Unified Budget and Workplan

2010 Performance Monitoring Report
UNAIDS performance reporting

- Reporting builds on lessons learned last biennium and guidance from the PCB to strengthen performance monitoring
- Progress is shown against outcomes and outputs, as well as priority areas in UNAIDS 2009-2011 Outcome Framework
- Focus is on challenges and lessons learned in the response to HIV and AIDS
- First time a detailed case study illustrating UNAIDS work at country level has been included in the performance report
Joint and individual accountability

- Shared accountability for the achievement of outcomes and individual accountability for specific outputs
- Evaluations and case studies complement indicator-based reporting
- A mid-term review of achievements led to reprogramming of US$2.4 million
- Individual and joint performance review, for example through the Cosponsor Evaluation Working Group
Performance monitoring framework

Outcomes

Output indicators

Qualitative measures

Outcome indicators

Secretariat and Cosponsor reports

National responses

Country reports

supporting

activity activity activity activity
Highlights – progress in the response to AIDS

- A decline in HIV incidence by nearly 20% between 1999 and 2009
- Over 50% coverage in HIV prevention services for pregnant women
- Antiretroviral therapy reached more than 6.5 million people worldwide
- A lifting of HIV-based travel restrictions in several countries, including China, Namibia, Ukraine and USA
Highlights – UNAIDS achievements

• Advocacy to integrate the AIDS response within the broader development agenda
• Launch of Treatment 2.0 to catalyze the next phase of treatment, care and support
• Support to development of epidemiological estimates in 151 countries
• Support to the development of national strategic plans or operational plans in 41 countries
Examples of achievements (Treatment)

**Principal Outcome 5:**
National capacities for scaling up HIV prevention, treatment, care and support are enhanced

**Key Output 4:**
Comprehensive HIV-related treatment and care services scaled up

**Result:** Global and national HIV treatment guidelines revised and adapted to reflect the need for earlier initiation of therapy

**Result:** Food and nutrition support for care and treatment programmes reached almost 2 million beneficiaries in 34 countries

**Result:** Technical support for scaling up quality pediatric treatment programmes provided to 14 countries in West and Central Africa
Ongoing challenges

1. Knowing your epidemic, knowing your response – and acting accordingly
2. Addressing the needs of young people and key populations
3. Coordination and harmonization of UN efforts
UNAIDS work at country level

Case study of the Philippines
Programme Gaps

UN Comparative Advantage

JOINT PROGRAMME OF SUPPORT 2009-2010

JOINT TEAM ANNUAL WORKPLAN
(Outcomes, Objectives, Outputs)

JOINT
(Planned Activities, Timeframe, Budget, Implementing Partners)

AGENCY-SPECIFIC
(Planned Activities, Timeframe, Budget, Implementing Partners)
Joint Team collaboration with Civil Society

MDG 6

Advocacy

Strategic Information
Funding the Joint Programme of Support

Total 2010 expenditures: USD1,102,218

- Core: 66%
- Supplemental: 14%
- Global/Regional resources: 12%
- Country-level resources (outside UBW): 8%
Lessons Learned

- Availability of joint programming frameworks has further strengthened an already functioning Theme Group and Joint Team on AIDS in the country.

- UBW operationalization was challenged by:
  - Capacities of local partners
  - Lack of alignment among agencies
    - Planning processes
    - Terminologies, e.g., “expenditure”
    - Global/regional and country goals
    - Tracking and reporting mechanisms
Recommendations

• Integration of the Joint Programme of Support on AIDS in the UNDAF Action Plan

• Harmonization of monitoring and reporting systems

• Tracking and reporting of all resources mobilized and utilized from global to country levels
Financial Reports

Financial management and reporting

- New accounting standards (IPSAS) enable more comprehensive financial reporting than in the past
- Implementation of a single administrative system expected to enhance reporting and accountability
- Separation of UNAIDS accounts from WHO allows for financial statements to be prepared independently
- Increased investments in risk management, audit and accountability enhancement
Financial Risk Management in UNAIDS

RISK

- Orientation and Training
  - Accountability
  - Ethics
  - Code of conduct

MITIGATION

- Declaration of Interest
- Financial Disclosure
- Investments in core values, staff profiles and competencies

INTERNAL

CONTROLS

- Ongoing Risk Assessment, Analysis and Mapping
- Financial Delegation & Segregation of Duties
- Review and Validation of Contracts and Procurement
- Follow-up and Implementation of Audits and Accountability Reviews
International Public Sector Accounting Standards (IPSAS)

- UNAIDS has used a modified accrual basis of accounting so far but will be adopting IPSAS as of 1 January 2012.

- IPSAS accounting is on a full accrual basis in line with the International Financial Reporting Standards (IFRS).

- Under the full accrual basis of accounting, all assets and liabilities are recognised.

- Irrespective of the associated cash flows, expenses are recognized when goods or services are delivered and revenues are recognised when a formal commitment exists.
Income and funding

- UNAIDS financial situation remains stable with the resource mobilization target for 2010 almost achieved.
- To date US$ 370 million mobilized against the 2010-2011 UBW representing 78% of the total core budget.
- Continued strong support is needed to fully fund the 2010-11 UBW.
Expenditures and implementation

- Intensification of implementation with 80% of 2010-11 UBW funds expensed and encumbered to date
- Ways of operating with a smaller working capital and fund balance identified
- A reduction in the fund balance by US$35 million – from 45% to 38% of the biennial budget last year achieved
- The depreciation of the US dollar is putting pressure on the budget – US$20 million decline in purchasing power
Management of the fund balance

- On five occasions the PCB has approved drawing down and utilizing part of the fund balance for specific purposes
- Fund balance proposed to cover part of unfunded employee liabilities and the establishment of a building renovation fund
- The remaining fund balance is to serve as working capital to keep activities going while donor contributions come in
- The working capital at the end of the biennium to equal 35 per cent of UNAIDS budget as approved by the PCB
Employee-related liabilities

- As part of adopting IPSAS, UNAIDS Secretariat will need to recognize, measure and disclose all its liabilities
- Total employee related liabilities amount to US$ 82.4 million, out of which US$ 50.2 million are unfunded
- An initial amount of up to US$ 20 million is proposed to be funded in 2011 from the fund balance
- The remaining amount is proposed to be covered over 5 years or less depending on the availability of funds
Anticipating future costs

Building renovation fund

- UNAIDS building was completed in November 2006 at a cost of US$ 25.6 million to UNAIDS
- While the building is currently in good condition, no provision has been made for renovations or major repairs
- The establishment of a building renovation fund with an initial amount of US$2.6 million is proposed
- Annual replenishments of the fund equivalent to the amount of the depreciation of the building are proposed