



XII

Financial summary

Introduction

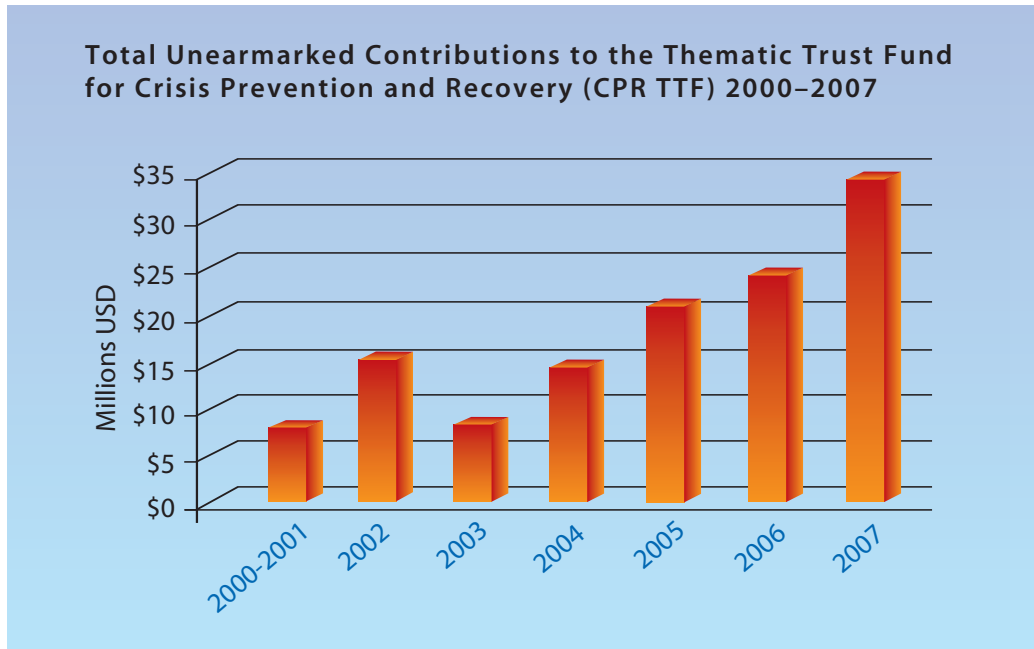
The programme areas of the Bureau for Crisis Prevention and Recovery (BCPR) are funded from two main sources: the United Nations Development Programme (UNDP) core budget (referred to internally as Trac 1.1.3) and voluntary contributions to the Thematic Trust Fund for Crisis Prevention and Recovery (CPR TTF). BCPR receives 7.2 percent of UNDP's core budget. For 2007, the amount received was USD 51.9 million. Contributions to the CPR TTF can be made using two modalities: 'earmarked' contributions, which target specific regions and countries; and 'unearmarked' contributions, which enable UNDP to respond flexibly and quickly to country needs in crisis prevention and recovery.

In January 2007, BCPR initiated a new five-year strategy. While BCPR maintains the technical expertise reflected in the previous seven service lines of the CPR TTF (conflict prevention and peacebuilding, recovery, security sector reform and transitional justice, small arms reduction, disarmament and demobilization, mine action and natural disaster) the new strategy aligns BCPR's work with the UNDP Strategic Plan 2008-2011. Four new thematic windows (conflict, disaster, early recovery and gender equality) were created in the Fund to facilitate donor support of the new strategy. Although specific service lines for mine action, security sector reform and transitional justice, and small arms reduction, disarmament and demobilization no longer exist, BCPR continues to prioritize these areas of work. Funding for these issues is now framed within an integrated country support package and channeled through one of the four new windows.

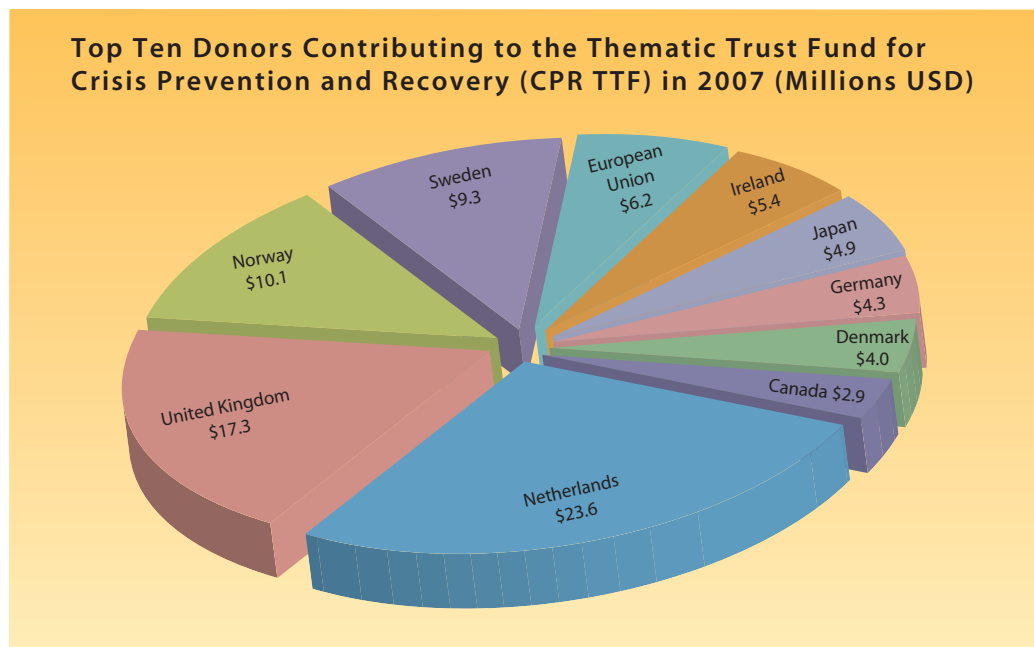
In 2007, UNDP core budget and CPR TTF expenditures were disbursed in 117 countries. Regionally, 29 percent of expenditures went towards programmes in Africa, an increase from previous years, both with regard to core funding (which rose from 21 percent in 2006 to 39 percent in 2007) and CPR TTF (which rose from 25 percent in 2006 to 26 percent in 2007). This reflects BCPR's ongoing efforts to prioritize much-needed resources for this region. Thematically, a strong emphasis was placed on increasing resources for the prevention of both conflicts and natural disasters: 21 percent of core funding expenditures went to prevention activities, compared to 12 percent in 2006.

Contributions

Total contributions to BCPR amounted to USD 151.1 million. Contributions received through the CPR TTF totaled USD 99.2 million. Out of this amount, USD 34.5 million, equivalent to 34.7 percent of contributions, was unearmarked—representing a USD 10.4 million increase in unearmarked funds since 2006. This number reflects BCPR's consistent efforts to increase unearmarked support to the CPR TTF. Eight donors contributed unearmarked funding in 2007: Canada, Denmark, Germany, Norway, Spain, Sweden, Switzerland and the United Kingdom.

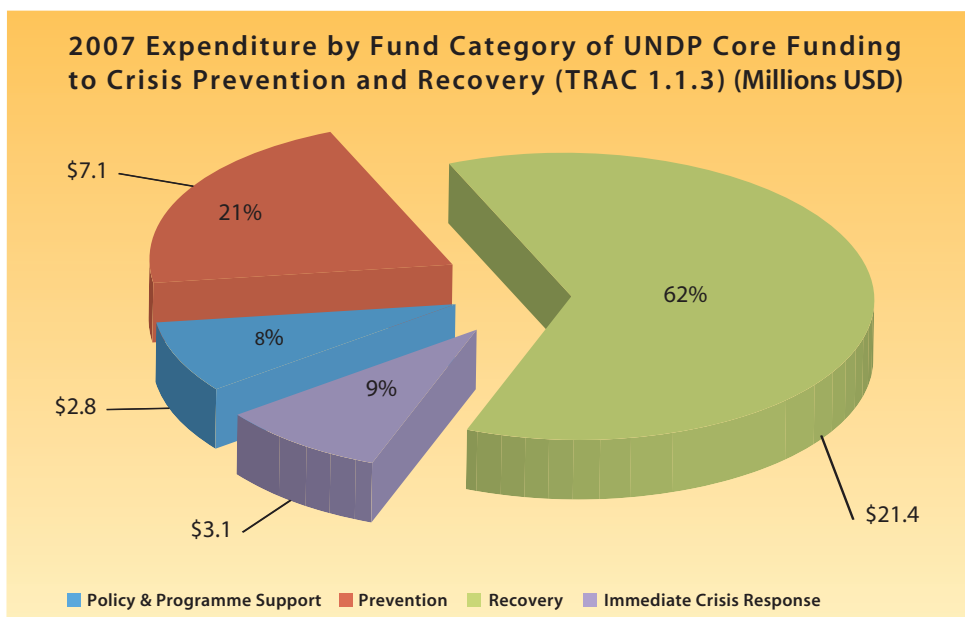


In addition, donors responded well to the creation of the new windows of the CPR TTF. Open contributions to the different windows reached USD 11 million, with USD 3.7 million received from Canada, Ireland and Norway for the gender window. Thanks to the continued increase of unearmarked funding, the CPR TTF has become a more strategic funding mechanism, allowing UNDP to allocate resources flexibly to countries in crisis.

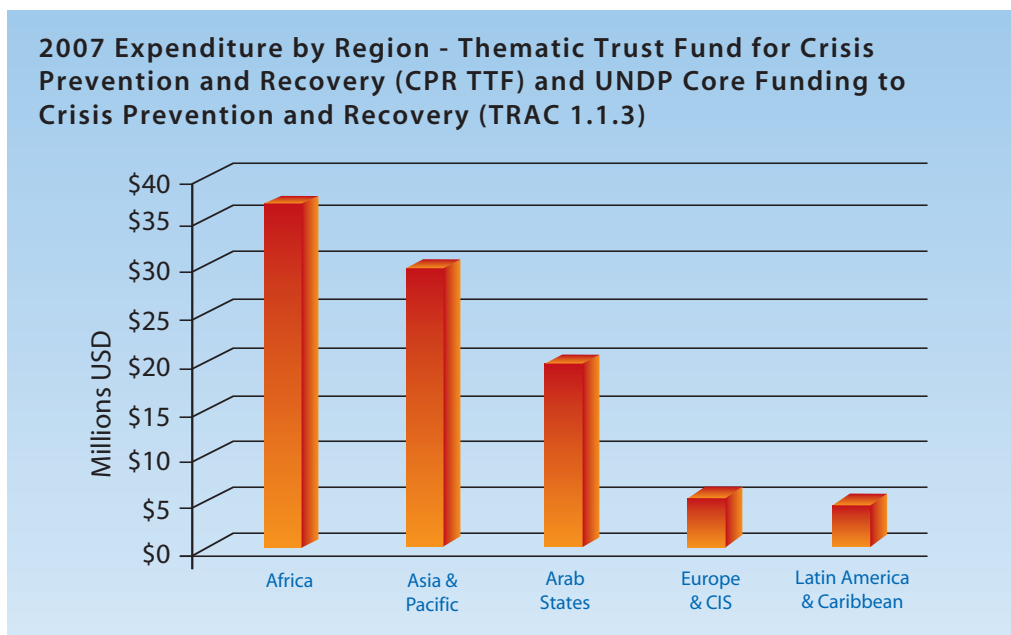


Expenditures

Expenditures totaled USD 120.8 million (USD 86.4 million from the CPR TTF and USD 34.4 million from UNDP's core budget). The highest CPR TTF expenditures were for conflict prevention and recovery programmes, totaling USD 34.9 million, followed by early recovery, totaling USD 34.4 million. Out of the USD 34.4 million expenditure on early recovery, USD 9.7 million was spent on post-disaster activities. Combining the disaster-related early recovery expenditures and the expenditures of the disaster window, CPR TTF expenditures for disaster risk reduction and recovery amounted to USD 20.3 million. In addition, a strong emphasis was placed on increasing resources for the prevention of both conflict and natural disasters. Twenty one percent of UNDP's core funding to crisis prevention and recovery expenditures went to prevention activities, an increase from 12 percent in 2006.



Africa benefited from the overall highest expenditure amount in 2007 (USD 35.9 million), followed by Asia and the Pacific (USD 29.1 million), Arab States (USD 19.2 million), Europe and the Commonwealth of Independent States (USD 4.8 million) and Latin America and the Caribbean (USD 4.3 million).



A total of USD 27.3 million was spent to support UNDP's practice leadership role in crisis prevention and recovery and to provide emergency response to crisis countries. Practice leadership includes the provision of direct technical and programmatic assistance to crisis countries and support to key international policy initiatives on crisis prevention and recovery. In 2007, particular focus was placed on increasing resources dedicated to UNDP's immediate crisis response (including the fast deployment of staff to countries in crisis), which totaled USD 2.7 million.

