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**United Nations
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**Annual subcommittee meeting of
the Committee of Permanent Representative
to the United Nations Environment Programme
Twelfth meeting**

Nairobi, 1 – 5 September 2025
10:00 – 13:00 and 15:00 – 18:00
Conference Room 2 (in person) and
Microsoft Teams (online)
Item 4 of the provisional agenda

Funding base of the United Nations Environment Programme

This background document has been prepared by the Secretariat to support the presentation and discussions of Agenda item 4, namely, Funding base of the United Nations Environment Programme.

The Committee is invited to take note of the presentation and provide guidance on further action needed by the Secretariat and Member States towards safeguarding and increasing core and flexible funding and widening UNEP's funding base.

1. Introduction

In today's complex global landscape, strong multilateral action is more important than ever. Climate change, biodiversity loss, and pollution are accelerating, yet solutions remain within reach – if we act together. As the UN's environmental authority, UNEP plays a vital role in providing solutions and driving this action. To deliver on its mandate, however, UNEP depends on the collective support of its Member States and other partners, and relies on their contributions for 96% of the funding on a voluntary basis.

Securing predictable, sustainable funding is essential for UNEP to play its role in achieving our common environmental goals. Core funding through the Environment Fund and other flexible funding provide the financial foundation for UNEP. They allow UNEP to strategically align its resources and respond to Member States' priorities. They are a prerequisite for effective delivery of results, even for programmes and projects mainly funded by earmarked funds.

But now UNEP operates in a difficult global financial climate. The broader UN system is facing severe funding shortfalls, leading to spending freezes and staff reductions – impacting UNEP, as well. Rising pressures on public budgets and Official Development Assistance (ODA), and multilateral commitments are reducing the resources available for environmental action, just when they are most urgently needed.

As UNEP prepares for the new Medium-Term Strategy period (2026–2029) and related Programmes of Work, these global realities and evolving expectations from funding partners affect the ways UNEP can expect to resource the delivery of the expected results. The Secretariat is revising its Resource Mobilization Strategy accordingly to reflect on how funding can be mobilized in a strategic, efficient, and sustainable manner recognising that the core and other flexible funding, in particular from the Member States, are more critical than ever.

The 12th Annual Subcommittee (ASC) meeting offers a timely moment to reflect on the current financial realities, to reaffirm the value of core and flexible funding, and to continue the constructive funding dialogue towards joint action and solutions that began at the 9th ASC meeting in 2022. It is a timely moment to celebrate the successes achieved in the past years as a foundation for tackling future challenges - UNEP today is an organisation that receives voluntary core funding from over 100 UN Member States and achieved its highest ever level of Environment Fund income in 2023 and 2024. This is a testimony to the importance of the mandate, to the relevance of UNEP and to the trust that Member States place in the organisation. It also signals a sense of ownership from a wide base, which will make the organisation more resilient to the effects of the current global financial situation.

In this session, the Secretariat will provide an update on the current funding situation, and demonstrate how core funding directly enables delivery and impact on the ground. The Secretariat will also present an outline of its new Resource Mobilization Strategy, which includes a streamlined and intensified approach to widening the base of funding partners. For example, the Secretariat will seek to secure the continued support of Member States who are already contributing, act with more intent to tap into the less active or inconsistent, and seek to bring on board who have not contributed for a long time.

Member States will be invited to provide feedback on these topics, and to provide guidance on further actions needed to protect and grow core and other flexible funding in support of the next Medium-Term Strategy (2026–2029).

For further background information on UNEP's funding and the outcome of the previous structured funding dialogues, the CPR may wish to consult the following documents:

- The [report of the first structured funding dialogue](#) presented to the 162nd CPR which was endorsed for implementation.
- The [outcome of the second structured funding dialogue](#) paragraphs 56-58 and related [concept note](#) and [presentation](#).
- The [outcome of the third structured funding dialogue](#), paragraphs 45-47 and related [concept note](#) and [presentation](#).

Further guidance for the Secretariat to organize dialogues with Member States on funding is stated as a specific activity in the “[Action Plan for the Implementation of the Paragraph 88 of the outcome document of the UN Conference on Sustainable Development](#)” (UNEP/EA.5/23) and in paragraph 29 of the [new UN Funding Compact](#).

1. Proposed Outcomes

a. Secretariat presentation

The Secretariat will present UNEP's overall financial status, funding trends and outline the challenges and opportunities for strengthening core funding to the Environment Fund. The Secretariat will also introduce the draft outline of the Resource Mobilization Strategy in support of the new MTS (2026-2029).

b. Roundtable on the leveraging power of the Environment Fund

Several short briefings will be made on the leveraging power of the Environment Fund, highlighting how core funding drives UNEP's science-policy-action-impact model.

c. Exchange of views, open discussion by CPR

Following the presentations, the CPR and other stakeholders are invited to comment on the presentations and provide guidance, as appropriate, including how to strengthen UNEP's financial basis.

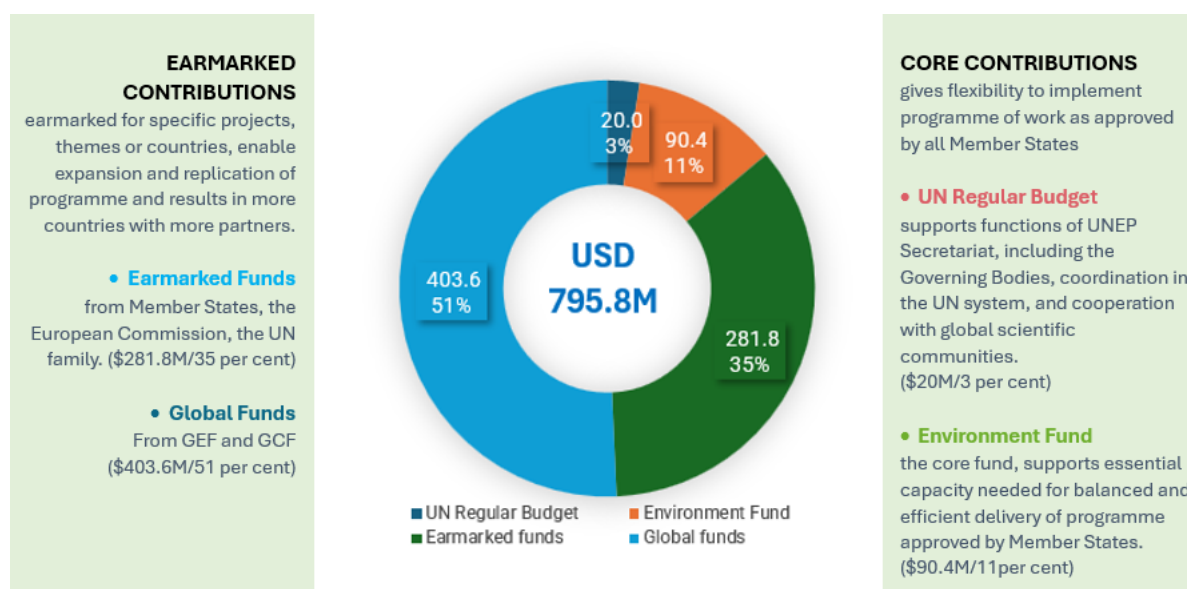
2. Background: Funding trends and situation

To provide background information for the presentation and discussion during the session, this section contains some key information on the ten-year funding trends and the funding status in 2024. More information will be provided in the presentation that will be uploaded prior to the meeting.

3.1. Overview of the current funding situation and sources of income

UNEP relies on voluntary contributions for over 95% of its operations.

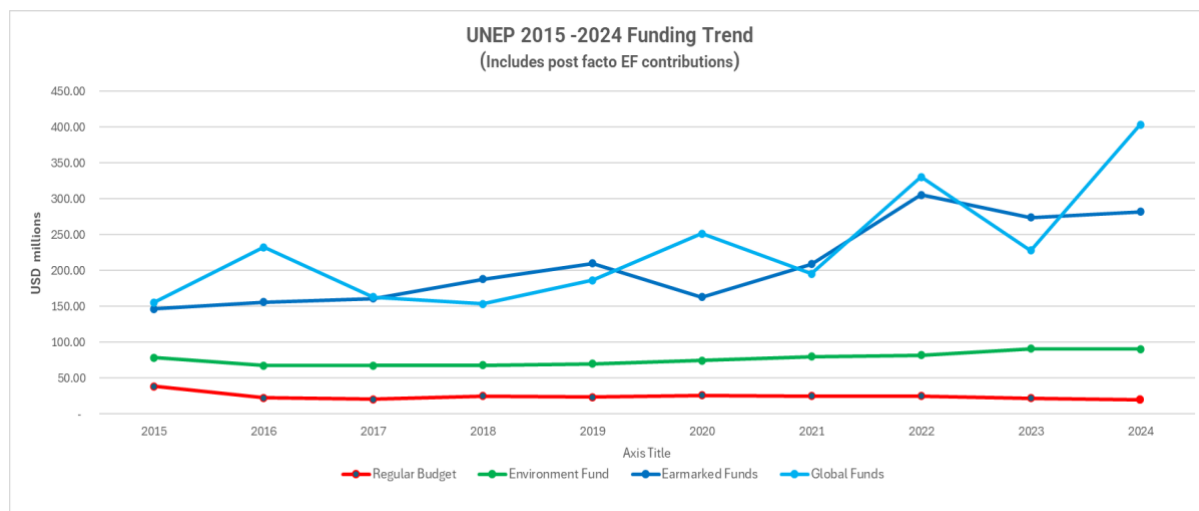
Chart 1: Main sources of income 2024



The growth of earmarked contributions has outpaced that of the core and other flexible funding. In 2024 the share of core funding (UN Regular Budget and Environment Fund) and other flexible funding (Planetary Funds and other softly earmarked funding agreements) combined amounted to USD 123.2 million or 16% of the total income. As

per the UN Funding Compact, the target for UN entities is to reach 30% share of voluntary core funding of the total voluntary funding.

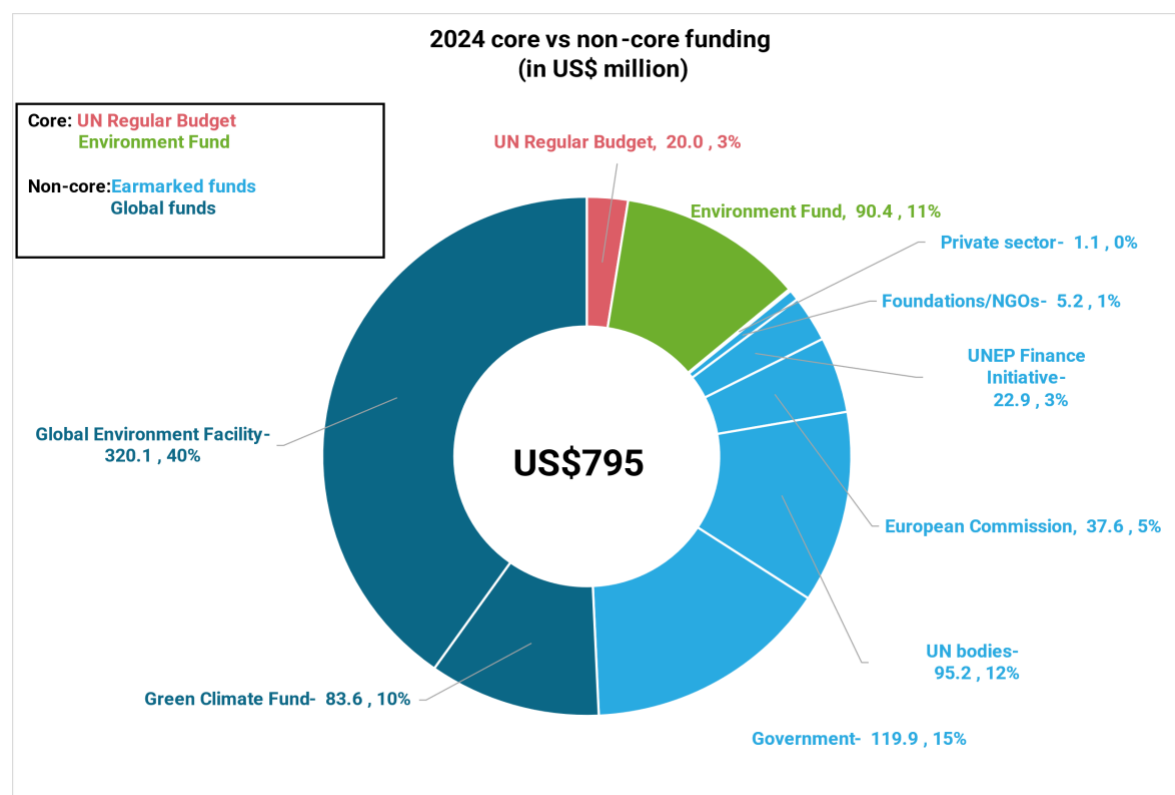
Chart 2: 2015-2024 Funding trend*



**softly earmarked funding is included as part of the total earmarked funds*

Governments provide all of the core funding to the Environment Fund, and the largest share of the earmarked funds. In 2024 direct funding from governments to UNEP amounted to USD 210.3 million which is 26% of the total income. 43% of the amount (USD 90.4 million) was for the Environment Fund, and 57% (USD 119.9 million) earmarked funding. Out of the earmarked portion, 11% was softly earmarked funding

Chart 3: 2024 Income breakdown - Core and Non-Core

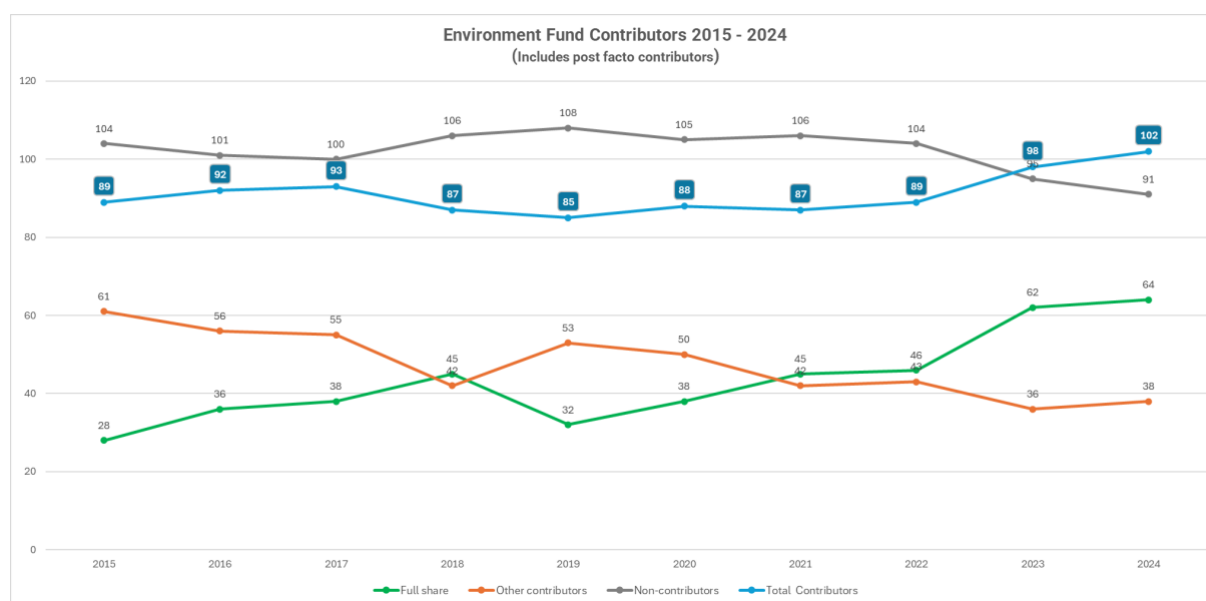


3.2. Widening funding base - Member States contributing to the Environment Fund

The number of Member States contributing to the Environment Fund has been increasing in recent years. In 2024, the number of contributors reached its highest level since 2012, the year of Rio+20 Summit that strengthened UNEP, and also exceeded the 50% mark out of a total of 193 Member States.¹

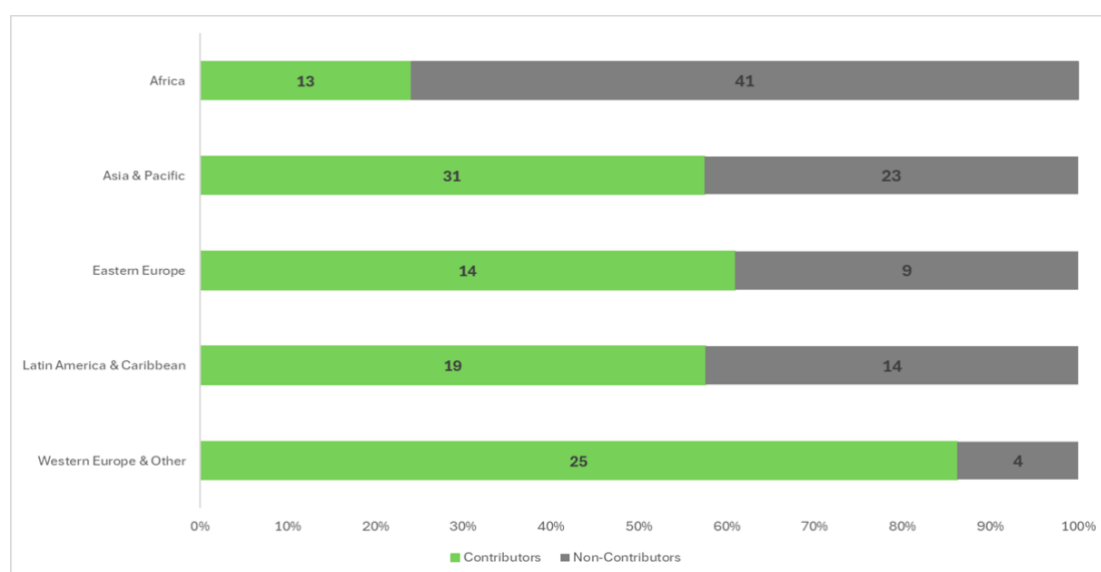
The number of Member States contributing their *full share* as per the voluntary indicative scale of contributions of the Environment Fund budget has increased both in number of Member States and as a share of the total number of contributors. In 2024, which was a record year, 64 Member States contributed their full share, and 38 Member States contributed other amounts. In other words, 63% of the contributions were at or above the full share.

Chart 4: Full share, other contributors and non-contributors 2015 – 2024 as at 31 May 2025



The headquarters and the regional offices of the Secretariat continue to work together to **strengthen the outreach** to the regional and political groups, and individual Member States.

Chart 5: Environment Fund contributions by region (2024)



¹ *counting contributions towards 2024 budget as at 31 May 2025.

3.3. Appreciation of Member States

The Secretariat has strengthened its communication and outreach efforts in recent years making solid progress in implementing recommendations aimed at increasing the visibility and recognition of funding partners.

Visibility for contributors of core funding, particularly those providing their full share under the Voluntary Indicative Scale of Contributions (VISC), as well as top contributors—continues to be prioritized through dedicated articles, presentations, speeches, and social media engagement.

In 2024, the Secretariat publicly acknowledged all contributors of their full share and the top 15 contributors to the Environment Fund on social media, recognizing a total of 66 Member States by 31 December 2024. In total, 67 Member States were thanked for contributing their full share or above.

2024 full share and above full share contributors		
Albania	Iceland	New Zealand
Armenia	Iraq	Norway
Bahamas	Ireland	Oman
Barbados	Israel	Palau
Belgium	Italy	Peru
Belize	Jamaica	Philippines
Bhutan	Jordan	Saint Kitts and Nevis
Bosnia and Herzegovina	Kenya	Saint Lucia
Cabo Verde	Latvia	Saudi Arabia
Cyprus	Lithuania	Serbia
Denmark	Luxembourg	Slovenia
Dominica	Madagascar	Somalia
Dominican Republic	Maldives	Sri Lanka
El Salvador	Malta	Sweden
Eswatini	Mauritius	Tajikistan
Fiji	Monaco	Togo
France	Mongolia	United Kingdom
Gambia	Montenegro	Uruguay
Georgia	Morocco	Vanuatu
Grenada	Nauru	Zambia
Guyana	Nepal	
Honduras	Netherlands	

2024 other contributors		
Andorra	Finland	Portugal
Australia	Germany	Republic of Korea
Austria	Hungary	Singapore
Bangladesh	India	Slovakia
Botswana	Indonesia	South Africa
Bulgaria	Japan	Spain
Cambodia	Kazakhstan	Switzerland
Canada	Kuwait	Thailand
Chile	Malaysia	Trinidad and Tobago
China	Mexico	Uganda
Costa Rica	Micronesia	United States of America
Croatia	Pakistan	Viet Nam
Czechia	Paraguay	