Executive Summary

Financing the UN Development System: Keeping the Promise is the 12th edition of the annual Financing the UN Development System report series. It continues in its core mission of providing an in-depth overview of how the United Nations (UN) system and UN development system (UNDS) is financed and how its resources are allocated. Readers can access the full report in digital format, previous editions, and the underlying datasets at www.FinancingUN.Report.

Part One of the report examines the revenue and expenses of both the UN system and the UNDS, based on the most up-to-date official data sources. Chapter 1 focuses on how the UN is funded, by whom, and through which financing instruments. Chapter 2 examines UN expenses and their distribution across UN entities, functions, geography, country income levels, as well as their alignment with the Sustainable Development Goals (SDGs). Chapter 3 outlines the efforts of the UN System Chief Executives Board for Coordination (CEB) Secretariat to improve the quality of system-wide financial data reported to the CEB.

Part Two of the report takes a broader perspective, emphasising the need for quality funding to achieve quality results and the urgency of protecting and investing in global public goods. The perspectives of country-level practitioners, academics, UN representatives, and others provide a sense of prevailing challenges and opportunities.

Chapter 1: How is the UN funded?

The first section of Chapter 1 examines total revenue. In nominal terms, the UN system's total revenue increased by approximately 1%, from US$ 67.6 billion in 2023 to US$ 68.3 billion in 2024.

When measured in 'real terms' (Figure 3; constant 2023 prices, accounting for changes in price and exchange rate levels), however, this modest nominal revenue increase translates into an overall decrease of 1%. This marks the first time since 2010 that revenue in constant values has declined for two consecutive years, following a 12.8% real-term decrease in 2023, and confirms the downward trend identified in last year's report. The CEB's projections present an even more dramatic trajectory: revenue is expected to decline by a further 21% by 2027, leaving total revenue, in real terms, below its 2015 level (Figure 1).

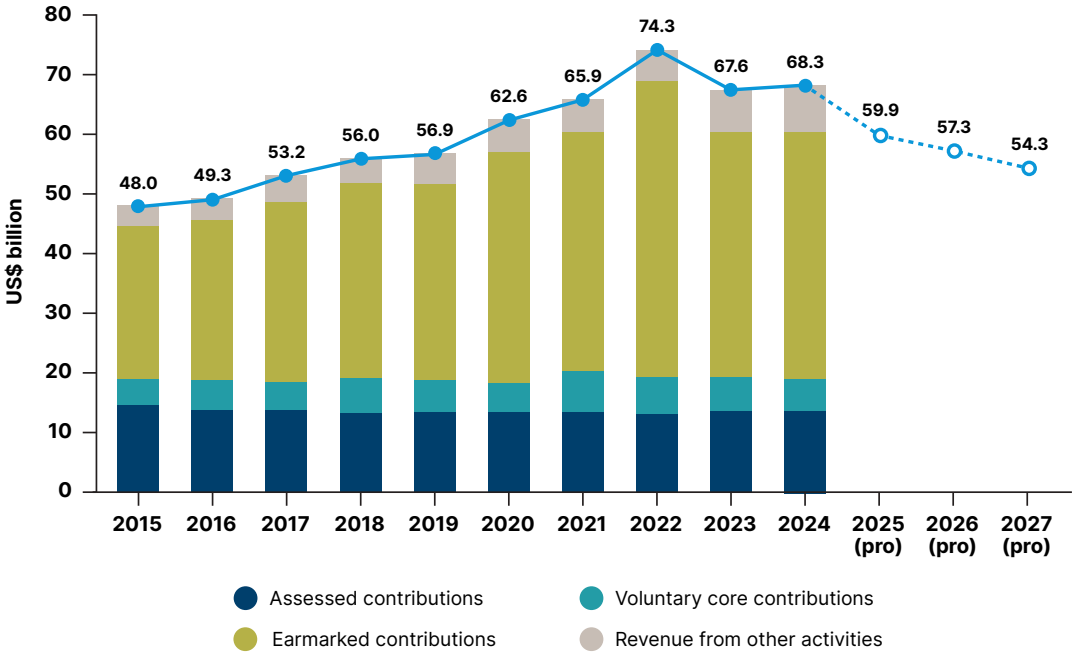
A period of marked growth in UN revenues since 2015—driven by responses to global challenges ranging from the climate crisis and the COVID-19 pandemic to conflicts in Ukraine, Gaza, and elsewhere—has come to a clear halt, with the trend now reversing even as global needs intensify.

The second section of Chapter 1 examines funding across UN entities. Table 1 presents a breakdown of 2024 revenue by financing instrument and reporting UN entity. The list of five entities that accounted for the largest shares of the UN system revenue in 2024 remains unchanged from 2023: the World Food Programme (WFP: US$ 10.4 billion), the United Nations Children's Fund (UNICEF: US$ 8.6 billion), the UN Secretariat (US$ 7.6 billion), the United Nations Department of Peace Operations (UN-DPO: US$ 6.8 billion) and the United Nations Development Programme (UNDP: US$ 5.3 billion).

The UN system's ability to function depends not only on the volume of funding but also on its quality. The UN system is financed through four types of financing instruments: assessed contributions, voluntary core contributions, earmarked contributions, and revenue from other activities. In terms of how individual entities are funded, there is a high level of variation, with peacekeeping (UN-DPO) funded almost entirely from assessed contributions, and entities of the UN development system (such as WFP, UNICEF, and UNDP) receiving most of their funding through earmarked contributions.

Funding of the UN system, 2015–2024 (official data) and 2025–2027 (projected) (US$ billion)

(Figure 1 from Part One)



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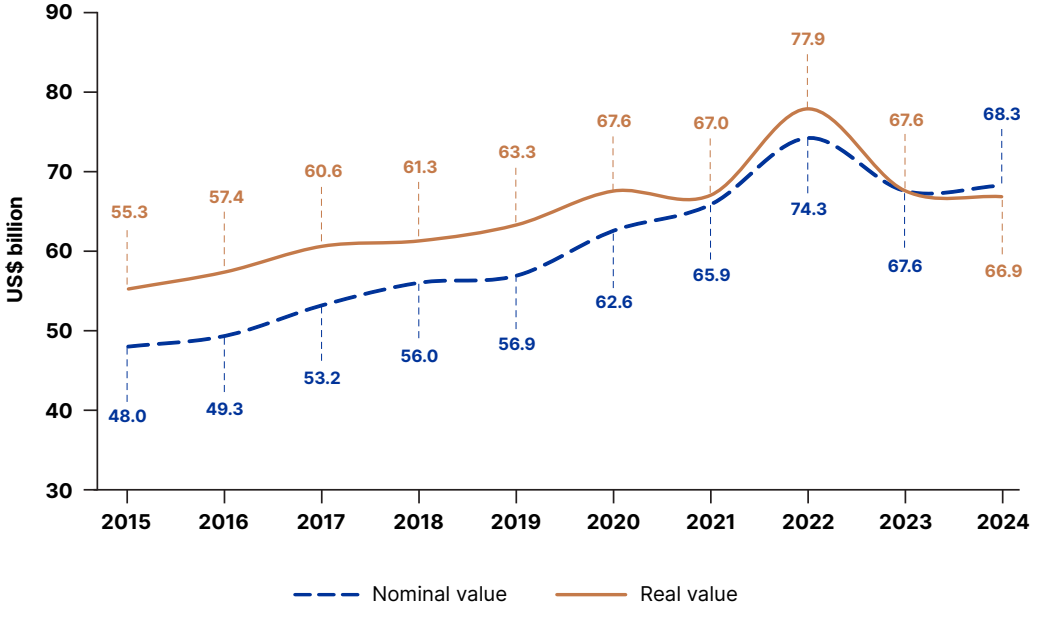
UN system funding, 2015–2024: Nominal values at current prices and real values at constant 2023 prices (US$ billion)

(Figure 3 from Part One)



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UN system revenue, by entity and financing instrument, 2024 and 2015–2024 (US$ million)

(Table 1 from Part One)

Entity	2024					2015–2024
	Assessed	Voluntary core	Earmarked	Revenue from other activities	Total revenue	
UN Secretariat	3,305	210	3,036	1,088	7,639	5.5B 7.6B
UN-DPO	6,296		348	155	6,799	8.8B 6.8B
CTBTO	134		6	12	153	128.0M 152.5M
FAO	510	39	1,762	10	2,320	1.3B 2.3B
IAEA	441		269	44	754	617.9M 754.3M
IARC	25	0	27	5	57	45.4M 57.4M
ICAO	80		100	44	224	197.0M 223.5M
ICC	190		15	4	210	169.8M 209.6M
IFAD		497	272	231	999	315.1M 999.3M
ILO	480	16	436	117	1,050	639.0M 1.1B
IMO	45		25	26	95	72.0M 95.1M
IOM	92	25	3,368	224	3,709	1.6B 3.7B
IRMCT	57			8	65	80.2M 64.8M
ISA	9	0	1	3	13	10.0M 12.9M
ITC	43	2	125	8	178	70.6M 177.7M
ITLOS	12	3	1	0	17	11.7M 16.6M
ITU	145		24	47	215	175.9M 215.5M
OPCW	80		14	1	94	87.7M 93.9M
PAHO	104	11	200	880	1,195	1.4B 1.2B
UN Tourism	16	0	18	4	37	23.7M 36.9M
UN Women	11	98	381	31	520	319.0M 520.5M
UNAIDS		144	82	5	231	225.9M 230.9M
UNCCD	9		50	2	61	29.8M 61.0M
UNCDF		1	88	14	103	59.7M 102.5M
UNDP		493	4,185	650	5,327	4.8B 5.3B
UNEP	232	70	654	122	1,078	656.0M 1.1B
UNESCO	349	59	412	96	917	742.5M 916.7M
UNFCCC	41	1	74	15	130	85.7M 130.5M
UNFPA		231	1,317	192	1,740	1.0B 1.7B
UN-HABITAT	16	6	180	25	227	177.5M 227.4M
UNHCR	50	586	3,938	162	4,736	3.6B 4.7B
UNICEF		1,215	6,914	482	8,612	5.0B 8.6B
UNIDO	82		205	33	320	333.8M 320.5M
UNITAID		126	30	27	183	190.7M 182.8M
UNITAR		0	62	3	65	25.4M 65.3M
UNODC	37	6	455	79	577	275.2M 576.7M
UNOPS				1,569	1,569	683.3M 1.6B
UNRWA	71	563	699	44	1,377	1.2B 1.4B
UNSSC		5	15	2	22	11.3M 21.8M
UNU		46	25	45	115	63.3M 114.9M
UPU	43		26	28	97	69.9M 96.8M
WFP		609	9,126	638	10,373	4.9B 10.4B
WHO	470	277	2,376	49	3,172	2.5B 3.2B
WIPO	20		17	519	556	385.4M 556.4M
WMO	77	2	33	8	121	79.5M 120.8M
WTO	226		22	6	254	241.5M 254.2M
Total	**13,798**	**5,344**	**41,408**	**7,757**	**68,307**	48.0B **68.3B**

i) Values are rounded and slight differences in totals may occur. ii) Values shown as zero in the table represent amounts below $ 1 million.
iii) UNV and UNICRI revenues are included under UNDP and UNODC, respectively.
Source: Chief Executives Board for Coordination (CEB)
For notes – see page 119

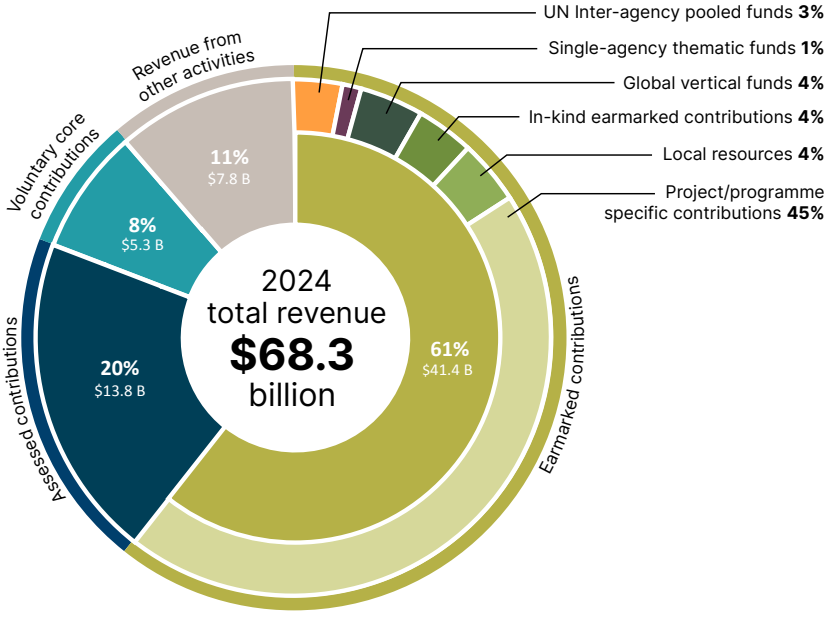
Flexible core resources—particularly assessed and voluntary core contributions—can be deployed more strategically and effectively to support UN programming countries. They also enable the UN system to adapt and reallocate resources during crises, as demonstrated during the COVID-19 pandemic. Despite these benefits, UN funding overall remains highly earmarked to specific programmes and projects.

As in previous years, a small number of UN entities accounted for most voluntary core contributions. UNICEF received the highest volume of voluntary core funding at US$ 1.2 billion, including contributions from governments and unearmarked funds provided by UNICEF National Committees. WFP followed with US$ 609 million, while the UN Refugee Agency (UNHCR) reported US$ 586 million, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) US$ 563 million, the International Fund for Agricultural Development (IFAD) US$ 497 million, and UNDP US$ 493 million. Together, these six UN entities received nearly three-quarters (74%) of the UN system's voluntary core resources.

Earmarked funding is also voluntary and provided at contributors' discretion, but its allocation is guided by donor preferences, such as geographic focus, thematic priorities or expected outcomes. Earmarked funding is not inherently negative and has played an important role in expanding the UN system's resource base. Member States value such funding for the control, visibility, and results orientation it provides. Like voluntary core funding, earmarked funding is subject to change at a contributor's discretion, creating challenges for predictability, planning, and efficacy. In 2024, as in the previous four years, earmarked resources (US$ 41.4 billion) accounted for more than 60% of all resources received by the UN system.

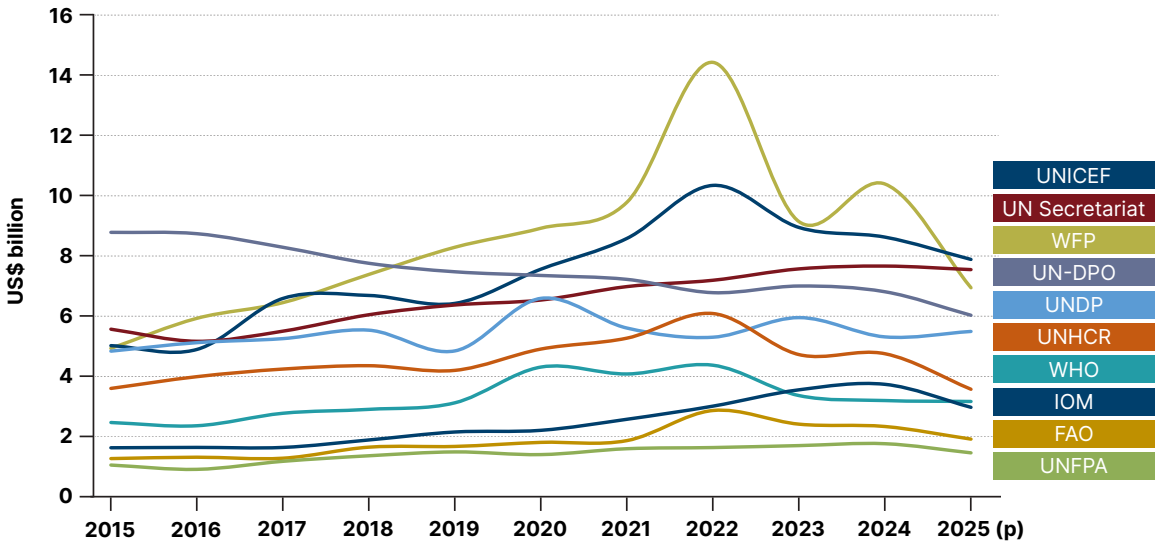
Figure 5 presents the funding of the UN system by financing instrument, disaggregating earmarked contributions to illustrate the spectrum of earmarking, from tightly specified project-level funding to broader pooled arrangements that can enhance scale, flexibility, risk tolerance, and interagency collaboration. Project- or programme-specific contributions continue to dominate, amounting to US$ 30.6 billion in 2024. Figure 6, meanwhile, provides both an outlook

Funding of the UN system by financing instrument, 2024 (US$ billion)
(Figure 5 from Part One)



Source: see page 112

Total revenue of select UN entities, 2015–2025 (US$ billion, 2025 preliminary)
(Figure 6 from Part One)



Source: see page 112

for 2025 and highlights the volatility resulting from the predominance of earmarked funding for relevant entities.

The third section of Chapter 1 examines who funds the UN. In 2024, 70% of funding came directly from governments, with an additional 17% coming from multilateral institutions, also largely government-funded. Although the overall share of government funding remained stable, the share from OECD-DAC[1] governments increased from 55% in 2023 to 57% in 2024, while the portion from non-OECD-DAC governments fell slightly over the same period, from 14% to 13%.

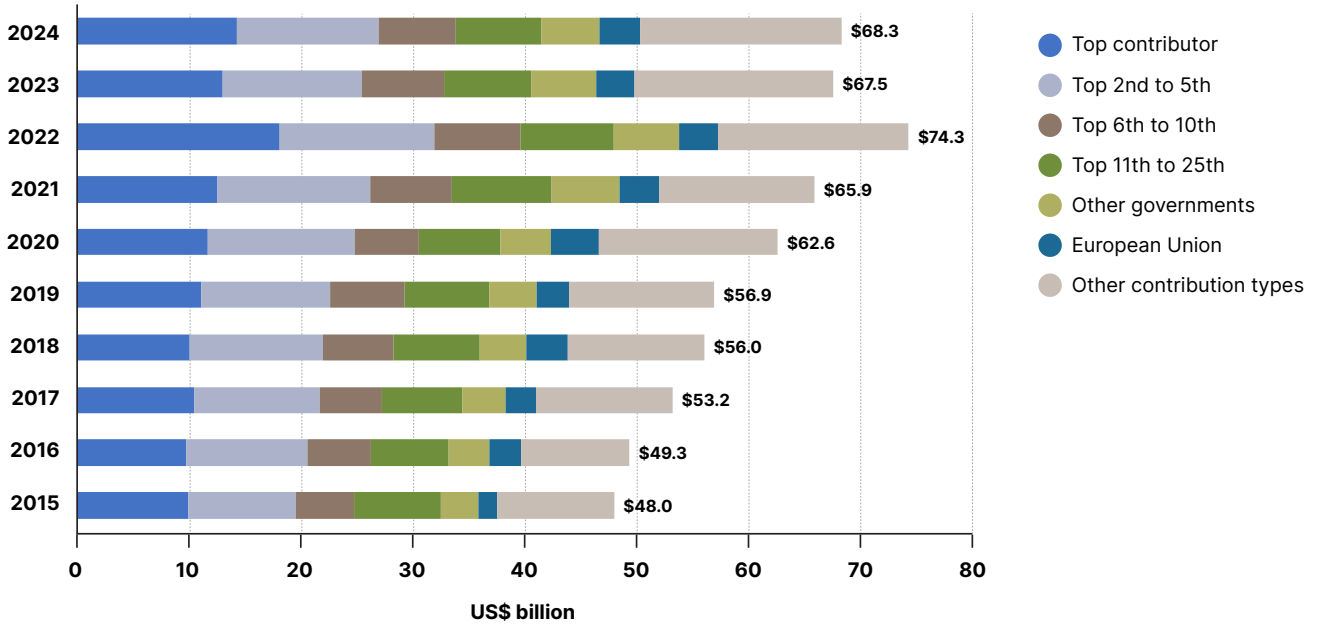
Figure 8 illustrates how the distribution of total UN system revenue among contributors has evolved since 2015. UN funding remains highly concentrated, with the top five Member State contributors providing nearly 40% of total UN system revenue in 2024 and the top ten providing just under 50%. This concentration leaves the UN system vulnerable to shifts in the political or fiscal priorities of contributors. The United States maintained its position as the largest contributor to the UN in 2024, while Germany, Japan, and the United Kingdom have consistently ranked among the top five contributors since 2015. Measured as a proportion of gross national income (GNI), contributions from only two Member States reached at least 0.1%: Norway (0.27%) and Germany (0.10%).

Other significant contributors include the European Union (5% of total 2024 revenue, or US$ 3.6 billion) and other multilateral institutions, notably the international financial institutions (IFIs; 12%, US$ 8 billion).

The fourth section of Chapter 1 focuses specifically on the UNDS and its funding 'composition'. The UNDS encompasses entities that promote humanitarian assistance and sustainable development. Together, their work is referred to as UN Operational Activities for Development (UN OAD). Despite its name, UN OAD includes both 'development assistance' and 'humanitarian assistance' activities. Figure 13 presents the 2024 revenues of both the UN system and the UNDS, disaggregated by financing instrument. In 2024, close to two-thirds of UN system revenue was directed towards development and humanitarian assistance: contributions to UN OAD came to US$ 45.2 billion, or 66% of total UN system revenue, marginally lower than in 2023 (US$ 45.6 billion).

UN system funding by Member States and other contributors, 2015–2024 (US$ billion)

(Figure 8 from Part One)



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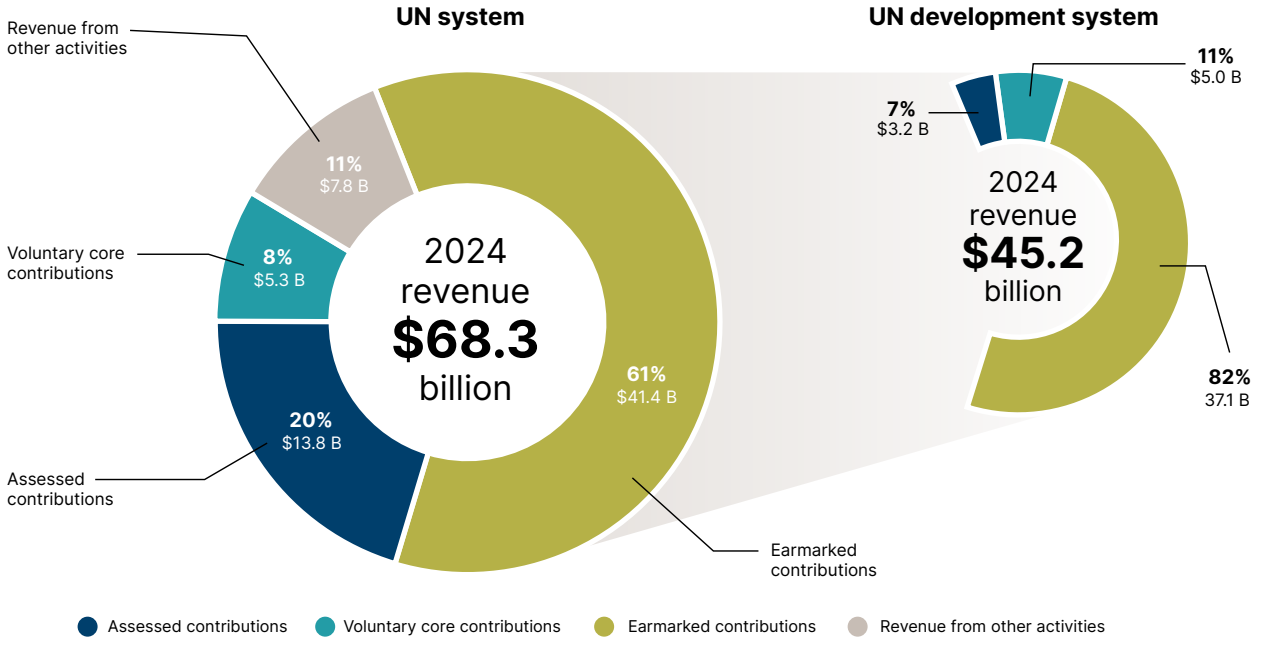
Funding of the UN system and UN development system by financing instrument, 2024 (US$ billion)

(Figure 13 from Part One)



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The 'composition' of funding refers to both the contributors and the distribution of contributions across revenue instruments. In Figure 16, these comprise core funding, as discussed above, and three types of earmarked funding: inter-agency pooled funds, single-agency thematic funds, and other earmarked funds. This funding mix, in turn, shapes the extent to which UN entities can plan and deliver results predictably.

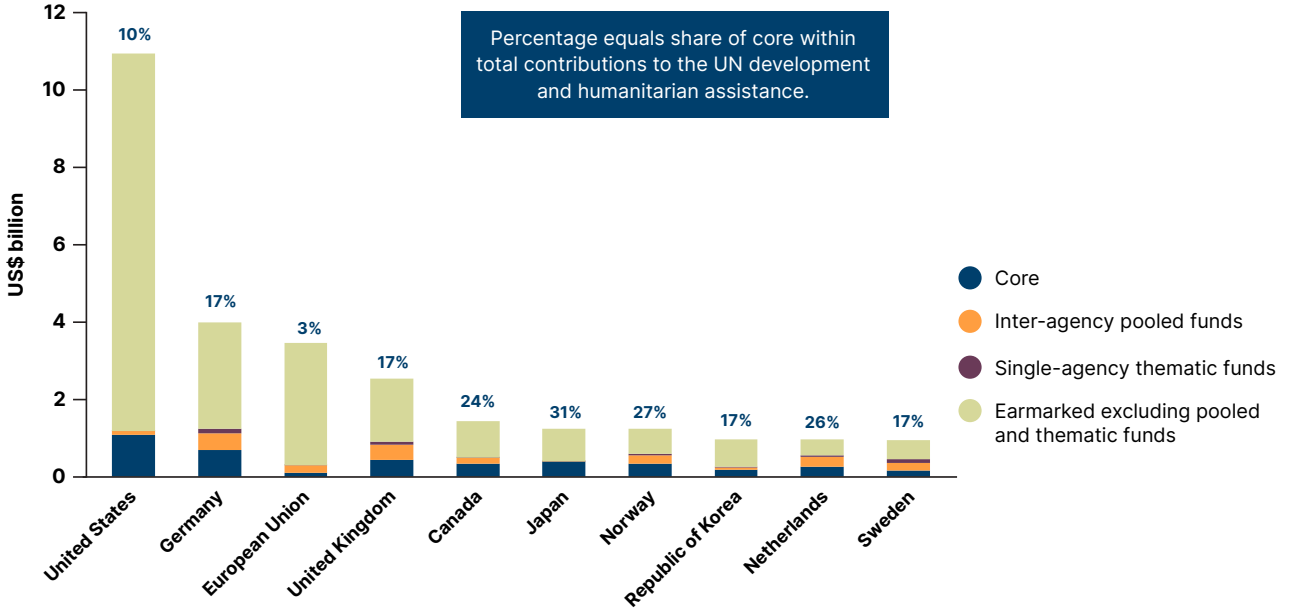
The top ten OECD-DAC contributors together provided 61% of overall UN OAD funding in 2024 (making UN OAD even more concentrated than UN system revenue), with the mix of financing instruments varying between contributors (Figure 16). Only Japan provided more than 30% of its funding as core resources in 2024, a notable target of both the 2019 and 2024 iterations of the UN Funding Compact. Canada, the Netherlands, and Norway also provided a substantial share (over 20%) of their contributions as core. The European Union (EU) is a unique case, rarely providing core funding due to internal constraints.

Figure 17, conversely, illustrates the top ten non-OECD-DAC Member States by total UN OAD contributions. In panel (A) of this figure, the ranking includes local resources – which are provided by countries for the purposes of implementing their own national development plans – while in panel (B), they are excluded. In both cases, China is the largest contributor to UN OAD, providing more than US$ 600 million. When local resources are included, Argentina, Colombia, and Honduras all rank among the top ten non-OECD-DAC partners contributing to UN OAD, highlighting interest among some Member States in the Americas in supporting local development through the UNDS.

The fifth section of Chapter 1 focuses on UN inter-agency pooled funds, disaggregated by development and humanitarian assistance. As seen in Figure 20, nominal contributions doubled between 2016 and 2021, from US$ 1.7 billion to US$ 3.4 billion. Both 2022 and 2023, however, saw declines

Funding composition for UN development and humanitarian assistance: Top OECD-DAC contributors, 2024 (US$ billion)

(Figure 16 from Part One)

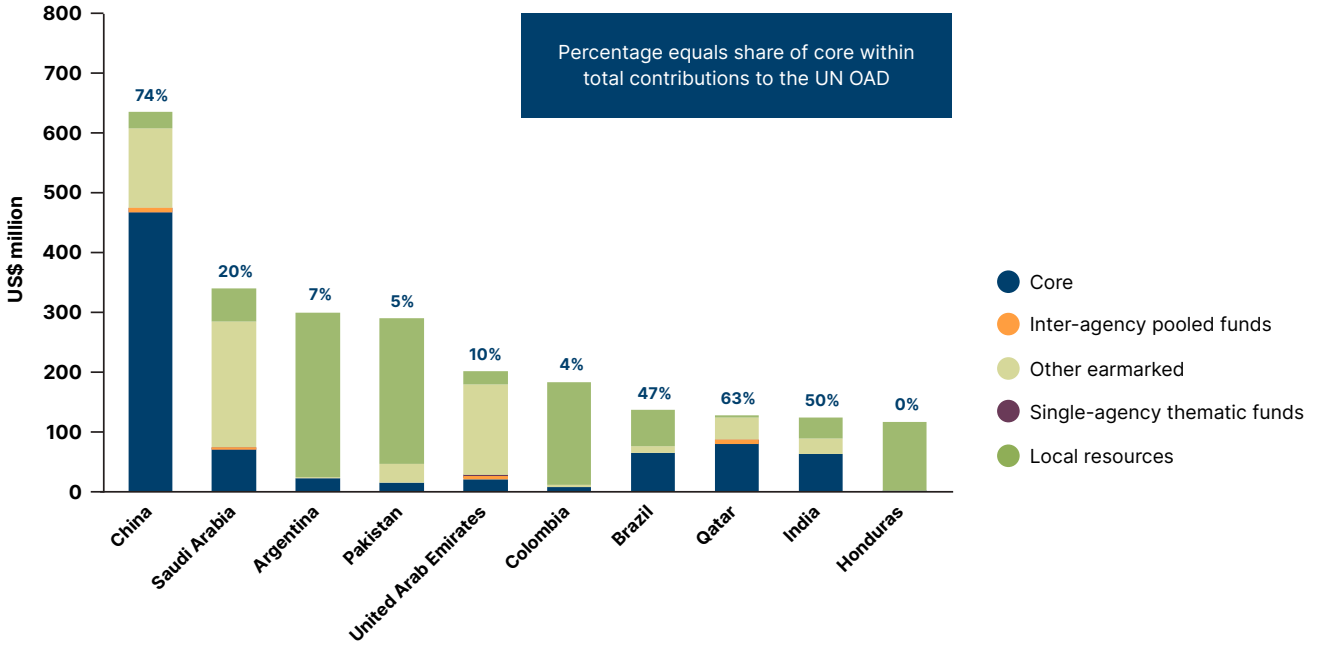


Source: see page 114

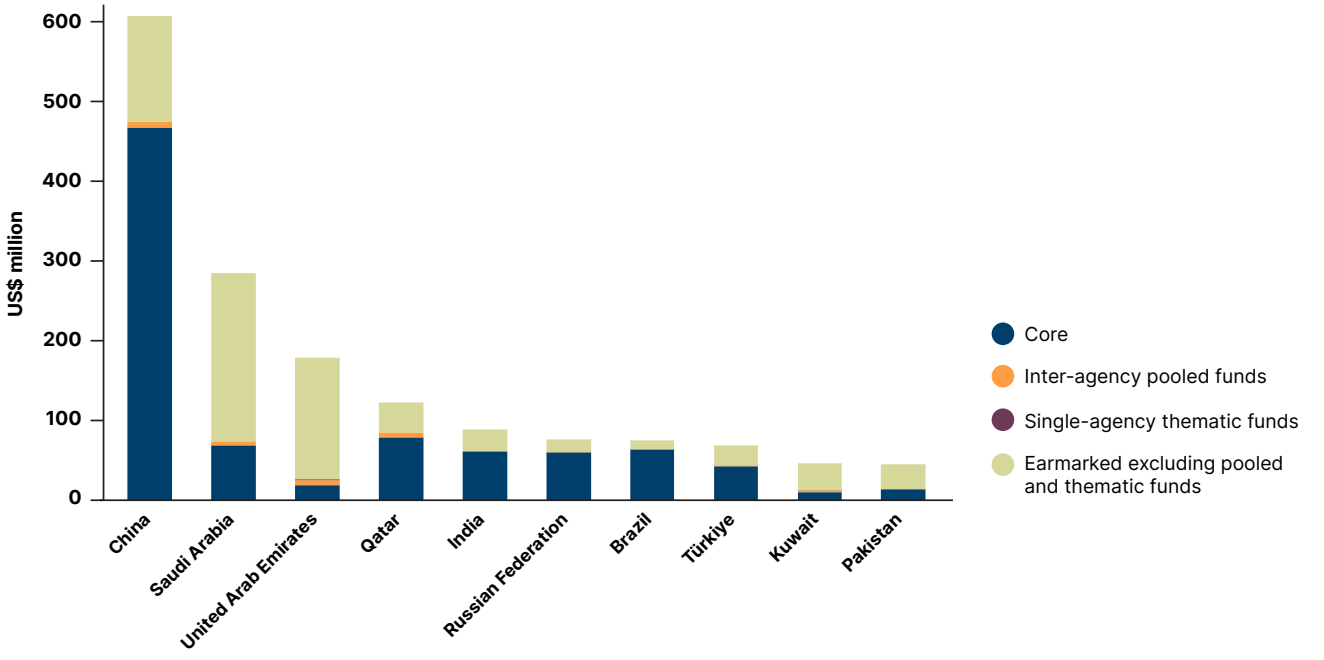
Funding composition for UN development and humanitarian assistance: Top non-OECD-DAC contributors, 2024 (US$ million)

(Figure 17 from Part One)

(A) Including local resources



(B) Excluding local resources



Source: see page 114

in contributions, with only a marginal increase in 2024 to US$ 3 billion.

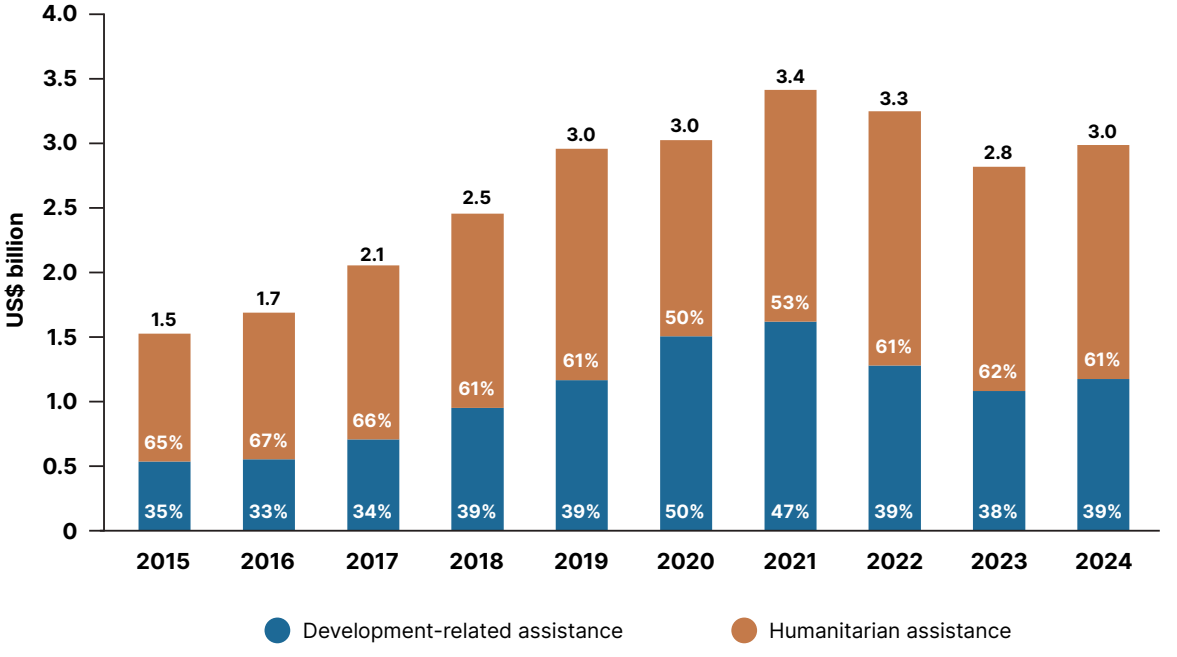
In 2024, humanitarian funds totalled US$ 1.8 billion, or 61% of all the contributions received by UN inter-agency pooled funds, reflecting a longer trend of pooled funding being used to quickly and flexibly respond to emerging humanitarian needs.

Funding for development-related pooled funds rose from US$ 551 million in 2016 to a high of US$ 1.6 billion in 2021, before declining to US$ 1.2 billion in 2024, making up the remaining 39% of pooled fund contributions for the year. Multi-partner trust funds (MPTFs), the principal type of development-related pooled fund, accounted for 70% of this US$ 1.2 billion in 2024 and included flagship UN initiatives such as the Secretary-General's Peacebuilding Fund and the Joint SDG Fund.

The share of earmarked contributions for development activities provided by Member States through UN inter-agency pooled funds – one of four pooled funding-related indicators agreed in the 2024 Funding Compact – also showed marginal improvement, from 11.1% in 2023 to 12.4% in 2024. This remains well below the target of 30% by 2027.

The sixth and final section of Chapter 1 contextualises UN funding with a perspective on broader 'official development assistance' (ODA) funding flows. Between 2019 and 2023, net ODA from OECD-DAC Member States rose more than 38% in real terms, driven by funding earmarked for crisis response. After five consecutive years of growth, ODA fell 8.5% in 2024, to US$ 212.5 billion. While this is a larger contraction than the 1% real-term reduction in UN revenues for 2024, it remains below the cumulative 14% reduction recorded since 2022.

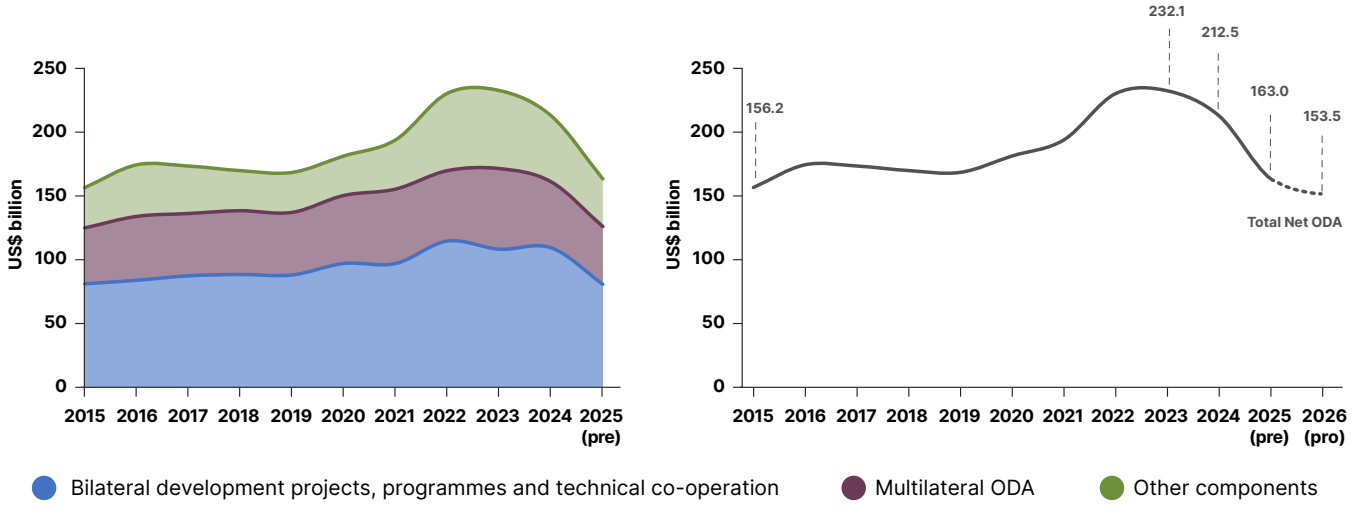
Contributions to UN inter-agency pooled funds, 2015–2024 (US$ billion)
(Figure 20 from Part One)



Source: see page 115

Net ODA contributions from OECD-DAC countries, 2015–2024 (official data), 2025 (preliminary), and 2026 (projected)

(Figure 27 from Part One)



Source: see page 116

Figure 27, based on OECD data, indicates a further contraction in ODA in 2025 and projects another decline in 2026. The OECD's preliminary data for 2025 put gross ODA at US$ 174.3 billion—a measure that differs from the net ODA shown in Figure 27, as the latter adjusts gross ODA by deducting principal repayments on past loans. Preliminary 2025 ODA data indicate the largest year-on-year reduction on record, at more than 23%. In line with UN revenues, these trends are effectively reversing much of the growth of the last decade, even as humanitarian and development needs continue to rise.

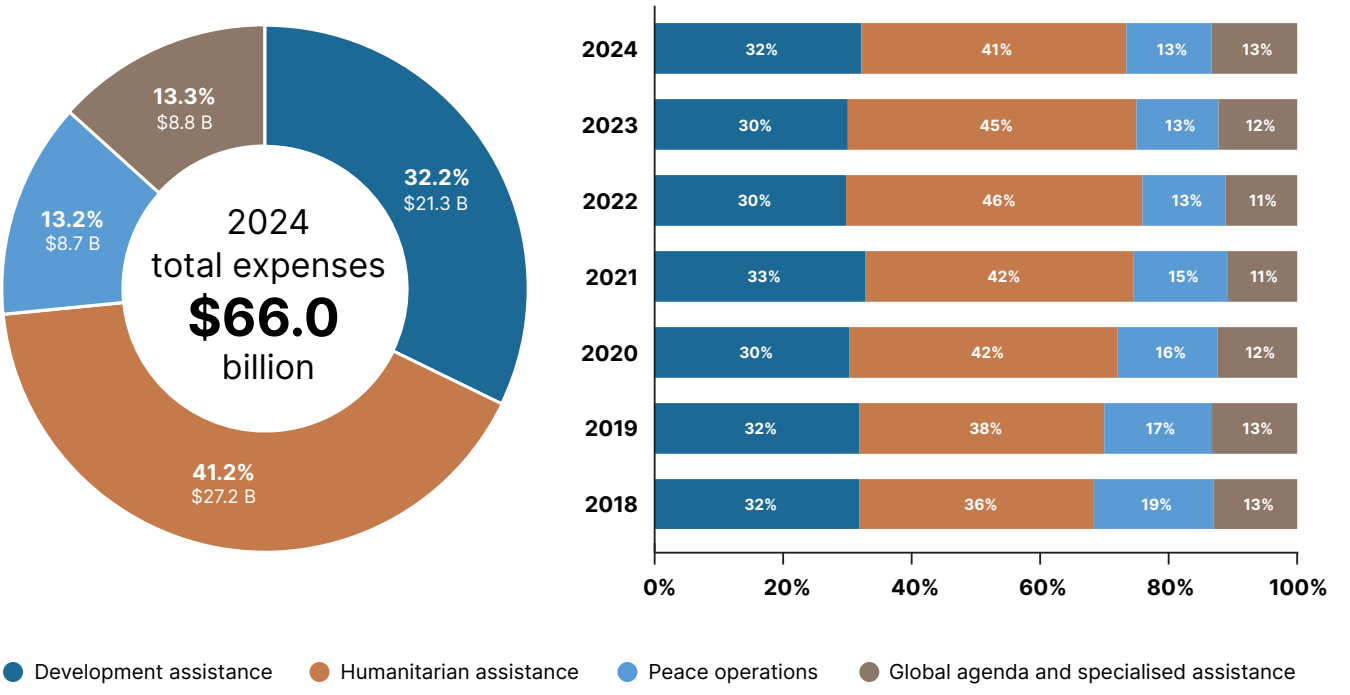
Chapter 2: Where is UN funding allocated?

Chapter 2 examines UN expenses: how the revenue described in Chapter 1 is allocated. The first section of the chapter focuses on total expenses by function. These reached US$ 66 billion in 2024, a decrease of US$ 2.5 billion, or 4%, in nominal terms compared to 2023 (US$ 68.5 billion). Programming lags mean that revenue (US$ 68.3 billion in 2024) does not translate directly into expenses in a given year.

The central role played by the UN in responding to growing humanitarian need across the world – saving lives, alleviating suffering, and maintaining human dignity in the most extreme circumstances – is reflected in Figure 30, which illustrates the evolution of total UN expenses by four key functions: 'development assistance', 'humanitarian assistance' (which together comprise UN OAD, as discussed above), 'peace operations', and 'global agenda and specialized assistance' (essentially the normative mandates of the UN, from human rights to various conferences of the parties to conventions, such as on climate change).

Development assistance accounted for US$ 21.3 billion, representing just under one-third (32.2%) of total annual UN system-wide expenses, while humanitarian assistance came to US$ 27.2 billion, or 41.2% of expenses. The two together constitute UN OAD and amounted to US$ 48.5 billion, or 73.4% of UN expenses (a larger figure than the US$ 45.2 billion in *revenues* aligned with UN OAD in Chapter 1 because of lags in the receipt and expenditure of resources).

Expenses of the UN system by function, 2018–2024
(Figure 30 from Part One)



Source: see page 116

The other key functions, 'peace operations' and 'global agenda and specialised assistance.', together constituted 26.5% of UN expenses, a proportion similar to those in 2022 and 2023.

The overall reduction in expenses from 2023 to 2024 is driven by a US$ 3.5 billion decrease in humanitarian assistance, partially offset by modest increases across the other three functions. This decrease comes in the context of historically high global humanitarian requirements (with barely half of OCHA's Global Humanitarian Appeal funded in 2024, and less than 40% funded in 2025), driven by the spiralling climate crisis and persistent conflicts.

The second section of Chapter 2 examines the distribution of expenses by UN entity. Table 5 provides a comprehensive breakdown of 2024 expenditure by entity, with the 'sparklines' (far right-hand column) showing how expenditure has evolved over time.

As noted above, humanitarian assistance accounted for US$ 27.2 billion in 2024. Three entities together accounted for two-thirds of these expenses: WFP (32%), UNHCR (18%), and UNICEF (17%). Panel (B) in Figure 33, meanwhile, indicates the aggregate decline in humanitarian expenses may well extend beyond 2024, with preliminary data showing decreases continuing into 2025 for all three of these entities.

Development assistance expenses – which amounted to US$ 21.3 billion – were somewhat less concentrated, with roughly half attributable to UNDP (22%), UNICEF (18%), and FAO (8%), and preliminary trend lines marginally more stable than for humanitarian-focused entities going into 2025 (Panel (A) in Figure 33).

The third section of Chapter 2 examines the distribution of expenses by geographic region, while the fourth section focuses on 'crisis-affected' countries, underscoring the

UN system total expenses by entity and function, 2024 and 2015–2024 (US$ million)

(Table 5 from Part One)

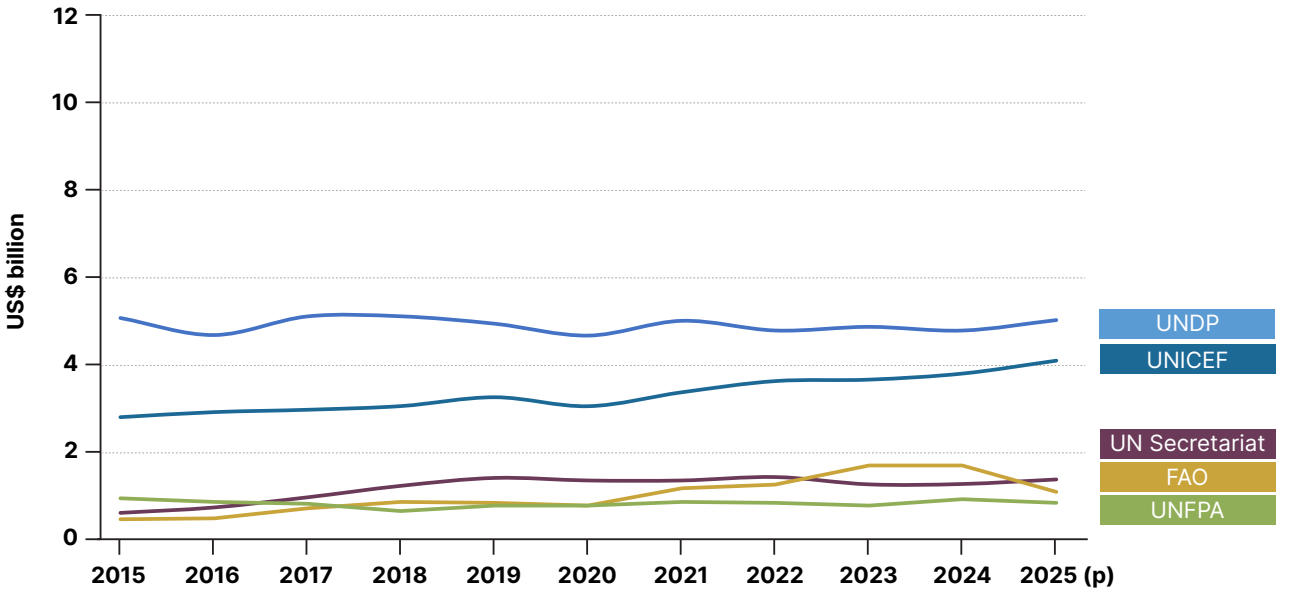
Entity	2024 Development assistance	2024 Humanitarian assistance	2024 Peace operations	2024 Global agenda	2024 Total expenditure	2015–2024
UN Secretariat	1,258	2,607	1,236	2,501	7,601	5.6B 7.6B
UN-DPO			7,341		7,341	8.8B 7.3B
CTBTO				134	134	124.9M 134.0M
FAO	1,679	206		302	2,186	1.2B 2.2B
IAEA				779	779	570.5M 779.0M
IARC				55	55	46.5M 55.1M
ICAO				215	215	194.8M 214.5M
ICC				203	203	186.7M 203.1M
IFAD	245				245	168.2M 245.2M
ILO	489	121		249	858	658.9M 858.2M
IMO				87	87	68.1M 87.1M
IOM	737	2,357		578	3,673	1.6B 3.7B
IRMCT				95	95	85.7M 95.2M
ISA				13	13	8.3M 12.7M
ITC	172				172	102.7M 172.3M
ITLOS				20	20	11.9M 19.7M
ITU	65			182	246	191.8M 246.4M
OPCW				87	87	84.2M 86.6M
PAHO	1,120				1,120	1.4B 1.1B
UN Tourism				33	33	27.0M 33.4M
UN Women	465	86		71	623	315.0M 622.8M
UNAIDS	204				204	293.9M 203.7M
UNCCD				40	40	18.6M 40.1M
UNCDF	85				85	64.6M 84.9M
UNDP	4,792	550			5,343	5.1B 5.3B
UNEP	808				808	559.7M 808.1M
UNESCO	594	17		238	849	762.5M 848.7M
UNFCCC				122	122	95.4M 122.4M
UNFPA	915	613			1,528	977.4M 1.5B
UN-HABITAT	115	58		16	188	167.1M 188.3M
UNHCR		4,895			4,895	3.3B 4.9B
UNICEF	3,788	4,727			8,515	5.1B 8.5B
UNIDO	325				325	244.1M 325.0M
UNITAID		177			177	216.3M 177.0M
UNITAR				57	57	23.5M 57.4M
UNODC	485				485	278.9M 484.8M
UNOPS	1,135	150	170	27	1,482	671.5M 1.5B
UNRWA		1,273			1,273	1.3B 1.3B
UNSSC	22				22	10.0M 21.6M
UNU				80	80	74.6M 80.5M
UPU				91	91	79.3M 91.1M
WFP	427	8,731			9,158	4.9B 9.2B
WHO	1,234	665		1,864	3,763	2.7B 3.8B
WIPO	89			348	437	351.8M 436.8M
WMO				125	125	102.5M 124.8M
WTO	23			179	202	247.0M 201.6M
Total	**21,270**	**27,233**	**8,747**	**8,789**	**66,039**	**48.1B 66.0B**

i) Values are rounded and slight differences in totals may occur. ii) UNV and UNICRI expenses are included under UNDP and UNODC, respectively.
Source: Chief Executives Board for Coordination (CEB).
For notes – see page 119

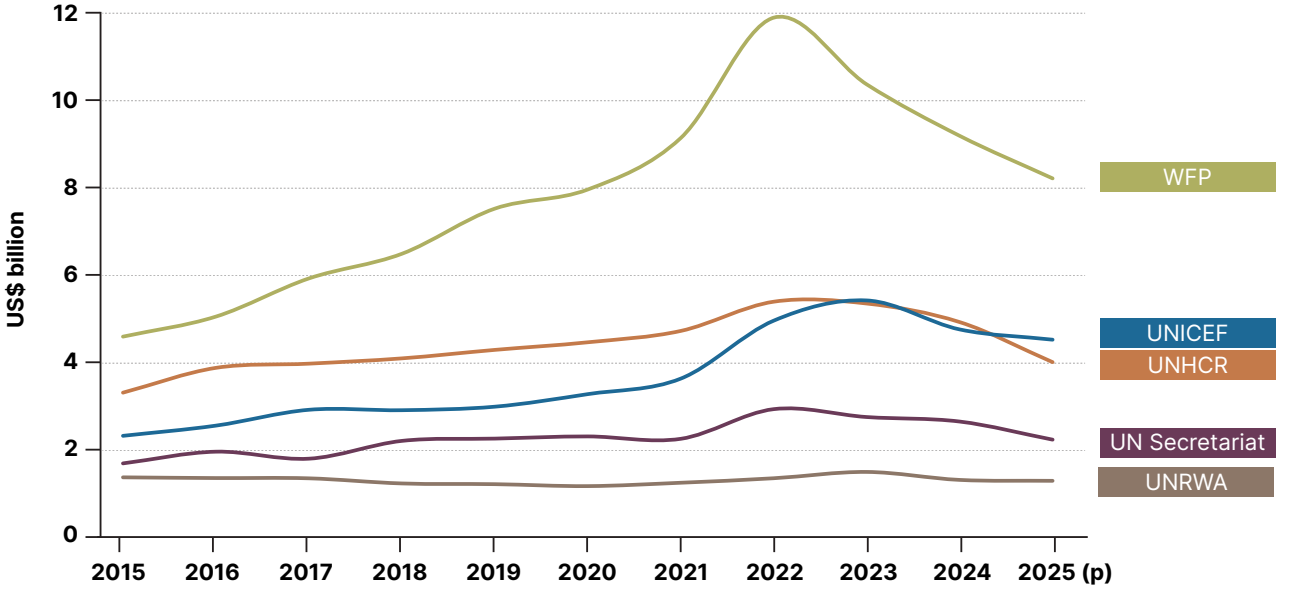
Total expenses for development and humanitarian assistance by select UN entities, 2015–2025 (US$ billion, 2025 preliminary)

(Figure 33 from Part One)

(A) Development



(B) Humanitarian



Source: see page 117

UN's capacity to 'stay and deliver'. Africa has received the largest share of UN OAD over recent years, with expenses rising from US$ 10.4 billion in 2015 to US$ 16.9 billion in 2024, and accounting for more than a third (35%) of UN OAD expenses. Humanitarian activities accounted for 62% of these expenses. The top five African recipients of UN OAD were South Sudan, Ethiopia, the Democratic Republic of the Congo, Sudan, and Somalia, each of which received more than US$ 1 billion in 2024.

The second-largest recipient region was Western Asia, which received US$ 8.2 billion, or 17% of total UN OAD expenses. Of these expenses, 79% were directed at humanitarian activities, with nearly two-thirds accounted for by the top three recipients – the State of Palestine, Yemen, and Lebanon – each receiving more than US$ 1 billion in humanitarian assistance. Asia and the Pacific, the Americas, and Europe each received 15% or less of UN OAD in 2024.

Figure 35 illustrates UN OAD and peace operations expenses in countries/areas classified as 'crisis-affected' in 2024. For the first time in this report, this graph includes all 39 crisis-affected countries/areas. Total expenses in these countries came to US$ 32 billion, accounting for nearly half the UN system's annual expenses (48%), underscoring how much of the UNDS' work is concentrated on reaching those furthest behind and most vulnerable.

The fifth section of Chapter 2 examines the distribution of expenses by country income level, while the sixth section looks specifically at the UNDS in 'Least Developed Countries' (LDCs). Figure 36 displays UN development and humanitarian (UN OAD) expenses according to the income level of UN programme countries, while also distinguishing between crisis-affected and non-crisis-affected contexts.

Low-income countries remained the largest recipient income group, although allocations to them decreased from US$ 18.3 billion in 2023 to US$ 16.5 billion in 2024. Figure 36 underscores the role – and value – of the UN in helping Member States and other partners bring humanitarian relief and sustainable development to those furthest behind and to places where they are needed most: expenses across 26 low-income countries were only a little below the allocations to 106 middle-income countries. In a similar vein (and touched on above), expenses in 39 crisis-affected countries were more than double the expenses in 123 countries not affected by crisis.

UN support to the 44 Member States classified as LDCs had grown steadily since the adoption of the SDGs. After peaking at US$ 20.6 billion in 2022, this volume declined to US$ 18.5 billion in 2024. Even this critical assistance remains precarious, largely reliant on tightly earmarked funding (consistently more than 80% of resources to LDCs since 2016). The outlook for this critical support is further clouded by the prospect of continued declines in ODA volumes.

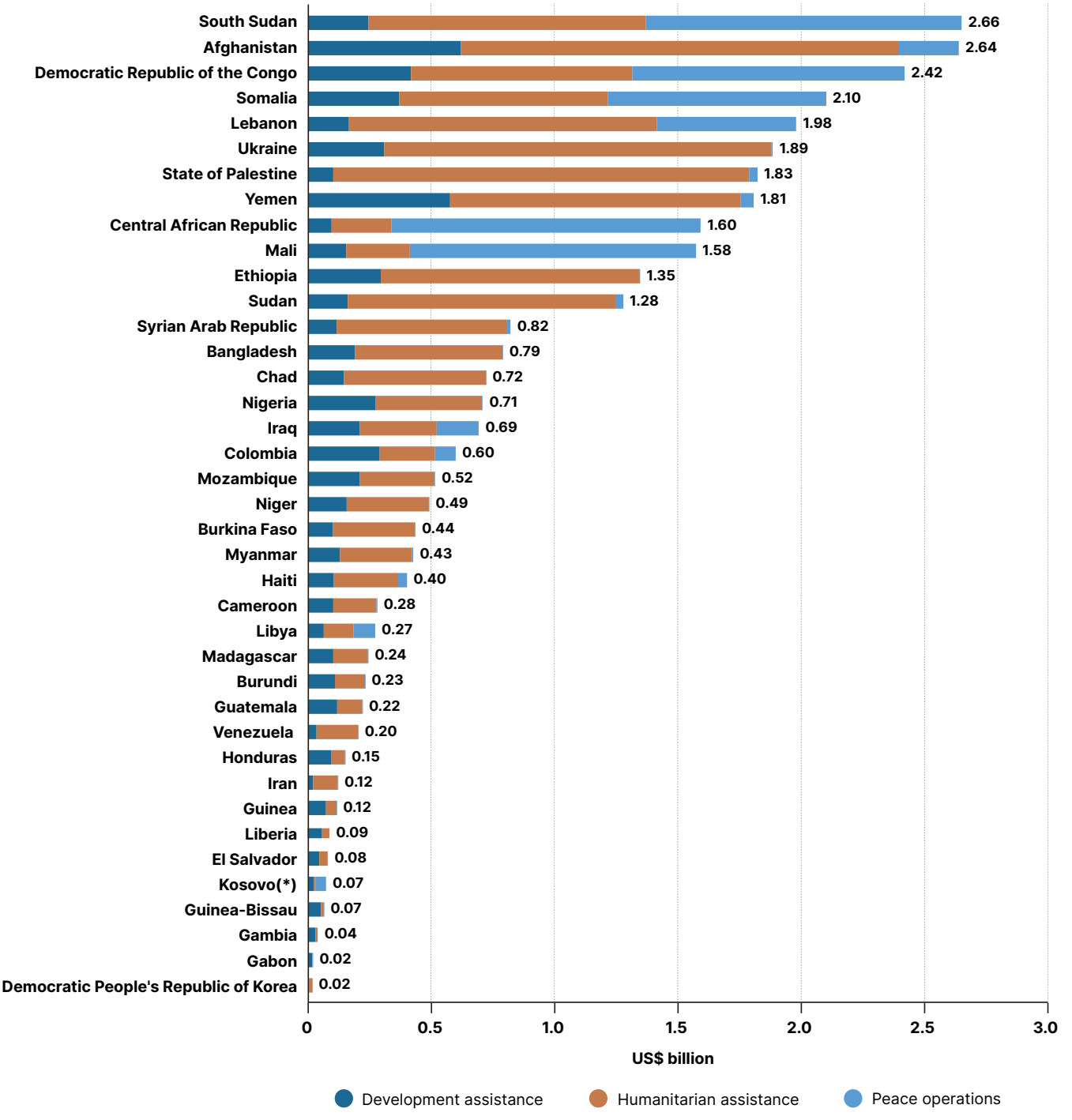
The seventh section of Chapter 2 examines allocations by SDG, as reported by the UN entities to CEB. In 2024, UN entities reported US$ 54.9 billion in allocations aligned with the SDGs, accounting for 83% of total UN system expenses of US$ 66 billion. Figure 38 illustrates how this was distributed among the 17 SDGs, with expenses primarily directed towards eradicating hunger (SDG 2), ensuring health and well-being (SDG 3), and promoting peace, justice and strong institutions (SDG 16). Together, expenses linked to these three SDGs accounted for 56% of reported SDG-aligned resources.

The lowest levels of UN expenses were again, as in prior years, related to environmental sustainability and resource use: clean energy (SDG 7), responsible consumption (SDG 12), life below water (SDG 14), and life on land (SDG 15), with each receiving less than US$ 500 million in reported expenses by UN entities.

Within individual entities, the distribution of expenses across SDGs varies significantly. Specialised entities often prioritise SDGs aligned with their core mission: UN-DPO and the International Criminal Court, for instance, recorded all their expenditure against peace, justice, and strong institutions (SDG 16), while WHO dedicated 98% of its expenditure to health and well-being (SDG 3), and WFP recorded 90% against eradicating hunger (SDG 2). Other UN entities, meanwhile, such as the UN Secretariat and UNDP, contribute to all the SDGs, highlighting the integrated and interdependent nature of the global goals.

UN development, humanitarian, and peace operations expenses by crisis-affected country, 2024 (US$ billion)

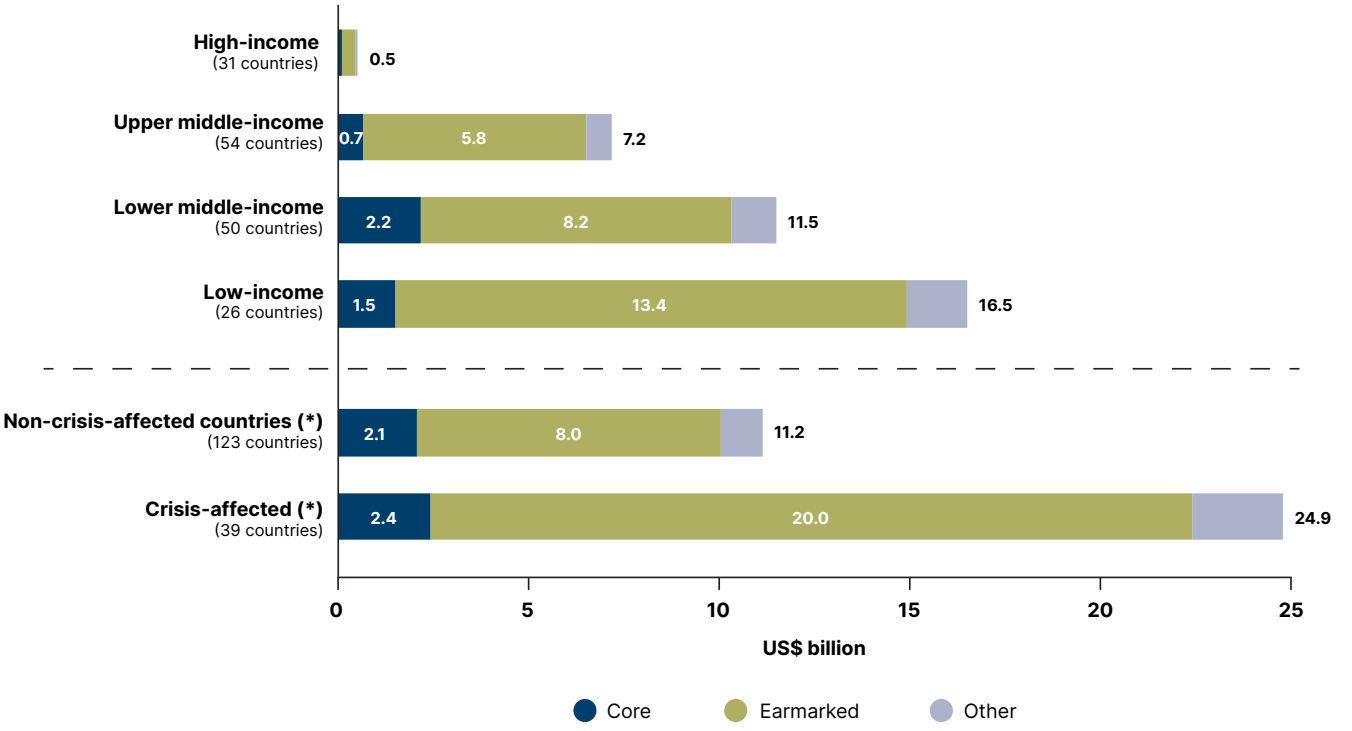
(Figure 35 from Part One)



Source: see page 117

UN development and humanitarian expenses in UN programming countries by income status, 2024 (US$ billion)

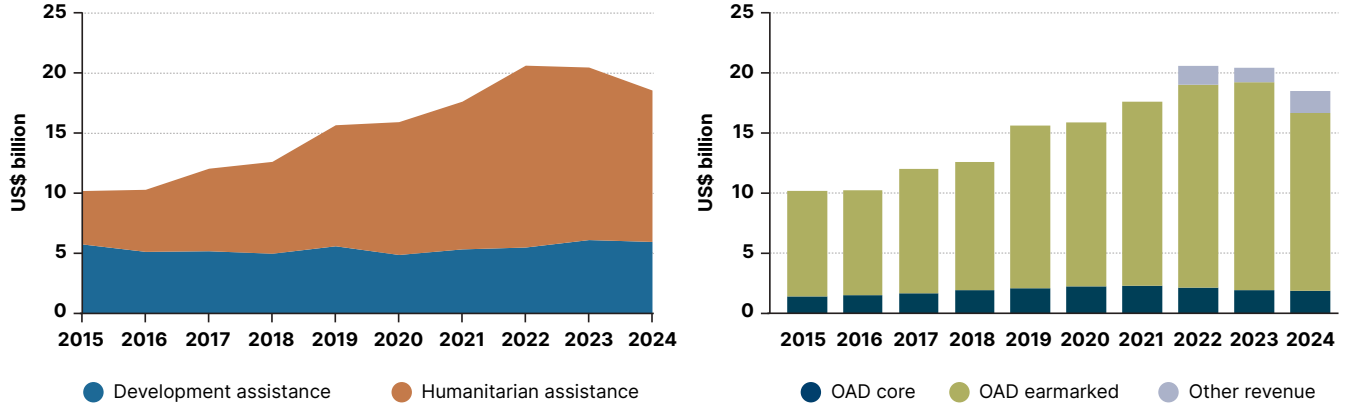
(Figure 36 from Part One)



Source: see page 117

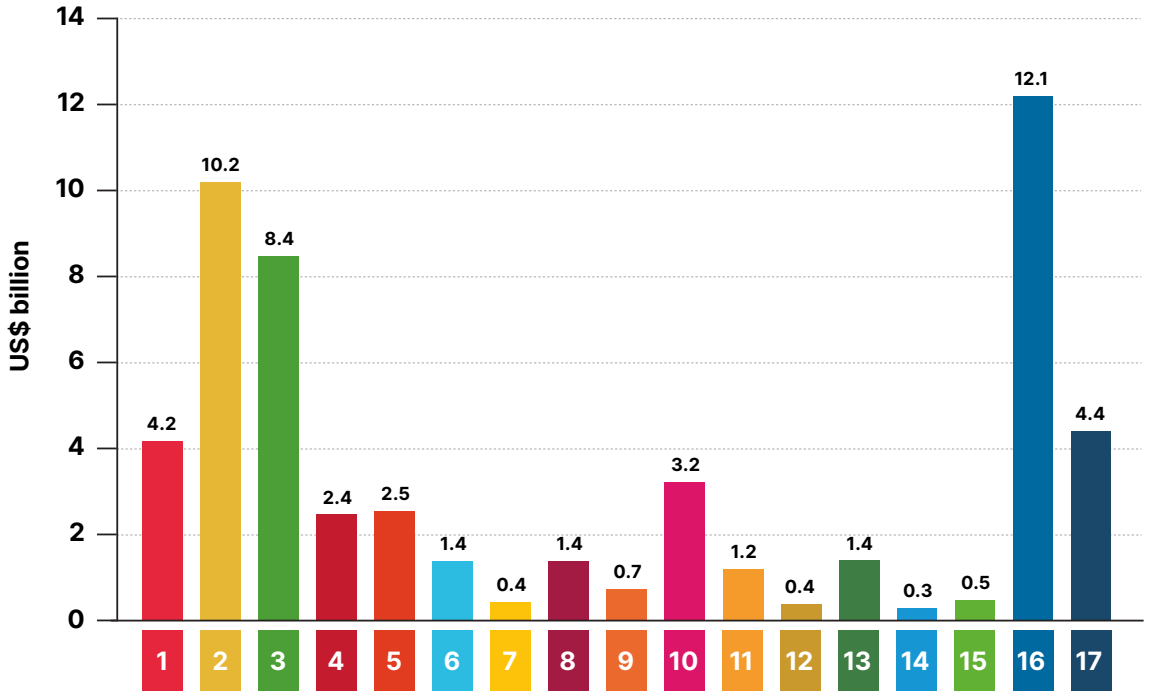
UN development and humanitarian expenses in least developed countries, 2015–2024 (US$ billion)

(Figure 37 from Part One)



Source: see page 118

Aggregated UN system expenses linked to the SDGs, 2024 (US$ billion)
(Figure 38 from Part One)



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Chapter 3: United Nations system-wide financial data – Looking forward

To conclude Part One of the report, the CEB Secretariat shares an overview of its vision for a unified, transparent, and intelligence-driven data ecosystem. The next phase of this work presents an opportunity not only to consolidate the progress made thus far but also to build a more integrated, user-oriented, resilient data ecosystem that is fit for the system's evolving needs.

Central to this endeavour are the UN Data Standards for UN system-wide reporting of financial data, which aim to improve the quality of such data reported to the CEB. Ultimately, having timely, reliable, verifiable, comparable, and SDG-aligned financial data – at both system-wide and entity levels – will allow the UN system to 'make better decisions and deliver stronger support to those we serve'.

Part Two: Marketplace of ideas

Part Two, the Marketplace of ideas, brings together expert contributions examining the pressures reshaping UN financing and possible approaches to improving the quality of funding. Collectively, they consider the conditions shaping the UN's financial future and propose ways to build a more resilient, effective, and sustainably financed United Nations system.

The funding crisis: What's at stake?

The Marketplace of ideas opens with John Hendra's contribution, *Cut to the quick: The impact of funding cuts on the United Nations development work*, in which he argues that the United Nations development system (UNDS) is facing an unprecedented funding crisis. The consequences of declining official development assistance, sharp reductions in voluntary contributions, and the UN's ongoing liquidity challenges extend far beyond organisational

downsizing: these funding pressures are undermining humanitarian assistance; reversing decades of development gains; weakening health, gender equality, and climate programmes; and diminishing the UN's ability to provide policy leadership, human rights monitoring, and coordinated support. As a result, the UN is experiencing 'reform by attrition', with financial pressures driving structural change faster than planned reform processes can respond.

Against this challenging backdrop, Hendra calls for ambitious, Member State-led reforms of the UNDS centred on more predictable and flexible funding, stronger governance, greater use of pooled financing, and reorganisation guided by evidence rather than driven by austerity. Ultimately, Member States shape the UN through their funding decisions. It therefore falls to them to build political coalitions to protect the organisation's development mandate and strengthen wider multilateral cooperation; otherwise, the UNDS risks losing not only its effectiveness but also its legitimacy.

Rethinking how the UN is funded

Next, in *The effectiveness of core and earmarked funding*, Judith Ihl, Ravneet Singh, Helena Hede Skagerlind, and Angela Heucher examine how different funding modalities influence the effectiveness of multilateral organisations, with particular attention to the UNDS. Drawing on a systematic review of the evidence, the authors find that core and more flexible forms of funding tend to strengthen strategic planning, coordination, and institutional resilience. By contrast, high levels of earmarking increase transaction costs, reduce flexibility, and contribute to fragmentation across the multilateral system. Amid declining aid budgets and growing financial pressures, funding quality is therefore just as important as funding quantity.

In light of this, the authors call on donors to adopt a more strategic, evidence-based approach by increasing flexible funding where possible while considering the trade-offs associated with earmarking. More broadly, ensuring the long-term effectiveness of both the UN system as a whole and the UNDS specifically requires sustained core funding, greater transparency around the costs of earmarked contributions, and closer dialogue between donors and multilateral organisations.

In *The tipping point: How hyper-earmarking cripples humanitarian response*, Bernhard Reinsberg examines how increasing reliance on earmarked funding affects the responsiveness of UN humanitarian organisations. Drawing on a quantitative analysis of 16 UN humanitarian organisations across more than 2,200 sudden-onset disasters between 2000 and 2020, the article finds that the relationship between earmarked funding and humanitarian performance follows an inverted U-shape: while moderate levels of earmarking can enhance responsiveness, excessive reliance on earmarked funding ultimately reduces agencies' operational flexibility and effectiveness.

The article argues that growing competition for donor resources reinforces these pressures, creating incentives that prioritise fundraising and organisational survival over coordination and collective action. However, organisations equipped with Rapid Response Facilities are better able to absorb these constraints and maintain effective responses. The findings suggest that improving humanitarian effectiveness requires a better balance between flexible core funding and earmarked resources, alongside financing arrangements that strengthen coordination rather than fragmentation.

In *The UN Funding Compact: Why progress has lagged—and what must come next*, Sergiy Prokhoriv, Marijana Markotić Andrić, Bernhard Reinsberg, and Peter Linnér examine why implementation of the UN Funding Compact has fallen short of expectations and identify practical measures to address these shortcomings. Drawing on qualitative research across eight countries, the authors find broad support for the Funding Compact's principles but limited evidence that it has changed country-level behaviour. The principal obstacles lie not in the design of the Funding Compact itself but in weak political transmission from headquarters to the field, fragmented incentives, insufficient operational follow-through, and persistent gaps in Member States' provision of predictable, flexible, high-quality funding.

Addressing these shortcomings in a post-2027 Funding Compact requires more than generalised commitments. As the authors make clear, a more operationally focused and politically grounded framework will require stronger accountability, better incentives for quality funding and collaboration, improved visibility for core and pooled

funding, enhanced support for Resident Coordinators and UN Country Teams, and closer integration with domestic financing, international financial institutions, and the private sector. In sum, improving the effectiveness, coherence, and financial sustainability of the UNDS means preserving the Funding Compact's core principles while strengthening implementation mechanisms.

New financing approaches and political support for multilateral financing

In *The future of European Union funding to the United Nations system: Catalyst or cataclysm?* Niels Keijzer and Ronny Patz examine the European Union's evolving role as one of the UN's largest financial contributors. In particular, they assess how forthcoming changes to the EU's long-term budget may reshape its support for the multilateral system. Although the EU has become a financing cornerstone for many operational UN activities, the vast majority of its support is tightly earmarked and closely aligned with EU policy priorities, particularly in development, humanitarian action, migration, and the European Neighbourhood.

Looking ahead, negotiations on the EU's 2028–2034 Multiannual Financial Framework have significant implications for the future of UN financing. Particularly concerning is the prospect that growing geopolitical and fiscal pressures will cause the EU to align its funding more closely with strategic European interests rather than invest in the UN's core institutional functions. While the EU will almost certainly remain a major donor, preserving an effective multilateral system will require more strategic and flexible funding, with less tight earmarking, to strengthen the UN's operational, normative, and governance capacities.

In *Turning restitution into development results: Lessons from the Uzbekistan Vision 2030 (Ishonch) Fund*, Ilkhom Norkulov and Christian Frutiger show how restituted assets can provide an innovative source of development finance while strengthening the effectiveness of the UNDS. Taking the Uzbekistan Vision 2030 (Ishonch) Fund as a case study, the article demonstrates how assets recovered through anti-corruption proceedings and channelled through a UN Multi-Partner Trust Fund can deliver tangible improvements in health and education while supporting national development priorities.

Restitution financing represents a distinct financing modality that requires robust governance, strong national ownership, transparency, and accountability. In this respect, the Ishonch Fund's early implementation experience casts light on both the opportunities and challenges involved in managing large-scale restitution through the multilateral system. On the one hand, the Ishonch Fund is a testament to the potential of pooled funding, joint programming, and Resident Coordinator leadership in delivering development results. On the other hand, it exposes the UN system's institutional constraints regarding incentives, cost recovery, reporting, and operational flexibility.

Despite these obstacles, restitution should be recognised as an emerging source of development finance. More broadly, the lessons learned from Uzbekistan about pursuing more adaptive, collaborative, nationally owned approaches to financing can help inform future UN reforms.

Finally, in *Parliamentary perspectives on UN funding: Preferences, knowledge, and oversight in a time of crisis*, Sergiy Prokhoriv, Bernhard Reinsberg, Paddy Torsney, and Alessandro Motter assess how parliamentarians perceive UN funding amid mounting financial pressures on the multilateral system. Having conducted a global survey of parliamentarians, the authors explore legislators' knowledge of UN financing, their attitudes towards the UN budget and funding priorities, and their views on UN oversight and reform.

Although the survey demonstrates strong cross-party and international support for the UN – including maintaining or increasing its funding – it also reveals that legislators often have limited awareness of how different UN funding modalities operate. In particular, many are unaware of how funding quality affects organisational effectiveness. At the same time, the survey finds broad backing for greater parliamentary oversight of UN finances, stronger accountability for Member State financial commitments, and continued UN reform through the UN80 Initiative. In light of these findings, the authors argue that increased engagement with parliamentarians – especially regarding the importance of predictable, high-quality funding – can help build stronger domestic political support for financing the UN system.

Endnotes

1 The Organisation for Economic Co-operation and Development's Development Assistance Committee (DAC) is a body within the OECD. As of 2024, DAC consisted of 31 country members and the European Union.