



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

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Financial, budgetary and administrative matters

Draft integrated budget estimates for the United Nations Entity for Gender Equality and the Empowerment of Women for the biennium 2016-2017

Summary

The General Assembly, in its resolution 64/289 of 2 July 2010 on system-wide coherence, established the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and mandated it to assist countries and the United Nations system to progress more effectively and efficiently towards the goals of achieving gender equality and women's empowerment and upholding women's rights. UN-Women is thus a unique composite entity with a dual financing structure.

To implement this mandate, UN-Women is proposing an integrated budget with projected voluntary contributions of \$880 million for 2016-2017 and requests an appropriation of \$196.4 million (gross).

The integrated budget is the financial plan that allows the organization to have the financial and institutional capacity to achieve the results set out in its approved Strategic Plan for 2014-2017 and covers all cost categories and funding sources (both regular and other resources) within a single, consolidated proposal.

UN-Women needs adequate capacity to fully and effectively serve its mandates. This integrated budget will help further build this capacity by moving towards full implementation of the approved field office structure and supporting programmatic areas. To this end, the document presents relatively modest real budget growth, the majority of which will be allocated to the field.

The two-year integrated budget is aligned with the four year Strategic Plan and complements funding from assessed contributions within the Regular Budget.

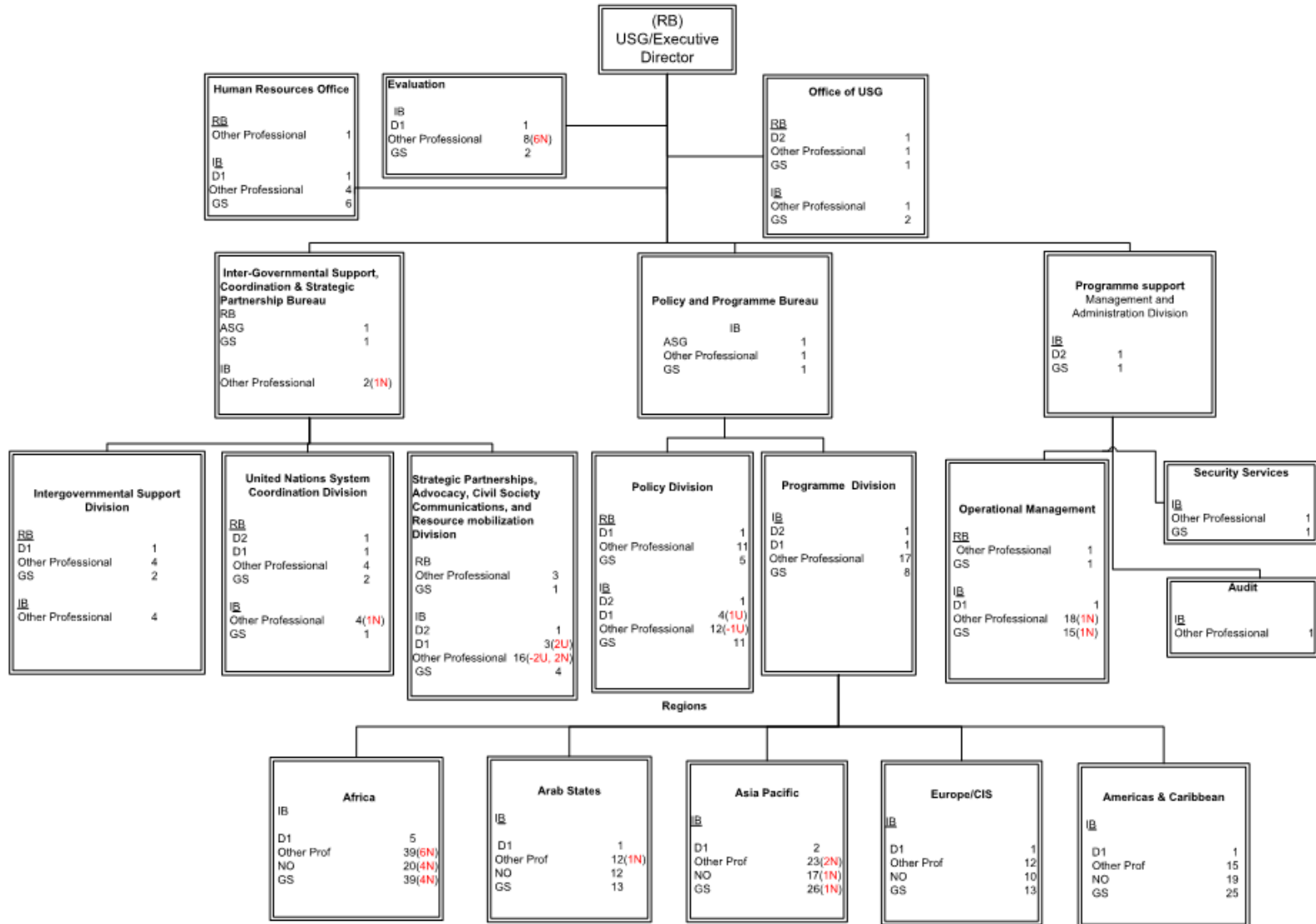


Contents

Organization Chart	3
I. Overview.....	4
II. Strategic and financial context	5
A. Strategic context.....	5
B. Financial context.....	7
III. Institutional effectiveness and efficiency: progress made in 2014-2015 and going forward	10
IV. Proposed Integrated Budget for 2016-2017	13
A. Basis for budget formulation	13
A	15
B. Integrated resource plan	16
C. Integrated results and resources framework	17
D. Summary of increases and decreases in the Integrated Budget	24
E. Summary of post changes.....	26
F. Elements of a decision	31
Annexes	32
I. Comparison of estimated forecast figures for 2014-2015 against the proposed budget for 2016-2017	32
II. Update on progress made in the implementation of the regional architecture	33
III. Definitions	34

Organization Chart

United Nations Entity for Gender Equality and the Empowerment of Women Proposed Organizational structure and post distribution for the biennium 2016-2017



Abbreviations: ASG: Assistant Secretary-General; GS: General Service; IB: Institutional budget; NO, National Officer; RB: Regular Budget; USG, Under Secretary-General. N: New Post; U: Upgraded post.

I. Overview

1. The General Assembly, in its resolution 64/289 of 2 July 2010 on system-wide coherence, established the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and provided it with a mandate to assist countries and the United Nations system to progress more effectively and efficiently towards the goals of achieving gender equality and women's empowerment and upholding women's rights.
2. Addressing this mandate, the Integrated Budget of UN-Women has been prepared based on the experience gained during its first two biennia and the evolving understanding of the critical resources required to deliver on its mandate. The budget is focused on strengthening the support UN-Women offers to Member States through enhancing the delivery of results from its programmes.
3. The Integrated Budget sets out the resources needed to achieve the results laid out in the integrated results framework of UN-Women and should be considered in conjunction with the approved Strategic Plan for 2014-2017, of which it is an integral part along with the approved 2014-15 Integrated Budget. The projections are for a biennial Integrated Budget of \$880 million in voluntary contributions, with \$196.4 million (gross) requested as an appropriation.
4. The General Assembly will continue to consider the resources from the Regular Budget required to service the normative intergovernmental processes, policy and coordination work in the context of its consideration of the proposed programme budget for the biennium 2016-17, totalling \$15.3 million for UN-Women, and received as assessed contributions.
5. It should be noted that 2014 was the first year in which UN-Women achieved and slightly exceeded its target contributions for both Regular and Other Resources. Based on this positive trend and donor intelligence, UN-Women considers it realistic to propose material growth in its voluntary contributions. UN-Women also believes that it needs to be proactive with regard to its growth and related requirements if it is to implement its mandate.
6. UN-Women remains aligned with the harmonized results-based budgeting and cost classification methodology applied by the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA). However, it is unique in being the only entity relative to these three still presenting a two year budget.
7. UN-Women's newness and the preference to more frequently monitor its resource structure and organisational requirements led to it maintaining a two year budget period rather than the four years adopted by the other agencies. The Integrated Budget 2016-17 maintains this two year approach, both to continue this more frequent review of requirements and also to ensure that the work of UN-Women remains aligned with its Strategic Plan 2014-17 and the Regular Budget process.
8. In developing the present proposals, UN-Women continues to be guided by the overarching need to deliver measurable development results, in particular at the country level and has focused on the latter with regard to its growth request. Its voluntary contributions projection is at \$880 million, close to the Strategic Plan resource mobilization target of \$900 million in contributions over the biennium 2016-2017.

9. The following major principles have guided the preparation of the Integrated Budget proposal for 2016-2017.
 - a) Enhancing efficiency, transparency and accountability by improving and embedding the results based management approach throughout the organisation.
 - b) Adopting a growth strategy with focus on operational and programmatic activities in the field. This growth is directly aligned with the organisational structure already approved by the Executive Board and based on a minimal critical capacity for each Field Office. Full implementation of this base structure is, however, not yet proposed given the resource constraints within the organisation.
 - c) Focus on managing the proportion of management activities within the organisation and continuing to align the funding sources directly with the relevant posts and functions as approved by the harmonised approach to cost classification.
 - d) Supporting effectiveness and efficiency of UN-Women through a strong, independent and credible evaluation function. This is in line with the decision of the Executive Board to continue to strengthen UN-Women's evaluation capacities, including allocation of adequate human and financial resources and to enhance the utility, credibility, and independence of evaluation (UNW/2015/1).
 - e) The recognition of the importance of strengthening HQ's capacity to provide policy, normative, UN system coordination, advocacy and strategic partnership related guidance. Also leveraging synergies at national, regional and global levels, management and resource mobilization support and oversight and the provision of technical advice to the field.
10. UN-Women will continue to prioritize programmatic work that delivers results for women and girls. Hence, 84 per cent of resources will be devoted to development activities (including development effectiveness), 13 per cent to management and 3 per cent to United Nations development coordination. As indicated in Annex I to the present report, the management costs ratio for 2016-2017 is expected to decrease compared to the current projected estimates for 2014-2015.

II.Strategic and financial context

A. Strategic context

11. The strategic context for the preparation of the present budget is framed by the following considerations.
 - a) The historic conjunction of major intergovernmental global processes including the 20th anniversary review of the Beijing Platform for Action and Political Declaration, the post 2015 development agenda and the sustainable development goals including a proposed standalone, comprehensive and transformative goal to advance gender equality and women's empowerment, which UN-Women would be expected to support. In addition the global review of the implementation of UNSCR 1325 and its recommendations, the

Financing for Development Conference and its expected outcome emphasizing transformative financing for gender equality commitments, the climate change agreement which are expected to integrate gender equality and women's empowerment in all aspects of the legally binding agreement in December 2015. These milestones will continue to provide UN-Women with strong and additional mandates and a generational opportunity to put gender equality and women's empowerment at the centre of the international development agenda its financing and its implementation. The Rio plus 20 outcome 'The Future we Want', affirms UN-Women's key role in integrating gender equality and women's empowerment into all dimensions of sustainable development. Moreover, the Political Declaration on Beijing calls upon UN-Women to support the full, effective and accelerated implementation of the Beijing Declaration and Platform for action in all areas and with all stakeholders. To serve expanded mandates and meet needs and demands, UN-Women needs significantly more resources to support Member States in achieving gender equality by 2030, as endorsed by Member States in the CSW-59 Political Declaration;

- b) The sustained commitment by Member States to implement the resolution of the General Assembly establishing UN-Women (64/289), subsequent UNGA resolutions on the follow up to Beijing, the thematic outcomes of the UNGA and the CSW as well as gender mainstreaming resolutions of the ECOSOC have strengthened the normative, coordination and operational mandate of UN-Women. UN-Women's positive performance, delivery and impact have been recognised by the Executive Board and call for adequate funding of UN-Women and continue to reaffirm the entity's universal mandate to advocate and support gender equality and women's empowerment worldwide. Through its Executive Board, UN-Women and Member States engaged in 2014 in a Structured Dialogue on financing as per the recommendations of the QCPR. These on-going dialogues, held during the second regular session 2014 of the Executive Board, should help enhance the quality, quantity and allocation process of core and noncore resources so UN-Women reaches the critical mass of resources of 500 million dollars annually.
- c) The recognition in a range of independent reviews, such as that of the Multilateral Organisation Performance Assessment Network, and the recently released evaluation report of the Office of Internal Oversight Services (OIOS), that UN-Women is achieving results in all areas, is doing so in an efficient manner, achieves good value for money, and is a safe and reliable custodian of donor resources, despite resources being below what was originally envisioned. UN-Women has to date consistently received clean unqualified audit reports from UN Board Of Auditors (UNBOA).
- d) The approval by the Executive Board of the Strategic Plan for 2014-2017 of UN-Women, which reflects the organization's mandate in all its elements and lays out the organization's operational role as an entity that works at the country, regional and global levels to respond to Member States' demands for support in translating international norms and standards on gender equality and women's empowerment into reality on the ground; its normative, intergovernmental support role; and its coordination role within the United Nations system and in United Nations country teams.

- e) The increased scope of work resulting from additional requests and demand from Member States for UN-Women to provide policy and technical support in their implementation of the international gender equality commitments at the country level.
 - f) The elevated interest by the donor community to invest in furthering gender equality and the opportunity for UN-Women to be their partner of choice. In addition the donors have expressed interest in strengthening UN-Women's resources through the structured financing dialogue initiated in 2014 by the Executive Board.
 - g) Demand for UN-Women's support and engagement remains high and is growing. More than 10 Member States have asked UN Women to set up new country offices in their country, and others have requested strengthened presence. In crises such as Ebola or the Nepal earthquake UN Women has established a niche in humanitarian response that creates yet further demands upon it. As UN-Women continues to demonstrate the value it adds the expectations of partners is increasing.
12. The Strategic Plan 2014-2017 describes the broad implementation modalities envisaged for achieving results. These modalities include the organizational structure of UN-Women, whereby the organization pursues all aspects of its mandate by leveraging the capacities of and synergies between the Headquarters, regional and country levels, while drawing and building on the capacities for promoting gender equality and the empowerment of women across all other United Nations entities. UN-Women has now completed implementation of its regional architecture as approved by the Executive Board in its decision 2012/6, and is seeing associated improvements in organisational effectiveness and efficiency.
13. UN-Women, together with UNDP, UNFPA and UNICEF, has adopted harmonized cost classification and results-based budgeting frameworks.
14. This is UN-Women's second two-year budget in the context of the 2014-2017 Integrated Results and Resources Framework of the Strategic Plan 2014-2017. As per UN-Women's presentation of its 2014-2015 budget, this two-year approach is in line with the Financial Regulations and Rules, and more applicable to UN-Women since it was established only recently and has limited historical information to draw upon for reliable projections. This also allows alignment with the Regular Budget 2016-2017, from which UN-Women receives a share of its overall resources via assessed contributions.

B. Financial context

15. Resource mobilization remains a priority for UN-Women as it seeks to ensure adequate capacity to deliver the results presented in its Strategic Plan 2014-2017. For the biennium 2014-2015 projected total resources were set at \$690 million, divided between regular and other resources at \$340 million and \$350 million respectively. 2014 was the first year in which UN-Women succeeded in meeting its targets, with regular resources reaching \$164 million and other resources reaching \$159 million. This represented significant growth relative to 2013 (\$153m and \$114m respectively).

16. Nonetheless, UN-Women remains significantly below the annual \$500 million in voluntary contributions that was widely recognised as needed to secure its minimum critical mass at the time of its establishment (A/64/588 ‘Comprehensive Proposal for the Composite Entity for Gender Equality and the Empowerment of Women’).
17. It is vital that UN-Women grow substantially during 2016-2017 to enable the organization to deliver the results framework outlined in the Strategic Plan and meet the associated demand by, and needs of, Member States. Growth is needed to allow the entity to capitalise on the global momentum and consensus in favour of the accelerated implementation of the Platform for Action -as per the Political Declaration adopted by Member States at the 59th session of the Commission on the Status of Women-, and to ensure the centrality of gender equality in the implementation of the post-2015 agenda.
18. In recognition of this, UN-Women has set realistically ambitious targets for 2016-2017 of \$380 million in regular resources and \$500 million in other resources. This will move the entity closer to the critical mass needed for UN-Women to fulfil its universal mandate; provide policy-based advocacy and technical support in programme countries; and be fully engaged in inter-governmental, inter-agency coordination and multi-stake holders processes; and overall be “fit for purpose” to respond to the challenges defined by the post-2015 development agenda.
19. The external evaluation of UN-Women by the Office of Internal Oversight Services¹ and the meta-analysis by the Independent Evaluation Office² found that the gap in resource levels challenged UN-Women’s capacity to deliver optimum results in an effective and sustainable manner.
20. In order to achieve this, UN-Women recognises that it will need to secure both additional regular and other resources. The rate of growth of other resources is currently exceeding that of regular resources. UN-Women prioritizes regular resources but expects more modest growth in regular than in other resources, and consequently a 43% to 57% distribution of regular to other resources for the biennium 2016-2017.
21. Impressive growth in other resources since 2013 has been founded on growing donor confidence in UN-Women’s normative and coordination work and in UN-Women’s programming, particularly at country level. UN-Women will capitalise on this increasing confidence through rolling out high-impact, scalable flagship programmes in key areas of gender equality that allow UN-Women’s other resources income to double in two years. UN-Women’s current trajectory of growth in other resources puts it on track to achieve the level of \$300 million per annum in other resources. This will require continued and concerted engagement with donors and partners, as well as continued commitment on their part.
22. The development of flagship programmes will be a central strategy for rapid growth. It will align normative, coordination, policy and operational work and leverage the unique and universal mandate of UN-Women to achieve and report on transformative results. It will also enhance consistency across UN-Women country programmes and generate efficiencies through economies of scale as well as sharing of experience.

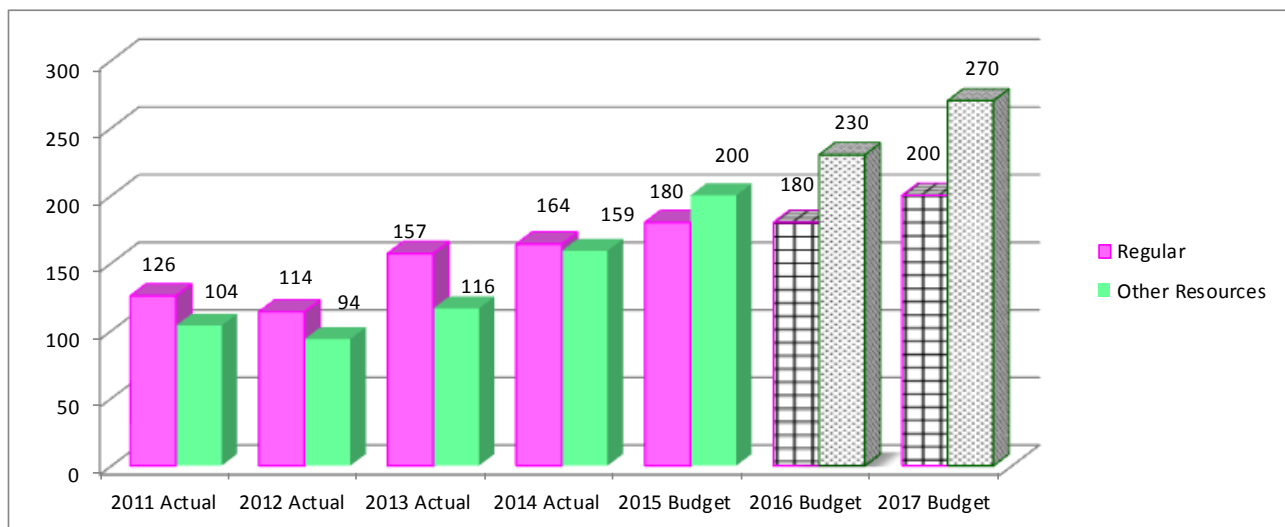
¹ Evaluation of UN-Women. Report of the Office of Internal Oversight Services. E/AC.61/2015/9. P8, P16.

² What can we learn from UN-Women evaluations? A Meta-analysis of evaluations managed by UN-Women in 2013, UNW/2014/CRP.2, UN-Women Executive Board, 2014 Second Regular session

23. UN-Women also envisages growth in other resources through accessing finance relating to emerging areas of work, in particular its engagement with humanitarian assistance, where it will implement its humanitarian strategy support to the process towards the definition of the new urban agenda, engagement in issues around climate change, such as the role of women in sustainable energy and contribution to the high level policy reviews in the field of international peace and security on peacebuilding, peacekeeping and political missions. This will allow UN-Women to foster synergies across its humanitarian, peace and security, development and climate action areas.
24. UN-Women will continue to both broaden and deepen its resource base. It will work with existing donors to increase the number of donors contributing more than \$20 million mark in total contributions. It will also build further upon its strong record of securing contributions from a wider range of government donors than most other UN entities. At the same time, it will continue to grow the resources it secures from the private sector, which grew markedly during the 2014-2015 biennium, albeit from a low base.
25. The change in financial resources since the establishment of UN-Women and projected resource levels for the biennium 2016-2017 are shown in Figure I below.

Figure I

Regular and Other Resources 2011-2017
(Millions of United States dollars)



26. UN-Women continues to depend upon early payments of regular resources from Member States during the first half of the financial year so that operations can be effectively planned, budgeted for and implemented. For other resources, timely payments in line with the funding agreements will ensure project implementation can be carried out as planned.
27. UN-Women will continue to regularly assess projections of resources received so that it can proactively manage the risk of a shortfall and ensure that appropriate action is taken in a timely manner.

III. Institutional effectiveness and efficiency: progress made in 2014-2015 and going forward

28. As recognized by the recent evaluation of UN-Women by the Office of Internal Oversight Services, “despite resource levels being below what was envisioned, UN-Women has increased the visibility of, and attention to, gender equality and the empowerment of women. UN-Women has increased the opportunities for related issues to be integrated into member State deliberations and related normative outcomes, as well as in the work of the United Nations system. At the regional and country levels, the Entity’s normative support work has contributed to elevating those issues in United Nations country programming and activities and strengthened dialogue with government and development partners.”³
29. Further the evaluation also recognizes that “UN-Women has also achieved positive results in strengthening the normative framework on gender equality and the empowerment of women. It has supported the adoption of gender-specific norms and standards and promoted the integration of the subject into global and sectoral agendas. It was particularly effective in working to achieve the agreed conclusions of the fifty-seventh and fifty-eighth sessions of the Commission on the Status of Women and the inclusion of a stand-alone goal on gender equality and the empowerment of women in the proposed post-2015 agenda. UN-Women also strengthened its engagement with the Security Council and supported the expansion of the normative framework with regard to the role that women play in all stages of conflict prevention and resolution and recovery. UN-Women has contributed to stronger national legislation and policies, in particular on ending violence against women, gender-responsive budgeting, and women’s leadership in power and decision-making at all levels and in all sectors.”
30. Also through its resolution E/2014/2 the Economic and Social Council noted with appreciation the important and extensive work of UN-Women for more effective and coherent gender mainstreaming across the United Nations and its role in leading, coordinating and promoting accountability of the United Nations system in its work on gender equality and the empowerment of women, as established by the General Assembly in its resolution 64/289, and recognized its role in assisting Member States upon their request;
31. Also, the Political Declaration adopted by Member States at the 59th session of the Commission on the Status of Women recognized the important role of UN-Women in promoting gender equality and the empowerment of women and the central role the Entity is playing in mobilizing States, civil society, the United Nations system, the private sector and other relevant stakeholders at all levels in support of the review and appraisal of the implementation of the Beijing Declaration and Platform for Action; and called upon UN-Women to continue these efforts beyond the Beijing+20 review. UN-Women will therefore be required to support the six strategies for full, effective and accelerated implementation of the Beijing platform, namely strengthening laws and policies and implementation on the ground. Strengthening institutional mechanisms for gender equality, data, monitoring evaluation and

³ E/AC.51/2015/9

accountability significantly increase investment in gender equality to close the resource gap and transform social norms.

32. To ensure that staff have the capacity and means to deliver results that advance gender equality and women's empowerment efficiently and effectively, the Human Resources section has mapped its main business processes and based on this developed streamlined and simplified processes which also serve as the foundation for a modern Human Resources Information System. Through the development of automated global streamlined processes, Human Resources is strengthening its service delivery to its clients. To strengthen performance management, talent management and career planning, Human Resources has developed a holistic Performance Management Framework, which holds both supervisors and employees accountable to their performance, allows for the identification of underperformance and gives supervisors the opportunity to reward and recognize excellent performance.
33. In 2013, the United Nations Board of Auditors issued 17 recommendations for the year ended 31 December 2012. UN-Women has implemented 16 and the remaining one is under implementation. In 2014, the United Nations Board of Auditors issued 12 recommendations for the year ended 31 December 2013 of which 9 have been implemented and the remaining 3 are on track for completion in accordance with the timelines set out in the relevant report of the Secretary-General on the implementation of the recommendations of the Board of Auditors (see A/69/353/Add.1). UN-Women has received clean external audit reports since 2011.
34. Starting in 2014, a harmonised annual audit approach for selected non-governmental, governmental and intergovernmental organizations that implement UN-Women projects has been adopted for the grant projects funded by the UN-Women Fund for Gender Equality and the United Nations Trust Fund for Ending Violence against Women. The guidelines and terms of reference for the audit of such projects were updated to reflect the harmonization of the audit approach for both selected programme and grant projects. The services of an international audit firm were engaged through a long-term agreement to carry out the audit of selected UN-Women programme and grant projects worldwide.
35. UN-Women has implemented a number of security initiatives to better streamline security processes, client accessibility and overall agency security compliance, whilst engendering the UN Security Management System 'no programme without security, no security without resources' edict. Such initiatives include a new Business Continuity Management format, online programme support tools and critical the development and implementation of the UN-Women Security Mainstreaming process, which clearly and effectively incorporates security considerations in all aspects of organisational activities. In support of this process, the 2014 launch of an automated security compliance business process, resulted in a 99% country response, indicating for the first time, an accurate organisational security compliance level. The process further facilitates a transparent audit focused proactive methodology to assist field colleagues to rapidly improve and maintain security compliance, whilst accessing correct funding streams to enable compliance improvements.
36. In 2014, UN-Women made a significant leap on the information technology front through the adoption of cloud computing. The organization rolled out a new integrated cloud based solution for email, communications, collaboration and content management. The communication, collaboration and content management goals of

the information and communications technology strategy, are now fully achieved. The solution provided 50% cost saving on email and communications services as well as significant benefits in form of a seamless and integrated environment allowing staff to collaborate seamlessly anywhere and anytime through PCs and mobile devices. Several components were put in place to facilitate the cloud implementation, including a completely new identity management system for managing UN-Women user accounts as well as an integrated new authentication mechanism. These building blocks further enabled UN-Women to proceed with implementing stronger systems in support of UN-Women's business processes including the upgraded Results Management System introduced at the end of 2014. On the infrastructure side, the cloud implementation delivers further cost efficiencies and business benefits as the elastic nature of the hosting facilities available through the cloud implementation gives UN-Women the capability to rapidly and cost effectively scale capacity up and down without costly investments in surplus hardware capacity.

37. UN-Women launched the Business Efficiency Project in 2014 to enhance the management information from UN-Women's core enterprise resource planning (ERP) system. This business efficiency project represents a focused effort on a set of work streams that will improve the organization's ICT systems and business processes in four key areas: i) improving the use of Atlas to focus on programme and project management as well as reporting and dashboards, in order to improve transparency both internal and externally, ii) streamlining workflows, automating processes, managing documents, and improving the capabilities of the intranet; iii) strengthening the strategic support and oversight of public-facing internet portals and websites; iv) strengthening UN-Women's Strategic Plan implementation, monitoring and reporting through development of a results management system.
38. UN-Women continued to strengthen its evaluation capacities and systems to support the implementation of UN-Women's mission and mandate through evaluation. Based on consideration and discussion of three external assessments undertaken in 2014⁴, the Global Evaluation Advisory Committee (GEAC) presented its own overall assessment and recommendations to the UN-Women Executive Board in February 2015. The committee concluded that UN-Women has a strong central evaluation function and emphasized the vital role evaluation plays in bringing evidence and knowledge to the normative, operational and coordination work of UN-Women. As reported in the 2014 Annual Report of the evaluation function, the implementation rate for corporate evaluations in 2014-2015 was 100%. The meta-evaluation conducted by an external independent reviewer within the framework of the Global Evaluation Reports Assessment and Analysis System (GERAAS) assessed the overall quality of all evaluations completed in 2014 as follows: 43 per cent of evaluation reports "very good", 28.5 per cent "good", and 28.5 per cent "satisfactory".
39. All these successful initiatives illustrate that the Entity continues to make serious efforts to operationalize the principles of accountability, transparency, effectiveness, efficiency and value for money. UN-Women is not requesting the Executive Board for any additional funding to sustain continuous improvements. Instead it will draw on the envelope of existing financial resources.

⁴ United Nations Evaluation Group (UNEG) Professional Peer Review; JIU analysis of the evaluation function in the UN System; and the Multilateral Organisation Performance Assessment Network (MOPAN) assessment of UN-Women.

IV. Proposed Integrated Budget for 2016-2017

A. Basis for budget formulation

Historic Focus and priorities of UN-Women budgets

40. The proposed budget continues to be guided by the priorities set out in the approved Strategic Plan for 2014-2017 and full adoption of Executive Board decision 2013/2 on harmonized cost-recovery policy. UN-Women maintains the prudent approach with regard to effecting growth that it has taken since its inception. For background information, the focus of UN-Women's previous budgets is summarized below.
41. Whilst an interim budget for UN-Women of \$51.5 million was approved for 2011 the institutional budget for 2012-2013 was the first budget that could be considered as a baseline for the entity. The Executive Board approved \$140.8 million (gross) with the priorities being to further the gradual strengthening and expansion of the presence of UN-Women in the field (including by putting in place, in line with the field capacity assessment, the minimum capacity (between three and five staff funded from the institutional budget) in 21 countries and strengthening an additional 17 country offices; and launching the regional architecture.
42. During the biennium, and in order to implement the regional architecture, UN-Women proposed a revision to the budget for 2012-2013, with an increase to \$147.9 million (gross), with the addition of 39 new posts, mainly at the country and regional levels. The proposed structure of the regional architecture with six regional offices, six multi country offices, 47 country offices and a programme presence in 30 countries is now fully implemented.
43. The 2014-2015 Integrated Budget of \$176.9 million added a further 5 posts onto the total already approved within the regional architecture since its focus was on fully implementing the regional architecture whilst targeting some strategic areas such as resource mobilization, intergovernmental normative operational linkage related to support and accountability and effectiveness.
44. **Current Budget:** This 2016-2017 Integrated Budget proposes a gross appropriation of \$196.4 million, representing a \$19.5 million or 11.1% increase due to the following main reasons (Table 3: Summary of Increases and Decreases):
 - a) non discretionary increases such as inflation rate and staff salary increases for 2% representing \$3.4 million
 - b) budgetary discipline, decrease of vacancy rate for 1.6% representing \$2.8 million
 - c) funding shifts from core programmable, including Evaluation office costs, 3.9% representing \$6.9 million
 - d) investing in the organization for 3.6% representing \$6.4 million
45. Whilst all of the above categories contribute to the volume increase proposal, the actual real growth against voluntary contributions is essentially for the activities that fall under category d) investing in the organization. i.e. 3.6% for a total of only \$6.4 million. Activities under this category are those that UN-Women does not currently have in place to successfully deliver on its mandate.

46. The total increase translates to an additional 31 new Institutional Budget posts required to ensure that UN-Women can move forward with at the very least a minimum structure in nearly all its approved field offices and that the posts are aligned to the cost classification categories. Out of the 31 posts, 19 are driven by field requirements, 6 are driven by HQ based requirements in support of critical organizational capacities to also enhance support to and coordination with the field, and 6 are driven by the Board's request to provide a minimum capacity for the Evaluation function. Specific justifications for the post increases are given in Section E.
47. The 19 field office posts are in support of the field structures for nine field offices: a) two new field offices in Somalia and Indonesia b) three field offices (Sudan, Burundi and Sierra Leone) that have been operating without any institutional budget resources and c) four field offices that do not have a deputy post (Bangladesh, Egypt, Kenya, Mali). While the overall proposal is to increase the number of Institutional Budget posts, seven of the 19 proposed posts are already currently funded from core programmable resources and the proposal to shift the funding of these posts to the correct funding source is aligned with the cost classification categories. This shift would free up core programmable resources to fund programmatic activities.
48. Similarly as above, the proposed 6 Evaluation posts are also funded from core programmable resources. The proposal is also to shift the funding of these to Institutional Budget that would free up additional core programmable resources.
49. Effectively, as the proposal is to shift a total of 13 posts (7 field and 6 Evaluation) from core programmable to Institutional Budget, only 18 posts would be considered new for the organization.
50. Mindful of the importance of improving its operational efficiency and effectiveness, UN-Women is not proposing any significant growth in its non-staff costs other than the minimum required to operate a basic field structure and in support of the Evaluation function. Furthermore, 75% of the non-staff increases are also shifts from core programmable resources. See Table 3 for details.
51. Even with these increases, as requested by the Executive Board, UN-Women is projected to reduce its management ratio to 13%.

Cost classification and cost recovery

52. UN-Women utilises a shared cost classification structure adopted by UNDP, UNICEF and UNFPA. This allocates funds to (a) development activities (split between programme and development effectiveness); (b) United Nations development coordination; (c) management activities; and (d) special-purpose activities. The Integrated Budget is consistent with this classification and UN-Women is continuously reviewing its cost categories to ensure that expenses are allocated to the correct area. This review has developed over the current biennium ensuring that all new posts are correctly aligned and existing ones are being transitioned to the correct classification when appropriate.
53. The cost recovery rate included within the draft Integrated Budget for 2016-2017 remains in line with Executive Board decision 2013/2 on cost recovery, at a rate of 8 per cent. This has been in effect since 1 January 2014. Consistent with previous biennium, UN-Women remains prudent with the amounts included within the

Integrated Budget, being around 75% of the full recovery projected. It will report on the actual cost recovery rate being achieved during the 2016 mid-term review.

Regular budget

54. As noted in General Assembly resolution 64/289 (para. 75), the resources required to service the normative intergovernmental processes should be funded from the Regular Budget and approved by the Assembly; the resources required to service the operational intergovernmental processes and operational activities at all levels shall be funded from voluntary contributions and approved by the Executive Board. For the biennium 2016-2017, the Secretary-General proposed a programme budget of \$15.3 million for UN-Women (see A/68/6 (Sect. 17)), including for a total of 45 posts – the same as the previous biennium.
55. In paragraph 13 of its decision 2011/1, the Executive Board requested that the institutional budget for 2012-2013 reflect the analysis conducted pursuant to section VI, paragraphs 8 and 9, of General Assembly resolution 65/259.
56. Whilst the Regular Budget has not increased since the establishment of UN-Women, it serves intergovernmental mandates that have expanded significantly since the entity started its operations. UN-Women's Regular Budget is a very small proportion, at only 1.7% of the total projected resources for the organisation during 2016-17.

Allocation of regular resources to programme activities

57. UN-Women allocates the entire balance of its regular resources after utilization by the Institutional Budget to programme activities. This allocation continues to be based on the methodology that was used by the United Nations Development Fund for Women.
58. The current methodology for allocating regular resources for regional and thematic distribution is based on a straightforward percentage point, assigned for each programming category. Further distribution within the category is then based on programmatic needs and priorities. UN-Women continues to assess this methodology for relevance.

B. Integrated resource plan

59. Table 1 shows the integrated resource plan for 2016-2017 for all cost categories, including for regular resources and for other resources (annex I compares the integrated resource plan for 2016-2017 against the actual and estimated figures for 2014-2015).

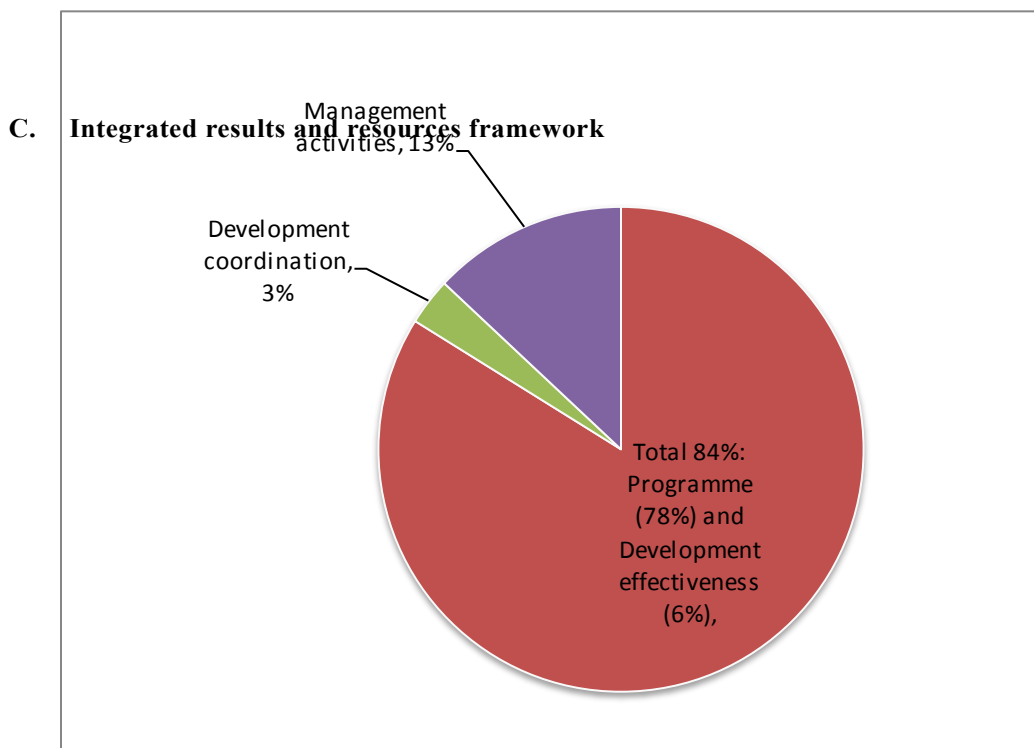
Financial Framework

(Millions of United States dollars)

	2014-2015 Budget						2016-2017 Estimates						
	Regular resources		Other Resources		Total		Regular resources		Other Resources		Total		
			Programme	Recovery					Cost	Programme			Recovery
		%				%		%			%		%
1. Resources available													
Opening balance	52.5	13%	153.8	29.3	235.6	25.5%	112.3	22.8%	265.3	19.1	396.6	31.0%	
Income													
Contributions	340.0	87%	324.1	25.9	690.0	74.5%	380.0	77.0%	463.2	36.8	880.0	68.8%	
Other Income and reimbursements		0%			-	0.0%	1.0	0.2%	2.0		3.0	0.2%	
Total available	392.5	100%	477.9	55.2	925.6	100.0%	493.3	100.0%	730.5	55.9	1,279.6	100.0%	
2. Use of resources													
A. Development activities													
A.1 Programme	185.1		330.0		515.1		210.6		473.0		683.6		
A.2 Development effectiveness	45.5			5.3	50.8		50.0			4.4	54.4		
Subtotal Development Activities	230.6	68%	330.0	5.3	565.9	81.8%	260.6	69%	473.0	4.4	737.9	83.9%	
B. United Nations development coordination	27.3	8%			27.3	3.9%	27.6	7%			27.6	3.1%	
C. Management Activities													
c.1 Recurring	82.1			14.7	98.8		85.3	22.5%		22.6	108.0		
c.2 Non-recurring					-						-		
c.3 Evaluation							6.4	1.7%			6.4		
Subtotal Management Activities	82.1	24%	-	14.7	98.8	14.3%	91.8	24.2%	-	22.6	114.4	13.0%	
D. Special-purpose activities													
D.1 Capital Investments													
D.2 Other activities					-						-		
Subtotal Special Purpose Activities	-	0%	-	-	-	0.0%	-	0.0%	-	-	-	0.0%	
Total Institutional Budget (A.2+B+C+D)	154.9	46%	-	20.0	176.9	25.6%	169.4	100%	-	27.0	196.4	22.3%	
Total Use of resources (A+B+C+D)	340.0	100%	330.0	20.0	692.0	100.0%	380.0	100.0%	473.0	27.0	880.0	100.0%	
Balance of resources (1-2)	52.5		147.9	35.2	233.6		113.3		257.5	28.9	399.6		

60. Figure II illustrates the proportion of resources that are devoted to development activities, management activities and United Nations development coordination activities. UN-Women remains committed to focusing on its development activities while ensuring that it has in place the operational support needed to optimize its programmatic work and has increased its projected development spend to 84% of its resources (from 82%) and is projected to decrease the share of management activities from 14% to 13%.

Figure II
Use of resources, 2016-2017



61. Table 2 presents the integrated results and resources framework for 2016-2017. The proposed Integrated Budget supports the achievement of the six development outcomes and the four output clusters of organizational effectiveness and efficiency results set out in the Strategic Plan for 2014-2017: (a) to drive more effective and efficient United Nations system coordination and strategic partnerships and to act as a knowledge hub on gender equality and women’s empowerment; (b) to develop a strong learning culture founded on results-based management, reporting, knowledge management and evaluation; (c) to enhance organizational effectiveness with robust capacity at the country, regional and corporate levels; and (d) to mobilize and leverage significantly greater resources for gender equality and women’s empowerment. These remain consistent with the presentation of the 2014-2015 Integrated Budget. For each cost classification category, linkages are made between organizational outputs, performance indicators and targets, functional clusters and proposed resource requirements. The outputs, the indicators of performance and the

baselines and targets in the table are drawn from the approved Strategic Plan for 2014-2017.

Table 2: Integrated results and resources framework 2016-2017
in millions of United States dollars

Outcome/Output - Development results								
Framework	Key Performance Indicator	Latest Data (Baseline)	Target 2017	Functional Cluster	Regular Resources	Other Resources	Cost Recovery	Total
Women lead and participate in decision making at all levels	-	-	-	-	46.3	104.1	-	150.4
Women, especially the most excluded, are economically empowered and benefit from development	-	-	-	-	46.3	104.1	-	150.4
Women and girls live a life free from violence	-	-	-	-	48.4	108.8	-	157.2
Peace and Security and humanitarian action are shaped by women and men's equal leadership and participation	-	-	-	-	35.8	80.4	-	116.2
Governance and national planning fully reflect accountability for gender equality commitments and priorities	-	-	-	-	27.4	61.5	-	88.9
A comprehensive set of global norms, policies and standards on gender equality and women's empowerment is in place that is dynamic, responds to new and emerging issues, challenges and opportunities and is applied in action by Governments and other stakeholders at all levels	-	-	-	-	6.3	14.2	-	20.5
Total					210.6	473.0	-	683.6

Integrated Results and Resources Framework 2016-2017 (US\$, millions)							
Outcome/Output - Organizational							Other
Effectiveness and Efficiency	Key Performance Indicator	Latest Data (Baseline)	Target 2017	Functional Cluster	Regular Resources	Resources	Cost Recovery Total
0EE1. More effective and efficient United Nations system coordination and strategic partnerships on gender equality and women's empowerment							
1.1 UN Women effectively leads, coordinates and promotes accountability for the implementation of gender equality commitments across the UN system	Percentage of remedial plans submitted by UN entities under the UN SWAP reviewed with UN Women	100%	100%	United Nations coherence and cluster coordination			-
	Number of agencies that track and report on allocations and expenditure using gender markers validated by a quality assurance process (measured by UNSWAP) [QCPR]	3 UN agencies are currently reporting using the gender marker	15 UN agencies by 2017			2.9	2.9
	Number of UN Country Teams that implement Performance Indicators on Gender Equality (Gender Scorecards or similar accountability tools to track the commitments and performance of the UNDAF or UN Strategic Frameworks in country.)	25 UN Country Teams	47			3.5	3.5
	Percentage of UNDAFs and Common Country Programmes (CCPDs) finalized with measurable and dedicated results and resources for gender equality. [QCPR]	40% of UNDAFs finalized between 2011-12 have strong outcome levels results on gender equality.	60% of approved UNDAFs and CCPDs			21.1	21.1
1.2 Effective partnerships between UN Women and major stakeholders, including civil society, private sector, regional and international organizations.	Number of civil society advisory groups –CSAGs - set up	30 CSAGs in place	51 CSAGs established and functioning	Corporate external relations and partnership		3.4	3.4
	Number of private sector partnerships set up	12 private sector partnerships at a corporate level in 2014	12 private sector partnerships at a corporate level				-
Total						31.0	31.0

Integrated Results and Resources Framework 2016-2017 (US\$, millions)							
Outcome/Output - Organizational Effectiveness and Efficiency				Other			
Effectiveness and Efficiency	Key Performance Indicator	Latest Data (Baseline)	Target 2017	Functional Cluster	Regular Resources	Resources	Cost Recovery Total
OOE2. Institutionalized strong culture of results-based management, reporting, knowledge management and evaluation							
2.1 UN Women practices results-based management.	Percentage of country/multi-country programmes showing a clear results chain from the UNDAF and showing use of common UNDG RBM principles. [QCPR]	100%	100%	Programme planning, technical programme guidance and support	11.2		4.4 15.5
	Availability of baselines and targets for all SP indicators at corporate, regional and country levels. [QCPR]	About 95% of the indicators of the SP (14-17) DRF and MRF have baselines and targets	100% by the end of 2017	Field/country offices oversight, management and operations support	16.8		16.8
	Percentage of programme funds dedicated to strengthening national capacities [QCPR]	39%	40%				
2.2 UN Women is a recognized hub of knowledge on achieving gender equality and women's empowerment around the world	Number of citations of UN Women's flagship products (Progress of the World's Women and World Survey on the Role of Women in Development)	Baseline: POWW 468; World Survey 373	2013-2014 POWW: 146 (23.8% increase) WS: 39 (9.5% increase)	Policy advocacy and knowledge management	15.5		15.5
	Number of unique visits to virtual platforms ³	Baseline 1,290,000	1,495,000				
	Number of UN agencies using training programmes developed by UN Women	48	53				
	Number of countries supported by UN Women to engage in knowledge exchange (including through South-South or Triangular cooperation). [QCPR]	58	78				
2.3 A clear evidence base generated from high quality evaluations of SP implementation for learning, decision-making and accountability.	Rate of management responses to agreed recommendations	86% management response completion rate in 2012	100% of evaluations completed have a management response within 6 weeks.	Corporate oversight and assurance	5.8		0.7 6.4
	Percentage of programme budget earmarked for evaluation	2.2 % (2014)	3%				
	Number of SP relevant decentralized evaluations completed each year	21 (2014)	30 decentralized evaluations completed annually				
	Number of SP relevant corporate evaluations completed each year	1 (2014)	2 corporate evaluations completed annually				
Total					49.3	-	5.0 54.3
¹ Baselines as of end of 2014 unless otherwise indicated							
² Targets and baselines will be reviewed and updated during Midterm Review of the Strategic Plan for the period 2016-17							
³ UN Women's virtual platforms include the Knowledge Gateway for Women's Economic Empowerment, UN Women eLearning Campus, Training for Gender Equality Community of Practice , UN Women Roster of Experts and Trainers, the Gender Equality and HIV/AIDS Web Portal, the Gender Responsive Budgeting website, iknowpolitics.org							

Integrated Results and Resources Framework 2016-2017 (US\$, millions)							
Outcome/Output - Organizational							Other
Effectiveness and Efficiency	Key Performance Indicator	Latest Data (Baseline)	Target 2017	Functional Cluster	Regular Resources	Resources	Cost Recovery Total
OEE3. Enhanced organizational effectiveness, with a focus on robust capacity and efficiency at country and regional levels							
3.1 Effective leadership and direction to advance the mandate and mission of UN Women	Percentage of Strategic Plan outputs and outcomes on track. [QCPR]	79% of 2012-13 DRF outcome indicators were on track at end 2012 58 % of MRF indicators were on track at end of 2012	80%	Leadership and corporate directions	5.0		1.3 6.4
3.2 UN-Women staff have the capacity and accountability for delivering results in Gender Equality and Women's Empowerment	Rates of programme expenditure (core and non-core)	85% Core 86% Non-Core	Delivery at a minimum of 75% against benchmark (on accrual basis and excluding advances)	Corporate human resources management	6.2		1.3 7.5
3.3 UN Women promotes a culture of risk management, accountability, harmonisation of business practices and transparency in its operations	Percentage of UN Women offices that are assessed to be high risk that are subject to either internal or external audit 4	100%	100%	Corporate financial, information systems and telecommunications and administrative management	10.9		0.5 11.4
	Percentage of implementation of internal audit recommendations by target completion dates.	75%	90%	Global staff and premises security			-
	Percentage of implementation of external audit recommendations by target completion dates	75%	100%				
	Percentage of compliance of all UN Women operations with UN Security Management System 5	90% compliance 2015	100% compliance 2017				
	UN Women publishes its programme data with the International Aid Transparency Initiative ("IATI")	Phase 2 and 3 completed	Completion of all phases and routine reporting of programme information to donors on IATI				
	Adoption of simplified and harmonized internal programming process for UN Women country offices. [QCPR]	System of Strategic Notes and AWP's adopted as interim measure. POM revisions and Phase one of RMS complete	By the end of 2016 streamlined programme processes and RMS completed				
	Percentage of UN Women country offices which adopt common services on procurement, HR and IT. [QCPR]	100%	100%				
Total					22.1	-	3.1 25.2

Integrated Results and Resources Framework 2016-2017 (US\$, millions)									
Outcome/Output - Organizational Effectiveness and Efficiency					Other				
Effectiveness and Efficiency	Key Performance Indicator	Latest Data (Baseline)	Target 2017	Functional Cluster	Regular Resources	Resources	Cost Recovery	Total	
0EE4. To leverage and manage resources									
4.1 Improved stewardship of resources through Budget, Financial, HR and IT management	Percentage of UN Women donor reports meeting quality standards.	84% (2014)	80%	Management of operations and field offices including corporate financial, information systems and telecom and administrative management Field office oversight, management and operations support	61.1		13.7	74.8	
	Average turnover time for the identification of qualified candidates and complete recruitment.	15 weeks	15 weeks						-
	Percentage availability and uptime of Corporate ICT Systems	99%	99%						-
	Percentage of total core expenditures directed to program expenditure vs. non-core expenditure. [QCPR]	35% & 55% respectively	TBC						-
4.2 Resource base is expanded and diversified to meet the demand for UN Women catalytic and technical support and strategic grant-making.	Amount of total Regular Resources raised	\$163.6million in 2014	\$200 million (2017)	Corporate external relations and partnerships, communications and resources mobilization	3.3		3.0	6.3	
	Amount of total Other Resources raised	\$159.1 million in 2014	\$250 million (biennium 2017)						-
	Number of Member States that contribute to UN-Women core resources.	At the end of 2014, 143 Member States contribute to UN-Women.	A minimum of 120 government donors secured and maintained, 20% of which is multi-year format						-
4.3 UN-Women Communications capacity and systems provide a foundation for effective advocacy of Gender Equality and Empowerment of Women.	Percentage increase of global media coverage of UN Women, its priorities and programmatic work	14000 unique news reports in leading news media 2014	15% increase	Corporate external relations and partnerships, communications and resources mobilization	2.7		2.1	4.8	
	Percentage increase in the number of unique visitors to UN Women and Womenwatch websites	3 million in 2014	10% increase						-
	Percentage increase in the number of followers on UN Women managed social media networks around the issue of gender equality and women's empowerment	1.9 million 2014	75% increase						-
Total					67.1	-	18.8	86.0	
Total OEE					169.5	-	27.0	196.4	
Grand Total					380.1	473.0	27.0	880.0	

All figures are rounded to the nearest 0.1million

¹ Baselines as of end of 2014 unless otherwise indicated

² Targets and baselines will be reviewed and updated during Midterm Review of the Strategic Plan for the period 2016-17

³ UN Women's virtual platforms include the Knowledge Gateway for Women's Economic Empowerment, UN Women eLearning Campus, Training for Gender Equality Community of Practice , UN Women Roster of Experts and Trainers, the Gender Equality and HIV/AIDS Web Portal, the Gender Responsive Budgeting website, iknowpolitics.org

⁴ 12.50% of UNW Offices are assessed to be high risk and are all subject to either internal or external audit. Both internal and external audit conduct risk-based audit. The selection of locations to be audited are based on risk assessment. In 2014 both internal and external audit selected 7 locations (including Headquarters) out of the 56 UN-Women locations."

⁵ UN Women has raised the bar and now includes more factors in measuring compliance with the UN Security Management System. As a result, fewer offices are in compliance with the new criteria.

1. Allocation of resources to development outcomes

62. A review of expenditures in 2014 showed that: (a) 15 per cent of programme funds were spent on women’s voice, participation and leadership; (b) 20 per cent of programme funds were spent on women’s economic empowerment; (c) 25 per cent of programme funds were spent on ending violence against women; (d) 16 per cent of programme funds were spent on work on women, peace and security; (e) 10 per cent of programme funds were spent on governance and national planning for gender equality commitments and priorities; and (f) 5 per cent⁵ of programme funds were spent on promoting global norms, policies and standards on gender equality and women’s empowerment. (Some 9 per cent of programme funds were coded as “cross-thematic”, meaning that they were spread across a number of priority areas.)
63. These expenditures represent the level at which UN-Women met national demand within available resources. National demand exceeds resources available and is likely to increase now that the Entity has fully implemented the regional architecture. Keeping this in mind, the previous allocation provides a primary basis by which UN-Women will determine indicative allocations between the impact areas of the Strategic Plan’s development results.
64. The allocations are maintained as follows:
- a) Women lead and participate in decision-making at all levels — 22 per cent;
 - b) Women, especially the poorest and most excluded, are economically empowered and benefit from development — 22 per cent;
 - c) Women and girls live a life free from violence — 23 per cent;
 - d) Peace and security and humanitarian action are shaped by women’s leadership and participation — 17 per cent;
 - e) Governance and national planning fully reflect accountability for gender equality commitments and priorities — 13 per cent.

2. Allocation of resources to organizational efficiency and effectiveness

65. In terms of organizational effectiveness and efficiency outputs, resources are allocated in line with the harmonized methodology approved by the Executive Board. Accordingly, funds are allocated to (a) development activities, shared between development effectiveness and programmes; (b) United Nations development coordination; (c) management; and (d) special-purpose activities. The total requested gross appropriation of \$196.4 million is configured against these cost classifications.
66. The costing of organizational effectiveness and efficiency is done through functional clusters, which are groupings of organizational units that carry out activities in order to deliver intended outputs. As functional clusters group together a number of organizational units that deliver certain outputs, they constitute the conceptual link between results and resources in the Executive Board-approved results-based budgeting framework.
67. UN-Women is currently developing an improved results based management module which will allow both for better budgeting at an activity level as well as more accurate tracking of results against these activities.

⁵ This percentage does not fully capture the work at the field level which supports the national implementation of, and contribution to, global norms and standards.

D. Summary of increases and decreases in the Integrated Budget

68. Table 3 indicates the distribution of the proposed increase in the Organisational Efficiency and Effectiveness (Institutional Budget) section of the Integrated Budget among cost categories. As noted, the main increases are driven by the implementation of the previously approved minimal structure within the organisation in some offices where no Institutional Budget has been available at all thus aligning costs to the correct cost classification category and funding source.

Table 3

Summary of increases and decreases

(in millions of United States dollars)

	<i>Total</i>	<i>% increase/ (decrease)</i>
I. 2014-2015 Institutional Budget		
Institutional budget gross from voluntary resources	176.9	
Total	176.9	
II. Cost increases and decreases (non-discretionary)		
i. Inflation, and staff costs (Staff and non staff)	3.4	2.0%
ii. Reimbursement to UN Resident Coordinator System/JIU (Non-staff)	0.3	0.2%
iii. UNDP Reimbursement Services (Non-staff)	0.9	0.5%
iv. Rent Increase	0.3	0.2%
v. Direct Project Costs- audit (Non staff)	(0.9)	-0.5%
vi. Direct Project Costs- security (Non-staff)	(0.6)	-0.3%
Net total increases due to cost & non-discretionary costs	3.4	2.0%
III. Investing in the Organization (volume increases)		
i. Strengthening operational effectiveness and efficiency in procurement and legal support (Staff)	0.6	0.3%
ii. Strengthening capacity for intergovernmental support, resource mobilization and civil society (Staff)	1.4	0.8%
iii. Strengthening UN coordination gender mainstreaming (Staff)	0.6	0.3%
iv. Regional Architecture new offices: Somalia, Indonesia (Staff)	1.4	0.8%
v. Regional Architecture : Burundi, Sudan, Mali, Bangladesh, Egypt (Staff)	1.7	1.0%
vi. Base operating budget for field offices under iv and v above (non staff)	0.7	0.4%
Total increases due to volume	6.4	3.6%
IV. Funding Shifts from Core Programme to Institutional Budget		
i. Regional Architecture: Sudan, Burundi, Sierra Leone, Kenya (staff)	2.3	1.3%
ii. Regional Architecture: Sudan, Burundi, Sierra Leone, Kenya (non staff)	0.6	0.3%
iii. Strengthening Evaluation Function (staff)	2.6	1.4%
iv. Strengthening Evaluation Function (non staff)	1.5	0.8%
Total increase due to Evaluation Function	6.9	3.9%
Grand Total Increases	16.8	9.5%
V. Budgetary discipline		
i. Vacancy rate (Staff)	2.8	1.6%
Total Other decreases	2.8	1.6%
VI. Net Increase (Decrease)	19.5	11.1%
VII. 2016-2017 institutional budget estimates	196.4	
VIII. Estimated income under institutional budget	(27.0)	
IX. 2016-2017 net budget estimates	169.4	

Staff costs

69. Staff costs increase by a net total of \$13.9 million, from \$125.8 million in the approved institutional budget for 2014-2015 to \$139.7 million:

Non-discretionary

- a) Staff salaries are aligned to the rates for location and grade approved by the International Civil Service Commission, which means that there is little flexibility for reducing the impact of salary increases. From 2014-2015 to 2016-2017, the actual increase, coupled with a generic inflationary rise of 2 per cent across the organization, results in a total increase in costs of \$3.4 million for the proposed 462 posts.

Discretionary

- b) The remaining balance of \$10.5 million represents real salary growth driven by the requested increase of 31 posts as detailed in Table 3.
- c) There has been a small decrease in the vacancy rate used within the budget from 7% to 5% as UN-Women gets closer to maturity. UN-Women's vacancy rate has decreased over the current biennium and it is deemed prudent to assume that the organisation will run at a relatively higher rate of post occupancy. This has increased the total included for staff costs by \$2.8 million.

Non-staff costs

70. Tight control has been maintained within the non-staff cost category with no overall increase proposed other than for the non-staff elements for a total of \$2.8 million and inflation. Out of this, a total of \$1.3 million relates to the proposed five field offices indicated above and \$1.5m relates to the Evaluation function. Out of this \$2.8 million, \$2.1 million or 75 percent represents a shift from core programmable to institutional budget resources.

71. Within HQ non-staff costs have been held at the same level as 2014-15, contributing to the improvement in the management ratio compared to previous biennium.

72. UN-Women is expected to pay an extra \$0.3 million over the biennium with regard to UN Resident Coordinator and Joint Inspection Unit costs. In addition an extra \$0.9 million over the biennium is projected to be required for UNDP related recharges. These are primarily charges related to payroll processing which are based on the number of staff within the organisation.

73. UN-Women is also expecting to pay a rent increase of \$0.3 million for the biennia.

74. Increases mentioned in the above paragraphs have been offset by direct charging of, in particular, security and localised audit costs to projects. This charging is in line with the inter-agency harmonized cost recovery framework and UN-Women's expected cost recovery policy and ensures that costs are correctly attributed across funding sources, whether regular or other.

E. Summary of post changes

75. The introduction of the 31 new posts is the main driver behind the real growth of the budget. The justification and rationale behind these requests is presented below:

Field Offices

76. The following proposals aim to strengthen the presence of UN-Women at the country level.

- a) Burundi, Sierra Leone and Sudan: Three Institutional Budget (IB) posts (P5, NOC, G6) to be established in these three previously approved and existing offices which currently have no IB positions under the 2014-2105 IB. This aligns with the previously EB supported minimum structure of an approved office. Out of these nine posts, six are funded by the core programmable funds and the proposal is to shift these to the Institutional Budget.
- b) Indonesia and Somalia: Three IB positions (P5, NOC, G6) are proposed for two newly approved offices.
- c) UN-Women proposes establishing posts for P4 deputies into four offices in addition to those approved under the 2014-2015 IB. Based on a review of the offices currently without deputies and taking into consideration needs, demands and growth potential, UN-Women proposes:
 - Bangladesh: This is a major untapped ODA, with strong governmental and donor support for work on gender equality.
 - Egypt: Globally, this is the fastest growing office of UN-Women, but experiences significant challenges with delivery and overall management jeopardising both the office's growth and the standing of UN-Women with key partners.
 - Kenya: This is a country where UN-Women has a solid track record of resource mobilisation, but considerable potential to grow further, including through major national, sub-regional and regional private sector partnerships. This post is currently funded from core programmable and the proposal is to shift it to the institutional budget.
 - Mali: An opportunity to act as a "flagship" for UN-Women's emerging portfolio on combating violent extremism.

HQ

77. The following proposals aim to strengthen the institutional capacities in the critical areas of coordination and gender mainstreaming, strategic partnerships and resource mobilization, civil society, legal and procurement support:

- a) Resource Mobilization Specialist: Private Sector – P3 (new post)
 - Securing innovative sources of funding, including private sector regular and other resource funding is an imperative for UN-Women. It is also a part of its resource mobilization strategy, which the Executive Board welcomed UN-Women to further enhance, in decision 2013/6, on the Integrated Budget 2014-2015.

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- Currently UN-Women has minimal private resource mobilization capacity, and no resource mobilization capacity focused on earmarked private sector funding. The purpose of this post is to contribute to the implementation of UN-Women's resource mobilization strategy and the realization of UN-Women's non-core resource targets.
 - The specialist will also contribute to the work of UN-Women through the management of existing partnerships with the private sector in particular focusing on the increasing potential of partnerships with Private Sector Leadership Advisory Council members.
- b) Partnerships and Policy Advisor– P5 (new post)
- The purpose of this post is to further strengthen the work of UN-Women through advising and supporting the Deputy Executive Director of Intergovernmental Support and Strategic Partnerships on key strategic processes, and outcomes, both internal and external.
 - As recommended by the latest OIOS evaluation on UN-Women's normative work, the Adviser will contribute to reinforcing the linkage between UN-Women's normative, policy, operational, and coordination work, including supporting the field in this regard. The Adviser will support and advise and liaise with key stakeholders, including governments, UN system, private sector, civil society, and foundations in relation to normative, resource mobilization and advocacy perspectives.
 - The Adviser is also expected to contribute to UN-Women's follow up and review work in relation to substantive working groups and processes, such as on the post-2015 development agenda, financing for development, Climate Change, the Commission on the Status of Women, and the follow-up to the outcomes of the 20 year review and appraisal of the Beijing Platform for Action.
 - The Adviser will liaise with Permanent Missions, UN agencies, civil society and private sector partners for effective engagement and coherence.
- c) Coordination Adviser: Gender Mainstreaming – P5 (new post)
- The Coordination Adviser: Though Gender Mainstreaming is a key function in UN-Women's coordination work continued deepening and strengthening of UN-Women's capacity to lead, coordinate and promote UN systems' capacity and accountability on this is needed. The Advisor will have the primary responsibility of promoting gender mainstreaming into all policies and programmes within the UN system as well as enhancing the UN system's support to Member States in strengthening the implementation of commitments to gender equality and women's empowerment.
 - Moreover, the Adviser will provide strategic advice and support the Division's interagency and system-wide efforts to strengthen the work on gender equality and women's empowerment particularly through gender mainstreaming.

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- In the follow-up to Beijing+ 20 and the post-2015 development agenda, the Adviser will provide substantive support for UN-Women's participation in key interagency mechanisms to ensure gender equality perspectives are featured prominently.
 - The Adviser will also represent UN-Women and participate in interagency working groups to ensure that gender equality is reflected in discussions and outcomes; contribute to capacity building on gender mainstreaming in and outside of UN-Women through production of knowledge products; and identify key issues, opportunities and practical experiences for advancing gender equality and gender mainstreaming.
- d) Programme Specialist: Civil Society – P4 (new post)
- The additional post is required in order to support civil society and women's organizations in the field and UN-Women's field offices in this regard.
 - The Specialist will develop and establish partnerships with existing and new CSO partners and stakeholders and support CSO advisory groups in the field.
 - The post will allow for the additional support necessary to develop advocacy strategies with new CSO constituencies.
 - Moreover the post will allow for enhanced support to CSW, and other intergovernmental processes to strengthen civil society contribution to normative processes and their outcomes.
- e) Legal: Legal Specialist – P3 (new post)
- UN-Women currently has only one Legal Specialist post at the P4 level. An additional P3 post is requested to support the improved business continuity for legal capacity
 - The Specialist will cover increased legal support for the field and regional offices, including outreach and training; support for corporate and governance framework establishment and consolidation, including the creation of new governance bodies, policies, procedures and corporate templates; support for critical focus on accelerated resource mobilization, including private sector engagement; support for regularization of UN-Women's relationship with the host country governments;
 - The Specialist will cover the increase in legal issues arising out of human resources sphere, including performance management, conduct, disciplinary, harassment, retaliation and applications to the United Nations Dispute Tribunal;
 - In addition the Specialist will cover the increase in investigative activities by OAI and resulting increase in cases reported to management for action under UN-Women Legal Framework.
- f) Procurement- Procurement Associate (G7)
- This request is a direct response to the internal auditors highlighting that there are major deficiencies in the procurement function, structure,

capacity and governance arrangements and that UN- Women has lack of monitoring and oversight over decentralized procurement.

- The Procurement Associate will provide procurement oversight in particular with regard to monitoring corporate procurement activities, checking of procurement transactions, and compliance with thresholds requiring submission to review committees.
- This additional post will also help to address the risk management of the procurement function through systematic monitoring and oversight mechanisms over the activities of the decentralized units both at Headquarters and in field-based offices.
- This function will help UN-Women's ability to meet programmatic objectives and deliver on its mandate.

Evaluation

78. Responding to the request of the Executive Board of UN-Women to incorporate “a separate budget line for evaluation activities to be considered by the Executive Board in the Integrated Budget 2016-2017, with the aim of achieving the target of 3% of the programme budget” (UNW/2015/1, para 4), UN-Women is gradually shifting the source of funding for evaluation from core programmable to Institutional Budget. In 2016-2017, six additional evaluation professional posts (3 P3 and 3 P4) previously funded by core programmable resources are proposed to be budgeted under the Institutional Budget as well as 50% of the programme cost of the independent Evaluation Office.

Post Upgrades

79. UN-Women is also proposing three upgrades from the P5 to D1 level. These are as follows:

a) Chief of Communications and Advocacy – D1 (upgrade from P5)

- The communications work has grown rapidly due to the exponential increase in advocacy and outreach work and it has assumed strategic importance. The post is crucial in terms of ensuring high visibility, proper branding and strategic positioning of the organization in different types of media, as well as communicating and engaging at high levels with Member States, donors, private sector and public audience, and managing the reputational risks.
- Since its foundation, UN-Women has become the leading global champion and advocate for gender equality and women's empowerment. The Entity has grown significantly and engaged with new constituencies and audiences, especially through the implementation of high-profile advocacy efforts and large-scale media campaigns, such as HeForShe; Empowering Women, Empowering Humanity: Picture It!; Planet 50-50: Step it Up for Gender Equality by 2030; UNiTE to End Violence against Women and in the intergenerational dialogue organised in the context of CSW59.
- In order to successfully spearhead and further enhance UN-Women's advocacy efforts among partners at global, regional and country levels, it

is proposed that the post should be elevated to appropriate D1 level consistent with other entities in the United Nations system.

b) Chief of Civil Society and Leadership – D1 (upgrade from P5)

- UN-Women’s unique and critical role in engaging civil society and partnership building with women’s organizations as stakeholders to achieve gender equality and women’s empowerment has grown exponentially over the past four years. The Chief of Civil Society of UN-Women not only has the primary responsibility of engaging with UN-Women’s civil society partners, in the context of the Commission on the Status of Women and other contexts, but also is the central focal point for UN-Women’s global Civil Society Advisory Group, mechanisms at the global, regional and national levels and has the responsibility of strengthening UN-Women’s engagement with civil society at global, regional and country level, including efforts to engender broader civil society organizations on development, environment and climate change, peace and security.
- Civil Society as a constituency is vast, complex and diverse, which requires the UN-Women Chief of Civil Society to have the necessary expertise, seniority and authority to meaningfully engage organizations, at the highest levels, and represent UN-Women’s mandate to this diverse constituency through knowledge, programmatic and advocacy partnerships.

c) Chief Of Policy, Research and Data – D1 (upgrade from P5)

- UN-Women is specially positioned to fill a critical gap in providing the research and data necessary to fulfil the Entity’s global mandate on gender equality. The Chief of Policy, Research and Data has wide-ranging responsibilities to provide the data that is the basis for the Entity’s advocacy and policy work. Among these responsibilities are the research and production of UN-Women’s two flagship reports Progress of the World’s Women and The World Survey on the Role of Women in Development, the commissioning and publishing of cutting edge policy-relevant research, and leading UN-Women’s work on gender statistics.
- The vision of UN-Women to be the global knowledge broker on gender equality and women’s empowerment requires a high level of expertise and dedication. The Chief builds partnerships across UN agencies and a global network of leading researchers on gender equality and women’s rights, all of which demand high profile leadership and experience.
- This upgrade would ensure consistency across the Division for providing high-level policy expertise essential to the mandate of UN-Women.

Table 4
Institutional budget posts, by location

	2014-2015 Approved							Net changes						2016-2017 Proposed								
	USG/ ASG	D-2	D-1	Other Professional	All other	Total	Percentage of total	USG/ ASG	D-2	D-1	Other Professional	All other	Total	USG/ASG	D-2	D-1	Other Professional	All other	Total	Percent age of total		
Field		0	0	10	165	111	286	66				14	5	19		0	0	10	179	116	305	67
Headquarters		1	4	8	81	51	145	34		3	8	1	12		1	4	11	89	52	157	33	
Total		1	4	18	246	162	431	100		3	22	6	31		1	4	21	268	168	462	100	

Abbreviations : USG, Under-Secretary-General; ASG, Assistant Secretary-General.

F. Elements of a decision

80. The Executive Board may wish to:

- a) Welcome the UN-Women Integrated Budget for 2016-2017, which presents a single, Integrated Budget that includes all budgetary categories, to complement the draft Strategic Plan for 2014-2017;
- b) Approve gross resources in the amount of \$196.4 million to support organizational effectiveness and efficiency and note that these estimates include an amount of \$27 million for cost recovery for other resources;
- c) Note that excess extra-budgetary income will be used to support management activities.

Annexes

I. **Comparison of estimated forecast figures for 2014-2015 against the proposed budget for 2016-2017**

1. A comparison of the estimated forecast figures for 2014-2015 against the proposed budget for 2016-2017 is contained in the table below.

Financial Framework (Millions of United States dollars)	2014 actuals -2015 estimates						2016-2017 Budget						
	Regular resources		Other Resources		Total		Regular resources		Other Resources		Total		
			Programme	Cost Recovery					Programme	Cost Recovery			
		%				%		%			%		
1. Resources available													
Opening balance	83.2	19.5%	202.3	13.2	298.7	29.5%	112.3	22.8%	265.3	19.1	396.6	31.0%	
Income													
Contributions	343.7	80.5%	348.2	22.1	713.9	70.5%	380.0	77.0%	463.2	36.8	880.0	68.8%	
Other Income and reimbursements	-	0.0%	-	-	-	0.0%	1.0		2.0		3.0	0.2%	
Total available	426.9	100.0%	550.5	35.3	1,012.7	100.0%	493.3		730.5	55.9	1,279.6		
2. Use of resources													
A. Development activities													
A.1 Programme	148.0		285.2	-	433.2		210.6		473.0		683.6		
A.2 Development effectiveness	47.3		-	1.9	49.2		50.0		4.4		54.4		
Subtotal Development Activities	195.3	62.1%	285.2	1.9	482.5	78.3%	260.6	68.6%	473.0	4.4	737.9	83.9%	
B. United Nations development coordination	24.4	7.8%	-	-	24.4	4.0%	27.6	7.3%	-	-	27.6	3.1%	
C. Management Activities													
C.1 Recurring	94.8		-	14.3	109.1		85.3		22.6		108.0		
c.2 Non-recurring	-		-	-	-		-		-		-		
c.3. Evaluation	-		-	-	-		6.4		-		6.4		
Subtotal Management Activities	94.8	30.1%	-	14.3	109.1	17.7%	91.8	24.2%	-	22.6	114.4	13.0%	
D. Special-purpose activities													
D.1 Capital Investments	-		-	-	-		-		-		-		
D.2 Other activities	-		-	-	-		-		-		-		
Subtotal Special Purpose Activities	-	0.0%	-	-	-	0.0%	-	0.0%	-	-	-	0.0%	
Total Institutional Budget (A.2+B+C+D)	166.6	53.0%	-	16.2	182.8	29.7%	169.4	44.6%	-	27.0	196.4	22.3%	
Total Use of resources (A+B+C+D)	314.6	100.0%	285.2	16.2	616.0	100.0%	380.0	100.0%	473.0	27.0	880.0	100.0%	
Balance of resources (1-2)	112.3		265.3	19.1	396.6	129.7%	113.3		257.5	28.9	399.6		

II. Update on progress made in the implementation of the regional architecture

1. The implementation of the regional architecture is completed, as per the indicators shared with the Executive Board in June 2013. All Regional Offices are established and functioning, in Panama, Senegal, Kenya, Turkey, Egypt and Thailand. 47 Country Offices and six Multi-Country Offices are fully operational with full staff complement, except in cases where recruitment is ongoing to address the regular career movements of staff. As of November 20, 2014, there are 507 total staff in the field, up from 252 in May 2012.
2. As of February 2015, UN-Women had granted delegated authority to 55 field offices. This has significantly streamlined business processes and contributed to improved delivery rates. In 2013, UN-Women delivered US\$130 million in country programmes and approximately US\$ 150 million in 2014, an implementation rate of approximately 86% overall.
3. An independent evaluation of the regional architecture will be undertaken in 2015-2016, and will inform any refinements in the structure and approaches of the regional architecture going forward. At this stage UN-Women believes the regional architecture to have been key in supporting dramatic increases in other resources raised at field level, a consistently high delivery rate for field programmes, and enhanced delivery of results.

III. Definitions

Appropriation. A specific amount approved by the Executive Board for the related period with respect to the organizational efficiency and effectiveness component of the Integrated Budget financed from regular resources.

Cost increase/decrease. Any increase or decrease in the cost of a resource input in a budget period compared with the previous budget period arising from changes in costs, prices and exchange rates.

Cost, non-discretionary. Cost of a resource input, or any increase thereof during the budget period, mandated by specific decisions legislated by the General Assembly and/or the Executive Board.

Development activities. Activities associated with programmes and development effectiveness activities essential for achieving development results.

Development effectiveness activities. Activities of a policy advisory, technical and implementation nature needed to achieve the objectives of programmes and projects in the areas of focus of the United Nations Development Programme (UNDP). While essential to the delivery of development results, they are not included in specific programme components or projects in country, regional or global programme documents.

Functional cluster. One or more discrete organizational units within a functional area that directly supports the management of the organization.

Institutional budget. The institutional (organizational efficiency and effectiveness) component of the Integrated Budget covering activities over a period based on a set of defined results from the Strategic Plan.

Management activities. Activities the primary function of which is the promotion of the identity, direction and well-being of an organization. They include executive direction, representation, external relations and partnerships, corporate communications, legal, oversight, audit, corporate evaluation, information technology, finance, administration, security and human resources.

Other resources. Resources of a voluntarily funded organization that are received for a specific programme purpose (“other resources relating to programmes”) and for the provision of specific services to third parties (“other resources relating to reimbursements”).

Regular budget. Portion of assessed contributions allocated to UN-Women through the United Nations programme budget, prepared by the Secretary-General and approved by the General Assembly.

Regular resources. Resources of a voluntarily funded organization that are comingled and untied. These include voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Special-purpose activities. Activities and associated costs of capital investments and non-UNDP operations administered by UNDP.

United Nations development coordination activities. Activities and associated costs supporting the coordination of development activities of the United Nations system.

Volume increase/decrease. Any increase or decrease in resource requirements attributable to changes in the level or nature of activities carried out by an organization during the current budget period and those proposed for the subsequent budget period. Volume is expressed using the same cost factors applicable to approved appropriations, to permit direct comparison.
