OUTLINE

- Financial Situation
- Funding Highlights
- Funding Compact and Strategic Plan update
- Funding Outlook (2022-2025)
- Core and Thematic Offers
**FINANCIAL SITUATION 2021**

- **$5.6 billion** in total revenue, including voluntary contributions, a decrease of 15% from 2020.
- **Core contributions decreased by 7% to $648 million** from $696 million in 2020.
- Core ratio declined to 12%; earmarked resources continue to be the predominant form of contributions to UNDP.
- **37%** of core resources received came from multi-year commitments.
- **$4.7 billion** in programme expenses (i.e., delivery), the highest level in over a decade.
- **$5.4 billion** in total expenses, an increase of 7% from 2020.
- 91 cents of every dollar spent went to programmes and services to achieve development results.
- Received a sixteenth consecutive unqualified audit opinion and balanced the institutional budget for the fifth year in a row.
UNDP received $5.3 billion in annual contributions in 2021, 4% lower than 2020.

Contributions to core, thematic funding, pooled funds and third-party cost sharing declined while government cost-sharing and vertical funds contributions increased.

Third-party cost sharing continues to make up the largest share of earmarked resources to UNDP making up 32% of total contributions.

The mobilization of $3.8 billion in SDG bonds in 2021 demonstrated UNDP’s growing reach in innovative finance.
Three years of funding compact implementation show a mixed picture, with several Member States lagging behind in their commitments.

**Progress on funding compact commitments**

- **(tracked at UN system level)**
  - Member States: 6% No data, 11% stalled or slowed progress, 33% in progress, 47% full or rapid progress
  - UNSDG: 3% No data, 11% stalled or slowed progress, 53% in progress, 35% full or rapid progress

**Source:** Department of Economic and Social Affairs, 2022.

**Abbreviation:** UNSDG, United Nations Sustainable Development Group.

- **Outcome 1 Utilization**: 95%
  - **Resource Plan**: $7,554
  - **Utilization**: $690

- **Outcome 2 Utilization**: 106%
  - **Resource Plan**: $7,211
  - **Utilization**: $4,895

- **Outcome 3 Utilization**: 59%
  - **Resource Plan**: $5,838
  - **Utilization**: $3,389

- **Legacy Utilization**: 93%
  - **Resource Plan**: $1,123
  - **Utilization**: $78

**Resource Plan (2018 - 2021)**

- **Utilization**:
  - **Outcome 1**
  - **Outcome 2**
  - **Outcome 3**
  - **Legacy**

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**Resource Plan Utilization (%):**

- **Outcome 1**: 95%
- **Outcome 2**: 106%
- **Outcome 3**: 59%
- **Legacy**: 93%
FUNDING OUTLOOK (2022-2025)

Integrated Resources Plan 2022-2025

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Use of resources 2022-2025

- Management activities - non-recurring: 0.7%
- Independent oversight and assurance activities: 0.6%
- Coordination activities: 0.2%
- Special purpose activities: 1.4%
- Development activities: 91.0%
THE CRITICALITY OF CORE FUNDING

To respond quickly and flexibly before, during and after an emergency
To support those most in need
To leverage additional non-core funding
To invest in greater transparency, oversight, accountability and risk management
To spur innovation and thought leadership

EVERY CORE DOLLAR INVESTED IN UNDP PROGRAMMES Brought TEN MORE IN NON-CORE FUNDING
THEMATIC OFFERS

**Signature Solutions**

- Poverty
- Resilience
- Energy
- Gender

**Funding Windows**

- Poverty and Inequality
- Governance, Peacebuilding, Crisis and Resilience
- Nature, Climate and Energy
- Gender Equality and Women's Empowerment

**Thematic Offers**

- Poverty and Inequality
- Crisis
- Green Recovery
QUESTIONS FOR DISCUSSION

• How should UNDP and the UN development system navigate the uncertain funding outlook for 2022 and beyond?

• How can we ensure progress in the implementation of the funding compact and reciprocity between UNDS entities and Member States commitments?

• What does it take to shift funding from highly earmarked project level funding to more flexible thematic funding?
THANK YOU