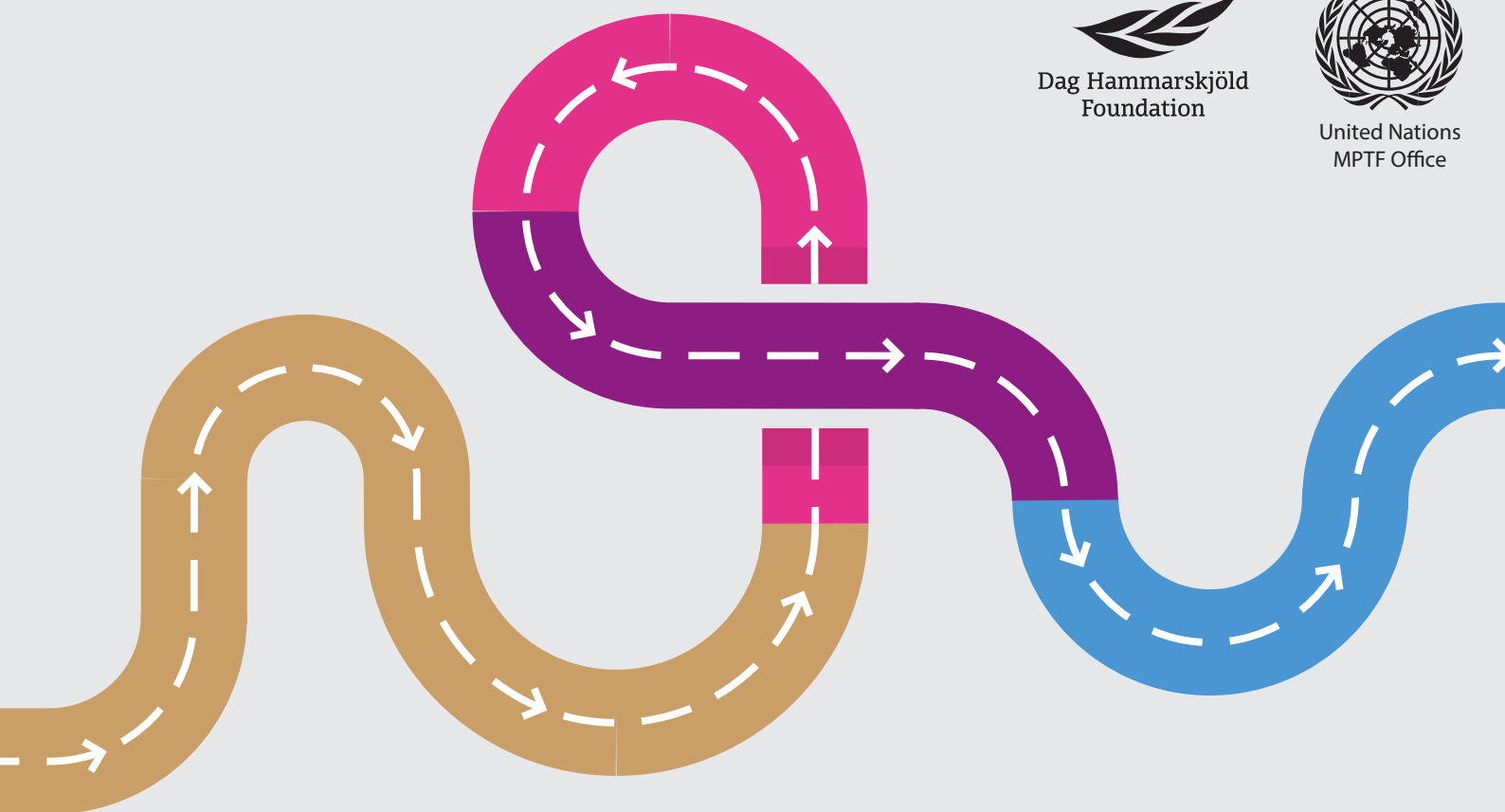




Dag Hammarskjöld
Foundation



United Nations
MPTF Office



September 2020

Financing the UN Development System Time to Walk the Talk

Executive Summary

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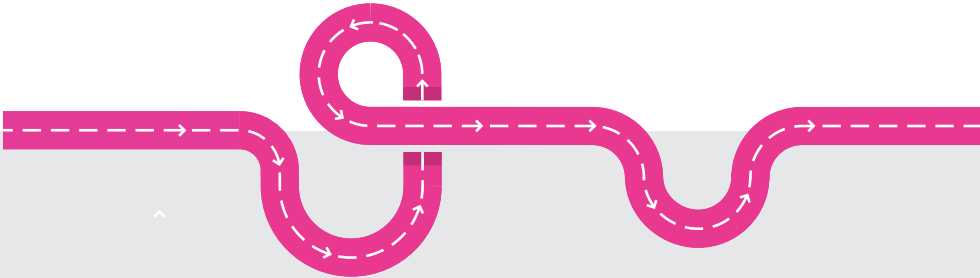
Graphic Designers: Pär Jansson and Kristin Blom

Illustrations: Cover illustration: Adobe Stock Images

Copy Editors: Annika Östman, Ken Barlow, Johanna Mårtendal and David Prater

Printer: X-O GrafTryckeri AB, Uppsala, Sweden, August 2020

Data Visualisation Designer: Elkanodata



The spectrum of UN financing instruments

| | Assessed contributions | Voluntary core contributions | Negotiated pledges | Earmarked contributions | Fees |
|--|--|---|--|--|--|
| Definition | Fixed amounts, calculated based on an agreed formula that Member States undertake to pay when signing a treaty | Voluntary untied contributions | Legally binding contribution agreements made by Member States | Voluntary contributions that are designated for a specific purpose | Payments for services |
| What is the central characteristic of financing? | A price of a membership | Voluntary, usually annual contributions (no earmarking) | Member States negotiate and agree on the contribution each will make | Funding is earmarked to theme, country or project | Collection of separate knowledge, management and product fees from both state and non-state actors |
| How are decisions on the amount of contribution made (burden sharing)? | Price is based on an agreed formula | Contributions are purely voluntary | The amount to be paid is negotiated and legally binding | No institutionalised formula, contributions are purely voluntary | Flat or negotiated fees |
| How are resources allocated? | Established in recipient's budget | Established in recipient's budget | Established in recipient's budget | Agreed, case by case, between contributor and UN recipient | Various |
| Who takes allocation decision? | UN membership | UN Member States | Recipient UN entity and UN Member States | Specific parties concerned | Various |

Executive summary

This sixth edition of the *Financing the United Nations Development System* report presents comprehensive data on UN revenues and expenditures. The subtitle of this year's report, *Time to Walk the Talk*, reflects the need for concerted action to reform the UN development system (UNDS) in the context of the unfolding COVID-19 pandemic.

The landscape of global affairs has dramatically shifted as a result of the pandemic, and many of its consequences are yet to be fully comprehended. It took six months for the world to reach 10 million confirmed coronavirus cases, then a mere six weeks for this figure to double. Millions more will be affected by COVID-19 before we can begin to speak of the crisis being over. The severity of the pandemic underscores the importance of both multilateral action and the multilateral institutions that make such action possible. The UN was created in order that challenges to development and peace could be collectively met. Since then, neither the UN Charter nor the organisation itself have lost their relevance – rather, the opposite is true.

The current focus of national governments and regional organisations is on addressing urgent national public health crises, as well as tackling the considerable economic and social fallout from the pandemic. In this context, the UNDS, which is heavily dependent on voluntary contributions, faces a significant challenge: how best to support and complement multilateral responses to the pandemic. The situation is grave, with COVID-19 presenting serious obstacles – both operationally and financially – to multilateralism. Commitments to multilateral funding are likely to be reassessed, putting the targets agreed as part of the Financing for Development process into question. Traditional systems for multilateral support – such as the official development assistance (ODA) of the Organisation for Economic Co-operation and Development (OECD) – will inevitably be affected by declining gross national income caused by the pandemic-related economic recession.

Despite these challenges, the main message of the report is that now is the time for concerted action. Put simply, it is time to walk the talk. COVID-19 has had, and will continue to have, a devastating impact on the lives and wellbeing of people around the world. As such, the UN and its partners have had to move swiftly, as well as with agility and flexibility, to meet the challenges posed by the pandemic. At the same time, the need for longer-term strategic planning in order to build back better and inclusively has become paramount. A glimmer of hope lies in the strength of feeling expressed by those calling for collective action. While there may be exceptions to this underlying sentiment, more generally it reflects a realisation that the challenges confronting us cannot be met unilaterally. It thus follows that multilateralism is the best instrument we have for finding effective solutions to these challenges.

As in previous years, this report aims to capture the various developments and trends taking place in UN funding and financing. It is a task embarked on in full recognition that the effects of the COVID-19 pandemic demand humility, and an acceptance of the need to prepare for significant trend shifts. The financial data explored in this report provide a useful benchmark for understanding the level at which UN financing stood – in terms of both quantity and quality – when the pandemic struck. Important steps were taken in 2019 as Member States and the UN agreed on a Funding Compact, which involves committing to tackling a number of financial challenges that must be overcome if the 2030 Agenda is to be effectively implemented. Such efforts were critical before the pandemic – they are even more so now. COVID-19 must not be allowed to bring these advances to a standstill or, worse, reverse them. The UN and its Member States should remain on course, reaffirming their commitment to achieving the 2030 Agenda and ensuring no one is left behind.

Scope of the report

This year's edition of the Financing the United Nations Development System report is divided into three parts.

Table 2a: Total revenue of the UN system by entity and by financing instrument, 2018 (US\$ million)

| Entity | Assessed | Voluntary core | Earmarked | Fees and other revenues | Total |
|----------------|---------------|----------------|---------------|-------------------------|---------------|
| UN Secretariat | 2,487 | | 2,898 | 639 | 6,024 |
| CTBTO | 128 | | 3 | 3 | 135 |
| DPKO | 7,286 | | 363 | 96 | 7,744 |
| FAO | 499 | 55 | 1,067 | 11 | 1,632 |
| IAEA | 413 | | 240 | 15 | 668 |
| IARC | 25 | 0 | 18 | 2 | 45 |
| ICAO | 73 | | 135 | 28 | 236 |
| ICC | 166 | | 2 | 1 | 169 |
| IFAD | | 218 | 161 | 64 | 443 |
| ILO | 387 | 13 | 243 | 49 | 692 |
| IMO | 40 | | 12 | 21 | 73 |
| IOM | 52 | 30 | 1,768 | 13 | 1,863 |
| ITC | 37 | 28 | 53 | 2 | 120 |
| ITU | 127 | | 18 | 34 | 179 |
| OPCW | 71 | | 14 | 3 | 88 |
| PAHO | 103 | | 518 | 703 | 1,324 |
| UNAIDS | | 185 | 30 | 5 | 220 |
| UNCDF | | 10 | 56 | 3 | 69 |
| UNDP | | 662 | 4,523 | 332 | 5,517 |
| UNEP | 247 | 70 | 422 | 3 | 742 |
| UNESCO | 336 | | 297 | 51 | 684 |
| UNFCCC | 35 | 1 | 46 | 17 | 99 |
| UNFPA | | 379 | 877 | 87 | 1,343 |
| UN-HABITAT | 14 | 4 | 154 | 7 | 179 |
| UNHCR | 39 | 647 | 3,614 | 39 | 4,338 |
| UNICEF | | 1,628 | 4,867 | 181 | 6,676 |
| UNIDO | 78 | 77 | 92 | 1 | 248 |
| UNITAID | | 188 | 3 | | 191 |
| UNITAR | | 1 | 20 | 6 | 26 |
| UNODC | 34 | 5 | 350 | 20 | 409 |
| UNOPS | | | | 942 | 942 |
| UNRISD | | 2 | 1 | | 2 |
| UNRWA | | 830 | 431 | 34 | 1,295 |
| UNSSC | | 5 | 7 | 0 | 12 |
| UNU | | 37 | 17 | 4 | 58 |
| UN Women | 8 | 149 | 235 | 12 | 405 |
| UNWTO | 16 | 0 | 6 | 3 | 25 |
| UPU | 37 | | 18 | 19 | 74 |
| WFP | | 412 | 6,882 | 75 | 7,368 |
| WHO | 501 | 89 | 2,264 | 47 | 2,901 |
| WIPO | 18 | | 12 | 407 | 436 |
| WMO | 66 | 2 | 18 | 3 | 89 |
| Total | 13,522 | 5,747 | 32,754 | 3,996 | 56,019 |

Source: Chief Executives Board for Coordination (CEB)

For notes – see page 13

Part One examines the UN’s financial ecosystem. It looks first at overall revenue for the entire UN system, including who is being funded, by how much, by whom, and for what broad functions. Next, expenditure is put under the spotlight, including how it links to the Sustainable Development Goals (SDGs), as well as to particular geographical priorities and trends. Part One concludes with an examination of what is being done to improve UN system-wide financial data and address data-quality issues.

In Parts Two and Three, contributors from within and outside the UN system reflect on the current status of financing for the SDGs, potential strategies and priorities, and what might be the best way forward. In doing so, they broaden our perspective from the UN to the wider international and multilateral development community, while also considering elements of UN reform and the current impact of the global pandemic on Member States.

The remainder of this Executive Summary covers the report’s key findings, including highlights from the analysis of data on UN revenues and expenditures in 2018. As always, the intention is to let the figures, tables and graphs speak for themselves where possible. This year’s edition of the report also attempts to look further into trends, on the basis that history provides perspective and guidance for future actions. The online version allows interaction with the data through three visualisations, making individual deep dives and further analysis possible (<https://bit.ly/2RCAqm9>).

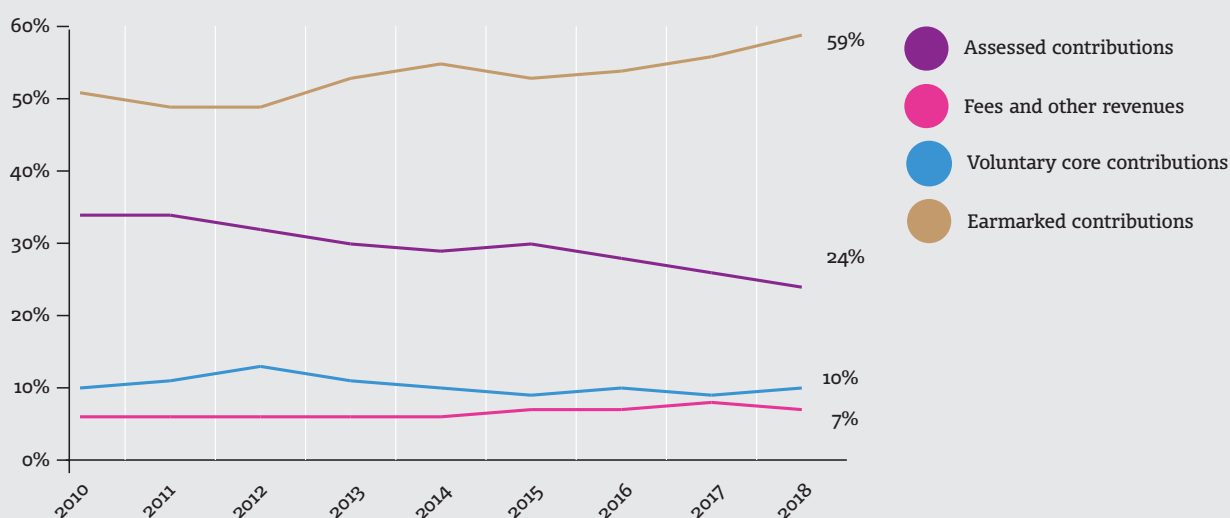
Chapter One: Revenue

The UN system’s total revenue in 2018 amounted to US\$ 56 billion, an increase of US\$ 3.2 billion compared to 2017 (see Table 2a on the previous page). While this mostly reflects actual growth in overall UN revenue numbers, around 10% of the growth is attributable to improved system-wide financial reporting. Table 2a shows that the largest UN entity in terms of revenue in 2018 – apart from the Department of Peacekeeping Operations (DPKO) – was the World Food Programme (WFP), which passed the US\$ 7 billion mark for the first time. WFP also received the largest nominal growth in funding, with its overall revenue increasing by US\$ 0.9 billion, followed by the UN Secretariat, which grew by US\$ 0.6 billion.

How was this revenue received? Earmarked contributions – funding tied to a particular project, theme or location – represent by far the largest financing instrument to the UN system. In 2018, 59% (US\$ 32.7 billion) of all UN revenue was earmarked, an increase of 2% compared to the previous year, with most of it tightly earmarked to a single UN entity for a single project in a single country. Higher quality and more flexible earmarking instruments, such as thematic and interagency pooled funds, experienced faster growth in line with the UN Funding Compact requirements. However, given only limited conclusions can be drawn from analysing year-on-year variations, Figure 2 below offers a longer-time perspective of UN revenue by financing instrument. In doing so, it reveals the relative decline of the assessed

Part One: United Nations resource flows

Figure 2: Distribution of total UN system revenue, by financing instrument, 2010-2018



Source: Chief Executives Board for Coordination (CEB)
For notes – see page 13

funding curve and the relative incline of the earmarked contribution curve. Elsewhere, the relative shares of voluntary core, and fees and other revenues can be seen to have remained largely static over time (see the table on page 2 for definitions of these UN financing instruments).

Next, we turn to who funds the UN. In summary, UN financing relies heavily on a small set of Member State contributors, with the top ten contributors accounting for over half of the UN’s total revenue in all years. This pattern has remained fairly constant over the past eight years, starting out at 52% in 2010, increasing to 55% in 2012, then falling back to 50% in 2018 (see Figure 4 on page 34 in the full report). The only source that has notably increased its contribution over the period is the European Union (EU) institutions, rising from 2% to 7% of total UN funding. Figure 5 below reveals how the EU’s annual contributions increased from less than US\$ 0.7 billion in 2010 to US\$ 2.7 billion in 2017, then up to US\$ 3.7 billion in 2018.

Regarding non-public funding sources, which represented 5% of total UN contributions for 2018 (amounting to US\$ 2.8 billion), it is notable that roughly half came from private individuals giving voluntarily through, for example, the UN Children’s Fund (UNICEF) national committees, or the private giving programme of the UN High Commissioner for

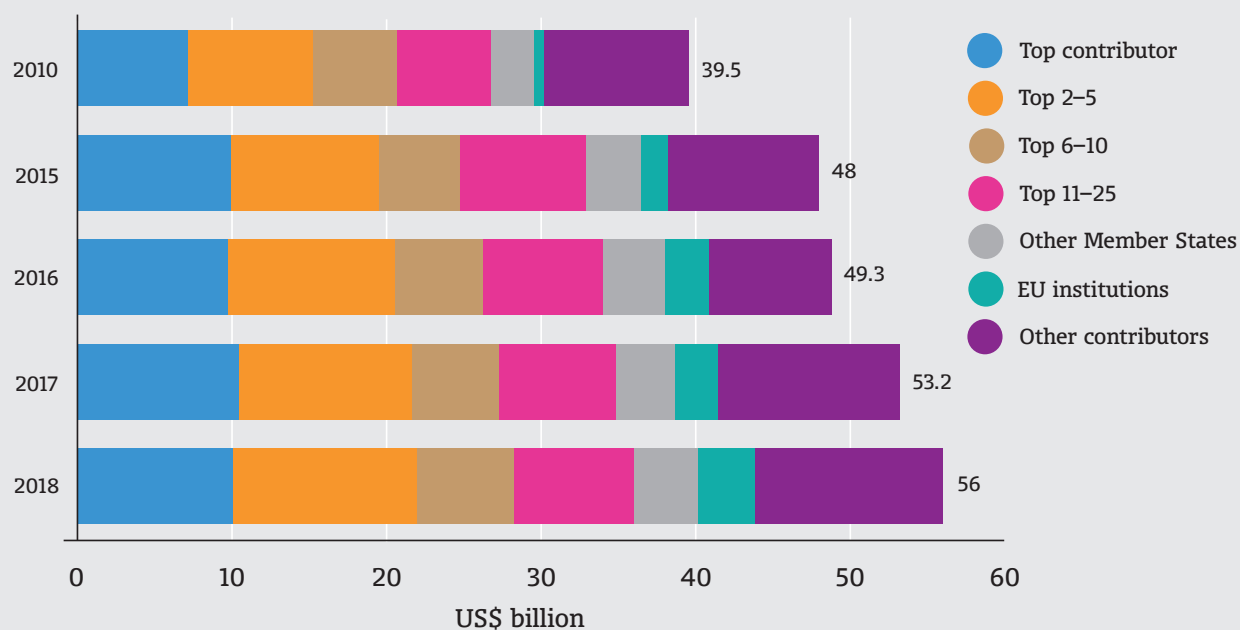
Refugees (UNHCR) (see Figure 7 on the next page). In terms of foundations, by far the largest contributor was the Bill & Melinda Gates Foundation, which contributed to the work of various UN organisations, but most notably provided 80% of contributions by foundations to the World Health Organization (WHO).

Figure 9, also on the next page, meanwhile, looks specifically at the funding of operational activities for development (UN-OAD) over the last nine years in terms of core and earmarked funding. Here, it is revealed that 79% of all contributions to UN-OAD in 2018 were earmarked, which is 20% more than the equivalent percentage at the UN system-wide level. Thus, the earmarking of contributions to UN-OAD is driving the upwards trend of earmarking at the system-wide level. Most of it is earmarked to a single project by a single donor.

Having looked at how and by whom the UN is funded, the next question concerns what is being funded. Figure 10 on page 6, divides this into the four system functions, revealing that funding for humanitarian assistance is almost identical in size – even a little larger – than funding for development assistance. Together, these two functions account for almost three-quarters of funding to the UN system.

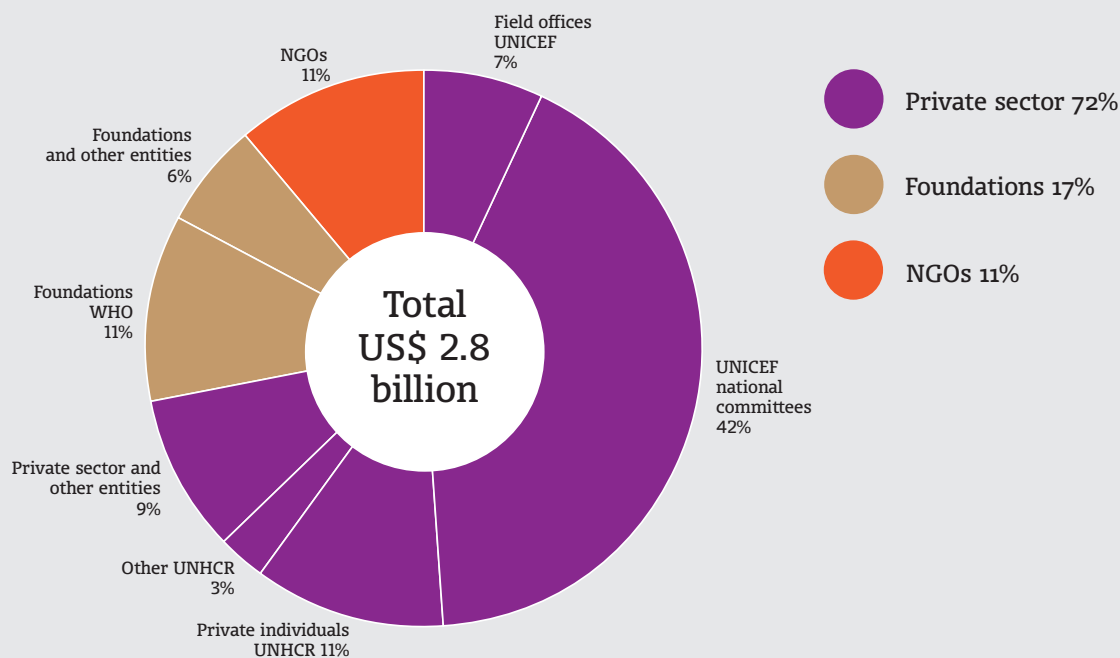
Figure 11 on the previous page takes the analysis a step

Figure 5: Contributions to the UN system by Member States, EU Institutions and other contributors, 2010–2018 (US\$ billion)



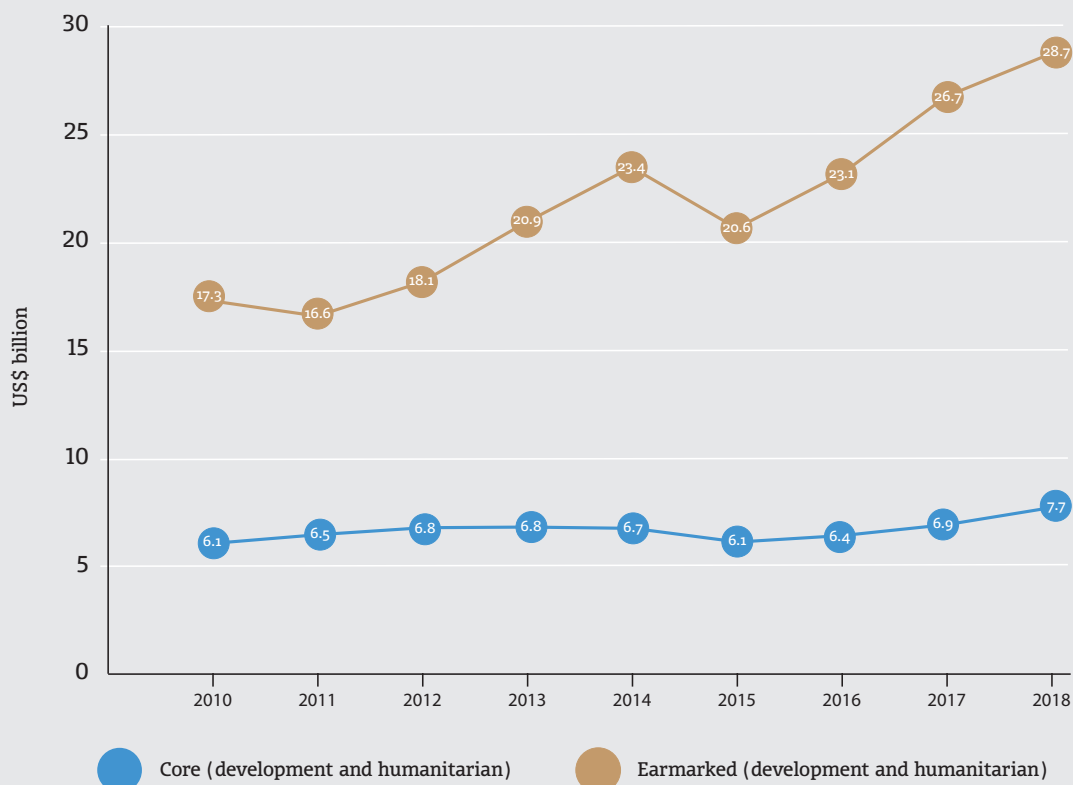
Source: Chief Executives Board for Coordination (CEB) and Report to the Secretary General (A/64/220/Add.1).
For notes – see page 13

Figure 7: Non-state revenue of the UN system, 2018



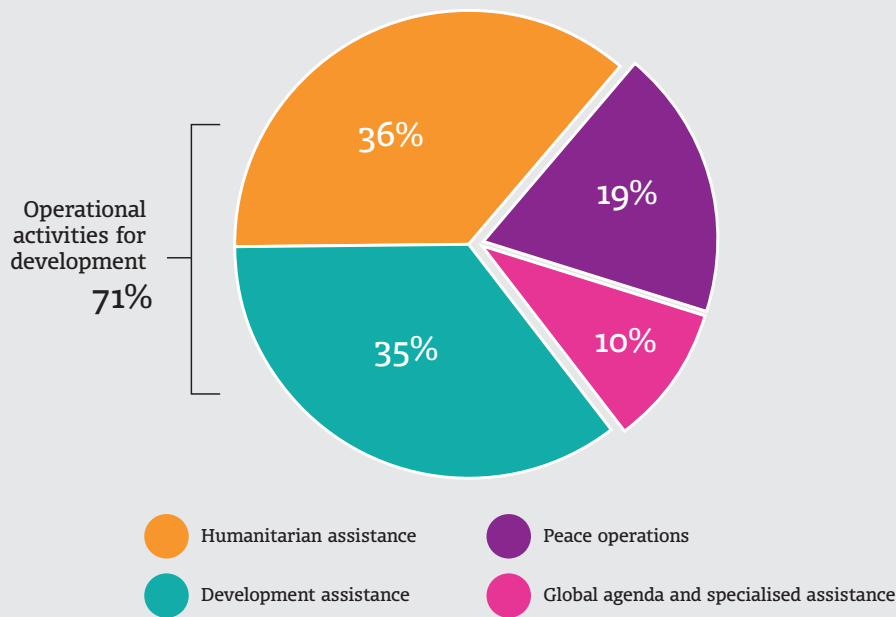
Source: Chief Executive Board for Coordination (CEB), UNHCR, UNICEF and WHO.
For notes – see page 14

Figure 9: Total core and earmarked contributions for UN operational activities, 2010–2018



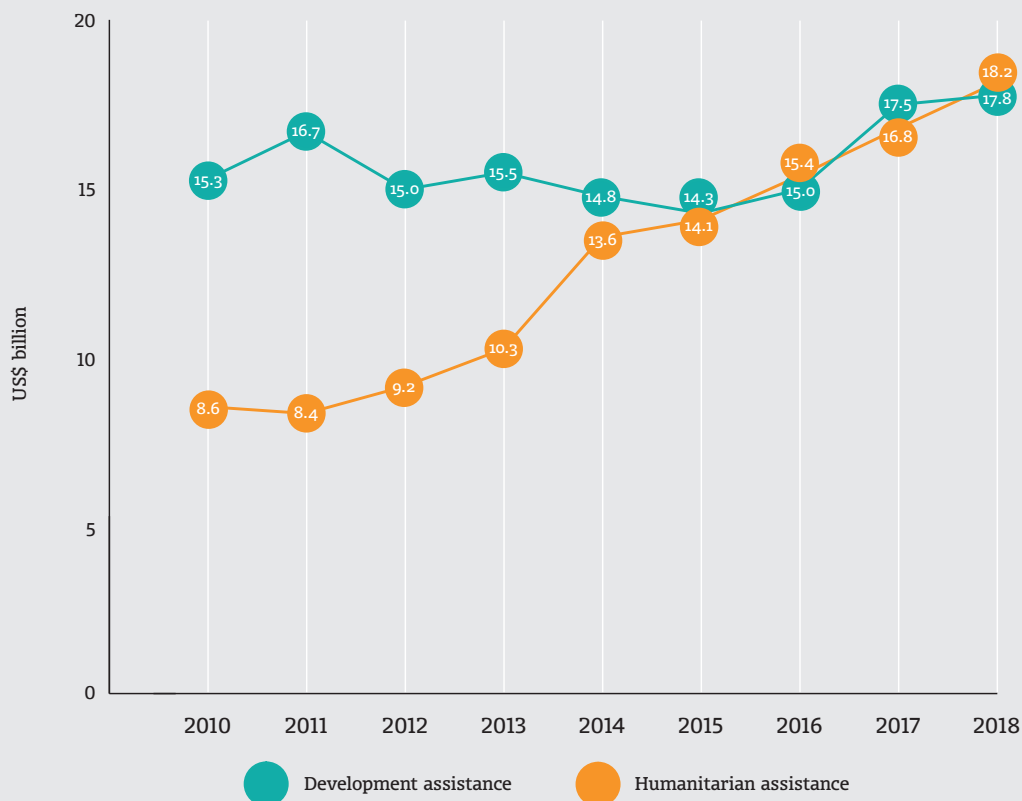
Source: Report of the Secretary-General (A/75/79-E/2020/55)
For notes – see page 14

Figure 10: Funding of UN system-wide activities, 2018



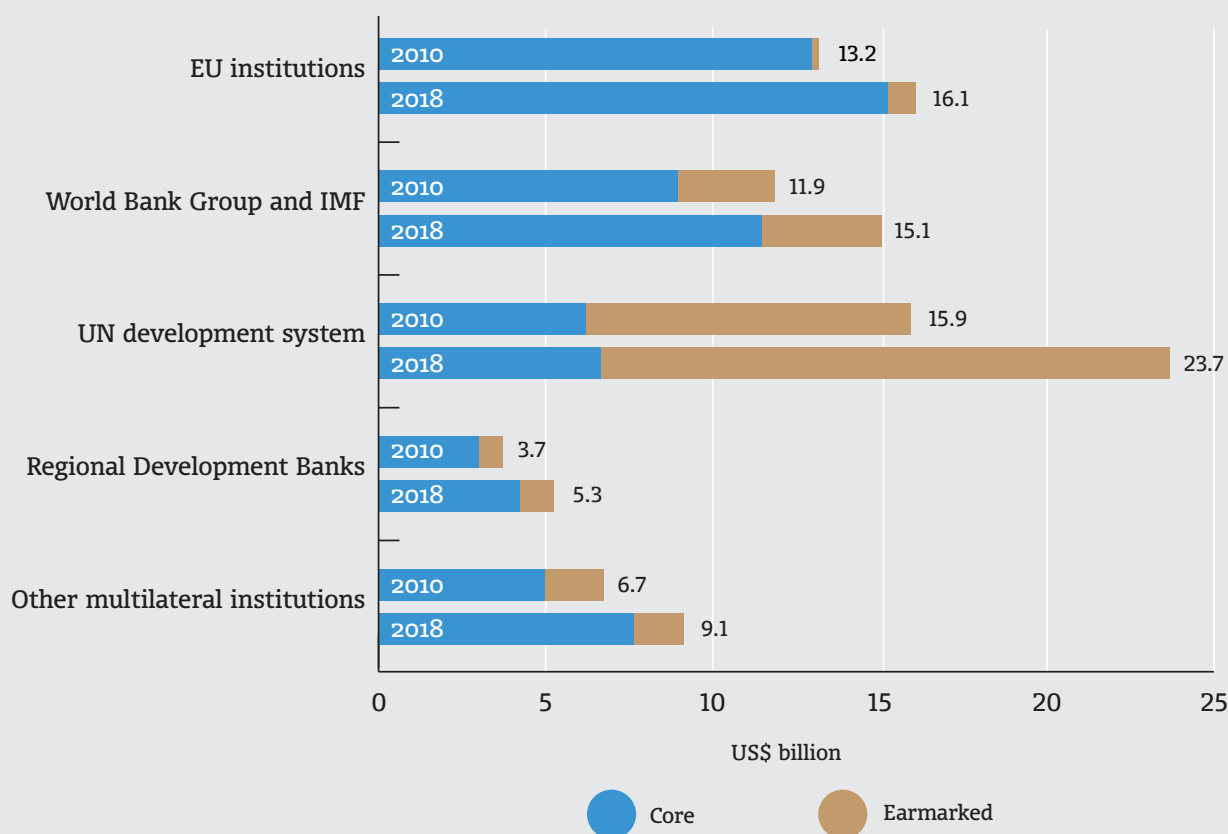
Source: Report of the Secretary-General (A/75/79-E/2020/55)
For notes – see page 14

Figure 11: Total expenditure for development and humanitarian-related UN operational activities, 2010-2018



Source: Report of the Secretary-General (A/75/79-E/2020/55)
For notes – see page 14

Figure 12: Channels of total multilateral assistance from OECD-DAC countries, core and earmarked, 2010 and 2018 (US\$ billion)



Source: Organisation for Economic Co-operation and Development (OECD)
For notes – see page 15

further, showing how expenditure for development and humanitarian assistance – the two functions that make up UN-OAD – has evolved over the past nine years. Overall, growth in funding for humanitarian assistance has outpaced growth in funding for development assistance. This growth in humanitarian expenditures has been fuelled by the rapid increase in earmarked contributions seen in Figure 9.

The report then asks how funding for the UNDS and its operational activities compares with funding patterns for other multilateral organisations. The data shows that the UN has consolidated its role as the largest channel for multilateral ODA, driven by the rapid growth in earmarked resources (see Figure 12 above). In 2010, the UN received 31% of total multilateral ODA funding, with EU institutions receiving 26% and the World Bank 23%. By 2018, the UN – having absorbed half the total growth in multilateral aid – had seen its share grow to 34%, while the EU’s share had dropped to 23% and the World Bank’s to 22%.

As noted earlier, over half of the total contributions

to the UN come from the top ten Member State contributors and the EU. A similar pattern is true for contributions towards funding the UN’s humanitarian and development activities. Figures 17b and 18b on the next page present the 2018 funding mix of the top 20 contributors to UN humanitarian and development-related activities. They reveal that while the top five contributors are the same, their weight within the overall funding differs substantially between humanitarian and development-related activities.

Humanitarian funding is highly concentrated, with the top five contributors accounting for 63% of total humanitarian funding in 2018 – the United States as the top contributor alone accounted for 27%. By contrast, the United States accounted for only 9% of overall funding for development-related activities; and the same group of top five contributors had a combined 36% share of the total.

Figure 17b: Development assistance funding mix of the top 20 contributors to the UNDS, including assessed contributions, 2018 (US\$ million)

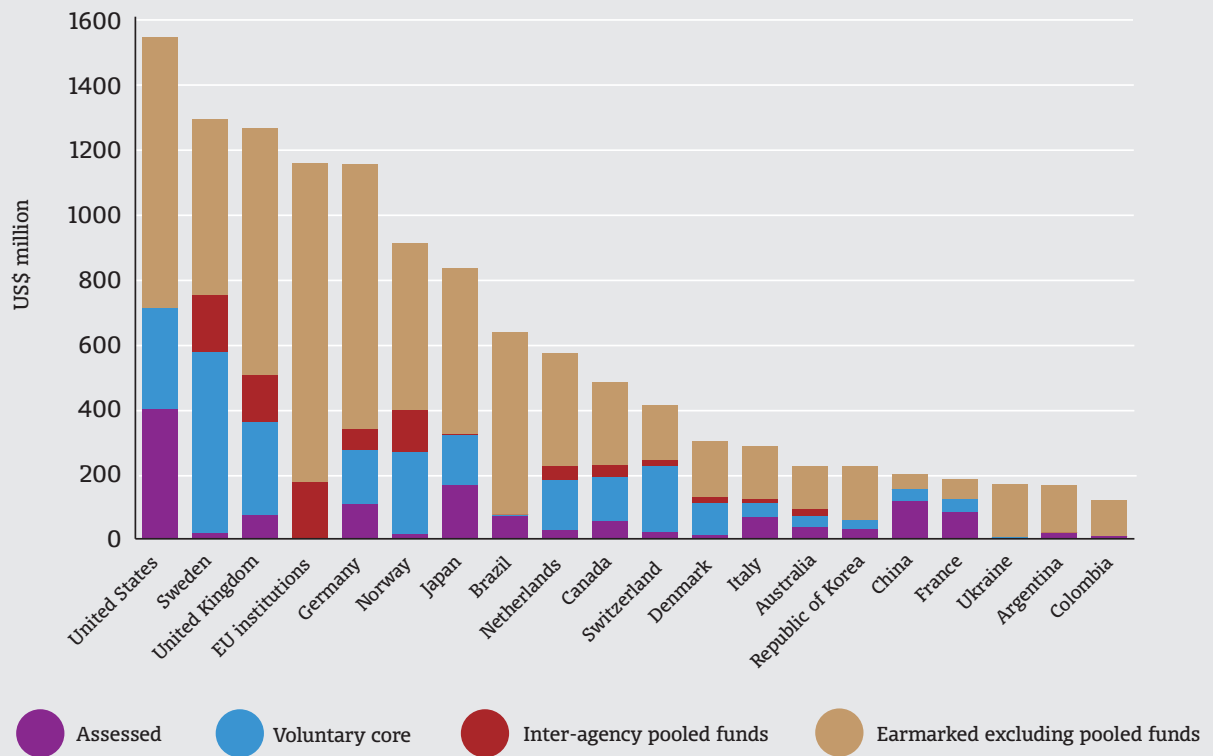
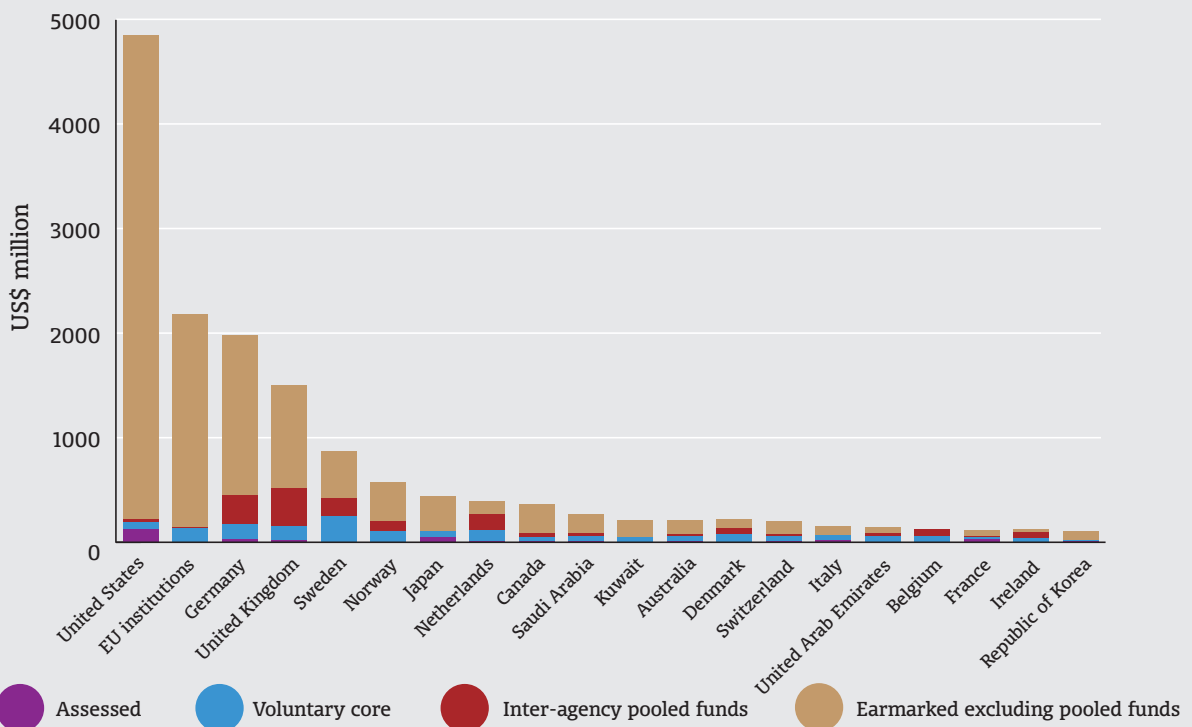


Figure 18b: Humanitarian assistance funding mix of the top 20 contributors to the UNDS, including assessed contributions, 2018 (US\$ million)



Source: Report of the Secretary-General (A/75/79 – E/2020/55) and UN Pooled Funds Database
 For notes – see page 15

Chapter Two: Expenditure

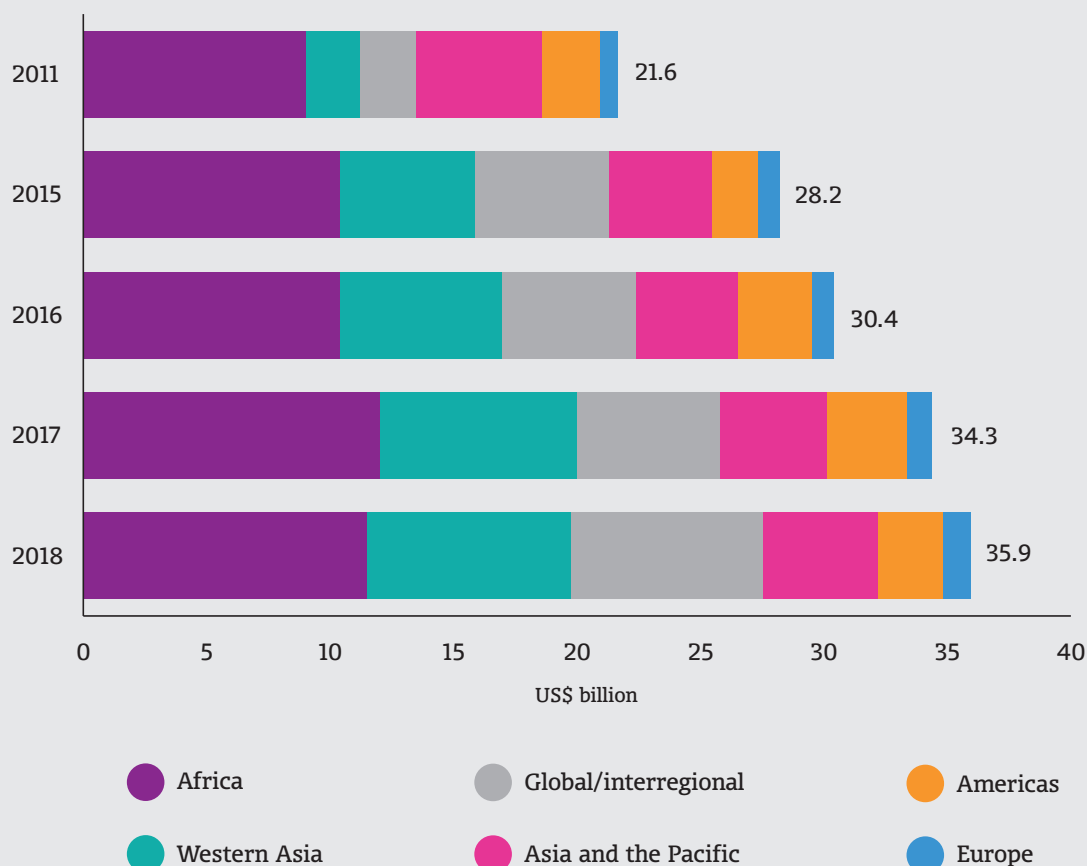
Having explored the revenue coming into the UN system, Chapter Two proceeds to examine how the UN invests these revenues. It shows that the UN system’s expenditure increased from US\$ 51.6 billion in 2017 to US\$ 52.7 billion in 2018 (see Table 5 on page 54 in the full report), with the two entities that enjoyed the largest nominal growth in expenditure the same two that saw the largest growth in revenue: the expenditure of WFP increased by US\$ 0.6 billion, while that of the UN Secretariat rose by US\$ 0.4 billion.

As for geographical priorities, the region with the fastest growth in expenditure was Western Asia, with an increase in nominal terms from US\$ 2.2 billion in 2011 to US\$ 8.3 billion in 2018 (see Figure 22 below). Over the same period, the region’s percentage share of total expenditure more than doubled, from

10% to 23%. Much of this growth was due to the Syrian crisis and its impact on refugee-hosting neighbours (from 2012), and to the deepening humanitarian crisis in Yemen (especially from 2017).

For the first time, the report features graphs on expenditure linked to the SDGs, as showcased in six UN entities (see Figures 23–28 on pages 56–57 in the full report). Overall, they show that 2018 provided a healthy start for SDG reporting, with the six agencies together linking US\$ 18.5 billion to the SDGs – more than half the total amount spent on UN operational activities. The International Labour Organization (ILO), UN Women and WFP reported 100% of their expenditure as being linked to the SDGs, with all three having a single SDG goal – the one closest to the respective organisation’s mandate – to which the majority of expenditure was linked.

Figure 22: Expenditure on UN operational activities by region, 2011–2018



Source: Report of the Secretary-General (A/75/79-E/2020/55)
For notes – see page 15

Finally, regarding expenditure by income status, it is on average largest in low-income countries, with 47% of 2018 expenditure on operational activities taking place in this group of countries. The most visible concentration of the UN's operational activities is, however, to be seen in the exactly one-third (54) of UN programme countries defined as crisis-affected. Expenditure in this group constituted 81% of total country-level expenditure. As can be seen in Figure 30 and the related online visualisation, most such countries are characterised by protracted crisis, having been in this category since at least 2010.

Chapter Three: Taking action on data quality

Chapter Three begins by noting that over the past few years the UN has taken concerted action to improve its system-wide financial data. Most notably, in 2018 the UN adopted the 'data cube' and its common set of financial data standards, which are now being phased into the financial reporting of the UN system. The chapter underscores that this will, over time, improve the quality of financial data available at the UN system level, starting with the 2018 data used for this report. Even so, the issue of financial data quality remains, and improving it requires concerted efforts and tenacity across the UN system.

A snapshot of some of the work currently taking place to improve UN system-wide data is then provided. This includes training on how to report against the UN data standards; detailed guidance on issues such as eliminating double counting; strengthening collaboration both within and outside the UN system; and continuing discussions on a common minimum financial dataset, to be used for capturing disaggregated financial data below the level of the financial statements.

It is also emphasised that over the coming year or two, reporting should ideally move from the aggregated financial-statement level to the disaggregated level. Only in this way will the UN be able to create a single 'data cube' with disaggregated data across multiple dimensions, which can then be used for analysis and decision-making, and for reporting by and to all UN stakeholders.

Figure 30: UN operational and peace-related expenditure in crisis-affected countries, 2010–2018.

For further information see: <https://docs.daghammarskjold.se/time-to-walk-the-talk/part-one-2.html>



Source: Report of the Secretary-General (A/75/79-E/2020/55 and earlier years); General Assembly Financial Report (various years); and Report of the Secretary-General (A/73/352 and earlier years).

For notes – see page 15

Part Two: Financing the Sustainable Development Goals

Part Two provides a platform for contributors to broaden our perspective from the UN to the wider international and multilateral development community. The first article, by **Homi Kharas**, focuses on SDG financing, looking at – among other things – how private financing contributes to public investment. Kharas stresses that economic growth, and associated increases in domestic revenues, is far and away the largest driver of new financing for the SDGs. As a result, he estimates that spending on the SDGs by developing countries could increase by US\$ 7 trillion.

This is followed by a contribution from **Emily Davis, Orria Goni and Thomas Beloe** on how best to build back from COVID-19, looking in particular at financing strategies such as integrated national financing frameworks (INFFs). Here, the authors argue that financing strategies that put the SDGs at the heart of recovery are crucial.

In Part Two's final article, **Navid Hanif and Philipp Erfurth** focus on the nexus of new technologies and investment in sustainable development, asking if this can generate synergies that will unlock new funding for development. Indeed, they argue that investment in emerging technologies can help accelerate achievement of the SDGs, while grasping the benefits of new technologies can help accelerate investment in sustainable development.

Part Three: Embracing United Nations reform

Part Three explores a number of key areas where practical steps are being taken to make progress on the UN's reform agenda. In the first article, **Ambassador Omar Hilale** explores the challenges currently confronting the climate agenda. Specifically, he focuses on the interactions between the COVID-19 pandemic, the global financial crisis and climate change. In doing so, he argues that the world must make the transition towards sustainable modes of production and consumption, and that financing must be made available for the restructuring necessary to make this leap.

In the second article, the UN **Multi-Partner Trust Fund Office** provides a coming-of-age story on the UN pooled fund mechanism, tracing the evolution of the pooled funding concept from its inception in 2004 to a mechanism that now has a central role to play in making the current UN reforms a success. While aggregate trends are positive, funding to pooled mechanisms is largely restricted to a handful of contributors. The article makes the case that for a quantum leap in funding to take place, a corresponding leap in quality is needed.

In the third article, **John Hendra** and **Silke Weinlich** ask if the transformational potential of the UN Joint SDG Fund can be turned into reality. They explain that the significance of the Joint SDG Fund lies in the fact that it puts a unique financial instrument in the hands of resident coordinators, who can use it as a lever for advancing the Secretary-General's development system reform.

Félix Fernández-Shaw then presents a European perspective on the global recovery from the COVID-19 pandemic, querying what might be the best way forward. He also touches on the increasing importance of the partnership between the EU, its member states, and the UN, stressing the need for effective multilateralism. In this regard, he singles out the need for an effective UN and for the EU to provide strong support for the Secretary-General's development system reform agenda.

The fifth article touches on the important work being done to strengthen the timeliness and quality of UN data and its use in decision-making. **Henriette Keijzers** emphasises that the UN has taken a major leap forward by developing a system-wide data strategy. She notes that realising the UN's ambitious vision on data will depend on the grit and leadership of many across the UN family.

Part Three's final article presents a summary of a recent report produced by the **Dag Hammarskjöld Foundation** on funding effective UN responses to the COVID-19 crisis while safeguarding progress already made towards the 2030 Agenda. The article argues that responses to the pandemic must be flexible, and considers how at a country level the leadership role of the UN Resident Coordinator system provides a platform for effective UN cooperation with Member States and their partners. It also emphasises how the 2019 Funding Compact can provide a solid basis for scaling up the response to the pandemic in an effective and transparent manner.

In summary, it is time for concerted action. It is time to walk the talk. A glimmer of hope lies in the strength of feeling expressed by those calling for collective action. While there may be exceptions to this underlying sentiment, more generally it is reflective of a realisation that the issues confronting us cannot be met unilaterally. It thus follows that multilateralism is the best instrument we have for finding effective solutions to current challenges.

Notes to Figures and Tables

General Notes

- i) For Figures 2, 5, and 7; and Table 2a, 'Chief Executives Board for Coordination (CEB)' refers to data retrieved from the CEB Financial Statistics database. Data downloaded in December 2019 and available from www.unsceb.org/content/un-system-financial-statistics.
- ii) For Figures 9–11 and 22; and Visualisation 3 (of which still images are presented in Figure 30), 'Report of the Secretary-General (A/75/79-E/2020/55)' refers to data retrieved from the Report of the Secretary-General, 'Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2020', (A/75/79-E/2020/55, 30 April 2020), statistical annex on 2018 funding data. Data downloaded in April 2020 and available from www.un.org/ecosoc/en/content/2020-operational-activities-development-segment.
- iii) For Figure 12, 'Organisation for Economic Co-operation and Development (OECD)' refers to data retrieved from the 'Creditor Reporting System (CRS)' and 'Members' total use of the multilateral system' segments of the OECD statistics database. Data downloaded in May 2020 and available from <https://stats.oecd.org>.
- iv) For Figures 17a and 17b, 'UN pooled funds database' refers to the database compiled by the UN Development Coordination Office (UNDCO) and published on the website of the International Aid Transparency Initiative (IATI). It incorporates all contributions to and transfers by UN inter-agency pooled funds involving a UN administrative agent. Data available from www.iatistandard.org.
- v) 'UN Data Standards' refers to the data standards developed through a joint initiative of the UN Sustainable Development Group (UNSDG) and the CEB's High-Level Committee on Management (HLCM), documented in 'Data Standards for United Nations System-wide Reporting of Financial Data' (January 2020), available at www.unsystem.org/CEBPublicFiles/UN_DataStandards_Digital_20200324_0.pdf.
- vi) Contributions and expenditures are expressed in current United States dollars, unless otherwise stated.

Table

Table 2a

- i) Data from CEB Financial Statistics database, series 'Revenue type by agency' (FS-A00-02), 2018, www.unsceb.org/content/FS-A00-02.
- ii) Amounts have been rounded up. Data below \$US 1 million dollars is shown as 0 in the table (ie voluntary core contributions for IARC and UNWTO). However, total amounts at the bottom of the table reflects the sum of all individual UN entities' revenues.

Figures

Figure 2

- i) Data from CEB Financial Statistics database, series 'Total revenue by revenue type' (FS-K00-01), 2010–18, www.unsceb.org/content/FS-K00-01.
- ii) All UN entities reporting to the CEB for the 2018 data collection are indicated in Table 2. The International Agency for Research on Cancer (IARC); the Organisation for the Prohibition of Chemical Weapons (OPCW); and UNITAID: Innovation in Global Health reported their data to the CEB for the first time as part of the 2018 data collection exercise.
- iii) The Comprehensive Nuclear Test-Ban Treaty Organization (CTBTO); the International Criminal Court (ICC); the UN Capital Development Fund (UNCDF); the United Nations Framework Convention on Climate Change (UNFCCC); the United Nations Research Institute for Social Development (UNRISD); and the United Nations System Staff College (UNSSC) reported their data to the CEB for the first time as part of the 2017 data collection exercise.
- iv) The UN Entity for Gender Equality and the Empowerment of Women (UN Women) reported its data to the CEB for the first time as part of the 2011 data collection exercise.

Figure 5

- i) Data from the following CEB Financial Statistics database series: FS-D01-01; FS-D02-01; FS-D03-01; FS-L00-02.
- ii) DPKO assessed contributions by Member States for 2010–12 were calculated based on assessment rates presented in Report to the Secretary-General, 'Implementation of General Assembly resolution 55/235 and 55/236', (A/64/220/Add.1., 31 December 2019), <https://undocs.org/en/A/64/220/Add.1>. The DPKO assessed contributions required an adjustment in the decimal differences that could not be observed in the printed report. This remainder was allocated to all countries according to assessment rates.

Figure 7

- i) Data for total revenue received by UN entities from contributors classified as ‘private sector’, ‘foundations’ and ‘NGOs’ were provided by the CEB secretariat. Additional data was provided by the United Nations High Commissioner for Refugees (UNHCR) and United Nations Children’s Fund (UNICEF).

Figure 9

- i) Data from Report of the Secretary-General (A/75/79-E/2020/55), Table A-2, ‘Contributions for operational activities of United Nations system, by UNDS entity, core and other resources: 2003–2018’.
- ii) The ‘Supplementary note to Addendum 1 on funding: Technical note on definitions, sources and coverage’ considers ‘the “United Nations development system” (UNDS) to constitute entities that carry out operational activities for development to support countries in their efforts to implement the 2030 Agenda for Sustainable Development ... Operational activities for development (OAD) are considered to consist of those activities that fall under either “development assistance” or “humanitarian assistance”.’
- iii) ‘Core contributions’ refer to un-earmarked funding used at the sole discretion of the relevant UNDS entity and its governing board. This includes both assessed contributions and voluntary core (un-earmarked) contributions. ‘Earmarked’ contributions refer to earmarked funding directed by donors towards specific locations, themes, activities and/or operations. Details on the distinction between the different types of funding is available under UN Data Standard IV ‘UN grant financing instruments’.
- iv) The series depicted in Figure 9 differs from the one presented in the 2019 edition of Financing the UN Development System due to aggregate data from past years being adjusted to align with the UN Data Standards.

Figure 10

- i) Data from Report of the Secretary-General (A/75/79-E/2020/55), Table B-2, ‘Expenditures on operational activities for development by recipient, type of activity (development- and humanitarian assistance-related) and type of funding (core and non-core): 2018’. Expense data is used as a proxy for revenue figures given that the latter are not reported by type of activity. Therefore, the percentages reflect shares in overall UN 2018 expenditures.
- ii) The 2018 data was classified according to the newly agreed UN Data Standard II ‘UN system function’. They are:
 - Development assistance: Activities specifically aimed at promoting sustainable development of programming countries with the focus on long term impacts.
 - Humanitarian assistance: Material or logistical assistance provided for humanitarian purposes, typically in response to humanitarian crises including natural disasters and manmade disaster. The primary objective of humanitarian aid is to save lives, alleviate suffering, and maintain human dignity.
 - Peace operations: Activities involving the deployment of civilian, police and military personnel meant to help countries torn by conflict create conditions for lasting peace.
 - Global agenda and specialised assistance: Activities that (a) address global and regional challenges without a direct link to development and humanitarian assistance, and peace operations, or (b) support sustainable development with the focus on long term impact in non-UN programming countries.

Figure 11

- i) 2018 data from Report of the Secretary-General (A/75/79-E/2020/55), Table B-2 (see note i for Figure 10).
- ii) Historical data was received from UN DESA and is presented in the Report of the Secretary-General, ‘Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR): Funding analysis’, www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/qcpr/SGR2020-Addendum-Funding-Unedited-5May2020.pdf

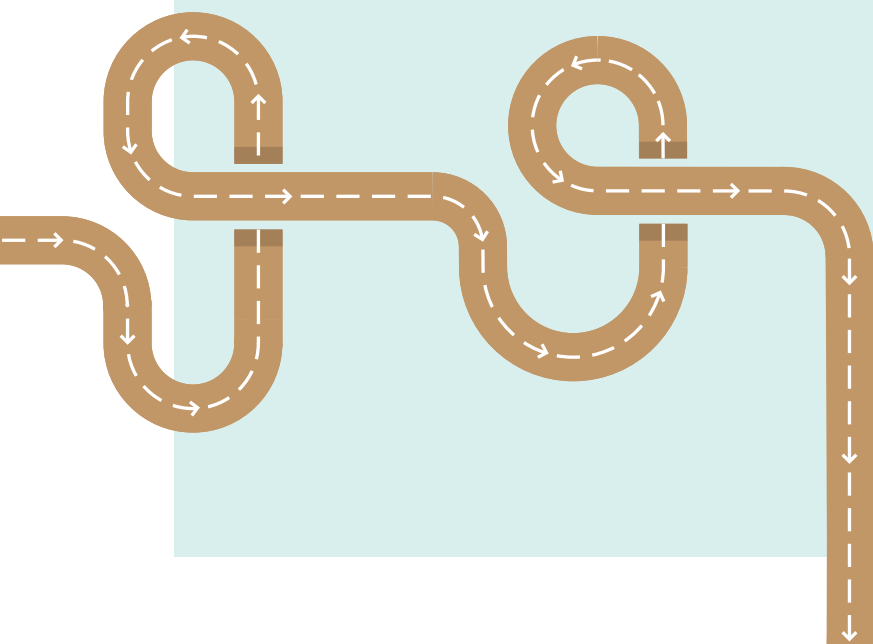


Figure 12

- i) 2011–18 data retrieved from the OECD statistics database in May 2020. 2010 data received from the OECD.
- ii) Values are in constant 2018 prices.
- iii) The data presents DAC members' contributions to the regular budgets of the multilateral institutions (Multilateral Official Development Assistance).
- iv) The CRS database presents the IMF and the World Bank Group as separate categories. For Figure 12, their data has been combined into a single category.
- v) In the CRS database, the World Trade Organization is presented as a channel of multilateral assistance separate from the 'UN development system'. For Figure 12, both are combined under the latter category.

Figures 17b and 18b

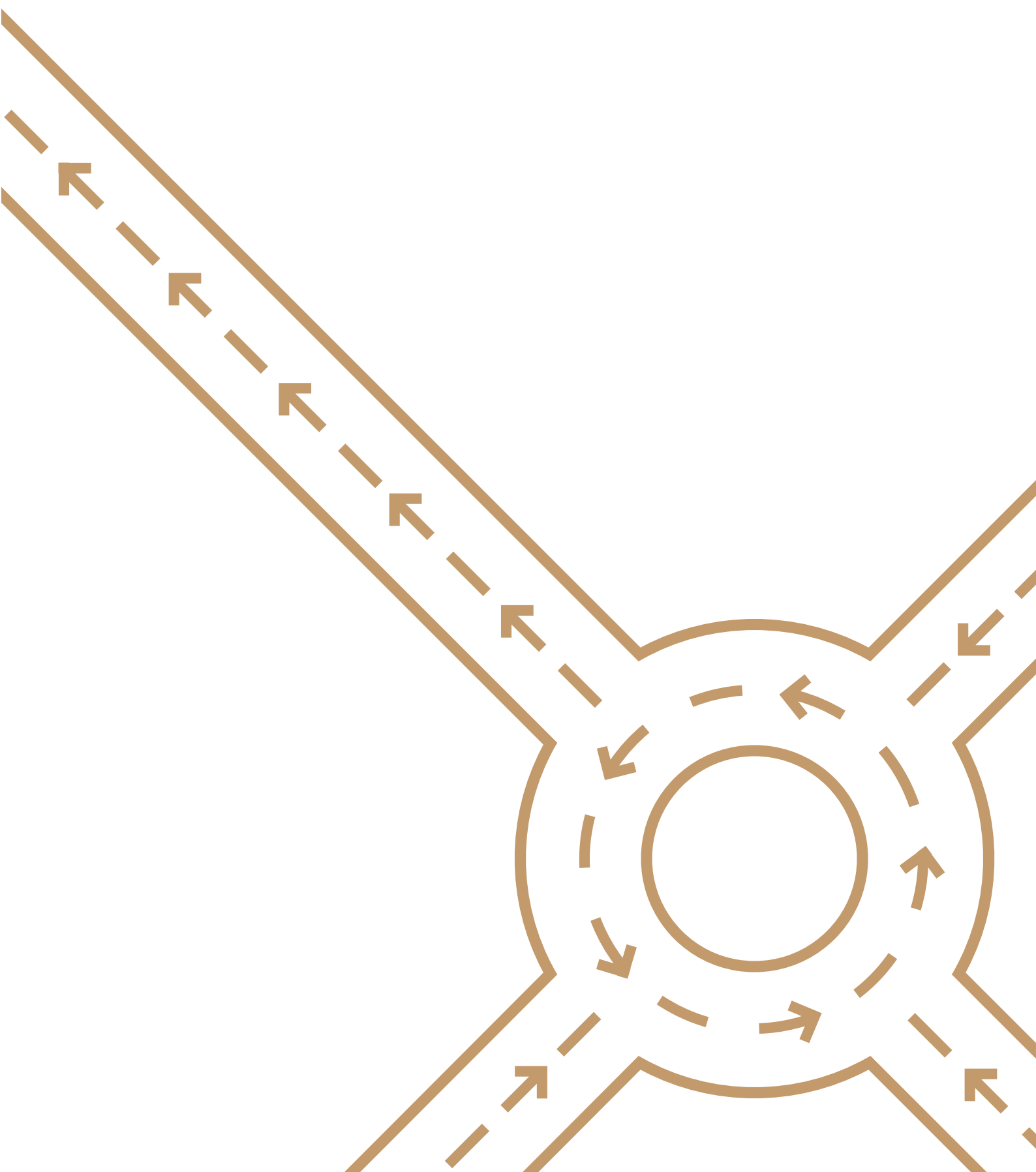
- i) Data from Report of the Secretary-General (A/75/79-E/2020/55), Table A-3, and UN pooled funds database.
- ii) 'Core contributions' include both assessed contributions and voluntary core (un-earmarked) contributions.

Figure 22

- i) 2018 data from the Report of the Secretary-General (A/75/79-E/2020/55), Table B-2 (see note i for Figure 10).
- ii) Historical data extracted from previous statistical annexes of the Report of the Secretary-General, 'Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR): Funding analysis', (A/74/73-E/2019/4), (A/73/63-E/2018/8), (A/72/61-E/2017/4), (A/68/97-E/2013/87).
- iii) 2015–18 data can be accessed at www.un.org/ecosoc/en/oas-qcpr. 2011 data from UN DESA.
- iv) Only expenditure on development and humanitarian operational activities is included in the data. Expenditure on peace operations and global agenda and other specialised assistance is excluded as such activities do not fall within the scope of the QCPR.
- v) For 2018, countries were aggregated to a regional level following Appendix 1 of UN Data Standard III 'Geographic location'. To align these regions to those used in Report of the Secretary-General, Table B-2 (for years prior to 2018), the 2018 expenditures of countries listed under Western Asia in the UN Data Standards were combined in order to calculate the total 2018 expenditure for Western Asia. The 2018 expenditures for the remaining countries in the Asia region and all countries in the Oceania region, as listed in the UN Data Standards, were combined to calculate the total 2018 expenditure for Asia and the Pacific.

Figure 30

- i) The data for this figure has diverse sources:
 - Report of the Secretary-General, (A/75/79-E/2020/55), (A/74/73-E/2019/4), (A/73/63 - E/2018/8), (A/72/61 - E/2017/4), (A/71/63-E/2016/8), (A/70/62-E/2015/4), (A/69/63-E/2014/10), (A/68/97-E/2013/87), (A/67/93-E/2012/79). Available under 'UN Secretary-General's reports on the QCPR' at www.un.org/ecosoc/en/content/qcpr-2020.
 - United Nations Peacekeeping Operations financial reports and audited financial statements, Board of Auditors Reports General Assembly, (A/74/5 (Vol. II)), (A/73/5 (Vol. II)), (A/72/5 (Vol. II)), (A/71/5 (Vol. II)), (A/70/5 (Vol. II)), (A/69/5 (Vol. II)), (A/68/5 (Vol. II)), (A/67/5 (Vol. II)), (A/66/5 (Vol. II)). Available at www.un.org/en/auditors/board/auditors-reports.shtml.
 - Report of the Secretary-General, 'Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council', (A/73/352), (A/72/371), (A/71/365), (A/70/348), (A/69/363), (A/68/327), (A/67/346), (A/66/354), (A/65/328). Available from UN Official Document System at <https://documents.un.org/prod/ods.nsf/home.xsp>.
- ii) The visualisation presents UN programming countries with more than US\$ 100 million in expenditure for a given calendar year. The 2018 crisis-affected countries not depicted are: Bosnia Herzegovina, Congo, Democratic People's Republic of Korea, El Salvador, Eritrea, Gambia, Guinea, Guinea-Bissau, Kosovo, Kyrgyzstan, Liberia, Mauritania, Papua New Guinea, Solomon Islands and Sri Lanka.
- iii) Expenditure data for humanitarian and development assistance in a given calendar year excludes expenditure from: 1) UNDS entities that did not report disaggregated country expenditures to the CEB for that calendar year; and 2) those UN-related organisations that are not included in UN DESA's definition of UNDS for that calendar year.
- iv) African Union–United Nations Hybrid Operation in Darfur (UNAMID) expenditure was allocated to Sudan. United Nations Disengagement Observer Force (UNDOF) expenditure was allocated equally to Syria and Israel (Israel is not a UN programming country). United Nations Organization Interim Security Force for Abyei (UNISFA) expenditure was allocated equally to South Sudan and Sudan.



The sixth edition of the *Financing the United Nations Development System* report presents comprehensive data on UN revenues and expenditures. The subtitle of this year's report, *Time to Walk the Talk*, reflects the need for concerted action to reform the UN development system in the context of the unfolding COVID-19 pandemic.

The financial data explored in this report provide an important benchmark for understanding the level at which UN financing stood – in terms of both quantity and quality – when the pandemic struck. The intention is to put the numbers up front and, where possible, let the figures, tables and graphs speak for themselves.

As in previous years, this edition aims to capture the various developments and trends taking place in UN funding and financing. It is a task embarked on in full recognition that the effects of the COVID-19 pandemic demand humility, and an acceptance of the need to prepare for significant trend shifts.



Dag Hammarskjöld
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