussions. Listeners learn about and react to the proposals put forward by their parliamentary representatives. The programme has one million listeners.

In **Nicaragua**, UNDP worked with 54 municipalities in improving coordination between government institutions and the needs of the people they serve. As a result, city budgets across the country now include money set aside for projects that improve access to drinking water, critical repairs of main roads and improvements to school building. In addition, six municipal investment plans now include initiatives to combat hunger, malnutrition and poverty in the poorest regions of the country.

In 2011, UNDP supported what would become the Government of **South Sudan** to build state institutions in the lead-up to the 9 July 2011 declaration of independence. In May 2011, one of four legal centres established to help women access information about their rights, including for cases of domestic violence and sexual assault, opened in the state of Western Equatoria.

Irene Mambilima, Chairperson of the Electoral Commission of Zambia, prepares to cast her vote while a polling officer verifies her details on the voter-registration list.

ELECTIONS IN ZAMBIA

In 2011, 5.2 million voters were registered to take part in **Zambia**'s September election, including nearly 1.3 million new voters, many of them young people and women.

The UN Secretary-General called the election "a credible and transparent process," with almost three million people casting their vote to elect a president, in addition to national assembly and local government representatives.

Beginning in 2009, UNDP managed $19 million in pooled donor funds to support Zambia's Electoral Commission in its work, including capacity development, voter education initiatives, the training of journalists on ethical election reporting and the training of about 15,000 police on human rights and election monitoring.

UNDP worked with the Commission to register voters using biometric technology — allowing people to register based on their fingerprints — for the first time in Zambia. UNDP supported the training of 50,000 electoral officers and more than 1,400 voter education facilitators, who were then deployed across the country for the election. Assistance was also provided with pre-election voter registration.

During the election, the Electoral Commission and the Zambia Police Service set up a special centre to monitor and respond to potential incidents of violence. Finally, the UNDP project produced and distributed the electoral code of conduct in seven local languages. As a result of this work, Zambia witnessed a solid voter turnout and a peaceful transition of power.

Financial support came from a number of partners, including Canada, Finland, The Netherlands, the United Kingdom, the United States and the European Commission.

Drafting g that Reflect the Needs of Ordi eople in Viet Nam

immediate actions from different levels of authorities, and our family has received the new land use rights certificate. I feel very happy."

The project began in three provinces and by the end of 2011 had expanded to cover more than 16 provinces and cities across the country, including Viet Nam's largest city, Ho Chi Minh City.

In Binh Thuan, Tran Thi Hy along with 1,300 others spoke up about the proposed school fees. The People's Council there received a clear message from its citizenry: though the increase made sense, it would potentially make them unable to afford to send their children to school. Instead, they proposed that the increase be postponed and that any additional funds should come from the government's budget. As a direct result of the consultation, the People's Council agreed to delay the decision to increase the school fees.

> Nguyen Tien Loi, 58, at his family rice farm in Vinh Phuc province, Viet Nam.

Crisis Prevention and Recovery

Natural disasters, conflicts and large swings in economic conditions threaten to reverse hard-won development gains. UNDP's work in crisis prevention and recovery helps countries prevent armed conflict, alleviate the effects of natural disasters and build back better and stronger when crises happen. A critical part of UNDP's work includes placing gender at the centre of all of its crisis strategies. For example, UNDP programmes strengthen national and local institutions so they are able to respond to gender-based violence. They make increasing women's civic engagement and leadership in crisis prevention, ongoing crisis and post-crisis settings a key priority.

UNDP works to ensure that state institutions have the ability to deliver improved justice and security — especially that of citizen security — in conflict-affected settings. Finally, UNDP's job-creation programmes contributed significantly to recovery efforts in 2011, with over 170,000 skilled and unskilled workers benefiting from 5.2 million days of work in post-emergency situations.

< UNDP helped the Government of Pakistan to provide relief, recovery and compensation to more than 7,600 families displaced by flooding.

UNDP AT WORK

By the end of 2011, three years after Hurricane Gustav devastated large swathes of **Cuba** and left some 90,000 families homeless, 70 percent had rebuilt their homes, thanks to a joint UNDP and Government programme. During the rebuilding, more than 300 people were employed after being trained as construction workers and UNDP established more than two dozen centres that allow for the local production of construction materials.

In **Colombia**, UNDP supports the Government's efforts to create peace and development plans that allow victims of paramilitary and guerilla violence greater access to government officials and a more effective restitution of land seized through conflict. UNDP has supported 796 civil society organizations that represent victims of conflict, including 83 women's groups. As of 2011, 121,000 hectares of land had been handed over to 38,000 rural workers.

Hundreds of women whose husbands were killed or who experienced sexual violence during more than a decade of conflict in eastern **Democratic Republic of the Congo** (DRC) have started setting up small businesses to help rebuild their lives. With UNDP's support, 129 women's groups, made up of 2,165 women in South Kivu and more than 1,500 in North Kivu, have launched profitable businesses in farming, manufacturing, embroidery, cooking, baking and retail.

Young men in Somalia work to reinforce an eroded river bank. A UN programme, with UNDP support, is focusing on providing work and educational opportunities to youth and children most at-risk of joining armed groups.

UNDP RESPONDS TO THE HORN OF AFRICA FAMINE

In 2011, following consecutive seasons of inadequate rainfall, countries in the Horn of Africa — including **Djibouti**, **Ethiopia**, **Kenya** and **Somalia** — faced their worst drought in 60 years, with 13 million people affected. This, in turn, led to the largest food crisis in 20 years and the world's first famine of the 21st century. UNDP firmly believes that investing more effectively in reducing poverty and building resilience is essential to help those affected by ongoing cycles of disaster. In Somalia, in spite of the security and access challenges, UNDP has rebuilt essential agricultural infrastructure, including 25 kilometres of canals and 59 water catchments that can store almost 380,000 cubic metres of water. The programme rehabilitated social infrastructure, building 94 kilometres of access roads, distributing 1,500 energy-saving stoves and 36 tonnes of charcoal, and planted 18,000 trees. These initiatives created over 280,000 days of work for 8,300 people.

The famine in Somalia in particular sparked an increased flow of refugees into neighbouring Kenya, with camps near the border areas hosting more than 463,000 refugees. An additional 3.8 million Kenyans were affected by the drought themselves. With resources scarce, UNDP scaled up critical programming to improve living conditions in Kenya's north.

By the end of 2011, some 18,000 people living near the camps saw improved access to water, through new shallow wells and other water harvesting and storage means. This has relieved the competition between refugees and their neighbours. Additionally, the programme has provided to 15,000 people farm tools and 7.7 tonnes of seeds specifically suited to arid conditions.

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successfully detected 5,200 new cases. The initiative also provided antiretroviral treatment to over 33,000 people living with HIV, performed more than 140,500 HIV tests and distributed nearly 10 million condoms.

Throughout all of its work in Haiti, UNDP has pursued a highly participatory approach, partnering with all levels of government, international and local NGOs, the local private sector and, last but not least, the people of Haiti. If true sustainable recovery and development is to happen in Haiti, communities must play a central role in reconstruction efforts, allowing them to take control of their country and choose their own future.

Nerlande Bernard, 28, was never able to complete her studies as a child. Today, a single head of household and mother of three children, she struggles to make ends meet. She works from time to time as a housekeeper but does not have a stable job. After losing her home in the January 2010 earthquake, she first moved to an internally displaced persons camp before relocating to a temporary shelter in a neighbourhood called Cité Canada in Port-au-Prince. She is passionate about craft work and would love to build her career in this field.

"I need additional skills if I want to persevere in the craft business," she said. "I was so happy when I was selected to participate in the training provided by UNDP and the NGO *Femme en Démocratie*. I feel I am on the right track."

J

AUGUST 2011

Forbes Magazine names UNDP Administrator Helen Clark as one of the world's 100 most powerful women.

UNDP

OCTOBER 2011

On 23 October 2011 — the date of **Tunisia**'s first free and democratic elections — 76 percent of the country's 4.1 million registered voters cast their ballots, with critical support from UNDP and the European Union.

Noeman AlSayyad/UNDP

EF-supported
me in **Belize** helped
over 15,000 lionfish,
ive species, from the
s Barrier Reef Reserve,
urism destination and a
t of fishing industry.

illa/UNDP

Nadia Westby

SEPTEMBER 2011

Christina LoNigro/UNDP

UNDP and **Mexico** celebrate 50 years of UNDP's presence in the country.

NOVEMBER 2011

DECEMBER 2011

Valeria Witters for UNDP

On 13 December 2011, three of UNDP's Goodwill Ambassadors — Didier Drogba, Ronaldo Nazario de Lima and Zinédane Zidane play in UNDP's ninth annual Match Against Poverty in Hamburg, Germany. The Match raises over $150,000 to support famine relief efforts in the Horn of Africa.

FEBRUARY 2012

On 8 February 2012, UNDP launches its first ever Human Development Report for the Caribbean region. The Report tackles the issue of security and crime in seven English- and Dutch-speaking Caribbean countries.

Peaceful national elections occur in **Guyana** on 28 November 2011. After previous national elections had resulted in inter-ethnic tensions and violence, UNDP and the Government launched a nationwide effort to strengthen mediation and political dialogue.

Courtesy of *Guyana Times*

JANUARY 2012

UNDP Indonesia

When a powerful 7.6 magnitude earthquake hits Aceh province on **Indonesia**'s west coast on 10 January 2012, much of the population takes swift action by evacuating to safer grounds, thanks in part to widespread UNDP training. This scenario differed greatly from seven years earlier when a devastating quake and tsunami killed around 170,000 people in the province.

MARCH 20

APRIL 2012

The UNDP documentary, *Revealed: The Himalayan Meltdown*, wins the top prize at the 45th Annual Worldfest International Film Festival, the oldest independent film festival in the world. Co-producers include Discovery Asia and Arrowhead Films.

The Equator Initiative, which celebrates its 10th anniversary this year, announces the names of 25 community groups from around the world to receive the 2012 Equator Prize in recognition of their outstanding contribution to sustainable development.
The Pacari Network in **Brazil** is an alliance of grassroots organizations and traditional pharmacies that cultivate medicinal plants to improve community health, preserve traditional knowledge, create jobs and conserve biodiversity in the Cerrado biome.

UNDP Goodwill Ambassador Crown Prince Haakon of Norway announces that **Jordan** is now completely landmine-free. It is the first country in the Middle East to meet its obligations under Article 5 of the Mine Ban Convention, with support from UNDP and other partners including Norwegian People's Aid.

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MAY 2012

A UNDP-supported programme along Suriname's western coast is improving the management of nearly 373,000 hectares of protected wetlands, mangrove forests and mudflats, which host millions of migratory birds each year

Environment and Sustainable Development

Recognition is growing that the impact of climate change, the lack of access to reliable energy services and the destruction and degradation of the natural environment is threatening MDG achievement and slowing down progress towards sustainable — and inclusive — human development.

UNDP is an important player in initiatives around the world that focus on forestry, energy access for the poor, desertification, biodiversity conservation, water and climate change adaptation strategies. UNDP also leads programme implementation for GEF and a range of other climate-related funds. In all of its work in these areas, UNDP puts the needs of the poor and most vulnerable people at the centre of its programming, ensuring that nations are able to manage the environment in a truly sustainable manner.

In 2011, with UNDP's support, 41 countries adopted initiatives that successfully increased access to renewable and clean energy for the poor.

With UNDP support, subsidized micro-hydropower is bringing light to off-grid communities in Nepal.

UNDP & THE MONTREAL PROTOCOL: 25 YEARS ON

This year, 2012, marks the 25th anniversary of the Montreal Protocol, an international treaty calling for the elimination of ozone-destroying gases that was signed and ratified by 196 countries. The Protocol came about as a result of a 70 percent decline in ozone levels, which protect the earth from the sun's dangerous ultraviolet radiation.

Although challenges remain, the Montreal Protocol has been recognized as a global success, demonstrated by the widespread and worldwide elimination of the production and consumption of chlorofluorocarbons (CFCs) — which both harm the ozone layer and cause global warming — since it came into force in 1987. The ongoing efforts to implement the Protocol decisively demonstrate that

"The mangrove has revived," said Rokhaya Ndiaye, one of a group of Reserve women members who replanted the mangroves. "The work is very hard for our women because they must walk in the mud and carry the plants. We were for a time discouraged but we have learned that we must continue since we have seen the results of our efforts."

A central part of the National Community Reserves is the promotion of eco-friendly livelihoods for the people who live in them. For example, in Saint-Louis the programme helped the villagers to establish and manage their own mutual savings and loan account that, in 2011, contained $323,000 and supported 1,140 people. It has also provided people with 171 beehives and a motorized fishing boat for eco-tourism tours.

UNDP THEMATIC TRUST FUNDS

FAST, FLEXIBLE AND EFFECTIVE

UNDP has a number of Thematic Trust Funds designed to help programme countries address their development priorities. Thematic Trust Funds provide donors with an opportunity and the flexibility to demonstrate their commitment to particular UNDP thematic priorities.

POVERTY THEMATIC TRUST FUND

UNDP's Poverty Thematic Trust Fund was established in 2001. The Fund supports, in an efficient and effective manner, innovative and highly strategic initiatives for poverty reduction and MDG achievement. Our poverty reduction efforts are firmly grounded in the principles of equality, human rights and inclusion. All the Fund's projects seek to make real improvements in people's lives and in the choices and opportunities open to them.

DEMOCRATIC GOVERNANCE THEMATIC TRUST FUND

Since the Democratic Governance Thematic Trust Fund began operating in 2002, 142 countries have accessed $115 million in funding across 778 projects. In 2011, 120 projects were implemented in 101 countries. The Fund promotes democratic governance programmes that foster inclusive participation; strengthens responsiveness and accountability of governing institutions; and reinforces democratic practices grounded in international principles. In response to the worldwide phenomenon of young people calling for meaningful civil, social and political citizenship, and recognizing that youth are tremendous agents for change, the Fund issued a 2011 call for proposals in support of innovative projects promoting youth empowerment and democratic governance in UNDP's programme countries. After receiving proposals from 109 Country Offices, UNDP is now funding 37 of them, from establishing a resource centre for civil society in **Algeria** to developing the capacity of **Uzbekistan**'s only youth NGO.

POVERTY THEMATIC TRUST FUND: 2011 EXPENDITURES

US$

UNDP Response to Economic Crisis	
Policies and strategies for inclusive growth	79,131
Inclusive Globalization and Trade	
MDG strategies	325,045
Policies and strategies for inclusive growth	11,944
Trade, investment, intellectual property and migration	223,880
Inclusive Development	
Poverty assessment and monitoring	115,802
Policies and strategies for inclusive growth	287,980
MDG Support	
MDG strategies	153,970
TOTAL	**$1,197,752**

SOURCE: Bureau for Development Policy/UNDP

DEMOCRATIC GOVERNANCE THEMATIC TRUST FUND: 2011 EXPENDITURES

US$

Civic engagement	1,408,726
Electoral processes	11,855,114
E-governance	818,676
National, regional, local governance support	7,505,266
Legislature strengthening	944,081
Justice systems	1,511,392
Human rights	1,344,061
Gender equality	776,055
Anti-corruption	4,097,919
TOTAL	**$30,261,290**

SOURCE: Bureau for Development Policy/UNDP

The MDGs: Eight development goals agreed upon by world leaders.

THE MDG ACHIEVEMENT FUND

UNDP administers the MDG Achievement Fund on behalf of the UN system. The Fund is an inter-agency initiative that supports national efforts to reduce poverty and inequality and achieve the MDGs. It is currently financing 130 joint UN-agency development programmes in 50 countries. These programmes focus on the local level where inequalities in national development are felt most. This is reflected in the Fund's strong link with over 600 local government partners, such as city councils and municipal authorities. Civil society groups are also a key partner in advancing development goals and, when added to governmental partners, they add up to 71 percent of the Fund's partners.

CRISIS PREVENTION AND RECOVERY THEMATIC TRUST FUND: 2011 EXPENDITURES

US$

Conflict prevention and recovery	63,820,303
Disaster risk reduction and recovery	10,960,310
Early recovery	21,393,373
Gender equality	5,479,591
Policy and programme support	7,008,309
TOTAL	**$108,661,886**

SOURCE: Bureau for Crisis Prevention and Recovery/UNDP

ENVIRONMENT AND ENERGY TRUST FUND: 2011 EXPENDITURES

US$

Mainstreaming environment & energy	1,415,530
Promoting adaptation to climate change	3,105,835
Mobilizing environmental finance	205,660
Expanding access to environmental & energy services for the poor	616,072
TOTAL	**$5,343,097**

SOURCE: Bureau for Development Policy/UNDP

CRISIS PREVENTION AND RECOVERY THEMATIC TRUST FUND

UNDP places critical importance on the need to effectively address crisis prevention and recovery issues as they can disproportionately impede progress towards human development and achieving the MDGs. More than a decade ago, UNDP established a trust fund specifically for crisis prevention and recovery programming. The Fund is a fast, flexible funding mechanism allowing UNDP to respond quickly following a natural disaster or violent conflict, or when an opportunity arises to reduce disaster risk or prevent conflict.

Since its inception, the Fund has mobilized more than $1 billion that has benefited more than 100 countries. In 2011, total contributions available through the Fund to support work in programme countries amounted to $116 million.[2] In 2011, UNDP provided support to 26 conflict-stricken countries in the areas of rule of law, justice and security.

ENERGY AND ENVIRONMENT THEMATIC TRUST FUND

UNDP helps developing countries transform their economies, eliminate poverty and enhance sustainable human development through the Environment and Energy Thematic Trust Fund. Since its inception in 2001, the Fund has been instrumental in developing innovative initiatives on the ground while bringing in new partners and resources to respond to the urgent needs of countries to move towards sustainable development.

The Fund supports programmes in four thematic areas: mainstreaming environment and energy issues; helping countries to access environmental finance resources; promoting climate change adaptation initiatives; and expanding access to environmental and energy services for the poor. In 2011, the Fund provided sustainable development policy services and implemented innovative environmental programmes that also contributed to poverty reduction in developing countries. Total 2011 expenditures amounted to over $5 million.

[2] Provisional as of May 2012

UNDP GOODWILL AMBASSADORS

UNDP partnered with its nine international Goodwill Ambassadors and six national ones in promoting poverty reduction and MDG achievement. A list that includes six internationally renowned sports figures and world-famous actor Antonio Banderas ensures that UNDP's messaging and work in these areas is broadcast globally.

For example, Goodwill Ambassador Marta Vieira da Silva, a footballer who hails from Brazil, garnered excellent international media and television coverage during a visit she made to **Sierra Leone**, where she advocated for gender equality. She met with university students, civil society groups and young female footballers, as well as female members of Parliament who are lobbying to increase women's representation to 30 percent.

Maria Sharapova brought much-needed attention to International Women's Day and, through her foundation, provided funding for three UNDP sports and development projects in **Belarus** and **Russia**. France's Zinédane Zidane teamed up with football superstar David Beckham in a *Financial Times* advertisement in support of Pakistan's flood victims; he published on his website news about UNDP's work; and visited **Mali**, bringing attention to UNDP income-generating programmes in that country. Misako Konno, UNDP's longest-serving Goodwill Ambassador, visited tsunami-hit areas of **Japan** to bring much-needed attention to recovery efforts there.

Finally, in 2011, UNDP appointed Iker Casillas, from Spain, as the organization's seventh international Goodwill Ambassador. Casillas will focus on issues affecting young people in developing countries, including the promotion of poverty reduction, education and health.

Goodwill Ambassador Misako Konno, a well-known actress in Japan, visits the site of a tsunami-recovery project in Ishinomaki City, Japan.

Goodwill Ambassador and champion soccer player Marta Vieira Da Silva travelled to Sierra Leone to meet with women's groups and female soccer players to promote women's rights.

UN CAPITAL DEVELOPMENT FUND

EMPOWERING WOMEN AS KEY AGENTS OF CHANGE

A Senegalese delegate makes a presentation at a UNCDF-supported forum on gender equality and local development in South Africa.

When Aailyah needs to fetch water, she no longer has to worry about queuing long hours to use her village's single water hole. She now has several new water holes to choose from, a relief for her and other women who are elderly, disabled and chronically ill in the southern **Tanzania** village of Morogoro.

In Muembe district in north-western **Mozambique**, Fatima, who used to earn less than $1 per day, now operates a small business that is increasing her family's income.

Aailyah and Fatima are only two of the many women and households benefiting from a joint UN Capital Development Fund (UNCDF) and UN Women initiative funded by Austria and Belgium called the Gender Equitable and Local Development Programme. The Programme seeks to align policy planning, budgeting and public expenditure with women's priorities at the local level, usually in conjunction with already existing UNCDF and UNDP local development programmes. Currently being piloted in **Ethiopia**, Mozambique, **Rwanda**, **Senegal**, **Sierra Leone** and Tanzania, it starts from the assumption that when women are supported and empowered, all of society benefits.

Indeed, women are the backbone of rural economies throughout least developed countries. They are often marginalized, however, if not excluded altogether, from playing a key role in economic decisions. They are still frequently denied the right of representation in decision-making, the right to own land, obtain loans or receive an education. This exclusion often perpetuates a vicious cycle of poverty, instead of supporting the promise of sustainable development.

The Gender Equitable and Local Development Programme is addressing this challenge. It allocates capital investment grants earmarked for women to local authorities and engages women in local development planning through awareness-raising and capacity development activities such as gender-sensitive district planning and budgeting. In this way, the Programme ensures that women's voices are heard and their needs and priorities are taken into account.

Most importantly, the Programme is influencing national-level policies. It is expected to reach over 250,000 beneficiaries by the end of 2013, and to serve as a model for similar approaches in other countries.

UNITED NATIONS VOLUNTEERS (UNV)

INSPIRING COMMUNITY PARTICIPATION

A total of 7,303 UN Volunteers (UNVs) in 162 countries contributed to peace and development in 2011, almost one third of them nationals of the very countries in which they served. Often working side by side with community volunteers, UN Volunteers supported more than 20 UN organizations, proving the value of volunteerism again and again.

Meanwhile, the UNV Online Volunteering service expanded significantly in 2011, engaging the skills of 10,910 more people online. Online volunteers support development organizations over the Internet, sharing their expertise and time online. Organizations using the UNV Online Volunteering service include grassroots and international NGOs; UN or other intergovernmental agencies, and governments or other public institutions such as universities. Online volunteers engage, for example, in project development and management, design, coordination and facilitation, IT development, research, writing, editing, translating, training and coaching.

Marking the 10th anniversary of the International Year of Volunteers, 2011 was a unique opportunity to spotlight people-centred, sustainable development, with activities taking place around the world in countries including **Ecuador**, **Egypt**, **Sierra Leone** and **Timor-Leste**. Success depended on engaging governments, the UN system, civil society and NGOs around four volunteering "pillars": recognition, facilitation, networking and promotion. As the UN-mandated focal point, UNV offered partners a voice at global and national levels, and launched its first ever *State of the World's Volunteerism Report*. With the world looking to Rio+20, the UN's conference on sustainable development, and beyond in 2012 and the post-MDG agenda, the role of community action in reaching development goals is increasingly gaining attention.

UN Volunteers carry stones to fill a ditch as part of a UNDP reconstruction project following an earthquake in Peru.

UNDP AND THE UN SYSTEM

EFFICIENCY AND EXPERTISE

30

countries participating in *Delivering as One*.

1999

The year the UN established a presence in Timor-Leste.

Achieving greater sustainability — including economic, environmental and social — requires the creation of links between policy fields. The UN Country Teams, headed by Resident Coordinators, can help drive such coherence.

Because of its mandate, and its strong and continuous presence in most developing countries and territories, UNDP coordinates all UN development activities at the country level through its Resident Coordinator role. As the agency for and manager of the Resident Coordinator system, UNDP is working to make the UN a more relevant, responsive and results-oriented organization, particularly through the UN's *Delivering as One* strategy.

A number of the 30 countries participating in *Delivering as One* confirmed at a November 2011 conference in Montevideo, **Uruguay**, that the initiative is delivering concrete development results; strengthening country ownership and leadership; giving governments greater access to the broad range of the UN's expertise and resources; and making the UN development system more effective, efficient and accountable.

Delivering as One

The UN has been present in **Timor-Leste** since 1999 and remains an important partner to the Government. The UN's Integrated Mission in Timor-Leste (UNMIT) has been in place since a major political and security crisis hit the country in mid-2006 with a further crisis caused by assassination attempts on the President and Prime Minister in February 2008. With the security situation stable, UNMIT will begin a drawdown at the end of 2012.

UNDP has been working in Timor-Leste since it became independent in 2002 to assist the Government in strengthening democratic governance, particularly access to justice and support to the Parliament and local governance. As the country transitions from dealing with conflict to reaching for development goals, the programme focus is extending towards inclusive economic growth through microfinance, along with UNCDF, as well as sustainable development through climate change adaptation.

UNDP is strengthening its collaboration with UNMIT in preparation for the drawdown, and is stepping up its work in democratic governance. Because UNDP's role in promoting and coordinating the *Delivering as One* policy is

Government staff Sabino Ramos (left) and Felipe de Oliveria carry ballot boxes to a polling station at Suco Maununo, Ainaro District in preparation for Timor-Leste's Presidential Elections on 16th April 2012.

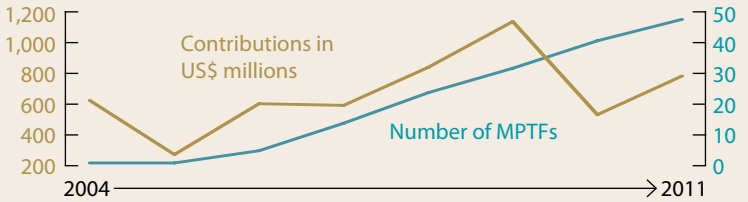
MULTI-PARTNER TRUST FUNDS: AN UPDATE

The 48 multi-partner trust funds that UNDP administers are an important funding mechanism strengthening UN system-wide coherence and encouraging UN agencies to cooperate in raising resources for agreed UN priorities at both the global and country level.

In 2011, UNDP continued to provide high quality fund management services to the UN system and other stakeholders. Key 2011 results included:

- About $838 million in new partner contributions were received, bringing the total deposited contributions to $5.6 billion for the period of 2004 to 2011. About 1 percent of the 2011 contributions were deposited by 31 non-traditional partners/contributors, including private sector companies, sub-national governments and governments that are not members of the Organisation for Economic Co-operation and Development.
- UNDP transferred over $1 billion to 36 participating UN organizations with the additional transfers made through UNDP's function as a fund manager for the expanded *Delivering as One* funding window.
- Seven new funds were established in 2011, including four *Delivering as One* funds, a national recovery trust fund and two global funds focusing on human rights and the rights of people with disabilities, bringing the portfolio to 48 funds.
- A 2011 UN Development Group study officially made note of the transparency and quality of UNDP's fund management services.

GROWTH OF ANNUAL PARTNER CONTRIBUTIONS AND MULTI-PARTNER TRUST FUNDS (MPTFs): 2004-2011



Note: these figures include national MPTFs | SOURCE: Multi-Partner Trust Fund Office/UNDP

strong, UNDP works closely with the UN Country Team in Timor-Leste in MDG policy, disaster risk management and in two joint programmes addressing gender inequalities and poverty.

Currently there are five joint UN programmes in Timor-Leste that are in line with the country's development priorities. One such programme, for example, brings together several UN agencies, including the Food and Agriculture Organization, the International Labour Organization, UNDP, the UN's Children's Fund and the World Food Programme. It supports MDG achievement and aims at reducing poverty and hunger, promoting access to universal education and improving maternal and child health in districts that feature high rates of unemployed youth, returning internally displaced persons and people facing food insecurity. The programme addresses the different threats to human security found in these vulnerable communities and marks an important step toward joint programme implementation and harmonization among UN agencies in Timor-Leste.

In 2011, UNDP launched its internal Agenda for Organizational Change. A number of significant reforms to business processes have been introduced, particularly in human resources management and procurement.

For example, the recruitment time for international staff appointments has now been reduced by at least six weeks for internal and external candidates, respectively. A procurement review process has been simplified. The threshold for items considered "small purchases" has been raised to $5,000, making 70 percent of all UNDP transactions subject to informal procurement methods, thus saving time. In 2011, UNDP came closer to its goal of attaining full gender parity in the organization by 2015. Women currently account for 50 percent of the overall UNDP workforce. However, achieving an equitable representation of women at the senior and middle management levels remains a challenge, with women only holding 34 percent of posts at both these levels.

UNDP is actively pursuing cost-cutting measures within the organization, such as increased use of video-conferencing as an alternative to travel. The organization has successfully consolidated several corporate services under one roof — from accounting services to ICT support — saving money and improving service quality and consistency.

UNDP has also taken additional steps forward on transparency and accountability. An active participant and founding member of the International Aid Transparency Initiative (IATI), the organization published in November 2011 programmatic and financial information pertaining to its projects in the IATI Open Data P

"UNDP, with its global development network and experience, is empowering people to build better lives and resilient nations. JICA shares with UNDP many of the same priorities and would like to enhance collaboration with UNDP toward that end."

—Akihiko Tanaka,
President, Japan International Cooperation Agency

website, including evaluation reports and management responses to those evaluations.

In accordance with the September 2011 decision of its Executive Board, UNDP may now, upon request, disclose to a donor intergovernmental organization and the Global Fund to Fight AIDS, Tuberculosis and Malaria internal audit reports on projects to which the donor is financially contributing.

Finally, on 1 January 2012, UNDP successfully rolled out the International Public Sector Accounting Standards. This is a major milestone confirming UNDP's continued commitment to higher standards of organizational excellence and transparency.

UNDP Associate Administrator Rebeca Grynspan visits a rubble-removal project in Leogane, Haiti.

UNDP RESOURCES

"UNDP has a clear and transparent resource allocation system. Its nancial systems allow longer term commitments."

— Department for International Development, United Kingdom

58 countries contributed to regular resources in 2011.

Earmarked contributions to UNDP in 2011 from all its partners amounted to

$3.86 billion

REGULAR RESOURCES

UNDP is funded entirely from voluntary contributions provided by UN Member States and multilateral partners to both its regular budget as well as other resources. Member States' political commitment to provide such funds to the organization is reflected in the fact that 58 countries contributed to regular resources in 2011. These contributions totalled $0.974 billion in 2011, which represents an increase of 0.8 percent over 2010 when it stood at $0.967 billion.

OTHER RESOURCES

Earmarked contributions to UNDP in 2011 from all its partners amounted to $3.86 billion, a decrease of 4.1 percent from 2010. Contributions from bilateral donors, mostly from Development Assistance Committee member states of the Organisation for Economic Co-operation and Development, were $1.45 billion in 2011, a decrease of 10.7 percent compared to the previous year. Resources entrusted to UNDP by non-bilateral partners and multilateral funds also declined by 9.1 percent from the previous year to $1.52 billion in 2011. However, the European Commission, GEF and the Global Fund to Fight AIDS, Tuberculosis and Malaria continue to be UNDP's largest multilateral partners in financial terms. Local resources, channelled through UNDP by programme country governments and other local partners in support of their own national development, amounted to $875 million in 2011, an increase of 20.6 percent compared to 2010.

While earmarked resources represent an important complement to the regular resource base of UNDP, these contributions are highly concentrated in mostly crisis and post-crisis countries. Development is a long-term challenge that requires both strategic focus and the ability to respond to crises and opportunities. In a rapidly changing world, it is essential that UNDP is able to operate as a forward-looking organization, achieving transformational development results and real impact for the countries it serves.

CONTRIBUTIONS TO UNDP: 2002–2011 *Preliminary as of April 2012 • In millions of US dollars*

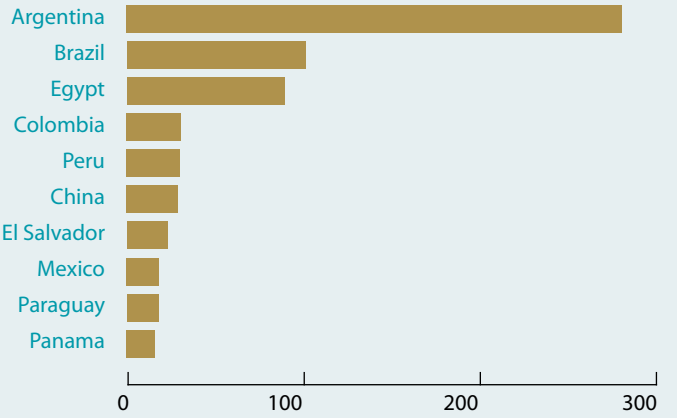
* Following the establishment of UN Women in 2010, encompassing UNIFEM, income received by the latter is not included from 2010 and beyond.

SOURCE FOR ALL FIGURES: Bureau of External Relations and Advocacy/U

DONORS	RESOURCES		
	REGULAR	OTHER	TOTAL
Japan	82,114,552	368,881,397	450,995,949
United States	84,060,360	299,404,328	383,464,688

SUPPORT FROM PROGRAMME COUNTRY GOVERNMENTS

Top 10 contributors to local resources in 2011 • Preliminary as of April 2012 • In millions of US dollars



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