

Funding Updates - Guidance note

WHAT IS A FUNDING UPDATE?

UNHCR's Funding Updates clearly and accurately represent the financial requirements and the true level of funding available to support UNHCR's work.

Funding Updates show information at country, situation and region and sub-region level of funding. These perspectives offer a comprehensive view of the funding landscape, including the indicative allocation of core and flexible funding.

WHAT INFORMATION CAN I FIND?

- Level of funding at operation, situation, region level
- Donors of funds earmarked to the operation, situation, region
- Indicative allocations of flexible funding to the operation, situation, region
- Donors of flexible funding which can potentially be used for the operation, situation or region



found on relevant country, region, and situation pages on Global Focus.

The true level of funding available to country operations is based on prioritized activities and includes carry-over from prior years and excludes the indirect support cost of contributions. Adjustments are made in the Funding Updates in the interests of transparency and accuracy.

WHAT IS THE EARMARKING LEVEL?

UNHCR categorizes contributions based on their flexibility and earmarking level, with four distinct tiers of earmarking. UNHCR's Grand Bargain commitment to increase visibility of unearmarked and softly earmarked funding, and to improve transparency on the use of unearmarked funding, is reaffirmed through the Funding Updates.

Flexible funding Earmarked funding Softly earmarked Unearmarked Earmarked Tightly earmarked Contributed without restrictions on Allows UNHCR to allocate Contributions for a specific Contributions that are earmarked its use. It provides UNHCR with vital resources across a range of country without any further for a specific project or sector flexibility in determining how best to countries in a given region or limitations. Also includes within a country or division. It also protect and assist people forced to situation, or a specific population contributions for the response to includes in-kind contributions and flee who are in the greatest need or group or theme in accordance an emergency situation within a Junior Professional Officers at the greatest risk. with identified priorities. specified country. Multi-year funding Pledged for 24 months or more. Whilst not all multi-year funding is flexible, the value of this type of contribution is its predictability, allowing UNHCR to apportion resources where they are needed most at the beginning of the year.

HIGHLIGHTING FLEXIBLE FUNDING

At the bottom of the Funding Updates, there are two key sections.



The "Unearmarked Contributions" section lists all donors providing \$10 million or more unearmarked.



The "Other Softly Earmarked Contributions" section lists donors who have provided softly earmarked funds of \$2 million or more, not included in the Contributions table. The donors and amounts listed vary by operation, as they reflect the specific earmarking of each contribution - whether sub-regional, regional, thematic, or situation-based.

Flexible Funding allocations January Lebanon February Chad March Bangladesh April DR Congo

El Salvador

HOW DOES THE UNHCR BUDGET CYCLE WORK?

UNHCR programs its activities a year in advance, using a comprehensive needs assessment. This process results in country programmes, a share of which is prioritised. This share is limited to the spending authority that the High Commissioner extends to country representatives based on an estimate made by the Division of External Relations of future income. By taking this decision, the High Commissioner provides country operations with the flexibility to allocate resources beyond UNHCR's currently available funds, ensuring responsiveness to critical needs.

As **UNHCR** relies almost entirely on voluntary contributions to fund operations, global programmes and headquarters, UNHCR works hard to raise these funds and flexible funds are critical to this process as they allow us to kick-start emergency responses, to bolster underfunded operations, and to implement global programmes.

Flexible funding is allocated and reallocated multiple times during the year and is critically important in allowing UNHCR to fund prioritized activities. As UNHCR manages funding at the programme level, it does not trace how individual unearmarked contributions are used, as that would be contrary to the principle of flexible funding. Rather, UNHCR looks at the total unearmarked revenue as one pot and traces how the entire amount was used. During the course of the year, actual and projected contributions, both earmarked and unearmarked, are tracked and allocated against approved spending authorities issued to each operation on a regular basis.





If you would like to access more information on contributions or you have any question concerning income recording, please contact UNHCR Global Appeals and Reports Section, hqgfpub@unhcr.org.