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**UNFPA – Annual report of the Executive Director**

**United Nations Population Fund  
Statistical and financial review, 2017  
Report of the Executive Director**

*Summary*

This report provides summary financial information on UNFPA revenue and expenses for 2017, and on assets, liabilities and fund balances as at 31 December 2017. Figures in this report are consistent with the full accrual basis of accounting. All data in the document is provisional, subject to external audit.

Total gross contribution revenue in 2017 surpassed the one billion United States Dollars mark, exceeding 2016 revenue levels by 27.3 per cent, and amounting to \$1,067.5 million (2016: \$838.6 million). The favourable trend is attributable to a significant increase in other resources contribution revenue, which grew by 47.7 per cent, to \$717.6 million (2016: \$485.8 million). Regular resources contributions, on the other hand, continued to decline for the fourth year in a row, this time by 0.8 per cent, to \$349.9 million (2016: \$352.8 million). The decrease in regular resources was due primarily to the defunding of UNFPA by one major donor, the effect of which was almost fully compensated by increased contributions from several other donor countries.

Expenses for the year increased by 0.5 per cent to \$926.9 million (2016: \$922.5 million). Expenses for activities funded from other resources grew by 6.4 per cent, to \$547.9 million (2016: \$514.8 million), while regular resources expenses declined by 7.0 per cent, to \$379.0 million (2016: \$407.7 million), primarily as result of continued austerity measures in response to declining regular resources contributions.

UNFPA remains committed to directing resources towards supporting its activities in the field. Field office expenses as a percentage of total programme and institutional budget expenses have continued to grow, from 78.6 per cent (\$707.5 million) in 2016 to 81.0 per cent (\$724.7 million) in 2017.

UNFPA reserves and fund balances as at 31 December 2017 amounted to \$841.5 million (2016: \$711.4 million), of which 96.5 per cent or \$812.4 million were for other resources (2016: 93.7 per cent or \$666.3 million). Other resources fund balances include \$283.9 million in outstanding contributions receivable (2016: \$262.5 million) as well as contributions that were collected as at 31 December 2017 for programme activities to be implemented in future years.

UNFPA managed to close the year 2017 in good financial health by ensuring that its outstanding commitments remained within available financial resources. Notwithstanding the record-breaking amount of other resource contributions generated during the year, the continued decrease in regular resources, which remain a bedrock of UNFPA operations, continues posing a substantial challenge to the organization's ability to deliver on its strategic results.

*Elements of a decision*

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



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## I. Introduction

1. The statistical and financial review, 2017, provides summary information on UNFPA revenue and expenses for the year, and on assets, liabilities and fund balances as at 31 December 2017. This information is provided for activities funded by both regular and other resources. All figures in the present document are provisional, subject to external audit and, as a result of rounding, may not add up to the totals.
2. The statement of revenue and expenses for the year ended 31 December 2017 is provided in annex 1, table 1, for regular, other and total resources. The statement of assets, liabilities and fund balances as at 31 December 2017 is provided in annex 1, table 2. The statement of changes in net assets for the year ended 31 December 2017 is provided in annex 1, table 3.<sup>1</sup>
3. The 2017 figures are prepared on the accrual basis of accounting, with the exception of annex 1, table 15, which presents resource utilization in the integrated resource plan on a budgetary comparable basis (modified accrual basis).
4. Throughout the report, reference is made to contribution revenue as ‘gross’ or ‘net’. Gross contributions refer to the amounts specified in agreements signed with donors, and are recognized as revenue consistent with UNFPA accounting policies, regardless of the period of implementation and payment schedule. Net regular resources contribution revenue in 2016 is presented net of the amount of income tax reimbursements to taxpayers of one Member State. Net other resources contribution revenue is presented net of refunds to donors and cost recovery charges.

## II. Total resources

### A. Revenue

5. Total revenue surpassed the one billion United States Dollars mark in 2017, exceeding 2016 levels by 30.8 per cent and amounting to \$1,112.6 million (2016: \$850.4 million),<sup>2</sup> primarily as a result of the increase in other resources contributions, and other revenue.
6. Total gross contribution revenue for the last five years can be summarized as follows:

	2017	2016	2015	2014	2013
	<i>Millions of United States dollars</i>				
Regular resources – gross	349.9	352.8	398.2	477.4	460.0
Other resources – gross	717.6	485.8	581.3	529.2	504.3
<b>Total gross contributions</b>	<b>1,067.5</b>	<b>838.6</b>	<b>979.5</b>	<b>1,006.6</b>	<b>964.3</b>
Other resources, as percentage of total gross contributions	67.2%	57.9%	59.3%	52.6%	52.3%

7. Gross contributions to regular resources decreased by 0.8 per cent, to \$349.9 million (2016: \$352.8 million). This decrease is primarily due to the defunding of UNFPA by one major donor, which contributed \$30.7 million in 2016. This shortfall was almost fully offset by generous additional contributions from other donor countries.
8. Unlike regular resources, gross other resources contribution revenue increased sharply, by 47.7 per cent, to \$717.6 million (2016: \$485.8 million). As a result, the share of other resources as a percentage of total gross contributions increased by 9.3 basis points, to 67.2 per cent (2016: 57.9 per cent), reflecting the increased reliance of UNFPA on other resources revenue.
9. Other revenue also increased significantly in 2017, by 63.7 per cent, to \$92.8 million (2016: \$56.7 million). Most of this increase, or \$26.6 million, is due to foreign currency exchange gains on contributions receivable, cash in banks, and investment accounts. Another contributing factor included larger investment revenue (refer to [section V](#) for more details).

<sup>1</sup> The annexes to this report can be found on the UNFPA Executive Board website.

<sup>2</sup> This amount is \$9.1 million lower than net revenue of \$859.5 million reported in the Statistical and financial review report, 2016, due to adjustments made in the UNFPA accounts following issuance of the report.

## B. Expenses

10. Total expenses increased by 0.5 per cent in 2017, amounting to \$926.9 million (2016: \$922.5 million).

11. Total expenses for 2017 and 2016 can be summarized as follows:

	Millions of United States dollars		Per cent	
	2017	2016	2017	2016
<b>Programme and institutional budget</b>	<b>894.4</b>	<b>900.3</b>	<b>96.5</b>	<b>97.6</b>
Country programmes, global and regional interventions (GRI) and other programme activities	752.9	763.5	81.2	82.8
Institutional budget - gross	141.5	136.8	15.3	14.8
<b>Corporate</b>	<b>32.5</b>	<b>22.2</b>	<b>3.5</b>	<b>2.4</b>
Corporate	32.5	22.2	3.5	2.4
<b>Total expenses</b>	<b>926.9</b>	<b>922.5</b>	<b>100.0</b>	<b>100.0</b>

12. Programme and institutional budget expenses, based on their contribution to four development outcomes and three organizational effectiveness and efficiency (OEE) outputs of the UNFPA strategic plan, are summarized in the table below:

	Millions of United States dollars		Per cent	
	2017	2016	2017	2016
Outcome 1: Increased availability and use of integrated sexual and reproductive health services	464.4	471.1	52.0	52.3
Outcome 2: Increased priority on adolescents, especially on very young adolescent girls, in national development policies and programmes	71.5	69.0	8.0	7.7
Outcome 3: Advanced gender equality, women's and girls' empowerment, and reproductive rights	118.1	108.9	13.2	12.1
Outcome 4: Strengthened national policies and international development agendas through integration of evidence-based analysis on population dynamics	77.2	90.0	8.6	10.0
OEE 01: Programme effectiveness	45.3	46.3	5.1	5.1
OEE 02: Resources management	91.6	89.2	10.2	9.9
OEE 03: Organizational adaptability	26.3	25.8	2.9	2.9
<b>Total expenses</b>	<b>894.4</b>	<b>900.3</b>	<b>100.0</b>	<b>100.0</b>

13. Programme and institutional budget expenses by region can be summarized as follows:

	Millions of United States dollars		Per cent	
	2017	2016	2017	2016
East and Southern Africa	194.3	198.1	21.7	21.9
West and Central Africa	150.8	157.2	16.9	17.5
Arab States	155.6	123.6	17.4	13.7
Asia and the Pacific	118.2	139.2	13.2	15.5
Latin America and the Caribbean	55.8	51.9	6.2	5.8
Eastern Europe and Central Asia	48.8	36.5	5.5	4.1
Office in Addis Ababa	1.2	1.0	0.1	0.1
Global activities	169.7	192.8	19.0	21.4
<b>Total programmes and institutional budget</b>	<b>894.4</b>	<b>900.3</b>	<b>100.0</b>	<b>100.0</b>

14. Total programme and institutional budget expenses for 2017 and 2016, with a breakdown by strategic plan quadrant,<sup>3</sup> are summarized in the table below:

	Millions of United States dollars		Per cent	
	2017	2016	2017	2016
<b>Countries/territories expenses</b>	<b>657.2</b>	<b>637.1</b>	<b>73.5</b>	<b>70.8</b>
Red	360.5	384.6	40.3	42.8
Orange	94.4	100.3	10.6	11.1
Yellow	101.7	67.4	11.4	7.5
Pink	100.6	84.8	11.2	9.4
<b>Global and regional interventions</b>	<b>43.0</b>	<b>51.2</b>	<b>4.8</b>	<b>5.7</b>
Regional	23.6	29.4	2.6	3.3
Global	19.4	21.8	2.2	2.4
<b>Other regional and global expenses*</b>	<b>194.2</b>	<b>212.0</b>	<b>21.7</b>	<b>23.5</b>
Other regional	43.9	41.0	4.9	4.5
Other global	150.3	171.0	16.8	19.0
<b>Total programmes and institutional budget</b>	<b>894.4</b>	<b>900.3</b>	<b>100.0</b>	<b>100.0</b>

*a) Includes non-GRI expenses of regional offices and headquarters such as programme activities funded from other resources and institutional budget*

15. Annex 1, tables 4 through 12, present further details of expenses by strategic plan outcomes, outputs and quadrants, and by region.

16. UNFPA spent \$752.9 million on country programmes, global and regional interventions, and other programme activities in 2017 (2016: \$763.5 million). Governments and non-governmental organizations implemented 35.5 per cent or \$267.0 million of these resources, up by 3.1 basis points from last year (2016: 32.4 per cent or \$247.6 million).

17. Consistent with previous years, more than half of UNFPA program resources (57.0 per cent or \$428.9 million) was spent on activities that either had gender equality/women's empowerment as their primary objective or made a significant contribution to gender equality (2016: 64.0 per cent or \$488.1 million).

18. UNFPA remains committed to ensuring that maximum resources are directed towards supporting its field office operations. In 2017, 81.0 per cent (\$724.7 million) of total programme and institutional budget expenses were incurred by country or regional offices, up by 2.4 basis points from last year (2016: 78.6 per cent, or \$707.5 million). The breakdown of 2017 expenses by region, quadrant and country/territory, is provided in annex 1, table 13.

19. In 2017, UNFPA spent \$98.4 million (57.2 per cent) of regular country programmes resources in forty six countries classified as either least developed or low-income economies (2016: \$118.0 million, or 57.0 per cent).<sup>4</sup>

<sup>3</sup> The strategic plan, 2014-2017 and its business model classify all countries/territories where UNFPA operates into four quadrants (red, orange, yellow and pink). This classification is based on a robust model, which weighs different factors, such as need, ability to finance and population. A list of all countries/territories and their classification is included in annex 2.

<sup>4</sup> In 2016, a total of forty seven countries were classified as either least developed or as low-income economies. In 2017, Equatorial Guinea has graduated from the least developed countries and its expenses were excluded from calculations of total spent by UNFPA in the least developed countries / low-income economies.

## C. Fund balances and reserves

20. Reserves and fund balances at 31 December 2017 increased by \$130.1 million, totalling \$841.5 million (2016: 711.4 million).<sup>5</sup> More details are provided in the table below:

	Millions of United States dollars	
	2017	2016
Operational reserve	70.5	70.5
Humanitarian response reserve	5.0	-
Reserve for field accommodation	5.0	5.0
Designated regular resources fund balances	43.0	38.5
Undesignated regular and other resources fund balances		
Regular resources	(94.4)	(68.9)
Other resources	812.4	666.3
<b>Total</b>	<b>841.5</b>	<b>711.4</b> <sup>5</sup>

21. The operational reserve as at 31 December 2017 remained largely unchanged, increasing only by \$0.03 million from 2016, bringing its level to 20.0 per cent of the 2017 regular resources contribution revenue. An amount of \$5.0 million was set aside during the year to fund the humanitarian response reserve,<sup>6</sup> and the reserve for field accommodation maintained at its \$5.0 million level.

22. Designated regular resources fund balances, which represent funds set aside by management for special purposes and not available for programming, increased by \$4.5 million primarily due to an allocation of \$2.9 million to cover future costs of the comprehensive resources review,<sup>7</sup> as well as due to revenue earned for the provision of procurement services.

23. The deficit under undesignated regular resources grew by \$25.5 million in 2017 mainly due to the \$69.5 million actuarial loss on after-service health insurance liabilities, partially offset by the regular resources surplus for the year. Total funds made available for programming for 2018 amounted to \$48.5 million (2017: 30.0 million). Annex 1, table 18 provides further details on this amount.

24. As at 31 December 2017, undesignated fund balances under other resources increased by \$146.1 million, to \$812.4 million (2016: \$666.3 million), mainly due to the large increase in other resources contribution revenue earmarked for specific programme activities, which exceeded expenses funded from this source. The fund balances amount includes contributions of \$283.9 million not yet collected, and thus not available for programming, as at 31 December 2017 (2016: \$262.5 million).

## D. Integrated budget

25. In its decision 2013/32, the Executive Board approved the first UNFPA integrated budget, 2014-2017 (DP/FPA/2013/14), aligned with the strategic plan for the same period. The integrated budget encompasses all cost categories and results of the organization within a single, integrated framework.

26. Annex 1, table 15, presents information on the actual utilization of resources for the full strategic plan cycle 2014-2017, against the estimates included in the integrated resource plan of the integrated budget, as amended during the mid-term review (DP/FPA/2016/3). Resource utilization is presented under the modified accrual basis of accounting, consistent with the budget presentation.

<sup>5</sup> This amount is \$9.1 million lower than total fund balances of \$720.5 million reported in the Statistical and financial review report, 2016, due to adjustments made in the UNFPA accounts following issuance of the report.

<sup>6</sup> 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.

<sup>7</sup> Change management exercise launched by UNFPA management to prepare the organization for implementation of the new strategic plan and deliver on the 2030 Agenda for Sustainable Development, as well as to respond to the Quadrennial Comprehensive Policy Review and United Nations reform initiatives.

27. Annex 1, table 16, provides further details of the institutional budget component of the integrated budget by expense categories.

### E. Cost recovery

28. In its decision 2013/9, the Executive Board endorsed a general, harmonized cost-recovery rate of 8.0 per cent for contributions to other resources. The same decision also approved a differentiated cost-recovery structure for thematic trust funds, government cost-sharing, South-South, and private-sector contributions, and for legacy agreements. The UNFPA Executive Director was given the authority to waive the cost-recovery rates on a case-by-case basis.

29. The table below summarizes the financial effect of differentiated rates and approved waivers in 2017:

	Thousands of United States dollars			Per cent
	<i>Actual cost recovery</i>	<i>Cost recovery at harmonized 8% rate</i>	<i>Difference</i>	<i>Effective 2017 cost recovery rate</i>
Thematic trust funds	8,680	9,920	1,240	7.0
Umbrella agreements*	7,946	9,081	1,135	7.0
Government cost-sharing	1,388	2,221	833	5.0
Legacy agreements	794	908	114	7.0
Indirect cost-recovery waivers	894	1,073	179	6.7
<b>Total</b>	<b>19,702</b>	<b>23,203</b>	<b>3,501</b>	

\* Umbrella agreements are broader agreements reached jointly with one or more United Nations agencies vis-a-vis one or more bilateral or multilateral donors.

30. Waivers reducing the amounts of indirect costs collected in 2017 corresponded to co-financing agreements for the following donors:

- (a) Approved cost recovery rate of 7 per cent: European Union (through the United Nations Educational, Scientific and Cultural Organization); Global Fund to Fight AIDS, Tuberculosis and Malaria (through the United Nations Children's Education Fund and the United Nations Development Programme); Saudi Arabia; United Kingdom of Great Britain and Northern Ireland; United Nations Children's Education Fund; United Nations Development Programme – Liberia; United Nations Operation in Cote d'Ivoire.
- (b) Approved cost recovery rate of 6.25 per cent: Iraq Trust Fund (through the United Nations Development Programme Multi-Partner Trust Fund).
- (c) Approved cost recovery rate of 5 per cent: Government of China (through the United Nations Development Programme); Saudi Fund for Development; State Bank of India Foundation.
- (d) Cost recovery waived: UNITAID

### III. Regular resources

31. A summary of revenue, expenses and surplus/deficit under regular resources for 2017 and 2016 is presented in the table below:

	<b>Millions of United States dollars</b>	
	2017	2016
<b>Revenue</b>		
Contributions - gross	349.9	352.8
Less: transfers to other revenue for income tax reimbursements	-	(5.8)
Other revenue	67.7	52.1
<b>Net revenue</b>	<b>417.6</b>	<b>399.1</b>
<b>Expenses</b>		
Country programmes (excluding Emergency Fund)	166.5	202.5
Emergency fund	5.8	4.6
Global and regional interventions	43.0	51.2
Institutional budget	141.5	136.8
After-service health insurance and other employee benefits expenses charged to corporate	10.7	8.0
Other corporate expenses	11.5	4.6
<b>Total expenses</b>	<b>379.0</b>	<b>407.7</b>
<b>Surplus / (deficit) for the year</b>	<b>38.6</b>	<b>(8.6)</b>

This amount includes indirect costs recovered during the year and deducted from other resources gross contribution revenue

32. The decline in gross contribution revenue arises primarily from the defunding of UNFPA by a major donor which had contributed \$30.7 million in 2016, the effect of which was almost fully mitigated by increased contributions from several other donor countries, and by favourable foreign exchange differences. Annex 1, table 17, provides a summary of regular resource contributions in excess of \$1.0 million.

33. In response to the declining regular resources levels, UNFPA management continued to implement austerity measures and maintained a prudent financial management to ensure that its obligations remain within available resources. As a result, total regular resources expenses in 2017 decreased by 7.0 percent to \$379.0 million (2016: \$407.7 million).

34. In spite of the decrease in regular resources, expenses from the Emergency Fund<sup>8</sup> grew by 26.1 per cent in 2017, to \$5.8 million (2016: 4.6 million) reflecting the priority placed by UNFPA on humanitarian intervention activities.

35. The decline in expenses under global and regional interventions of \$8.2 million resulted from austerity measures and the reclassification of 41 posts (net) to the institutional budget, in compliance with the mid-term review to strategic plan. This reclassification is one of the main drivers behind the \$4.7 million increase in the institutional budget expenses.

36. The increase of \$2.7 million (33.8 per cent) in the share of after-service health insurance and other employee benefits expenses charged to corporate resources originates from an updated independent actuarial study of the cost of benefits vested to employees through their services throughout the year, and interest costs resulting from future employee benefits being closer to settlement.

37. Other corporate expenses increased in 2017 by \$6.9 million, to \$11.5 million (2016: \$4.6 million) mainly because of foreign currency exchange losses and increased provisions for doubtful accounts.

38. Annex 1, tables 4 through 12, delineate programme and institutional budget expenses funded from regular resources.

<sup>8</sup> The Emergency Fund, established by Executive Board decision 2000/13, provides an important source of initial funding for emergency relief activities by UNFPA field offices, before bilateral resources become available.



## IV. Other resources

39. Other resources comprise trust funds and special funds. Special funds include the junior professional officer programme, procurement services and other funds.

40. A summary of revenue, expenses and annual surplus/deficit under other resources in 2017 and 2016 is presented in the table below:

	Millions of United States dollars	
	2017	2016
<b>Revenue</b>		
Contributions - gross	717.6	485.8
Less: refunds to donors	(8.4)	(4.4)
Less: indirect costs*	(39.3)	(34.7)
Other revenue	25.1	4.6
<b>Net revenue</b>	<b>695.0</b>	<b>451.3</b>
<b>Expenses</b>		
Trust funds	576.6	539.6
Less: indirect costs (trust funds)	(39.0)	(34.4)
Special funds	10.6	9.9
Less: indirect costs (special funds)	(0.3)	(0.3)
<b>Total expenses</b>	<b>547.9</b>	<b>514.8</b>
<b>Surplus / (deficit) for the year</b>	<b>147.1</b>	<b>(63.5)</b>

\* Same amount is included in 'other revenue' under regular resources.

41. Total revenue under other resources increased by 54.0 per cent, to \$695.0 million (2016: \$451.3 million), as a result of the intense resource mobilization efforts undertaken and favourable foreign exchange differences.

42. Expenses for the year also increased, albeit at smaller rate of 6.4 per cent, and amounted to \$547.9 million (2016: \$514.8 million). Increase in revenue outpaced growth in expenses mainly due to timing differences in the recognition of revenue and expenses, as most revenue is recognized upon signature of binding donor agreements, and expenses are recognized as incurred, upon delivery of relevant goods and services.<sup>9</sup> Annex 1, tables 4 through 12, summarizes trust fund expenses by their contribution to the strategic plan integrated results framework outcomes and outputs, quadrants, and by implementation modality and gender marker.

## V. Cash and investments

43. At 31 December 2017, cash and investments held by UNFPA increased by \$204.0 million to \$960.5 million (2016: \$756.5 million), mainly due to the excess of contributions collected over expenses paid. Cash and cash equivalents, including investments with a duration of less than 90 days, amounted to \$184.4 million (2016: \$213.6 million), while other investments were equal to \$776.1 million (2016: \$542.9 million).

44. Of the total investments, \$381.3 million are restricted in use (2016: \$324.2 million). Of this amount, \$70.5 million, \$5.0 million and \$5.0 million are allocated to the operational reserve, humanitarian response reserve and reserve for field accommodation respectively; \$243.3 million have been set aside to fund employee benefits liabilities; \$33.7 million is the principal amount of a private endowment trust; and \$23.8 million are held by UNFPA in the capacity of Administrative Agent for joint programmes.

<sup>9</sup> A summary of UNFPA accounting policies is provided in Note 2 to the UNFPA financial statements.

45. As at 31 December 2017, UNFPA working capital investment portfolio, comprising investment-grade fixed-income securities, including cash and cash equivalents, was valued at \$723.3 million. It is governed by a conservative investment policy, which sets maturity, counterparty and credit-quality limits to achieve preservation of capital, meet the liquidity requirements and maximize income within set safety and liquidity parameters.

46. Funds set aside for funding after-service health insurance liabilities are managed, jointly with other United Nations organizations, in a separate portfolio of more diversified, higher-yielding financial instruments, similar to that of the United Nations Joint Staff Pension Fund. Throughout 2016 and 2017, UNFPA transferred \$165.0 million to this portfolio, which increased its market value to \$190.6 million as at 31 December 2017, with annual rates of return ranging between 15.23 per cent and 16.26 per cent for the different portfolio components.

## **VI. Other assets and liabilities**

47. Contributions receivable increased by 11.5 per cent, to 314.6 million at the end of 2017 (2016: \$282.1 million) mainly due to the increase in other resources contributions scheduled for payment subsequent to 31 December 2017.

48. Total operating fund advances outstanding at year-end increased by 5.5 per cent, to \$7.7 million (2016: \$7.3 million). Outstanding advances due from governments and non-government organizations decreased by only \$0.1 million, to \$5.8 million as at 31 December 2017. The net increase is attributable to larger outstanding amounts due from United Nations organizations implementing UNFPA programme activities which doubled in one year, increasing from \$1.4 million as at 31 December 2016 to \$2.8 million as at 31 December 2017, as well as an increase of \$0.9 million in allowances for doubtful accounts.

49. Inventories of reproductive health commodities and other programme-related goods maintained under UNFPA control (in transit or at warehouses), for distribution to beneficiaries or sale to third parties, decreased by 17.3 per cent to \$38.3 million (2016: \$46.3 million), primarily due to a lower volume of purchases in 2017 and a more agile clearance and delivery of the goods to the national partners responsible for their distribution.

50. Employee benefits liabilities increased by 26.3 per cent, to \$415.8 million (2016: \$329.2 million) mainly due to the increase in the after-service health insurance liability, as a result of the use of updated demographic assumptions, including an improved life expectancy for beneficiaries, for purposes of the actuarial valuation used to estimate the liability amount. The unfunded portion of the total employee benefits liabilities increased by \$42.0 million, to \$172.4 million at the end of 2017 (2016: \$130.4 million), driving the unfunded portion of the liabilities up to 41.5 per cent (2016: 39.6 per cent).

## **VII. Conclusions**

51. UNFPA managed to close the year 2017 in good financial health by ensuring that its outstanding commitments remained within available financial resources. Notwithstanding record-breaking amount of other resource contributions generated during the year, the continued decrease in regular resources, which remain a bedrock of UNFPA operations, continues posing a substantial challenge to the organization's ability to deliver on its strategic results.