

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.
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 – specific to the UN entity	Revenue earned directly by the UN entity, including from investments, exchange gains etc.
		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.