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Programme, the United Nations
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United Nations Office for
Project Services**

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Financial, budgetary and administrative matters

**UNDP integrated resources plan and integrated budget
estimates, 2026-2029**

Report of the Administrator

Summary

The UNDP integrated resources plan and integrated budget constitute an integral complement to the UNDP strategic plan, 2026-2029 (DP/2025/22). The integrated resources plan spans the totality of resources at the disposal of UNDP for 2026-2029, including regular and other resources, and the totality of activities to be carried out. As such, it presents a comprehensive and integrated financial framework for the quadrennium. Financial estimates are presented in line with the cost classification categories harmonized with the United Nations Population Fund (UNFPA), United Nations Children's Fund (UNICEF), and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) as approved by the Executive Board, most recently in decision 2024/24.

The Executive Board takes note of the integrated resources plan, as it includes expenditures from other resources that are incurred based on financing agreements signed with donors. The integrated budget, which captures the portion of the integrated resources plan that relates to regular resources, is regulated by Executive Board mandates and therefore submitted for approval. In light of the evolving development landscape, volatile funding context, and ongoing reforms—both within UNDP and across the United Nations system—these budget proposals reflect realistic ambition, fiscal prudence and built-in agility to ensure financial resilience.

As all UNDP funding is voluntary, the organization relies on the generous support of its funding partners. Projections for 2026-2029 are based on a rigorous and risk-informed analysis of global economic forecasts and contribution trends, funding partner spending plans, multi-year agreements and pipeline information, complemented by inputs from UNDP bureaux and country offices. The estimated resources available, amounting to \$23.8 billion, are grounded in realism. This includes \$17.9 billion in projected donor contributions (\$1.9 billion in regular resources and \$16.0 billion in other resources), representing a decrease of \$3.7 billion (17 per cent) compared to original plan estimates for 2022-2025 and \$1.5 billion (7.9 per cent) compared to the latest estimates for 2022-2025. Total expenditure in 2026-2029 is estimated to reach \$21.9 billion, a decrease of \$2.3 billion (9.5 per cent) compared to original plan estimates and \$0.7 billion (2.9 per cent) from the latest 2022-2025 estimates.

As in previous quadrennia, if UNDP receives less resources than planned, it is adept at managing within available resource envelope. This paper, however, presents additional flexibilities to facilitate agility should resources decrease further. If external demand grows or system-wide mandates evolve materially, UNDP will return to the Executive Board—at the mid-term review, or earlier if necessary—to seek guidance on upward revisions to the integrated resources plan and integrated budget estimates.



For the period 2026-2029, 91.4 per cent of estimated expenditure will be allocated to development activities, exceeding the targeted level of 91.0 per cent for 2022-2025 (DP/2021/29), and reaffirming the UNDP commitment to delivering on the objectives of the strategic plan in a financially constrained environment. While the overall resources envelope for 2026-2029 is expected to be below levels realized in 2022-2025, the integrated resources plan and integrated budget will channel those resources to deliver development impact at scale as outlined in the strategic plan. Continued investment in the implementation of the UNDP Business Model Review recommendations will sustain and enhance organizational agility and efficiency, ensuring that every dollar yields optimal country-level results. Yet, should deterioration persist, UNDP may need to recalibrate programme scale and modalities in close consultation with the Executive Board.

This document will be reviewed by the Advisory Committee on Administrative and Budgetary Questions, whose recommendations will be shared with the Executive Board in a subsequent document (DP/2025/24).

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I. Strategic context

1. Building on six decades of progress, during which UNDP has partnered across sectors to lift millions out of poverty and expand opportunities for all, the organization continues to be empowered by Member States through its mandate to work across the spectrum of human development, providing integrated support at scale to improve people's lives. In the next four years, the final full programme cycle before 2030, UNDP will continue to support and accompany countries to advance human development on a healthy planet with four mutually reinforcing strategic objectives: Prosperity for all, effective governance, crisis resilience, and healthy planet, which are powered by the three accelerators of digital and artificial intelligence transformation, gender equality, and sustainable finance. UNDP will tailor its support to countries based on national priorities, scale to the level of resources available, and ensure all efforts are underpinned by human-rights and leave no one behind commitments.
2. The new Strategic Plan distils a set of clear lessons that sharpen the UNDP offer for 2026-2029. First, integration works, as portfolios that combine multiple solutions deliver stronger, system-level results. Second, success depends on risk-informed decisions, powered by real-time data, predictive analytics and strategic foresight. Third, modern operations—from UNDP Enterprise Resource Planning (ERP) and Global Shared Services platforms to artificial intelligence-enabled knowledge tools—must keep pace with new partnerships and ways of working. Finally, agility and crisis-responsive programming modalities are essential as country needs evolve.
3. These lessons intersect with a tightening fiscal backdrop. As noted in the strategic plan, although over the last eight years UNDP has significantly modernized its operations, streamlined processes and directed a larger share of resources to development activities, regular (core) contributions have fallen to 11.7 per cent of total contributions, constraining the flexibility required for integrated responses and the ability of UNDP to 'stay and deliver' in crisis settings. In 2024, UNDP commissioned a Business Model Review, which provided an independent assessment of how the organization creates, finances and delivers value. The Business Model Review charts the next stage of future-smart operations, and its recommendations are already being implemented. Its measures include extending shared-services, embedding ERP-powered analytics and artificial intelligence tools, introducing faster programme-delivery channels, strengthening risk management, refining cost recovery mechanisms and partnership modalities, and equipping staff for digital, artificial intelligence, and data-driven ways of working. These are designed not only to capture further efficiencies, but give UNDP the agility and resilience required to stay and deliver while helping countries meet their rising ambitions to address ever-more complex development challenges.
4. While the strategic plan sets the vision, the integrated resources plan and the integrated budget translate the ambitions of the strategic plan into regular (core) and other (non-core) resources required to achieve the results articulated in the accompanying Integrated Results and Resources Framework.
5. The integrated resources plan spans the entire UNDP financial framework for 2026-2029, including regular and other resources. The Executive Board takes note of the integrated resources plan, as it includes expenditures from other resources incurred based on financing agreements signed with donors. The integrated budget captures the portion of the integrated resources framework that relates to regular resources and is regulated by Executive Board mandates and therefore submitted for approval.
6. Whether mobilized as regular or other resources, every dollar is deployed to deliver the results set out in the strategic plan. As such, the present document is an integral complement to the plan and should be read in conjunction with it.

II. The UNDP value proposition

7. **Why partners invest in UNDP.** The UNDP strategic plan 2026-2029 (DP/2025/22) sets out a set of durable comparative advantages: Global reach paired with meaningful local impact; impartiality and convening power; deep multi-sector expertise; ability to integrate across sectors; advanced data-driven and innovation capabilities; proven effectiveness in crisis contexts; seamless

integration of policy advice with operational support, and strong accountability that delivers demonstrable value across the United Nations system. These strengths have been recognized by Member States and independent evaluations, underscoring why partners continue to trust and invest in UNDP.

8. **Global reach combined with local impact and trusted expertise.** Active in 170 countries and territories, UNDP translates global knowledge into tailored solutions at national and community levels, delivering measurable results through its deep expertise in governance, environment, crisis and poverty, complemented by growing capabilities in newer areas like systems change and integrated digital solutions. The long-term local presence of UNDP builds trust with governments and stakeholders, creating integrated solutions that outperform single-sector interventions and deliver durable development gains.

9. **Convening partners for integrated policy and operational solutions.** The capacity of UNDP as an impartial convener allows it to align diverse partners—including governments, United Nations agencies, international financial institutions, civil society, and the private sector—towards shared objectives. Through initiatives such as Integrated National Financing Frameworks, UNDP mobilizes public and private financing toward the Sustainable Development Goals (SDGs), demonstrating a powerful ability to couple upstream policy guidance with practical implementation support at scale. As the operational backbone for over 70 United Nations entities, UNDP amplifies the reach and effectiveness of the entire United Nations development system.

10. **Leveraging innovation, data, and foresight for transformative change.** Strategic investments in digital transformation, Quantum ERP, advanced analytics, and Global Policy Network equip partners to respond swiftly to complex global challenges with data-driven solutions and strategic foresight, helping transform critical systems such as sustainable food systems, energy access, and public-sector governance. These capabilities operationalize the strategic plan by advancing its four strategic objectives using the three accelerators.

11. **Staying and delivering through crises.** Approximately half of UNDP resources are committed to crisis-affected and fragile contexts, addressing Member States' explicit call for resilient, integrated humanitarian-development-peace responses. Early-recovery efforts swiftly restore essential services and infrastructure for people affected by conflict or natural disasters to bridge immediate relief with longer-term sustainable development. UNDP impartiality and universal presence enable operations in areas beyond the reach of many bilateral actors, reinforcing its distinctive value in times of crisis.

12. **Transparency, accountability, and value for money.** Strong accountability practices, along with top-tier rankings in the Aid Transparency Index, give Member States and partners confidence that UNDP wisely uses resources and clearly demonstrates results. The organization sustains a value-driven, equal-opportunity and non-discriminatory culture, while business model enhancements such as global shared services and streamlined business processes drive efficiency and economies of scale across the United Nations development system.

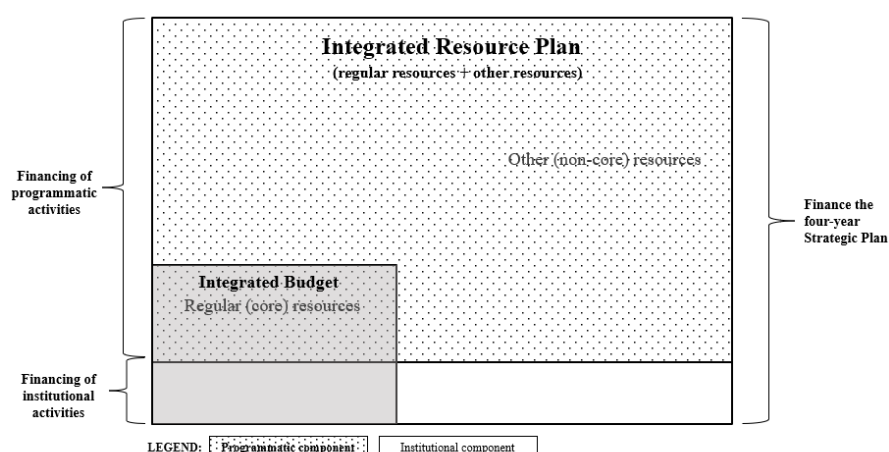
13. Given these aforementioned strengths, UNDP is strategically positioned to leverage predictable, flexible resources to mobilize SDG-aligned finance, accelerate systemic transformation, and deliver tangible results for people and planet.

III. Integrated resources plan

14. The integrated resources plan brings together all financial resources available to UNDP and the full range of activities they finance; therefore, constituting the comprehensive and integrated financial framework for 2026-2029. This chapter (i) reviews integrated financial performance for 2022-2025, (ii) presents the funding outlook for 2026-2029, and (iii) outlines the planned use of resources over the quadrennium. The integrated resources plan includes the integrated budget, funded solely through regular resources, as well as activities funded through other resources or through cost recovery.

15. Figure 1 illustrates the integrated resources plan.

Figure 1. Illustration of UNDP integrated resources plan



16. The integrated resources plan and integrated budget are developed within the context of the UNDP governance mandates and other intergovernmentally agreed commitments. For the 2026-2029 planning period, these include the quadrennial comprehensive policy review (QCPR) of operational activities for development of the United Nations system; United Nations Funding Compact; Executive Board decisions on programming arrangements and cost-recovery policy, as well as recommendations from the Advisory Committee on Administrative and Budgetary Questions and corporate evaluations. In particular, the presentation of budgetary information uses the cost-classification categories and cost-recovery methodologies and approaches to cost attribution harmonized with UNFPA, UNICEF, and UN Women, and approved by the Executive Board in decisions 2012/27, 2013/9, 2020/12, and 2024/24.

17. In light of the evolving development landscape, volatile funding context and ongoing reforms, the 2026-2029 integrated resources plan and integrated budget have been framed with realistic ambition, fiscal prudence and built-in agility to safeguard financial resilience. Consistent with previous quadrennial budgets, a mid-term review of the integrated resources plan and integrated budget will be conducted with the mid-term review of the strategic plan at the 2028 annual session of the Executive Board. The review will provide an opportunity to update estimates based on actual implementation and evolving financial outlook, including implications from UN80 reforms. Should external demand or system-wide mandates evolve materially, including through higher level demands on the organization from programme countries and funding partners, UNDP will return to the Executive Board – in 2028 or earlier if necessary – to seek guidance on an upward revision to the integrated resources plan and integrated budget, while ensuring financial sustainability.

18. For 2026-2029, the following objectives have guided the development of the integrated resources plan and integrated budget:

- (a) **Sustained, agile support to programme countries.** Aligning resources with the four strategic objectives enabled by the three accelerators, deepening portfolio approaches and strengthen risk-informed programming.
- (b) **Financial resilience.** Pairing realistic resource assumptions with carefully calibrated expenditure assumptions to safeguard core capabilities amid a tighter funding outlook.
- (c) **Investing in programme quality, transparency and accountability.** Investments are backed by the Business Model Review and new Integrated Results and Resources Framework that links every dollar to results.
- (d) **Maximising value for money.** Powered by ongoing modernization of the UNDP business model while preserving a balanced budget.

A. Review of financial performance, 2022-2025

19. A detailed comparison of the actual financial performance (including actuals for 2022-2024 and latest estimates for 2025) versus the 2022-2025 resources plan is provided in Table 1b of Annex I. While final figures are not yet available for 2025, the following paragraphs provide an overview of the estimated financial performance of UNDP.

20. Total contributions for 2022-2025 are estimated to reach \$19.5 billion or 90.1 per cent of the planned level for the period. Contributions to regular resources, estimated at \$2.3 billion, are expected to reach 74.5 per cent of the planned level.

21. Regular resources by country typology to eligible programme countries were allocated in accordance with Executive Board decisions 2012/28, 2013/28 and 2013/30. Low- and middle-income countries were allocated \$1.722 billion (\$1.247 billion programmatic and \$475 million institutional), broken down as follows:

- (a) Low-income countries received the largest share, with 77 per cent of programmatic resources and 38 per cent of institutional resources;
- (b) Middle-income countries with per capita gross national income (GNI) below \$6,692 received 20 per cent of programmatic resources and 51 per cent of institutional resources;
- (c) Middle-income countries with per capita GNI above \$6,692 received 2 per cent of programmatic resources and 9 per cent of institutional resources; and,
- (d) Net contributing countries received neither programmatic nor institutional resources (excluding the cost of the Resident Representative).

22. Other resources in the amount of \$17.4 billion were allocated to supplement regular resources contributions to deliver development results through multi-funded programmes. Low-income countries received 28 per cent, middle-income countries with a per capita GNI below \$6,692 received 50 per cent, and middle-income countries with a per capita GNI above \$6,692 received 19 per cent. The balance of 4 per cent was received by net contributing countries (refer to table 2 in annex I for more details).

23. It is important to note the contributions of programme countries in funding the UNDP local presence through contributions to government local office costs (GLOC). For low- and middle-income countries with per capita GNI below \$6,692, this amounted to \$13.8 million in cash and an estimated \$6.9 million in kind. For middle-income countries with per capita GNI above \$6,692 and net contributing countries, this amounted to \$17.8 million in cash and an estimated \$2.6 million in kind (refer to Table 4c.i in Annex I for more details).

24. UNDP preserved overall financial stability through the 2022-2025 cycle despite a volatile funding climate. Total expenditure is estimated to reach approximately \$22.5 billion and the organization secured successive unqualified audit opinions.

25. Cost-efficiency continued to improve: Latest out-turn estimates for 2022-2025 show 91.5 per cent of every dollar was channelled to development activities—exceeding the 91.0 per cent planning estimate for the period, and continuing the upward trend from 90.9 per cent by the end of 2021 and 88.6 per cent by the end of 2018. These results helped UNDP further build partner confidence despite a long-term downward trend in regular-resources contributions.

26. Sustained strategic investment has enhanced the UNDP comparative advantage in support of its development partners and the United Nations development system at large. Digital upgrades, shared-service expansion and build-out of cutting-edge financing, policy and human resources capabilities have equipped country teams to deliver integrated solutions while delivering economies of scale for the entire United Nations development system. Those same capabilities underpinned the stay-and-deliver performance of UNDP in crisis settings, reinforcing Member-State confidence at a time when global development finance and official development assistance (ODA) are contracting.

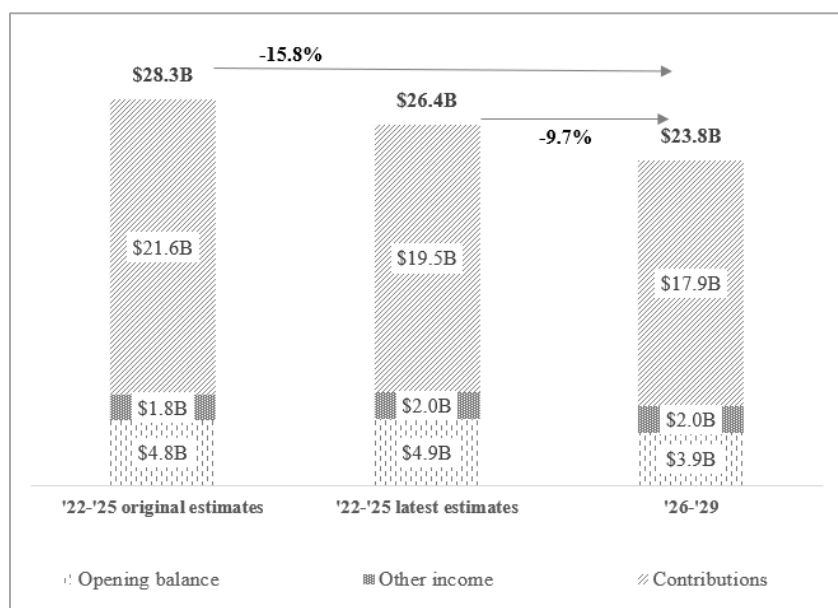
27. Drawing on lessons from 2022-2025, the UNDP financial strategy for the next quadrennium centres on realism, resilience and flexibility. The Business Model Review identified priority areas for operational efficiency and institutional reform (see paragraph 3), which will continue to be implemented in the immediate term. Complementary measures outlined by the Administrator to the Executive Board—tighter workforce planning, expenditure caps and a diversified resource-mobilisation strategy—aim to offset continued pressure on flexible funding while safeguarding the UNDP universal presence. Successful execution of this strategy, with support from funding and programme partners, is critical to sustaining UNDP delivery capacity amid a constrained financial outlook and will position UNDP to maintain fiscal stability, deepen system-wide collaboration and deliver integrated solutions at the scale demanded by the final sprint toward 2030.

B. Funding outlook for 2026-2029

28. As a voluntarily funded organization, UNDP bases budget projections primarily on anticipated contributions from funding partners. Contribution estimates for the 2026-2029 period draw on a rigorous, risk-informed analysis of past funding trends by funding stream, donor spending plans and multi-year agreements, pipeline information, global economic forecasts, qualitative information on risks and uncertainties, and inputs from UNDP offices.

29. Based on the above, the total estimated resources that will be available in 2026-2029—including anticipated opening balances, donor contributions and other income—amount to \$23.8 billion. This represents a 15.8 per cent decline (-\$4.5 billion) from the original 2022-2025 plan, and 9.7 per cent decline (-\$2.6 billion) relative to latest estimates for the same period. This envelope reflects a realistic outlook where a sharp reduction in the first half of the strategic plan period is anticipated, thus calling on UNDP to draw on opening balances, followed by slight recovery in donor contributions over the second half of the planning period, albeit below the level of resources achieved in the present Strategic Plan (refer to Figure 1b in Annex I for more details).

Figure 2. Available resources for 2026-2029 compared to original 2022-2025 plan and latest estimates
(In billions of United States dollars)



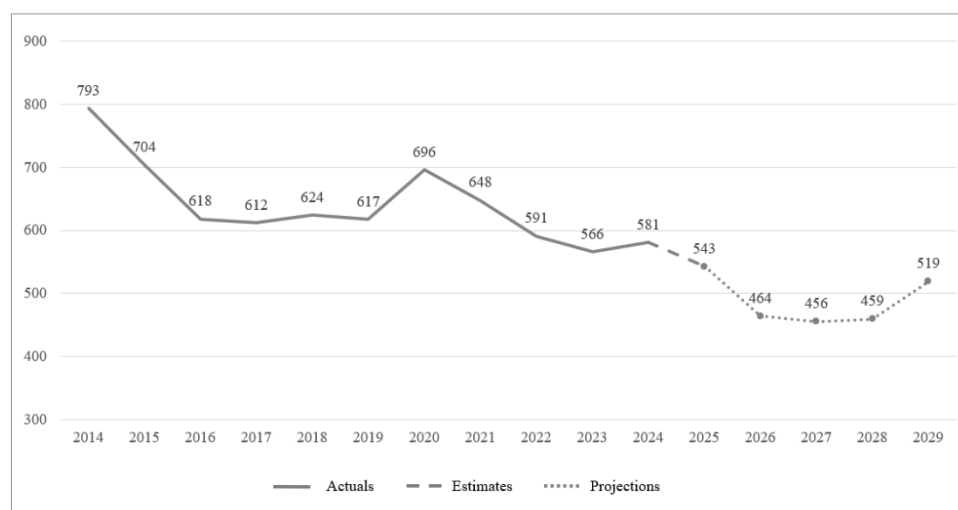
30. Within the envelope, projected donor contributions of \$17.9 billion for 2026-2029 comprise \$1.9 billion in regular resources and \$16.0 billion in other resources. This represents a decrease of \$3.7 billion (17.0 per cent) compared to original plan estimates for 2022-2025 and \$1.5 billion (7.9 per cent) compared to the latest estimates for 2022-2025. Regular resources underpin the UNDP operational presence and integrative, impartial convening role valued by partners, which remains

critical for delivering results at scale. A fuller discussion on the role of regular resources is provided in paragraphs 44-45 of this report.

31. Other resources (earmarked funds) will remain a substantial proportion of the UNDP portfolio, projected at \$16.0 billion through 2026–2029 and representing 89.4 per cent of total projected contributions for the period. These include funding for specific projects and thematic areas, contributed by donor and programme country governments, vertical funds, United Nations inter-agency funds, international financial institutions, the private sector and other partners. The 2022–2025 period demonstrated the strong capacity of UNDP to mobilize other resources even in uncertain times, including significant contributions growth from programme governments. Notably, the swift responses by UNDP to emerging crises have attracted significant earmarked contributions in the current cycle. While such earmarked funding is vital for targeted needs, UNDP will continue to advocate that a greater share be provided as softly earmarked or thematic funds.

32. In this context, UNDP continues to call on all partners to stabilize and, where possible, increase contributions to regular resources. As the most flexible form of financing, regular resources also help unlock additional contributions—historically more than seven dollars for every dollar of core—and are essential to achieving the objectives of the strategic plan. Figure 3 illustrates actual contributions to regular resources from 2014 to 2024, estimates for 2025 and projections for 2026-2029.

Figure 3. Contributions to regular resources, 2014-2024 (actuals), 2025 (estimates) and 2026-2029 (projections)
(In millions of United States dollars)



33. The external funding climate is expected to remain constrained. Preliminary analysis by the Organization for Economic Co-operation and Development (OECD) indicates that global ODA from Development Assistance Committee (DAC) countries could decline by 15 per cent between 2024 and 2026, as fiscal consolidation, higher debt-servicing costs, and competing domestic priorities tighten donor budgets. Coupled with continuing currency volatility and risk of elevated inflation, the purchasing power of development funds may erode further over the plan period. This is likely to exacerbate the impact of the reduced level of resources estimated to be available from these countries in 2026-2029, encouraging further donor diversification to meet development challenges. These headwinds pose significant challenges for all funding partners, including OECD/DAC donors, programme country governments, private sector, and philanthropic organizations in sustaining support. It is therefore imperative to diversify and deepen the UNDP funding base to address these obstacles. At the same time, tightly earmarked contributions continue to dominate the composition of UNDP resources, limiting the organization's ability to deploy resources rapidly and flexibly where emerging needs are greatest.

34. In response, UNDP will redouble its efforts to expand the share of flexible funding. Building on United Nations Funding Compact commitments, partnerships across sectors, and the Business Model Review, the organization will pursue a multi-pronged approach: (a) scaling regular resource contributions through structured funding dialogues; (b) seeking lightly earmarked thematic and pooled funding, including by enhancing transparency and strategic visibility to funding partners and leveraging joint-programming with other United Nations entities; (c) enhancing programme country government cost sharing contributions, including through design of large-scale projects/portfolios, and (d) leveraging innovative and blended-finance arrangements in collaboration with international financial institutions, the private sector, and philanthropic actors. This approach will support UNDP in reconciling fiscal realism to enable a resilient setting to meet programme ambition, safeguard its universal presence and equip country offices to support governments in an increasingly complex development landscape.

C. Use of resources, 2026-2029

35. Table 1 shows the integrated resource plan for 2026-2029 in all cost categories, for regular and other resources, including a comparison with 2022-2025 latest estimates. The figures presented in Table 1 and in all other tables are rounded to the closest decimal point.

Table 1. Integrated resources plan, 2026-2029¹
(In millions of United States dollars)

		2022-2025 updated estimates				
		Regular resources a/	Other resources	Cost recovery	Total resources	
1. Resources available						
Opening balance b/		357.6	4,512.2	-	4,869.8	
Income and adjustments						
Contributions		2,281.0	17,208.4	-	19,489.4	
Other, including reimbursements for services to other United Nations organizations, and cost recovery c/		356.8	-	1,656.0	2,012.8	
Total 1. Resources available		2,995.4	21,720.6	1,656.0	26,371.9	

					% of Total	
2. Estimated expenditures					Total	
I. Development/Humanitarian activities						
I.A - Programme e/					1,546.7	
I.B - Operational support to Programme (from Institutional budget)					17,832.1	
I.C1 - Development Effectiveness (from programme funding)					-	
I.C2 - Development Effectiveness (from Institutional budget)					219.8	
I.C - Development effectiveness d/					341.0	
Total - I. Development/Humanitarian activities					83.9	
					118.5	
					0.0	
					681.1	
					500.9	
					883.5	
					20,603.3	
					91.5%	
II. United Nations development coordination activities						
Total - II. United Nations development coordination activities		39.0	0.1	-	39.1	0.2%

III. Enabling functions					
III.A Management activities					
III.A1 - recurring (excluding Ethics Office)					
III.A2 - Ethics Office					
Subtotal recurring					
III.A3 - Non-recurring					
Total - III.A Management activities					
III.B Independent oversight and assurance activities					
III.B1 - Independent Evaluation Office					
III.B2 - Office of Audit and Investigations					
Total - III.B Independent oversight and assurance activities					
III.C Special purpose activities					
III.C1 - Capital investments					
III.C2.1 - Non-UNDP operations - United Nations Volunteers					
III.C2.2 - Non-UNDP operations - United Nations Capital Development Fund					
III.C2.3 - Non-UNDP operations - services for United Nations partner organizations					
III.C2 - Subtotal non-UNDP operations administered by UNDP					
Total - III.C Special purpose activities					
Total - III. Enabling functions					
Total institutional components		1,079.9	-	1,809.2	2,889.2
Total programmatic components		1,669.6	17,950.7	0.0	19,620.3
Total 2. Estimated expenditures (I + II + III)					
3. Balance of resources					

2026-2029 planning estimates				
Regular resources a/	Other resources	Cost recovery	Total resources	
245.9	3,616.6	-	3,862.5	
1,898.3	16,046.7	-	17,945.0	
256.5	-	1,740.1	1,996.6	
2,400.7	19,663.3	1,740.1	23,804.1	

					% of Total
					Total
1,110.8					17,785.1
109.4					-
101.7					213.1
162.2					-
263.9					419.9
1,484.0					78.7
17,863.8					633.1
19,980.9					91.4%
27.2					-
					-
27.2					0.1%
587.2					-
3.6					647.5
590.8					-
48.0					1.6
638.8					649.1
					2.0
1,234.7					5.2
1,240.0					68.2
1,308.1					6.0%
27.6					-
46.7					29.7
74.3					37.2
141.2					0.6%
-					-
29.2					25.0
7.6					171.0
					-
36.8					174.8
36.8					345.8
407.6					1.9%
749.9					-
					1,107.0
1,856.9					8.5%
1,021.5					-
1,239.7					1,740.1
					-
2,761.6					19,103.5
2,261.2					17,863.8
					1,740.1
21,865.1					100.0%

2026-2029 planning estimates				
Regular resources a/	Other resources	Cost recovery	Total resources	
139.6	1,799.5	-	1,939.1	

36. Total expenditure for 2026-2029 is projected at \$21.9 billion, representing a decrease of \$2.3 billion (9.5 per cent) compared to the original plan estimates for 2022-2025, and \$0.7 billion (2.9 per cent) less than the latest estimated expenditure for 2022-2025. Use of expenditure is classified according to harmonized cost categories approved by the Executive Board in decision 2024/24.

¹a/Includes government contributions towards local office costs; income the United Nations Volunteers programme derives from providing volunteers to the United Nations organizations, and an accounting linkage to off-set the costs of reimbursing income taxes paid by United Nations staff on their salaries.

b/ Opening balance reflects actual amount recorded in the UNDP financial statements. Following the harmonized format for the integrated budget presentation, cost recovery balance of resources for 2026-2029 are co-mingled with other resources balances.

c/ Includes interest, miscellaneous income and adjustments related to foreign exchange gain/loss, opening reserve increases/decreases, and miscellaneous expenditures.

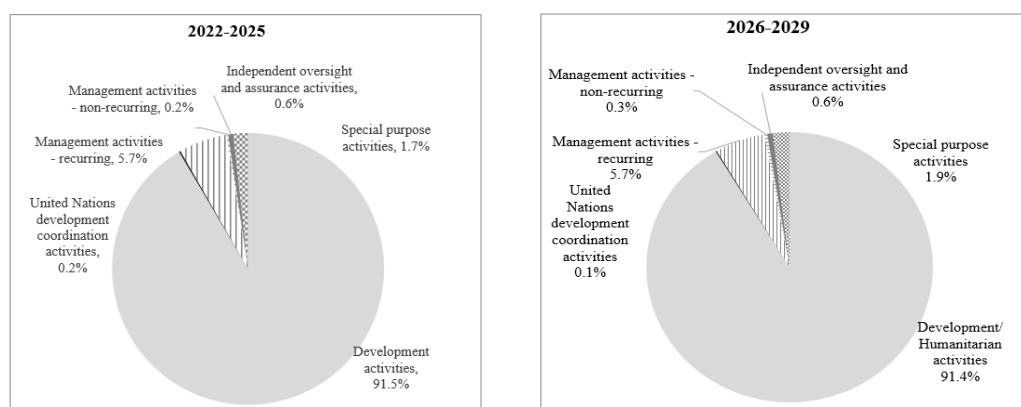
d/ Includes regular resources in 2026-2029 for the United Nations Office for South-South Cooperation budget of \$16.6 million, comprised of \$7.4 million (institutional budget) and \$9.2 million (programmatic budget)

e/ Regular Resources Programme expenditure in 2022-2024 includes \$52.4 million relating to the UNDP Covid-19 Rapid Response Facility.

Details of the types of costs included in each category are provided in Annex II of the joint comprehensive proposal on the cost-recovery policy (DP/FPA-ICEF-UNW/2024/1).

37. The integrated resources plan is presented in line with harmonized cost classifications approved by the Executive Board in its decision 2024/24.² This decision reflects two changes: (i) renaming of the ‘development activities’ category as ‘development/humanitarian activities’ to recognize the substantial contribution that several other agencies using these harmonized categories are making to humanitarian programming, and (ii) the introduction of the new category ‘enabling activities’ to permit further harmonization within the United Nations system, by aligning with the definition of ‘enabling function’ endorsed by the Finance and Budget Network³ for application within the context of financial reporting. In line with these harmonized cost-classification categories, Ethics Office costs remains under the ‘management’ subcategory within the ‘enabling activities’ category. This budgetary presentation is without prejudice to the continued independence of the office.

Figure 4. Estimated use of total resources, latest estimates for 2022-2025 compared to 2026-2029



38. UNDP proposes to allocate \$20.0 billion to development activities in 2026-2029, equivalent to about 91.4 per cent share of total planned use of resources. This level is \$0.6 billion (3.0 per cent) lower than the \$20.6 billion spending estimate for development activities in 2022-2025. This decline in spending is lower than the projected \$1.5 billion (-7.9 per cent) decrease in donor contributions because UNDP is estimated to draw down roughly \$1.8 billion in unexpended programme balances carried forward from the current budget period—an appropriate use of funds within UNDP financial regulations and rules.

39. Institutional activities for 2026-2029 follow harmonized cost classifications approved by the Executive Board in its decision 2024/24. Allocations are estimated at \$2.8 billion, representing a decrease of \$0.1 billion (4.4 per cent) compared to the latest estimate for 2022-2025:

- (a) Development/humanitarian activities of \$0.9 billion, including \$0.3 billion in operational support to programme activities and \$0.6 billion for development effectiveness activities. These functions form an integral part of programme delivery, providing quality assurance, risk management, results monitoring and technical back-stopping that allows the UNDP programme portfolio to achieve and demonstrate impact.
- (b) Enabling Activities of \$1.9 billion that comprise the following subcategories:
 - (i) Management activities of \$1.3 billion, including \$1.2 billion for recurring activities and \$0.1 billion for non-recurring activities. Overall management costs are expected to decline during the planning period, reflecting continued workforce optimization, stringent travel and other non-staff operating cost controls, relocation of

² The harmonized cost classification categories are applied by UNDP, UNFPA, UNICEF, and UN Women.

³ See document CEB/2022/HLCM/FBN/7.

country-facing support functions closer to the field, and exploration of options for the relocation of location-independent functions to strategically selected duty station(s).

(ii) Management non-recurring activities covers targeted investments to propel the future-smart operations agenda. This covers investments of \$0.1 billion to accelerate programme delivery and modernise operations in line with the strategic plan, 2026-2029, covering: innovation, digitalisation and artificial intelligence-enabled analytics; People for 2030 Phase 3 talent and workforce initiatives; expansion of shared services, and implementation of Business Model Review reforms. These targeted outlays will lock in long-term efficiency and effectiveness gains across the organization.

(iii) Independent oversight and assurance activities⁴ of \$141.2 million. This includes \$57.3 million for evaluation, which is equivalent to 0.3 per cent of total projected programme expenditure and in line with Executive Board decision 2019/7 and the evaluation policy, as well as \$83.9 million for audit and investigations. The quadrennial resources for the Audit and Investigations Office (and Ethics Office) reflect a strategic decision to ensure adequate capacity in relation to UNDP resources by initially delaying, then gradually reducing, allocations during the second half of the quadrennium to safeguard office capacity during the anticipated period of change,

(iv) Special-purpose activities of \$407.6 million, comprising allocations for the United Nations Capital Development Fund (UNCDF) of \$7.6 million and the United Nations Volunteers programme (UNV) of \$200.2 million, allocations for support to other United Nations agencies of \$174.8 million and allocations for capital investments of \$25.0 million.

40. Projected available resources of \$23.8 billion and projected expenditure of \$21.9 billion for 2026-2029 will result in estimated balances of \$1.9 billion by the end of the budget period. These will be approximately 50 per cent lower than the balance forecast for the end of 2025. Accumulated programme resources balances are highly earmarked project funds, not fungible (they must be delivered in accordance with project documents and related financing agreements), and programmed for delivery according to the respective multi-year work plans (not necessarily in the year they are received). Building on the last two years of high levels of programme delivery, UNDP continues to seek opportunities to further expedite delivery wherever feasible to ensure that resources entrusted by partners translate into timely development results.

IV. Integrated results and resources framework

41. The strategic plan for 2026-2029 charts UNDP contributions to support country progress towards high human development, while protecting the planet. The integrated resources plan and integrated budget translate that vision into a coherent financial framework, equipping UNDP to help its country partners expand people's choices and keep both planet and people in balance.

42. The integrated resources plan and integrated budget comprise programmatic and institutional components, both of which are linked to the objectives of the strategic plan. The programmatic component of the budget enables UNDP to support countries in their path towards achieving the Sustainable Development Goals through country programmes driven by national development priorities, as envisioned by the QCPR. The institutional component of the budget funds activities that constitute essential strategic enablers for the achievement of development results. Linking financial resources to programmatic and institutional objectives is articulated in the integrated results and resources framework and included as an annex to the strategic plan for 2026-2029.

43. Regular resources remain integral and catalytic within this architecture: They finance universal presence, crisis surge capacity, and upstream integration. Whilst all resources mobilized are aligned with the UNDP strategic plan, regular resources are critical for UNDP to deliver strategic results and to leverage other resources. The integrated budget framework, which

⁴ In line with the harmonized categories approved by the Executive Board, the classification of the costs of the Ethics Office remains under the 'management' subcategory. This is without prejudice to the continued independence of the office.

encompasses the allocation of regular resources, is therefore a critical component of the integrated results framework and further articulated in the next section.

V. Integrated budget (regular resources), 2026-2029

A. Key features

44. Regular (core) resources remain the backbone of UNDP financing, enabling multi-funded programmes and portfolios to take shape rapidly and at scale. Regular resources underwrite the UNDP value proposition that include its universal presence in 170-plus countries; surge capacity for crisis response; integrated policy expertise that connects humanitarian, development and peace actions; its contribution to the Resident Coordinator system, and a digital-operational backbone that serves the wider United Nations development system. Ten United Nations entities already operate on the UNDP ERP, and more than 70 agencies rely on UNDP global finance, human resource, information technology and procurement services—benefiting from +3,000 automated business processes and economies of scale repeatedly requested by Member States.

45. This essential funding stream, however, is under sustained pressure, constraining programme delivery and the enabling institutional infrastructure. Against this backdrop, the integrated budget for 2026-2029 balances ambition with realism: It presents a smaller integrated budget envelope and incorporates an adaptive mechanism to manage volatility while preserving transparency, value for money and the primacy of country-level results. Consistent with Financial Regulation 10.03, once statutory reserves, working capital and the institutional budget are funded, all remaining regular resources will be channelled to programmatic activities, ensuring regular-resource contributions translate into scaled delivery. The main features of the proposed integrated budget are set out below while the detailed methodology is in Annex II.

46. The integrated budget is built on (i) projected regular resources contributions of \$1.9 billion, (ii) other income of \$256.5 million (including \$103.5 million from government contributions to local office costs, and \$136.5 million from interest and other income), and (iii) an opening balance of \$245.9 million. Projected regular resources contributions of \$1.9 billion for 2026-2029 represent a decrease of \$1.2 billion (38.0 per cent) compared to the original plan, and \$0.4 billion (16.8 per cent) compared to the latest estimates for 2022-2025.

47. Against this resource envelope, total expenditure from regular resources is projected at \$2.3 billion, a decrease of \$1.1 billion (33.3 per cent) compared to the \$3.4 billion approved for 2022-2025 (DP/2021/29) and \$0.5 billion (17.8 per cent) compared to the latest estimates for 2022-2025—a prudent adjustment to the anticipated contraction in regular resource contributions over the quadrennium. Within this expenditure envelope, UNDP proposes to allocate \$1.2 billion to the programmatic component and \$1.0 billion to the institutional component of the integrated budget. Although smaller in absolute terms, the institutional component is held at a level required to safeguard UNDP universal presence, crisis surge capability and integrated expertise, coupled with robust oversight.

48. The programmatic component retains the framework of the previous quadrennial budget cycles: A country window with targets for resource assignments from core (TRAC) resources and the Programme of Assistance to the Palestinian People, a regional window (regional programme), a global window (Human Development Report Office), and a development effectiveness category to cover consolidated development effectiveness, South-South cooperation and programmatic support to UNCDF. Alongside these windows is a separate budget line for support to the Resident Coordinator system. Consistent with Business Model Review recommendations, and as noted in the strategic plan 2026-2029, UNDP will work with the Executive Board to refine its core resource allocation methodology to channel resources more effectively towards country priorities.

49. As in previous quadrennia, should resources be less than planned, UNDP can adeptly manage with available resources as long as additional flexibilities are adopted to facilitate agility and help the organization better manage the present volatility in scenarios of reduced regular resources. To manage the ongoing volatility within this framework, UNDP will apply the adaptive mechanism described below.

50. Consistent with the UNDP programmatic budget allocation applied in the first year of the 2022-2025 strategic planning period, UNDP takes 2022 allocation levels as set out in DP/2021/29 (Annex I, Table 3A) as its baseline, adjusted for the actual contribution to the Resident Coordinator system of \$10.6 million. Starting from this \$482.3 million annual baseline, the programme budget is organized into two adaptive segments. The first segment comprises TRAC-1, TRAC-3, South-South cooperation and the Human Development Report Office. The second segment covers all other core programmatic budget lines (TRAC-2, regional programme, programmatic lines for consolidated development effectiveness, the Programme of Assistance to the Palestinian People, support to UNCDF, and support to the resident coordination system). If total regular-resources available for the programme budget fall short of the baseline by up to one-third, every line is reduced in equal proportion, preserving relative shares. Should the shortfall deepen, the lines in the second segment are consolidated so available funds can be channelled to the highest-impact needs while lines in the first segment retain their distinct identity and floor allocation levels. Conversely, should contributions rise above the baseline, TRAC-1 is held at its ceiling of \$256.4 million and any surplus is distributed proportionally across all other programmatic lines, supporting balanced growth.

51. This adaptive approach—anchored in lessons from the 2022-2025 budget cycle and priority areas identified in the Business Model Review—spreads risk more evenly, safeguards essential regional programmatic and development effectiveness capacities, and lessens reliance on mitigation of shortfalls in regular resources contributions with other resources. Based on regular resources funding estimates for 2026-2029, UNDP anticipates the adaptive mechanism may need to be activated early in the cycle, with proportional reductions and consolidation of lines in the second segment during the first three years of the quadrennium. UNDP will use existing reporting mechanisms to keep the Executive Board fully informed about the application of this framework, providing transparency on core programmatic budget allocations.

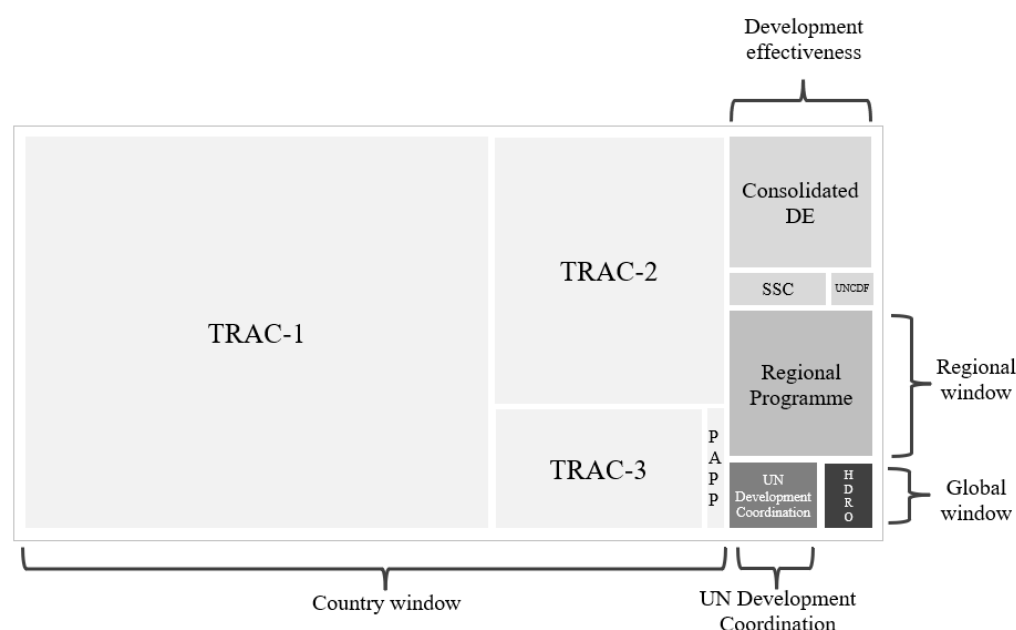
52. An illustration of the application of the adaptive mechanism on the estimated resource levels in the 2026-2029 budget cycle is outlined in Annex I, Table 3e. This arrangement combines the transparency, accountability and flexibility needed at this time of volatility, and maintains the primacy of country-level delivery within the core-funded programme.

B. Programmatic component

53. Programming arrangements set the legal framework, as well as principles and parameters, for the distribution of UNDP regular programme resources and their use. The guiding principles of the framework, reaffirmed in Executive Board decisions 2012/1 and 2013/28, are as follows:

- (a) Predictability: The availability of sufficient regular programme resources within a stated time frame;
- (b) Universality: UNDP regular development resources and related activities are available to support all eligible countries; and,
- (c) Progressivity: UNDP regular development resources and related development activities primarily support low-income and least developed countries.

54. The programmatic component comprises four windows (country, regional, and global windows and development effectiveness) and a separate line for United Nations development coordination. Figure 5 offers an indication of the relative size of the four groups and their various constituting components.

Figure 5. Relative shares of core programmatic components

55. Table 2 presents proposed allocation levels for 2026-2029 alongside those approved for 2022-2025 (DP/2021/29), as well as latest estimates for this period. The latter reflect the impact of forecasted contractions in regular resource contributions.

Table 2. Core programmatic component allocations: Integrated budget 2022-2025⁵ vs. 2026-2029
(In millions of United States dollars)

Programme	2022-2025 original		2022-2025 latest estimates		2026-2029 planning	
	1,984.6	90.3%	1,494.7	92.4%	1,110.8	89.6%
Country window	1,798.9	81.9%	1,392.7	86.1%	997.8	80.5%
Regional window	155.0	7.1%	83.3	5.1%	99.6	8.0%
Global window	30.7	1.4%	18.8	1.2%	13.4	1.1%
Development Effectiveness	165.1	7.5%	82.9	5.1%	101.7	8.2%
UN Development Coordination	48.0	2.2%	39.6	2.5%	27.2	2.2%
Total	2,197.6	100.0%	1,617.2	100.0%	1,239.7	100.0%

56. Compared to the budgeted amount of \$2.2 billion for programmatic components in 2022-2025, the latest estimated expenditure amounts to \$1.7 billion, as shown in Table 1b of Annex I.

57. Estimated allocations for 2026-2029 total \$1.2 billion, mirroring the recent contraction in contributions to regular resources. This total is projected to be \$0.9 billion (44 per cent) below the original 2022-2025 estimates. The country window remains by far the largest line, around 80.5 per cent, safeguarding the programmatic presence of UNDP in low-income, least-developed and vulnerable country contexts. According to the proposed adaptive mechanism (paragraphs 49-52) the regional window and consolidated development-effectiveness line rise modestly versus latest 2022-

⁵ Latest estimates for 2022-2025 exclude Regular Resources Programme expenditure of \$52.4 million in 2022-2024 relating to the UNDP Covid-19 Rapid Response Facility.

2025 estimates, protecting resources for cross-border initiatives, technical back-stopping and knowledge services that help country teams deploy strategic plan accelerators. Other lines face decreases in absolute terms, though remain directed to fund flagship research, evidence-based advocacy and the UNDP share of United Nations development coordination costs. If regular resource contributions rebound, the adaptive mechanism outlined in paragraphs 49-52 will enable a balanced and proportional scaling up of resource allocations, which will significantly benefit the country window.

Country window – estimated resources for 2026-2029: \$997.8 million

58. UNDP allocates regular resources to country programmes through the TRAC framework, established by the Executive Board in decision 95/23. TRAC forms the financial bedrock of the UNDP presence in programme countries and comprises three categories: TRAC-1, the annual, centrally determined allocation each eligible country receives that is calculated on the basis of eligibility and other criteria approved by the Executive Board, TRAC-2, introduced by decision 2013/4 to provide UNDP with flexibility to channel core resources to high-impact or differentiated needs in line with the Strategic Plan 2026-2029, and TRAC-3, the only core rapid-response facility for countries facing conflict or natural disaster, enabling immediate policy advice, technical expertise and catalytic funding for a comprehensive, coherent response. Further details on the TRAC methodology are provided in Annex II.

59. TRAC-1 and TRAC-2 operate as a combined pool in support of country programmes—together representing approximately 73 per cent of the integrated budget programmatic component—while TRAC-3 represents a stand-alone facility. Along with TRAC resources, the country window includes an amount for the Programme of Assistance to the Palestinian People. This programme derives its mandate from General Assembly resolution 33/147 of 20 December 1978. It is a unique programme with funding arrangements that cover programmatic activities to support a specific group of people, in contrast to traditional country or regional programmes.

Regional window – estimated resources for 2026-2029: \$99.6 million

60. The regional programme will continue to support intercountry initiatives in all five regions, linking local innovations to policy solutions that address development priorities spanning national boundaries. This window will keep catalyzing peer learning, regional public-goods initiatives and collective action on regional development priorities.

Global window – estimated resources for 2026-2029: \$13.4 million

61. The global window continues to finance the Human Development Report Office. These resources will sustain the flagship Human Development Reports and data platforms that shape debate and equip countries with policy options grounded in human development evidence.

Development effectiveness window – estimated resources for 2026-2029: \$101.7 million

62. These resources underpin the technical backbone that keeps programmes high-quality and risk-informed through consolidated development effectiveness support, South-South cooperation, and UNCDF support. These resources leverage global and regional development effectiveness support for country programming, and in-country development effectiveness support for programming. South-South cooperation focuses on the sharing of experiences, expertise and knowledge, making them an integral part of country, regional and interregional programmes, while introducing cost-effective modalities. UNCDF provides grants, loans and guarantees to least developed countries and complements efforts with strong capacity-building and upstream policy-advisory services that support the design and implementation of national policies and action plans in local development and inclusive finance. The Executive Board, in its decision 2013/4, approved the inclusion of UNCDF in the programming arrangements.

United Nations coordination: estimated resources for 2026-2029: \$27.2 million⁶

63. This line funds UNDP regular resource contributions to the Resident Coordinator system. UNDP remains the largest cost-sharing contributor from the United Nations development system, having doubled its cash contribution since 2019 to \$10.6 million in 2024—alongside in-kind support and providing shared services.

C. Institutional component

64. Allocations within the institutional component of the integrated budget, **totaling \$1,021.5 million**, follow the harmonized cost classifications approved by the Executive Board in its decision 2024/24.

65. **Development/humanitarian activities (\$271.6 million)** comprises the following sub-categories; (i) Operational support to programme (\$109.4 million) – the institutional elements of operational and administrative services to projects, reclassified from ‘management’ under the cost-recovery policy approved by the Executive Board (decisions 2020/12 and 2024/24), and (ii) ‘development effectiveness activities’ (\$162.2 million) that finance the policy, technical and results-management functions that keep UNDP programme portfolios coherent, risk-informed, and impactful across country, regional and global levels.

66. Together, these resources form the technical backbone that enables programmes to deliver and demonstrate lasting impact and serve to enhance programme quality.

67. **Enabling activities (\$749.9 million)** relates to services and associated costs typically provided to promote the corporate identity, direction and well-being of an organization to collectively enable it to deliver all mandated programmes and normative agendas. These indirect functions and associated costs cannot be readily or easily traced to specific programmes. It covers the subcategories of management, independent oversight and assurance, and special purpose activities set out below.

68. **Management (recurring) (\$590.8 million)**. These activities reflect costs whose primary function is the promotion of the identity, direction and well-being of the organization. These costs sustain the institutional governance, administration, information and communication technology, and corporate services infrastructure that sustains the operational presence of UNDP in over 170 countries and territories. It finances the future-smart operations agenda outlined in the strategic plan 2026-2029, ensuring that corporate systems, data platforms and workforce capabilities evolve to meet programme ambitions. Moreover, it also includes funding to further enhance a value-driven, equal-opportunity and non-discriminatory culture across the organization. Per the harmonized cost-classification categories, the regular resources-funded costs of the Ethics Office, an estimated \$3.6 million, are included under this category.⁷

69. **Management (non-recurring) (\$48 million)**. This allocation serves to propel the future-smart-operations agenda set out in the strategic plan to advance Business Model Review reforms and complementary cost containment measures outlined. It also serves to secure lasting effectiveness and efficiency gains while preserving flexibility for the incoming Administrator to shape and position UNDP to deliver on the strategic plan for 2026-2029.

70. **Independent oversight and assurance activities (\$74.3 million)**. This allocation covers regular resources allocated to the Office of Audit and Investigations (\$46.7 million) and the Independent Evaluation Office (\$27.6 million). Although absolute regular resource allocations for the Office of Audit and Investigations declined from the previous quadrennium, a phased approach preserves capacity during the first half of the cycle to enable the Office to conduct its work in the first half of the planning cycle when organizational change and United Nations system-wide reforms may heighten demand for its work, and ensures adequate capacity thereafter.

⁶ This amount reflects the projected regular-resource availability in 2026-2029. UNDP remains committed to funding its share of the Resident Coordinator system, if needed, drawing upon the flexibility provided under the adaptive shielding framework discussed in paragraphs 49-52. This is consistent with Executive Board decision 2025/8.

⁷ The budgetary presentation of the costs of the Ethics Office in the ‘management activities’ category is in line with the harmonized categories approved by the Executive Board and is without prejudice to the continued independence of the office.

71. **Special purpose activities (\$36.8 million).** This covers allocations for the functioning of UNCDF (\$7.7 million) and UNV (\$29.2 million). These allocations declined from previous quadrennium levels, which is consistent with the sharp drop in overall regular resources expenditure.

72. Consistent with prior practice, UNDP requests exceptional authority to disburse up to \$30 million in regular resources for security measures during 2026-2029, limited to new and emerging security mandates as defined by the United Nations Department of Safety and Security. UNDP will report on these as, and when, they occur.⁸

D. Positions

73. As was the case in the 2014-2017, 2018-2021, and 2022-2025 quadrennia, the integrated budget for 2026-2029 incorporates a strategy for financing personnel costs at grade P-5 and below in a manner that more accurately reflects the results framework. To contain costs, UNDP proposes to reduce the overall ceiling for the D-1 and higher-graded positions in the approved integrated budget by 10 percent from the limit that has been in place since 2014-2017, from 258 positions to 232.

VI. Cost recovery

74. Guided by the strategic plan 2026-2029, reinforced by the 2024 joint cost-recovery review and UNDP Business-Model Review, and consistent with the QCPR that reaffirms the principles of full cost recovery and calls for harmonized, evidence-based cost recovery policies, UNDP will further enhance its cost-recovery architecture. Measures include improving the capture of all eligible direct costs in programmes and projects, and refining differentiated indirect-cost recovery rates. Cost-recovery income comprises: (a) general management services charges on bilateral, multilateral and programme-country government resources, and (b) income for direct services provided to United Nations organizations.

75. In decision 2020/12, the Executive Board requested “UNDP and UNFPA, in collaboration with UNICEF and UN Women, to present in a harmonized way (...) the calculations of the notional cost-recovery rates in their respective integrated budget documents.” This request from the Executive Board relates to general management services, as income for services provided to United Nations organizations is UNDP-specific. For UNDP, the notional cost-recovery rate amounts to 6.4 per cent, and corresponding calculations are included in Table 5b in Annex I.

76. UNDP estimates are based on the cost-recovery methodology and cost-recovery rates recently approved by the Executive Board in decision 2024/24. Estimates concerning cost-recovery income related to general management costs are based on estimated programme delivery for 2026-2029.

77. In compliance with Executive Board decisions and UNDP financial regulations and rules, differentiated cost-recovery rates are applied by UNDP, as appropriate. Based on these approved rates, the effective average rate of cost recovery in the most recent three years (2022-2024) ranged between 6.20 per cent and 6.43 per cent. The effective average rate of cost recovery for the period 2026-2029 is projected to be 6.25 per cent and estimated to yield indirect cost-recovery revenue of \$1.1 billion over the period.

78. As reported to the Executive Board in the comprehensive review of the joint cost-recovery policy (DP/FPA-ICEF-UNW/2024/1), waivers have declined considerably, been kept to a strict minimum, and reported transparently to the Executive Board.

⁸ In 2022, \$0.9 million was drawn from regular resources for security measures. This was disclosed in the UNDP Financial report, audited financial statements for the year ended 31 December 2022, and Report of the Board of Auditors (A/78/5/Add.1).