



**United
Nations**

Department of
Economic and
Social Affairs

85th Session of the Committee on Contributions

The methodology used for the preparation of the United Nations scale of assessments for the period 2025-2027



DESA

Statistics Division

The methodology for the United Nations regular budget scale of assessments for the period 2025-2027

- Introduction
- Main Components of the Methodology
- Data Sources
- Step by Step Calculation - Example

- The **aim** of this presentation is to provide an **overview of the methodology** for calculating the scale of assessments for the contribution of Member States to the regular budget of the United Nations.
- **Article 17 of the Charter** of the United Nations provides that Member States have the obligation to bear the expenses of the Organization, as apportioned by the **General Assembly**.
- The **fundamental principle** underlying the apportionment by the Assembly is based broadly on the **capacity of Member States to pay**, in accordance with rule 160 of its rules of procedure.

Introduction

- The General Assembly in resolution 79/249 para.6 reaffirmed that the Committee on Contributions (CoC) as a technical body is required to prepare the scale of assessments strictly on the basis of **reliable, verifiable and comparable data**.
- The CoC (A/79/11, para. 22) noted the trade-offs in achieving a balance among timeliness, reliability, comprehensiveness, verifiability and comparability of the data.
- The **methodology** presented here is based on Annex II of the **Report of the Committee on Contributions (A/79/11)** and was used for the 2025-2027 scale calculations; the same methodology that has been used since the 2001-2003 scale.

Main Components of the Methodology

In resolution 79/249, the GA determined the elements of the scale calculation for the 2025-2027 period.

Three main components of the methodology:

Comparative estimates of income

- National Income (1946)
- Conversion rates (1946)
- Base period (1946)
 - *Two base periods: 3 and 6 years* (2001)

Relief Measures

- Debt burden adjustment (1986)
- Low per capita income adjustment (1946)

Limits to scale

- Floor (1946)
- LDC ceiling (1983)
 - *No increase for LDC* (1983-1997)
 - *Ceiling 0.010 per cent* (1998)
- Maximum ceiling (1946)

Comparative Estimates of Income

Income Measure

- Income measure is the first approximation of the Member States' (MS) **capacity to pay**.
- Gross National Income (GNI) is used as the income measure.

Comparative Estimates of Income

Income Measure

- The national income of an economy represents the income of its residents. It is obtained by adjusting the Gross Domestic Product (GDP) with the income of residents from activities abroad and the income of non-residents from activities in the country:

GNI = GDP - primary incomes payable to non-resident units +
primary incomes receivable from non-resident units

Comparative Estimates of Income

Exchange Rates

- To establish a comparable measure of income, GNI in national currency is converted to United States dollars (US\$) using **market exchange rates** (MERs).
- For MS for which no MERs are available, **United Nations operational rates** (UNOP) of exchange are used instead.
- When MERs cause excessive fluctuations and distortions in the GNI of a particular MS, MERs may be replaced with **price-adjusted rates of exchange** (PARE) or other **appropriate conversion rates**.

Comparative Estimates of Income

Base Period

- Final scale is calculated based on the arithmetic **average of scales** from the most recent **three-year** and **six-year base periods**.

Six-year base period

2017	2018	2019	2020	2021	2022
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Three-year base period

2020	2021	2022
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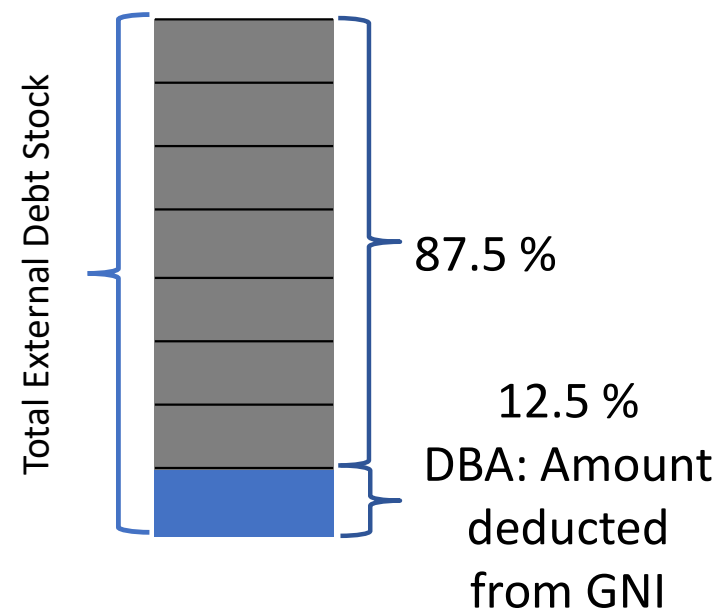
- Each of the **most recent three years** receive **25 per cent** of the total weight, and each of the **remaining three years** receive **about 8.3 per cent** of the total weight.

Debt Burden Adjustment

- Debt burden adjustment (DBA) is an element of the methodology to **relieve the impact of the repayment** of external debt on the capacity to pay.
- The DBA is applied to MS with a per capita GNI below the World Bank threshold for high-income economies.
- Since interest payments are already accounted for in the GNI, only principal payments on external debt are deducted from GNI.
- Indirect redistribution: new GNI shares are based on the debt-adjusted GNI (GNI_{da}).

Debt Burden Adjustment

- DBA is based on a proportion of the total external debt stock of the MS concerned → debt stock approach.
- It is assumed that external debt is repaid over a period of 8 years.



Low Per Capita Income Adjustment

- Income per head of population should be taken into account to prevent anomalous assessments based on comparative estimates of national income (A/79/11, para. 52).
- The Low Per Capita Income Adjustment (LPCIA) provides relief for MS based on per capita GNI (pcGNI).
- It consists of two parameters to set the size of the adjustment:
 - *the threshold to determine which MS benefit from the LPCIA (average pcGNI of all MS)*
 - *the gradient (80 per cent).*

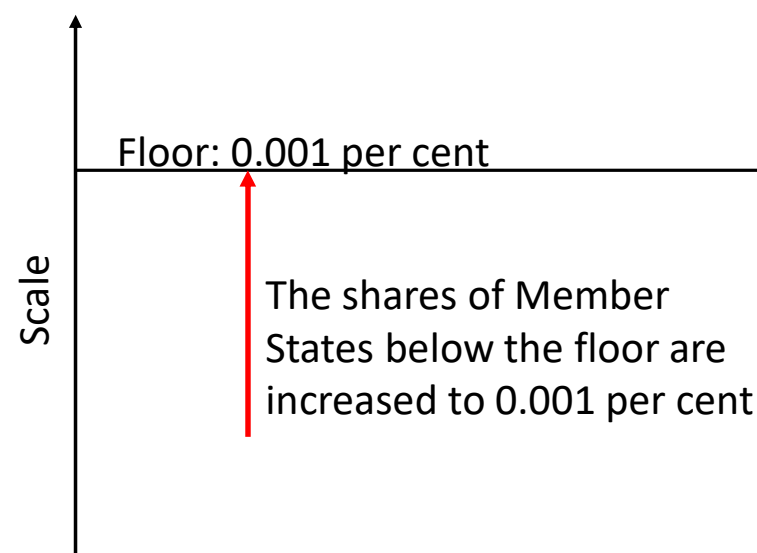
Low Per Capita Income Adjustment

- LPCIA reduces the GNI_{da} share of the affected MS by a factor that is based on the percentage that the $pcGNI_{da}$ is below the established LPCIA threshold, subject to the gradient:
 - i. Calculate the percentage difference between the $pcGNI_{da}$ and the threshold.
 - ii. Multiply this percentage with the gradient of 80 per cent.
 - iii. Reduce the MS GNI_{da} share with this percentage.
 - iv. Redistribution to MS above the threshold on a pro rata basis of their GNI_{da} share.

Limits to the Scale

Floor

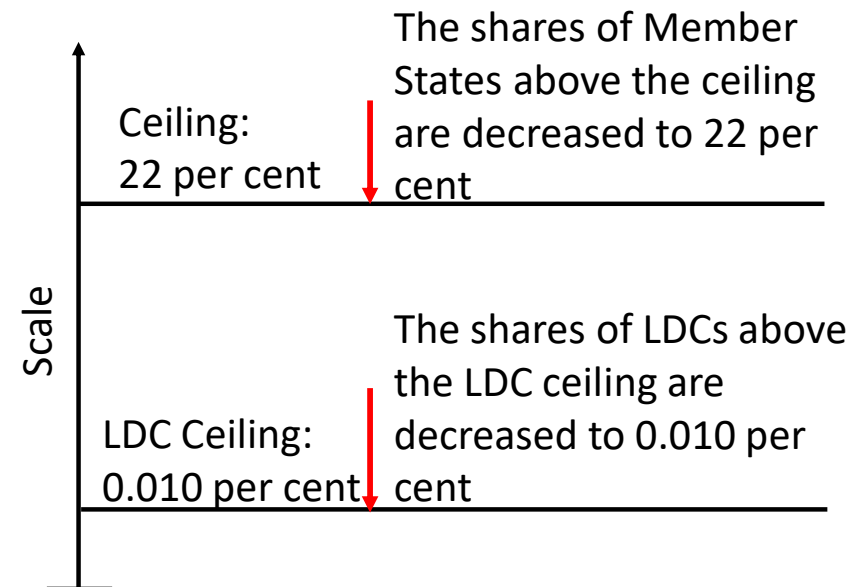
- Floor is the **minimum assessment rate**.
- An element of the methodology **since the outset**: it changed from 0.01 to **0.001 per cent since the 1998-2000 scale**.
- The **adjustment** is distributed on a **pro-rata basis** to MS above the floor.
- The floor limit is considered to be the **practical minimum contribution** that MS should be expected to make to the organization.



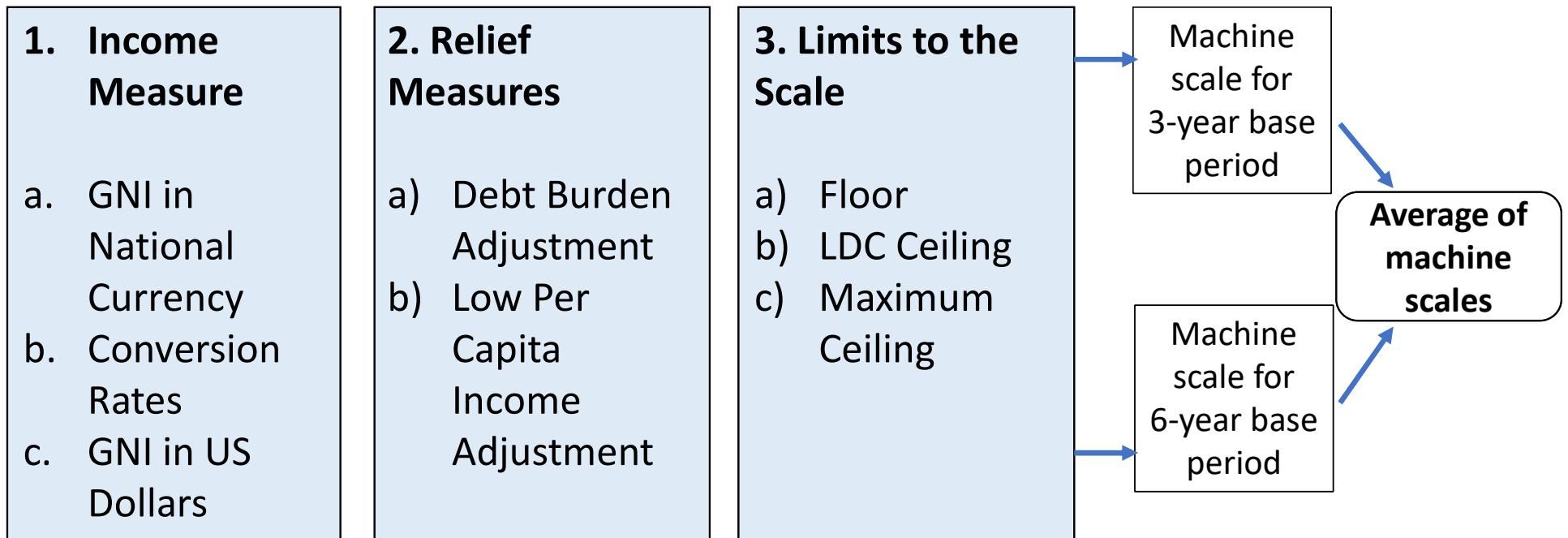
Limits to the Scale

Ceilings

- Ceilings are maximum assessment rates.
- **Two ceilings:** Maximum ceiling and maximum assessment rate for LDCs.
- Pro rata redistribution: LDC ceiling points are distributed to all MS except those at the floor; points at maximum ceiling are distributed to all MS except those at the floor and at the LDC ceiling.



Overview of the Methodology



National Income

- Data are provided, in national currency, by MS to UNSD in response to the United Nations annual national accounts questionnaire.

<http://unstats.un.org/unsd/nationalaccount/madt.asp?SB=1&#SBG>

- When data are not available from the MS, UNSD prepares estimates based on available information from other sources including: MS publications, UN regional commissions, the World Bank, and the IMF.

National Income

- UNSD disseminates the national accounts data in two separate databases:
 - National Accounts Statistics, Main Aggregates and Detailed Tables (MADT) database, available at:
<http://data.un.org/Explorer.aspx?d=SNA>
 - National Accounts Statistics, Analysis of Main Aggregates (AMA) database, available at:
<https://unstats.un.org/unsd/snaama/>
- The data in national currency from the AMA database are used in the scale calculations.



Exchange Rates

- Exchange rates are used for the conversion of national currencies to United States dollars.
- Market exchange rates (MERs) from the IMF publication International Financial Statistics, available at: [https://data.imf.org/en/Data-Explorer?datasetUrn=IMF.STA:ER\(4.0.1\)](https://data.imf.org/en/Data-Explorer?datasetUrn=IMF.STA:ER(4.0.1))
- For non-members of IMF, there are no market exchange rates available and the rates used are average annual United Nations operational (UNOPs) rates of exchange, available at: <http://treasury.un.org/operationalrates>

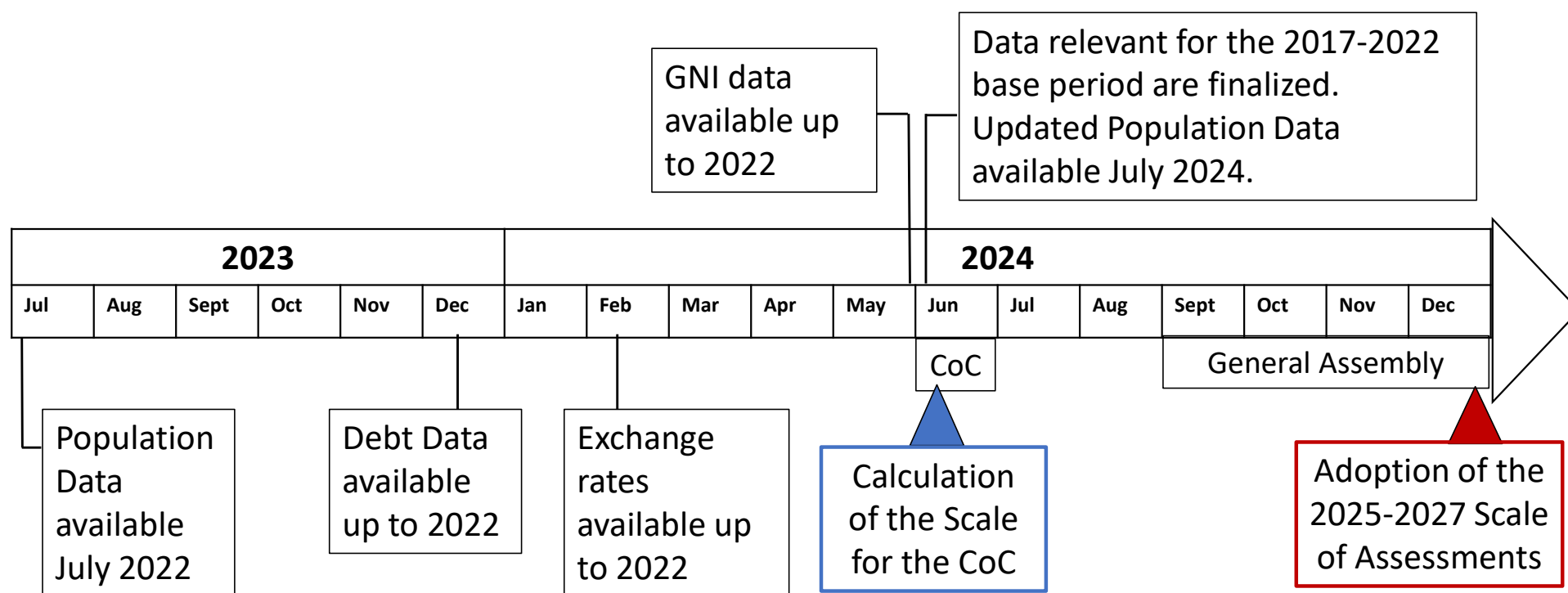
External Debt Data

- Data are obtained from the World Bank International Debt Statistics Database, available at: <https://www.worldbank.org/en/programs/debt-statistics/ids>
- The database covers members of and borrowers from the World Bank that have per capita GNI below the World Bank threshold for high-income economies, which was \$13,846 in 2023.
- In addition to the 121 MS covered in the database, 3 other MS provided data through their Permanent Missions for the calculation of the adopted scale of 2025-2027.
- Total external debt stock data are used for the debt relief adjustment.

Population Estimates

- Data are obtained from the biennial publication: **World Population Prospects** prepared by the Population Division of the Department of Economic and Social Affairs. Further details on the methodology can be found at: <https://population.un.org/wpp/>
- Midyear estimates of total population are used to calculate per capita GNI (pcGNI).
- These estimates are supplemented, as required, by national estimates for countries and areas not included in the World Population Prospects.

Overview of the data preparation process for the 2025-2027 scale calculations





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Example of Australia and Bangladesh using the six-year base period 2017-2022



DESA | Statistics Division

Step 1: Comparable Measures of Income

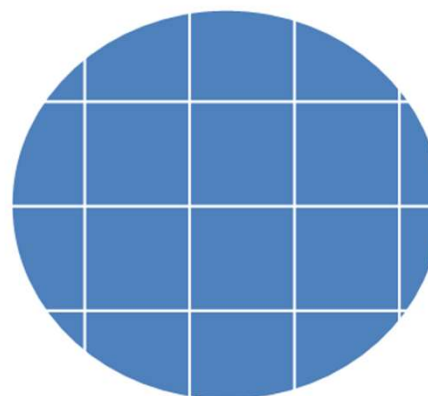
GNI in national
currency



National currency
to US\$



GNI in US Dollars

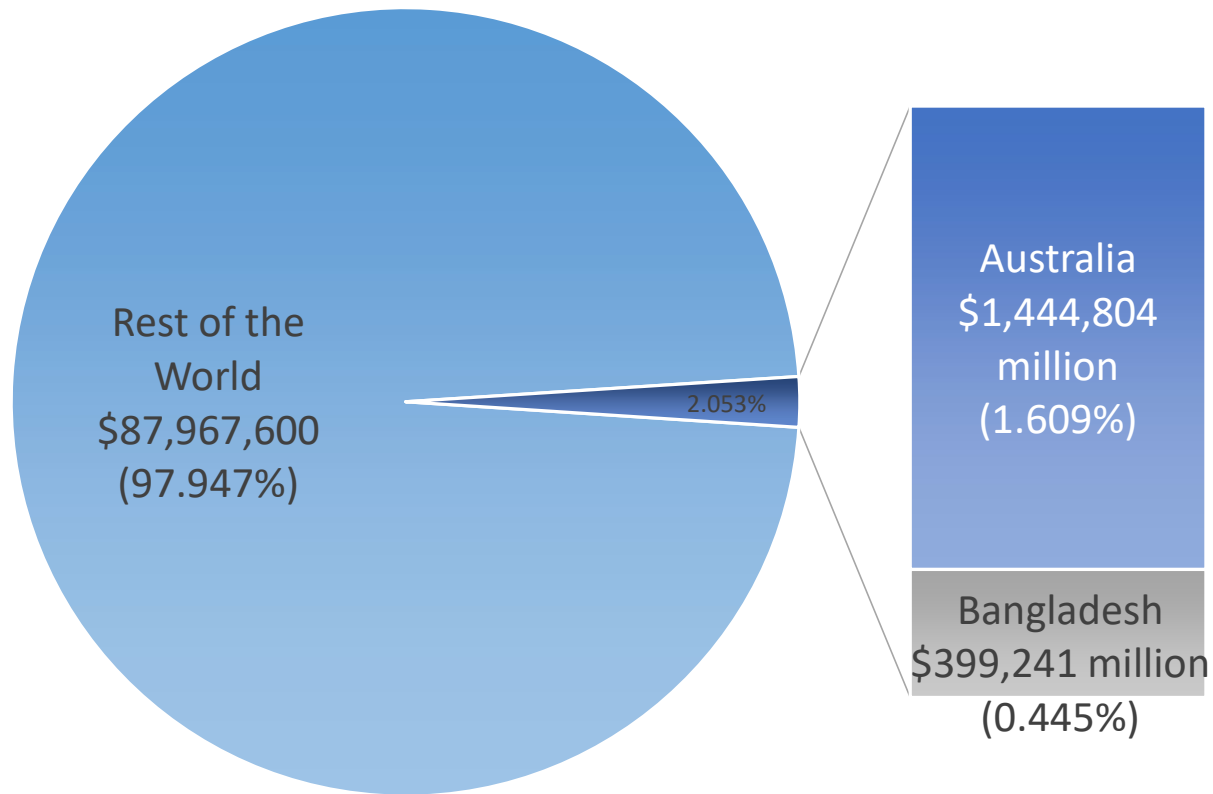


Step 1: World GNI in US Dollars

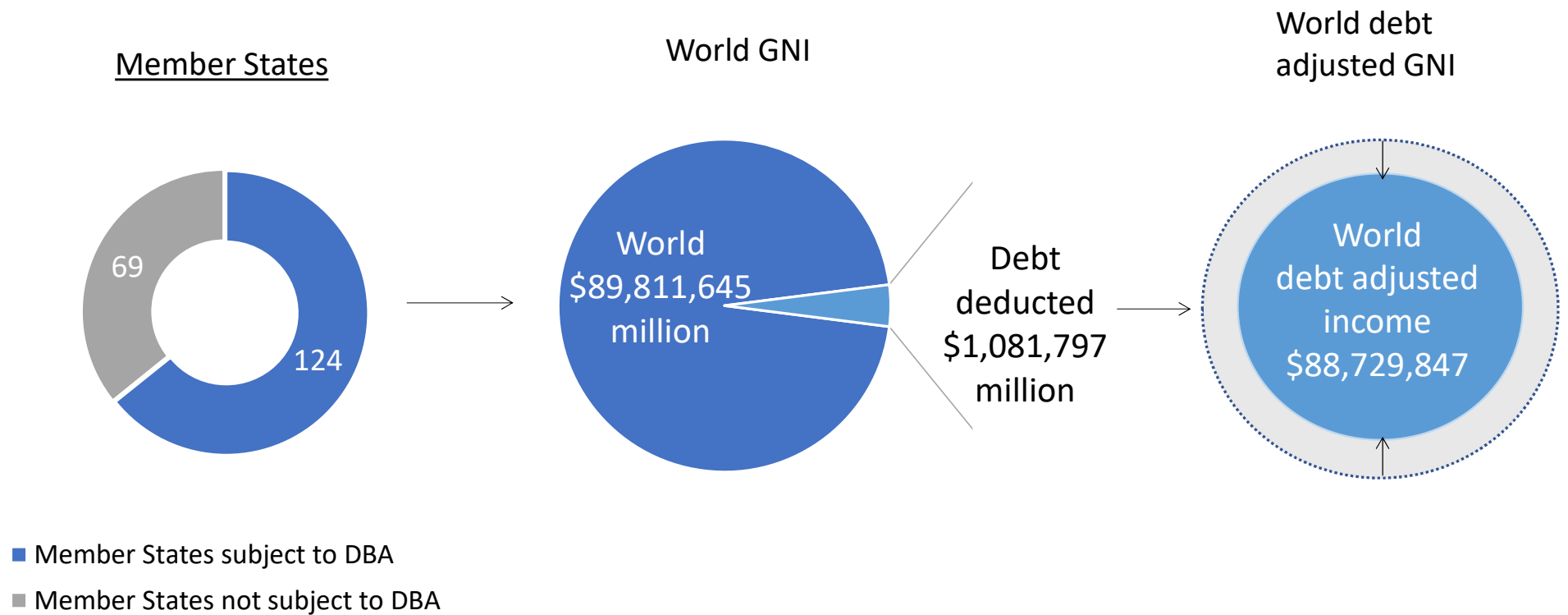


The average world GNI for the six-year base period 2017 to 2022 is **\$89,811,645** million

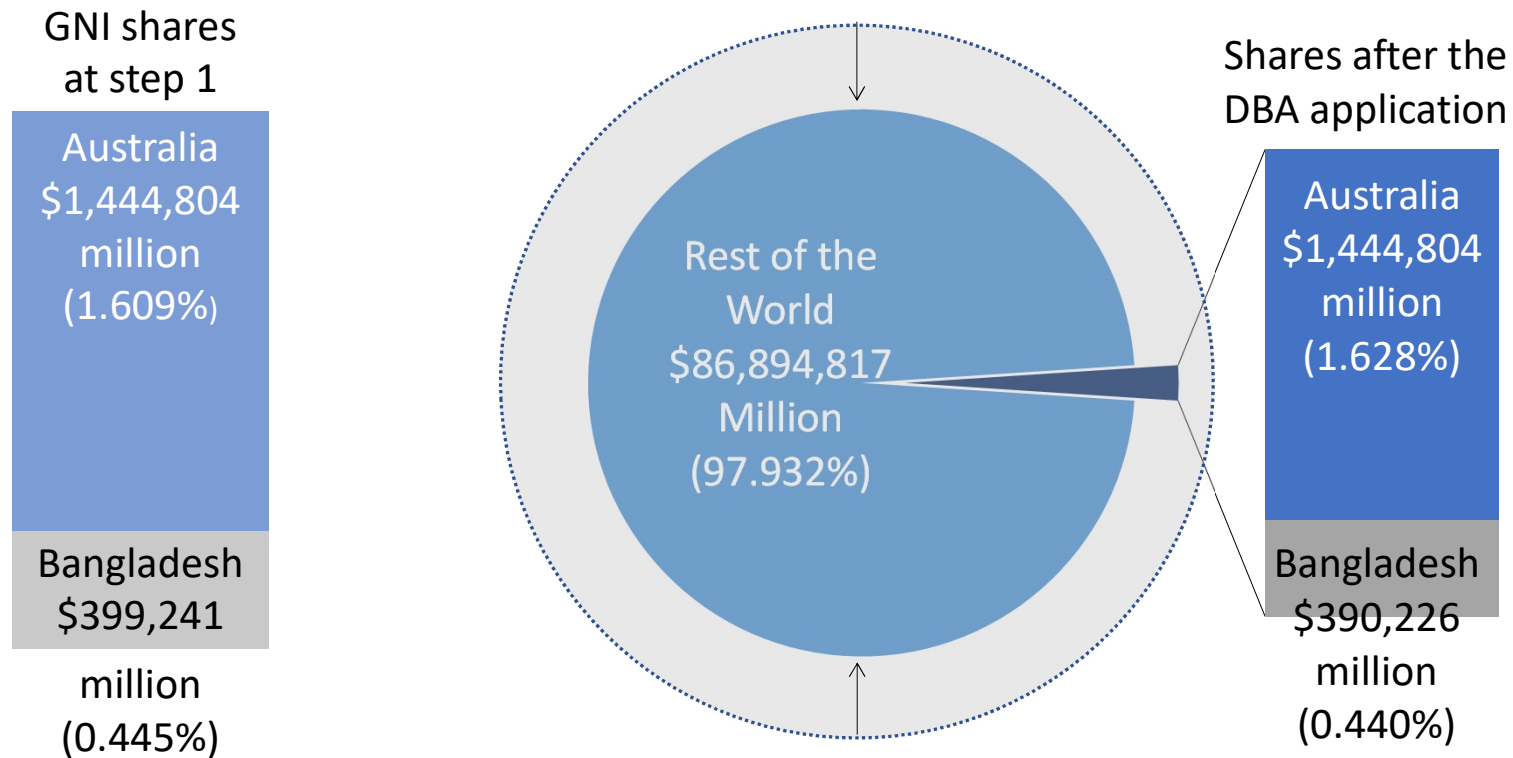
Step 1: MS' Share in World GNI



Step 2: Debt Burden Adjustment



Step 2: Debt Burden Adjustment



Step 3: LPCIA Threshold



World GNI
\$89,811,645
million





World population
7,827,924,464

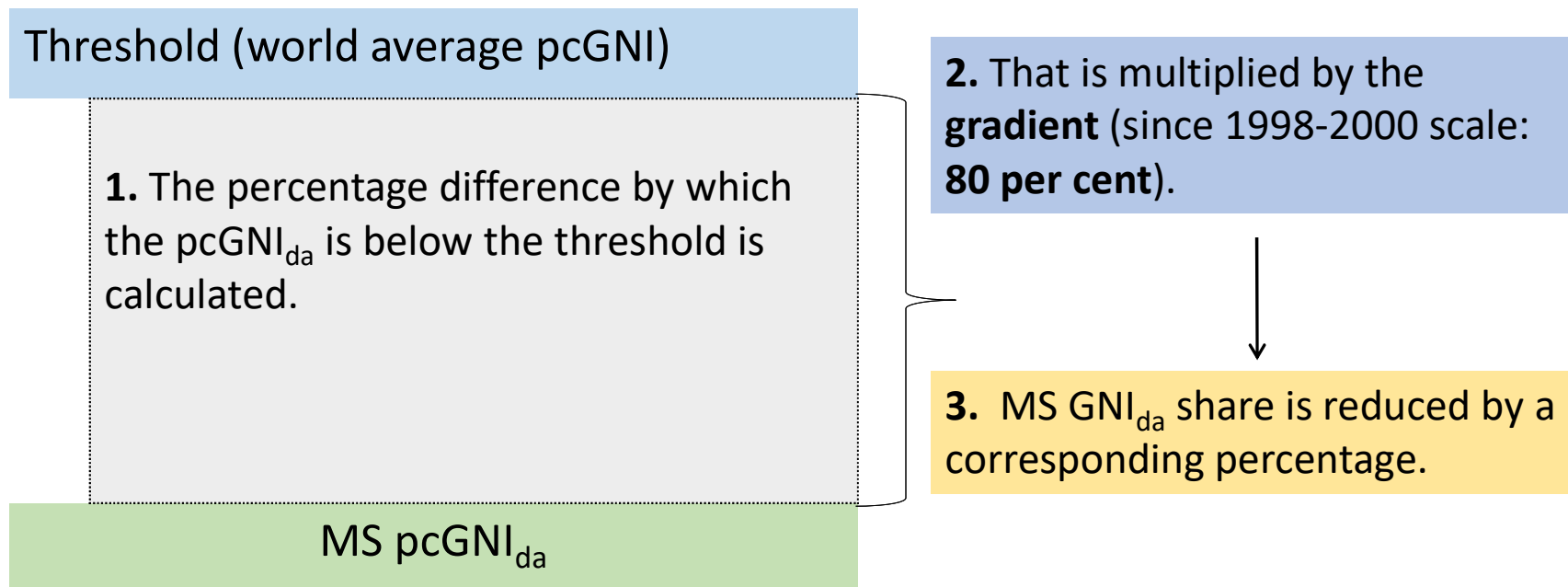


LPCIA threshold
per capita GNI

Step 4: Member State per capita debt adjusted GNI

Member State GNI _{da}		Population		Member State pcGNI _{da}	
					
Australia:	\$1,444,804 mil	÷	25,539,108	=	\$56,572
Bangladesh:	\$390,226 mil	÷	165,660,680	=	\$2,356

Step 5: Calculating LPCIA

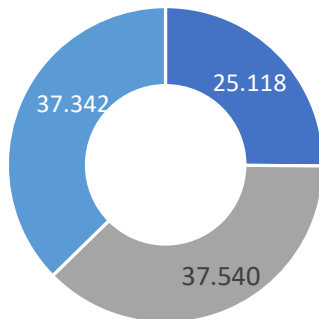


Step 6: Application of the LPCIA

- For each base period, the total LPCIA is reallocated pro-rata to MS whose average $pcGNI_{da}$ is above the threshold.
- The ceiling MS does not absorb any points in this and the subsequent steps.
- This procedure allows for a slightly lower redistribution of the maximum ceiling adjustment and has been part of the methodology since the outset.

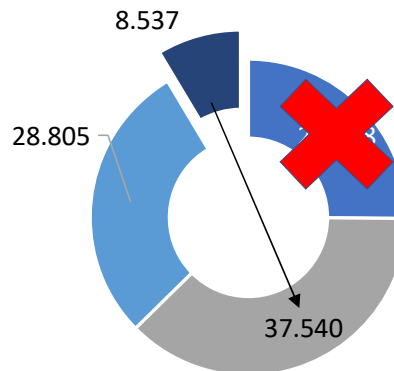
Step 6: Application of the LPCIA

Shares before LPCIA



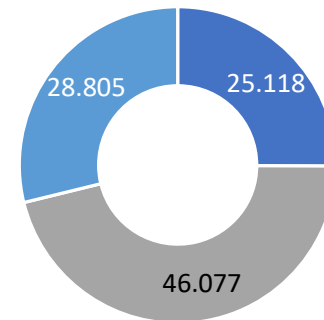
- Share of the ceiling Member State
- Share of Member States above the threshold
- Share of Member States below the threshold

Adjustment: LPCIA



- Share of the ceiling Member State
- Share of Member States above the threshold
- Share of Member States below the threshold
- Redistributed Shares

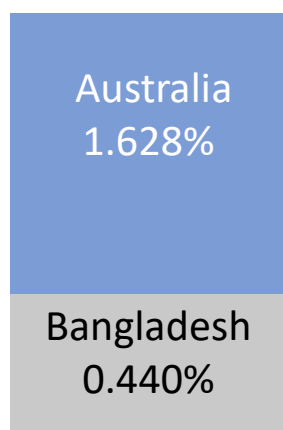
LPCIA Application



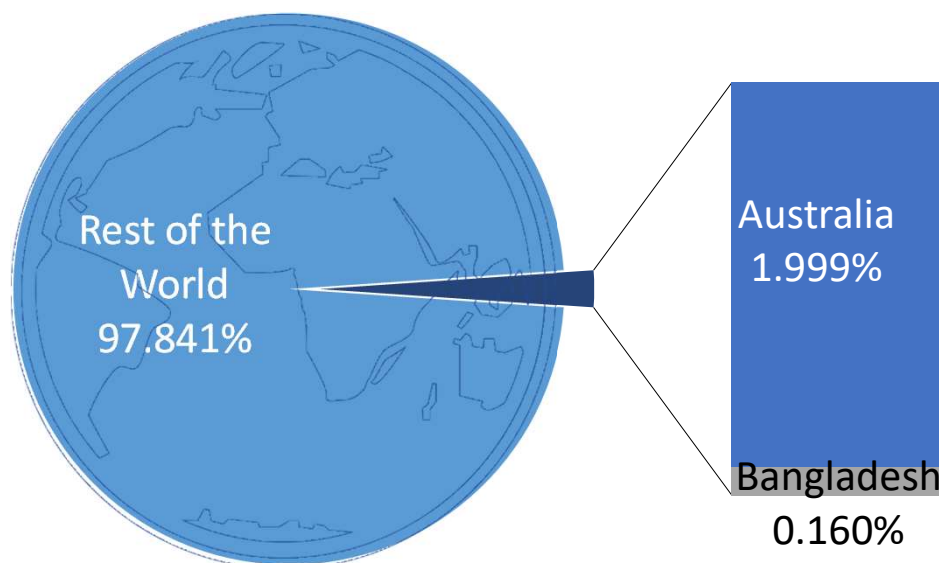
- Share of the ceiling Member State
- Share of Member States above the threshold
- Share of Member States below the threshold

Step 6: Application of the LPCIA

Shares at the
DBA step

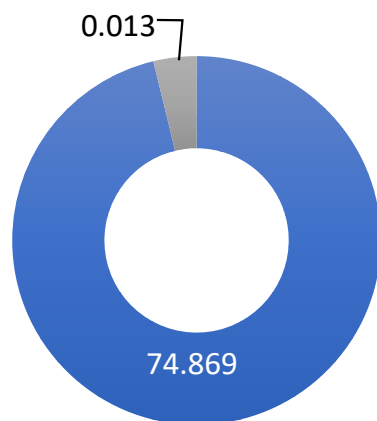


Shares after LPCIA application



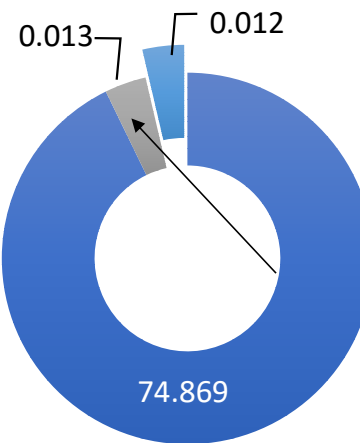
Step 7: Floor limit

Shares before floor adjustments



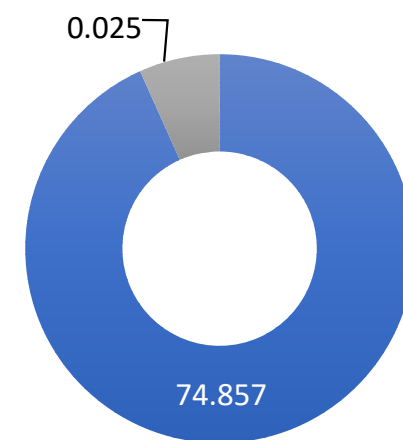
- Shares of other Member States
- Shares of Member States under the floor

Floor adjustment



- Shares of other Member States
- Shares of Member States under the floor

Floor application



- Shares of other Member States
- Shares of Member States at the floor

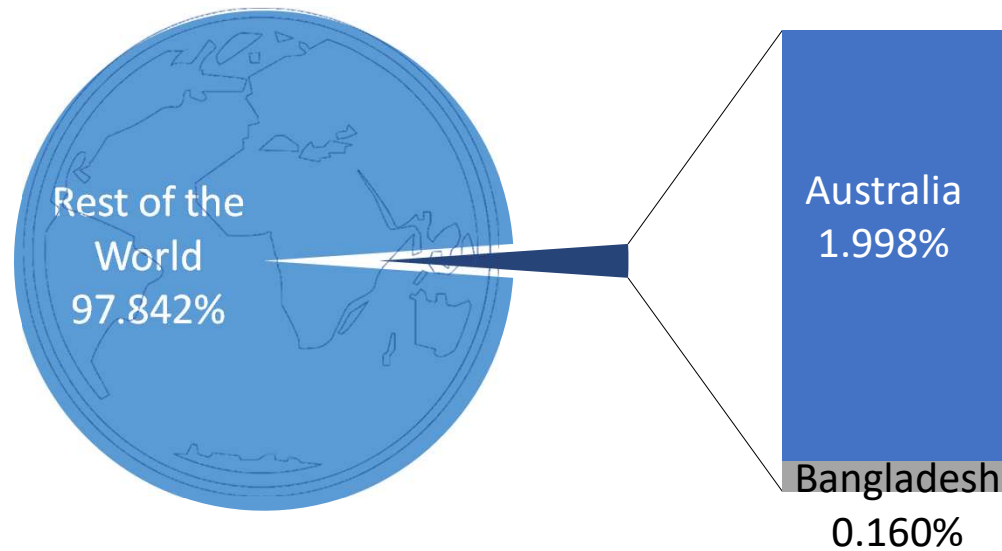
The **ceiling Member State** does not take part in this step of the methodology

Step 7: Shares at the floor step

Shares at the
LPCIA step

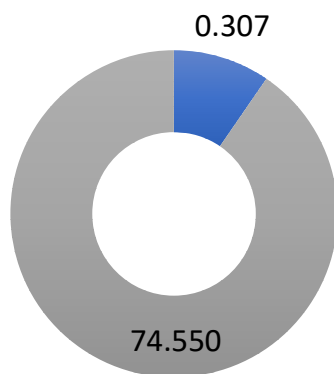


Shares after the floor application



Step 8: LDC Ceiling

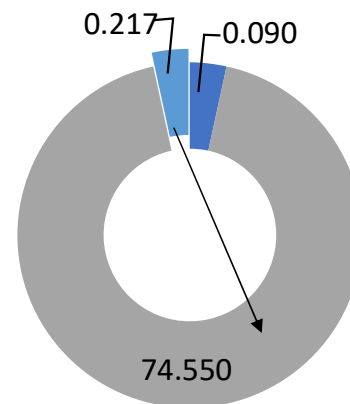
Total share before
LDC ceiling



■ Share of LDC Member States

■ Share of absorbers

Adjustment: LDC ceiling

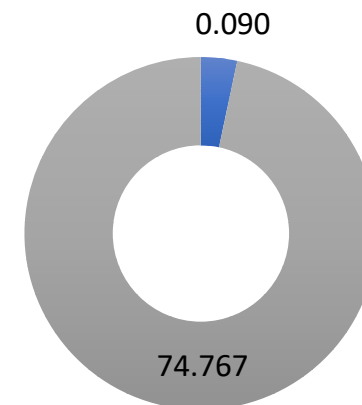


■ Share of LDC Member States

■ Share of absorbers

■ Share adjustment

After LDC ceiling

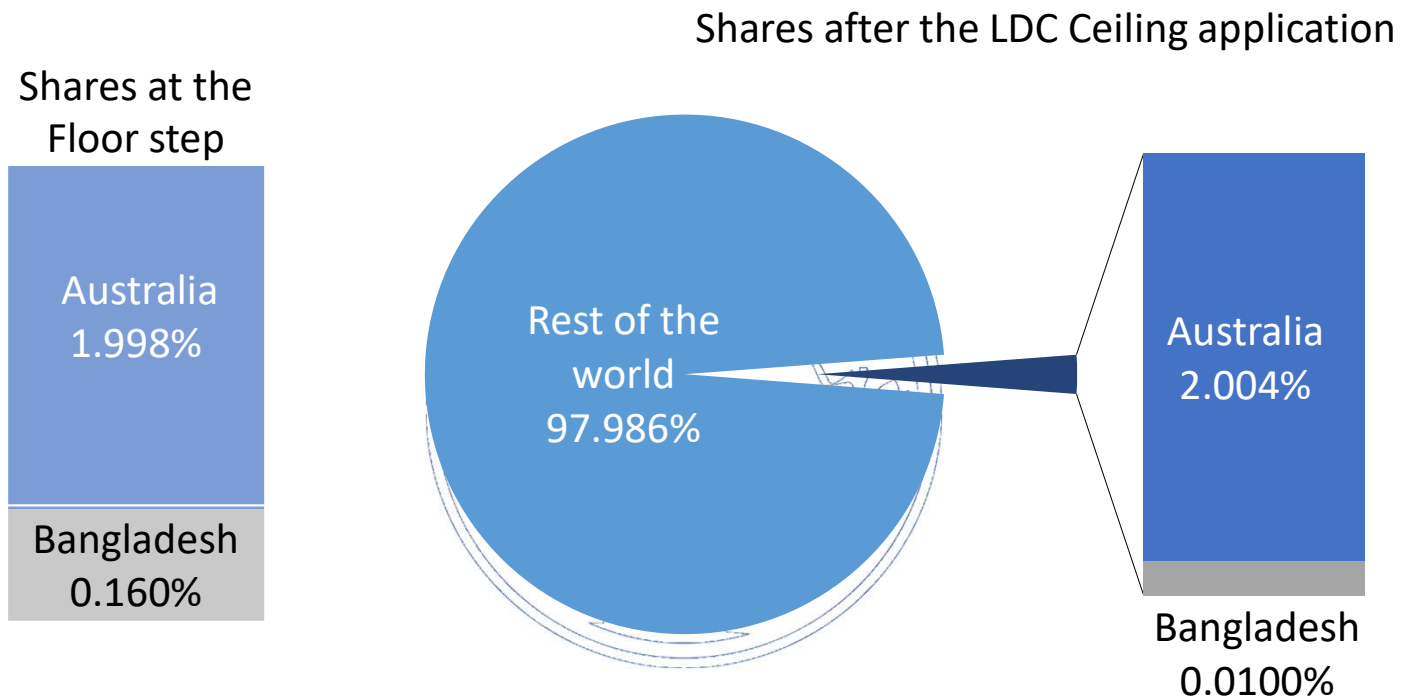


■ Share of LDC Member States

■ Share of absorbers

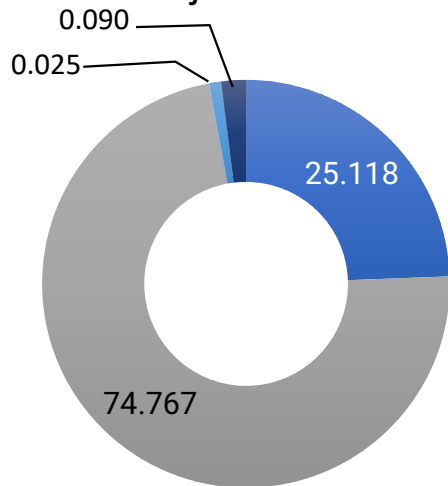
The **floor Member States** and the **ceiling Member States** do not take part in this step of the methodology

Step 8: Shares at the LDC Ceiling



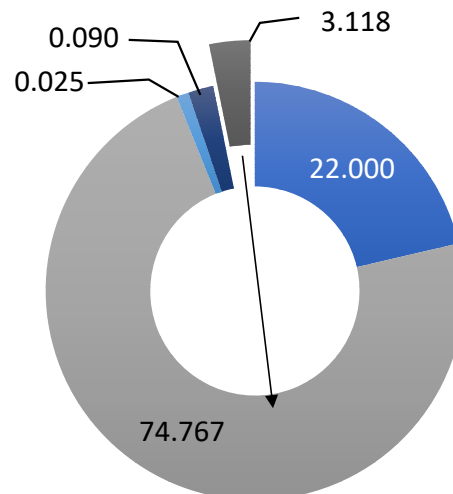
Step 9: Maximum ceiling step

Shares before the ceiling adjustment



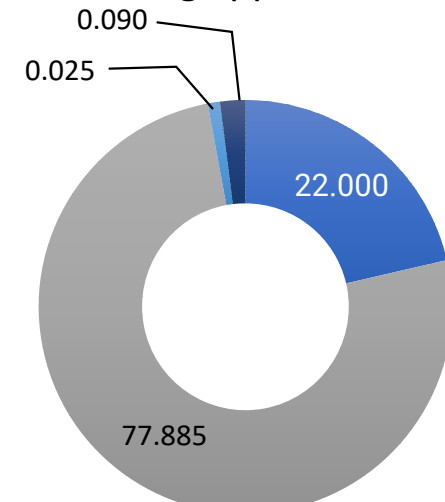
- Share of the ceiling Member State
- Share of absorbers
- Share of floor Member States
- Share of LDC Member States

Adjustment: ceiling



- Share of the ceiling Member State
- Share of absorbers
- Share of floor Member States
- Share of LDC Member States
- Share adjustment

Ceiling application

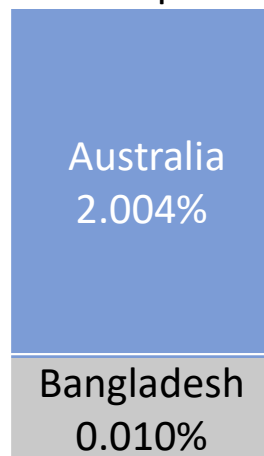


- Share of the ceiling Member State
- Share of absorbers
- Share of floor Member States
- Share of LDC Member States

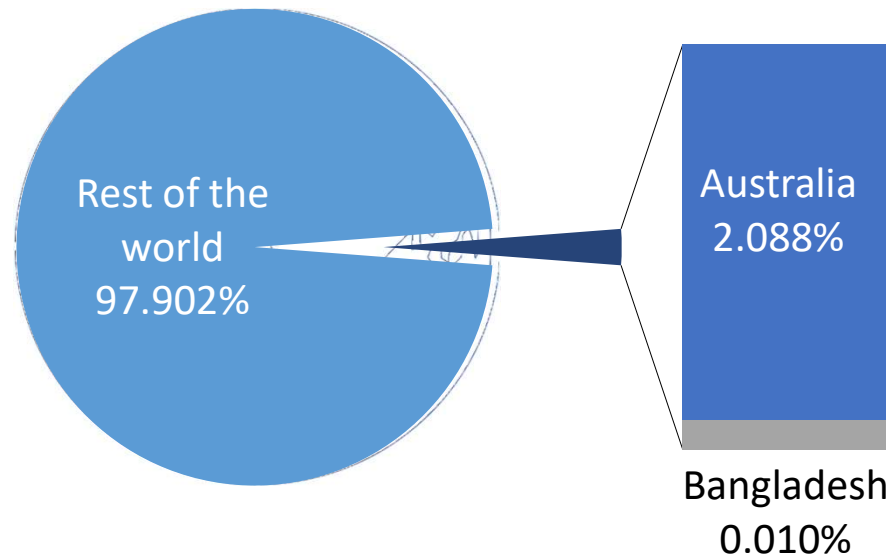
The **floor Member States** and the **LDC ceiling Member States** do not take part in this step of the methodology

Step 9: Shares at the maximum ceiling step

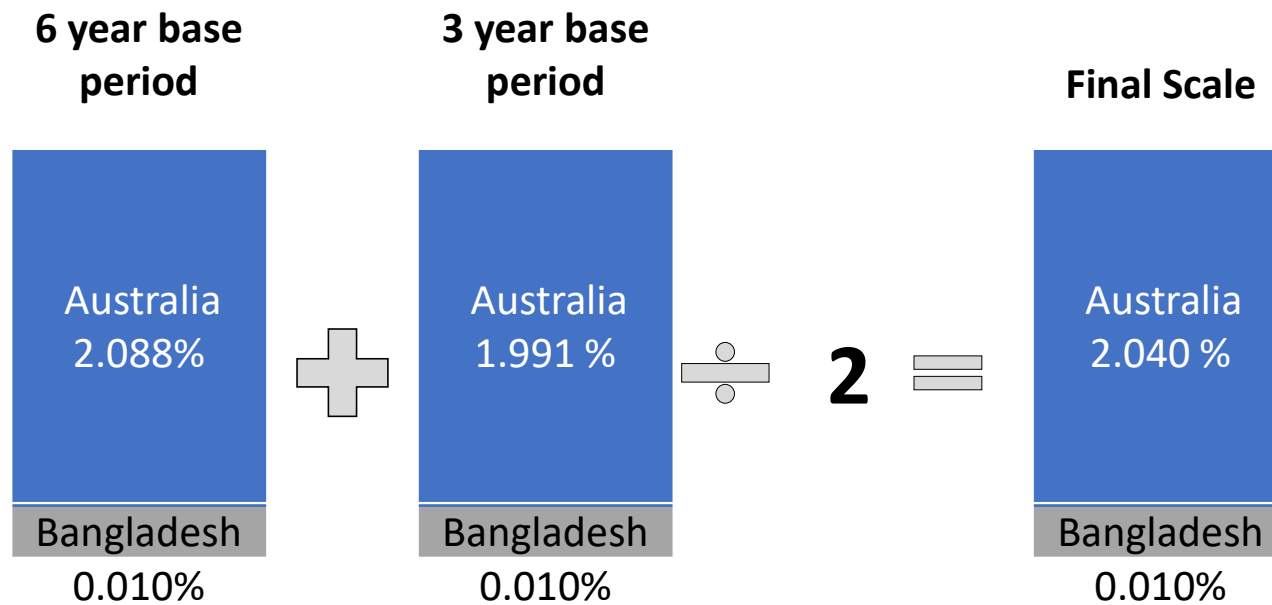
Shares at the
LDC ceiling
step



Shares after the maximum ceiling application



Step 10: Final Step





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A low-angle, upward-looking photograph of the United Nations Secretariat Building in New York City. The building's dark, grid-like facade of windows dominates the frame, reaching towards a bright blue sky filled with scattered white clouds. The perspective creates a sense of height and grandeur.

Thank you