Latest Trends & Key Issues in system-wide funding of the UNDS

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### Funding versus Financing

<table>
<thead>
<tr>
<th><strong>FUNDING</strong></th>
<th><strong>FINANCING</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial resources that <em>flow through</em> the UN</td>
<td>Financial resources that mostly <em>do NOT flow through</em> the UN</td>
</tr>
<tr>
<td>Funding strategy = <em>fundraising for a UN activity</em> that supports the SDGs</td>
<td>Financing strategy = <em>leveraging financial flows</em> in the direction of the SDGs/national development priorities</td>
</tr>
</tbody>
</table>
Funding of United Nations system-wide activities: 2018

Specialized assistance
$5.0 billion
10%

Peace Ops
$9.3 billion
19%

Operational activities
$35.9 billion
71%

Development
$17.8 bn
35%

Humanitarian
$18.2 bn
36%

Scope of QCPR: Development + Humanitarian
Core and non-core funding

Trend
(2003-2018)

2018
($36.4 billion)

Billions of constant USD

Non-core funding

Core funding

Voluntary core (15%)
Inter-agency pooled funds (7%)
Local gov't cost sharing (6%)
Assessed (6%)
Thematic funds (2%)
Other non-core (64%)
Quality of non-core funding: Pooled funds

Inter-agency pooled funds

Thematic funds
Funding Base of the UNDS: Reliance on top contributors [2008-2018]
Funding Base of the UNDS: Funding from Programme Countries [2015-2018]
Funding base of inter-agency pooled funds: 2018
($2.5 billion)
### UNDS spending across different country groups: 2018 ($26.1 billion*)

<table>
<thead>
<tr>
<th>Group</th>
<th>Number of countries</th>
<th>Share of total population</th>
<th>Share of total expenditures</th>
<th>Total expenditure USD million</th>
<th>Average expenditures per country (million USD)</th>
<th>5-year expenditure trend</th>
<th>Expenditures per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>LLDCs</td>
<td>32</td>
<td>7.9%</td>
<td>24.9%</td>
<td>$6,591</td>
<td>$206, $163</td>
<td>+26%</td>
<td>$12.95</td>
</tr>
<tr>
<td>LDCs</td>
<td>47</td>
<td>15.7%</td>
<td>47.6%</td>
<td>$12,621</td>
<td>$269, $192</td>
<td>+40%</td>
<td>$12.54</td>
</tr>
<tr>
<td>SIDS</td>
<td>39</td>
<td>0.9%</td>
<td>2.7%</td>
<td>$719</td>
<td>$18, $12</td>
<td>+54%</td>
<td>$12.12</td>
</tr>
<tr>
<td>Africa</td>
<td>55</td>
<td>19.7%</td>
<td>41.4%</td>
<td>$10,975</td>
<td>$200, $153</td>
<td>+30%</td>
<td>$8.64</td>
</tr>
<tr>
<td>MICs</td>
<td>105</td>
<td>87.5%</td>
<td>54.0%</td>
<td>$14,082</td>
<td>$134, $94</td>
<td>+40%</td>
<td>$2.56</td>
</tr>
<tr>
<td>All programme countries</td>
<td>157</td>
<td>100%</td>
<td>100%</td>
<td>$26,061</td>
<td>$166, $120</td>
<td>+40%</td>
<td>$4.12</td>
</tr>
</tbody>
</table>

* Country groups are not mutually exclusive
UNDS spending across programme countries
Three-quarters of all UNDS country-level spending are in these 30 countries

Humanitarian assistance dominates in countries with highest expenditures
UNDS country-level spending

Group 2: btw $50 -200 million [46/157 countries]

- 46 countries have expenditures between $50-200 million
- together, they have 17% share of total country level expenditure
UNDS country-level spending

**Group 3: < $50 million [81/157 countries]**

- in **81 countries**, annual UNDS expenditures are **under $50 million**.
- in **50 countries** out of those 81, expenditures are **under $20 million**
- combined, these 81 countries make up 6% of total UN country-level expenditures.
Need for differentiated business models for UN support

- **Business Operations**: efficiencies expected from new business models for operations [common premises & back-office functions, BOS]
- **Presence vs Support**: important to not conflate programme support by UNDS entities and physical presence in-country
- **Functions/Offer**: which functions & offer where?

_The relevance of the UNDS offer will ultimately be determined around which drives the other, the supply or the demand._
UNDS repositioning impact depends significantly on addressing problems in the system's funding architecture.

**FUNDING COMPACT:** A shift towards higher quality funding by building trust in the system’s effectiveness & efficiency through:

- increased transparency and accountability,
- better reporting on spending and results, especially those using core resources,
- demonstrating coherence, coordination and minimal duplication.
Additional information

- Addendum to 2020 SG’s report on the QCPR
- Set of data tables showing funding flows
- QCPR monitoring framework

https://www.un.org/ecosoc/content/qcpr-2020