United Nations

DP/FPA/2026/4/Add.1)

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

Distr.: General
16 April 2026

Original: English

Annual session 2026
8 to 11 June 2026, New York
Item 13 of the provisional agenda
UNFPA – Annual report of the Executive Director

United Nations Population Fund

Statistical and financial review, 2025

Report of the Executive Director

Summary

This review summarizes the financial performance of UNFPA in 2025 and its financial position as at 31 December 2025. Figures in this report are consistent with the full accrual basis of accounting, unless stated otherwise. All figures in this document are provisional, subject to finalization of the financial statements, external audit, and, because of rounding, may not add up to the totals.

UNFPA gross contributions received for 2025 amounted to $1,459.9 million, surpassing the midterm strategic plan target of $1,366.5 million by $93.4 million (6.8 per cent), while representing an 11.9 per cent decrease from the $1,657.1 million received in 2024. Contributions received represent the total cash transferred to UNFPA within a given year. The overall decrease is attributable to significant reductions in gross contributions received for other resources and a smaller decline in regular resources. Specifically, gross contributions received for other resources decreased by $190.7 million (14.9 per cent) to $1,086.9 million, while regular resources received decreased by $6.5 million (1.7 per cent). The decrease in regular resources received was mitigated by the early receipt of the 2026 contribution from one Member State, which was received in late 2025, but intended for the following year. UNFPA appreciates the donor commitments afforded through multi-year agreements, which remain essential for effective advance planning and resource management.

UNFPA gross contribution revenue for 2025 amounted to $1,412.0 million (2024: 1,572.5 million). The decrease was due to the defunding of UNFPA by one major donor, and the revenue recognition policy under the International Public Sector Accounting Standards, which recognizes the full amount of revenue in the year the agreement is signed. As a result, other resources revenue declined in 2025 due to several donors signing multi-year agreements in 2024; as well as no new agreements being signed with one donor during the year. Conversely, revenue for regular resources increased in 2025 due to signing several multi-year agreements with donors in advance of the new UNFPA strategic plan, 2026-2029. UNFPA continues advocating with its donors to increase contributions to flexible funding sources and instruments, especially to regular resources, which remain the bedrock of UNFPA operations.

Total expenses for 2025 decreased by 4.3 per cent to $1,459.7 million (2024: $1,524.8 million) after foreign exchange gains/losses. Actual programme and institutional budget expenses increased by $18.2 million, or 1.3 per cent, in 2025 due to scaled-up programme implementation as a result of the high level of contributions received in 2024, which precipitated an increased implementation rate throughout 2025. The overall decrease in expenses is wholly due to a reduction in foreign exchange gains and losses: from a loss of $45.2 million in 2024 to a gain of $38.4 million in 2025.

Note: The present document was processed in its entirety by UNFPA.

UNFPA reserves and fund balances as at 31 December 2025 amounted to $2,598.0 million (2024: $2,522.2 million). Regular resources available for programming increased to $254.0 million as at 31 December 2025 (2024: $207.3 million), because of prudent financial management aimed at ensuring the continuity of UNFPA operations for potential funding shortages in future years. Additionally, positive returns on investment income and the receipt of an early contribution for 2026 contributed to the increase. Other resources fund balances increased to $1,597.8 million as at 31 December 2025 (2024: $1,769.9 million); this includes contributions of $508.2 million not yet collected and thus not available for spending (2024: $661.5 million).

While UNFPA closed 2025 with a positive resource mobilization performance and in strong financial health, the outlook for 2026 and beyond continues to be fluid due to changes in the geopolitical context, an increase in the need for humanitarian interventions due to protracted and emergent conflicts, and continued pressure on funding. Shifting donor priorities and operational challenges, including uncertainties around the UN80 initiative, may impact the ability of UNFPA to generate revenue and implement its intended programme activities. UNFPA will remain agile, innovative and results-oriented, adapting as required, to achieve its strategic priorities, as captured in the Strategic Plan, 2026-2029. UNFPA continues to rely on the support of its donors to provide timely inflows of predictable contribution, especially from regular resources, which are critical for enabling UNFPA operations and the achievement of its strategic results.

Elements of a decision

The Executive Board may wish to take note of the present report.

Contents

I. Introduction 4
II. Total resources 4
A. Revenue and Contributions received 4
B. Expenses 7
C. Fund balances and reserves 15
D. Integrated budget and Cost Recovery 16
III. Regular resources 17
IV. Other resources 19
V. Conclusion 21

ANNEXES

Annexes are available on the UNFPA website

Annex 1.

Table 1. UNFPA programme and institutional budget expenses in 2025, at a glance
Table 2. UNFPA programme and institutional budget expenses in 2025, by region – East and Southern Africa
Table 3. UNFPA programme and institutional budget expenses in 2025, by region – West and Central Africa
Table 4. UNFPA programme and institutional budget expenses in 2025, by region – Arab States
Table 5. UNFPA programme and institutional budget expenses in 2025, by region – Asia and the Pacific
Table 6. UNFPA programme and institutional budget expenses in 2025, by region – Latin America and the Caribbean
Table 7. UNFPA programme and institutional budget expenses in 2025, by region – Eastern Europe and Central Asia
Table 8. UNFPA programme and institutional budget expenses in 2025, by region – Global activities
Table 9. Country programmes, regional activities and institutional budget expenses, by region and recipient country/territory, for the year ended 31 December 2025
Table 10. Integrated resource plan, years 2022-2025

I. Introduction

1. This review summarizes the financial performance of UNFPA in 2025 and its financial position as at 31 December 2025. This information is provided for activities funded by both regular and other resources. All figures in this document are provisional, subject to finalization of the financial statements and external audit, and because of rounding, may not add up to the totals.

2. The UNFPA Statistical and Financial Review (SFR) 2025 has been improved to provide more streamlined and relevant information focused on contributions received, expenses incurred and fund balances, supported by the Annex, which includes disaggregated information at the regional level. Additional information on the assets and liabilities of the organization are included in the full suite of financial statements audited by the United Nations Board of Auditors; a key financial statements summary will now be included as an annex to the Structured Funding Dialogue document.

3. The figures presented have been prepared on the accrual basis of accounting, except for table 2, which presents contributions received by UNFPA (cash basis), and annex 1, table 10, which presents resource utilization in the integrated resource plan on a budgetary comparable (modified accrual) basis.

4. Throughout the report, reference is made to contribution revenue as ‘gross’ or ‘net’ and gross contributions received. Gross contribution revenue refers to the amounts specified in agreements signed with donors, recognized as revenue consistent with UNFPA accounting policies, regardless of the period of implementation and payment schedule. Net contribution revenue refers to gross contribution revenue reduced by the amount of refunds to donors, cost-recovery charges, allowances for doubtful contributions receivable, and income tax reimbursements to taxpayers of one Member State. Gross contributions received refers to amounts received by UNFPA in its bank account and applied to a specific contribution agreement.

II. Total resources

A. Revenue and contributions received

5. Gross revenue for regular and other resources is recognized in full at the time an agreement is entered into unless the agreement includes conditions and the donor has previously enforced such conditions. By nature, contribution agreements for regular resources do not contain conditions. In exceptional cases, where other resources contribution agreements include conditions, UNFPA recognizes a liability, and revenue recognition is deferred until such conditions are met. Consequently: (a) revenue for regular resources is recognized in the year the agreement is signed; and (b) the full value of the agreement has been recognized as revenue, even when the agreement is a multi-year agreement, and the amounts are intended for future years.

6. The revenue amounts presented in table 1 below are as reported in the Statement of Financial Performance for the year ended 31 December 2025.

Table 1
Gross contributions revenue for 2021-2025

	Millions of United States dollars				
	2025	*2024 (restated)*[1]	*2023*	*2022*	*2021*
Regular resources – gross revenue	538.9	231.1	364.1	482.0	525.0
Other resources – gross revenue	873.1	1,341.4	1,090.3	1,179.5	1,051.5
Total gross contributions revenue	**1,412.0**	**1,572.5**	**1,454.4**	**1,661.5**	**1,576.5**
Other resources as percentage of total contribution revenue	***61.8%***	***85.3%***	***75.0%***	***70.9%***	***66.7%***
Other revenue[2]	***210.4***	***189.1***	***222.7***	***91.5***	***112.4***

7. Revenue for regular resources in table 1 includes $330 million not yet received at the year-end but expected in future years based on the full value of agreements signed in 2025. Detailed commentary on regular resources revenue and other resources revenue is provided in section III on regular resources and section IV on other resources, respectively.

8. Other revenue increased in 2025 by $21.3 million to $210.4 million (2024: $189.1 million, restated). This category comprises mainly cost recovery charges and income generated by investments. Most of the increase was attributable to an increase in investment gains in 2025, as compared to 2024. In 2025, UNFPA also updated its statutory financial reporting to present all exchange fluctuations in a separate line item in the Statement of Financial Performance. Consequently, all foreign exchange gains and losses – previously included under 'Other Revenue' – have been reclassified, which enables a clearer presentation of other income generated. Cost recovery charges also increased in 2025, by $1.4 million to $73.2 million (2024: $71.8 million) on account of a slightly higher level of earmarked expenses in 2025 than in 2024.

9. In 2025, UNFPA recorded a notable increase of $25.6 million in investment income to $120.7 million (2024: $95.1 million). This includes an increase of $14.8 million in unrealized gains on investments held at the year end. The higher return on realized investment income was attributable to an increase of $16.1 million in equity transactions under the After Service Health Insurance (ASHI) investment portfolio, as well as an increase of $5.2 million in interest on fixed-income investments made in previous years that matured during 2025. This was partially offset by a decrease of $4.6 million in the net amount of interest earned less losses on the value of non-callable bonds. Overall, under the ASHI portfolio, the two external investment managers achieved a return rate net of fees of 13.21 per cent and 13.34 per cent, respectively. While this was less than the benchmark rate of 15.15 per cent, it drove the significant increase in equity-related income. During 2025 the financial markets started to see lower bond coupon rates for newly acquired investments towards the end of the year, but the portfolio's overall performance remained buoyed by the legacy yields of longer-term holdings, effectively insulating the year's total returns from the immediate impact of the decreasing interest rate environment.

10. Table 2 below presents gross contributions received for regular and other resources based on cash received by UNFPA in a bank account and applied to a specific contribution agreement. Contributions received are a more meaningful measure for resource planning and distribution purposes, than revenue, as contributions received are the resources that are available for spending in a given year.

[1] For 2024-2025, a separate category has been introduced in the Financial Statements for foreign exchange gains, which were previously included in 'Other Revenue'. As such, other revenue for 2024 has been restated and the impact of this restatement was a reduction in other revenue in 2024 of $3.1 million.

[2] Other revenue for 2021-2023 is stated prior to the introduction of IPSAS 41: Financial Instruments. Given this change and the change in footnote 1, the figures for other revenue in 2021-2023 are not fully comparable to 2024-2025.

Table 2
Gross contributions received for 2022-2025

	Millions of United States dollars			
	2025	*2024*	*2023*	*2022*
Regular resources – gross	373.0	379.5	383.9	437.0
Other resources – gross	1,086.9	1,277.6	1,013.7	1,040.9
Total gross contributions received	**1,459.9**	**1,657.1**	**1,397.6**	**1,477.9**
Other resources, as percentage of total contributions	***74.5%***	***77.1%***	***72.5%***	***70.4%***

11. In 2025, UNFPA gross contributions received surpassed $1.0 billion for the ninth year in a row.

12. Gross contributions received for regular resources were $373.0 million (2024: $379.5 million), exceeding the strategic plan target in the midterm review of $330.0 million by 13.0 per cent. In 2025, UNFPA received contributions from 73 donors for regular resources (2024: 83 donors), of which the top 10 donors represented 85.8 per cent (2024: 85.2 per cent).

13. Despite a challenging first half of 2025 and the loss of a significant donor, $206.2 million, or 55.3 per cent, of regular resource contributions were received by UNFPA during the first half of the year (2024: $233.5 million, or 61.5 per cent). UNFPA appreciates early payment of donor contributions as this facilitates more effective management of financial resources by the organization. UNFPA will continue to advocate with donors for early payment of their contributions.

14. Gross contributions received for other resources were $1,086.9 million (2024: $1,277.6 million), enabling UNFPA to surpass its strategic plan targets in the midterm review of $1,036.5 million by 4.9 per cent.

15. Contributions received for thematic trust funds and pooled funds increased by $22.5 million, or 8.7 per cent, to $281.1 million (2024: $258.6 million). Resources received through other United Nations organizations decreased marginally by $1.8 million, or 1.3 per cent, to $141.1 million (2024: $142.9 million). These contributions comprised 13.0 per cent of other resources, reflecting UNFPA's strategic value and key role in the United Nations system as well as its strong commitment to United Nations development system reform. Contributions received for tightly earmarked funding instruments decreased by $240.3 million, or 24.4 per cent, to $744.4 million (2024: $984.7 million), mainly due to the defunding by a major donor in 2025. Tightly earmarked funding represented 70.9 per cent of the 2025 gross contributions received for other resources (2024: 77.1 per cent) and 51.0 per cent of all contributions received (2024: 59.6 per cent).

16. In 2025, the share of regular resources as a percentage of total gross contributions received increased positively to 25.6 per cent (2024: 22.9 per cent). Despite the increase, the share of regular resources still fell short of the United Nations Funding Compact target of 30.0 per cent (A/74/73/Add.1). While both core and non-core contributions received are appreciated by UNFPA, a concern remains – as highlighted in the Structured Funding Dialogue at the Executive Board second regular session 2025 – that the percentage of regular resources remains below the United Nations Funding Compact target. This situation impacts programme flexibility, creates higher administrative costs, and presents challenges and risks to programme planning, implementation and continuity.

17. UNFPA continues to advocate with its donors, including through the structured funding dialogue, to increase contributions to flexible funding sources and instruments, especially to regular resources, which remain the bedrock of UNFPA operations.

B. Expenses

18. Total expenses decreased by $65.1 million, or 4.3 per cent, in 2025, as summarized in table 3 below. This comprised an increase of $18.3 million in total expenses before exchange gains/losses due to marginally increased implementation across of the programme budget and the institutional budget in 2025. This increase is offset by a net change of $83.6 million, stemming from a foreign exchange loss in 2024 of $45.2 million, compared to a foreign exchange gain of $38.4 million in 2025.

Table 3
Total expenses

	Millions of United States dollars		*Percentage*	
	2025	*2024 (restated)*	*2025*	*2024 (restated)*
Programme and institutional budget	**1,473.3**	**1,455.1**	**98.3**	**98.3**
Country programmes, global and regional programmes (GRP) and other programme activities	1,257.1	1,247.4	83.9	84.3
Institutional budget – gross	216.2	207.6	14.4	14.0
Corporate	**24.8**	**24.6**	**1.7**	**1.7**
Corporate	24.8	24.6	1.7	1.7
Total expenses before exchange gains/losses	**1,498.0**	**1,479.7**	**100.0**	**100.0**
Foreign exchange (gains)/losses	(38.4)	45.2		
Net total expenses	**1,459.7**	**1,524.8**		

19. Expenses from programme and institutional budget resources incurred in furtherance of development outcomes and organizational effectiveness and efficiency outputs, as reflected in the integrated results and resources framework of the UNFPA Strategic Plan, 2022-2025, are summarized in tables 4 and 5 below. Programme and institutional budget expenses by region are summarized in table 6. As a result of the midterm review of the Integrated Budget, finalized in 2024, the Executive Board endorsed a revised set of indicative resource targets aligned with the outcomes and outputs of the strategic plan, 2022-2025. These revised targets are included in table 4 and table 5 below.

[3] For 2024-2025, a separate category has been introduced in the Financial Statements for foreign exchange gains and losses. Previously foreign exchange losses were included, within each category, in table 3 and in 'total expenses'. Table 3 now refers to 'total expenses before exchange losses' and as such, total expenses for 2024 has been restated. The impact of this restatement was a reduction of $48.3 million in total expenses before exchange losses. This was moved to the new line on foreign exchange (gains)/losses and netted with $3.1 million in exchange gains, previously included in other income for a net impact of $45.2 million in expenses (net foreign exchange losses).

Table 4
Programme and institutional budget expenses, by outcomes of the integrated results and resources framework

	Indicative resources 2022–2025		Actual 2025	Cumulative 2022-2025	
	USD millions	*Percentage*	*USD millions*	*USD millions*	*Percentage*
Outcome 1: The reduction in the unmet need for family planning accelerated	2,078.2	40.0	453.0	1,702.3	34.3
Outcome 2: The reduction of preventable maternal deaths accelerated	1,819.1	35.0	342.9	1,334.1	26.9
Outcome 3: The reduction in gender-based violence and harmful practices accelerated	1,299.1	25.0	435.6	1,925.6	38.8
Total	**5,196.4**	**100.0**	**1,231.5**	**4,962.1**	**100.0**
Organizational effectiveness and efficiency (OEE)	910.6		241.8	894.0	
Total	**6,106.8**		**1,473.3**	**5,856.1**	

Table 5.
Programme and institutional budget expenses, by outputs of the integrated results and resources framework

	Indicative resources 2022-2025		Actual 2025		Cumulative 2022-2025	
	USD millions	*Percentage*	*USD millions*	*Percentage*	*USD millions*	*Percentage*
Development outputs						
Output 1: Policy and accountability	467.7	9.0	82.4	6.7	366.2	7.4
Output 2: Quality of care and services	1,818.7	35.0	607.3	49.3	2,260.2	45.5
Output 3: Gender and social norms	467.7	9.0	195.7	15.9	823.2	16.6
Output 4: Population change and data	623.6	12.0	96.4	7.8	352.5	7.1
Output 5: Humanitarian action	1,558.9	30.0	154.7	12.6	753.2	15.2
Output 6: Adolescents and youth	259.8	5.0	95.0	7.7	406.4	8.2
Subtotal	**5,196.4**	**100.0**	**1,231.5**	**100.0**	**4,962.1**	**100.0**
Organizational efficiency and effectiveness outputs (OEE)						
OEE1: Improved programming for results	204.3	22.4	38.5	15.5	191.2	21.4
OEE2: Optimized management of resources	531.1	58.3	158.7	65.9	525.8	58.8
OEE3: Expanded partnerships for impact	175.2	19.2	44.6	18.5	177.0	19.8
Subtotal	**910.6**	**100.0**	**241.8**	**100.0**	**894.0**	**100.0**
Total	**6,107.0**		**1,473.3**		**5,856.1**	

Table 6
Programme and institutional budget expenses, by region

	Millions of United States dollars		*Percentage*	
	2025	*2024 (restated)*[a]	*2025*	*2024 (restated)*[a]
Country and regional offices activities	**1,140.0**	**1,159.7**	**77.4**	**79.7**
East and Southern Africa	257.0	247.3	17.4	17.0
West and Central Africa	203.0	199.7	13.8	13.7
Arab States	234.8	228.2	15.9	15.7
Asia and the Pacific	255.9	277.3	17.4	19.1
Latin America and the Caribbean	96.1	93.5	6.5	6.4
Eastern Europe and Central Asia	93.1	113.6	6.3	7.8
Global activities[4]	**333.3**	**295.4**	**22.6**	**20.3**
Total programmes and institutional budget	**1,473.3**	**1,455.1**	**100.0**	**100.0**

[a] Restatement for presentation of foreign exchange gains and losses, similar to table 3 above.

20. UNFPA remains committed to directing maximum resources towards supporting its field office operations. In 2025, $1,140.0 million, or 77.4 per cent, of the total programme and institutional budget expenses were incurred in the field [2024 (restated): $1,159.6 million, or 79.7 per cent]. Given the cross-cutting nature of outcomes and outputs in the UNFPA strategic plan, it is important to note that the humanitarian response-related expenses are reflected in all outputs of the strategic plan, not just in output 5.

21. Four regions incurred higher expenses in 2025, as compared to 2024. This comprised the East and Southern Africa region (an increase of $9.7 million, or 3.9 per cent), the Arab States region (an increase of $6.6 million, or 2.9 per cent), the West and Central Africa region (an increase of $3.3 million, or 1.7 percent) and the Latin America and the Caribbean region (an increase of $2.6 million or 2.8 per cent).

22. The other two regions incurred lower expenses in 2025, as compared to 2024. The largest decrease was recorded in the Asia and Pacific region (a decrease of $21.4 million, or 7.7 per cent); closely followed by the Eastern European and Central Asia region (a decrease of $20.5 million, or 18.0 per cent).

23. The increase in expenses in the Eastern and Southern Africa region was due to increases incurred in Mozambique (an increase of $6.8 million, or 35.1 per cent), mainly driven by sexual and reproductive health (SRH)and gender-based violence (GBV) services activities, including “My Decision, My Future”: Youth Take the Lead on Sexual and Reproductive Health in Mozambique; the Democratic Republic of Congo (an increase of $6.1 million, or 19.6 per cent), for enhanced capacity for preparedness and early action in humanitarian contexts and prepositioning of SRH commodities for health care facilities and mobile clinics, and Tanzania (an increase of $4.0 million or 28.2 per cent); with a large decrease recorded in Kenya of $7.2 million, or 40.6 per cent. This was largely due to the implementation of a new Development Impact Bond for adolescent sexual and reproductive health in Kenya that was launched in 2024. This innovative Bond was designed to fund the delivery of high-quality, adolescent and youth-friendly SRH services, including HIV testing and treatment, to adolescent girls aged 15-19 years.

[4] Expenses for global programmes includes the cost of reproductive health commodities procured by the UNFPA Supplies Partnership programme for distribution to country offices for an amount of $155.7 million in 2025 and $117.6 million in 2024.

24. The increase in expenses in the Arab States region was due to a mix of increases and decreases within expenses incurred in the countries. The largest change in expenses was incurred in the State of Palestine (an increase of $28.3 million, or 115.7 per cent) primarily for high-quality SRH services and the establishment of GBV services through mobile safe spaces in Gaza; and the Syrian Arab Republic (an increase of $5.8 million, or 21.0 per cent). However, decreases were recorded in the Republic of Iraq (a decrease of $8.7 million, or 56.7 per cent) following the completion of the 2024 national population census. In the Republic of Yemen, a decrease of $11.7 million, or 24.1 per cent, was recorded largely due to the loss of humanitarian funding from a major donor to support critical integrated reproductive health and GBV interventions.

25. The slight increase in expenses in the West and Central Africa region was due to a mix of increases and decreases within country expenses. The largest change in expenses were incurred in Nigeria (an increase of $15.2 million, or 76.6 per cent) for distribution of SRH and emergency response commodities, followed by Burkina Faso (an increase of $5.8 million, or 44.8 per cent). These increases were offset by decreases in Cameroon (a decrease of $7.9 million, or 41.4 per cent), largely due to the high volume of spending for the Sahel Women's Empowerment and Demographic Dividend Project (SWEDD 2) project in the previous year; Chad (a decrease of $7.4 million, or 37.3 per cent); and Mali (a decrease of $4.3 million, or 24.0 per cent).

26. Expenses in the Latin America and Caribbean region remained broadly similar at the regional level, but notable changes within country expenses include Peru (an increase of $7.6 million, or 288.0 per cent) to support the 2025 National Population Census; Guatemala (a decrease of $2.9, or 45.6 per cent); and Venezuela (a decrease of $2.5 million, or 27.1 per cent).

27. The decrease in expenses in the Asia and Pacific region was substantially due to decreases in the following country expenses: Afghanistan (a decrease of $17.5 million, or 18.5 per cent), largely due to the loss of humanitarian funding from two major donors towards mainstreaming SRH and GBV in humanitarian emergencies and for access to comprehensive maternal health services activities; Bangladesh (a decrease of $8.4 million, or 21.0 per cent), due in part to loss of funding from a major donor towards the maternal morbidity and mortality and unmet need for family planning; and Pakistan (a decrease of $1.5 million, or 7.1 per cent).

28. The decrease in expenses in Eastern Europe and Central Asia region was due to decreases primarily driven by the loss of major donor funding in Ukraine (a decrease of $22.8 million, or 45.0 per cent); Moldova (a decrease of $4.2 million, or 25.8 per cent); and Türkiye (a decrease of $3.2 million, or 28.0 per cent). This was partially offset by an increase in expenses in Uzbekistan (an increase of $11.7 million, or 363.5 per cent) towards reducing maternal and infant mortality and morbidity. The Azerbaijan country office was closed in 2025.

29. Expenses for global activities increased by $37.9 million to $333.3 million, mainly driven by increased procurement of reproductive health commodities performed centrally by the UNFPA Supplies Partnership for subsequent delivery to and distribution to beneficiaries in the programme's priority countries. The organization concluded the implementation of its headquarters optimization initiative at the end of 2025, noting that the final premises for staff in Nairobi will be completed in 2026. In 2025, UNFPA also completed, within budget and on time, its move to new headquarters premises in New York.

30. The business model of the UNFPA Strategic Plan, 2022-2025, classifies all countries/territories where UNFPA operates into three tiers (I, II and III), depending on whether no transformative results have been achieved (Tier I), two transformative results have not been achieved (Tier II), or at least one transformative result has been achieved (Tier III).[5]

[5] UNFPA tier definition and classification, as well as the business model are provided in the UNFPA Strategic Plan, 2022-2025, in Executive Board document DP/FPA/2021/8.

Table 7
Programme and institutional budget expenses, by tier

	USD millions	*Percentage*	*USD millions*	*Percentage*
	2025	*2025*	*2024*[a]	*2024*
Country expenses	**1,063.2**	**72.2**	**1,103.9**	**74.5**
Tier I	686.2	46.6	726.4	49.0
Tier II	228.3	15.5	209.5	14.2
Tier III	127.8	8.7	146.6	9.9
Multi-country programmes	20.8	1.4	21.4	1.4
Global and regional programmes	**410.1**	**27.8**	**378.1**	**25.5**
Regional	76.8	5.2	73.6	5.0
Global	333.3	22.6	304.5	20.5
Total programmes and institutional budget	**1,473.3**	**100.0**	**1,482.0**	**100.0**

[a] 2024 foreign exchange losses under the programme and institutional budget of $26.9 million are not restated by tier level due to the complexity required; however, the impact is immaterial for comparison purposes (2024 adjusted: $1,455.1 million).

31. In line with the strategic plan, 2022-2025, UNFPA continues to allocate a minimum of 60 per cent of country programme regular resources to Tier 1 countries. Despite the 1.7 per cent decrease in total regular resources received in 2025, Tier I countries spent 65.1 per cent of country programme regular resources.

32. Programme expenses funded from regular resources in 57 countries/territories (2024: 58 countries) classified as either 'least developed' or 'landlocked developing countries' (LLDCs) amounted to $118.3 million in 2025 (2024: $124.9 million), or 44.1 per cent of total programme expenses funded from regular resources (2024: 45.3 per cent). This represents a decrease of $6.6 million, or 5.3 per cent, in the percentage of total programme expenses funded from regular resources; this is driven by less available regular resources due to lower contributions received, as well as the graduation of one country between 2024 and 2025. However, programme expenses in LLDCs funded from other resources and the institutional budget increased from $543.6 million in 2024 to $568.2 million in 2025, or 4.5 per cent, resulting in a combined increase of $18.0 million, or 2.7 per cent, to $686.5 million (2024: $668.5 million).

33. Programme expenses in 'small island developing States' (SIDS, including those classified as 'least developed') funded from regular resources amounted to $14.6 million in 2025, 18.4 per cent less than the $17.9 million spent in 2024. However, programme expenses in SIDS funded from other resources and the institutional budget increased by $5.7 million, or 15.9 per cent, to $41.6 million (2024: $35.9 million), partly mitigating the decrease in expenses funded from regular resources.

34. Expenses for humanitarian interventions decreased to $566.9 million, or 45.1 per cent (2024: $661.5 million, or 51.9 percent). The defunding by a major donor in 2025 was the primary cause for an overall decrease in humanitarian expenses despite UNFPA humanitarian programming remaining in demand and underfunded. Most humanitarian expenses were incurred for outcome 3 (reduction in gender-based violence and harmful practices): $257.9 million (or 45.5 per cent). In terms of outputs, most humanitarian expenses were incurred for output 2 (quality care and services), $234.2 million (41.3 per cent) and output 5 (humanitarian action), $151.1 million (26.7 per cent).

35. UNFPA continues to prioritize gender equality and the empowerment of women and girls in its programme activities. In 2025, $841.1 million, or 66.9 per cent, of total programme expenses were incurred to further activities that either had gender equality/women's empowerment as their primary objective or made a significant contribution to gender equality (2024: $754.7 million, or 59.2 per cent).

36. UNFPA works closely with country programme governments and national and international non-governmental organizations to implement its programme activities. Total programme expenses incurred by these partners decreased in 2025, albeit the percentage spent remained similar across years. Expenses incurred by these partners amounted to $411.8 million, or 32.8 per cent of total programme expenses (2024: $435.8 million, or 34.2 per cent).

37. Reflecting UNFPA commitment to the advancement of the United Nations development system reform and collaboration with other United Nations organizations, expenses for programme activities implemented through other United Nations organizations in 2025 amounted to $9.3 million (2024: $10.0 million). In 2025 the largest share of expenses with United Nations partners were incurred by United Nations Children's Fund (UNICEF), UNOPS and the World Health Organization (WHO), collectively $5.1 million, or 55.1 per cent. This was a slight change from 2024 when the largest share of expenses with United Nations partners were incurred by UNICEF, UNOPS, UN-Women and the World Food Programme (WFP), collectively $6.4 million, or 59.4 per cent.

38. The cost of the collection and management of the resident coordinator system levy under the agency-administered option has been estimated at $171,681 (2024: $155,000) and continued to be managed within the existing administrative resources, following the processes established in 2020.

39. Annex 1, tables 1 through 8, present further details of the programme and institutional budget expenses by outcome, output and tier of the UNFPA strategic plan, 2022-2025, and by region, type of assistance, implementation modality and the gender marker; and annex 1, table 9 provides a breakdown of 2025 expenses by country/territory.

Table 8: **Total expenses, by nature**

	Millions of United States dollars		*Percentage*	
	2025	*2024 (restated)*[a]	*2025*	*2024*
Staff costs	**427.4**	409.7	**28.5**	27.7
Contracted and professional services	**308.3**	346.4	**20.6**	23.4
Programme supplies and cash assistance[6]	**298.7**	249.9	**19.9**	16.9
Supplies, materials and operating costs	**236.9**	238.6	**15.8**	16.1
Development and training of counterparts	**142.9**	137.5	**9.5**	9.3
Travel	**48.6**	63.7	**3.2**	4.3
Other general expenses[7]	**35.3**	33.8	**2.4**	2.3
Expenses before foreign exchange (gains)/losses	**1,498.1**	**1,479.6**	**100.0**	**100.0**
Net foreign exchange (gains)/losses	**(38.4)**	45.2		
Total expenses by nature	**1,459.7**	**1,524.8**		

a Restatement for presentation of foreign exchange gains and losses, similar to table 3 above. The total impact was $45.2 million moved from other general expenses. Consequently, total expenses by nature in 2024 and reported in the prior year's Statistical and Financial Review (DP/FPA/2024/4 (Part I/Add.1) reduced from $1,528.0 million to $1,524.8 million.

40. Staff costs increased by $17.7 million, or 4.3 per cent, to $427.4 million (2024: $409.7 million). The increase was mainly attributable to salary and post adjustment costs for staff employed under International Professional contracts (increase of $9.9 million), salary costs for staff employed under General Service contracts (increase of $2.9 million), salary costs for staff employed under the National Officer contracts (increase of $2.8 million), as well as an increase in contributions to the pension fund of $2.3 million across all staff categories.

[6] Programme supplies and cash assistance consist of reproductive health and other programme supplies as well as cash assistance programmes

[7] Other general expenses includes depreciation, amortization, impairment and finance costs. Foreign exchange gains and losses are now removed from this line and presented separately, to improve transparency and comparability.

41. These increases were partly attributable to the reassignment of staff to the new office in Nairobi, Kenya as part of the headquarters optimization initiative ($3.4 million). The one-time costs associated with the initiative were strategic investments designed to drive benefits from the integration of UNFPA technical and programme functions and the new organizational structure. While the initiative was not driven by cost savings, savings are visible and already incorporated in the next strategic plan/integrated budget cycle for 2026-2029.

42. Additionally, the overall increase in staff costs was attributable to the Office of Audit and Investigation Services, $8.1 million (an increase of $1.3 million, or 19.8 per cent), and to the change in the salary scale for a number of locations. The International Civil Service Commission and the United Nations Secretariat issued revised salary scales for internationally and locally recruited staff positions across several locations in response to sustained inflationary pressures. This, combined with the appreciation trend of various local currencies against the United States dollar, resulted in increased global salary costs during the reporting period. In addition, the global vacancy rate was reduced by 1.0 per cent between 2024 (12 per cent) and 2025 (11 per cent), contributing to a higher level of salary costs.

43. Expenses for contracted and professional services decreased by $38.1 million (11.0 per cent) to $308.3 million (2024: $346.4 million). This category continued to be used for contracting entities and personnel who deliver integrated sexual and reproductive health services, including in family planning, maternal health and newborn care, and gender-based violence prevention and response services. The largest cost for contracted and professional services remained salaries for implementing partners, which represented $149.7 million, or 48.6 per cent of total costs (2024 restated: $166.7 million, or 48.1 per cent), and a $17.0 million reduction year on year. UNFPA also transitioned Service Contract holders to a new Local Service Contract modality. This strategic shift effectively aligns UNFPA with broader United Nations system changes, moving affiliate personnel to the Partner Personnel Services Agreement administered externally by UNDP. The increase in staff-related costs is primarily driven by the structured remuneration and benefits framework inherent to the Local Service Contract modality, and $17.2 million was recorded in this new category in 2025.

44. The programme supplies and cash assistance category now combines expenses for cash assistance programmes and reproductive health and other programme supply costs. Expenses for this category increased by $48.8 million, or 19.5 per cent, to $298.7 million (2024: $249.9 million) consistent with a higher level of distribution of inventory for reproductive health commodities and humanitarian supplies. The top 10 destinations for 2025 distribution of health commodities and programme supplies to implementing partners and beneficiaries in 2025 amounted to $152.1 million, or 48.1 per cent of total commodities delivered (2024: $118.3 million, or 49.0 per cent). Overall expenses within cash assistance programmes increased by $0.9 million, or 9.9 per cent, to $9.7 million (2024: $8.8 million), with increased and new activities in Haiti, Sudan and Lebanon, while lower implementation was noted in the State of Palestine.

45. Expenses for supplies, materials and operating costs decreased by $1.7 million, or 0.7 per cent, to $236.9 million in 2025, as compared to $238.6 million in 2024. This category covers transportation and distribution; rent, repairs and maintenance costs; publications; and other operating costs. Transportation and distribution increased by $11.7 million, largely due to significant logistical expenses in response to emergencies in various UNFPA offices, including Afghanistan, the Democratic Republic of Congo, Peru, the State of Palestine and Sudan. Expenses for supplies and materials also increased by $1.6 million, driven by a $4.2 million increase in information and communication Technology equipment purchased in Peru, which reflected a strategic shift from simple hardware procurement to implementation of a comprehensive digital ecosystem for the 2025 national census. Similarly, an increase of $3.5 million was recorded for furniture, information technology equipment and supplies related to the Nairobi headquarters and New York office relocations. These increases were offset by similarly large decreases in printing, publications and media costs of $4.1 million and a net $11.6 million reduction, driven mainly by lease or rent expenses previously recorded under IPSAS 13, across several UNFPA offices. The reported decrease in lease expenses is primarily attributable to the implementation of IPSAS 43: Leases, which requires a shift in how lease obligations are recognized. Specifically, the $9.1 million reduction in premises and vehicle lease costs is the result of reclassifying

these contracts as 'right-of-use' (ROU)[8] assets. Consequently, these costs are now recognized as depreciation of the ROU assets and the associated finance costs related to the lease liability, instead of being recorded as an expense under lease or rent expenses line (see para 48).

46. Expenses for the development and training of counterparts increased in 2025 by $5.4 million, or 3.9 per cent, to $142.9 million (2024: $137.5 million). Programmes with significant expenses all above $4.0 million included the Democratic Republic of the Congo, Ethiopia, Nigeria, South Sudan, Sudan, Tanzania and Uganda. Programme activities represent training activities designed to prevent and respond to gender-based violence and support sexual and reproductive health, and the empowerment of youth. Despite the increases noted in this category, some countries noted a scale-down in activities and lower expenses, such as in Afghanistan, Ukraine and Republic of Yemen, as the emergency context shifted and, in some cases, funding from other resources came to an end.

47. Expenses for travel decreased significantly by $15.1 million, or 23.7 per cent, to $48.6 million in 2025 (2024: $63.7 million). These expenses represent the amount spent on travel by UNFPA as well as its United Nations, non-governmental organization and government implementing partners in monitoring and implementing programmes. The decrease between 2024 and 2025 was wholly attributable to reducing UNFPA travel costs by $15.6 million to $31.6 million (2024: $47.2 million). The significant decrease in travel-related expenditures for 2025 is a direct result of the travel reduction measures requested by the Office of the Executive Director in 2025. While costs for local travel were reduced only marginally by $2.7 million, due to ongoing essential implementation and monitoring of field programmes, the heavy reduction in international travel and increase in virtual meeting participation demonstrates the successful implementation of the goal to reduce official travel. This picture is also consistent with the organization's efforts to support the UNFPA environmental efficiency strategy and its commitment to reducing emissions, while maintaining programme oversight, accountability and visibility in the responsible use of voluntary resources.

48. Other general expenses include finance costs, such as bank charges, depreciation from fixed assets, amortization from intangible assets, impairment losses, expenses related to premises where the right to use the asset has been donated by a government, expenses for doubtful accounts and write offs for assets other than contributions receivable. Effective 2025, this category also includes the depreciation associated with ROU assets under IPSAS 43 Leases, previously represented under operating leases (rent expenses, as a part of supplies, materials and operating costs). In addition, in 2025, foreign exchange gains and losses are now captured as a stand-alone line, to remove the significant inherent fluctuations in this category and enhance transparency and comparability. Expenses in the other general expenses category[9] increased slightly by $1.5 million to $35.3 million from $33.8 million (2024 restated); however, there were significant fluctuations within the category. New provisions for doubtful accounts, which are charged to expenses, decreased from $15.5 million in 2024 to $6.4 million in 2025. This includes new provisions for operating fund advances, provisions for unsupported amounts from assurance activities as well as provisions for amounts advanced for third-party procurement. Conversely, depreciation charges increased by $8.8 million to $17.9 million (2024: $9.1 million) resulting from the adoption of IPSAS 43 leases and the accounting for donated ROU assets (see para 48).

49. With the introduction of a new category for foreign exchange gains and losses in 2025, UNFPA recorded a net exchange gain of $38.4 million in 2025, compared to a net foreign exchange loss of $45.2 million in 2024, representing a total positive variance of $83.6 million. A significant proportion of multi-year contribution agreements are signed with donors in local currency, different from the UNFPA reporting currency of United States dollars (USD). Contributions expected to be received in a future year are revalued at year end to accurately state the expected amount in USD. Given the notable change in the exchange rates against the USD during 2025, this resulted in a notable unrealized foreign exchange gain at year end, which was mainly driven from agreements signed in Euros, Swedish krona, Canadian dollars and the Danish kroner.

[8] Following the adoption of a new accounting standard (IPSAS 43) in 2025, most office and vehicle rents are no longer recorded as a simple 'lease expense'. Instead, they are now treated as 'right-of-use' (ROU) assets that decrease in value over time (depreciation).

[9] The analysis of other general expenses is based on a comparison of the expenses for 2025 against the restated 2024 figures after foreign exchange gains and losses have been reclassified to a separate category.

C. Fund balances and reserves

50. Reserves and fund balances as at 31 December 2025 increased by 3.0 per cent to $2,598.0 million (2024: $2,522.2 million).

Table 9
Reserves and fund balances

	Millions of United States dollars	
	2025	*2024*
Operational reserve	74.6	75.9
Humanitarian response reserve	5.5	5.5
Reserve for field accommodation	5.0	5.0
Designated regular resources fund balances	73.8	90.4
Undesignated regular and other resources fund balances		
Regular resources	841.3	575.5
Other resources	1,597.8	1,769.9
Total	**2,598.0**	**2,522.2**

51. The operational reserve, set at 20.0 per cent of net annual regular resource contributions received, as established in the UNFPA financial regulations and rules, decreased by $1.3 million, or 1.7 per cent, to $74.6 million, as at 31 December 2025 (2024: $75.9 million), on account of the lower level of contributions received for regular resources in 2025. The methodology for calculating the operational reserve remains the same as in 2024, which is based on net contributions received. This is to ensure that the reserve level can be held in irrevocable and immediately available liquid assets, as required.

52. The humanitarian response reserve,[10] which operates as a revolving fund, was used to provide $4.7 million in pre-financing for humanitarian activities (2024: $6.1 million) while remaining within the level approved by the Executive Board. All pre-financing issued in 2025, except for $0.15 million issued in December 2025, was closed and completed by year end.

53. The reserve for field accommodation, which also operates as a revolving fund, was used to provide $0.9 million in funding (2024: $1.3 million) for leasehold improvements, including the headquarters relocation and renovation, as well as renovation and refurbishment of office spaces in Afghanistan, Papua New Guinea, Peru and Sierra Leone. The reserve was replenished to the level approved by the Executive Board ($5.0 million).

54. Designated regular resources fund balances are funds set aside by management for special purposes and not available for programming. This includes fund balances for: (a) supply-chain management services; (b) cost recovery above the budgeted level; (c) information technology transformation; and (d) a private endowment trust. The collective balance of these funds decreased by $16.6 million, or 18.4 per cent, to $73.8 million as at 31 December 2025 (2024: $90.4 million), owing to a transfer of $11.0 million in cost recoveries above the budgeted level to the programmable fund balance; expenses of $1.8 million used in the design and implementation of the UNFPA information technology transformation strategy; and $3.9 million in expenses assigned from a private endowment trust.

55. Undesignated regular resources comprise: (a) the programmable fund balance[11] of $628.3 million (2024: $416.5 million); and (b) ASHI and employee benefits funds of $213.0 million (2024: $158.9 million). Collectively, these increased by $265.9 million, or 46.2 per cent, to $841.3 million (2024: $575.5 million). The programmable fund balance includes amounts recognized as revenue upfront on signing multi-year agreements (2025: $329.9 million) but that will be transferred

[10] The humanitarian response reserve was established by the Executive Board to serve as a source of pre-financing resources for emergency relief interventions, pending the receipt of funding committed in signed donor agreements. The reserve is replenished once donor funding is received.

[11] Undesignated fund balances includes undepreciated property, plant and equipment, intangible assets, right of use asset balances, undistributed inventory, donated right to use assets, outstanding contributions receivables etc.

by donors to UNFPA in a future year. As such, a significant portion of the programmable fund balance is attributable to future years and is not yet held in cash. The increase in undesignated regular resources was due to the following: excess revenue over expenses of $193.2 million for the programmable fund balance[12]; release of $1.3 million from the operational reserve, given the decrease in regular resources received in 2025; partially offset by the replenishment of the reserve for field accommodation of $0.9 million; net transfers of $18.2 million, primarily from cost recovery above the budgeted level to the programmable fund balance; excess investment income over expenses for post-employment benefits (repatriation and ASHI) of $51.5 million and; an actuarial gain of $2.6 million on the post-employment benefits liability.

56. The excess investment income over expenses for ASHI and other end-of-service benefits of $51.5 million comprises investment income of $55.0 million (of which $25.6 million was unrealized at year end) and foreign exchange gains of $0.6 million, partially offset by $4.2 million for the release of excess funding for the annual leave liability less fees charged by the investment manager companies. The employee benefits liability, comprising ASHI and other end-of-service benefits, is fully funded at the end of 2025, based on the full actuarial valuation completed for the year end.

57. Total regular resources funds available for programming (i.e. programmable fund balance adjusted for undepreciated property, plant and equipment, intangible assets, right of use assets, undistributed inventory, donated right to use assets and outstanding contributions receivable), as at 1 January 2026, increased by 22.5 per cent to $254.0 million (2024: $207.3 million), because of prudent financial management aimed at ensuring the continuity of UNFPA operations for potential funding shortages in future years. Additionally, the positive returns on investment income on the working capital portfolio and the receipt of an early contribution for 2026 from one Member State both contributed to the increase in funds available for programming at the year end**.** As part of risk-mitigating measures against unfavourable revenue trends, these funds will be gradually released for spending in future years, to reduce volatility and enable strategic adjustments in the course of the next strategic plan and integrated budget cycle.

58. As at 31 December 2025, undesignated fund balances of other resources decreased by 9.7 per cent to $1,597.8 (2024: $1,769.9 million), representing resources received for the implementation of programme activities under multi-year agreements and future contributions receivable not yet collected. The decrease was driven by the loss of a major donor in 2025. Future contributions receivable also decreased to $508.2 million (2024: $661.5 million), representing funds not available for programming.

D. Integrated budget and cost recovery

59. In decisions 2021/18 and 2024/19, the Executive Board approved the UNFPA integrated budget, 2022-2025 (DP/FPA/2021/9) and its midterm review (DP/FPA/2024/10), aligned with the UNFPA Strategic Plan, 2022-2025. The integrated budget encompasses all cost categories and results of UNFPA within a single, integrated framework.

60. Table 10 of the SFR Annexes presents information on the actual utilization of resources for the final year of the strategic plan cycle for 2022-2025. Information presented in this table reflects the modified accrual basis of accounting, consistent with the budget presentation.

61. In decision 2024/24, the Executive Board approved the joint comprehensive cost-recovery policy (DP/FPA/ICEF-UNW/2024/1), effective 1 January 2026. The Executive Board requested UNFPA to report on the progress of implementation, including the financial impact of the harmonized differentiated rates and waivers granted. This information is now presented in the joint harmonized report of UNDP, UNFPA, UNICEF and UN-Women, annexed to the Structured Funding Dialogue (SFD) agenda items at the Executive Board second regular session each year. Furthermore, pursuant to decision 2025/29, subsequent joint harmonized reports will also include information on the challenges that hinder the full implementation of the joint cost-recovery policy.

[12] Total revenue, including for multi-year and the strategic plan period, is recorded upfront at the time of signing of agreements, hence timing difference

III. Regular resources

62. A summary of revenue, expenses and surplus under regular resources for 2025 and 2024 is presented in table 10 below. The revenue figures are based on the modified accounting policy introduced in 2022.

Table 10
Revenue, expenses and surplus/(deficit) for the year – regular resources

	Millions of United States dollars	
	2025	*2024 (restated)*[a]
Revenue		
Gross revenue for regular resources – gross	538.9	231.1
Less: transfer of other revenue for reimbursement of tax charges	(6.8)	(7.0)
Other revenue	199.9	172.9
Total Revenue	**732.0**	**397.0**
Expenses		
Programme expenses	**267.7**	**275.8**
Country programmes and other programme activities (excluding Emergency Fund)	209.2	215.6
Emergency fund	10.0	9.1
Global and regional programmes	48.6	51.1
Institutional budget expenses	**216.2**	**207.7**
Institutional budget expenses[13]	216.2	207.7
Corporate expenses	**19.3**	**17.4**
After-service health insurance and other employee benefits charges (credits) to corporate resources	4.2	(6.4)
Other corporate expenses	15.1	23.8
Total expenses before foreign exchange gains or losses	**503.3**	**500.9**
Foreign exchange gains/(losses)	**9.4**	**(21.3)**
Surplus/ (deficit) for the year	**238.2**	**(125.2)**

[a] Figures for 2024 were restated to effect a change in the presentation of foreign exchange gains or losses, which have been reclassified to a separate category for transparency and comparability. The net deficit remains unchanged.

63. In 2025, UNFPA recorded $538.9 million in regular resources revenue from 65 donors, marking a significant increase of $307.8 million over 2024 ($231.1 million from 66 donors), with 10 donors accounting for 92.8 per cent of the total regular resources revenue (2024: 98.2 per cent). The increase is primarily a result of the change in the revenue recognition policy introduced in 2022, in line with IPSAS, whereby revenue is recognized in full at the time of signing an agreement, unless there are conditions to the contribution. Therefore, revenue is recognized in full for multi-year agreements, in the year the agreement is signed. Many donors that sign multi-year agreements do so at the end of the year prior to the first year of the strategic plan, or in its first year of implementation. In 2025, UNFPA adopted a new strategic plan for 2026-2029 and therefore a number of donors signed new multi-year agreements in 2025 in advance of the next strategic plan. It was, therefore, expected that revenue recorded would increase between 2024 and 2025. Significant new multi-year agreements were signed with six Member States ($329.9 million), which led to a significant increase in regular resources revenue, despite UNFPA being defunded by a separate Member State in 2025. UNFPA appreciates the donor commitments afforded to it through the use of multi-year agreements, which remain essential for effective advance planning and resource management.

[13] These amounts represent the total gross institutional budget expenses for 2025 that was partially funded by the indirect cost recovery from other resources in the amount of $73.2 million (2024: $71.8 million).

64. Other revenue increased by $27.0 million, or 15.6 per cent, to $199.9 million (2024: $172.9 million). The main components of other revenue in 2025 relate to: (a) indirect cost-recovery charges and fees for support services, amounting to $73.2 million (2024: $71.5 million), an increase primarily attributable to increased programmatic implementation, resulting in higher expenses in 2025; and (b) net investment revenue of $111.7 million (2024: $86.6 million), which generated a significant increase as an outcome of the higher yields achieved in 2025 across fixed income securities and the market value of bonds in the working capital and after service health insurance (ASHI) investment portfolios; and (c) an increase in the market value of equities held in the ASHI portfolio. The annual yield for the working capital portfolio increased from 3.8 per cent in 2024 to approximately 4.2 per cent, reflecting the interest yields from investments established in prior years but maturing during the year, despite the reduction in interest rates in 2025. The ASHI and end-of-services portfolios, managed by two external portfolio managers, delivered strong returns of 13.21 per cent and 13.34 per cent (ASHI) and 13.07 per cent and 13.26 per cent (end of service), respectively.

65. In 2025, the foreign exchange gains and losses are presented separately to enhance transparency and reporting consistency. In 2025, the United States dollar was characterized by a broad-based weakening against major donor currencies, with the most significant appreciation occurring in European and Canadian currencies. This overall market shift resulted in total foreign exchange gains of $9.4 million, marking a $30.6 million increase over the $21.3 million loss recorded under regular resources in 2024. These gains were primarily driven by the impact of favourable rates on contributions receivable, which accounted for $8.4 million, or 89.2 per cent of the total gain. This represents a significant reversal from 2024, where losses on receivables totalled $18.6 million and comprised 87.4 per cent of that year’s total foreign exchange losses.

66. Programme expenses funded from regular resources decreased slightly by $8.1 million, or 2.9 per cent, to $267.7 million in 2025 (2024: $275.8 million), with reductions recorded across most UNFPA regional and country offices. The most significant reduction in expenditure was achieved within the travel category, where total expenses decreased by $5.5 million to $14.4 million in 2025 (2024: $19.9 million). This 27.6 per cent year-over-year reduction in travel costs funded by regular resources directly reflects the successful implementation of organization-wide travel reduction measures and stringent oversight. Furthermore, in 2025, less expenses were incurred in the staff category (a decrease of $2.8 million) and contracted and professional services (a decrease of $1.2 million) under programme expenses funded from regular resources.

67. Expenses funded from the Emergency Fund, the internal funding mechanism approved by the Executive Board to provide UNFPA field offices with initial funding to jump-start humanitarian activities before other resources become available, amounted to $10.0 million (2024: $9.1 million), incurred following resource allocations to 32 field offices (2024: 33 field offices). Additionally, $0.5 million of inventory (2024: $2.0 million) purchased with funds from the Emergency Fund remained at year end. This reduction is primarily attributed to the distribution of goods throughout 2025. Consequently, the remaining inventory balance in 2025 reflects a leaner inventory level following the fulfilment of these programmed distributions.

68. Institutional budget expenses increased by $8.5 million, or 4.1 per cent, to $216.2 million in 2025 (2024: $207.7 million) mainly due to $7.6 million increases in: (a) reassignment and shipment costs for staff; (b) furniture, hardware and equipment set-up costs; and (c) software licencing fees. These one-time costs were associated with the headquarter relocation and optimization activities for New York and Nairobi. This was partially offset by the 21.7 per cent reduction in travel expenses of $0.8 million to $2.8 million (2024: $3.6 million).

69. Corporate expenses increased by $1.9 million, from $17.4 million in 2024 (restated) to $19.3 million in 2025. This was the net effect of a $10.6 million increase in the overall ASHI category, offset by an $8.7 million decrease in other corporate expenses.

70. The ASHI charges are driven by the adjustment at year end to match the amount of service and interest costs for the year as per the actuarial valuation. In 2025, an additional $11.1 million was recorded (2024: $0.3 million) in response to the increase in the ASHI obligations in 2025 to $302.0 million (2024: $285.7 million).

71. The overall other corporate expenses decrease of $8.7 million to $15.1 million is mainly driven by a $10.0 million reduction in the provision for doubtful debts ($1.9 million in 2025, compared to $12.0 million in 2024). A small increase to other expenses offsets these decreases, driven by the impact of the adoption of IPSAS 43 (Leases) standards. This led to the elimination of the reduction of operating lease expenses and instead introduced depreciation of ROU assets, which were previously recognized as operating lease expenses. This transition generated an increase in finance costs of $1.3 million.

72. Annex 1, tables 1 through 8, delineate programme and institutional budget expenses funded through regular resources; these are presented by outcomes and outputs of the integrated results and resources framework of the UNFPA Strategic Plan, 2022-2025, as well as by country tier, type of assistance, implementation modality and the gender marker.

IV. Other resources

73. Other resources comprise trust funds and special funds. Trust funds include thematic funds, United Nations pooled funds,[14] inter-agency transfers, and other co-financing funds. Special funds include the junior professional officer programme, contributions-in-kind, services for third-party procurement and other funds.

74. A summary of revenue, expenses and annual surplus for other resources for 2025 and 2024 is presented in table 11 below. The revenue figures are based on the modified accounting policy introduced in 2022.

Table 11
Revenue, expenses and surplus/(deficit) for the year – other resources

	Millions of United States dollars	
	2025	*2024 (restated)**
Revenue	873.1	1,341.4
Less: refunds to donors	(42.2)	(25.8)
Less: indirect costs	(73.2)	(71.8)
Less: allowance for doubtful contributions receivables	25.9	(24.6)
Other revenue	17.3	16.2
Total Revenue	**800.8**	**1,235.4**
Expenses		
Programme expenses	**989.2**	**977.8**
Trust funds	1,062.1	1,049.4
Less: indirect costs	(73.0)	(71.6)
Corporate expenses	**5.8**	**1.0**
Special funds	6.0	1.2
Less: indirect costs	(0.2)	(0.2)
Total expenses before foreign exchange (gains) or losses	**994.8**	**978.8**
Foreign exchange (gains) or losses	**(29.0)**	**24.0**
Surplus / (deficit) for the year	**(164.9)**	**232.6**

* Figures for 2024 were restated to reclassify the presentation of foreign exchange gains and losses as a separate category. In total foreign exchange gains of $3.0 million were reclassified from other income, and foreign exchange losses of $27.0 million were reclassified from expenses. There was no change to the net surplus for the year.

[14] United Nations pooled funds are commingled contributions to a multi-entity funding mechanism and not earmarked for a specific United Nations entity. Funds are held by a United Nations fund administrator, and fund allocations are made by a United Nations-led governance mechanism for activities specifically aimed at promoting sustainable development of programming countries, with a focus on long-term impacts.

75. Total revenue for other resources in 2025 of $873.1 million decreased by 34.9 per cent (2024: $1,341.4 million), primarily due to a significant decrease of $468.3 million in gross revenue for contributions, further compounded by an increase in refunds to donors of $16.4 million. This was partially offset by a reduction of $50.5 million in the provision for donor receivables, which was largely due to writing down the receivables during the year after the defunding by one Member State.

76. In line with the IPSAS accounting policy, revenue represents the value of new or modified donor agreements signed in 2025, unless there are accounting conditions associated with the agreement. Revenue recorded (a) for flexible instruments, such as thematic and pooled funds, increased by $38.9 million (15.4 per cent) to $291.4 million (2024: $252.6 million); and (b) under United Nations pooled funds and inter-agency transfers increased to $163.2 million (2024: $158.1 million). The main decrease in contribution revenue was due to a decrease in co-financing arrangements with donor governments (excluding contributions to thematic funds), which decreased by $392.7 million (or 61.4 percent) to $246.7 million in 2025 (2024: $639.5 million), and a 15.1 per cent decrease in revenue from the European Commission to $67.4 million in 2025 (2023: $79.4 million). The government donor decrease was driven by the defunding by one Member State (reduction of $195.6 million) as well as significant revenue reductions from two other donors ($118.2 million and $43.3 million, respectively). The latter reductions are fully attributable to the accounting policy given that they signed large multi-year agreements in 2024.

77. In 2025, 66.5 per cent of gross other resources revenue originated from the top 10 donors, which is comparable to 2024, where they accounted for 68.4 per cent of the total, albeit noting that the representation of donors within the top 10 has changed.

78. Gross contribution revenue for other resources included $303.9 million, or 34.8 per cent of the total, for humanitarian purposes, which is $198.9 million, or 39.6 per cent, lower than the 2024 revenue of $502.8 million, or 37.5 per cent. Again, this was substantially driven by the defunding by one Member State. While significant contributions in 2025 intended for humanitarian interventions were recorded as revenue for Afghanistan, the State of Palestine and Yemen, all contributions were substantially decreased, compared to 2024. However, there were notable increases in revenue for humanitarian interventions in Sudan and the Syrian Arab Republic.

79. Total indirect costs charged to other resources was relatively consistent year on year, rising by $1.4 million to $73.2 million in 2025, on account of a slightly higher level of expenses in 2025 than 2024 ($71.8 million). These changes were partially offset by a small increase of $1.0 million in other revenue.

80. Other revenue from other resources amounted to $17.3 million (2024: $16.2 million restated). The other revenue category primarily comprises fees for support services, investment revenue and miscellaneous income, which did not change substantially between 2024 and 2025. Effective 2025, foreign exchange gains and losses are removed from ‘other revenue’ and presented in a separate line to enhance transparency and comparability. Consequently, UNFPA recorded a net foreign exchange gain of $29.0 million (2024: loss of $24.0 million), primarily within the ‘contributions receivable’ category. This was driven by the depreciation of the United States dollar against key donor currencies during 2025.

81. Total programme expenses funded from other resources increased by 1.2 per cent to $989.2 million in 2025 (2024: $977.8 million restated). Annual revenue for other resources fell significantly below expenses in 2025, resulting in a deficit of $164.9 million, a notable shift from the $232.7 million surplus recorded in 2024. This deficit was driven by a number of factors, including timing differences in the recognition of revenue and expenses, as most revenue is recognized upon the signature of binding donor agreements, and expenses are recognized as incurred upon delivery of relevant goods and services, including in subsequent years. This led to a significant reduction in revenue in 2025, given the generous and substantial multi-year agreements being signed by two donors in 2024. The defunding by one Member State also contributed to a reduction in revenue, given the cessation of new contribution agreements and associated revenue. Expenses for other revenue also increased based on increased programme delivery in 2025. However, the overall net loss was partially offset by the significant shift from foreign exchange losses in 2024 ($24.0 million) to foreign exchange gains ($29.0 million) realized in 2025.

82. Annex 1, tables 1 through 8, delineate trust fund expenses by outcomes and outputs of the integrated results and resources framework of the UNFPA Strategic Plan, 2022-2025, as well as by country tier, type of assistance, implementation modality and the gender marker.

V. Conclusion

83. UNFPA closed 2025 in strong financial health owing to the continued support of a vast majority of its donors and sound financial management practices, including prudent and multi-year financial planning, and processes and controls designed to keep expenses within the available financial resources. The outlook for 2026 and beyond continues to be fluid and increasingly concerning, due to changes in the geopolitical context, including normative changes that may impact partnerships in the United Nations landscape, an increasing need for humanitarian interventions in protracted and emergent conflicts, and continued pressure on funding. Shifting donor priorities and operational challenges, including uncertainties around the UN80 initiative, may impact the ability of UNFPA to generate contributions and implement its intended programme activities. UNFPA will remain agile, innovative and results-oriented, adapting as required, to achieve its strategic priorities, as captured in the new Strategic Plan, 2026-2029. UNFPA continues to rely on the support of its donors to provide timely inflows of predictable contribution, especially from regular resources, which are critical for funding UNFPA operations and enabling the achievement of its strategic results.