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**Report on the implementation
of UNECE Strategy for Resource Mobilization**

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I. Introduction

1. UNECE member States adopted a Resource Mobilization Strategy in September 2016¹, with the objective to mobilize extrabudgetary resources to support the implementation of the mandated UNECE programme of work, in particular UNECE's contribution to the 2030 Agenda for Sustainable Development and the Addis Ababa Action Plan.
2. The Strategy recognizes that resource mobilization is an institutional responsibility and requires both involvement of the secretariat and the member States. It was agreed, that the Strategy would be reviewed and regularly updated in the light of emerging needs and priorities of the organization.
3. The Strategy outlines fourteen priorities for action and includes a request to UNECE to develop a comprehensive multiyear Action Plan to clearly identify goals, actions, timing and responsibilities for resource mobilization within UNECE.
4. On 17 November 2016, the Multiyear Action Plan for Resource Mobilization was adopted by UNECE Senior Management, outlining concrete actions for each of the priority areas of the Strategy.
5. The work of UNECE is very diverse in scope, and the approach for effective resource mobilization differs a lot throughout Divisions. Action depends on the Subprogrammes work plans and alignment with donor policies, agreement by member States, the degree of integration with international initiatives, and the recognition of UNECE's work in each area. Cooperation and trust with Parties to legal instruments and member States actively involved in Steering Committees, Working Parties and other bodies and areas of work is also key. Each Subprogramme must be supported to identify specific challenges and needs for extra-budgetary funding while ensuring adequate and impactful interventions. It is also important for Subprogrammes to tailor their efforts, building on their respective strengths and challenges.

II. Work carried out on the fourteen priorities for action of UNECE Strategy

II.1 Strategic Partnerships:

6. UNECE Resource Mobilization Strategy recommended that UNECE strengthen its partnerships with all relevant stakeholders in the development process for the implementation of the 2030 Agenda or Sustainable Development Goals and the Addis Ababa Action Plan in the region.
7. The Action Plan identified strategic partners, as follows: UNECE member States, regional organizations, private sector, International financial institutions, foundations, non-governmental organizations including academia and research centres as relevant. The plan aims at guiding efforts toward a UNECE-wide engagement with partners, and facilitate cross-sectoral engagement as well as the implementation of the Sustainable Development Goals in countries.

¹ UNECE Resource Mobilization Strategy:
https://www.unece.org/fileadmin/DAM/OPEN_UNECE/05_Partnerships/Resource_Mobilization/ECE_Resource_Mobilization_Strategy.pdf

8. In 2017, UNECE signed ten new Cooperation Agreement Memorandum of Understandings (MoUs)² with relevant partners or group of partners. In 2018, UNECE signed two new MoUs. A copy of all MoUs is available online.
9. UNECE member States also adopted the UNECE Framework for the engagement with the business sector on 26 September 2017³. Further, the UNECE Executive Secretary informed the Executive Committee (EXCOM) on the due diligence process⁴ for the review of private sector entities engaging with UNECE.

II.2 Broaden donor base

10. The UNECE Resource Mobilization Strategy set the objective to reach out more actively to the private sector, the European Commission and financial institutions (regional, inter-regional and international development banks, foundations) to widen the donor base, diversify funding and decrease current dependency on a few donors.
11. UNECE receives voluntary financial support from a large number of donors from United Nations member States, International Organizations and Inter- Governmental Organizations (IGOs), Associations, Academia and in few occasions from business sector entities. In 2016, 61 donors provided voluntary contributions to UNECE for a total amount of US\$ 13.8 million. Over the period 2008-2016, the number of donors has decreased from 80 to 61 largely because of the discontinuation of the Gas Centre which was supported by business sector entities.
12. In 2016, contributions from member States decreased by 15.3% compared to 2015 (from US\$ 9.8 to US\$ 8.3 million), followed by a 4% increase from intergovernmental and non-governmental organizations (from US\$ 4.5 to US\$ 4.7 million). The European Commission contributions increased from \$0.4 million in 2015 to \$1.5 million in 2016, in part as a result of new partnership with the European Commission Directorate-General for Neighbourhood and Enlargement (DG NEAR).
13. A challenge for UNECE is to build further trust with existing donors to ensure that current donors maintain or even increase the level of voluntary contributions. UNECE should also work on consolidating existing partnerships towards multi-donor initiatives. UNECE intends to further explore opportunities with foundations, international multi-partner funds and international financial institutions and regional banks. As several UNECE's work streams produce outputs that are applied beyond UNECE region, efforts were also made to enhance cooperation, including financial or in-kind support from non-UNECE member States.

II.3 Pooled funding

14. The UNECE Resource Mobilization Strategy set the objective to establish pooled funding for cross sectoral activities among the Subprogrammes.

² UNECE Memorandum of Understanding: https://www.unece.org/oes/mou/mou_toc.html

³ UNECE Framework for the engagement with the business sector: https://www.unece.org/fileadmin/DAM/commission/EXCOM/Agenda/2017/93Excom-26-September_17/Item_3-2017_40_Framework_business_sector.pdf

⁴ UNECE due diligence process: https://www.unece.org/fileadmin/DAM/commission/EXCOM/Agenda/2017/93Excom-26-September_17/Item_3-2017_41_Info_on_Due_diligence_review.pdf

15. In 2017, UNECE identified nine cross-sectoral or flagship initiatives. Those initiatives were presented to UNECE member States during the first UNECE donor meeting that was held on 6 April 2017 in Geneva. The meeting was attended by the Czech Republic, Estonia, Finland, France, Germany, Kazakhstan, Montenegro, Poland, Russian Federation, Serbia, Switzerland, United Kingdom, Ukraine and the European Union. It aimed at reassuring member States of UNECE's internal governance measures; share a budgetary update on regular budget appropriations and extrabudgetary contributions over the biennia 2016-2017 and 2018-2019; and most importantly, the meeting aimed at consulting and engaging member States on the proposed cross-sectoral work streams requiring financial support to ensure smooth delivery of mandated activities, as identified by UNECE Divisions.
16. The initiatives are the following⁵:
- a) [Regional Forum on Sustainable Development](#) (Switzerland (US\$ 50,000), the Russian Federation (US\$ 8,800),
 - b) [Energy Efficiency Standards in Buildings](#) (Denmark (US\$ 141,970), the Russian Federation (US\$ 286,000), Black Sea Economic Cooperation Organization (US\$ 79,665),
 - c) [Forests of the Future](#) (Switzerland (US\$100,000), interest expressed by Finland, Sweden and the Netherlands),
 - d) [Green Living Goes East](#) (No donors to date),
 - e) [For FITS tool for emissions reduction in transport](#) (No donors to date),
 - f) [Improving poverty measurement in UNECE](#) (the Russian Federation (US\$ 203,400),
 - g) [Trade Facilitation Implementation Guide](#) (the Russian Federation (US\$ 40,000),
 - h) [United Nations Framework Classification](#) (the Russian Federation (US\$ 161,600),
 - i) [Women's Economic Empowerment](#) (No donors to date).

II.4 The Resource Mobilization Officer

17. The Resource Mobilization Officer (RMO) was recruited in September 2016 on a temporary basis. The RMO developed proposals for the Resource Mobilization Action Plan referred to in paragraph 4 above and organized the Donor Conference in April 2017.
18. In support of fund-raising efforts of UNECE subprogrammes, the RMO created Intranet platform for internal communication in support of resource mobilization with information on existing and potential donors, their policies and priorities, along with information on training opportunities and other material relevant to resource mobilization. All the information was compiled in the UNECE Dashboard on Resource Mobilization and Partnerships.
19. The RMO reached out on a regular basis to various potential donors and the development community with a view to promoting UNECE work, in particular UNECE activities in support of Agenda 2030.
20. Furthermore, the RMO provided advice to respective UNECE Divisions on donor policies and programmes with a view to identifying funding opportunities. The RMO also supported UNECE Divisions in contacting donor representatives to engage them in relevant UNECE meetings and

⁵ Contributions pledged and received so far are indicated in parenthesis. Additional extrabudgetary funds have been received in support of other projects and activities related to these work areas.

organized several meetings with donors having a potential for fundraising in support of UNECE work, including UNECE's participation to the European Development Days in June 2017.

II.5 The Resource Mobilization Task Force

21. The UNECE Resource Mobilization Strategy proposed the creation of a resource mobilization task force aiming at mobilizing extrabudgetary funding for the implementation of the 2030 Agenda for Sustainable Development to ensure high development impact and long-term sustainability of its activities. It was subsequently decided that the task force should not operate as an additional standing mechanism but rather as an informal network of staff involved in fund raising facilitated by the RMO.
22. The resource mobilization task force aimed at sharing information on donor policies, development assistance trends, new international initiatives and calls for proposals relevant to UNECE's work. The Task Force also facilitated cross-sectoral cooperation in line with international initiatives, for example on climate change.

II.6 Regional Advisors

23. The UNECE Resource Mobilization Strategy proposed to leverage the role of regional advisors to mobilize extra budgetary resources for regional advisory services such as advisory missions, capacity building and field projects in UNECE member States. Regional Advisors were involved in the resource mobilization task force mentioned above.

II.7 Resource Mobilization capacity building

24. UNECE Resource Mobilization Strategy requested UNECE to train and enhance the knowledge and skills of UNECE staff members in project management and resource mobilization, the dissemination of best practices, success stories and lessons learned to promote organizational learning.
25. Staff Development and Learning Section of UNOG (SDLS) offered online sessions for EU-funded projects and project management through the learning platform Lynda.com⁶.
26. On 30 January 2017, a Management Dialogue on resource mobilization was organized as an internal consultation and exchange of views on the topic. The purpose was to inform staff members about current extrabudgetary trends and seek feedback on the way forward.
27. UNECE staff members were also provided with information of resource mobilization through the compilation of critical information and tools on resource mobilization and fund-raising in the above-mentioned UNECE Intranet on Donor Relations⁷, in particular the UNECE Dashboard on Resource Mobilization and Partnerships.

II.8 Junior Professional Officers / Associate Experts Programme

28. The UNECE Resource Mobilization Strategy recommended to explore strategically voluntary contributions of member States in the form of Junior Professional Officers / Associate Experts (JPOs) and requested UNECE to develop a multi-year JPO plan based on organizational priorities, to ensure JPO resources on a sustainable and predictable basis.

⁶ Lynda.com: <https://learning.unog.ch/>

⁷ UNECE Intranet on Donor Relations: <https://intranet.unece.org/display/DR/Donor+relations>

29. UNECE complies with the Junior Professional Officer Programme of the United Nations, with the Department of Economic & Social Affairs⁸. In 2017-2018, Germany has provided two JPOs: one for the SDG Unit and another in the Sustainable Energy Division. France is providing a JPO in the Environment Division (water) in 2018.

II.9 Strategic Planning

30. The UNECE Resource Mobilization Strategy recommended that each Subprogramme or Divisions develop a biennial resource mobilization action plan that identifies funding gaps and establishes targets and timelines for mobilizing extrabudgetary resources. Such plans were to be developed in conjunction with the preparation of the Proposed Programme Budget for 2018-2019.
31. Further actions in this area will take into account the results of considerations by member States of proposals by the United Nations Secretary-General on “Repositioning the UN development system to deliver on the 2030 Agenda – Ensuring a Better Future for All”⁹, as well as on the United Nations Management Reform¹⁰.

II.10 In-kind contributions and cost sharing

32. The UNECE Resource Mobilization Strategy encouraged UNECE Divisions to seek voluntary logistical and substantive in-kind contributions from its member States and cost sharing from partners in different forms. UNECE Divisions have implemented this recommendation in compliance with the United Nations Corporate Guidance on Funding Arrangements¹¹.
33. In-kind contributions are a most valuable contribution to UNECE’s work through the participation of experts in various Working Parties, Teams of Specialists and the provision of venues for specific events in countries. UNECE Executive Office annually reports on in-kind contributions such as non-reimbursable loans, and host country agreements.

II.11 Cost recovery arrangements, direct and indirect project costs

34. The UNECE Resource Mobilization Strategy proposed to establish cost-recovery arrangements when planning for resource mobilization, to be clearly defined in project/ programme documents and donor agreements. The Strategy requested UNECE to include a larger share of direct and indirect costs in projects, to reduce the burden on the staff for their management. UNECE fully complies with resolution 35/217 of 17 December 1980 in which the General Assembly approved a rate for programme support costs (“PSC”) of thirteen percent. The standard rate of PSC applies to all contributions unless the UN Controller approves an exception to this rate such as 7% for the European Commission.
35. PSC is assessed on all UNECE projects to ensure that the Regular Budget resources do not subsidize extra-budgetary financed activities. UNECE’s income from PSC is generally used to cover central administrative functions provided by UNOG for extra-budgetary projects.

⁸ UNDESA Junior Professional Officer Programme:

<https://www.un.org/development/desa/jpo/news/2017/12/republic-of-kazakhstan/>

⁹ “Repositioning the UN development system to deliver on the 2030 Agenda – Ensuring a Better Future for All”: <https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/qcpr/sg-report-on-unds-qcpr-june-2017.pdf>

¹⁰ United Nations Management Reform: <https://www.un.org/press/en/2017/sgsm18810.doc.htm>

¹¹ United Nations Corporate Guidance on Funding Arrangements: http://www.un.org/ipsas/Corporate%20Guidance/Corporate_Guidance_Funding_Arrangements.pdf

II.12 Streamlining the administrative procedures

36. UNECE follows the relevant United Nations Financial Rules and Regulations, Administrative instructions related to the establishment and management of Trust Funds and Programme Support Accounts and aims to ensure transparent, effective and efficient management of extrabudgetary resources and to strengthen accountability of staff across UNECE.
37. The Programme Management Unit advises Divisions in preparing the project documents in view of their submission for EXCOM approval. Streamlining administrative procedures is essential for resource mobilization efforts, in particular in the negotiation and smooth execution of extra-budgetary projects and further steps are being taken in this direction.

II.13 Enhancing national ownership

38. The UNECE Resource Mobilization Strategy proposed to strengthen national ownership through its Grants Committee.
39. In 2016, UNECE reviewed the Grants Committee Guidelines with the objective to strengthen cooperation with non-profit organizations through the provision of grants for advisory services, capacity building and projects. The number of grants out to implementing partners decreased by 27% from 33 in 2016 to 24 in 2017. Similarly, the aggregate value of grants approved in the period decreased by 17%, from US\$ 881,854 in 2016 to US\$ 732,848 in 2017. The UNECE Environment Division was the sole client of the Committee during the year 2017.
40. UNECE technical cooperation services¹² aim at improving the national capacity of member States to implement global and UNECE legal instruments, norms and standards. They have a strong cross-border/sub-regional dimension and promote transboundary solutions to shared problems.

II.14 Transparency and Accountability

41. All information on the governance, programme planning and reporting, evaluation and partnerships in UNECE can be accessed through the Open UNECE¹³.
42. The UNECE Accountability Framework¹⁴ draws on existing accountability frameworks of the United Nations and defines the delegation of authority and the levels of accountability. It also establishes a critical linkage between institutional and individual accountability through the Executive Secretary's Compact and e-Performance of managers and staff.

III. The way forward

43. Once member States of the United Nations reach an agreement on the UN Secretary-General's proposals on the reform and realignment of the United Nations Development System, currently under discussion at the United Nations headquarters in New York, the outcomes will guide future resource mobilization efforts by UNECE.

¹² UNECE Annual Report on Technical Cooperation 2016:
https://www.unece.org/fileadmin/DAM/operact/Technical_Cooperation/TC_Annual_Reports/2016_TC_Annual_Report.pdf

¹³ Open UNECE page: <https://www.unece.org/info/open-unece/open-unece.html>

¹⁴ UNECE Accountability Framework:
https://www.unece.org/fileadmin/DAM/OPEN_UNECE/01_Governance_Framework/ECE_Accountability_Framework-11Oct2011.pdf

44. Meanwhile, UNECE will continue its efforts through:

- a) More active communication and promotion of UNECE's programmes and achievements both regionally and globally;
- b) Optimize outreach in specific meetings;
- c) Foster engagement with United Nations system partners;
- d) Foster engagement with Member States;
- e) Foster engagement with the European Union and European Commission funding instruments;
- f) Explore potential new donors including from the private sector;
- g) Explore innovative approaches to fundraising.