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**Operational activities for development: operational  
activities for development of the United Nations system**

**Economic and Social Council  
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Agenda item x (y)

**Operational activities of the United Nations  
for international development cooperation:  
follow-up to policy recommendations of the  
General Assembly and the Council**

### **Implementation of General Assembly resolution 79/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system: funding of the United Nations development system**

#### **Report of the Secretary-General**

##### *Summary*

The present addendum is submitted pursuant to General Assembly resolution 79/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system.

Total financial contributions to the United Nations development system for operational activities amounted to \$45.6 billion in 2023, representing a decrease of 16 per cent, or nearly \$9 billion, compared with 2022. Most (95 per cent) of this decline in contributions can be attributed to a decrease in non-core resources, with the remaining 5% in core funding. Core contributions accounted for just 18.8 per cent of total contributions in 2023, or 12.7 per cent of all voluntary contributions (excluding assessed contributions). The remaining contributions were earmarked to some extent.

Total contributions received by the United Nations development system in 2023 (in real terms) was the lowest volume received since 2019 when the original Funding Compact was finalized and total contributions amounted \$40.7 billion. Moreover, core contributions declined by 2 per cent since 2019.

\* A/80/50.

At the same time, since 2020, the United Nations development system has scaled up operational activities by 28 per cent, or \$11 billion, surpassing \$51 billion in total, of which some 80 per cent was spent at the country level. This trend has largely been driven by an increase in humanitarian activities.

Funding to loosely earmarked United Nations inter-agency pooled funds totalled \$2.8 billion in 2023, a decline of 13 per cent compared to 2022. This marks the second consecutive year that contributions to inter-agency pooled funds declined. Inter-agency pooled funds with a development focus accounted for 8.1 per cent of total non-core contributions to development activities in 2023. Funding for two UN pooled funds, the Joint Sustainable Development Goals Fund and the Peacebuilding Fund, continue to fall well below the targets set out in the funding compact. After six straight years of growth, contributions to softly earmarked, single-agency thematic funds in 2023 dropped significantly to just over half the levels reached in 2022. Contributions to thematic funds with a development focus declined by 32 per cent to \$598 million, or 4.5 per cent of total non-core funding for development activities. While 2022 was an exceptional year in funding of thematic funds, the thematic funding received in 2023 which amounted to just over \$1 billion, was the lowest since 2019.

The United Nations development system remained highly dependent on a small number of contributors in 2023, with the top 3 government contributors accounting for 48 per cent of funding from governments (United States, Germany, United Kingdom).

The present document complements chapter VII of the report of the Secretary-General on the implementation of the quadrennial comprehensive policy review (A/80/xx-E/2025/yy). Detailed data tables on funding by entity, contributor, recipient country and type of funding (core, non-core, pooled, etc.) are in an online statistical annex.

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<sup>a</sup> Operational activities for development include both longer-term development-related activities as well as those with a short-term humanitarian assistance focus.

<sup>b</sup> See <https://unsceb.org/data-standards-united-nations-system-wide-reporting-financial-data>.

<sup>c</sup> See <https://ecosoc.un.org/en/what-we-do/oas-qcpr/quick-links/2025-secretary-generals-report-implementation-qcpr>

## I. Introduction

1. The United Nations development system has an indispensable role supporting developing countries in their efforts to achieve the 2030 Agenda for Sustainable Development. It is uniquely placed to provide tailored support to Governments through its global reach, diverse policy support expertise, and unmatched convening power. In recognition of this, the 2024 quadrennial comprehensive policy review stressed the need for adequate quantity and quality of funding to support United Nations operational activities for development.

2. The General Assembly welcomed the reinvigorated funding compact as the shared action between Member States and the United Nations to secure the financial means to support countries to achieve development results on the ground.<sup>1</sup> Securing funding for countries to enable delivery of the SDGs, as set out in the funding compact, requires a shift in funding patterns towards more adequate, flexible and predictable funding.

3. This report presents the status of United Nations development system funding flows. The following analysis of data up to 2023 shows trend breaks in system-wide funding and resources spent on country-level activities not seen since the adoption of the 2030 Agenda. Other trends continue including the limited composition in contributor funding patterns and total cost of the United Nations development and humanitarian response.

## II. Funding to the United Nations development system

### A. Quality and quantity of funding

4. Total financial contributions to the United Nations development system in 2023 was \$45.6 billion, a decline of 16 per cent or nearly \$9 billion compared to 2022. This was the lowest volume since 2019, in real terms<sup>2</sup> where funding totalled \$40.7 billion. The drop in 2023 funding breaks, for the first time, the sustained funding growth since the start of the 2030 Agenda. This trend also deviates from total official development assistance (ODA), which increased by 1.6 per cent from 2022 to 2023. Most of the funding fall was due to a decrease in non-core (or earmarked) contributions, although, core contributions also retreated by 5 per cent compared to 2022.

5. Since the start of the 2030 Agenda, non-core contributions have grown by 44 per cent, in real terms, compared to just 13 per cent growth for core contributions (see figure 1).<sup>3</sup> Core and non-core contributions combined grew by 37 per cent since 2015, outpacing the growth of global national income (GNI). Total contributions as a share of GNI rose over the same period from 0.037 per cent in 2015 to 0.043 per cent in 2023.

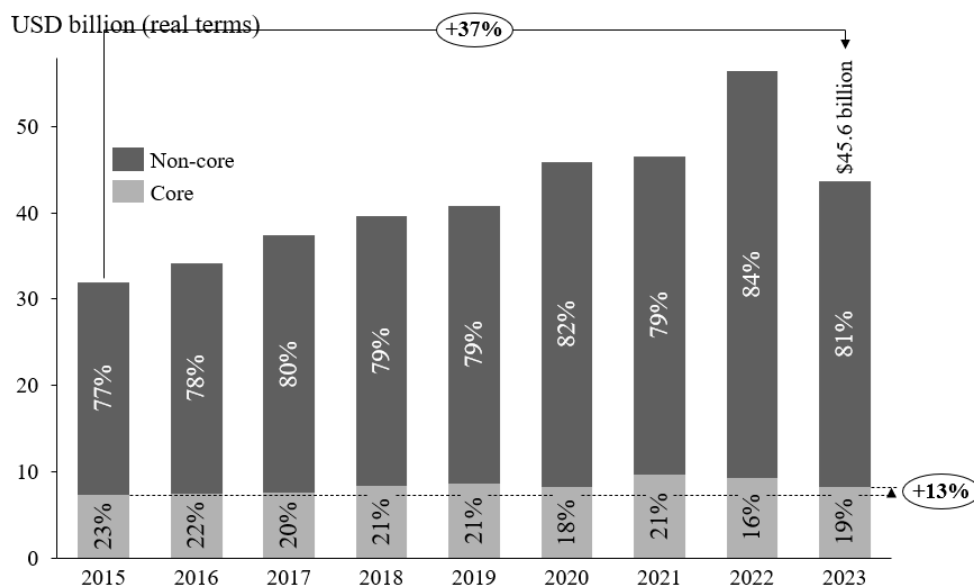
Figure 1:

**Trends in core and non-core funding flows, 2015-2023**

<sup>1</sup> A/RES/79/226

<sup>2</sup> Accounting for inflation and exchange-rate fluctuations.

<sup>3</sup> Non-core resources are funds that are earmarked by the contributor for specific purposes and/or locations. Core resources are contributions without restrictions. Core resources include assessed contributions as well as voluntary non-earmarked contributions.



Source: UNSCEB, 2024

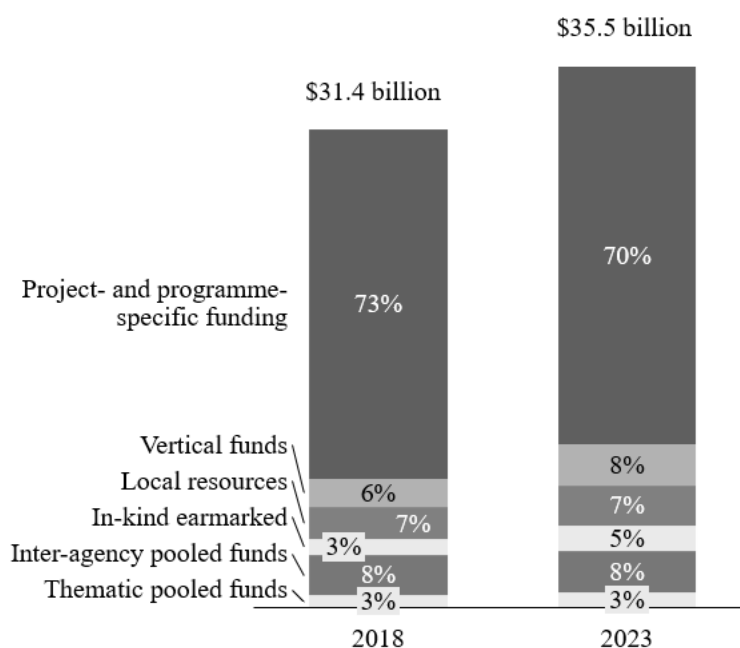
6. The funding compact outlines levels of earmarking for different contribution channels.<sup>4</sup> Core resources represent the most flexible funding modality, enabling a responsive system to tailor resource allocation in line with national priorities to challenges in recipient countries. The funding compact<sup>5</sup> set a flexible funding target to reach by 2027, a 30 per cent share of core funding in total voluntary funding across the United Nations development system (excluding assessed contributions). In 2023, core resources comprised only 12.7 per cent of total voluntary contributions including non-voluntary, assessed contributions brings the share to 18.8 per cent.

7. In contrast, 81 per cent of United Nations development system funding is non-core, earmarked funding. Strictly tied project and programme funding alone totalled \$25.9 billion in 2023. Since 2020, the relative quantities of the main types of non-core funding have remained largely unchanged (see figure 2).

<sup>4</sup> A/79/72/Add.2-E/2024/12/Add.2

<sup>5</sup> A/79/72/Add.2-E/2024/12/Add.2

Figure 2  
Relative volumes of non-core funding types (2018 and 2023)<sup>6</sup>



Source: CEB, 2025.

8. Tight earmarking incurs high transactions costs and may cause duplication in reporting. It also often results in competition among entities, especially when compounded by limited core resources. In 2024, over half (57 per cent) of surveyed contributor Governments experienced increased cases of competition for funding among United Nations entities.

9. Joint resource mobilization can avert funding competition and rally investment around joint programme priorities at the country level. Joint programmes remain a small share of Cooperation Framework budgets, under 15 per cent of resources in more than half of programme countries. Nearly half of resident coordinators in 2024 reported an increase in joint resource mobilization across United Nations country teams compared to the previous year. Resident Coordinators also reported that UN country teams increased focus on priority thematic areas that attract contributors or align to vertical funds and stronger partnerships with bilateral agencies and multilateral banks. In cases where the resident coordinator reported a decrease in joint resource mobilization efforts, key factors included political and economic instability, shifting contributor priorities away from development assistance and local donor reticence to fund joint programmes.

## B. Inter-agency pooled funds

10. Inter-agency pooled funds bring United Nations entities and contributors together to support a specific thematic and/or geographic focus. An agreed

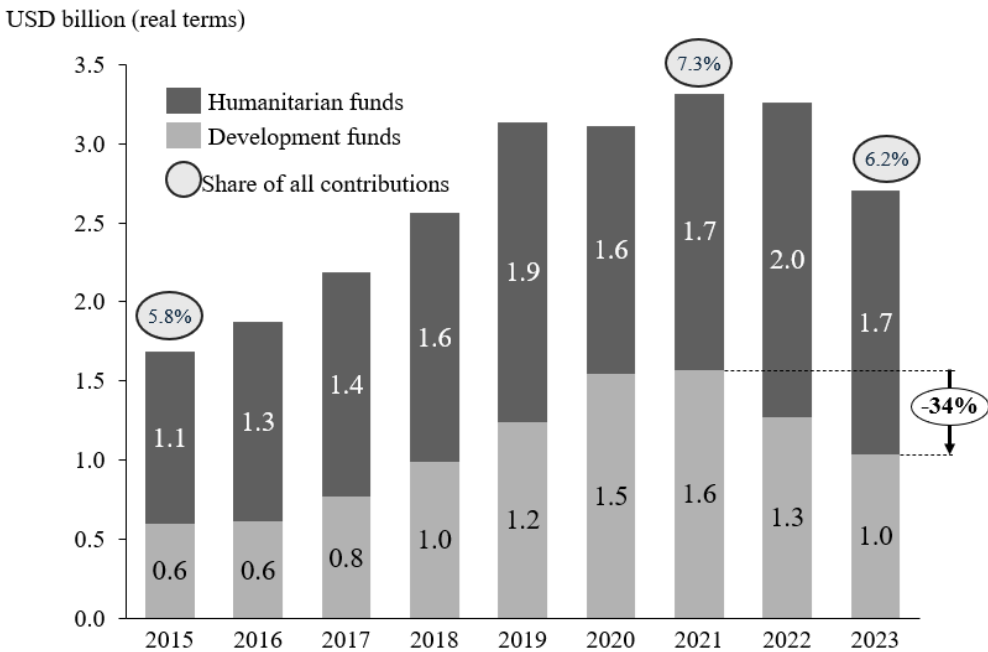
<sup>6</sup> Volumes shown in constant 2022 United States dollars.

programme and common results framework generate coherence and economies of scale and reduces fragmentation of resources.

11. Contributions to inter-agency pooled funds totaled \$2.8 billion in 2023, down 13 per cent compared to 2022 - its second consecutive annual decline (see figure 3). They made up 6.2 per cent of all contributions in 2023. Contributions to inter-agency pooled funds with a development focus declined by 34 per cent from their peak of \$1.6 billion in 2021. This follows a period that saw contributions to inter-agency pooled development funds increase for six straight years.

Figure 3

Contributions to inter-agency pooled funds in real terms, 2015–2023

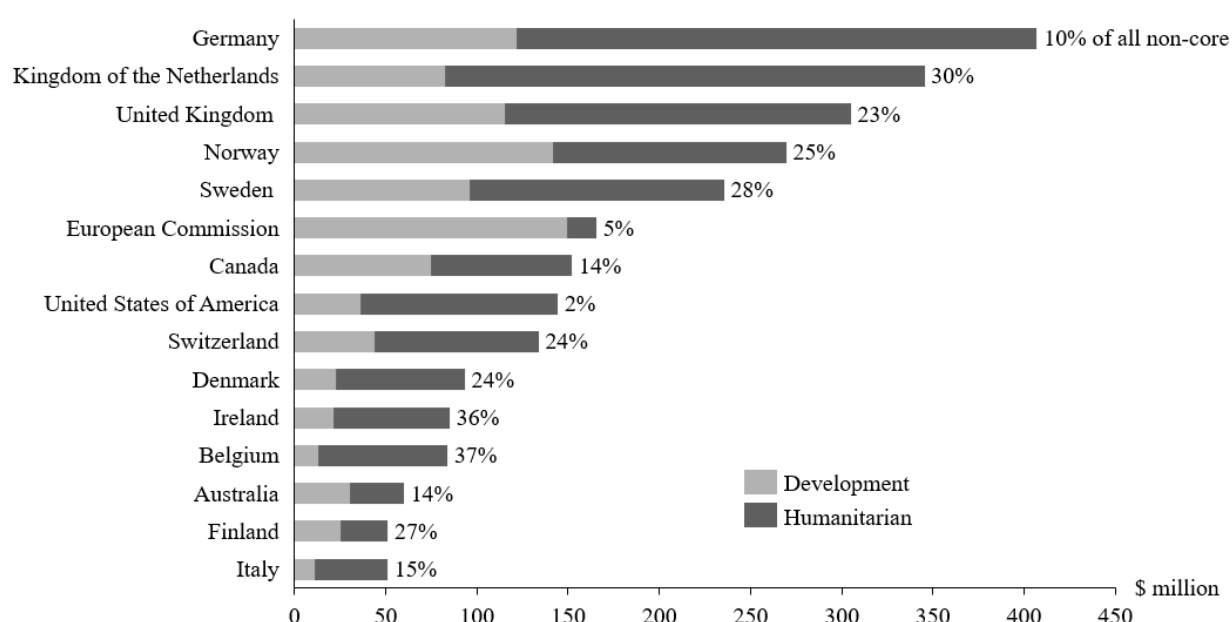


Source: United Nations inter-agency pooled funds database, 2024; and CEB, 2024.

12. Figure 4 shows the top contributors to inter-agency pooled funds in 2023 and the share of their total non-core contributions that finance inter-agency pooled funds. Germany remained the largest contributor for the fourth straight year, while Belgium, Ireland and the Netherlands contributed more than 30 per cent of their total non-core contributions to inter-agency pooled funds.

Figure 4

Top contributors to inter-agency pooled funds 2023



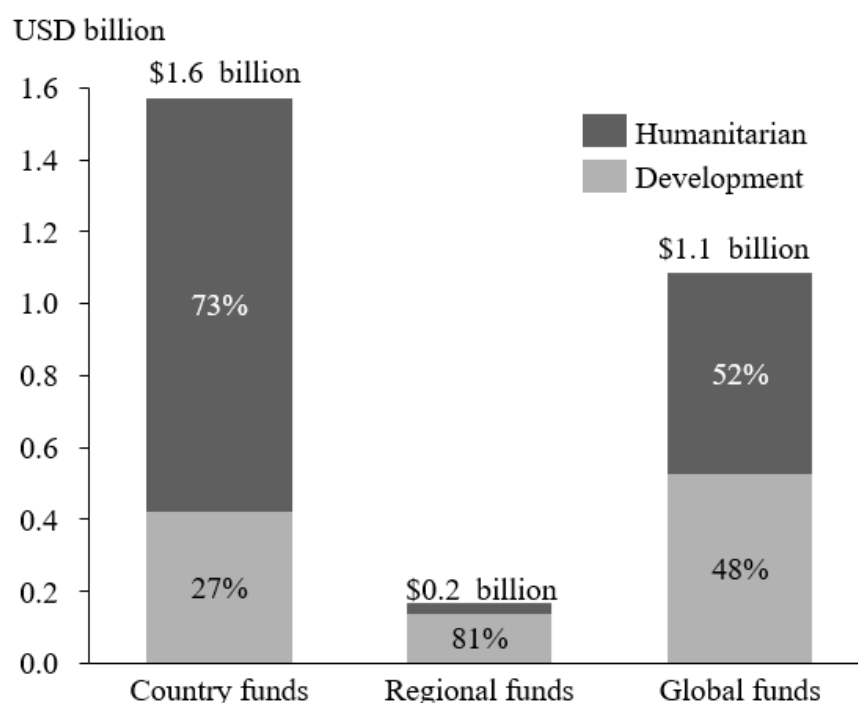
Source: United Nations inter-agency pooled funds database, 2024; and CEB, 2024.

13. Despite the decline in total contributions to inter-agency pooled funds in 2023, a broadening of the funding base could be observed. The top 5 contributors accounted for 55 per cent of total contributions in 2023, compared to 64 per cent in 2021 and 72 per cent in 2019. This is partly a result of the decline in funding from some of the largest contributors, though more Member States are recognizing the benefits that inter-agency pooled funds can bring. In 2023, 31 Member States contributed at least \$1 million to these funds, compared to 27 Member States in 2021.

14. Inter-agency pooled funds can address global or regional or country specific challenges. Over half (56 per cent) of these contributions were provided for country-level funds with global and regional funds accounting for 41 per cent of contributions (see figure 5).

15. Only 27 per cent of contributions to country-level funds had a development focus in 2023, with most financing humanitarian programmes. Country-level development funds are loosely earmarked resources and ideal to steer resources to priorities in country Cooperation Frameworks.

Figure 5  
**Contributions to inter-agency pooled funds in 2023, by geographical scope**



Source: United Nations inter-agency pooled funds database, 2024.

16. Just under half of contributions to global inter-agency pooled funds in 2023 went to funds with a development focus. For instance, the Joint Sustainable Development Goals Fund stimulates strategic investments to and accelerate progress towards the Sustainable Development Goals. In 2023, the Fund overhauled its governance and refocused its strategy as the United Nations global flagship funding vehicle to invest in key transformations essential to achieving the 2030 Agenda at the country level under the leadership of the resident coordinators.

17. In 2024, the Joint SDG Fund received signed commitments of just over \$100 million. As of the middle of March 2025, almost \$90 million had been received – a 60 per cent increase over the 2023 total, although contributions remain well below the \$500 million per annum target set in the funding compact.<sup>7</sup>

18. Since the Joint SDG Fund was established in 2019, it has deployed \$348 million through 347 joint programmes, working with 32 UN entities across 126 countries. These investments have catalyzed \$6.6 billion in additional SDG financing, representing a 1:19 leverage ratio, primarily through blended finance instruments and sustainability bonds, including SDG, green and blue bonds. The results have enhanced Goal-related social services and capacity building for over 206 million people.<sup>8</sup>

<sup>7</sup> Originally, as part of the 2019 funding compact, the target was \$290 million in annual commitments. In the renewed 2024 funding compact, the target is \$350 million in annual commitments by 2027.

<sup>8</sup> <https://www.jointsdgfund.org/>

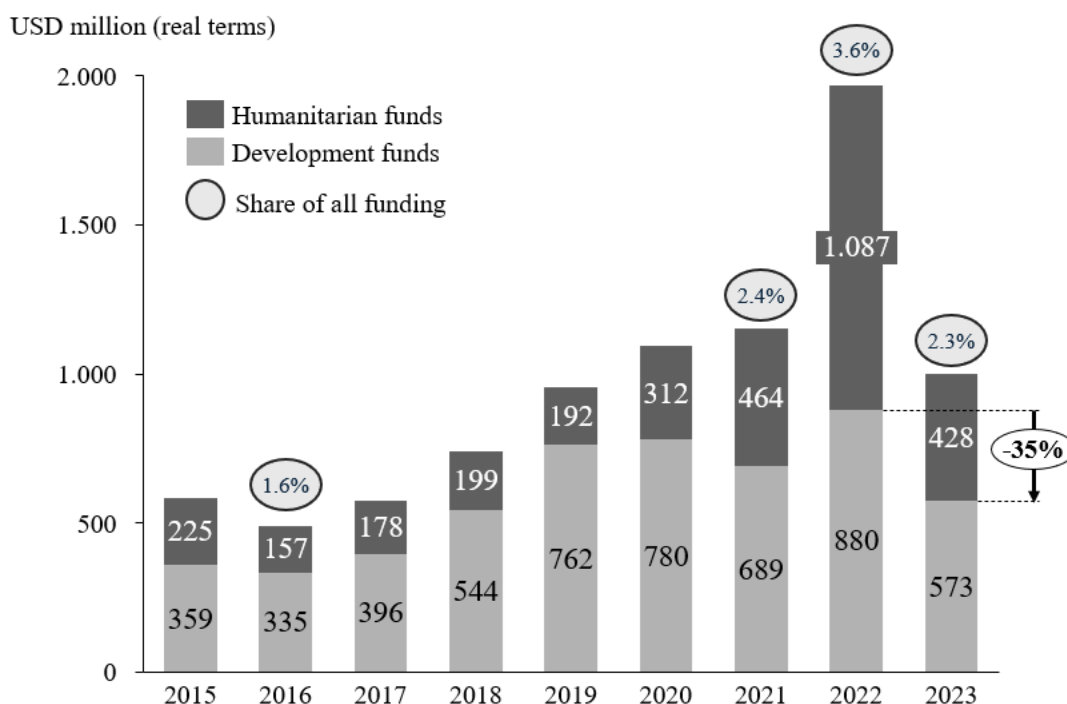


19. The Peacebuilding Fund, another inter-agency global pooled fund, received \$143 million in contributions in 2024, an 8.5 per cent increase compared to 2023 and the first annual increase since 2020 when contributions totalled \$180 million. Beginning in 2025 the Fund will receive a \$50 million annual assessed contribution following a decision by the General Assembly<sup>9</sup>.

20. Fifty-three programmes were approved for support through the Peacebuilding Fund in 2024, amounting to \$116 million across 32 countries and territories. The upcoming 2025 Peacebuilding Architecture Review will also be an opportunity to consider peacebuilding financing instruments like the Fund as part of the work in taking forward the Pact for the Future and the peacebuilding and sustaining peace agenda.

21. The funding compact emphasizes the importance of scaling up funding to single-agency thematic funds. These are pooled, softly earmarked resources that support high-level results at the country, regional and global levels. Their flexibility allows United Nations entities to respond more effectively and at lower costs, thus serving as a sound complement to core contributions. As shown in figure 6, funding to single-agency thematic funds halved between 2022 and 2023, down to \$1.0 billion. This funding accounted for 2.3 per cent of all contributions in 2023. The significant decline from a record high of \$2.0 billion in 2022 somewhat offset the steep temporary increase in humanitarian thematic funding in 2022 in response to the onset of the war in Ukraine. But development thematic funding fell 35 per cent to its lowest level since 2018.

Figure 6  
Trends in funding for agency-specific thematic funds, 2015–2023

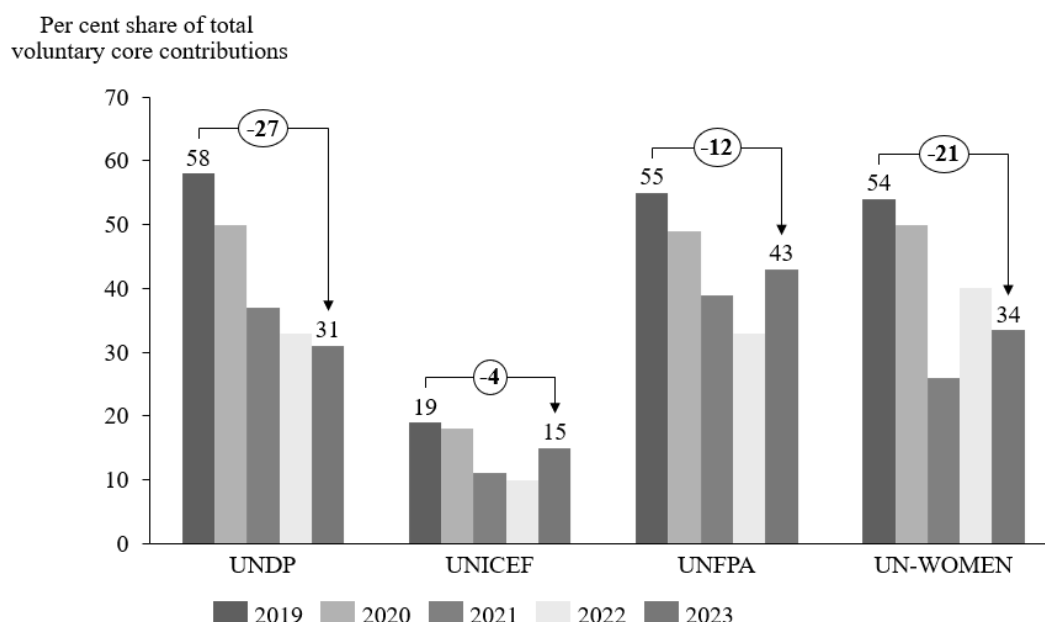


<sup>9</sup> A/RES/78/257

Source: CEB, 2025.

22. Multi-year financial commitments to core resources improve funding predictability and delivery of faster and more sustained responses. They also reduce funding administration overheads and enable longer-term planning. Despite the benefits, multi-year funding faces low levels or downward trends since 2019. Figure 7 shows an overall declining trend in multi-year commitments since 2019 for four entities that accounted for 70 per cent of all voluntary core funding for United Nations development activities, although there was a modest improvement between 2022 and 2023 for two entities. Contributing governments indicated that their funding of the United Nations is subject to annual budget approval, which limits their ability to make multi-year funding commitments.

Figure 7  
**Multi-year commitments, selected entities, 2019–2023**



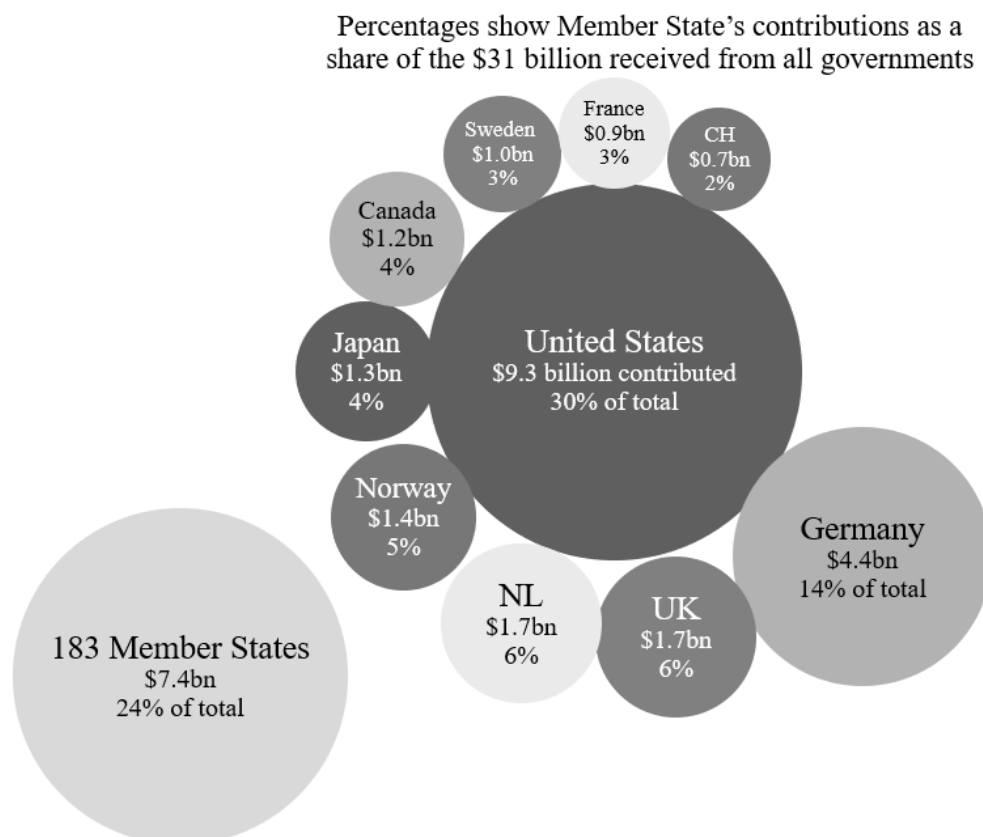
Source: Executive Board documents.

Abbreviations: UNDP, United Nations Development Programme; UNFPA, United Nations Population Fund; UNICEF, United Nations Children's Fund; UN-Women, United Nations Entity for Gender Equality and the Empowerment of Women.

### C. Diversity of the funding base

23. The United Nations development system relies heavily on its top contributors. Figure 8 shows the top 10 Member State contributors of voluntary funding in 2023 that together account for three-quarters of all voluntary contributions received from governments. The top donor accounted for 30 per cent of the total with \$9.3 billion in voluntary contributions in 2023. The remaining 183 Member States accounted for 24 per cent of this total.

Figure 8  
**Main sources of voluntary contributions from Governments in 2023**



Source: CEB, 2025.

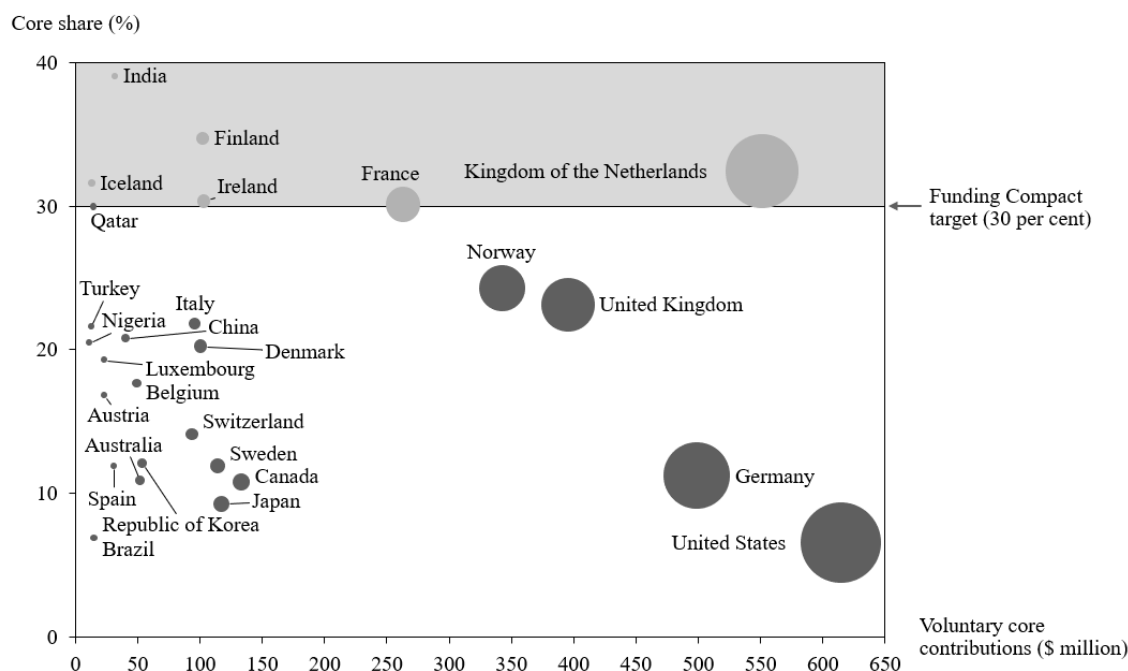
Note: Abbreviations: CH, Switzerland; NL, Kingdom of the Netherlands; UK, United Kingdom; bn, billion

24. The funding compact set a target for 40 Member States to provide at least \$10 million each in voluntary core contributions by 2027 to help ease the development system's reliance on a small number of donors. In 2023, 27 Member States surpassed this threshold, up from 20 in 2022. The top three providers of voluntary core contributions (United States, Kingdom of the Netherlands and Germany) accounted for 41 per cent of the total from all governments. This share has remained largely unchanged since the start of the 2030 Agenda. Figure 9 shows the amount of voluntary core funding provided by the 27 Member States that provide at least \$10 million in voluntary core funding in 2023, and the percentage this represents of their total voluntary contributions. Seven met the funding compact target of core funding as a 30 per cent share of voluntary contributions,<sup>10</sup> as shown in the figure below.

Figure 9

<sup>10</sup> Including Qatar, whose share was 29.97 per cent.

### Top contributors of voluntary core funding, volume and share for all voluntary contributions, 2023



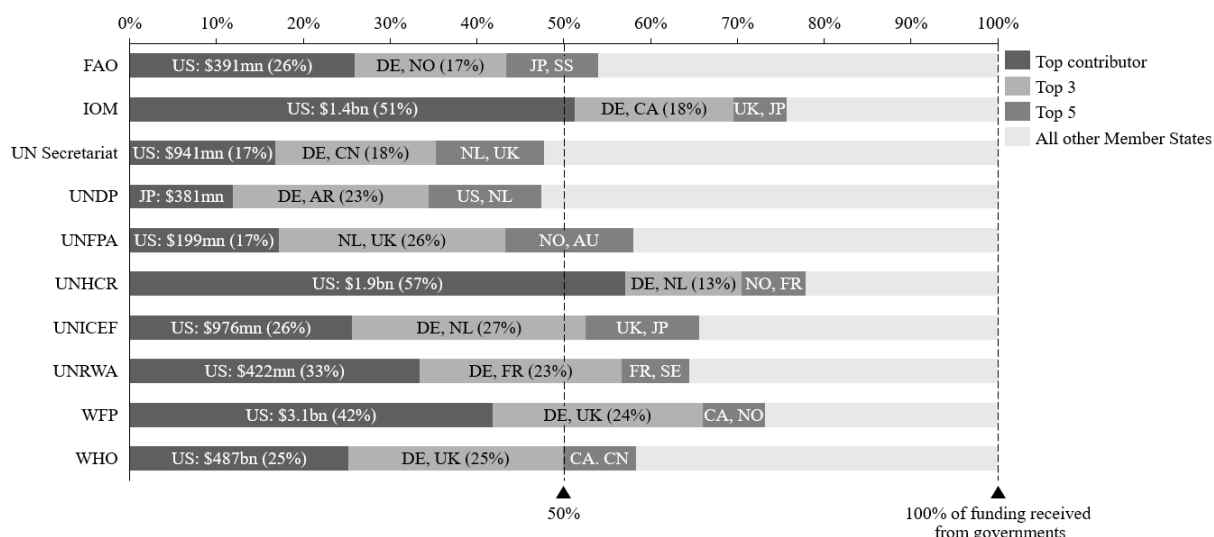
Source: CEB, 2025.

25. The new quadrennial comprehensive policy review calls on United Nations entities to explore options to diversify the donor base to ensure more sustainable, predictable, and flexible funding. Diversifying the funding base remains a priority for the United Nations development system and the funding compact to ensure sustainable funding and minimize the disproportionate impacts of donor policy changes.

26. Figure 10 illustrates the volume of funding the 10 largest entities of the United Nations development system receive from their top donors. It shows that for 6 of the 10 largest entities, the top 3 donors account for at least half of the contributions they receive from all governments. In the case of UNHCR, IOM and WFP, about two-thirds of the funding they receive from Governments comes from just three Member States. The United States was the top contributor for nine of these entities and for two entities accounted for over half of total funding from Governments. Germany was the second-largest donor for 9 of the 10 largest entities, accounting for as much as 20 per cent of total funding from Governments

Figure 10

**Share of total Government contributions provided by the top donors, largest entities, 2023**

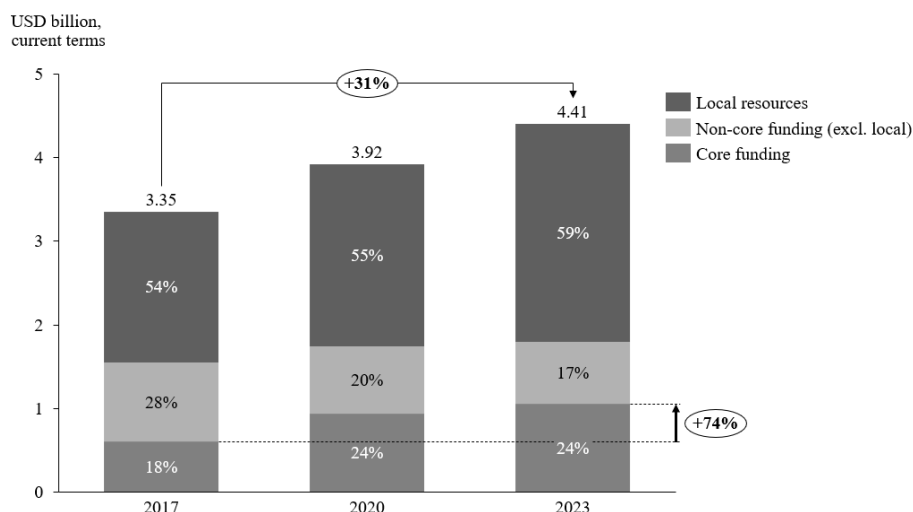


Source: CEB, 2025.

Note: Abbreviations: AR, Argentina; AU, Australia; CA, Canada; CN, China; DE, Germany; FR, France; JP, Japan; NL, Kingdom of the Netherlands; NO, Norway; SE, Sweden; SS, South Sudan; UK, United Kingdom; US, United States.

27. Funding from programme countries reached a record high of \$4.4 billion in 2023. Contributions from programme country Governments increased 31 per cent since 2017, with core contributions increasing by 74 per cent over this period (see figure 11). A majority (59 per cent) of programme country Government contributions are used to provide local resources as a valued investment in United Nations development system support to the contributor's own country. These consist of voluntary grants or loans extended by international financial institutions, to United Nations entities in country.

Figure 11  
Funding from programme countries, 2017–2023

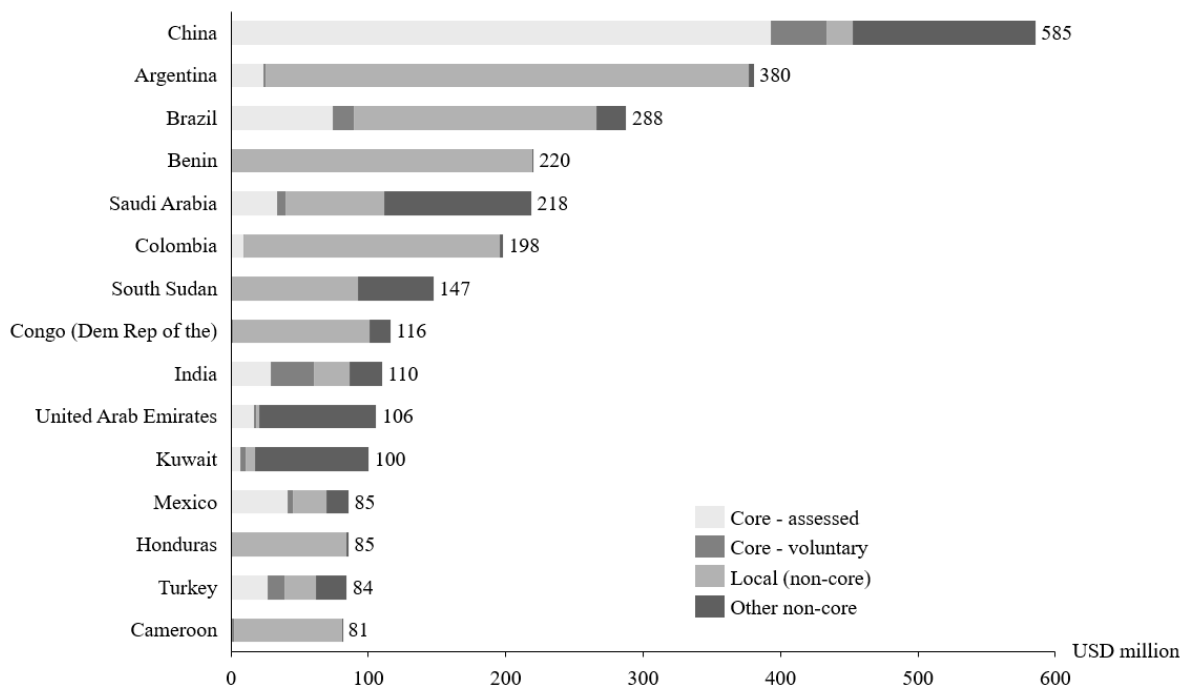


Source: CEB, 2025.

28. Figure 12 shows the 15 programme country Governments that contributed at least \$80 million to the United Nations development system in 2023. China and India are the two largest such providers of voluntary core funding.

Figure 12

**Voluntary contributions from programme country governments in 2023**



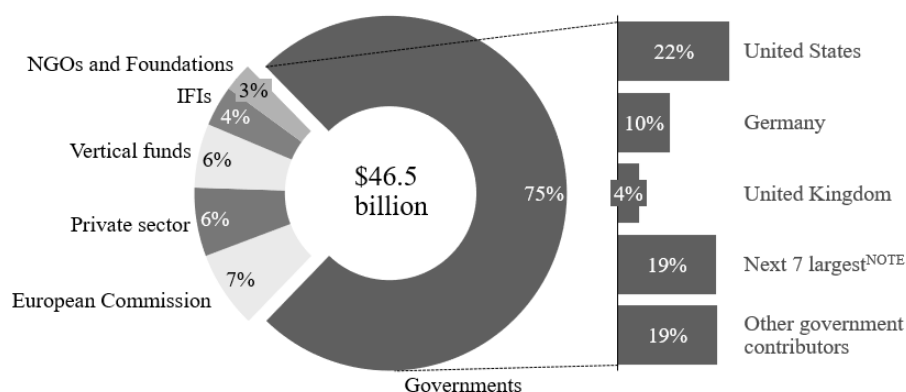
Source: CEB, 2025.

## D. Multilateral and other non-government funding flows

29. Governments accounted for three quarters of total funding in 2023, with this share level since 2019. One-quarter of funding is received from a diverse group of contributors including the private sector and non-governmental organizations, and multilateral bodies, including financial institutions and vertical funds (see figure 13).

Figure 13

**Main categories of funding sources, 2023**



Source: CEB, 2025.

Note: Next 7 largest government contributions after United States, Germany and United Kingdom are (in order) Kingdom of the Netherlands, Japan, Norway, Canada, France, Sweden, Switzerland. Abbreviations: IFIs, International Financing Institutions; NGOs, non-governmental organizations.

30. The United Nations development system contributions from International Financial Institutions totalled \$1.7 billion in 2023, a 20 per cent decrease compared to the previous year. This contrasts the growth in the scale of the portfolio which has grown 2.5 times since 2020 and now accounts for 4 per cent of total funding to the system.

31. Funding received from the private sector amounted to \$2.9 billion in 2023, a 27 per cent decline from 2022, and contributions from non-Governmental organizations<sup>11</sup> which declined by 20 per cent to \$1.2 billion. However, since 2020 private sector funding and contributions from non-Governmental organizations have increased by 20 and 65 per cent respectively.

32. The European Commission provided \$3.2 billion for the United Nations development system in 2023, making it the third largest overall contributor after the United States of America and Germany. Similar to other top contributors, total contributions from the European Commission have declined, with this contribution 26 per cent lower than 2020 levels.

33. Vertical funds, which make up 6 per cent of total funding, are earmarked for a specific area of development such as nature, climate, energy, or health. Governed by Steering Committees made up of multilateral partners, these funds are not directly administered by the United Nations. After a decline in the previous year, contributions through these funds rebounded in 2023 to the level reached in 2020.

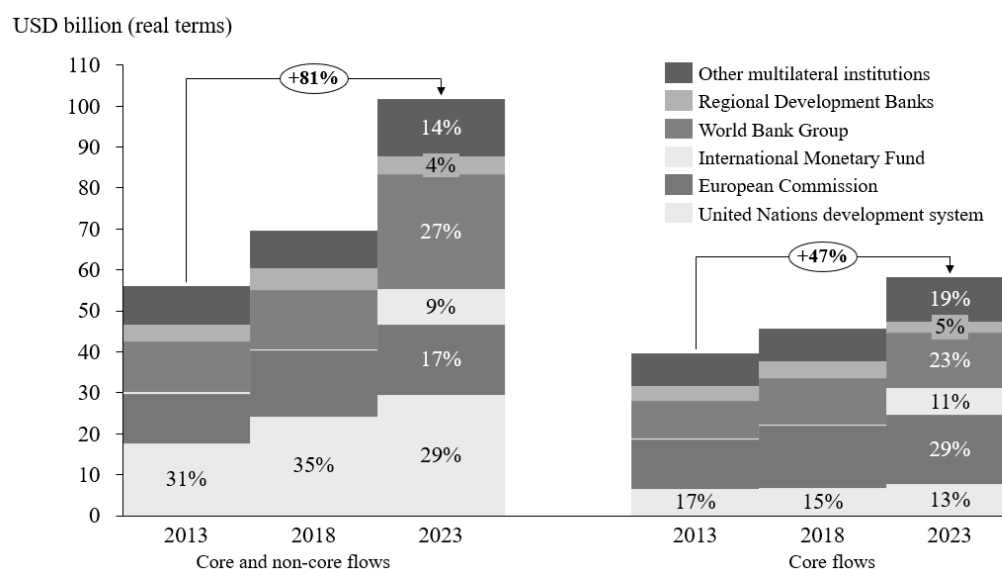
## E. Broader multilateral picture

34. The multilateral system of development assistance has grown rapidly, both in terms of the number of channels through which aid is directed and the volume of flows. In 2023, 45 per cent of total official development assistance (ODA) was

<sup>11</sup> Also includes Foundations

channelled through multilateral organizations, up from a 37 per cent share in 2010.<sup>12</sup> At the same time, the United Nations development system represents a shrinking share of multilateral development funding, less than 29 per cent in 2023, compared to 34 per cent in 2018. The United Nations development system is the only channel that receives fewer core resources than non-core resources, with the share of core just 13 per cent of multilateral contributions to the United Nations in 2023 (see figure 14).

Figure 14  
**Main channels of multilateral aid, core and non-core flows, 2013-2023**



Source: Organisation for Economic Co-operation and Development, OECD. Stat.  
Abbreviation: ODA, official development assistance.

### III. Use of resources

#### A. Overall resource allocation

35. The United Nations development system allocated \$51.4 billion for development and humanitarian operational activities in 2023. This was a decrease of 4% since 2022, in real terms, and the first time total spending has declined since the adoption of the 2030 Agenda. The decline can be mostly attributed to resources allocated to humanitarian activities, which decreased by 5 per cent while spending on development activities declined by 2 per cent. Humanitarian assistance, at \$30.8 billion, was 60 per cent with development assistance the remaining 39 per cent of the total spending. Since 2015, resources allocated to development and humanitarian activities have increased by \$16 billion in real terms, with humanitarian assistance accounting for the vast majority (86 per cent) of this increase - far surpassing slower growth in development spending (see figure 15).

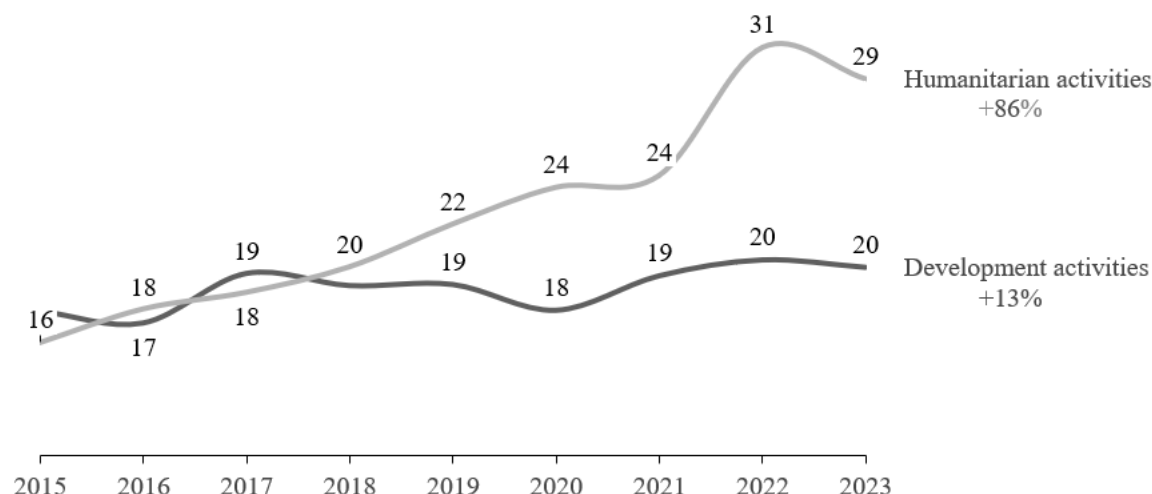
36. These two forms of assistance make up three-quarters of the \$68.5 billion that was total United Nations spending in 2023, an increase of three percentage points from 2020. Remaining spending for the United Nations global agenda and peace operations each made up 12 to 13 per cent of the 2023 total.

<sup>12</sup> Multilateral Development Finance Report, 2024.



Figure 15

**United Nations development system resource allocation, by type of activity, 2015–2023**

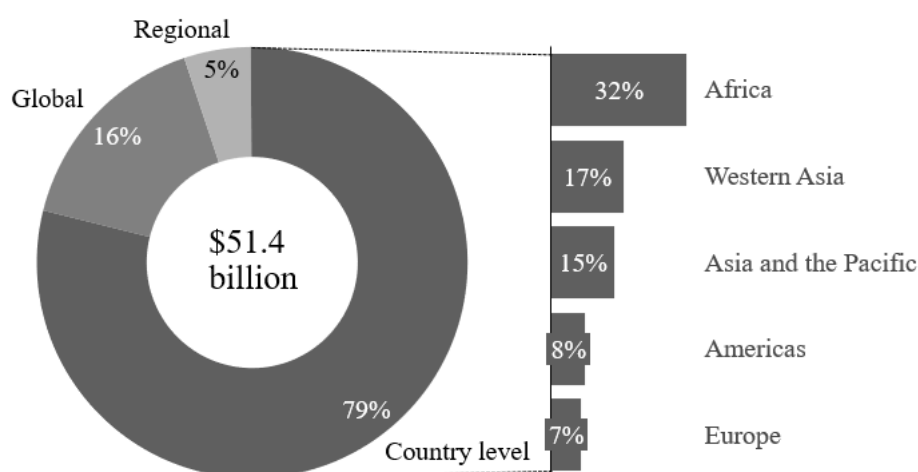


Source: CEB, 2025.

37. While 79 per cent of all expenditure on operational activities in 2023 was spent at the country level, another 5 per cent was spent on regional activities and the remainder funded global activities, including global programmes and headquarters activities as well as activities that could not be attributed to specific country or region (figure 16).

Figure 16

**High-level breakdown of expenditures on operational activities in 2023**



Source: CEB, 2025.

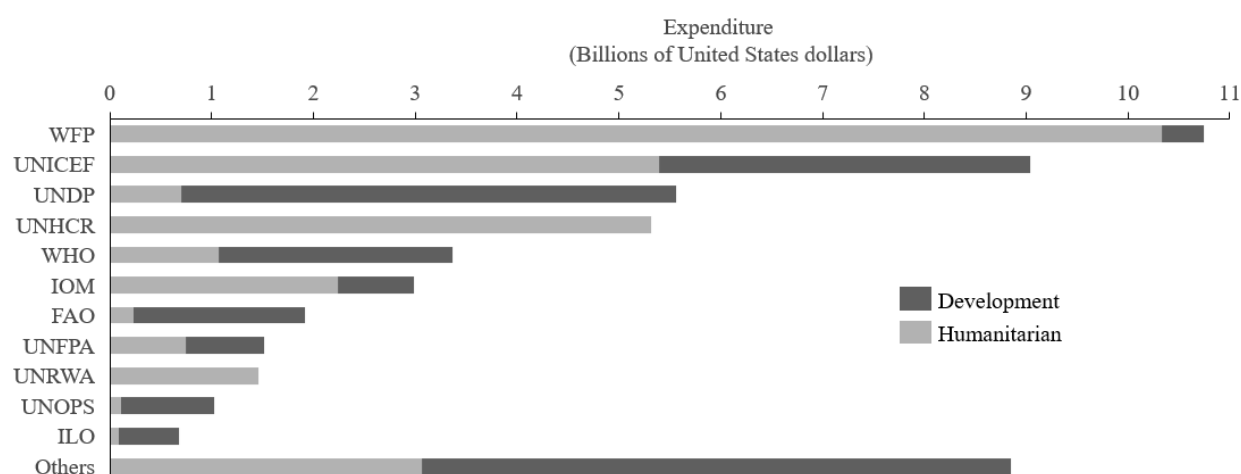
38. The largest region for operational activity spending was Africa with nearly \$17 billion, up 14 per cent since 2020, and accounting for 32 per cent of total spending in 2023. Of this, two thirds of total expenditure in Africa was spent on humanitarian

activities in 2023. These allocations went primarily to countries in conflict/post-conflict or those with humanitarian response programs in place. Somalia, South Sudan, Ethiopia, Democratic Republic of Congo, and Sudan are the top five countries for resource allocation, constituting 42 per cent of total expenditures in Africa.

39. Figure 17 shows the 11 largest United Nations development system entities in 2023 that accounted for 83 per cent of total United Nations development system expenditures, while the largest five entities accounted for over two thirds of total spending. Since 2020, spending on operational activities for development increased by \$11 billion, with nearly half of the growth due to rising spending by the World Food Programme and UNICEF.

Figure 17

### Development and humanitarian expenditures by entity, 2023



Source: UNSCEB, 2025.

Abbreviations: FAO, Food and Agriculture Organization of the United Nations; ILO, International Labour Organization; IOM, International Organization for Migration; OCHA, Office for the Coordination of Humanitarian Affairs; UNDP, United Nations Development Programme; UNFPA, United Nations Population Fund; UNHCR, Office of the United Nations High Commissioner for Refugees; UNICEF, United Nations Children's Fund; UNOPS, United Nations Office for Project Services; UNRWA, United Nations Relief and Works Agency for Palestine Refugees in the Near East; WFP, World Food Programme; WHO, World Health Organization.

## B. Sustainable Development Goal resource allocation

40. Recent improvements in UN system-wide financial reporting can provide greater insights into resources allocated to supporting the 2030 Agenda for Sustainable Development and different Sustainable Development Goals. In 2024, for the second straight year, all United Nations entities tracked activities and expenditure against the Sustainable Development Goals<sup>13</sup>. For the latest 2023 figures, the highest spending occurred in support of Goals two (ending hunger) and sixteen (peace, justice and strong institutions) - over \$11 billion on each Goal (see figure 18). Over \$9 billion

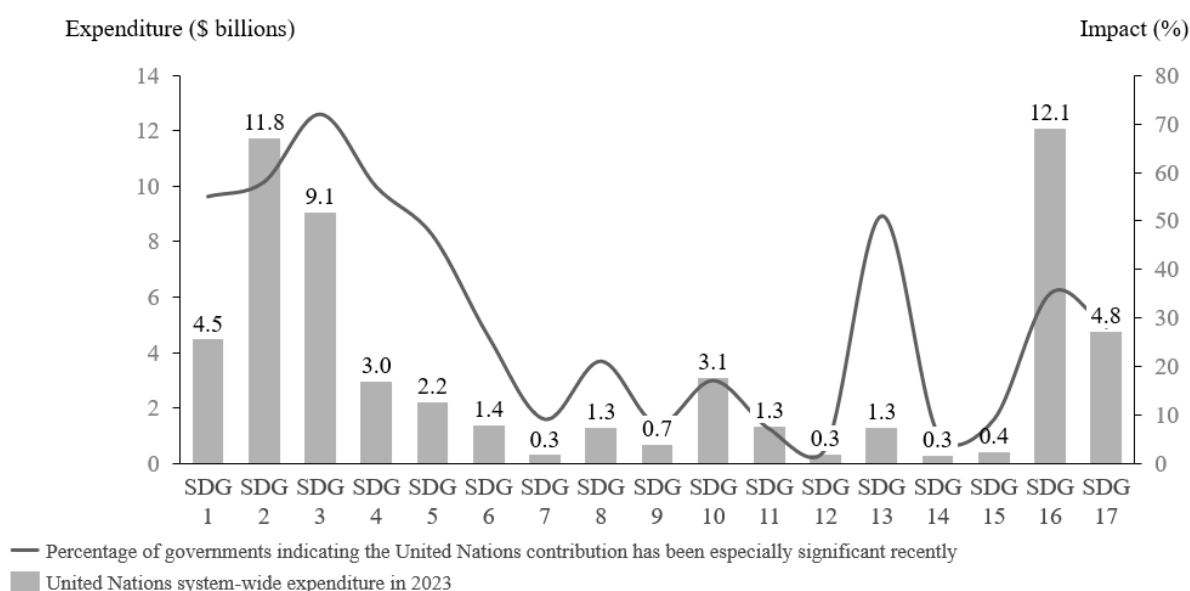
<sup>13</sup> 2024 data will be available at the end of 2025.

was allocated to health-related activities under Goal 3. The largest increases in spending between 2022 and 2023, were for Goal 5 on gender (+17 per cent) and Goal 4 on education (+15 per cent). Comparing to Government survey responses on high impact areas of United Nations country support showed a similar pattern across various Goals. Higher shares of Governments recognized United Nations support in Goals 2 and 3 which corresponds with high spending on these Goals.

41. Expenditures are tagged by the Sustainable Development Goals to better track allocations and investments for the 2030 Agenda. The diversity in spending reflects the different resource needs for actions to accelerate each goal. Some require heavy financial investments while others may require key policy support and actions that have lower outlays for significant support results.

Figure 18

### Expenditures by Sustainable Development Goal, 2023



Source: UNSCEB, 2025.

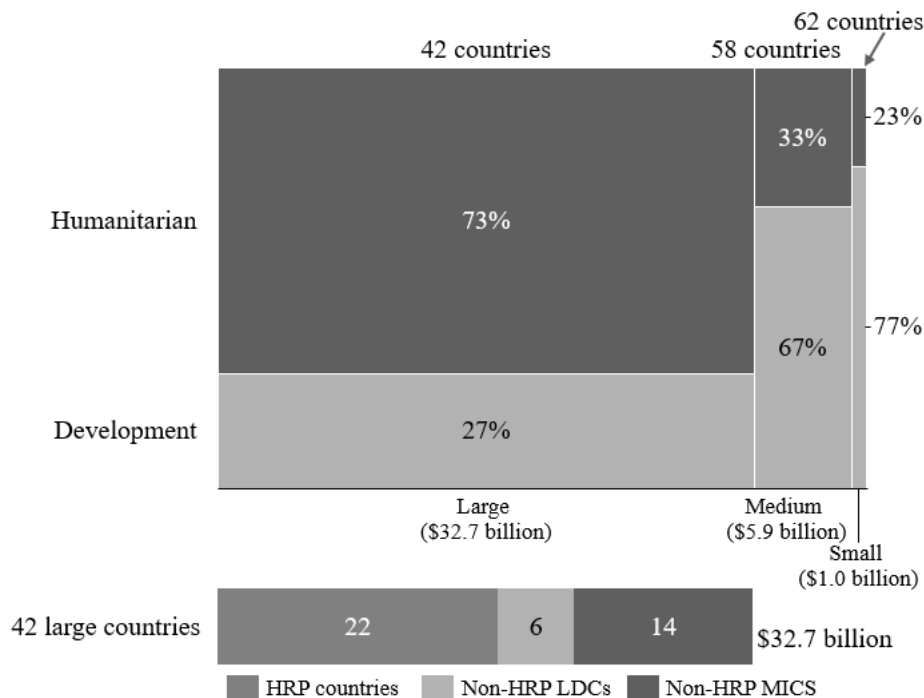
Abbreviation: SDG, Sustainable Development Goal.

### C. Allocations to countries

42. Resource allocation for operational activities is heavily concentrated in supporting countries responding to crises and humanitarian responses. The 13 largest programme countries alone accounted for half of all expenditures at the country level in 2023, mostly (80 per cent) spent on humanitarian activities. Compared to 2020, humanitarian resource allocation grew significantly in the recently intensified conflicts in Afghanistan (377 per cent increase) and Ukraine (2445 per cent increase), while resource allocation to other countries in emergencies including Somalia, South Sudan, State of Palestine and Yemen has sustained high levels during the past 4 years.

43. For the 42 “large” United Nations programme countries, where spending exceeded \$200 million, nearly three-quarters (73 per cent) of resources were allocated to humanitarian assistance (see figure 19). Development assistance represented 67 and 77 per cent of medium (\$50-\$200 million) and small (under \$50 million) programme countries spending respectively.

Figure 19  
**Allocation of expenditures across countries**



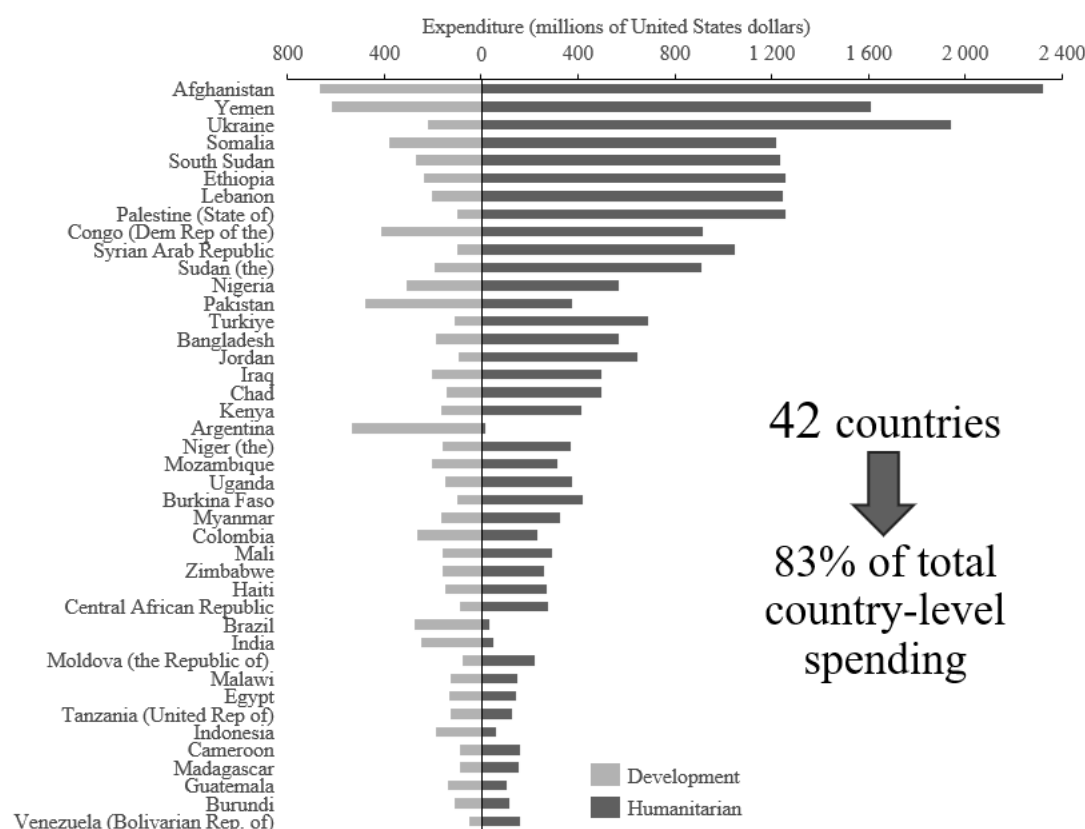
Source: CEB, 2025.

Abbreviation: HRP: Countries with a humanitarian response plan

44. Overall, the 42 largest programme countries that together account for 83 per cent of all development system spending are shown in figure 20. They also accounted for not just the vast majority (89 per cent) of all country-level spending on humanitarian activities, but also the bulk (64 per cent) of total development spending. More than half (22 out of 42) of these large programme countries are facing humanitarian emergencies (have a humanitarian response plan). Effective use of these resources is grounded in strong coordination and collaboration across United Nations humanitarian-development-peace interventions supporting country crisis responses.

Figure 20

# Countries and territories where expenditures exceeded \$200 million in 2023



Source: CEB, 2025.

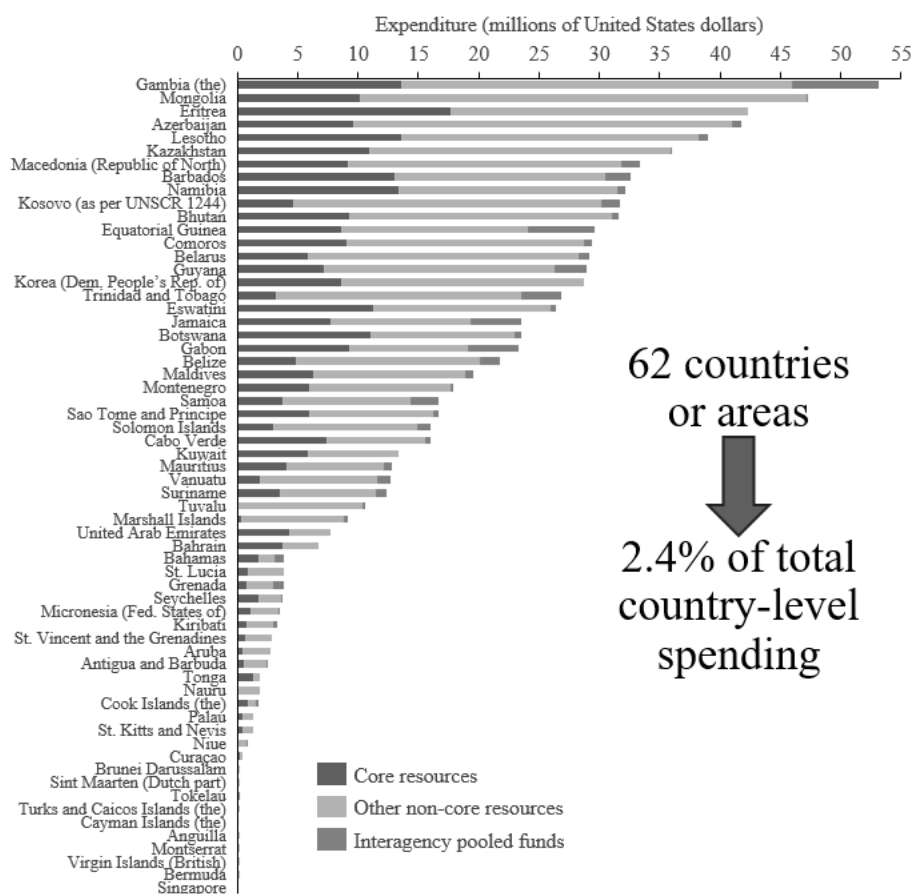
45. There is a growing trend of United Nations development system spending fragmentation. Overall resources spent in programme countries more than doubled between 2010 and 2022, but the average size of projects decreased by 6 per cent<sup>14</sup>. Fragmentation of resources is a particular concern in small programme countries where allocation of resources is small and there are often several United Nations entities present. The 62 countries and territories where total United Nations spending is under \$50 million in annual expenditures, categorized as small programme countries, together accounted for only 2.4 per cent of total expenditures for operational activities for development in 2023.

46. Higher proportions of core resources and flexible funding from inter-agency pooled funds can help reduce the negative effects of fragmentation by pooling resources. Figure 21 shows the types of resources spent in the 62 countries with the smallest programmes, most of which are small island developing states. In 2023, 27 per cent of resources spent in these countries were core resources, a three-percentage point decline compared to previous year. Although, this share is significantly above the global average of 13 per cent, which is important for minimizing fragmentation levels when resources are scarce. Another 5 per cent of resources allocated to these small programme countries came through inter-agency pooled funds, offering some additional flexibility and coherence.

<sup>14</sup> OECD (2024), Multilateral Development Finance 2024.

Figure 21

**Countries and areas in which expenditures were less \$50 million in 2023, by type of resource**



Source: CEB, 2025.

**D. Allocation of resources to countries in special situations**

47. Countries in special situations confront specific challenges and require support to navigate foreseen and unforeseen risks. Least developed countries, landlocked developing countries and small island developing States are composed of 100 vulnerable countries<sup>15</sup> dealing with unique challenges. In 2023, \$22.6 billion, or 57 per cent of all country-level spending on United Nations operational activities for development were spent in these countries, the same share as in 2020 (see table 1).

<sup>15</sup> Note that some countries are included in two of these country groups.

Table 1  
Expenditures on operational activities by country groups

Country group	Number of countries	Total 2023 expenditure (billions of United States dollars)	Expenditure as a share of the total at country level (percentage)	Three-year trend in expenditure (percentage) in real terms	Share of total development expenses used with core funding (%)	2023 development share of total (percentage)
Least developed countries	44	20.4	50.3	+20	20.1	30
Small island developing States	52	1.3	3.3	+32	22.0	67
Landlocked developing countries	32	11.5	28.4	+34	21.0	30
Africa	54	16.6	40.8	+14	24.3	33
Middle-income countries	108	20.8	51.2	+18	19.4	41
Countries with complex emergencies	24	21.8	53.7	n/a	15.1	24
All programme country Governments	162	39.6	90	+19	19.2	34

Source: CEB, 2025

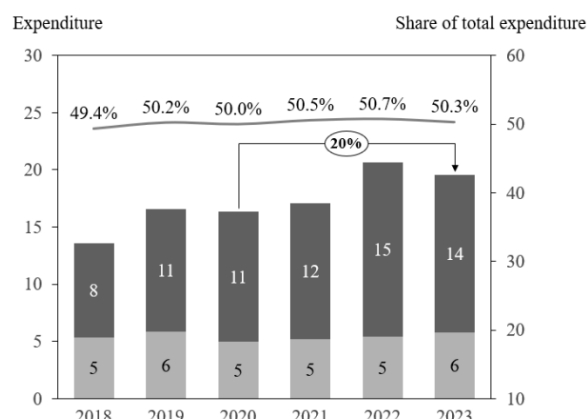
*Note:* Country groups shown in the table are not mutually exclusive. Different categories may contain the same country, for example where a least developed country may also be a landlocked developing country.

48. The strong growth in expenditure to least developed countries since 2018 has largely been attributed to a surge in humanitarian activities, though this reversed in 2023 where the net fall of in total spending was due to a decrease in spending on humanitarian activities (down \$0.9 billion) partially offset by an increase in development activities (up \$0.6 billion) (see figure 22).

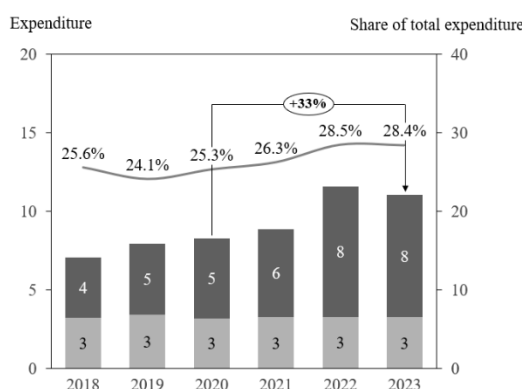
Figure 22

**Volume and percentage share of resource allocation in country groups, 2018 – 2023  
(billions of constant 2022 United States dollars)**

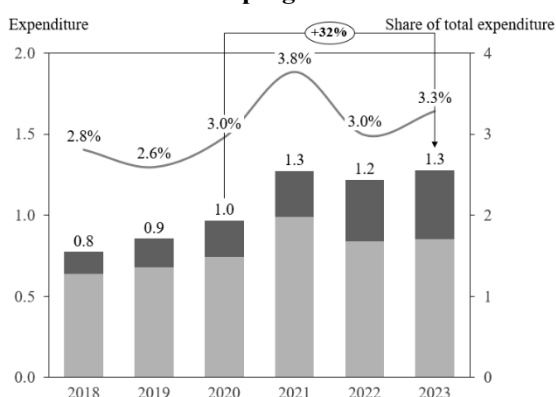
### Least developed countries



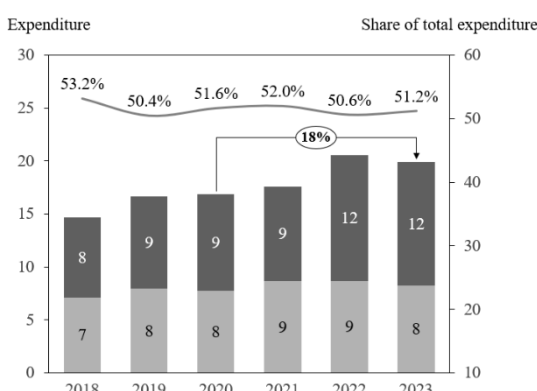
### Landlocked developing countries



### Small island developing States



### Middle-income countries



■ Development ■ Humanitarian — Share

Source: CEB, 2025.

Abbreviations: LDC, least developed country.

Note: Totals shown by category and not mutually exclusive. Different categories may contain the same country, for example where a least developed country may also be a landlocked developing country.

49. Since 2020, expenditures on operational activities in landlocked developing countries grew by 34 per cent, the most of any country group. This group of countries now accounts for 28.4 per cent of total country-level expenditures. The increase was driven by higher humanitarian spending, up 64 per cent since 2020 compared to 10 per cent gains in development spending.

50. United Nations operational activities also scaled up in small island developing States, growing by 32 per cent in financial terms since 2020. The increase is largely attributed to a doubling in spending on humanitarian activities. Development assistance still accounts for two-thirds of the resources making this the only group of countries where development exceeds humanitarian spending. In 2023, 22 per cent of development resources spent in small island developing States were core resources. This is one of the highest shares of any country grouping.

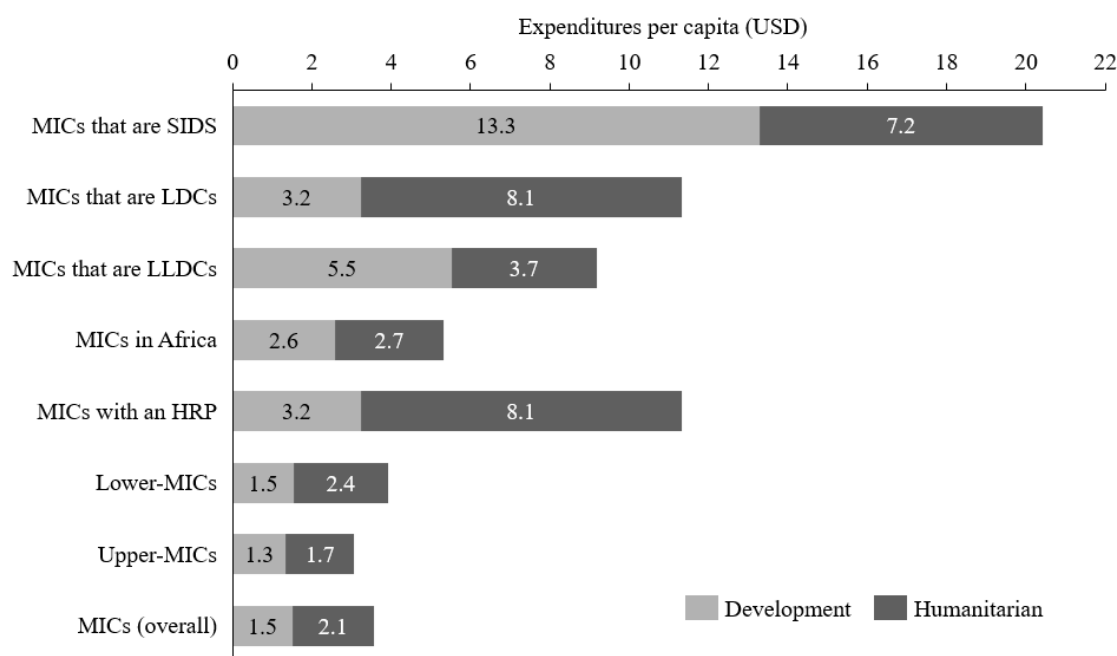


51. Overall spending in middle income countries (MICs) accounted for 51 per cent of total country-level expenditures in 2023, having grown by 18 per cent in real terms since 2020. This category encompasses a diverse set of 108 countries, including overlapping groupings of 20 least developed countries, 20 landlocked developing countries, 27 small island developing States and 10 countries with a humanitarian response plan.

52. Overall expenditure on MICs masks significant variation in spending depending for those MICs that are also members of other country groups (see figure 2223). Per capita spending is significantly lower for MICs that are not included in groups of countries in special situations, complex settings or are in Africa.

Figure 23

### Expenditures per capita in middle-income countries, 2023



Source: CEB, 2025.

Abbreviations: LDC, least developed country; LLDC, landlocked developing country; MIC, middle-income country; SIDS, small island developing States; HRP, humanitarian response plan.

## IV. Transparency and accountability of funding flows

53. Financially contributing Governments emphasized that a lack of sufficient visibility to spending results is a significant disincentive for core contributions compared to the clear results links visible through tightly earmarked funding. The new quadrennial comprehensive policy review calls for the enhancement of

accountability and transparency in funding to incentivize contributions by donor countries. Through the funding compact, UNSDG entities have committed to demonstrating more clearly their contribution towards sustainable development goal results.

54. In 2024, 52 per cent of United Nations country teams reported against common indicators on their contribution to advancing the SDGs, compared to only 15 per cent in 2022, but still far short of all country teams reporting on these by 2028. On a more positive note, 91 per cent of United Nations country teams have an operational Joint Workplan for their Cooperation Framework showing activities against outcomes, which are also published on UN INFO (up from 74 per cent in 2023).

55. Annual United Nations country team results reports, produced by all country teams since 2023, are a key accountability tool to programme countries. Governments have recognized the improvements in report quality, highlighting links between Cooperation Framework outcomes and national development results.

56. Country-level funding frameworks are another transparency tool that provides a clear overview on the funding mix and resource gaps to deliver on the United Nations Sustainable Development Cooperation Framework. By the end of 2024, 91 per cent of United Nations country teams had a fully operational funding framework that is updated annually, compared to 68 per cent two years earlier.

57. At the global level, improvements in the United Nations system-wide reporting of funding data to the Chief Executive Board for Coordination, which is the primary source of information for this report, have provided stakeholders with a clearer snapshot of financial resources across SDGs and geographical locations, and the ability to deep dive into data separated into development, humanitarian, peace and global agenda-related interventions. This includes having system-wide financial data that tracks the contribution of the United Nations's activities to gender equality and the empowerment of women as well as its contributions to individual Sustainable Development Goals. In 2024, 100 per cent of total UN expenses were reported against either SDG goals or targets, compared to 44 per cent in 2020. Also in 2024, reporting against the newest data standard on the Gender Equality Marker began implementation for activity-level reporting aligned to OECD and International Aid Transparency Initiative (IATI) standards.

58. These enhancements in system-wide financial information are spearheaded by the "Data Cube" strategy for 2022-25. In 2025 the Finance and Budget Network will take stock of the Data Cube Strategy to determine areas for continued improvements in the transparency, quality and availability of system-wide financial data. This will include exploring options for more granular reporting of earmarked contributions, to distinguish between softly earmarked and other more tightly earmarked contributions, in line with the new Funding Compact.

59. The new quadrennial comprehensive policy review urges entities to continue enhancing the transparency and accountability of inter-agency pooled funding mechanisms, including by continuing the application of the gender equality marker. During the previous cycle of the quadrennial comprehensive policy review (2021 – 2024), significant advances in the development of common management features across inter-agency pooled funds could be observed, to which the United Nations Sustainable Development Group committed as part of the funding compact. In 2023, 77 per cent of existing development-related inter-agency pooled funds included common quality management features<sup>16</sup>, up from 61 per cent in 2020.

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<sup>16</sup> Common Management Features refers to having a well-articulated strategy, including innovation features where relevant, clear

60. Cost recovery policies, while rooted in technical financial and budgetary methodologies, provide institutional transparency by specifying which portions of core and non-core resources are spent on programme and non-programme activities. In 2024, 78 per cent of United Nations development system entities reported on approved cost-recovery policies and rates to their governing body, with 50 per cent of entities including actual resource amounts recovered through the cost recovery support cost rate charged to non-core-funded activities. These numbers are consistent with prior years.

61. The quadrennial comprehensive policy review also invited relevant governing bodies to review evidence-based proposals for updated and more harmonized cost-recovery policies. In 2024, a comprehensive review of the joint cost-recovery policy of UNDP, UNFPA, UNICEF and UN-Women considered the joint approach to cost recovery successful in driving harmonization, creating a level playing field and encouraging collaboration within and beyond the United Nations system. As such, the Executive Boards of the four entities agreed to maintain the joint comprehensive approach, including common cost classifications and methodology.

## V. Conclusion

62. At the Summit of the Future in 2024, world leaders reaffirmed the centrality of the Sustainable Development Goals, with the United Nations development system as a key driver. To implement this vision, sufficient and high-quality funding is required. The above analysis underscores that the current funding contributed to the United Nations development system is insufficient to meet the demands of countries for support to accelerate their progress toward the 2030 Agenda. There is a lack of growth in high-quality funding, diminishing levels of predictability, and high dependence on a small number of Member States. When combined, these hinder the ability of the United Nations to respond agilely to the calls to scale up its work and the ability to deliver integrated policy support. Funding trends have become dominated by the response to urgent humanitarian needs. However, with the world on the precipice of a development emergency, investment is needed now in the development system to protect against more countries lagging further behind on the sustainable development goals. With five years to the endpoint of the 2030 Agenda, the United Nations development system remains the best channel to delivering development solutions.

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*theories of change, solid Results-Based Management systems, well-functioning governance bodies supported by effective secretariats, quality assurance on issues of United Nations norms and values; risk management systems and strategies; operational effectiveness/reporting/visibility/transparency standards; and planning and funding for joint and system wide evaluations that meet UNEG norms and standards*