

# United Nations operational activities for development

## UN-DESA Funding Update No. 1 (June 2010)

Preliminary data from funds, programmes and specialized agencies suggests that total contributions for operational activities for development declined slightly in 2009 compared to the previous year mainly due to lower funding for humanitarian assistance, but that development-related resources increased by some 7 per cent in real-terms.

### Total contributions declined slightly during a period of global economic slowdown .....

After a 10 per cent real increase in funding to the UN development system in 2008 compared to 2007, a preliminary estimate for 2009 suggests that during a period of global economic slowdown, total contributions to operational activities declined slightly.

Total contributions to UN operational activities for development, including for humanitarian assistance, are estimated to have been between US\$21.5 and US\$22.0 billion in 2009 compared to US\$22.2 billion in 2008.

Some 65 per cent of total contributions in 2009 are estimated to have been development-related with 35 per cent having a humanitarian assistance focus, compared to 61 and 39 per cent respectively in 2008.

### .....but development-related funding maintained upward momentum

Despite slightly lower nominal value of total contributions in 2009, funding for development-related activities is estimated to have grown by some 7 per cent, in real-terms, compared to 2008, with the core ratio holding steady at 34 per cent.

Contributions to the largest UN development-related funds and programmes – UNDP, UNICEF and UNFPA – increased slightly in 2009, or between 0 and 2 per cent, in real-terms, compared to the previous year. Most specialized agencies experienced higher growth in funding in 2009, with contributions to the WHO increasing by an estimated 25 per cent.

Development-related funding remains concentrated in a small number of UN entities, with the six largest entities accounting for 84 per cent of total contributions.<sup>1</sup> The remaining 16 per cent of contributions was spread among 26 UN organizations that focus on development-related activities.

Funding for activities with a humanitarian assistance focus is estimated to have dropped by some 9 per cent in

2009, in real-terms, compared to 2008, mainly due to an 18 per cent decline in contributions to WFP, which followed an exceptional year in 2008.<sup>2</sup> Contributions to WFP, notably, have increased by some 35 per cent, in real-terms, in the 2007 to 2009 period.

**Table 1 Core and non-core contributions: 2009**

Types of funding (billions of US\$)	Total US\$	Development-related activities	
		US\$	%
Total contributions	21.8	14.2	65
Core	6.2	4.8	77
Non-core (of which):	15.6	9.4	60
(a) MDTFs	1.1	0.8	73
(b) Thematic funds	0.4	0.3	75
(c) Programme and project-specific (including local resources)	14.1	8.3	59

### Non-core funding remains overwhelmingly programme and project-specific

Single donor programme and project-specific funding, including local resources contributions of programme countries for activities in their own countries, accounted for an estimated 88 per cent of all development-related non-core resources flows in 2009, compared to 91 per cent in 2008.

Contributions to inter-agency multi-donor trust funds (administered by UNDP) increased by some 39 per cent in 2009, in real-terms, compared to 2008. In addition, transfers to One UN Funds at the country-level more than doubled in 2009 compared to 2008.

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<sup>1</sup> UNDP, UNICEF, WHO, FAO, UNFPA and ILO.

<sup>2</sup> In 2008, for example, WFP received a large one-time contribution of US\$500 million from the Government of Saudi Arabia.