



STRUCTURED FUNDING DIALOGUE

UNDP

22 August 2022



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

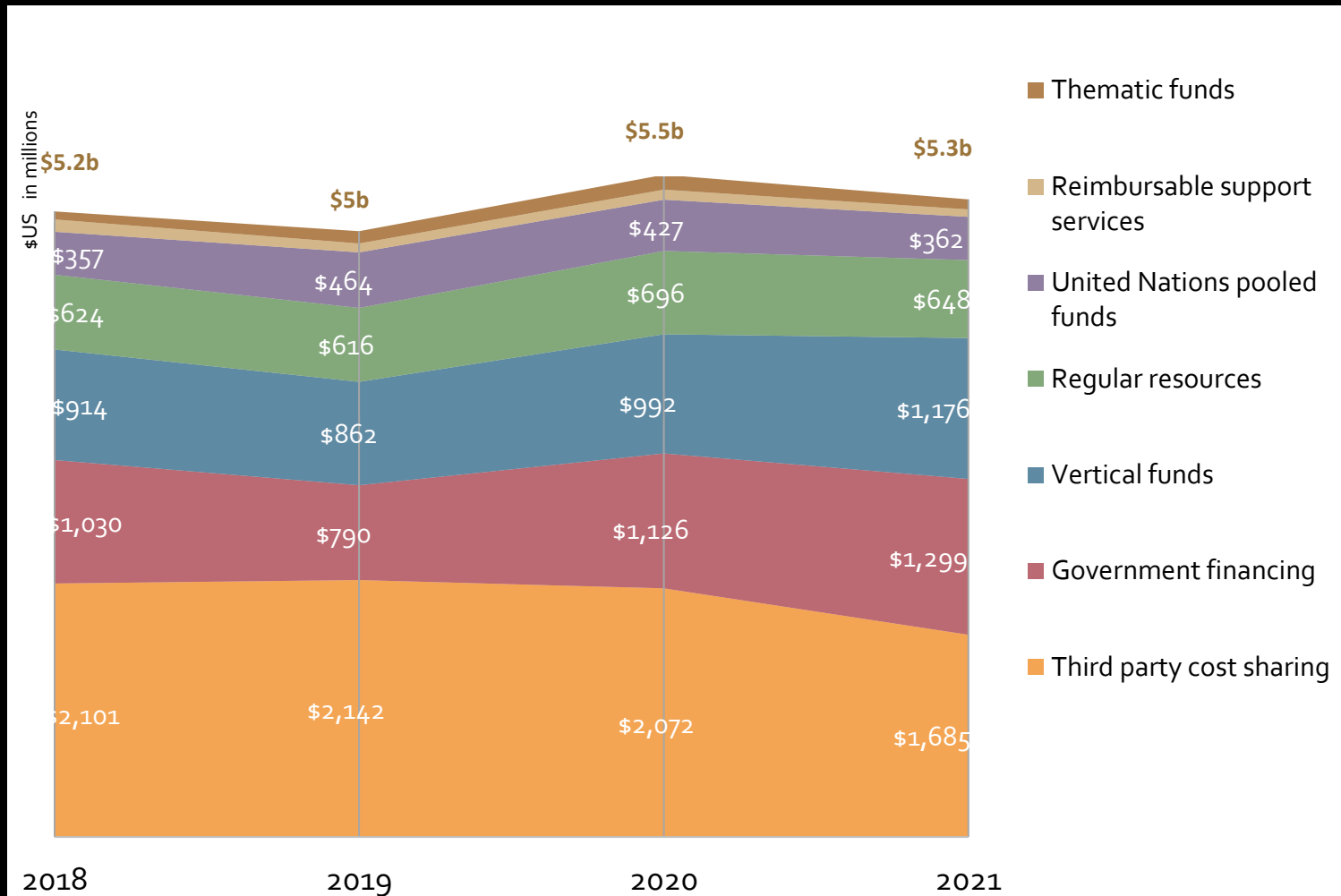
FUNDING HIGHLIGHTS 2021

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.

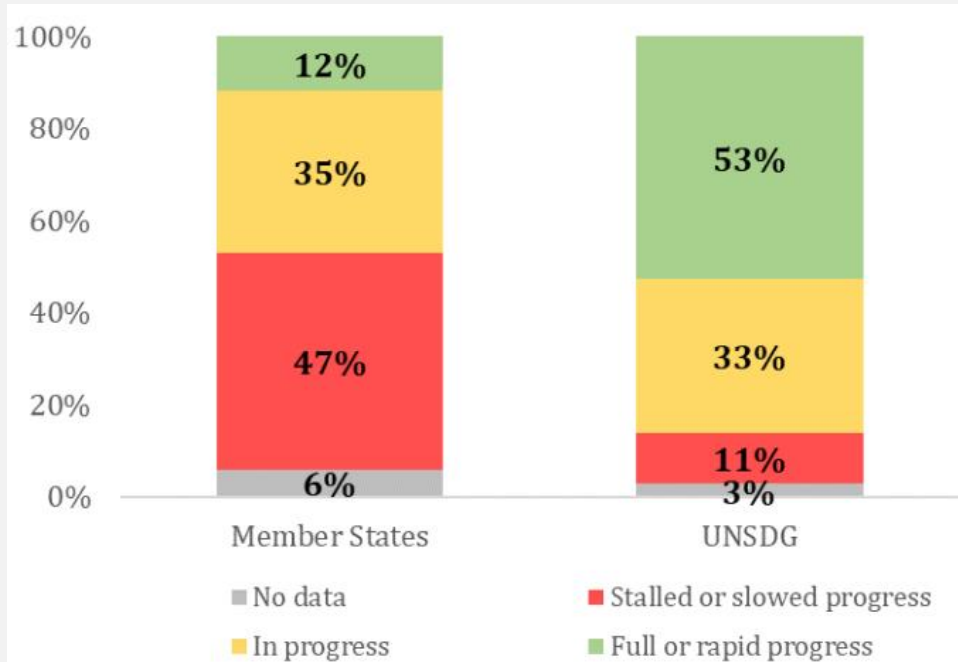
The mobilization of \$3.8 billion in SDG bonds in 2021 demonstrated UNDP's growing reach in innovative finance.



FUNDING COMPACT

Three years of funding compact implementation show a mixed picture, with several Member States lagging behind in their commitments.

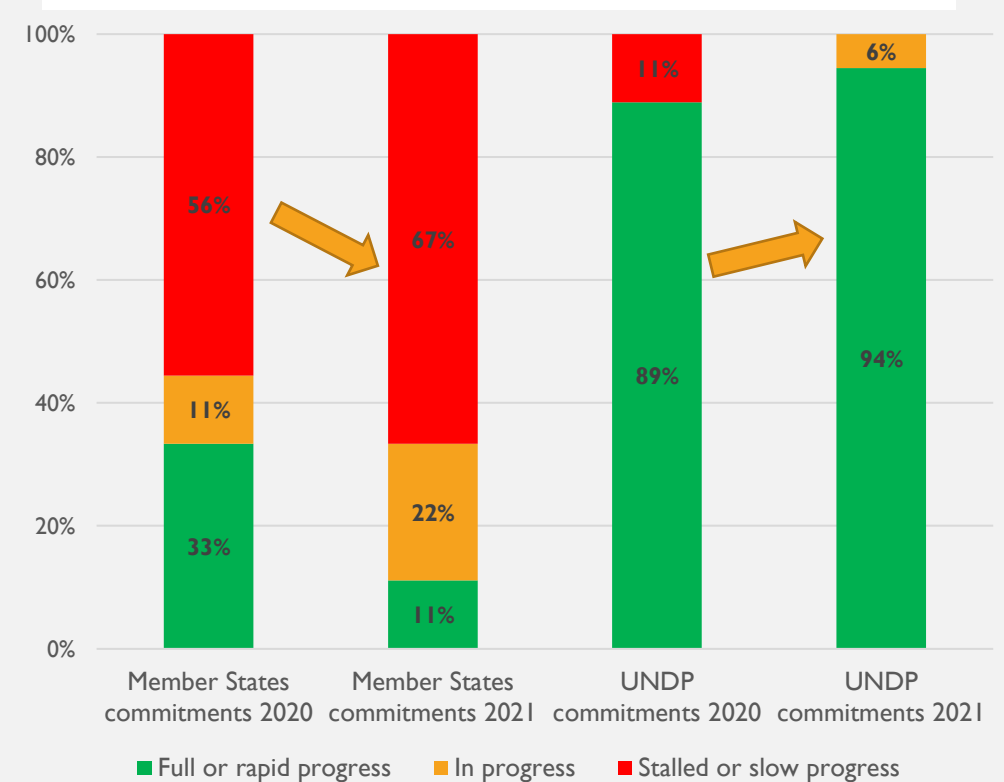
Progress on funding compact commitments (tracked at UN system level)



Source: Department of Economic and Social Affairs, 2022.

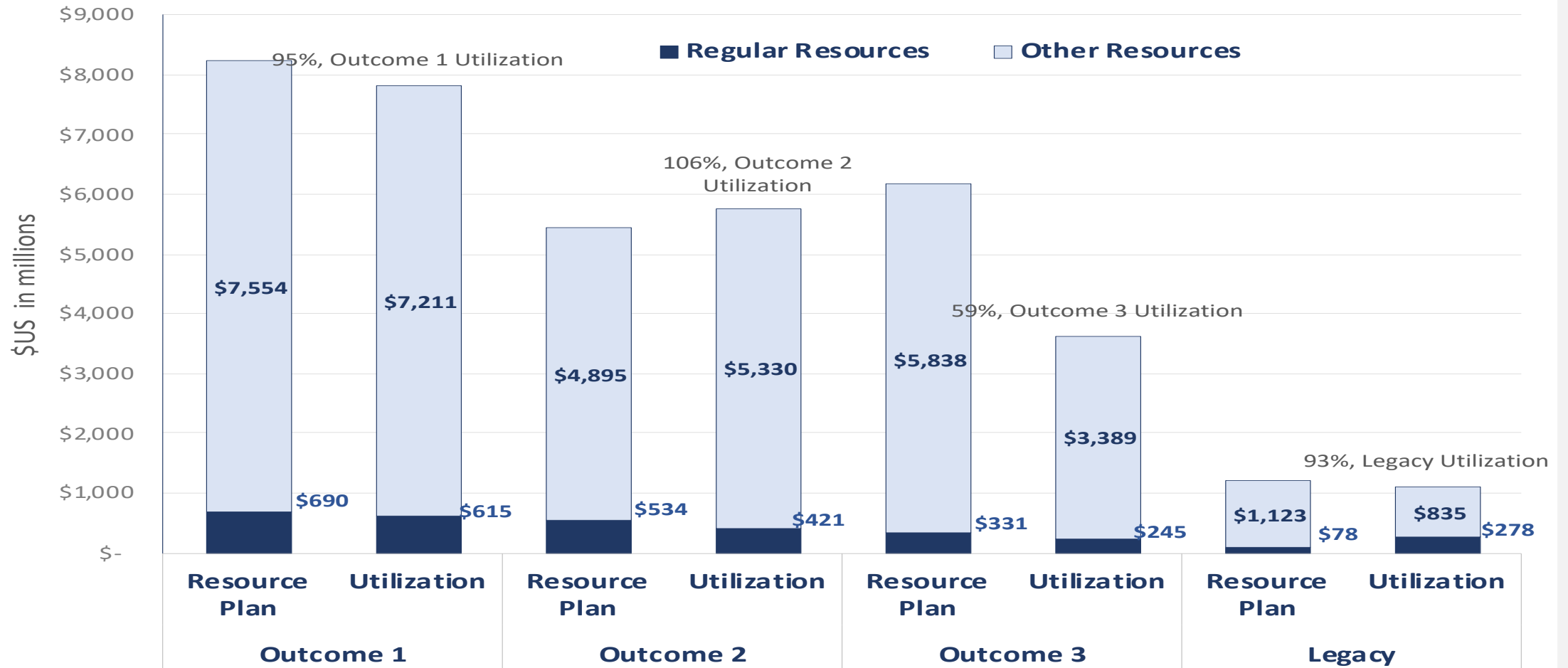
Abbreviation: UNSDG, United Nations Sustainable Development Group.

Progress on funding compact commitments (tracked at entity level)



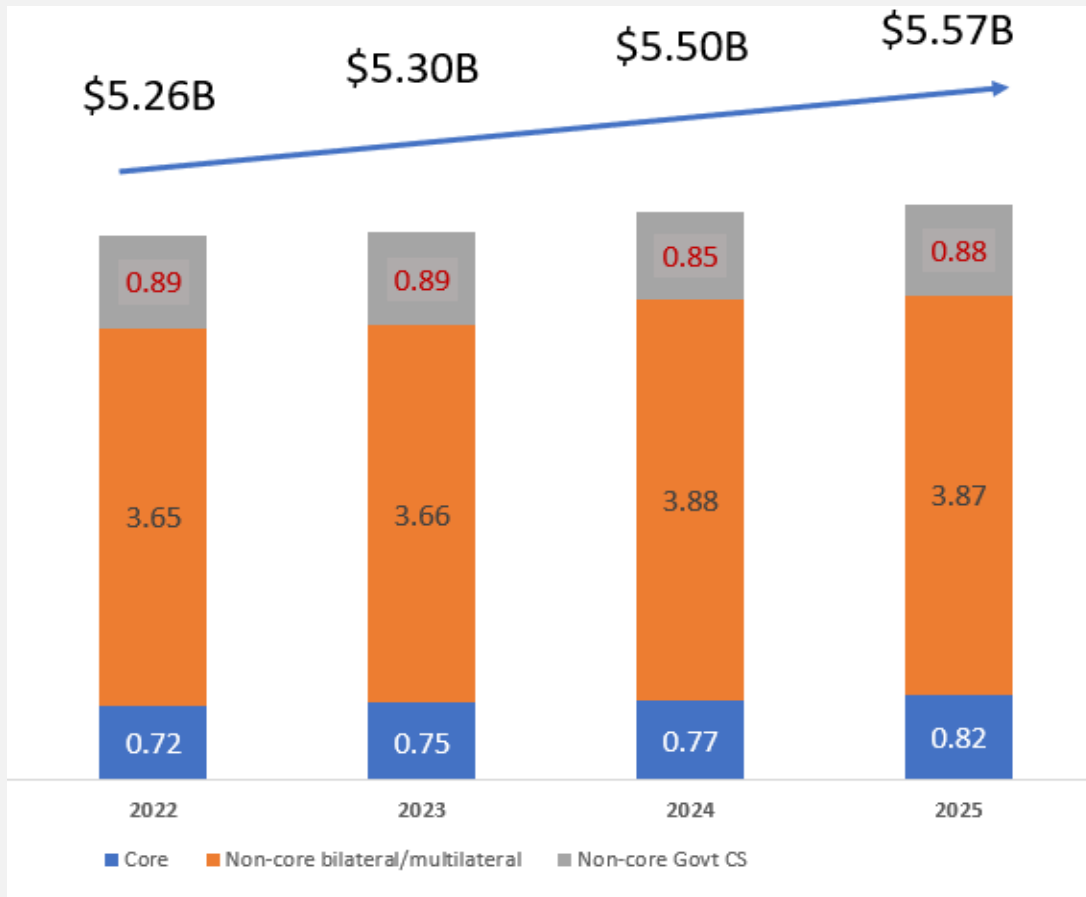
STRATEGIC PLAN (2018-2021)

Resource Plan (2018 - 2021) and Utilization (2018 - 2021)

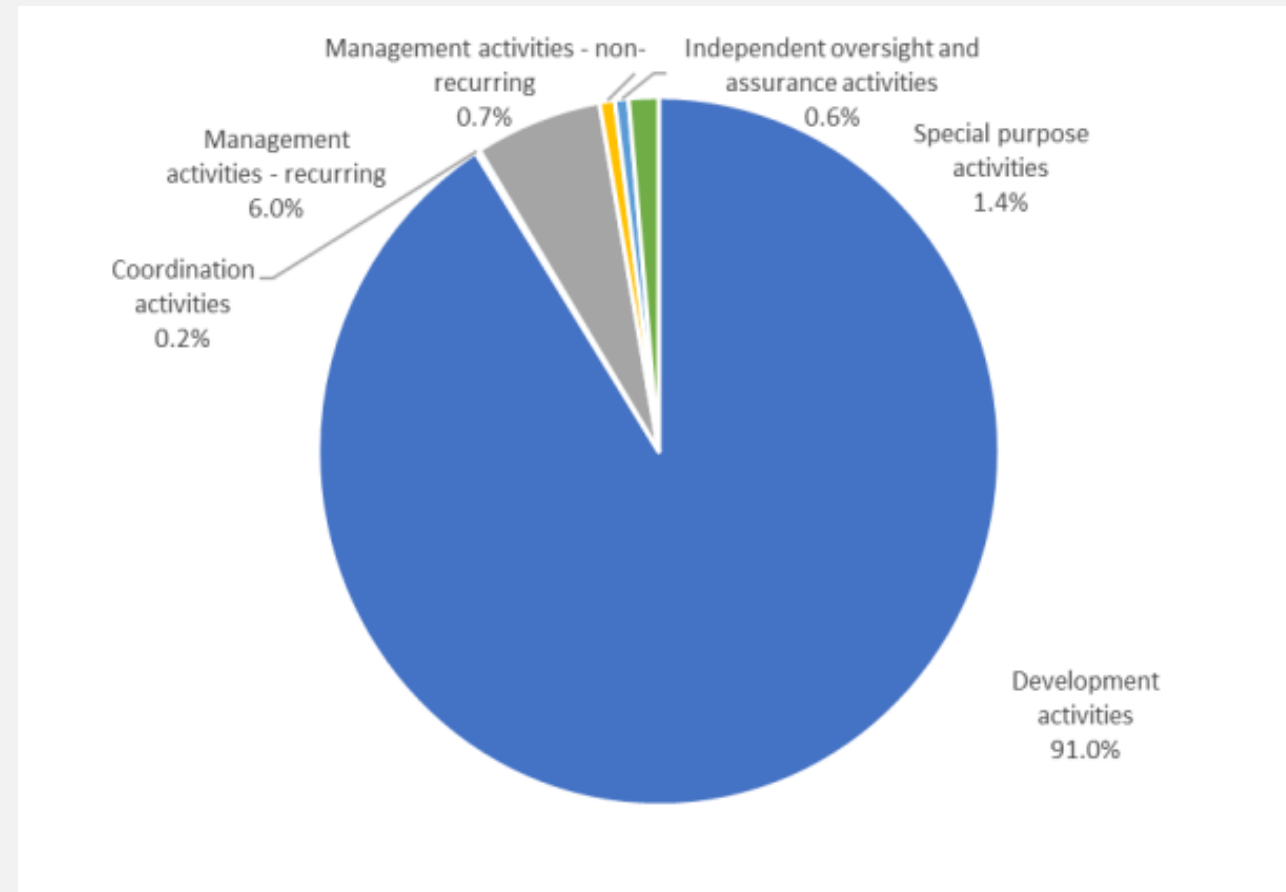


FUNDING OUTLOOK (2022-2025)

Integrated Resources Plan 2022-2025



Use of resources 2022-2025



THE CRITICALITY OF CORE FUNDING



EVERY CORE DOLLAR INVESTED IN UNDP PROGRAMMES
BROUGHT TEN MORE IN NON-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

THEMATIC OFFERS

Signature Solutions

Funding Windows

Thematic Offers



Poverty



**POVERTY AND
INEQUALITY**

Poverty and Inequality



Resilience



Governance



**GOVERNANCE,
PEACEBUILDING,
CRISIS AND
RESILIENCE**

Crisis



Energy



Environment



**NATURE, CLIMATE
AND ENERGY**

Green Recovery



Gender



**GENDER EQUALITY
AND WOMEN'S
EMPOWERMENT**

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