

Box 3: The spectrum of UN grant financing instruments

The UN system mainly makes use of four financing instruments, as defined in the UN Data Standards for system-wide financial reporting. The table below sets out these four instruments, their definitions, and different sub-categories within these instruments.

Table 5: UN financing instruments and definitions

Assessed contributions		Fixed amount contributions calculated based on an agreed formula that UN Member States undertake to pay when signing a treaty.	
Voluntary core contributions		Voluntary untied contributions.	
		In-kind untied contributions – revenue transactions recorded for donations or goods and/or services, in accordance with the accounting policies of the organisation.	
Earmarked contributions	Voluntary contributions that are tied to a specific purpose	UN inter-agency pooled funds	Co-mingled contributions to multi-entity funding mechanism, not earmarked for specific UN entity; funds are held by UN fund administrator and fund allocations are made by UN-led governance mechanism.
		Single-agency thematic funds	Co-mingled contributions to single-entity funding mechanism designed to support high-level outcomes within strategic plan; single UN entity is fund administrator and takes the decisions on fund allocations.
		Revenue from global vertical funds	Contributions from 'vertically' focused funds with specific themes; funds are not directly administered by a UN entity and do not have a UN lead role in fund allocations.
		Local resources	Contributions from programme countries financed from government resources for use in support of their own development framework.
		Project/programme specific resources	Grants earmarked by the contributor to a specific programme or project, provided they do not fall within the above earmarked contribution categories.
		In-kind contributions	Revenue transactions recorded for donations or goods and/or services, in accordance with the accounting policies of the organisation, that are earmarked by the contributor to a specific programme or project.
		Other revenue – specific to the UN entity	Revenue earned directly by the UN entity, including from investments, exchange gains etc.
Revenue from other activities	Revenue linked to UN entity's other activities that is not considered a 'contribution' under the organisation's accounting policies.	Other revenue – other UN entities	Revenue earned from services to/activities performed on behalf of other UN entities.
		Other revenue – external to UN	Revenue earned from services to/activities performed on behalf of governments and others outside the UN system.

Source: Data Standards for UN System-Wide Reporting of Financial Data.