



# UNDP Structured Funding Dialogue Executive Board Informal Briefing

19 August 2020



# Agenda

**1**

**Impact of COVID-19**

**2**

**UNDP's Response to COVID-19**

**3**

**Key 2019 Highlights**

**4**

**Funding Gap Analysis**

**5**

**Main Takeaways**



## 1

# Impact of COVID-19: on global economy

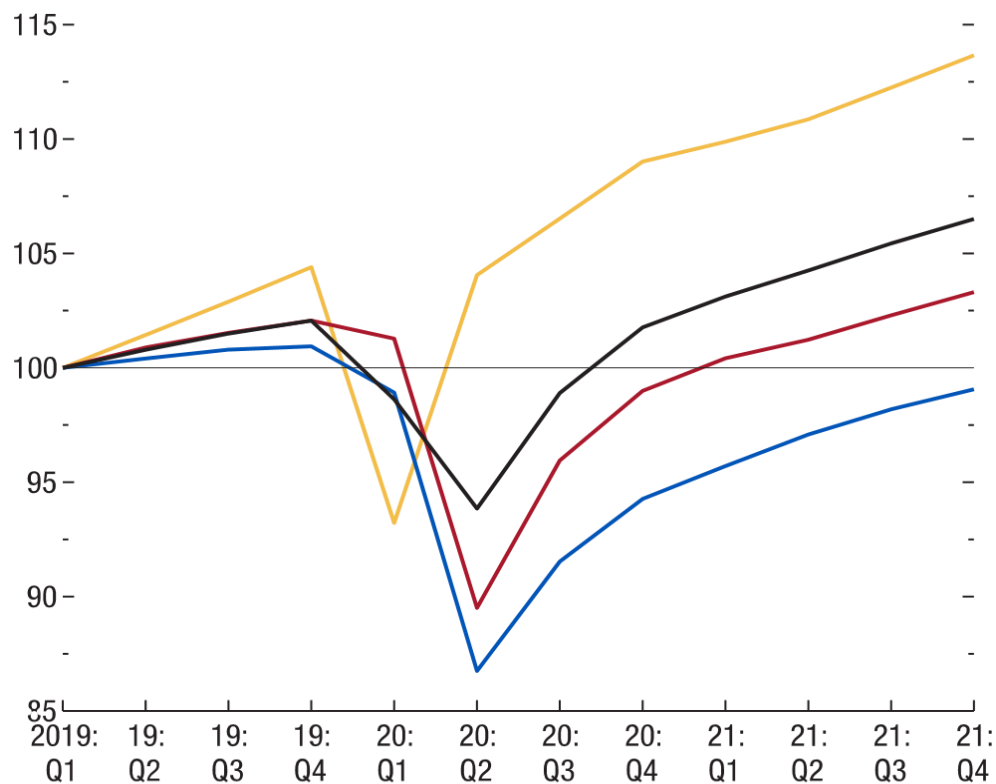
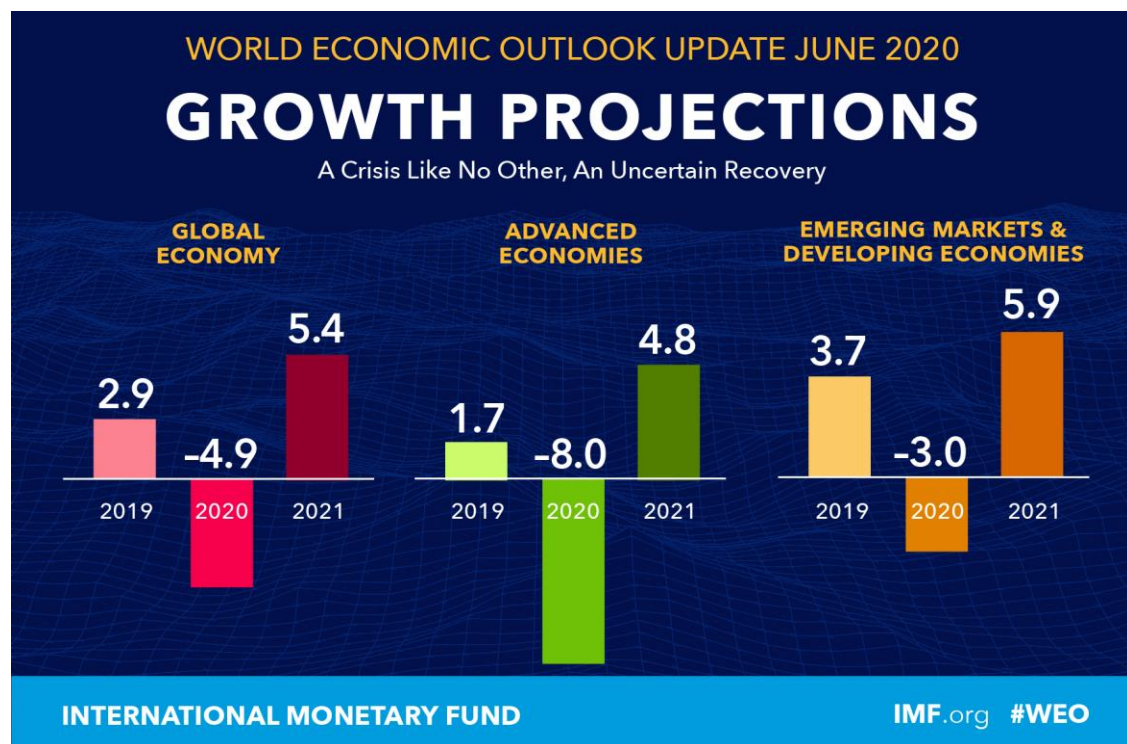


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## Quarterly World GDP

(2019:Q1 = 100)

— World  
— Advanced economies  
— Emerging market and developing economies excluding China  
— China



Source: IMF staff estimates.



1

## Impact of COVID-19: on development finance



**Contraction in national budgets due to global economic contraction**



**Economic recovery likely to be prolonged**



**Repurposing of ODA towards humanitarian assistance**



**Decrease in ODA (in absolute terms) due to shrinking economies**

# The UN and UNDP's Response to COVID-19

2



UNDP's COVID-19 crisis response is designed to help decision-makers look beyond recovery, towards 2030, making choices and managing complexity and uncertainty in four main areas: governance, social protection, green economy, and digital disruption. It encompasses our role in technically leading the UN's socio-economic response.



## UNDP COVID-19 Monitoring Dashboard



- Region
- RBA
  - RBAP
  - RBAS
  - RBEC
  - RBLAC
- Income Topology
- HIC
  - LIC
  - MIC
  - MIC - Upper
  - NCC
  - Transitional NCC
- Least Developed Countries
  - Small Island Developing States
  - Fragile Contexts

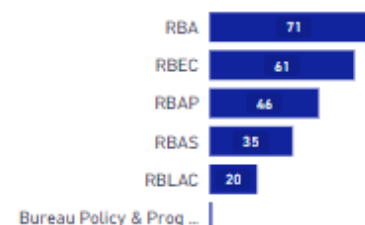
Request by Status

**29** Waiting  
**96** Supporting  
**109** Completed

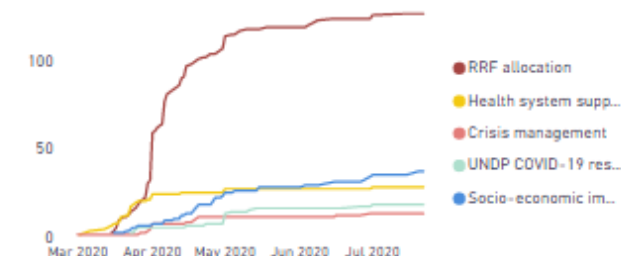
Requests by Service Offer



Request by Region



Cumulative count of request



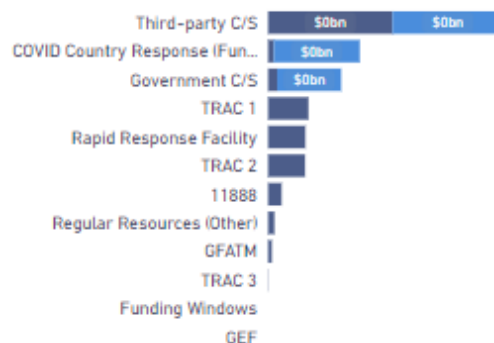
Total Available Resources by Funding

Funding ● Repurposed ● New Fund



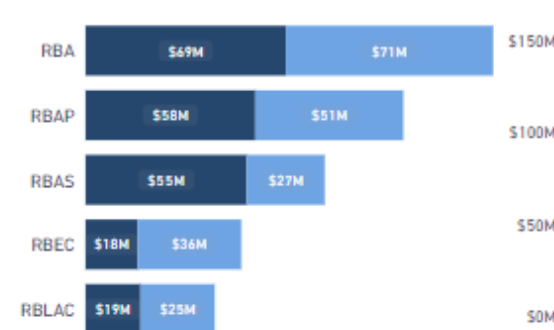
Total Available Resources By Source

● Repurposed ● New Fund

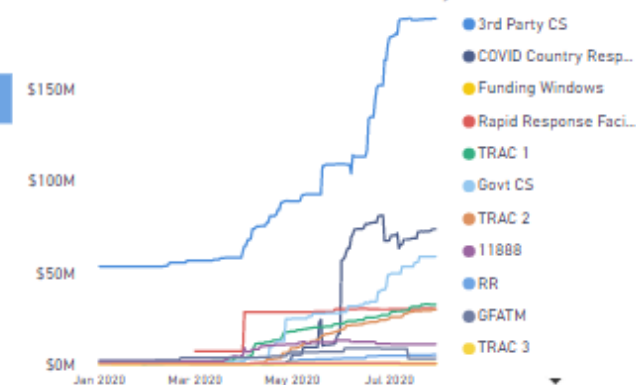


Total Available Resources By Region

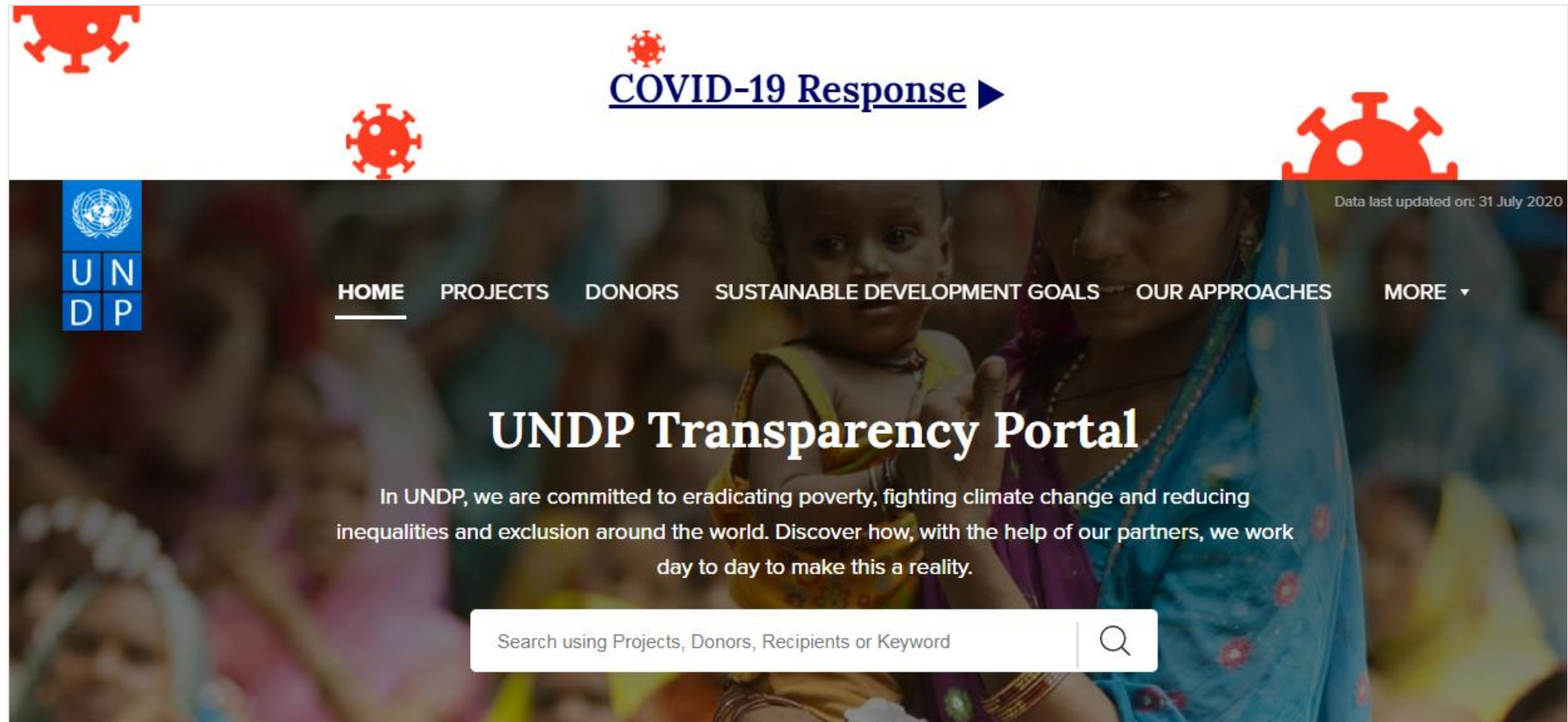
● Repurposed ● New Fund



Cumulative Total Available Resources by Source





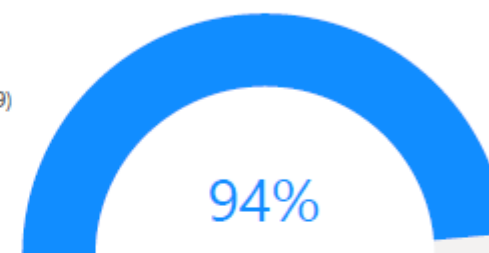


## Key 2019 Highlights: Funding Compact

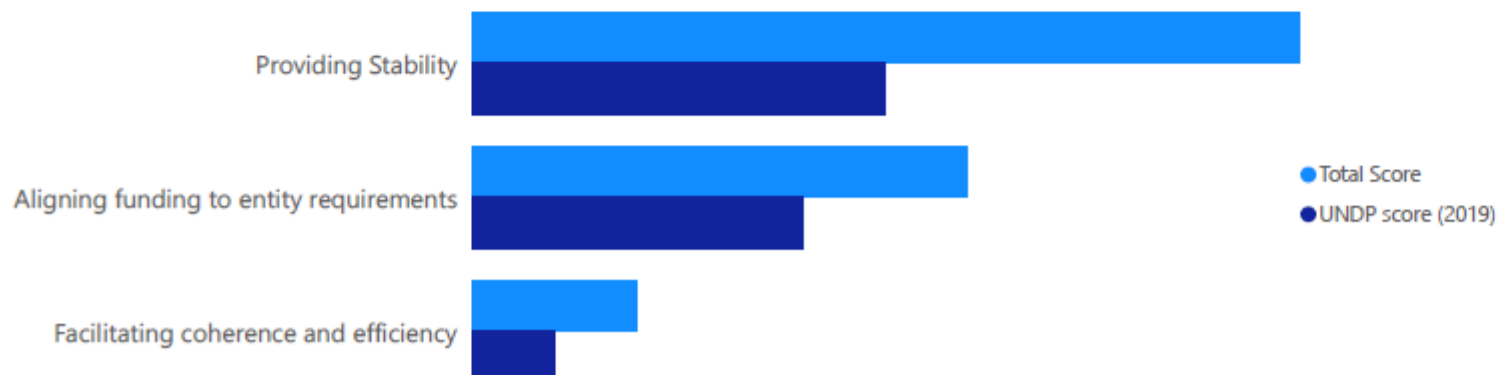
### UNSDG commitments (2019)



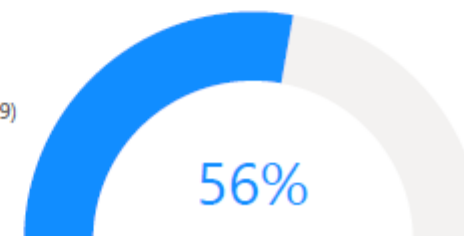
### UNDP compliance with the UNSDG commitments



### Member States commitments (2019)



### UNDP compliance with the Member States commitments







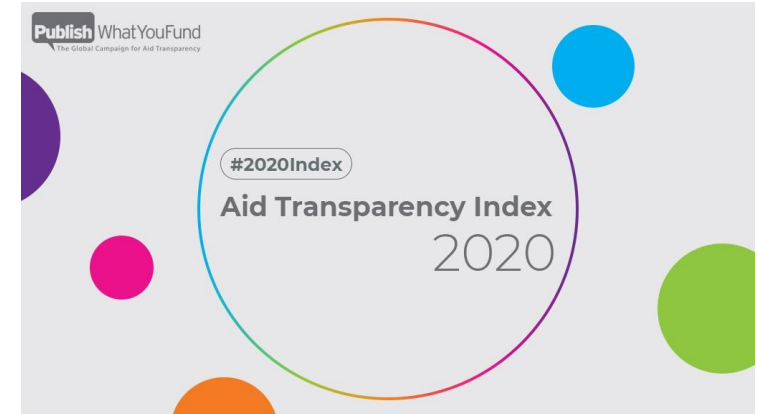
UNDP remains the **most transparent** UN agency



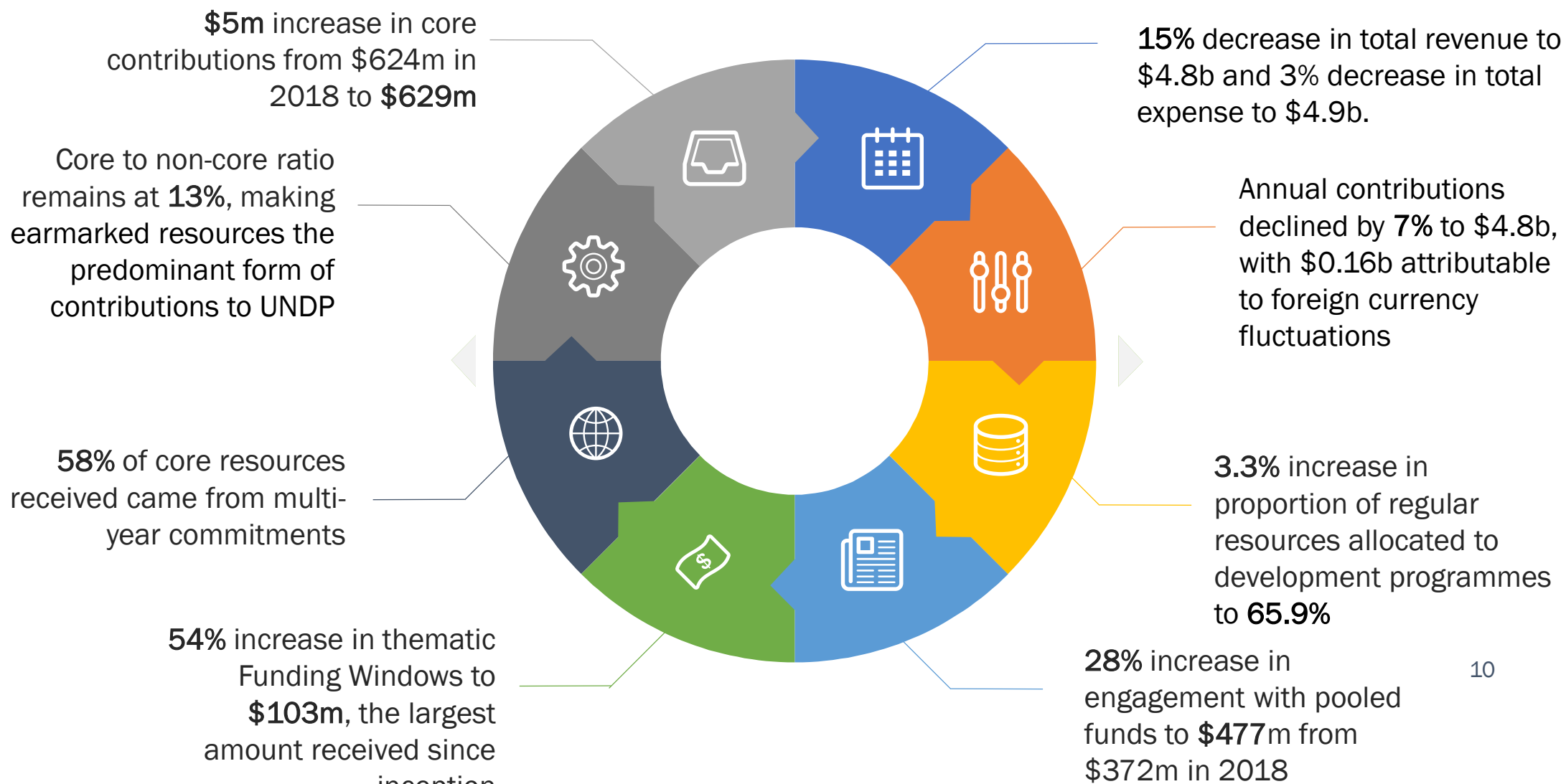
Institutional **budget balanced** for a third consecutive year



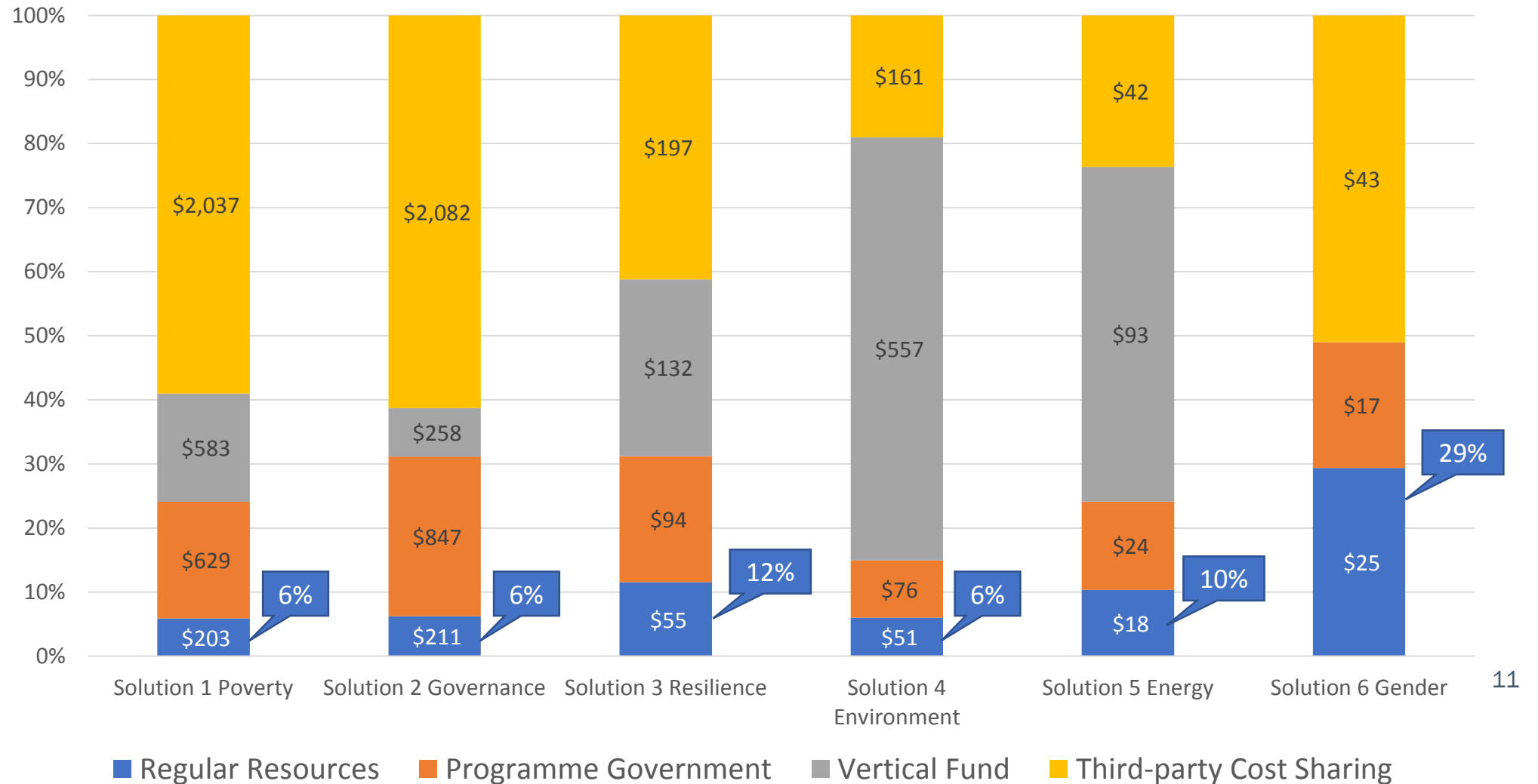
**Unqualified** financial statements audit reports for **15 consecutive years**



## Key 2019 Highlights: Funding Situation



**2018-2019 Programme Expenditure by Signature Solution**  
(100% Stacked Column Chart)





## Costing for Results Exercise

- For the first time, UNDP conducted the Costing for Results Exercise, bottom-up country office led estimation of the cost to achieve programmatic results planned in the CPDs, RPDs and Global Projects.

## Funding Gap Analysis

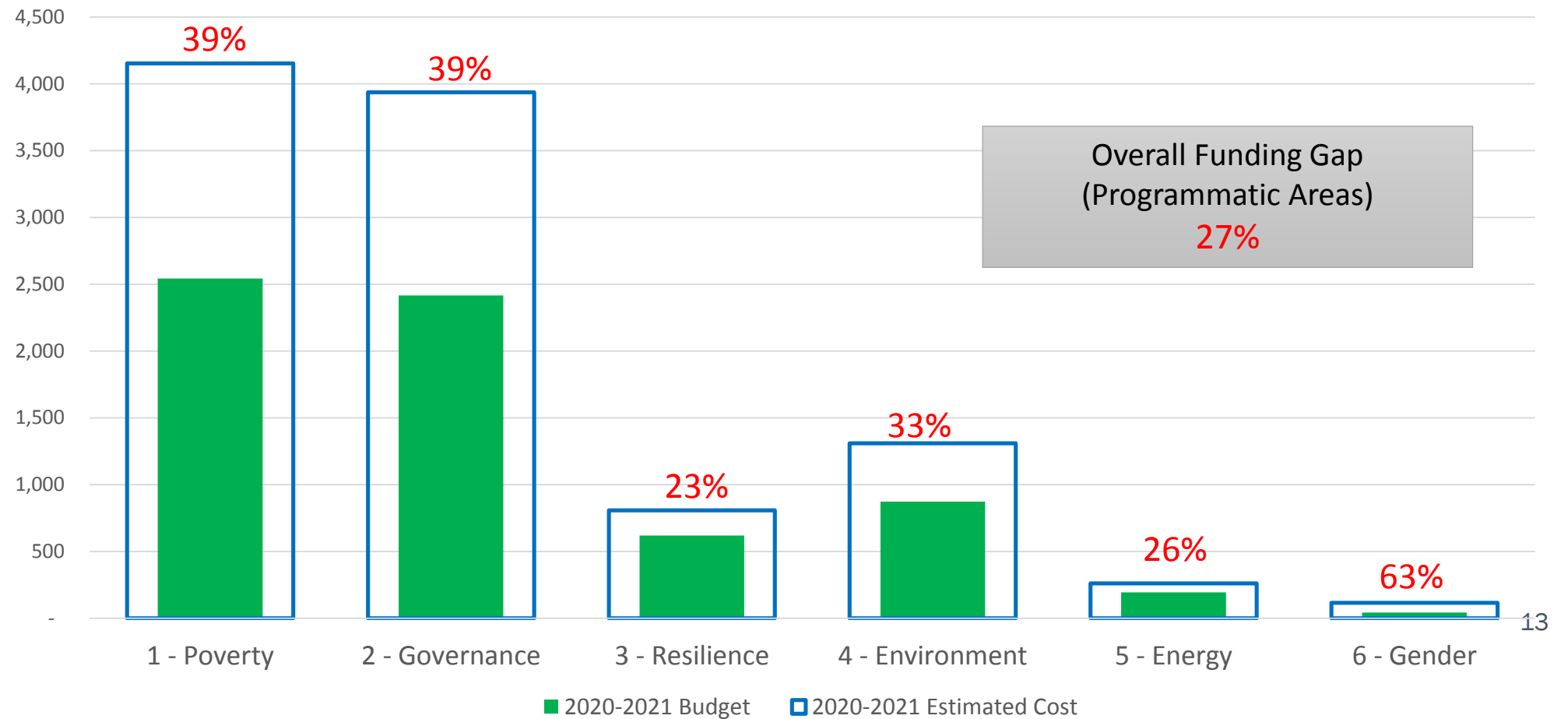
- In response to the EB Decision 2019/18, UNDP conducted the first Funding Gap Analysis for programmatic results areas.
- Funding gap is calculated as follows:

*Estimated Costs for results 2020 -2021 – Available Resources (budget as proxy) for 2020 and 2021*

- As the exercise was conducted in February 2020, the bottom-up costs do not include the estimated resources required for UNDP's COVID-19 response work - \$700M for the next 12 to 18 months.

## Funding Gap Analysis for 2020-2021

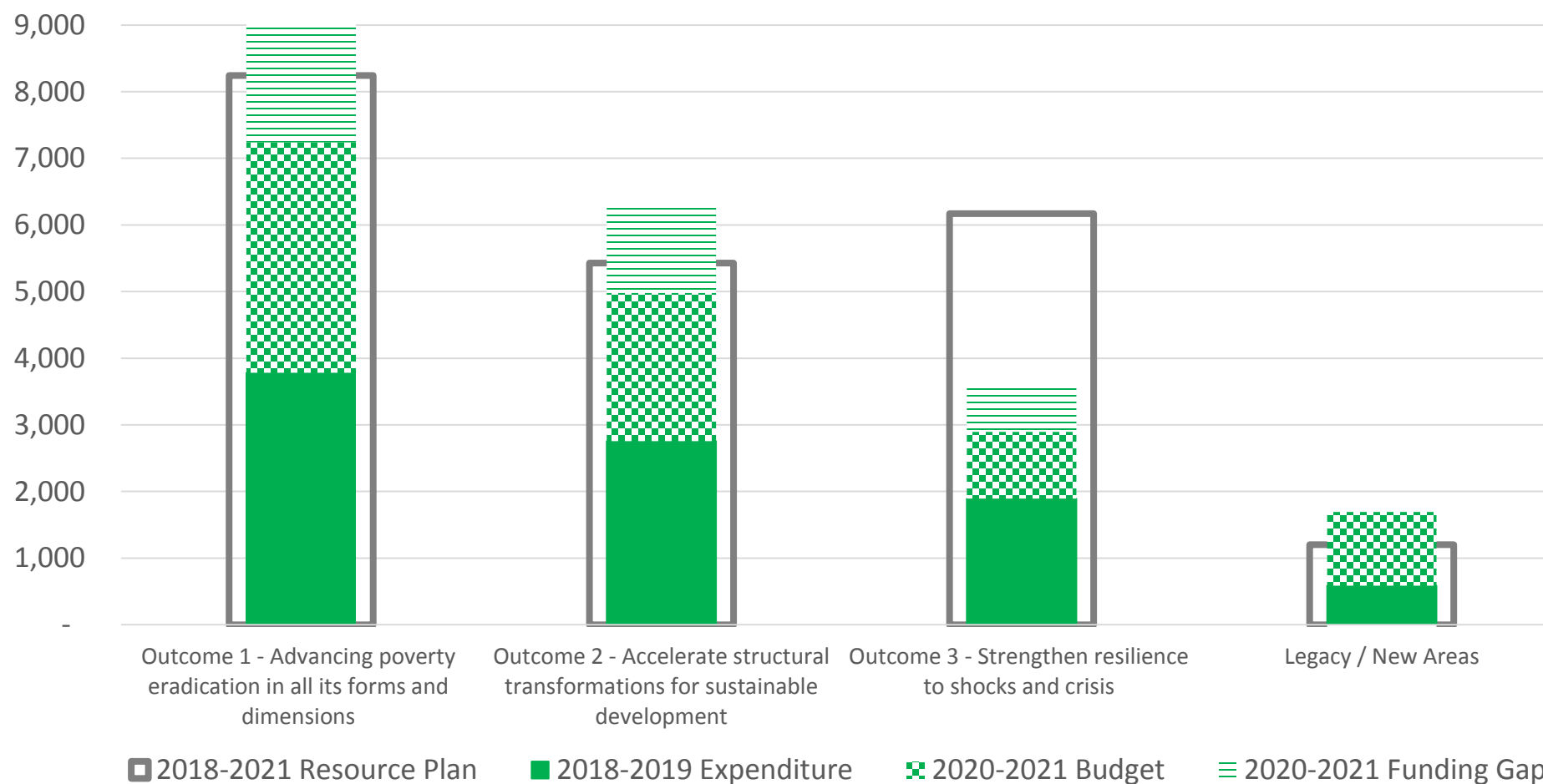
By Signature Solution  
(USD Millions)



# Funding Gap Analysis

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2018-2021 Resource Plan vs.  
2018-2019 Expenditure, 2020-2021 Budget and Funding Gap  
(In USD Millions)





## Funding Gap Analysis – Key Findings

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- Estimated funding gap to achieve SP targets by 2021 is approximately **\$2.8B**.
- Funding gap for Signature Solution 6 (Gender) is largest in terms of proportion (**63%**).
- Funding gap for Signature Solution 1 (Poverty) and Signature Solution 2 (Governance) is the largest in terms of absolute values - approximately **\$1.6B** and **\$1.5B**, respectively.
- At SP output level, UNDP mobilized sufficient resources for some outputs while other are at risk of underachieving the 2021 targets. **Flexible/predictable regular resources are critical** for UNDP to fill the funding gaps and quickly respond to new and emerging needs, such as the COVID-19 response.
- The data and lessons learned from the first Costing for Results Exercise and Funding Gap Analysis will inform the resource plan for the new Strategic Plan and Integrated Budget for 2022-2025.

- ❑ COVID-19 underscored **the value and vulnerability of the multilateral system** and the importance of flexible funding for UNDP's agile programmatic and operational response
- ❑ UNDP takes the **Funding Compact** seriously, making progress on 77% of its entity-specific indicators while contributing to the realization of UNDS collective commitments
- ❑ UNDP continued to drive **improvements in key performance areas** – in transparency and accountability, efficiencies, balancing its budget, securing an unqualified audit opinion, and allocating more core funds to development programmes
- ❑ **Lack of quality funding** limits UNDP's ability to allocate resources to underfunded areas and address funding gaps of the Strategic Plan
- ❑ UNDP values **structured funding dialogues** as key to **shift funding behavior** and **accelerate results on the ground**, realizing the mutual commitments of the funding compact