

2024 FINANCIAL REPORT

2024 Financial report and audited financial statements

Additional documents for this item:

Interim Financial Management Update for the period 1 January 2025 to 31 March 2025 (UNAIDS/PCB (56)/25.12).

Action required at this meeting – the Programme Coordinating Board is invited to:

- *Accept* the financial report and audited financial statements for the year ended 31 December 2024.
- *Take note* that the current Fund Balance levels are not sufficient to fund the restructuring process in 2025 or 2026.
- *Recall* decision 20 of the PCB in May 1998 approving the rules and procedures guiding the use of the Operating Reserve Fund.
- *Approve* the proposal of the Executive Director to draw such amounts as deemed necessary, from the operating reserve fund, up to a maximum of US\$15 million, to cover the immediate financial requirements of the UNAIDS Secretariat restructuring and to replenish such amounts by 31 December 2027.

Cost implications for decisions: *none*

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Part I: Introduction

1. In accordance with the Programme Coordinating Board Modus Operandi, Function 5 (vi) of the Joint United Nations Programme on HIV/AIDS (UNAIDS), the UNAIDS Secretariat is submitting the financial report for the year ended 31 December 2024 to the Programme Coordinating Board (PCB) for review and approval, as per established procedures.
2. The financial statements, accounting policies, and notes to the financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSAS) and in accordance with the Financial Regulations and Rules of the World Health Organization (WHO).
3. This is the 13th year that UNAIDS financial statements have been prepared based on IPSAS, which continues to enhance transparency, increase accountability and improve the financial reporting of UNAIDS.
4. Managerial accountability, transparency and risk management are key aspects of the reform agenda in UNAIDS, and progress continues in this regard. In line with the best practice a Statement of Internal Control (SIC) is included in the audited financial statements. The SIC is a public accountability document signed by the Executive Director, describing the effectiveness of UNAIDS internal controls and provides details of any significant control issues and risks during the year, and actions taken in response. The SIC will continue to be reviewed each year to assure stakeholders and demonstrate accountability.
5. The implementation of IPSAS does not currently impact on the preparation of the Unified Budget, Results and Accountability Framework (UBRAF), which continues to be prepared on a modified cash basis. As this basis differs from the accrual basis applied to the financial statements, reconciliation between the budget and the principal financial statements is provided in accordance with the requirements of IPSAS.
6. Highlights of revenue, expenses, net assets/equity, assets and liabilities of the Programme are supplied, as are information on cash flow, liquidity and equity. This is done to provide a complete picture of the financial position of UNAIDS, as at 31 December 2024.

Approved budget and work plan

7. The 2022–2026 UBRAF provides the operational framework for the contribution of UNAIDS to the implementation of the Global AIDS Strategy, endorsed by the Board at its 48th meeting.
8. The central focus of the 2022–2026 UBRAF is the urgent need to further leverage the strengths, capacities and comparative advantages of the Joint Programme to support countries and communities to reduce the inequalities that undermine service access and utilization, leave people living with HIV, at risk and affected by HIV and that fuel the AIDS epidemic.
9. This second biennial Workplan and Budget under the 2022–2026 UBRAF covers the years 2024 and 2025. Carrying forward the strategic directions set out in the UBRAF, the 2024–2025 Workplan and Budget provides further details about the priority actions and deliverables the Joint Programme will undertake and the related budget towards each of the 10 result areas at output level, as outlined in the UBRAF.
10. At its 52nd meeting, the PCB approved the 2024–2025 Workplan (UNAIDS/PCB (52)/23.13) against the core budget base of US\$ 187 million up to the threshold of US\$ 210 million annually.
11. The approved annual core budget of US\$ 210 million is comprised as follows: an annual allocation of US\$ 146 million to resource the UNAIDS Secretariat to deliver on its functions and enable continued support in about 85 countries; and an annual allocation of US\$ 64 million for Cosponsors for core functions, global strategic initiatives and country envelopes:
 - a total of US\$ 22 million to all Cosponsors (US\$ 2 million to each) to offer a degree of predictability for fulfilling their respective role in relation to the Joint Programme;

- US\$ 11 million for global strategic initiatives to amplify efforts in key programmatic areas; and
- US\$ 31 million to Cosponsors at country level in the form of country envelopes to support populations in greatest need.

12. Due to an unpromising financial outlook for 2024, similar to 2023, and a fund balance below the minimum level, a cautiously optimistic funding scenario of US\$ 160 million was approved, pending additional contributions (i.e. US\$ 27 million less than the threshold of the approved base budget of US\$ 187 million). The reduction of US\$ 14 million for the Secretariat and US\$ 13 million for the Cosponsors resulted in the Secretariat operating with a smaller budget of US\$ 126 million instead of US\$ 140 million and the Cosponsors with a budget of US\$ 34 million instead of US\$ 47 million.

Revenue

13. Total revenue (including finance revenue) for the year ended 2024 for both core and non-core funds was US\$ 233 million (compared to US\$ 219.8 million for 2023). This represents an increase of US\$ 13.2 million (6 per cent) when compared to total funds mobilized in 2023.

14. Of this amount, US\$ 149 million (US\$ 161.5 million in 2023) was made available towards the core UBRAF and US\$ 84 million (US\$ 58.3 million in 2023) to the UBRAF non-core funds. The UBRAF non-core funds were made available to UNAIDS to provide support to several global, regional and country activities and are designated for specific regions, countries or purposes. Table 1 provides details of revenue for 2024 and 2023.

Table 1. Details of revenue: all funds (in US dollars)

Revenue	UBRAF Core Funds		UBRAF Non-Core Funds		TOTAL	
	2024	2023	2024	2023	2024	2023
Governments	143 880 026	152 866 741	73 384 737	50 623 312	217 264 763	203 490 053
Cosponsoring organizations	-	-	2 853 819	2 332 649	2 853 819	2 332 649
Others	25 853	35 320	5 115 604	7 750 093	5 141 457	7 785 413
Miscellaneous	539 295	477 671	502 757	294 950	1 042 052	772 621
Sub-total operating revenue	144 445 174	153 379 732	81 856 917	61 001 004	226 302 091	214 380 736
<i>Finance revenue/(cost)</i>	<i>4 564 907</i>	<i>8 125 204</i>	<i>2 167 127</i>	<i>(2 678 052)</i>	<i>6 732 034</i>	<i>5 447 152</i>
Grand Total	149 010 081	161 504 936	84 024 044	58 322 952	233 034 125	219 827 888

15. As summarized in Table 1, revenue totaling US\$ 149 million was mobilized and made available towards the core UBRAF. This represented 93% of resource mobilization target of US\$ 160 million for the year 2024, resulting in a shortfall of \$11 million.

16. Figure 1 (below) provides details of revenue received from UNAIDS's main donors towards the core UBRAF for the year 2024 and Figure 2 (below) provides details of revenue received from UNAIDS's main donors towards **both the core and non-core UBRAF** for the year 2024.

Figure 1. Details of revenue received from main donors towards the core Unified Budget, Results and Accountability Framework for the year 2024 (US\$ million)

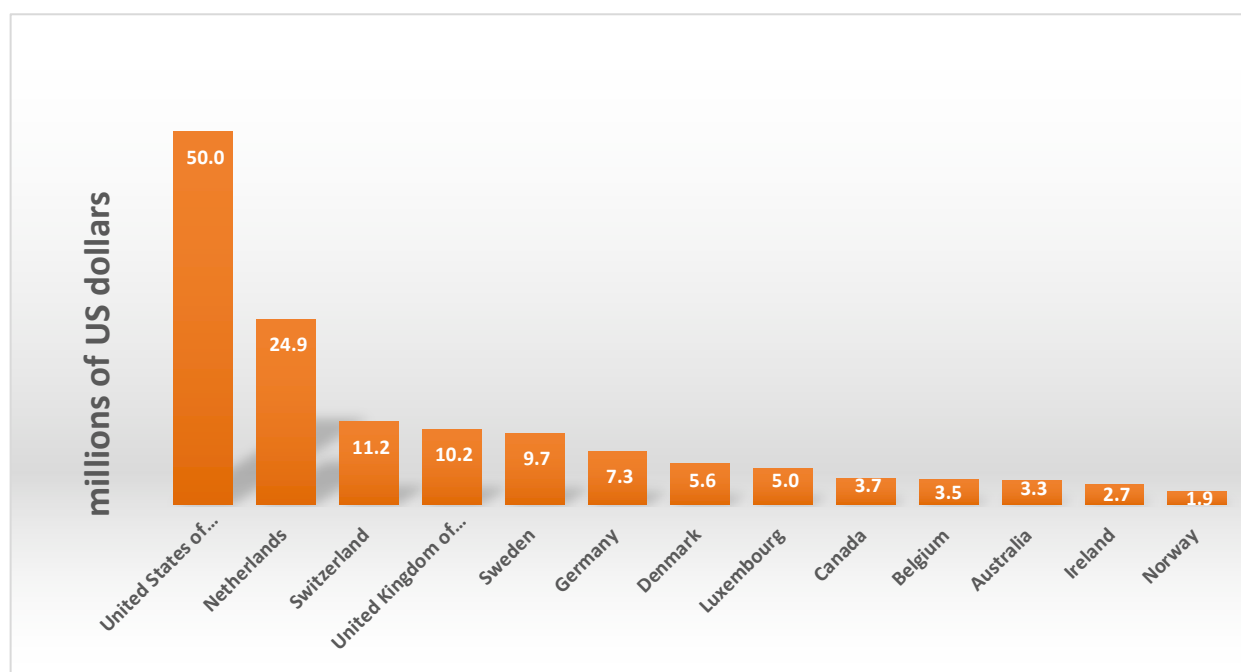
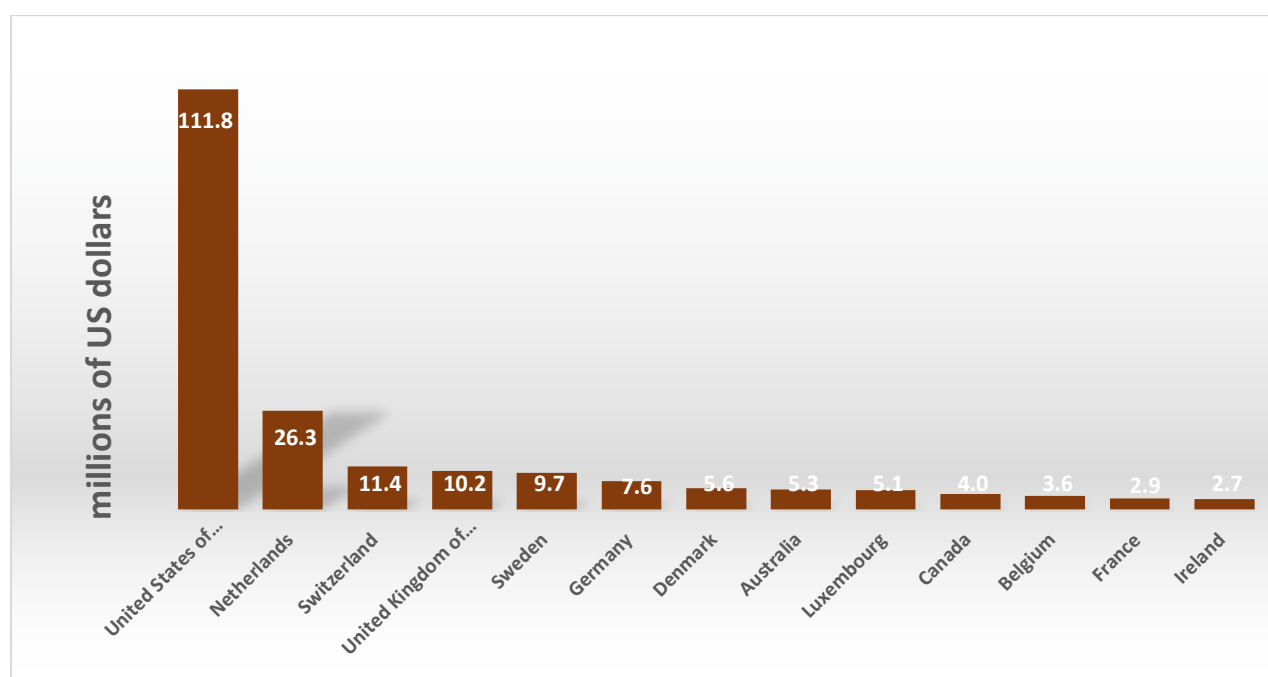


Figure 2. Details of revenue received from main donors towards both the core and non-core UBRAF, 2024 (US\$ million)



Expenses

17. Total expenses for the year ended 31 December 2024 amounted to US\$ 226.4 million (compared to US\$ 229 million for 2023), of which:
- US\$ 157.9 million related to expenses against the core UBRAF for 2024–2025;
 - US\$ 72.3 million was for expenses under the UBRAF non-core funds;
 - adjustments under other funds of US\$ 0.6 million; and

- US\$ (4.3) million was for additional accrual under the After-Service Health Insurance Fund (ASHI), Terminal Payments and Special Fund for Compensation based on the actuarial study and in accordance with IPSAS 39 (Employee Benefits). Table 2 provides details of expense by fund type for 2024 and 2023.

Table 2. Details of expense: all funds (in US dollars)

Expenditure	2024	2023
UBRAF core funds	157 876 266	157 957 349
UBRAF Non-core funds	72 258 912	74 496 099
Other funds	628 717	(1 958 338)
Sub-total	230 763 895	230 495 110
Adjustment to accrual for staff benefits	(4 322 104)	(1 522 092)
Total Expense	226 441 791	228 973 018

18. Through initiatives and measures put in place to reduce costs and increase cost-effectiveness and efficiency the Secretariat expenses stayed within its reduced prioritized share of the core UBRAF (i.e. US\$ 126 million against US\$ 146 million in the approved core budget). The 2024 Secretariat core UBRAF expenses and encumbrances amounted to US\$ 126 million and are at a level similar to the 2023 amount of US\$ 125.9 million.
19. The 2024 expenses of US\$ 226.4 million represented a decrease of US\$ 2.5 million from US\$ 229 million, for the year ended 2023. This is reflected in Table 3 and Figure 3 (below), which show an increase in costs of US\$ 4.6 million under the staff expense category.
20. The expenses in 2024 for the categories of transfers and grants to counterparts', contractual services and operating expenses, compared to those of 2023, represented decreases of US\$ 1.1. million, US\$ 4.5 million and US\$ 2.5 million respectively. Expenses under "equipment, furniture and vehicles" were at similar levels to 2023 at US\$ 0.6 million, while there was an increase of US\$ 0.9 million in travel expenses and US\$ 0.1 million in depreciation.
21. The increase of US\$ 4.5 million in staff costs is attributable to the increase in core and non-core funded positions, as well as one-time payments to staff who opted for separation under mutual agreements during the 2021 alignment exercise.

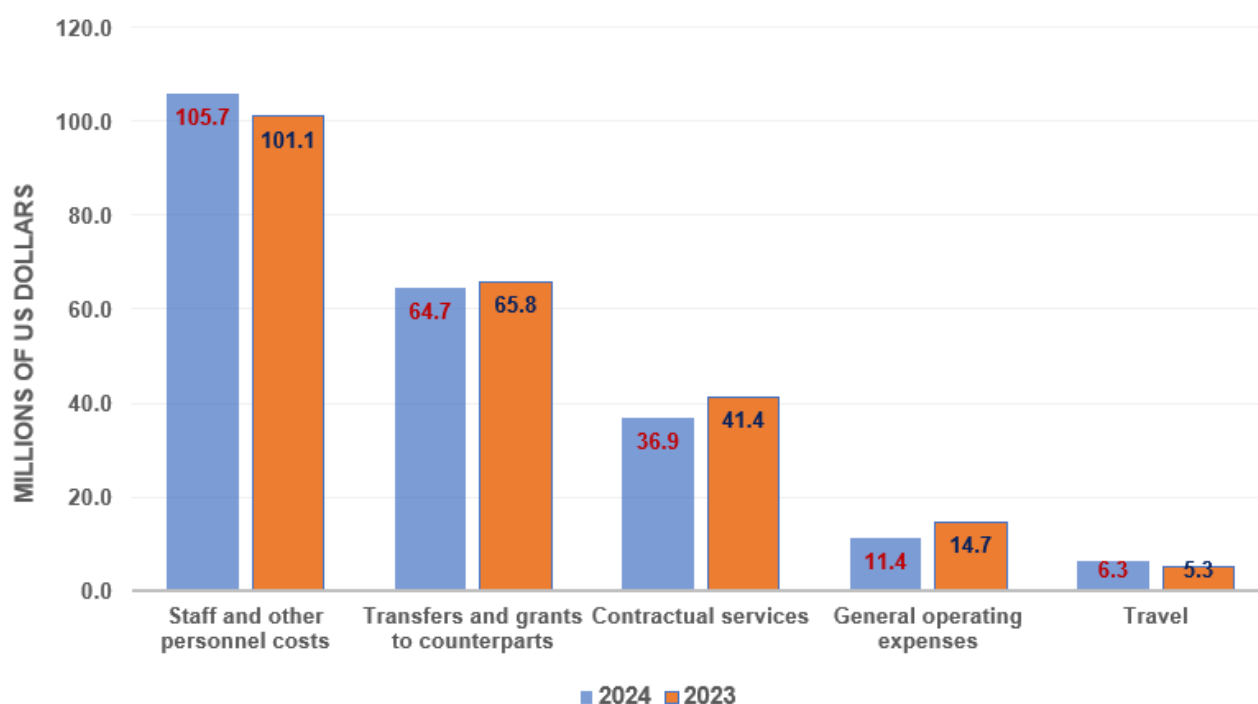
Transfers and grants to counterparts in 2024 were in line with those of 2023, with only a 2% decrease from US\$ 65.8 million to US\$ 64.7 million.

22. The decrease in contractual services expenditures, from US\$ 41.4 million in 2023 to US\$ 36.9 million in 2024, is a result of cost-reduction measures and efforts to enhance the cost-effectiveness and operational efficiency of the Secretariat.

Travel expense increased to US\$ 6.3 million in 2024 from US\$ 5.4 million in 2023. The increase in 2024 compared to 2023 reflects a gradual return to in-person meetings, mainly funded through non-core funding for projects; while the expanded use of video conferencing, monitoring and internal controls, ensured the 2024 expenditure remained below the pre-covid level of US\$ 7.8 million in 2019.

Table 3. Details of expense by category (in US dollars)

Expense	2024	2023	Increase/ (decrease)
Staff and other personnel costs	105 744 260	101 152 485	4 591 775
Transfers and grants to counterparts	64 736 174	65 807 351	(1 071 177)
Contractual services	36 901 309	41 424 966	(4 523 657)
General operating expenses	11 438 411	13 980 906	(2 542 495)
Travel	6 288 587	5 382 101	906 486
Equipment, furniture and vehicles	584 435	588 439	(4 004)
Depreciation	748 616	636 769	111 847
Total Expenses	226 441 792	228 973 018	(2 531 226)

**Figure 3. Details of expense by major category for year 2024 and 2023
(in millions of US dollars)**


Fund balance

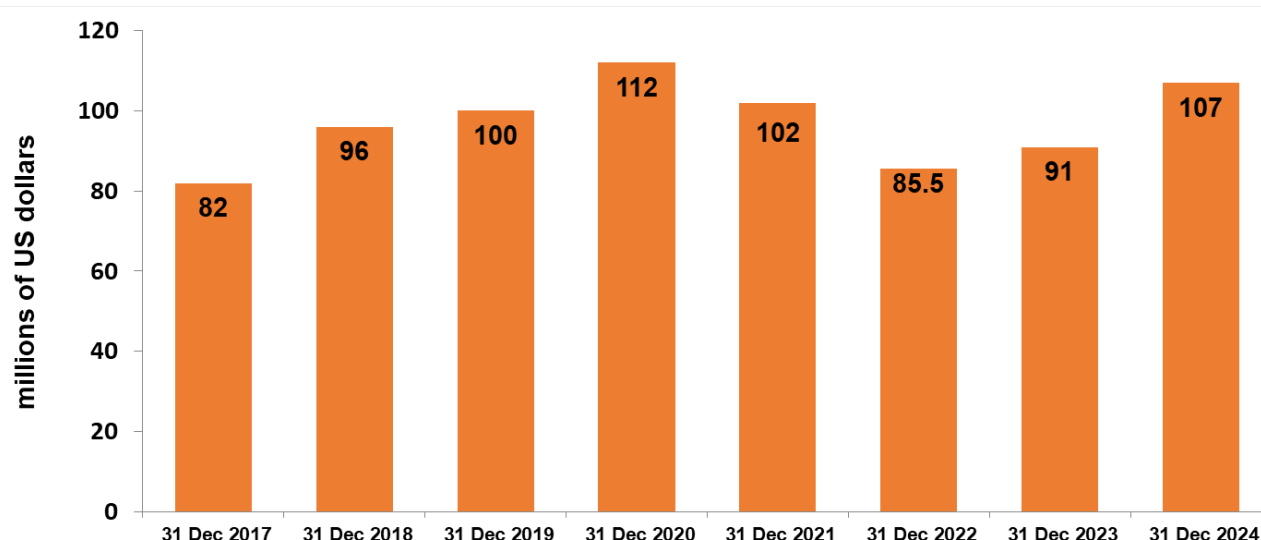
23. The nature of UNAIDS as a voluntary funded programme requires a fund balance that serves as working capital to initiate and implement activities pending receipt of firm pledges/contributions. To ensure continuity of joint programme activities from one year to the next, a sufficient fund balance at the end of each year is necessary to ensure the smooth start up and implementation of the UBRAF in the following year/biennium.
24. At its 26th meeting, held in Geneva from 22–24 June 2010, the PCB approved a maximum level for the UBRAF net fund balance, set at to 35% of the UNAIDS biennial budget equivalent to US\$ 170 million). Subsequently, during its 36th meeting, held in Geneva from 30 June to 2 July 2015, the Board approved a minimum level for the net fund balance, equivalent to 22% of the biennial budget (US\$ 107 million at

that time). Most recently, at its 54th meeting, held in Geneva from 25–27 June 2024, the board reaffirmed decision point 7.7 from its 36th meeting, maintaining the minimum UBRAF net fund balance at 22% of the biennial budget. This corresponds to US\$ 70 million based on the revised 2024–2025 operating biennial budget of US\$ 320 million.

25. At 31 December 2024, the net fund balance of the UBRAF stood at US\$ 107 million or 33.4% of the biennial budget¹ (compared to US\$ 91 million or 28.4% at 31 December 2023). This is above the minimum level of US\$ 70 million of the biennial budget as reaffirmed by PCB in June 2024.
26. The net fund balance of the UBRAF at 31 December 2024 exceeded the approved minimum level by US\$ 37 million and represents an increase of US\$ 16 million compared to the balance of US\$ 91 million at 31 December 2023. This increase was primarily due to the return of US\$ 25.1 million originally transferred to cover the organizational staff-related liabilities back to the core fund balance. This action was approved by the PCB.

It should be noted that the fund balance of the UBRAF is the Joint Programme’s working capital. It enables the UNAIDS Secretariat to provide funding to the joint programme activities before donors remit funds to UNAIDS. This ensures the Joint Programme operations can continue uninterrupted while waiting for new contributions from donors. Although the level of the fund balance as at 31 December 2024 is above the minimum level established by the PCB most recently, the balance provides essential funding to the Secretariat at a time when the level of donor contributions for 2025 is uncertain. The Secretariat will continue to monitor the fund balance and intensify the mobilization of resources to ensure the fund balance is maintained at a level that enables the effective implementation of the UBRAF.

Figure 4. Management of the Core fund balance for the financial years 2017 to 2024
(in millions of US dollars)



¹ In addition to the expense of US\$ 157.7 million in 2024 under the 2024–2025 UBRAF, US\$ 2.5 million was encumbered during 2024 (representing firm commitments of goods and services to be delivered in 2025). As a result, the net fund balance as at 31 December 2024 under the UBRAF to cover 2025 UBRAF activities was US\$ 106.9 million (US\$ 109.4 million less with US\$ 2.5 million reserved for 2024 encumbrances).

Part II: 2024 Statement of Internal Control

Scope of responsibility

As Executive Director of the Joint United Nations Programme on HIV/AIDS (UNAIDS), I am accountable, in accordance with the responsibilities assigned to me, in particular, Financial Regulation 12.1, for maintaining a sound system of internal control to “ensure the accomplishment of established objectives and goals for operations; the economical and efficient use of resources; the reliability and integrity of information; compliance with policies, plans, procedures, rules and regulations; and the safeguarding of assets.”

Purpose of internal control

The system of internal control is designed to reduce and manage rather than eliminate the risk of failure to achieve the UNAIDS Secretariat’s objectives and related policies. Therefore, it can only provide reasonable and not absolute assurance of effectiveness. It is an ongoing process designed to identify the principal risks, evaluate the nature and extent of those risks, and to manage them efficiently, effectively, and economically.

Internal control is a process, effected by the PCB, the Executive Director, senior management and other personnel, and designed to provide reasonable assurance on the achievement of the following objectives:

- effectiveness and efficiency of operations and safeguarding of assets;
- reliability of financial reporting; and
- compliance with applicable regulations and rules.

From an operational perspective, UNAIDS’s internal control system operates continually at all levels of the Secretariat through internal control processes to ensure the above objectives are met.

My current statement on UNAIDS’s internal control processes, as described above, applies for the year ended 31 December 2024, and up to the date of the approval of the Organization’s 2024 annual financial statements.

UNAIDS operating environment

UNAIDS operates in challenging environments and is therefore exposed to situations with a high level of inherent risk, including in terms of the security of its employees and, in some cases, its ability to maintain the highest standards of internal control. The security situation in each country in which UNAIDS (and the United Nations in general) operates is closely monitored, and strategic decisions are taken where necessary to adapt UNAIDS’s operations and to manage and mitigate the risk exposure of its personnel. All risks are captured in a formal risk register and are subject to regular review by managers.

The internal control framework and risk management

UNAIDS’s Management Accountability Framework operates in tandem with the Risk Management Framework and the Internal Control Framework. These frameworks are critical to the accomplishment of the Joint Programme’s objectives and goals with enhanced accountability and greater transparency.

The risk management framework aims to embed a systematic and effective approach to identifying, assessing and managing risks and opportunities. Senior Management have identified the high-level risks and opportunities which have been compiled into a UNAIDS Risk Universe. Department, Regional, Liaison and Country Office Directors/Managers develop risk registers, including mitigating action plans, based on their risk analysis. Quality assurance of registers is undertaken prior to their evaluation by the Risk Committee.

In addition to a set of rules, procedures and processes, the internal control framework comprises mechanisms for assessing its overall effectiveness. On an annual basis, managers with delegated financial and administrative authorities, complete a Self-Assessment checklist to assess and monitor the overall internal controls, as well as the key functional control areas, across their respective Offices or Department. Results of the self-assessment checklists are analysed considering recurrent audit findings and top risks identified to feed into an overall review of effectiveness and continuous improvement action plans.

Review of the effectiveness of internal control

My review of the effectiveness of the system of internal control is mainly informed by:

- My senior managers, particularly Deputy Executive Directors, Regional Support Team and Liaison Office Directors, Country Office Directors, Department and Functional Directors, who play important roles and are accountable for results, performance, controlling activities under their purview and the resources entrusted to them.
- I derive assurance from the representation letters signed by the Regional Directors and Deputy Executive Directors. These letters confirm the importance of ensuring that adequate internal controls are in place, along with other assurances.
- The internal control self-assessment checklist completed by managers. The consolidated results of the 2024 self-assessment exercise deemed internal controls to be adequate overall. Areas for improvement, shown in both the self-assessments and audit findings, relate to assurance activities in the management of implementing partners and agreements, completeness of procurement documentation, development and update of business continuity plans, physical verification of assets and timely update of the register of assets, and risk management. Actions taken to address these areas for improvement as well as recurrent audit findings are presented to the Programme Coordinating Board in the Management Response to Oversight Reports.
- The risk assessments completed by managers. The 2024 exercise deemed that the top risks in terms of occurrence relate to political, human resources, funding and programmatic risks.
- Reports issued by the Office of Internal Oversight, which include independent and objective information on the adequacy and effectiveness of UNAIDS's system of internal controls together with recommendations for improvement. The major findings from internal audit reports are summarized in the annual report of the Internal Auditor to the Programme Coordinating Board.
- Reports issued by the External Auditor that provide an independent oversight and reporting on UNAIDS' compliance with financial regulations and rules. The External Auditor presents an update of its work and key findings to the Programme Coordinating Board.
- The Programme Coordinating Board's observations.
- The work of the Independent Expert Oversight Advisory Committee which recommendations contribute to strengthen accountability and oversight within UNAIDS.

Significant risk issues noted

After departments, regional and country offices completed their risk register in 2024, the consolidated findings were reviewed by the Risk Management Committee and endorsed by senior management. Some of the key risks currently facing the Organization are summarized below.

Whilst the top risks identified in previous years remain valid, declining financial contributions to the Joint Programme have diminished the resources available to deliver on set objectives and increase risks to their attainment. Remedial measures to support strategic prioritization and to adapt to the new funding landscape.

Top risks	Examples of ongoing or planned mitigation activities
Changing agenda and priorities of strategic partners, including Cosponsors and other stakeholders, diminished focus on HIV response.	• Increase advocacy efforts, engaging with governments, decision-makers and donors in countries and at the global level. • Deliver strong and consistent messaging, both internally and externally on top priorities.
Insufficient financing to ensure a fully funded UBRAF (core and non-core funds) hinder operations and capacity to fully deliver on objectives.	• Continue resource mobilisation efforts in close collaboration with Cosponsors and partners • Continue advocacy with donors and Governments to increase external and domestic resources for HIV. • Revised operating structure of the Secretariat responding to the High-Level Panel recommendations, new funding landscape and strategic prioritization.
Globally/regionally significant health, geopolitical and/or security crises, growing conservatism, affect continuity of HIV services and result in: disruptions in HIV prevention, testing and treatment programmes; increased human rights crises, gender inequalities including gender-based violence; and inequitable access to HIV services slower progress to close gaps in access to HIV services.	• Continue to spearhead innovations in service delivery and new technologies so that HIV services can be sustained through disruptive periods. • Continue to support the development of contingency and continuity plans that include essential HIV services, including supply and management of stocks of HIV- related supplies and drugs.
Revision to UNAIDS footprint results in the loss of qualified, motivated, and adequately trained human resources, reducing UNAIDS's ability to respond to emerging needs and to deliver mandate and stated results.	• Provide resources to ensure critical functions are filled in a timely manner. • Provide adequate induction of new staff, preservation and sharing of institutional knowledge (knowledge management).
UNAIDS workforces are affected by security and safety incidents. Staff well-being and mental health are impacted by environmental and organizational factors of stress.	• Ensure compliance with UNDSS recommendations to mitigate risks to staff. • Fulfil duty-of-care obligations to staff and provide staff with information and access to services to promote and protect mental health and well-being.
Risk of cybersecurity attacks significantly compromise critical information systems, digital assets or critical data leading to discontinuity of operations, financial losses, litigations or reputational damage.	• Monitor threats and ensure incident response and preparedness. • Continue to implement measures to strengthen security level.
Inability to prevent, detect and manage cases of sexual exploitation, abuse and harassment and other forms of misconduct thereby harm people and affects the reputation of the Organization.	• Monitor mandatory training to ensure completion of mandatory training and awareness-raising on preventing and addressing abusive conduct and sexual exploitation. • Country-level Sexual Exploitation Abuse and Sexual Harassment/Sexual Misconduct (SEAH/SM) risk assessment. • Undertake background checks of prospective staff members using ClearCheck and online footprint checks. • Undertake SEAH assessment of all implementing partners and prevention of SEAH safeguards in all their contracts.
UNAIDS experiences disruptions and/or delays in operations due to ineffective roll out of BMS, as the newly designed processes do not sufficiently cater for UNAIDS's operations and organizational specificities, and users are not adequately trained and supported post-roll out.	• Provide leadership and guidance to ensure UNAIDS is actively engaging in the BMS project through participation in steering and other BMS project meetings with WHO and other hosted entities, exchange of information with technical and functional teams involved in the project, and effective planning of roll out activities. • Identify and train BMS support focal points from multiple branches/regions to support post-roll out operations.

Top risks	Examples of ongoing or planned mitigation activities
Fraud and corruption may be committed by staff and non-staff due to weak or inadequate internal controls or vulnerable external business environments.	• Raise awareness on fraud prevention, detection and response mechanisms and processes (e.g. mandatory training on fraud prevention). • Address allegations of fraud are in a timely manner.

Statement

Internal control, while operating effectively, has inherent limitations, including the possibility of circumvention, no matter how well designed, and therefore can provide only reasonable assurance. Furthermore, because of changes of conditions, the effectiveness of internal control may vary over time.

I am committed to addressing any weaknesses in internal controls that may be noted during the year and brought to my attention.

Based on the above, I conclude that, to the best of my knowledge and information, there are no material weaknesses that would prevent the external auditor from providing an unqualified opinion on UNAIDS financial statements, nor are there other significant matters arising that would need to be raised in the present document for the year ended 31 December 2024 and up to the date of approval of the financial statements.



Winnie Byanyima
Executive Director

Geneva, 28 March 2025

Part III: Financial statements, schedules and notes to the accounts for the year ended 31 December 2024

This section of the financial report presents the overall financial position of UNAIDS as of and for the year ended 31 December 2024. The relevant financial statements, accompanying notes and supporting schedules have been prepared in compliance with the requirements of the WHO Financial Regulations, Financial Rules and the International Public Sector Accounting Standards (IPSAS). The schedules provide background details and explanations in support of individual funds and accounts administered by UNAIDS, through the WHO financial systems, for the year ended 31 December 2024.

Certification of financial statements

Certification of financial statements for the year ended 31 December 2024

The financial statements, accounting policies and notes to the financial statements have been prepared in compliance with International Public Sector Accounting Standards (IPSAS). The financial statements are also prepared in accordance with the Financial Regulations and Financial Rules of WHO, which provides administration in support of UNAIDS as per ECOSOC resolution 1994/24, and Article XI of the Memorandum of Understanding among Cosponsors establishing UNAIDS.

The financial statements for the year ended 31 December 2024, together with the notes to the statements and supporting schedules are approved.



Samsom Kambarami
Director, Finance
and Accountability



Winnie Byanyima
Executive Director
UNAIDS

Geneva, 28 March 2025

LETTER OF TRANSMITTAL

Ritika Bhatia
Director External Audit
(WHO)



Room No. M 019
World Health Organisation
Avenue Appia, 1211 Geneva

Dear Sir,

I have the honour to present to the Programme Coordinating Board, the External Auditor's Report for the Audit of Joint United Nations Programme on HIV/AIDS (UNAIDS) for the financial year ended 31 December 2024.

I express my appreciation to Programme Coordinating Board for the honour and privilege to serve as External Auditor of UNAIDS.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Ritika Bhatia', with a checkmark-like flourish at the end.

Ritika Bhatia

The Chair
Programme Coordinating Board
Joint United Nations Programme on HIV/AIDS
Geneva Switzerland

Opinion of the External Auditor

Report of the External Auditor on the financial statements

Opinion

We have audited the financial statements of the Joint United Nations Programme on HIV/AIDS (UNAIDS), which comprise the statement of financial position (statement I) as at 31 December 2024, the statement of financial performance (statement II), the statement of changes in net assets/ equity (statement III), the statement of cash flow (statement IV) and the statement of comparison of budget and actual amount (statement V) for the year then ended, as well as the notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UNAIDS as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS).

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are described in the section below entitled “Auditor’s responsibilities for the audit of the financial statements”. We are independent of UNAIDS in accordance with the ethical requirements relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and the auditor’s report thereon

Management is responsible for the other information, which comprises the information included in the Director General’s Report for the year ended 31 December 2024 but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to

be materially misstated. If, on the basis of the work that we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard. Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of UNAIDS to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going-concern basis of accounting unless the management intends either to liquidate UNAIDS or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of UNAIDS.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the overriding of internal control;

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of UNAIDS;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- (d) Draw conclusions as to the appropriateness of the Management's use of the going-concern basis of accounting and, on the basis of the audit evidence obtained, whether a material uncertainty exists in relation to events or conditions that may cast significant doubt on the ability of UNAIDS to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause UNAIDS to cease to continue as a going concern;
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Furthermore, in our opinion, the transactions of UNAIDS that have come to our notice or that we have tested as part of our audit have, in all significant respects, been in accordance with the WHO Financial Regulations.

In accordance with Regulation XIV of the WHO Financial Regulations, we will also issue long-form report on our audit of UNAIDS.



K. Sanjay Murthy

Comptroller and Auditor General of India

30 April 2025

Statement I
Statement of Financial Position
All sources of funds as at 31 December 2024

(in US dollars)

	Note	31 December 2024	31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents held by WHO	4.1	13 865 598	9 883 071
Short term investments held by WHO	4.2	106 876 020	135 535 036
Accounts receivable - current	4.3	131 911 408	113 032 759
Staff receivables	4.4	2 245 752	2 160 182
Prepayments and deposits	4.5	701 720	1 999 272
Other current receivables	4.6	635 685	527 986
Total current assets		256 236 183	263 138 306
Non-current assets			
Accounts receivable - non-current	4.3	896 224	413 640
Property, plant and equipment	4.9	18 956 104	18 815 895
Total non-current assets		19 852 328	19 229 535
TOTAL ASSETS		276 088 511	282 367 841
LIABILITIES			
Current liabilities			
Accounts payable	4.10	5 082 894	4 865 883
Staff payable	4.11	416 262	382 764
Accrued staff benefits - current	4.12	9 610 839	10 851 096
Deferred revenue - current	4.13	1 445 209	8 390 380
Financial liabilities held by WHO	4.2	880 000	582 000
Long-term borrowings - current	4.14	663 707	716 168
Other current liabilities	4.15	240 480	230 789
Total current liabilities		18 339 391	26 019 080
Non-current liabilities			
Accrued staff benefits - non-current	4.12	(2 690 392)	(16 737 214)
Deferred revenue - non-current	4.13	896 224	413 640
Long-term borrowings - non-current	4.14	19 407 972	21 149 588
Total non-current liabilities		17 613 804	4 826 014
TOTAL LIABILITIES		35 953 195	30 845 094
NET ASSETS/EQUITY			
Net assets/reserves			
Operating Reserve Fund	4.17	35 000 000	35 000 000
Equity in capital assets		11 775 497	11 111 790
Common Fund		(18 613 127)	(19 078 740)
Non-restricted funds		109 407 088	93 140 356
Restricted funds		69 849 849	61 152 636
Building Renovation Fund	4.18	7 556 638	6 670 032
Staff Benefits		16 732 071	53 983 802
Non-payroll staff entitlements Fund		8 427 299	9 542 870
TOTAL NET ASSETS/EQUITY		240 135 315	251 522 747
TOTAL LIABILITIES AND NET ASSETS/EQUITY		276 088 510	282 367 841

The statement of significant accounting policies and the accompanying notes form part of the financial statements.

Statement II
Statement of Financial Performance
All sources of funds for the year ended 31 December 2024
(in US dollars)

	Notes	31 December 2024	31 December 2023
Revenue	5.2		
Voluntary contributions			
Governments		217 264 763	203 490 053
Cosponsoring organizations		2 853 819	2 332 649
Others		5 141 457	7 785 413
Sub total voluntary contribution		225 260 039	213 608 115
Miscellaneous		1 042 052	772 621
Total revenue		226 302 091	214 380 736
Expense	5.3		
Staff and other personnel costs		105 744 260	101 152 485
Transfers and grants to counterparts		64 736 174	65 807 351
Contractual services		36 901 309	41 424 966
General operating expenses		11 438 411	13 980 906
Travel		6 288 587	5 382 101
Equipment, vehicles and furniture		584 435	588 439
Depreciation		748 616	636 769
Total expense		226 441 791	228 973 018
Finance revenue/(cost)	5.4	6 732 034	5 447 153
Total surplus/(deficit) for the year		6 592 334	(9 145 129)

The statement of significant accounting policies and the accompanying notes form part of the financial statements.

Statement III
Statement of Changes in Net Assets/Equity
All sources of funds for the year ended 31 December 2024

(in US dollars)

	Notes	31 December 2024	2024 Movements	2024 Adjustments	31 December 2023
Net assets/reserves	4.16				
Operating Reserve Fund	4.17	35 000 000			35 000 000
Equity in capital assets		4 458 270			4 458 270
Loan adjustments		7 317 227	663 707		6 653 520
Total Equity in capital assets		11 775 497	663 707	-	11 111 790
Common Fund					
Depreciation on property, plant and equipment		(10 357 145)	(748 616)		(9 608 529)
Revaluation reserve		(8 255 982)	1 214 229		(9 470 211)
Total Common Fund		(18 613 127)	465 613	-	(19 078 740)
Non-restricted funds					
UBRAF Core unrestricted		109 407 088	(8 866 185)	25 132 916	93 140 356
Restricted funds					
UBRAF non-core restricted		69 849 849	9 127 213	(430 000)	61 152 636
Other Funds					
Building Renovation Fund	4.18	7 556 638	456 606	430 000	6 670 032
Staff Benefits Fund					
Terminal Payments		5 662 631	1 553 619		4 109 012
Staff Health Insurance		11 208 381	4 360 291	(43 136 000)	49 984 089
Special Fund for Compensation		(138 941)	(52 960)	23 318	(109 299)
Total Staff Benefits Fund		16 732 071	5 860 951	(43 112 682)	53 983 802
Non-payroll staff entitlements Fund		8 427 299	(1 115 571)		9 542 870
Net assets/equity		240 135 315	6 592 334	(17 979 766)	251 522 747

The statement of significant accounting policies and the accompanying notes form part of the financial statements.

Statement IV
Statement of Cash Flow
All sources of funds for the year ended 31 December 2024

(in US dollars)

	2024	2023
Cash flows from operating activities		
Surplus/(deficit) for the year	6 592 334	(9 145 129)
Depreciation	748 616	636 769
Investment revenue presented as investing activities	6 789 975	10 089 035
Unrealized (gains)/Losses on revaluation of long-term borrowings	(1 214 229)	4 547 798
(Increase)/decrease in accounts receivables - current	(18 878 649)	(6 098 045)
(Increase)/decrease in accounts receivables - non-current	(482 584)	7 154 372
(Increase)/decrease in staff receivables	(85 570)	(622 185)
(Increase)/decrease in prepayments and deposits	1 297 552	644 193
(Increase)/decrease in other current receivables	(107 700)	(92 914)
Increase/(decrease) in accounts payables	217 011	(1 920 777)
Increase/(decrease) in staff payables	33 498	147 160
Increase/(decrease) in accrued staff benefits - current	(1 240 257)	(5 585 476)
Increase/(decrease) in deferred revenue - current	(6 945 171)	(107 370)
Increase/(decrease) in other current liabilities	9 691	(2 527)
Increase/(decrease) in deferred revenue - non-current	482 584	(7 154 372)
Increase/(decrease) in accrued staff benefits - non-current	14 046 823	(14 999 210)
Direct adjustments to net assets/equity	(17 979 766)	12 968 953
<i>Net cash flow from operating activities</i>	<i>(16 715 842)</i>	<i>(9 539 725)</i>
Cash flows from investing activities		
Investment revenue presented as investing activities	(6 789 975)	(10 089 035)
(Increase)/decrease in short term investments	28 659 016	18 149 964
Increase/(decrease) in financial liabilities	298 000	(1 571 000)
(Increase)/decrease in property, plant and equipment	(888 826)	(297 251)
<i>Net cash flow from investing activities</i>	<i>21 278 215</i>	<i>6 192 678</i>
Cash flows from financing activities		
Increase/(decrease) in long-term borrowings - current	(52 461)	68 281
Increase/(decrease) in long-term borrowings -non-current	(1 741 615)	4 320 009
Net unrealized gains/(Losses) on revaluation	1 214 229	(4 547 798)
<i>Net cash flow from financing activities</i>	<i>(579 847)</i>	<i>(159 508)</i>
Net Increase/(decrease) in cash and cash equivalents	3 982 526	(3 506 555)
Cash and cash equivalents at beginning of year	9 883 071	13 389 626
Cash and cash equivalents at end of year	13 865 598	9 883 071

The statement of significant accounting policies and the accompanying notes form part of the financial statements.

Statement V
Statement of Comparison of Budget and Actual Amount
2024-2025 Unified Budget, Results and Accountability Framework
for the period ended 31 December 2024
(in US dollars)

	2024-2025 Core Budget Upper Level	2024-2025 Core Budget Base Level	2024 Core Operating Budget	Expense 2024	Balance	Percentage ¹ implementation
	(a)	(b)	(c)	(d)	(e) = (b-d)	(f) = (d / c)
I. Result Areas						
1 HIV prevention	27 595 800	22 092 000	8 498 800	8 498 800	13 593 200	100%
2 HIV testing and treatment	12 183 200	10 336 600	3 212 000	3 212 000	7 124 600	100%
3 Paediatric AIDS and vertical transmission	14 602 400	9 776 000	3 856 300	3 856 300	5 919 700	100%
4 Community-led responses	8 244 400	6 705 000	2 616 000	2 616 000	4 089 000	100%
5 Human rights	13 803 200	7 863 200	2 588 600	2 588 600	5 274 600	100%
6 Gender equality	11 747 400	8 593 000	3 241 000	3 241 000	5 352 000	100%
7 Young people	13 235 600	9 251 000	3 658 200	3 658 200	5 592 800	100%
8 Fully funded HIV response	3 893 000	3 052 200	901 600	901 600	2 150 600	100%
9 Integration and social protection	10 870 800	8 299 400	2 127 400	2 127 400	6 172 000	100%
10 Humanitarian settings and pandemics	11 824 200	8 031 600	3 300 100	3 300 100	4 731 500	100%
Total Cosponsors	128 000 000	94 000 000	34 000 000	34 000 000	60 000 000	100%
II. Core Functions						
1 Leadership, advocacy and communication	75 002 000	71 922 000	30 235 000	29 466 704	42 455 296	97%
2 Partnerships, mobilization and innovation	51 596 000	49 474 000	25 544 000	25 366 263	24 107 737	99%
3 Strategic information	45 810 000	43 926 000	17 725 000	17 215 078	26 710 922	97%
4 Coordination, convening & country implementation support	67 456 000	64 684 000	29 017 000	28 685 353	35 998 647	99%
5 Governance and mutual accountability	52 136 000	49 994 000	23 479 000	22 992 750	27 001 250	98%
Total Secretariat	292 000 000	280 000 000	126 000 000	123 726 148	156 273 852	98%
Grand Total	420 000 000	374 000 000	160 000 000	157 726 148	216 273 852	99%

Basis differences

Capitalization of assets

(888 826)

Loan repayment

(663 707)

Total basis differences

(1 552 533)

Timing differences

Expenses incurred in prior period against all funds

3 627 961

Entity differences

Expenses under other funds

66 640 215

**Total expense as per the Statement of Financial
Performance (Statement II)**

226 441 791

The statement of significant accounting policies and the accompanying notes form part of the financial statements.

² Due to the reduced level of funds mobilized in 2024, the internal 2024–2025 Joint Programme operating budget was set at US\$ 160 million per annum (US\$ 34 million for Cosponsors and US\$ 126 million for the Secretariat). The implementation rate against the operating budget is 100% for Cosponsors and 98.2% for the Secretariat.

Notes to the financial statements

1. Statement of objectives

The Joint United Nations Programme on HIV/AIDS (UNAIDS) was established through the Economic and Social Council (ECOSOC) Resolution 1994/24 of 26 July 1994 to “undertake a joint and co-sponsored United Nations Programme on HIV/AIDS on the basis of co-ownership, collaborative planning and execution, and an equitable sharing of responsibility”. UNAIDS currently consists of 11 United Nations (UN) organizations referred to as Cosponsors.³

The Programme is headed by an Executive Director, appointed by the UN Secretary-General upon the recommendation of the Cosponsors, who reports to the PCB which serves as the governing board of the Programme.

The objectives of UNAIDS are contained in the Memorandum of Understanding among Cosponsors establishing UNAIDS and in the ECOSOC resolutions 1994/24 and 1995/2.

The objectives of UNAIDS were further refined and updated in UNAIDS new vision and mission statement which were endorsed by the UNAIDS PCB at its 26th meeting held in Geneva, from 22–24 June 2010. These are:

- **Uniting efforts** of the UN, civil society, governments, the private sector, global institutions and people living with and most affected by HIV;
- **Speaking out in solidarity** with the people most affected by HIV in defence of human dignity, human rights and gender equality;
- **Mobilizing resources** (political, technical, scientific and financial) and holding ourselves and others accountable for results;
- **Empowering agents of change** with strategic information and evidence to influence and ensuring that resources are targeted where they deliver the greatest impact; and
- **Supporting inclusive country leadership** for sustainable responses that are integral to and integrated with national health and development efforts.

2. Basis of preparation and presentation

The accounts of UNAIDS are maintained in accordance with the Financial Regulations and Financial Rules of WHO, which provides administration in support of UNAIDS as per ECOSOC Resolution 1994/24 and Article XI of the Memorandum of Understanding among Cosponsors establishing UNAIDS. The accounting policies and financial reporting practices applied by UNAIDS are therefore based upon the WHO Financial Regulations and Financial Rules.

The financial statements have been prepared on an accrual and going concern basis and in accordance with the requirements of IPSAS using the historical cost convention. Investments and loans are however recorded at fair value or amortized cost. Where a specific matter is not covered by IPSAS, the appropriate International Financial Reporting Standards (IFRS) have been applied.

The financial statements and notes are presented in United States dollars and all values are rounded to the nearest US dollar, or as stated.

Financial period

The Programme’s financial period for budgetary purposes is a biennium consisting of two consecutive years. The financial statements are prepared annually.

³ When UNAIDS was established in 1994, the Joint Programme consisted of six UN system organizations: UNDP, UNICEF, UNFPA, WHO, UNESCO and the World Bank. Since then, a further five UN agencies have become UNAIDS Cosponsors: UNODC, ILO, WFP, UNHCR and UN Women.

Functional currency and translation of foreign currencies

The functional and reporting currency of the Programme is United States dollar.

The foreign currency transactions are translated into United States dollars at the prevailing UN Operational Rate of Exchange, which approximates to the exchange rates at the dates of the transaction. The Operational Rates of Exchange are set once a month and revised mid-month if there are significant exchange rate fluctuations relating to individual currencies.

Assets and liabilities in currencies other than United States dollars are translated into United States dollars at the prevailing UN Operational Rates of Exchange year-end closing rate. Resulting gains or losses are accounted for in the Statement of Financial Performance.

Materiality and the use of judgements and estimates

Materiality is central for the preparation of UNAIDS financial statements. The process for reviewing accounting materiality provides a systematic approach to the identification, analysis, evaluation, endorsement and periodic review of decisions taken involving the materiality of information spread over numerous areas of accounting.

The financial statements include amounts based on judgement, estimates and assumptions by the management. Changes in estimates are reflected in the period they become known. Estimates include, but are not limited to, defined benefit medical insurance and other post-employment benefit obligations (the value of which is calculated by an independent actuary), financial risk on accounts receivable accrued charges and the degree of impairment of fixed assets. Actual results could differ from these estimates.

Financial statements

In accordance with IPSAS 1, a complete set of financial statements has been prepared as follows:

- Statement of Financial Position,
- Statement of Financial Performance,
- Statement of Changes in Net Assets/Equity,
- Statement of Cash Flow,
- Statement of Comparison of Budget and Actual Amounts, and
- Notes to the financial statements, comprising a description of the basis of preparation and presentation of the statements, a summary of significant accounting policies, and other relevant information.

The accounting policies set out below have been applied consistently in the preparation of the financial statements throughout the period.

Future accounting changes

The IPSAS Board has published the following new and amended standards:

Standard	Title	Effective date	Anticipated impact in year of adoption
IPSAS 43	Leases	1 January 2025	Supersedes IPSAS 13 (Leases) and introduces the right-of-use model for lessees. On the basis of the right-of-use model, once the new standard has been adopted and the expiration of the validity of any transitional provisions has expired, most leases will be required to be capitalized, resulting in an increase in the amount of capitalized assets and the recording of related lease liabilities. annual financial performance is expected to be broadly neutral as depreciation of leased assets and interest costs on the related lease liabilities will replace the currently recorded lease expenses. The impact of IPSAS 43 on the financial statements of WHO/UNAIDS upon adoption, including the impact of

			consequential amendments to other standards, is currently being assessed.
IPSAS 45	Property, plant and equipment	1 January 2025	This standard was developed to update principles drawn from IPSAS 17 – Property, Plant and Equipment (PPE), adding new guidance for heritage assets, infrastructure assets and measurement of PPE. The impact of elements of IPSAS 45 relating to heritage assets and the measurement of assets acquired through non-exchange transactions on the financial statements of UNAIDS is currently being assessed
IPSAS 46	Measurement	1 January 2025	This standard was developed to help improve measurement guidance across IPSAS. WHO/UNAIDS is currently assessing the impact of IPSAS 46 on the relevant areas of the financial statements.
IPSAS 47	Revenue	1 January 2026	This standard sets out the accounting requirements for revenue transactions in the public sector and replaces IPSAS 9, 11 and 23. One major impact of the standard is that for all earmarked contributions, revenue recognition will be deferred until the agency meets its obligations. UNAIDS does not have earmarked contributions. Therefore the impact of this standard on UNAIDS will be limited since it will only affect the voluntary contributions revenue which is being recognized upon signature of the relevant agreement. UNAIDS is currently assessing the full impact of IPSAS 47 on the relevant areas of financial statements.
IPSAS 48	Transfer expenses	1 January 2026	This standard sets out the accounting requirements for expenses arising from a transaction, other than taxes, in which an entity provides a good, service or other asset to another entity, without directly receiving any good, service or other asset in return. UNAIDS is reviewing the changes within the standard, which is expected to significantly impact the timing of recognition of expenses under Direct Financial Cooperation, Grant Letter of Agreement and Direct Implementation modalities in the UNAIDS financial statements. UNAIDS expects that there will be sufficient time for implementation and that such implementation will require additional resources.
IPSAS 49	Retirement benefit plans	1 January 2025	This standard covers accounting and reporting requirements for public sector retirement benefit plans to improve the transparency and accountability of those plans. UNAIDS is a member of the UN Joint Staff Pension Fund (UNJSPF), a separate legal and reporting entity where the changes required by the standard are most applicable. The impact of this standard on the UNAIDS financial statements is therefore anticipated to be very limited and any potential changes will be aligned with other UN entities.

3. Significant accounting policies

3.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits in transit, cash in bank and balances held by WHO on behalf of UNAIDS. These balances are held centrally by WHO and invested on behalf of UNAIDS in accordance with WHO's rules and practices. UNAIDS has adopted the disclosure notes of WHO to reflect the accounting policies for investments.

3.2 Investments and financial instruments held by WHO

Financial instruments are recognized when WHO/UNAIDS becomes a party to the contractual provisions of the instrument until such time when the rights to receive cash flows from those assets have expired or have been transferred and WHO/UNAIDS has substantially transferred all the risks and rewards of ownership.

The principles of IPSAS 41 in relation to the financial reporting of financial assets have been applied in the preparation of these financial statements. In that respect the following criteria have been considered when determining the classification and measurement of the financial assets and liabilities:

- (a) the business model for managing the financial assets and liabilities; and
- (b) the contractual cash flow characteristics of the financial assets and liabilities.

These classification criteria determine which of the measurement bases to apply under IPSAS 41 for each category of financial asset or liability: amortized cost, fair value through net assets/equity, or fair value through surplus or deficit.

The financial assets and liabilities have been reclassified under IPSAS 41 as follows:

Before the application of IPSAS 41	Under IPSAS 41	Examples
Financial assets and liabilities at fair value through surplus or deficit for trading Financial assets at fair value through surplus or deficit upon initial recognition	Financial assets at fair value through surplus or deficit	Fixed income securities (e.g. bonds, certificates of deposit, etc.) and derivative instruments (e.g. foreign exchange forward contracts, interest rate swaps, etc.).
Bank deposits and receivables	Financial assets at amortized cost	Term deposits, interest receivables, tax recoverable, other amounts to be received from investments (e.g. amounts to be received in respect of assets previously sold).
Payables and accruals	Financial liabilities at amortized cost	Interest payables, other amounts to be paid for investments (e.g. amounts to be paid in respect of assets previously purchased).

Financial assets at amortized cost are those financial instruments that are held under the business model objective to hold financial assets to collect contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through net assets/equity (FVNAE) are those financial instruments which are held under a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, where the contractual terms give rise on specified dates to cash flows which are solely payments of principal and interest on the principal amount outstanding.

Financial assets or financial liabilities at fair value through surplus or deficit (FVSD) are other financial instruments which are not classified as either at amortized cost or at FVNAE. None of the WHO financial assets or liabilities has been classified as at FVNAE.

Under IPSAS 41, a single forward-looking impairment model is applied, which requires the recognition of expected credit losses at all times.

The minimum credit rating set in the WHO Investment Policy for any investment is A-/A3. The IPSAS 41 impairment model was applied to those financial assets that are classified as at amortized cost, specifically the term deposits and the bank account balances. The calculation of expected credit losses for the term deposits and for the bank balances yielded figures which were not material in the context of these financial statements, and they are therefore not disclosed.

3.3 Accounts receivable

Accounts receivables are recorded at their estimated net realizable value after providing for allowances for non-recovery and after careful review of the outstanding receivable. Current receivables are for amounts due within 12 months of the reporting date, while non-current receivables are due more than 12 months from the reporting date of the financial statements.

An allowance for doubtful accounts receivable is recognized when there is a risk that the receivable may be impaired. Changes in allowance for doubtful accounts receivable are recognized in the Statement of Financial Performance.

3.4 Inventories

UNAIDS inventory only comprises of publications on handheld for distribution, free of cost, and has no value.

3.5 Prepayments and deposits

Prepayments relate to amounts paid to suppliers for goods and services not yet received. Advances are made to UNDP to cover payments made on behalf of UNAIDS in accordance with the "Working Arrangement between the United Nations Development Programme (UNDP) and the Joint United Nations Programme on HIV/AIDS (UNAIDS) covering the provision of administrative support services by UNDP", signed in April 1996 and updated in June 2008. Deposits relate to amounts paid as security for the leasing of office space. Prepayments and deposits are recorded at cost.

3.6 Property, plant and equipment (PP&E)

Property, plant and equipment (PP&E) with a value of US\$ 5 000 and above are recognized as non-current assets in the Statement of Financial Position. They are initially recognized at cost, unless acquired through a non-exchange transaction, in which case they are recognized at fair value at the date of acquisition. PP&E is stated at historical costs less accumulated depreciation and impairment. Heritage assets have not been valued and are not considered in the financial statements.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset and are included in the Statement of Financial Performance. Impairment reviews are undertaken for all PP&E annually and all losses are recognized in the Statement of Financial Performance. Impairment indicators also include the obsolescence and deterioration of PP&E.

Depreciation is calculated on a straight-line basis over the asset's useful life, except for land, which is not subject to depreciation. PP&E are reviewed annually for impairment. Given the expected pattern of usage of PP&E, there are no residual values following full depreciation. The depreciation start date depends on the date placed in service. When equipment is placed in service between the 1st and the 15th of the month, a full month of depreciation is recognized for that month and when equipment is placed in service from the 16th of the month, depreciation is recognized from the following month to ensure that the carrying amount is still considered to be recoverable. The estimated useful lives of the asset classes that make up property, plant and equipment are provided in the table below.

Asset Class	Estimated Useful Life (in years)
Land	N/A
Buildings - Permanent	60
Buildings - Mobile	5
Fixtures and fittings	5
Vehicles and transport	5
Office equipment	3
Communications equipment	3
Audio Visual equipment	3
Computer equipment	3
Network equipment	3
Security equipment	3
Other equipment	3

Improvements are capitalized over the remaining life of the asset when the improvement results in an increase in the useful life of the asset or adds usable space. The residual value of the asset and the cost of the improvement will be amortized over the adjusted useful life (remaining life). Normal repair and maintenance costs are expensed in the year when the costs are incurred.

3.7 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment. UNAIDS only recognizes intangible assets if the useful life of the asset is more than one year and the value is above US\$ 100 000. Intangible assets are amortized over their estimated useful lives using the straight-line method. The estimated useful life of “software acquired externally” is two to six years.

Intangible assets are assumed to have a residual value of zero, as intangible assets are not sold or transferred at the end of their useful life. Intangible assets are reviewed annually for impairment.

3.8 Leases

A lease is an agreement whereby the lessor conveys to the lessee (the Organization), in return for a payment or series of payments, the right to use an asset for an agreed period. Every lease is reviewed to determine whether it constitutes a finance or operating lease.

Lease agreements entered into for equipment or office premises are classified as operating leases unless they substantially transfer all of the risk and reward of ownership. Lease charges for operating leases are recognized in the Statement of Financial Performance as general operating expenses, based on the terms of the agreements for the period concerned so as to reflect the time pattern of benefit to UNAIDS.

Where UNAIDS is the lessor, lease revenue from operating leases is recognized as revenue on a straight-line basis over the lease term. All costs associated with the asset incurred in earning the lease revenue, including depreciation, are recognized as an expense.

3.9 Contributions received in advance

Contributions received in advance arise from legally binding agreements between UNAIDS and its donors whereby the funds are received in advance of the amounts concerned falling due to the Organization.

3.10 Accounts payable and accrued liabilities

Accounts payable are financial liabilities for goods and services that have been received by UNAIDS and invoiced but not yet paid for. Accrued liabilities are financial liabilities for goods or services that have been received by UNAIDS, and which have neither been paid for nor invoiced to UNAIDS. Accounts payable and accrued liabilities are recognized at cost, as the effect of discounting is considered not to be material.

3.11 Employee benefits

UNAIDS recognizes the following categories of employee benefits:

- short-term employee benefits,
- post-employment benefits,
- other long-term employee benefits, and
- termination benefits.

3.11a Short-term employee benefits

Liabilities are established for short-term employee benefits including items such as wages, salaries and social security contributions, paid annual leave and paid sick leave, and non-monetary benefits (such as medical care) for current employees. Actuarial assumptions and valuations have been used to measure accumulated annual leave. In addition, liabilities are established for the value of accumulated leave, deferred home leave

and overtime earned but unpaid at the reporting date and for education grants payable at the reporting date that have not been included in current expenditure.

3.11b Post-employment benefits

Post-employment benefits include pension plans, post-employment medical care and post-employment insurance. Also included are benefits to which eligible staff members are entitled on termination of their contracts and include repatriation grants, repatriation removal and repatriation travel. Post-employment benefits under defined benefit plans are measured at the present value of the defined benefit obligation adjusted for unrecognized actuarial gains and losses and unrecognized past service costs.

United Nations Joint Staff Pension Fund

UNAIDS is a member organization participating in the UN Joint Staff Pension Fund (the "Fund"), which was established by the UN General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified in Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the UN and the specialized agencies.

The Fund exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the Fund. UNAIDS and the Fund, in line with the other participating organizations in the Fund, are not in a position to identify UNAIDS's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, UNAIDS has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39: Employee benefits. UNAIDS's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance.

3.12 *Borrowing costs*

UNAIDS has taken an interest free loan from the Swiss Government and Canton de Genève jointly with WHO for the construction of the UNAIDS/WHO building in Geneva. There are no borrowing costs associated with this loan. Borrowings are currently stated at amortized cost; any difference between the proceeds and the redemption value is recognized in the Statement of Financial Performance over the period of the borrowings using the effective interest method. As the loan received by UNAIDS is an interest-free loan, the benefit to UNAIDS of this arrangement has been treated as an in-kind contribution.

3.13 *Deferred revenue*

Deferred revenue is recognized when legally binding agreements between the Programme and its donors, (including governments, international organizations and private and public institutions) are confirmed and the funds are earmarked and due in the future periods. Deferred revenue which is due after one year from the reporting date has been classified as non-current.

3.14 *Provisions and contingent liabilities and commitments*

Provisions are recognized for future liabilities and charges where UNAIDS has a present legal or constructive obligation as a result of past events and it is probable that the Programme will be required to settle the obligation. Provisions are recorded as expense in the Statement of Financial Performance and a corresponding liability is established in the Statement of Financial Position when the occurrence of the obligation for settlement has been ascertained and can reasonably be estimated.

Other commitments which do not meet the recognition criteria for liabilities are disclosed in the notes to the financial statements as contingent liabilities when their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of UNAIDS.

Commitments are future expenses and liabilities to be incurred on contracts entered into at the reporting date for which UNAIDS has minimal discretion, if any, to avoid in the ordinary course of operations. Commitments relating to employment contracts are excluded. Commitments are disclosed and include:

- capital commitments: aggregate amount of capital expenses contracted for but not recognized as paid or provided for at year end;
- contracts for the supply of goods or services which UNAIDS expects to be delivered in the ordinary course of operations;
- non-cancellable minimum lease payments; and
- other non-cancellable commitments

3.15 *Contingent assets*

Contingent assets will be disclosed when an event gives rise to a probable inflow of economic benefits or service potential and there is sufficient information to assess the probability of the inflow of economic benefits or service potential.

3.16 *Revenue recognition*

Voluntary contributions. UNAIDS receives only voluntary contributions. These are recorded on an accrual basis. Voluntary contributions which are supported by formal funding agreements signed by both parties are recognized as revenue at the time the agreement becomes binding and when control over the underlying asset is obtained. Where there are no payment terms specified by the contributor or payment terms are in the current accounting year, revenue is recognized immediately.

Agreements which are subject to conditions such as performance and/or receipt of funds are conditional on a certain future date, such agreements are established recognizing a receivable and a corresponding deferred revenue as a liability. Revenue is recognized when the condition is discharged.

Contributions in-kind and in-service. Contributions of goods or services in-kind or in-service are recorded in the period in which the contribution was received by UNAIDS. They are recognized and reflected as revenue and expense under the non-core funds at the best estimate of fair value.

3.17 *Expense recognition*

UNAIDS recognizes expense at the point when goods have been received, or services rendered (delivery principle) and accepted by UNAIDS and not when cash or its equivalent is paid.

3.18 *Segment reporting-fund accounting*

Fund accounting is a method of segregating resources into categories, (i.e. funds) to identify both the source and use of funds. Establishment of such funds helps ensure better reporting of revenue and expenses along with a distinguishable group of activities for achieving its objectives and making decisions for future allocation of resources.

The different types of funds for UNAIDS are core UBRAF funds, non-core UBRAF funds and other funds (comprises of the staff benefits fund, non-payroll staff entitlements fund, the building renovation fund and common fund). Any transfers between funds that would result in duplication of revenue and/or expense (including Programme support costs) are eliminated during consolidation. UNAIDS's assets and liabilities are not allocated to individual funds since ownership rests with the Programme. However, the balances against the respective funds and working capital reserve are recognized.

3.19 *Statement of cash flow*

The Statement of Cash Flow (Statement IV) is prepared using the indirect method.

3.20 Budget comparison

The UBRAF continues to be prepared on a modified cash basis and is presented in the financial statements as Statement V, Statement of Comparison of Budget and Actual Amounts. The PCB provides approval of the UBRAF and the UNAIDS financial statements encompass all activities of the Programme.

As stipulated in IPSAS 24, the actual amounts presented on a comparable basis to the Budget shall, where the financial statements and the Budget are not prepared on a comparable basis, be reconciled to the actual amounts presented in the financial statements, identifying separately any basis, timing, presentation and entity differences. There may also be differences in formats and classification schemes adopted for the presentation of financial statements and the Budget. As the bases used to prepare the Budget and financial statements differ, and in order to facilitate a comparison between the Budget and the financial statements, reconciliation between the actual amounts presented in Statement V to the actual amounts presented in Statement II and Statement IV are included in the notes to the financial statements.

4. Supporting information to the statement of financial position

4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, imprest bank account balances, petty cash, cash deposits in transit and balances held by WHO on behalf of UNAIDS. Cash and cash equivalents are held for meeting short-term cash commitments rather than for investment or other purposes. The balance also reflects cash and cash equivalents held in the portfolios managed by investment managers.

The total cash and cash equivalents stood at US\$ 13.9 million as at 31 December 2024 (US\$ 9.9 million as at 31 December 2023).

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Cash on hand and at bank (imprest accounts)	80 598	88 071
Cash held on behalf of UNAIDS by WHO	13 785 000	9 795 000
Total cash and cash equivalents held by WHO	13 865 598	9 883 071

4.2 Investments and financial instruments

Details of significant accounting policies and methods adopted, criteria for recognition and de-recognition, basis of measurement and basis on which gains, and losses are recognized and are set out in the Accounting Policies.

The main objectives for investments are the preservation of capital, the maintenance of sufficient liquidity to meet all payments of liabilities on time and the optimization of income return. The Investment Policy reflects the nature of funds, which may be held for the short-term, pending programme implementation, or for the longer term in order to meet liabilities under the other long-term funds of the Organization.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Cash and cash equivalents held by WHO	13 865 598	9 883 071
Short term investments held by WHO	106 876 020	135 535 036
Financial Liabilities held by WHO	(880 000)	(582 000)
Total	119 861 618	144 836 107

Short-term investments are funds related to pending programme implementation and which are invested in cash and high-quality, short-term, government, agency, corporate bonds and time deposits as defined in the approved Investment Policy. Investments included within “financial assets at fair value through surplus and deficit” include fixed income securities and derivatives instruments held to cover projected liabilities and unexpected cash requirements. Financial assets in the externally managed portfolios designated upon initial recognition as at fair value through surplus or deficit are classified as short-term investments where the investment time horizon objective of these portfolios is less than or equal to a year. For short-term tactical investment reasons, the external managers of these portfolios may from time to time decide to lengthen temporarily the average duration of these portfolios to slightly longer than one year. This will not change the short-term classification of these financial assets unless the investment time horizon objective of the portfolio and the duration of its benchmark have been changed to more than one year. The investments in the “held-to-maturity” portfolio with a duration of less than one year are classified as current assets in the category “financial assets at amortized costs”.

Long-term investments are for funds managed under the Terminal Payments Account as defined in the approved Investment Policy and are invested in high-quality, medium-dated and long-dated, government, agency and corporate bonds. The financial assets at fair value through surplus or deficit upon initial recognition in the Terminal Payments Fund investment portfolio are classified as long-term investments in accordance with the investment time horizon objective of the portfolio and the duration of its benchmark which are both greater than one year.

Financial liabilities disclosed under “financial liabilities at fair value through surplus or deficit – held-for-trading” arise from derivative transactions such as foreign exchange forward contracts and interest rate swaps:

- derivative contracts transacted by the portfolio managers to adjust the currency and the interest rate exposures and positions of the portfolios; and
- forward foreign exchange contracts transacted by WHO to hedge the foreign exchange risk of future expenditure.

Risk exposure

UNAIDS shares the risk of WHO, which is exposed to financial risks including credit risk, interest rate risk, foreign currency exchange risk and investment price risk. Derivative financial instruments are used to hedge some of its risk exposures. In accordance with WHO Financial Regulations, funds not required for immediate use may be invested. All investments are carried out within the framework of the investment policy approved by the WHO Director General. Some portfolios are managed by external managers appointed by WHO to manage funds in accordance with a defined mandate. The Advisory Investment Committee reviews regularly the investment policies, the investment performance and the investment risk for each investment portfolio. The Committee is composed of external investment specialists who can make investment recommendations to the Director General of WHO.

Credit risk

UNAIDS shares similar credit risks to those of WHO and makes full disclosures with respect to the same. The WHO’s investments are widely diversified in order to limit its credit risk exposure to any individual investment counterparty. Investments are placed with a wide range of counterparties using minimum credit quality limits and maximum exposure limits by counterparty (and by groups of related counterparties) established in investment mandates. These limits are applied both to the portfolios managed internally by the WHO Treasury Unit and to the portfolios managed by external investment managers. The WHO Treasury Unit monitors the total exposure to counterparties across all internally and externally managed portfolios to ensure that total counterparty exposure across portfolios are tracked and managed.

The credit and liquidity risk for cash and cash equivalents are minimized by investing only in major financial institutions that have received strong investment grade credit ratings from primary credit rating agencies. The WHO Treasury Unit regularly reviews the credit ratings of the approved counterparties and takes prompt action whenever a credit rating is downgraded.

Interest rate risk

UNAIDS is exposed to interest rate risk through short- and long-term fixed income investments. The investment duration is a measure of sensitivity to changes in market interest rates, and the effective average duration of WHO's investment as at 31 December 2024 was 0.8 years for short-term investments (excluding bank deposits) and 6.4 years for long-term investments. An increase of 1% in the interest rate would cause a decrease of 0.8% in the value of the short-term investments (excluding bank deposits) and a decrease of 6.4% in the value of the long-term investments. The interest rates on short-term bank deposits are fixed at the time of investment; their values are not affected by any subsequent movement in interest rates.

Fixed income derivatives may be used by external investment managers to manage interest rate risk under strict investment guidelines. Typically, the interest rate instruments are used for portfolio duration management and strategic interest rate positioning.

Foreign exchange currency risk

UNAIDS receives voluntary contributions and makes payments in currencies other than US dollars, and it is exposed to foreign exchange currency risk arising from fluctuations in the currency exchange rates. Exchange gains and losses on the purchase and sale of currencies, revaluation of cash book balances and all other exchange differences are adjusted against the funds and accounts eligible to receive interest under the interest apportionment programme. Translation into US dollars of transactions expressed in other currencies is performed at the UN Operational Rates of Exchange prevailing at the date of transaction. Assets and liabilities that are denominated in foreign currencies are translated at the UN Operational Rates of Exchange year end closing rate. Forward foreign exchange contracts are transacted to hedge foreign currency exposures and to manage short-term cash flows. Realized and unrealized gains and losses resulting from settlement and revaluation of foreign currency transactions are recognized in the Statement of Financial Performance (Statement II).

Hedging foreign exchange exposures on future payroll costs

The value of non-dollar (i.e. Swiss Franc or CHF) payroll expenditures in 2024 has been protected from the impact of movements in foreign exchange rates against the US dollar. Protection has been affected through the transaction of forward currency contracts during 2024. As at 31 December 2024, the forward foreign currency exchange hedging contracts were CHF 12.2 million. Unrealized net loss on these contracts amounted to US\$ 0.4 million as at 31 December 2024 (unrealized gain of US\$ 0.7 million as at 31 December 2023). Realized gains or losses on these contracts will be recorded on maturity of the contracts and applied during 2025.

Hedging foreign exchange exposures on receivables and payables

Currency exchange risk arises from differences in the exchange rates at which foreign currency receivables or payables are recorded, and the exchange rates at which the cash receipt or payment is subsequently recorded. A monthly programme of currency hedging is in place to protect against this foreign currency risk. On a monthly basis the exposures in respect of accounts receivable and accounts payable exposures are netted by currency and each significant net foreign currency exposure is bought or sold forward using a forward foreign exchange contract equal and opposite to the net currency exposure.

These exposures are re-balanced at each month end to coincide with the settings of the monthly UN Operational Rates of Exchange. Through this process the exchange gains or losses realized on the forward foreign currency contracts match the corresponding unrealized exchange losses and gains on the movements in the net accounts receivable and accounts payable. As of 31 December 2024, the total forward foreign currency hedging contracts by currency for UNAIDS were as follows:

Currency forward sold	Sum amount sold	Sum amount bought (US dollars)	Net unrealized gain/(loss) (US dollars)
Euro	192 000	200 603	502
Total		200 603	502

4.3 Accounts receivable

As at 31 December 2024, US\$ 132.8 million in contributions receivable was outstanding (US\$ 113.5 million as at 31 December 2023). A total of US\$ 131.9 million represents current receivables and the balance of US\$ 0.9 million represents receivables due in future financial periods (2025 and beyond).

With certain donors, UNAIDS signs agreements that may span many years of implementation. These agreements do not state the payment terms for the transfer of instalments; instead, they are reimbursed based on the quarterly expenses incurred. UNAIDS records the full amount of revenue in the financial year in which the agreement is signed and recognizes the full receivable as currently due. Reconciliation will be made at the end date of the grant agreements. As of 31 December 2024, the total receivable shown as currently due under this arrangement was US\$ 130.5 million (US\$ 104.7 million at 31 December 2023).

	31 December 2024 (in US dollars)	31 December 2023 (in US dollars)
Accounts receivable - current		
UBRAF - Core funds	65 929 017	58 945 835
UBRAF - Non-core funds	65 982 391	54 086 924
Total accounts receivable - current	131 911 408	113 032 759
Accounts receivable - non-current		
UBRAF - Core funds		
UBRAF - Non-core funds	896 224	413 640
Others		
Total accounts receivable - non current	896 224	413 640
Total accounts receivable	132 807 632	113 446 399

4.4 Staff receivables

In accordance with WHO's Staff Rules and Regulations, staff members are entitled to certain advances including salary, rent, education grant and travel advances. Advances are recovered periodically from staff salaries through payroll except for education grants which are settled at the end of the scholastic year.

International staff members are eligible to receive an advance equal to the estimated amount of education grant for each child at the beginning of the scholastic year and are settled at the end of the scholastic year.

As at 31 December 2024, US\$ 2.2 million in staff receivables was outstanding including salary advances, rental advances, travel advances and education grant advances (US\$ 2.2 million as at 31 December 2023). The education grant advances represent the advances made to staff members for the scholastic year 2024–2025.

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Staff receivables		
Salary advances	113 352	90 135
Rental advances	38 447	34 233
Education Grant advances	1 973 795	1 934 271
Travel advances	41 353	6 175
Expected Sick Leave Insurance Contribution	-	62 368
Other staff receivables	78 804	33 000
Total staff receivables	2 245 752	2 160 182

4.5 Prepayments and deposits

The total value of prepayments as at 31 December 2024 was US\$ 0.7 million (US\$ 2.0 million as at 31 December 2023). Of that amount, US\$ 0.3 million represents payments to suppliers in advance of receipt of goods or services which will be charged to expense in 2025; US\$ 0.3 million relates to advances made to UNDP to cover payments made on behalf of UNAIDS. The remaining amount of US\$ 0.1 million relates to deposits. Deposits represent mainly the amounts given to landlords as a security to rent office space.

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Prepayments and deposits		
Advances to UNDP	312 985	284 276
Advances to Suppliers	266 487	1 592 748
Deposits	122 248	122 248
Total prepayments and deposits	701 720	1 999 272

4.6 Other current receivables

As at 31 December 2024, US\$ 0.6 million in other receivables was outstanding (US\$ 0.5 million as at 31 December 2023) representing value added tax (VAT) receivables.

4.7 Inventories

The Secretariat only held publications for distribution with no realizable value. The cost of publications expensed during 2024 was zero.

4.8 Intangibles

The Secretariat has no intangible assets to report.

4.9 Property, plant and equipment (PP&E)

Building

The carrying value of the UNAIDS building at headquarters has been calculated at cost less depreciation. The building was constructed jointly with WHO and ownership is recognized at the 50% value with WHO. The land upon which the building has been constructed was made available by the Swiss Government at no cost. The value of the land therefore has not been valued and disclosed in the financial statements.

The original cost of the building, amounting to US\$ 51.2 million (equivalent to CHF 66 million) reflects the expenditure accrued on the building up to its completion. The estimated useful life of the building has been assessed at 60 years and depreciation has been calculated using the straight-line method, specifically on UNAIDS's share totalling US\$ 25.6 million.

Plant and equipment

UNAIDS has capitalized all plant and equipment purchased in 2024 with a value of US\$ 5 000 or above.

As at 31 December 2024, the total value of recognized property, plant and equipment (net of accumulated depreciation) was US\$ 18.9 million (US\$ 18.8 million as at 31 December 2023), of which the total value of property (net of accumulated depreciation) was US\$ 17.9 million (US\$ 18.4 million as at 31 December 2023) and the total value of equipment (net of accumulated depreciation) was US\$ 1 million (US\$ 0.5 million as at 31 December 2023).

Assets purchased during 2024 amounted to US\$ 888 826 and have been depreciated by US\$ 143 489, prorated to the date they were placed in the service using the straight-line method. Equipment with an original cost value totalling US\$ 1.7 million has been fully depreciated and remains in use by the Secretariat. In addition, equipment with an original cost value of US\$0.3 million was disposed of during 2024.

	Building	Furniture and Fixtures	Vehicles	Communications and IT Equipment	Other Equipment	Total
	(in US dollars)	(in US dollars)	(in US dollars)	(in US dollars)	(in US dollars)	(in US dollars)
Cost or fair value	25 613 445	11 298	1 636 654	353 092	398 359	28 012 848
Accumulated depreciation	(7 257 143)	(11 298)	(1 234 214)	(319 405)	(374 894)	(9 196 953)
Total carrying cost as at 31 December 2023	18 356 302	-	402 440	33 687	23 465	18 815 895
Movements 1 January to 31 December 2024						
Additions	-	-	684 437	167 323	37 066	888 826
Disposals						-
Depreciation	(426 891)	-	(260 792)	(33 080)	(27 853)	(748 616)
Total property, plant and equipment	17 929 412	-	826 086	167 930	32 677	18 956 104

4.10 Accounts payable

This represents the total amount outstanding to suppliers for goods and services. The total accounts payable for UNAIDS programme activities as at 31 December 2024 was US\$ 5.1 million (US\$ 4.9 million as at 31 December 2023).

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Accounts payable		
Payables to suppliers	2 987 102	2 160 840
Non-staff meeting participants payable	86 508	35 851
Accrual of goods and services	2 009 284	2 669 192
Total - accounts payable	5 082 894	4 865 883

4.11 Staff payable

The total balance for staff payable as at 31 December 2024 was US\$ 0.4 million (US\$ 0.4 million as at 31 December 2023). These amounts relate to salaries payable and other staff payables.

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Staff payables		
Salaries payable	399 481	360 906
Other staff payables	16 781	21 858
Total - staff payables	416 262	382 764

4.12 Accrued staff benefits

Accrued staff benefits include terminal payments, staff health insurance and illness insurance and liabilities due to service-incurred death or disability (Special Fund for Compensation).

UNAIDS staff benefits liabilities (excluding restructuring fund) are determined by professional actuaries. The actuarial studies commissioned determined various liabilities to be established to cover different staff benefits in accordance with IPSAS for WHO, UNAIDS and the other non-consolidated entities as at 31 December 2024. The professional actuarial studies were calculated based on personnel data and past payment experience.

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
I. Accrued staff benefits - current		
Terminal Payments	9 601 904	10 612 928
Special fund for compensation	8 935	6 161
Total accrued staff benefits - current	9 610 839	10 619 089
Accrued staff benefits -non-current		
Terminal payments	8 110 311	7 733 149
After-service health insurance	(11 208 381)	(24 851 172)
Special fund for compensation	407 678	380 810
Total accrued staff benefits - non-current	(2 690 392)	(16 737 214)
Accrued staff benefits -Total		
Terminal payments	17 712 215	18 346 077
After-service health insurance	(11 208 381)	(24 851 172)
Special fund for compensation	416 612	386 971
Total accrued staff benefits	6 920 447	(6 118 125)
II. Restructuring Fund		
Provision for restructuring -current		232 007
Provision for restructuring - non-current	-	-
Total provision for restructuring	-	232 007
Grand total	6 920 447	(5 886 118)

Terminal payments

The Terminal Payments Fund was established to finance the terminal emoluments of staff members, including repatriation grants, accrued annual leave, repatriation travel and removal on repatriation. It is funded by a salary and post adjustment budgetary provision.

Liabilities arising from repatriation benefits and annual leave are determined by independent consulting actuaries. However, the accrued leave is calculated on a walk-away basis—that is, as if all staff separated immediately—and, therefore, is not discounted.

The actuarial study as at 31 December 2024 has estimated the total liability for terminal payments (excluding annual leave) to be US\$ 9.2 million (US\$ 9 million as at 31 December 2023). This calculation did not include cost of end of service grant and separation by mutual agreement.

The annual leave entitlements stood at US\$ 8.4 million as at 31 December 2024 (US\$ 9.2 million as at 31 December 2023), representing a decrease of US\$ 0.8 million, mainly due to the revision of the policy on leave encashment.

After-Service Health Insurance

UNAIDS participates in a health insurance scheme which is managed as a separate entity, WHO Staff Health Insurance, and which has its own governance. It provides for the reimbursement of expenses for medically recognized healthcare incurred by staff members, recognized dependents and retired staff. It is financed from the contributions made by the participants and the Programme.

UNAIDS has recognized staff health insurance liabilities as a Post-Employment Benefit. Actuarial gains and losses are recognized in the net assets/equity in accordance with IPSAS 39 (Employee Benefits).

The defined benefit obligations as at 31 December 2024, determined by professional actuaries based on personnel data and past payments experience provided by WHO, stood at US\$ 137.4 million (US\$ 104.7 million as at 31 December 2023) of which US\$ 148.6 million is funded (including incurred-but-not-paid reserve), resulting in net funded liability of US\$ 11.2 million, which is reflected in the Statement of Financial Position (Statement I). This represents a net funding position of 108% (123% at 31 December 2023).

The defined benefit obligation increased mainly due to the decrease in discount rate in 2024, which was driven by economic conditions and unfavourable demographic movements. The plan assets increased to a greater extent in 2024 due to favourable market conditions and the overall net liability therefore increased.

In accordance with IPSAS 39 (Employee Benefits), the actuarial loss of US\$ 18 million was transferred directly to net assets/equity in 2024 and an additional accrual of US\$ 4.3 million was charged to staff costs in the Statement of Financial Performance (Statement II).

Further details on Staff Health Insurance can be found in the Staff Health Insurance Annual Report.

Special Fund for Compensation

In the event of a death or disablement attributable to the performance of official duties of an eligible staff member, the Special Fund for Compensation covers all reasonable medical, hospital and directly related costs, as well as funeral expenses. In addition, the Fund will also provide compensation to the disabled staff member (for the duration of the disability) or the surviving family members.

UNAIDS accounts for the Special Fund for Compensation as a post-employment benefit. Actuarial gains and losses are recognized in the net assets/equity in accordance with IPSAS 39 (Employee Benefits).

As per the actuarial study, the total liability was US\$ 0.4 million at 31 December 2024 (US\$ 0.4 million as at 31 December 2023). The liability increased slightly due to the increase in the discount rate. In accordance with IPSAS 39, the actuarial gain of US\$ 0.023 million (loss of US\$ 0.025 million in 2023) was transferred directly to net assets/equity in 2024 and an additional accrual of US\$ 0.05 million has been recognized by nature of expenses in the Statement of Financial Performance (Statement II).

Description	After Service Health Insurance	Terminal Payments excluding Accrued Annual Leave	Special Fund for Compensation
	(in US dollars)	(in US dollars)	(in US dollars)
RECONCILIATION OF DEFINED BENEFIT OBLIGATIONS			
Defined Benefit Obligation at 31-Dec-2024	104 653 809	9 001 475	386 970
Service cost for 2024	3 784 181	410 426	38 187
Interest on Defined Benefit Obligation for 2024	2 388 191	425 215	14 773
(Actual Gross Benefit Payments in 2024)	(431 430)	(1 023 859)	
(Actual After Service Admin Expenses in 2024)	(26 332)		
Actual Contributions by After Service Participants in 2024	196 357		
Plan Amendments Adopted during 2024	-		
(Gain)/Loss on DBO Due to Financial Assumption Changes	-	(237 109)	(23 318)
(Gain)/Loss on DBO Due to Other Assumption Changes	25 718 145	662 463	-
Other (Gain)/Loss on Defined Benefit Obligation	1 105 648		-
Defined Benefit Obligation at 31-Dec-2024	137 388 569	9 238 612	416 612
RECONCILIATION OF ASSETS			
Market value of ASHI Assets at 31-12-2023, Gross of IBNP Reserve	130 934 481		
(Actual Total Gross Benefit Payments for 2024)	(3 440 388)	(1 023 859)	
(Actual Total SHI Administrative Expenses in 2024)	(209 978)		
Actual Total SHI Participant Contributions during 2024	4 197 262		
Actual Total Organization Contributions during 2024	6 837 881	1 023 859	
Interest on Net WHO-Administered SHI Assets for 2024	2 917 931		
Gain/(Loss) on Plan Assets during 2024	8 576 549		
Assets at 31-Dec-2024, for SHI Net of 470.1 Reserve	149 813 738	-	-
RECONCILIATION of Incurred-But-Not-Paid Reserve, Offset to Assets			
Incurred-But-Not-Paid Reserve at 31-12-2024	1 429 500		
Interest On Incurred-but-Not-Paid Reserve for 2024	31 449		
(Gain)/Loss on Incurred-But-Not-Paid Reserve	(244 160)		
Incurred-But-Not-Paid Reserve at 31-12-2024	1 216 789		
Net Assets (Gross Assets Minus Incurred-but-Not-Paid Reserve at 31-12-2024)			
RECONCILIATION OF FUNDED STATUS			
Defined Benefit Obligation (DBO)			
Active	122 159 343	9 238 612	416 612
Inactive	15 229 226	-	-
Total DBO	137 388 569	9 238 612	416 612
Plan Assets			
(Gross Plan Assets)	(149 813 738)		
Offset for WHO 470.1 Reserve			
(Net Plan Assets)	(149 813 738)	-	
Net (Surplus)/Deficit	(11 208 380)	9 238 612	416 612
Current (Asset)/Liability		1 128 301	8 935
Noncurrent (Asset)/Liability	(11 208 380)	8 110 311	407 678
Unrecognized Gain/(Loss)			
Net (Asset)/Liability Recognized in Statement of Financial Position	(11 208 380)	9 238 612	416 613
(Gain)/Loss on Defined Benefit Obligation	18 003 083	425 355	(23 318)
Current (Asset)/Liability		1 128 301	
Non-current (Asset)/Liability	(11 208 380)	8 110 311	
Net (Asset)/Liability Recognized in Statement of Financial Position	(11 208 380)	9 238 612	-
Annual Expense for 2024			
Service cost	3 784 181	410 426	38 187
Interest cost	(498 291)	425 215	14 773
Remeasurements		425 355	
Past Service (Credit)/Cost		-	
Expected Accounting Contributions during 2024	3 285 890	1 260 996	52 960
Expected Organization Contributions during 2025			
Contributions by UNAIDS for Active Staff	7 616 657	1 158 914	8 935
Contributions by UNAIDS for Inactives	399 390		
Total Expected Contributions for 2025	8 016 047	1 158 914	8 935
Sensitivity Analysis			
31 December 2024 Defined Benefit Obligation			
Current Medical Inflation Assumption Minus 1%	102 813 255		
Current Medical Inflation Assumption	137 388 569		
Current Medical Inflation Assumption Plus 1%	185 090 884		
Current Discount Rate Assumption Minus 1%	183 933 164	9 728 969	509 157
Current Discount Rate Assumption	137 388 569	9 238 612	416 612
Current Discount Rate Assumption Plus 1%	104 461 429	8 799 028	346 833

Actuarial methods and assumptions

Each year, the Programme identifies and selects assumptions and methods that will be used by actuaries in the year-end valuation to determine the expense and contribution requirements for the Programme's staff benefits. Actuarial assumptions are required to be disclosed in the financial statements in accordance with IPSAS 39. In addition, each actuarial assumption is required to be disclosed in absolute terms. A full valuation is performed every three years and the most recent full valuation was in 2022.

Measurement Date

All plans	31 December 2024
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Discount rate

Terminal Payments (other than accrued leave)	The discount rate used is 5.5% (Increase from 4.9% in prior valuation). Based on a yield curve approach that reflects the expected cash flows with weights of 100% on the Aon USD AA Above Median Curve. The resulting discount rate is rounded to the nearest 0.1%.									
After Service Health Insurance	Europe—1.1% (Decrease from 2.2% in prior valuation). The Americas—5.9% (Increase from 5.1% in prior valuation). Other Countries—5% (Increase from 4.8% in prior valuation). Specifically, the rate for Europe is a weighted average of the equivalent rates for Switzerland (0.8%) and the Euro Zone (3.4%), and 5.9% for the United States with the result rounded to the nearest 0.1%. Discount rates are based on the yields of high-grade corporate bonds. WHO uses a yield curve approach, which reflects the expected cash flows and assumed currency exposure—specific to the ASHI for UNAIDS. The liability is assumed to be incurred in Swiss Francs, euros and US dollars, based on approximate liability mix for UNAIDS and the following yield curves recommended by the United Nations were used: Switzerland - Aon Hewitt Swiss AA Corp. (excl. Regional) Yield curve Euro Zone - Aon Hewit AA Corp. Yield curve United States - Aon AA Above Median curve The discount rates for the 31 December 2024 valuation are based on the currency mix of the after service health claims and not on the geographic locations of the UNAIDS offices. The resulting rates which are rounded to the nearest 0.1% are shown in the table below: <table><tr><th colspan="3">% of Rate for 2024</th></tr><tr><th>Switzerland</th><th>Euro Zone</th><th>United States</th></tr><tr><td>80%</td><td>15%</td><td>5%</td></tr></table>	% of Rate for 2024			Switzerland	Euro Zone	United States	80%	15%	5%
% of Rate for 2024										
Switzerland	Euro Zone	United States								
80%	15%	5%								
Special Fund for Compensation	The discount rate used is 3.7% (Increase from 3.5% in the prior valuation). Based on a yield curve approach that reflects the expected cash flows with weights of 25% on the Aon USD AA Above Median curve, 15% on the Aon Hewitt Swiss AA Corp. curve and 60% on the Aon Hewitt EUR AA Corp. Yield curve. The resulting discount rate is rounded to the nearest 0.1%.									

Annual General Inflation

Terminal Payments (other than accrued leave)	The weighted-average inflation rate used is 2.3% (Increase from 2.1% in the prior valuation). The regional weightings used are 100% on United States rate. Rounding of the resulting weighted-average inflation rates for each plan to the nearest 0.1%.
After Service Health Insurance	Europe—1.2% (Decrease from 1.4% in prior valuation). The Americas—2.5%. (Increase from 2.1% in prior valuation) Other Countries—2.4% (Increase from 2.2 in prior valuation). The inflation rates are based on a weighted average of the United Nations common assumptions (for long-duration plans). Those are 1% for Switzerland (Decrease from 1.2% in prior valuation), 2.1% for Euro Zone (Decrease from 2.3% in prior valuation) and 2.5% for the United States (Increase from 2.3% in prior valuation) as directed by the United Nations System Task Force on Accounting Standards using the same weighted average methodology as the discount rate.
Special Fund for Compensation	The weighted-average inflation rate used is 2.05% (Decrease from 2.15% in prior valuation). The regional weightings used are 15% on Swiss; 60% on Euro Zone rate and 25% on United States rate. Rounding of the resulting weighted-average inflation rates for each plan to the nearest 0.1%.

Annual Salary Scale

All Plans	General inflation, plus 0.5% (Same as in prior valuation) for productivity growth, plus merit/promotion increases.
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Actuarial Method

Repatriation Travel and Removal on Repatriation	Calculated using projected unit credit with service prorate, with an attribution period from the "entry on duty date" to separation. Plus 2% increase is applied for incurred but not yet paid benefits (IBNP)
Repatriation Grant, Termination Indemnity, and Grant in Case of Death	Calculated using the projected unit credit method with accrual rate proration. Plus 2% increase is applied for incurred but not yet paid benefits (IBNP)
Accrued Leave	The liability is set equal to the walk-away liability as if all staff separated immediately. Plus 2% increase is applied for incurred but not yet paid benefits (IBNP)
Abolition of Post, End-of-Service Grant, and Separation by Mutual Agreement	These benefits are considered termination benefits under IPSAS 39 and, therefore, excluded from the valuation.
Special Fund for Compensation	Calculated using projected unit credit, with an attribution period from the "entry on duty date" to separation.
After- Service Health Insurance	Liabilities are attributed using the projected unit credit method linearly from the "entry on duty date" to the earlier of the full eligibility date (the latest of age 55, 10 years of service, and five years of continuous service) and retirement date.

United Nations Joint Staff Pension Fund

UNAIDS is a member organization participating in the UN Joint Staff Pension Fund (the "Fund"), which was established by the UN General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified in Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the UN and the specialized agencies.

The Fund collectively exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the Fund. UNAIDS and the Fund, in line with the other participating organizations in the Fund, are not in a position to identify UNAIDS's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, UNAIDS has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39 (Employee benefits). UNAIDS's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance.

The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Consulting Actuary. The practice of the Pension Board has been to carry out an actuarial valuation every two years. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Fund will be sufficient to meet its liabilities into perpetuity. The Fund's published funding policy (available on the Fund's website) sets out the methods, processes and targets that are used to monitor the funding position and associated risks. This also includes the practice of utilizing an actuarial value of assets, which smooths short-term investment gains and losses for the purpose of reporting long-term solvency.

UNAIDS's financial obligation to the Fund consists of its mandated contribution, at the rate established by the UN General Assembly (currently at 7.9% for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Pension Fund. Such deficiency payments are only payable if and when the UN General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an

assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date. It has never been necessary to invoke Article 26 and no deficiency payments have ever been requested.

The latest actuarial valuation for the Fund was completed as of 31 December 2023. A roll-forward of the participation data as at 31 December 2023 to 31 December 2024 will be used by the Fund for the purpose of reporting an actuarial present value of accumulated plan benefits in its 2024 financial statements. The actuarial valuation as at 31 December 2023 reported a funded ratio of actuarial assets to actuarial liabilities of 111.0% (117.0% in the 2021 valuation) when future expected pension adjustments (cost-of-living indexation on benefits) were taken into account. The reported funded ratio was 152.0% (158.2% in the 2021 valuation) when the current system of pension adjustments was not taken into account and it would be the measure by which actuarial sufficiency is established under Article 26.

After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as of 31 December 2023, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the plan. At the time of this report, the General Assembly has not invoked the provision of Article 26.

Should Article 26 be invoked due to an actuarial deficiency, either during the ongoing operation or due to the termination of the Fund, deficiency payments required from each member organization would be based upon the proportion of that member organization's contributions to the total contributions paid to the Fund during the three years preceding the valuation date. Total contributions paid to the Fund during the preceding three years (2021, 2022 and 2023) amounted to US\$ 9,499.41 million, of which 0.7% was contributed by UNAIDS.

During 2024, contributions paid by UNAIDS to the Fund amounted to US\$ 23.9 million (US\$ 22.6 million in 2023). Expected contributions due in 2025 are approximately US\$ 25.3 million.

Membership of the Fund may be terminated by decision of the UN General Assembly, upon the affirmative recommendation of the Pension Board. A proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund at that date, pursuant to an arrangement mutually agreed between the organization and the Fund. The amount is determined by the UN Joint Staff Pension Board based on an actuarial valuation of the assets and liabilities of the Fund on the date of termination; no part of the assets which are in excess of the liabilities are included in the amount.

The UN Board of Auditors carries out an annual audit of the Fund and reports to the Pension Board and to the UN General Assembly on the audit every year. The Fund provides weekly information on its investments, which can be viewed at www.unjspf.org.

4.13 Deferred revenue

As at 31 December 2024, deferred revenue amounted to US\$ 2.3 million (US\$ 8.8 million as at 31 December 2023). This represents multi-year pledges made in 2024 for which the revenue recognition has been deferred to future financial periods.

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Deferred revenue - current		
UBRAF - Core funds		8 052 866
UBRAF - Non-core funds	1 445 209	337 514
Total deferred revenue - current	1 445 209	8 390 380
Deferred revenue - non-current		
UBRAF - Core funds	-	-
UBRAF - Non-core funds	896 224	413 640
Total deferred revenue - non-current	896 224	413 640
Total deferred revenue	2 341 433	8 804 020

4.14 Long-term borrowings

At its 12th meeting in May 2004, the PCB endorsed UNAIDS's negotiation of a direct loan with the Swiss Confederation for the construction of a new building in Geneva for UNAIDS and WHO at an estimated cost of CHF 66 million, of which UNAIDS's share was estimated at CHF 33 million. In December 2003, the Swiss Confederation agreed to provide an interest-free loan of CHF 59.8 million, of which UNAIDS's share is CHF 29.9 million. The repayment over a 50-year period of UNAIDS's share of the interest-free loan provided by the Swiss Confederation is made through the reallocation of funds otherwise expended on the rental of office space with effect from the first year of the completion of the building. The building was completed in November 2006. The amount under Buildings includes US\$ 25.6 million which represents the 50% share of UNAIDS's expense incurred on the building up to 31 December 2007.

The outstanding amount of the loan was discounted using the Swiss Confederation 30-year bonds rate was 0.369% at 31 December 2024 (0.494% for 2023). As at 31 December 2024, the total amount outstanding on the loan was US\$ 20.1 million (US\$21.8 million in 2023). The repayment of the loan commenced in accordance with the loan agreement and is made up as follows:

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Long-term borrowings - current	663 707	716 168
Long-term borrowings - non current	19 407 972	21 149 587
Total long-term borrowings	20 071 679	21 865 755

The maturity of these liabilities is as follows:

2024	WHO/UNAIDS Building
Under one year	663 707
One to five years	2 654 828
Five years+	16 753 144
Total long-term borrowings	20 071 679

4.15 Other current liabilities

As at 31 December 2024, US\$ 0.24 million in other current liabilities (US\$ 0.23 million as at 31 December 2023), these represent accrued pension liability made by UNAIDS on behalf of temporary staff.

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Other Current Liability		
Accrued Pension Liability	238 140	228 059
Financial liability	2 340	2 730
Total - Other Current Liability	240 480	230 789

4.16 Changes in net assets/equity

For the financial year ended 31 December 2024, the net assets/equity decreased by US\$ 11.4 million. US\$ 6.6 million is related to a surplus during 2024 (compared to a deficit of 9.1 million in 2023) and US\$18 million is related to actuarial loss under ASHI which was transferred directly to net assets/equity in accordance with IPSAS 39 (Employee Benefits).

In line with the PCB's approval to fund the annual replenishment of the Building Renovation Fund, in 2024 the Executive Director authorized the transfer of a total of US\$ 0.43 million from the fund balance towards the Building Renovation Fund. The PCB during its 54th meeting on 25–27 June 2024 took note of the Executive Director's decision.

The funded staff-related liabilities, stood at US\$ 16.7 million as at 31 December 2024 (US\$ 54 million funded as at 31 December 2023), a net decrease of US\$ 37.3 million following the PCB decision to transfer the amount of US\$ 25.1 million from overfunded staff related liabilities to the no-restricted funds.

The non-payroll staff entitlements fund stood at US\$ 8.5 million as at 31 December 2024 (US\$ 9.5 million as at 31 December 2023), a net decrease of US\$ 1 million.

4.17 Operating Reserve Fund

Pending receipt of core contributions, implementation of the UBRAF may be financed from the Operating Reserve Fund, which was established by the PCB in June 1996. The rules and procedures guiding the use of that Fund by the Executive Director were decided by the PCB at its sixth meeting in Geneva in May 1998.

4.18 Building Renovation Fund

The Building Renovation Fund was established by the PCB at its 30th meeting in June 2012. This fund has been set up to meet the future costs of major repairs of alterations to, and investments in, the UNAIDS office building.

The PCB also approved the annual replenishment of the fund for an amount equivalent to the accumulated depreciation of the UNAIDS building. In line with the decision of the PCB, the Building Renovation Fund was increased by US\$ 0.43 million in 2024 (same amount as in the previous year).

In 2024, US\$ 0.3 million in interest income and US\$ 0.5 million in rental income were credited to the renovation fund, offset by a US\$ 0.4 million expense for building renovation.

5. Supporting information to the Statement of Financial Performance

5.1 Statement overview

The Statement of Financial Performance consolidates revenue and expenses for all activities throughout the Programme. The statement segregates operating activities from those arising from financing operations.

5.2 Revenue

Voluntary contributions to the Programme totalled US\$ 225.3 million (US\$ 213.9 million for 2023), of which US\$ 217.3 million was from governments; US\$ 2.9 million from UNAIDS Cosponsors; and a net of US\$ 5.1 million from other operating revenue received from intergovernmental organizations, other UN Organizations, institutions and the private sector. That figure includes US\$ 1.6 million in in-service contributions. There was US\$ 1 million in miscellaneous income, primarily from refunds by partners on closed projects related to the previous financial period (US\$ 0.8 million in 2023). No revenue was received from exchange transactions.

2024				
Revenue	UBRAF Core Funds	UBRAF Non-core and other funds	Total 2024	Total 2023
	(in US dollars)	(in US dollars)	(in US dollars)	(in US dollars)
Voluntary contributions				
Governments	143 880 026	73 384 737	217 264 763	203 490 053
Cosponsors	-	2 853 819	2 853 819	2 332 649
Others	25 853	5 115 604	5 141 457	7 785 413
Sub- total voluntary contributions	143 905 879	81 354 160	225 260 039	213 608 115
Miscellaneous	539 295	502 757	1 042 052	772 621
Total revenue	144 445 174	81 856 917	226 302 091	214 380 736

5.3 Expense

UNAIDS recognizes expense at the point when goods have been delivered or services rendered and accepted by UNAIDS. An encumbrance represents a firm commitment or obligation for goods and services which have not been delivered. Encumbrances are not reported in the Statement of Financial Performance (Statement II).

5.3.1 Staff and other personnel costs

Staff and other personnel costs represent the total cost of employing staff at all locations, including remuneration of base salary, post adjustment and any other type of entitlements (e.g. pension and insurance) paid by the Programme. Staff costs also include the decrease in the SHI actuarial liability which is recognized as expense in the Statement of Financial Performance.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Salary cost	103 251 364	95 848 469
Actuarial cost	(4 782 506)	(1 008 482)
Other personnel costs	7 275 402	6 312 498
Total staff cost	105 744 260	101 152 485

5.3.2 Transfers and grants to counterparts

Transfers and grants to counterparts represent grants provided to national counterparts, letters of agreements signed with UN entities, non-profit nongovernmental organizations and academic institutions to perform activities to help achieve specific objectives of the UNAIDS Secretariat, as well as transfers to UNAIDS Cosponsors for their share of the UBRAF for 2022–2026. Transfers and grants to governments are referred to as direct financial cooperation. Funds are normally expensed at the time of transfer to the contractual partner.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Direct financial Cooperation	1 316 010	1 477 357
Letter of Agreements	63 420 164	64 329 993
Total transfers and grants to counterparts	64 736 174	65 807 351

5.3.3 Contractual services

Contractual services represent expenses for service providers. The main components are Agreements for Performance of Work (APWs), which are consulting contracts given to individuals to perform activities on behalf of the Programme.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Contractual services	34 755 669	38 926 102
Security expenses	823 045	1 387 749
Training	1 120 467	927 037
Direct implementation and Special service agreements	202 128	184 079
Total Contractual Services	36 901 309	41 424 966

5.3.4 General operating expenses

General operating expenses represent expenses related to general operations in support of headquarters, regional and country offices. This includes costs such as utilities, telecommunications and rent.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
General operating expenses	11 438 411	13 980 906

5.3.5 Travel

Travel of staff, meeting participants and consultants paid by UNAIDS are included in the total travel costs. Travel expenses include airfare, per diems and other travel related costs.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Travel	6 288 587	5 382 101

5.3.6 Equipment vehicles and furniture

Total expenses for 2024 were US\$ 0.6 million (US\$ 0.6 million for 2023), which represents purchases of items below the capitalization threshold.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Equipment, vehicles and furniture	584 435	588 439

5.3.7 Depreciation

Depreciation has been charged on PP&E, using the straight-line method. Depreciation is the expense resulting from the systematic allocation of the amounts on the PP&E over their useful lives. The useful life of the building has been estimated at 60 years. The useful lives of furniture and vehicles have been estimated at five years and that of equipment has been estimated at three years.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Depreciation	748 616	636 769

5.4 Finance revenue (cost)

The total interest earnings were US\$ 6.8 million for the financial period ended 31 December 2024; net realized foreign exchange loss of US\$ 0.1 million; actuarial revaluation loss on Terminal Payment fund of US\$ 0.4 million; net unrealized foreign exchange gains on revaluation of the accounts receivables and Swiss loan adjustments amounted to of US\$ 1.2 million; realized foreign exchange losses on balance sheet hedging amounted to US\$ 0.3 million; and actuarial interest cost related to valuation of Terminal Payments and Special Fund for Compensation of US\$ 0.4 million. This has resulted in a net total financial revenue amount of US\$ 6.7 million for year ended 31 December 2024 (US\$ 5.4 million in 2023).

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Finance revenue/(cost)		
Interest	6 789 975	10 089 035
Net realized foreign exchange gains or (losses)	(148 900)	1 127 944
Actuarial revaluation gains or (losses) on Terminal Payments Funds	(425 217)	(89 319)
Bank charges and investment management fees	(2 445)	(1 839)
Net unrealized foreign exchange gains or (losses) on revaluation	1 214 230	(4 547 798)
Realised foreign exchange gains or (losses) on balance sheet hedging	(255 481)	(604 337)
Actuarial interest cost related to valuation of Terminal Payments Fund and Special Fund for Compensation	(440 127)	(526 532)
Total net finance revenue	6 732 034	5 447 153

6. Segment reporting

Schedule 1. Statement of Financial Performance by Segments, all sources of funds, for the year ended 31 December 2024 (in US dollars)

	UBRAF Core Funds	UBRAF Non-Core Funds	Other Funds							Sub-total non-core and other funds	TOTAL
			Terminal Payments	Non-payroll Entitlements	Special Fund for Compensation	Staff Health Insurance	Building Ren. Fund	Common Fund	Eliminations		
Revenue											
Voluntary contributions											
Governments	143 880 026	73 384 737								73 384 737	217 264 763
Cosponsoring organizations	-	2 853 819								2 853 819	2 853 819
Others	25 853	5 115 604								5 115 604	5 141 457
Appropriation										-	-
Sub-total voluntary contributions	143 905 879	81 354 160								81 354 160	225 260 039
Miscellaneous	539 295	31 965					470 792			502 757	1 042 052
Total revenue	144 445 174	81 386 125	-	-	-	-	470 792	-	-	81 856 917	226 302 091
Programme Support Costs		4 913 178							(4 913 178)	-	-
Payroll transfers to accrual funds			1 432 073	6 723 188					(8 155 261)	-	-
Total revenue	144 445 174	86 299 303	1 432 073	6 723 188	-	-	470 792	-	(13 068 439)	81 856 917	226 302 091
Expense											
Staff and other personnel costs	99 308 098	10 991 720	376 284	7 505 022	38 187	(4 360 291)	40 500		(8 155 261)	6 436 162	105 744 260
Transfers and grants to counterparts	37 189 939	27 546 235								27 546 235	64 736 174
Contractual services	9 689 700	26 590 366		333 737			287 506			27 211 609	36 901 309
General operating expenses	7 900 859	4 157 316					43 943	(663 707)		3 537 551	11 438 411
Travel	3 589 429	2 587 081	112 077							2 699 158	6 288 587
Equipment, vehicles and furniture	198 240	386 195								386 195	584 435
Programme Support Costs		4 913 178							(4 913 178)	-	-
Depreciation								748 616		748 616	748 616
Appropriation										-	-
Total expense	157 876 266	77 172 090	488 361	7 838 759	38 187	(4 360 291)	371 949	84 909	(13 068 439)	68 565 526	226 441 791
Financial revenue/(cost)	4 564 907		609 908		(14 773)		357 763	1 214 229		2 167 127	6 732 034
Total Surplus/(Deficit) by fund	(8 866 185)	9 127 213	1 553 619	(1 115 571)	(52 960)	4 360 291	456 606	1 129 320	-	15 458 518	6 592 334

7. Comparison of budget and actual amounts

The UNAIDS Programme Budget is established on a modified cash basis and is approved by the PCB.

UNAIDS's budget and financial accounts are prepared using two different accounting bases. The Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets and Statement of Cash Flow are prepared on a full accrual basis, whereas the Statement of Comparison of Budget and Actual Amounts (Statement V) is prepared on a modified cash basis.

As required by IPSAS 24, reconciliation has been provided between the actual amounts on a comparable basis, as presented in Statement V, and the actual amounts in the financial accounts, identifying separately any basis, timing, presentation and entity differences.

Basis differences occur when the approved budget is prepared on a basis other than the full accrual accounting basis. Basis differences include the depreciation and capitalization of assets and repayment of the principal on the outstanding loan from the Swiss Confederation.

Timing differences occur when the budget period differs from the reporting period reflected in the financial statements.

Presentation differences are due to differences in the format and classification schemes adapted for presentation of Statement of Cash Flow and Statement of Comparison of Budget and Actual Amounts.

Entity differences include expenses under non-core funds, which are financed from other sources and are not included in the UBRAF approved by the PCB.

Reconciliation between the actual amounts on a comparable basis in the Statement of Comparison of Budget and Actual Amounts (Statement V) and the actual amounts in the Statement of Financial Performance (Statement II) and Statement of Cash Flow (Statement IV) for the year ended 31 December 2024 are presented in the Table below.

Reconciliation of Budget Utilization (Statement V) with Statement of Cash Flow (Statement IV) as at 31 December 2024

	2024			
	Operating	Investing	Financing	Total
	(in US dollars)	(in US dollars)	(in US dollars)	(in US dollars)
Actual amount on budget implementation (Statement V)	(157 726 148)			(157 726 148)
Basis Difference	(1 552 533)	28 957 016	(579 847)	26 824 636
Entity Difference	66 640 215			66 640 215
Presentation Difference	75 922 624	(7 678 801)		68 243 823
Actual Amount in Statement of Cash Flow (Statement IV)	(16 715 842)	21 278 215	(579 847)	3 982 526

8. Administrative waivers, amounts written off and ex-gratia payments

During the financial year ended 31 December 2024, there were no administrative waivers, amounts written off or ex-gratia payments.

9. Related party and senior management disclosure

Key management personnel of UNAIDS consist of all staff members graded at the D1 level and above as they have the authority and responsibility for planning, directing and controlling the activities of UNAIDS.

The aggregate remuneration paid to key management personnel includes salaries, allowances and statutory travel, as well as other entitlements paid in accordance with the Staff Rules and Regulations applicable to all staff.

Key management personnel are members of the UN Joint Staff Pension Fund (UNJSPF) to which the personnel and UNAIDS contribute and are also eligible for participation in the Staff Health Insurance scheme, including the after-service medical insurance scheme if they meet the eligibility requirements.

During the year, no loans were granted to key management personnel beyond those available to staff outside this group.

Key Management Personnel

(in US dollars)

Number of individuals	28
Compensation and post adjustment	6 223 330
Entitlements	406 538
Pension and Health Plans	1 978 202
Total remuneration 2024	8 608 070
Outstanding advances against entitlements	310 498
Outstanding loans (in addition to normal entitlements if any)	-

10. Events after the reporting date

The Programme's reporting date is 31 December 2024. The financial statements were authorized for issue on 28 March 2025, the date at which they were submitted to the External auditor by the Executive Director.

On 29 January 2025, the United States Government, UNAIDS's largest donor, announced an 85-day suspension of foreign aid to UNAIDS, which was intended to facilitate the Government's review of foreign aid and reevaluate its international funding priorities. This event occurred after the reporting date, so it is a non-adjusting event under IPSAS, and no changes have been made to the financial statements.

As of the reporting date, US\$ 65.5 million of core contribution receivables and US\$ 62.7 million of non-core contributions receivables due from the US Government were recognized on the Statement of Financial Position, representing 97% of the organization's total contributions receivable (Note 4.3). The following Table summarizes the exposure:

Description	Ref.	US dollars	Percentage
Contributions receivable as on 31 December 2024	Note 4.3	\$132,807,632	100%
US Government		128,288,599	97%
Of which collected since 31 December, 2024		20,854,937	(16%)
Not collected since 31 December 24, as at 17 March 2025		\$107,433,662	81%

11. Contingent liabilities, commitments and contingent assets

Contingent liabilities

As at 31 December 2024, one (1) outstanding appeal was pending before the WHO Global Board of Appeal (GBA) with respect to UNAIDS former and serving staff. The respective recommendations from the GBA for decision by the UNAIDS Executive Director is expected during 2025. Furthermore, 13 (thirteen) outstanding personnel matters (complaints), submitted during the period of 2020–2024, were pending with the ILO Administrative Tribunal as at the above-referenced and therefore are not practicable to disclose as the likelihood of repayment has been determined to be remote. There are no cases involving contractual disputes that are to be considered contingent liabilities.

Operating leases

The Secretariat enters into operating lease arrangements for the use of country, regional and liaison offices premises. Some of the operating lease agreements contain renewal clauses, which enables the Secretariat to extend the terms of leases at the end of the original lease terms and escalation clauses that may increase annual rent payments based on increases in the relevant market price indexes in the respective countries where country, regional and liaison offices are located. Future minimum lease rental payments for the following periods are:

	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Operating leases		
Within one year	603 863	977 141
Later than one year but not later than five years	2 075 586	3 246 447
Later than five years	367 337	299 255
Total operating leases	3 046 786	4 522 843

Commitments

As at 31 December 2024, UNAIDS had commitments for the acquisition of good and services contracted but not yet delivered totalling US\$ 8.7 million (US\$ 6.6 million for 2023).

The following tables present the open purchase orders for which UNAIDS had not received the related goods or services as at 31 December 2024.

Description	31 December 2024	31 December 2023
	(in US dollars)	(in US dollars)
Property, Plant and Equipment	496 621	302 490
Goods	171 976	339 298
Services	8 011 447	5 979 005
Total commitments	8 680 044	6 620 793

Contingent assets

In accordance with IPSAS 19, contingent assets will be disclosed for cases where an event will give rise to a probable inflow of economic benefits. As at 31 December 2024, there were no material contingent assets to disclose.

Schedule 2

Unified Budget, Results and Accountability Framework - Core funds
Details of revenue for the period 01 January 2024 to 31 December 2024

(in US dollars)

Voluntary contributions	Funds made available towards 2024 UBRAF Core
Governments	
Andorra	33 040
Australia	3 337 784
Belgium	3 537 736
Belgium Flanders	822 368
Canada	3 692 762
Denmark	5 630 631
France	653 595
Germany	7 295 559
Ireland	2 708 559
Japan	600 000
Liechtenstein	54 885
Luxembourg	4 954 344
Monaco	227 459
Netherlands	24 918 743
New Zealand	606 796
Norway	1 854 256
Poland	75 662
Portugal	185 651
Russian Federation	412 905
Spain	1 084 599
Sweden	9 662 769
Switzerland	11 210 762
Thailand	105 080
Turkey	10 000
United Kingdom of Great Britain & Northern Ireland	10 204 082
United States of America	50 000 000
Sub-total Governments	143 880 026
Other	
UNFCU	15 842
Others	10 011
Sub-total - Other	25 853
Miscellaneous	539 295
Total operating revenue	144 445 174
Finance revenue	4 564 907
TOTAL	149 010 081

Schedule 3

Unified Budget, Results and Accountability Framework - Non-core funds
Details of revenue for the period 01 January 2024 to 31 December 2024

(US dollars)

Voluntary contributions	In- Cash	In-Service	Total
Governments			
Australia	1 932 015		1 932 015
Belgium		15 250	15 250
Cameroon	616 623		616 623
Canada	342 458		342 458
China	655 628		655 628
France	2 063 443	199 667	2 263 110
Germany	21 930	239 063	260 993
Italy		340 875	340 875
Japan	250 000		250 000
Kazakhstan	50 000		50 000
Kenya	145 852		145 852
Laos	53 500		53 500
Luxembourg		141 083	141 083
Netherlands	1 009 551	391 500	1 401 051
Nigeria	1 000 000		1 000 000
Sierra Leone	1 844 788		1 844 788
Sri Lanka	35 500		35 500
Switzerland	7 063	165 500	172 563
United States of America (CDC)	13 384 774	74 500	13 459 274
United States of America (USAID)	49 866 239		49 866 239
Adjustment to CDC Revenue	(1 441 992)		(1 441 992)
Adjustments to USAID Revenue	(91 688)		(91 688)
Canton de Genève, Switzerland		71 615 ¹	71 615
Sub-total Governments	71 745 684	1 639 053	73 384 737
Cosponsoring Organizations			
UNDP	255 930		255 930
UNFPA	1 995 649		1 995 649
UNHCR	233 660		233 660
UNICEF	18 000		18 000
WHO	350 580		350 580
Sub-total Cosponsors	2 853 819		2 853 819
Other			
Bill and Melinda Gates Foundation	4 220 757		4 220 757
Croix Rouge Francaise	326 169		326 169
Federatie COC Nederland	5 274		5 274
Global Fund	332 566		332 566
MPTF Office	496 448		496 448
Pan American Health Organization	120 002		120 002
Save the Children Fund	79 990		79 990
UNOPS	81 842		81 842
Various donors	1 668		1 668
Refund to donors	(549 112)		(549 112)
Sub-total	5 115 604		5 115 604
Miscellaneous	502 757		502 757
Total operating revenue	80 217 864	1 639 053	81 856 917
TOTAL	80 217 864	1 639 053	81 856 917

¹ Represents the value of interest on the building loan from FIPOI

Part IV: Management information

I. Funds made available for the financial year ended 31 December 2024

During the period under review, revenue totalling US\$ 149 million was made available towards the core UBRAF. Twenty-six governments contributed 96.6% of this amount. The remaining 3.4% was made up of financial revenue (primarily interest earned on bank balances) received and apportioned during the reporting period, as well as miscellaneous income, including funds received from private contributors and public institutions other than governments plus miscellaneous donations and honoraria. Schedule 2 on page 53 provides details of this revenue.

Non-core UBRAF resources amounting to US\$ 82 million were made available to the UNAIDS Secretariat to provide support to several global, regional and country activities that are designated for specific countries or purposes. Details of the sources of these funds are presented in Schedule 3 on page 54.

II. Funds expended and encumbered for the financial year ended 31 December 2024

The total expense and encumbrances for the financial year ended 31 December 2024 against the core UBRAF for 2024–2025 amounted to US\$ 160.2 million and expense and encumbrances against the non-core UBRAF funds amounted to US\$ 79.3 million.

A. Core Unified Budget, Results and Accountability Framework

During the year ended 31 December 2024, expense and encumbrance (including transfers to Cosponsors) totalling US\$ 160.2 million were incurred against the core operating budget of US\$ 160 million approved for the 2024–2025 UBRAF, which corresponded to a financial implementation of 100%.

The total expenses and encumbrances for the implementation of the activities contained in the core UBRAF were distributed as follows:

- US\$ 34 million was transferred to the Cosponsors, and
- US\$ 123.7 million was expended and US\$ 2.5 million encumbered for Secretariat activities and staff costs.

Table 4 provides details for year 2024 of the 2024–2025 UBRAF approved core budget, expenses and encumbrances, broken down by result area, and the Secretariat core functions for the biennium 2024–2025.

Table 4. 2024–2025 Unified Budget, Results and Accountability Framework approved core budget, expenses and encumbrances for the period ended 31 December 2024 (in US dollars)

	2024-2025 Core Budget Upper Level	2024-2025 Core Budget Base Level	2024 Core Operating Budget	Expense 2024	Encumbrances ^{a/}	Total	Percentage implementation
			(a)	(b)	(c)	(d) = (b + c)	(e) = (d / a)
I. Result Areas							
1 HIV prevention	27 595 800	22 092 000	8 498 800	8 498 800		8 498 800	100.0%
2 HIV testing and treatment	12 183 200	10 336 600	3 212 000	3 212 000		3 212 000	100.0%
3 Paediatric AIDS and vertical transmission	14 602 400	9 776 000	3 856 300	3 856 300		3 856 300	100.0%
4 Community-led responses	8 244 400	6 705 000	2 616 000	2 616 000		2 616 000	100.0%
5 Human rights	13 803 200	7 863 200	2 588 600	2 588 600		2 588 600	100.0%
6 Gender equality	11 747 400	8 593 000	3 241 000	3 241 000		3 241 000	100.0%
7 Young people	13 235 600	9 251 000	3 658 200	3 658 200		3 658 200	100.0%
8 Fully funded HIV response	3 893 000	3 052 200	901 600	901 600		901 600	100.0%
9 Integration and social protection	10 870 800	8 299 400	2 127 400	2 127 400		2 127 400	100.0%
10 Humanitarian settings and pandemics	11 824 200	8 031 600	3 300 100	3 300 100		3 300 100	100.0%
Total Cosponsors	128 000 000	94 000 000	34 000 000	34 000 000		34 000 000	100.0%
II. Core Functions							
1 Leadership, advocacy and communication	75 002 000	71 922 000	30 235 000	29 466 704	723 912	30 190 615	99.9%
2 Partnerships, mobilization and innovation	51 596 000	49 474 000	25 544 000	25 366 263	646 005	26 012 267	101.8%
3 Strategic information	45 810 000	43 926 000	17 725 000	17 215 078	469 770	17 684 848	99.8%
4 Coordination, convening & country implementation support	67 456 000	64 684 000	29 017 000	28 685 353	252 988	28 938 342	99.7%
5 Governance and mutual accountability	52 136 000	49 994 000	23 479 000	22 992 750	435 330	23 428 080	99.8%
Total Secretariat	292 000 000	280 000 000	126 000 000	123 726 148	2 528 005	126 254 153	100.2%
Grand Total	420 000 000	374 000 000	160 000 000	157 726 148	2 528 005	160 254 153	100.2%

^{a/} Encumbrances representing firm commitment for good and/or services which have not yet been delivered

i) Funds transferred to Cosponsors

In 2024, a total amount of US\$ 34 million, out of the reduced core allocation of US\$ 47 million, was transferred to Cosponsors. To cover core activities, US\$ 1.5 million, instead of the US\$ 2 million approved allocation, was transferred to each of the 11 Cosponsors and a further US\$ 17.5 million was transferred at country level in the form of country envelopes.

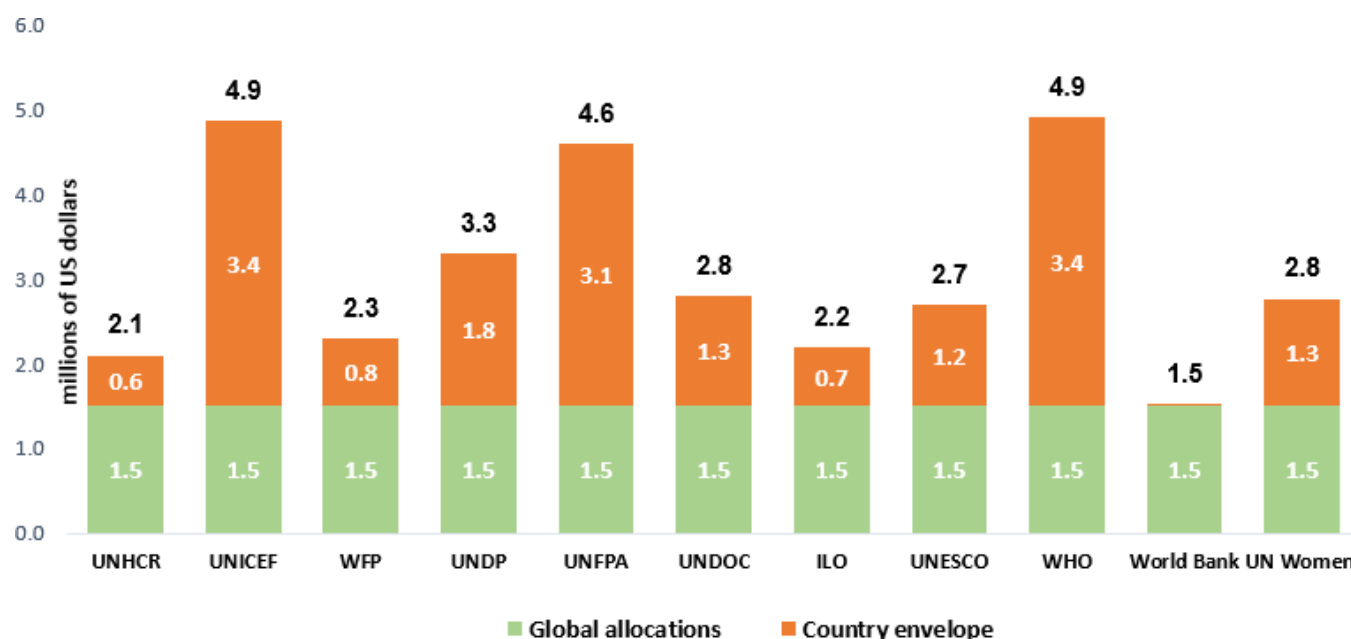
The country envelope funding modality was first introduced in the 2018–2019 biennium following approval of the refined UNAIDS Joint Programme operating model by the PCB at its 40th meeting in June 2017.

This approach serves three overarching objectives: to deploy human and financial resources where they are needed most; to reinvigorate country-level joint work and collaborative action; and to reinforce accountability and results for people.

The country envelopes were established for 91 countries through a process which entailed engagement of the Cosponsors at all levels to reach consensus on the formula, process, deliverables and allocations. (Table 7 on pages 61 to 62 provides details of funds transferred to Cosponsors at country level).

Figure 5, below, illustrates the dynamic and differentiated resource allocation model and provides information on the proportion of funds transferred to each individual Cosponsor.

Figure 5. Funds transferred to the Cosponsors in 2024 (in millions of US dollars)



ii) Funds expended and encumbered against the Secretariat core budget

During the year ended on 31 December 2024, a total amount of US\$ 123.7 million was expended and US\$ 2.5 million encumbered for Secretariat activities and staff costs against the Secretariat 2024 core budget of US\$ 126.2 million, which together represent a financial implementation rate of 100.2% of the Secretariat's 2024 core budget.

Table 4 provides details on the 2024–2025 UBRAF approved core budget, expenses and encumbrances, broken down by result area, and on the Secretariat core functions for the biennium 2024–2025.

B. Expenses incurred against the UBRAF non-core funds

During the year ended 31 December 2024, a total amount of US\$ 72.6 million was expended and US\$ 6.2 million encumbered by the Secretariat against UBRAF non-core funds.

Table 5 on page 58 provides details on the 2024 UBRAF non-core funds made available; expenses and encumbrances, broken down by source of funding.

C. Country and regional expenses against all sources of funds

As recommended by the PCB at its 22nd meeting, held in Chiang Mai, Thailand, on 23–25 April 2008, the report shown in Table 6 on pages 59 to 60 presents a breakdown of expenses and encumbrances of the Secretariat by country and region for both the UBRAF core funds and UBRAF non-core funds. Country and regional expenses amounted to US\$ 89.5 million for the financial year ended 31 December 2024. In addition to the expenses, a total of US\$ 5.1 million was encumbered during the same period, which together totalled US\$ 94.6 million for the financial year ended 31 December 2024.

Table 5. UBRAF non-core funds
Funds available, expenses and encumbrance by source of revenue for the year ended 31 December 2024 (in US dollars)

Source of revenue	2023 carry-over	Funds made available in 2024	Total available funds	Expense	Encumbrance ^{a/}	Total	Percentage implementation
	(a)	(b)	(c) = (a+b)	(d)	(e)	(f) = (d + e)	(g) = (f / c)
Australia	1 846 951	1 932 015	3 778 966	2 507 782	160 295	2 668 077	70.6%
Belgium		15 250	15 250	15 250		15 250	100.0%
Cameroon		616 623	616 623	8 560		8 560	1.4%
Canada		342 458	342 458				0.0%
China	2 506 968	655 628	3 162 596	2 592 035	255 786	2 847 821	90.0%
France	155	2 263 110	2 263 265	1 105 756	649 670	1 755 426	77.6%
Germany	445 674	260 993	706 667	480 334		480 334	68.0%
Italy		340 875	340 875	340 875		340 875	100.0%
Japan	250 034	250 000	500 034	383 667	4 594	388 261	78%
Kazakhstan	6 444	50 000	56 444	47 882	3 956	51 838	91.8%
Kenya		145 852	145 852	111 947	7 494	119 441	81.9%
Laos		53 500	53 500	1 525		1 525	2.9%
Luxembourg	32 896	141 083	173 979	146 645		146 645	84.3%
Netherlands	3 973 448	1 401 051	5 374 499	3 551 117	48 940	3 600 057	67.0%
Nigeria		1 000 000	1 000 000	465 574	53 603	519 177	51.9%
Russian Federation	149 465		149 465	(12)		(12)	0.0%
Sierra Leone		1 844 788	1 844 788	1 165 975		1 165 975	63.2%
Sri Lanka		35 500	35 500	7 190	26 458	33 648	94.8%
Sweden	248 601		248 601	169 064		169 064	68.0%
Switzerland	375 847	172 563	548 410	371 431	39 320	410 751	74.9%
United States of America (CDC)	11 326 695	12 017 282	23 343 977	12 460 503	1 384 319	13 844 822	59.3%
United States of America (USAID)	28 521 280	49 774 551	78 295 831	34 786 470	2 963 829	37 750 299	48.2%
Canton de Genève, Switzerland		71 615	71 615	71 615		71 615	100.0%
Bill & Melinda Gates Foundation	4 332 468	4 220 757	8 553 225	3 566 339	103 090	3 669 429	42.9%
Croix Rouge Francaise	409 924	326 169	736 093	433 036	11 941	444 977	60.5%
Federatie COC Nederland		5 274	5 274				0.0%
Global Fund	637 290	332 566	969 856	461 046	18 345	479 391	49.4%
Institute of Nutrition of Central America	13 312		13 312	13 312		13 312	100.0%
MPTF Office	674 966	496 448	1 171 414	323 841	65 371	389 212	33.2%
M.A.C. AIDS Fund	64 179		64 179	57 200	236	57 436	89.5%
Pan American Health Organization		120 002	120 002	38 932	42 152	81 084	67.6%
Save the Children Fund	171 033	79 990	251 023	187 333	8 772	196 105	78.1%
UNDP	14 640	255 930	270 570	194 818	12 451	207 269	76.6%
UNFPA	1 657 792	1 995 649	3 653 441	2 028 622	289 231	2 317 853	63.4%
UNHCR	25 116	233 660	258 776	231 625	1 907	233 532	90.2%
UNICEF	8 759	18 000	26 759	1 198	1 337	2 535	9.5%
UNOPS	6 164	81 842	88 006	77 459	184	77 643	88.2%
WFP	578 314		578 314	79 661		79 661	13.8%
WHO	542 869	350 580	893 449	278 086	10 257	288 343	32.3%
Refund to donors and adjustments		(549 112)	(549 112)				0.0%
Miscellaneous and other	44 279	247 633	291 912	240 881	149	241 030	82.6%
Programme support costs and other	3 653 854	4 913 178	8 567 032	8 456 614	21 960	8 478 574	99.0%
Eliminations		(4 913 178)	(4 913 178)	(4 913 178)		(4 913 178)	100.0%
Total	62 519 417	81 600 125	144 119 542	72 548 010	6 185 647	78 733 657	54.6%

^{a/} Encumbrance equals a firm commitment for goods and/or services which have not yet been delivered.

Table 6. Country and regional expenses and encumbrance against all sources of funds for the financial year ended 31 December 2024 (in US dollars)

Region	Countries	Unified Budget, Results and Accountability Framework			Non-core Funds			Total		
		Expense	Encumbrance ^{a/}	Total	Expense	Encumbrance ^{a/}	Total	Expense	Encumbrance ^{a/}	Total
Asia and Pacific	Regional Support Team, Asia and Pacific	4 497 657	81 461	4 579 118	3 409 808	302 688	3 712 496	7 907 464	384 149	8 291 614
	Bangladesh	427 179	7 073	434 252				427 179	7 073	434 252
	Cambodia	573 640	974	574 614	1 425		1 425	575 065	974	576 038
	China	481 840	2 856	484 696	622 103	120 815	742 919	1 103 943	123 671	1 227 615
	India	681 491	8 138	689 629	535 426	55 301	590 727	1 216 918	63 438	1 280 356
	Indonesia	871 057	5 140	876 197	308 113	8 190	316 302	1 179 170	13 330	1 192 500
	Myanmar	853 262	66 091	919 353	1 099 301	150 101	1 249 402	1 952 563	216 192	2 168 754
	Nepal	312 719	5 767	318 486	326 693	18 128	344 821	639 412	23 895	663 307
	Pakistan	592 641	7 042	599 682				592 641	7 042	599 682
	Papua New Guinea	730 540	27 788	758 328	218 546	20 389	238 935	949 086	48 177	997 263
	Philippines	382 887	9 768	392 655				382 887	9 768	392 655
	Thailand	275 117	8 715	283 833	181 681	2 901	184 582	456 799	11 616	468 415
	Viet Nam	414 730	3 608	418 338				414 730	3 608	418 338
Total Asia and Pacific		11 094 761	234 420	11 329 181	6 703 096	678 512	7 381 608	17 797 857	912 932	18 710 789
East and South Africa	Regional Support Team, East and South Africa	8 925 032	11 149	8 936 181	2 963 535	262 849	3 226 384	11 888 567	273 998	12 162 565
	Angola	581 968	13 025	594 992				581 968	13 025	594 992
	Botswana	368 840	2 116	370 956	280 859	39 570	320 429	649 698	41 687	691 385
	eSwatini	439 978	2 981	442 959				439 978	2 981	442 959
	Ethiopia	525 106	5 078	530 184				525 106	5 078	530 184
	Kenya	721 999	114 537	836 535	1 075 286	287 964	1 363 250	1 797 284	402 501	2 199 785
	Lesotho	573 752	2 915	576 667				573 752	2 915	576 667
	Madagascar (covering Seychelles, Comores, Mauritius)	246 621	12 481	259 102	21 861	149	22 010	268 482	12 631	281 113
	Malawi	258 099	13 514	271 613	749 949	35 161	785 110	1 008 049	48 674	1 056 723
	Mozambique	593 773	52 651	646 423	570 825	54 750	625 575	1 164 598	107 401	1 271 999
	Namibia	471 975	48 093	520 067	179 066	23 326	202 392	651 041	71 419	722 460
	Rwanda	401 280	18 770	420 050	337 786	119 362	457 148	739 066	138 132	877 198
	South Africa	880 784	10 318	891 101	2 982 407	332 448	3 314 855	3 863 191	342 766	4 205 956
	South Sudan	654 828	5 702	660 530	392 483	135 573	528 056	1 047 311	141 275	1 188 586
	Tanzania, United Republic of	700 179	53 422	753 601	279 352	7 572	286 924	979 531	60 994	1 040 525
	Uganda	696 980	54 066	751 046	1 688 012	38 466	1 726 478	2 384 991	92 532	2 477 524
	Zambia	650 026	44 213	694 238	370 811	64 636	435 447	1 020 837	108 849	1 129 685
	Zimbabwe	452 081	2 722	454 802	1 350 356	517 488	1 867 844	1 802 437	520 209	2 322 646
Total East and South Africa		18 143 298	467 751	18 611 049	13 242 588	1 919 315	15 161 903	31 385 886	2 387 066	33 772 952
Europe	Regional Support Team, Europe	2 487 613	10 159	2 497 772	131 429		131 429	2 619 042	10 159	2 629 201
	Armenia	88 492	10 022	98 514	3 999		3 999	92 491	10 022	102 513
	Belarus	108 333	10	108 343				108 333	10	108 343
	Kazakhstan	320 543	19 830	340 374	139 380	18 356	157 736	459 924	38 186	498 110
	Kyrgyzstan	98 283	324	98 607	17 000		17 000	115 283	324	115 607
	Moldova, Republic of	107 207	3 583	110 790	262 642	2 320	264 962	369 849	5 903	375 752
	Tajikistan	74 820	1 074	75 894				74 820	1 074	75 894
	Ukraine	472 175	56 914	529 088	2 053 804		2 053 804	2 525 978	56 914	2 582 892
	Uzbekistan	138 178	3 320	141 499				138 178	3 320	141 499
Total Europe		3 895 645	105 237	4 000 881	2 608 254	20 675	2 628 930	6 503 899	125 912	6 629 811

^{a/} Encumbrance equals a firm commitment for goods and/or services which have not yet been delivered.

Table 6 continued

Region	Countries	Unified Budget, Results and Accountability Framework			Non -core Funds			Total		
		Expense	Encumbrance ^{a/}	Total	Expense	Encumbrance ^{a/}	Total	Expense	Encumbrance ^{a/}	Total
Latin America and Caribbean	Regional Support Team, Latin America and Caribbean	4 497 287	57 042	4 554 328	207 947	1 337	209 284	4 705 234	58 379	4 763 612
	Argentina	334 509	2 123	336 632				334 509	2 123	336 632
	Brazil	478 734	64 354	543 087	359 951	42 388	402 339	838 685	106 741	945 426
	Dominican Republic	163 190	9 768	172 958	285 132	40 867	325 999	448 322	50 635	498 957
	El Salvador	129 789	4 922	134 712				129 789	4 922	134 712
	Guatemala	377 498	2 402	379 901	18 722		18 722	396 220	2 402	398 622
	Haiti	660 040	25 475	685 515	165 311	34 606	199 917	825 351	60 081	885 432
	Jamaica	692 630	29 487	722 118	227 534	36 434	263 969	920 164	65 922	986 086
	Peru	470 845	9 605	480 451				470 845	9 605	480 451
	Venezuela	108 243	2 239	110 482	43 799		43 799	152 042	2 239	154 281
Total Latin America and Caribbean		7 912 765	207 418	8 120 183	1 308 396	155 632	1 464 028	9 221 162	363 050	9 584 212
Middle East & North Africa	Regional Support Team, Middle East and North Africa	19 615		19 615				19 615		19 615
	Algeria	188 442	11 469	199 910				188 442	11 469	199 910
	Egypt	99 227	5 652	104 879	206 971	23 027	229 998	306 198	28 679	334 876
	Iran	374 490	100	374 590	482 666		482 666	857 156	100	857 256
	Morocco	261 599	1 461	263 060	37 001	256	37 257	298 600	1 717	300 317
	Sudan	116 592	14 000	130 592				116 592	14 000	130 592
	Tunisia	58 050	5 831	63 880				58 050	5 831	63 880
Total Middle East and North Africa		1 118 015	38 512	1 156 527	726 637	23 283	749 920	1 844 652	61 795	1 906 447
West and Central Africa	Regional Support Team, West and Central Africa	8 972 959	72 459	9 045 419	1 107 561	522 246	1 629 808	10 080 521	594 706	10 675 226
	Burkina Faso	396 049	14 512	410 561				396 049	14 512	410 561
	Burundi	350 548	5 324	355 872				350 548	5 324	355 872
	Cameroon	527 015	18 983	545 998	317 560	82 278	399 838	844 575	101 261	945 836
	Central African Republic	497 173	2 506	499 680	514 570	42 601	557 170	1 011 743	45 107	1 056 850
	Chad	547 574	63 082	610 656	63 611	1 593	65 203	611 185	64 675	675 859
	Côte d'Ivoire	677 067	27 413	704 480	956 422	129 840	1 086 262	1 633 490	157 253	1 790 743
	Democratic Republic of Congo	1 907 460	49 807	1 957 266	70 763	3 902	74 665	1 978 223	53 709	2 031 932
	Equatorial Guinea	442 276	2 229	444 505				442 276	2 229	444 505
	Gambia	78 929	1 756	80 684				78 929	1 756	80 684
	Ghana	449 630	1 210	450 840	315 826	3 399	319 224	765 456	4 609	770 065
	Guinea	328 729	20 982	349 711	26 207		26 207	354 935	20 982	375 918
	Mali	533 992	18 804	552 796	99 655	7 395	107 050	633 647	26 200	659 846
	Mauritania	109 484	1 863	111 347				109 484	1 863	111 347
	Niger	179 858	14 349	194 206				179 858	14 349	194 206
	Nigeria	1 291 632	36 395	1 328 027	569 758	53 835	623 594	1 861 390	90 230	1 951 620
	Senegal	163 491	10 357	173 847	40 735	6 681	47 416	204 226	17 038	221 264
	Sierra Leone	411 120	6	411 125	89 696		89 696	500 816	6	500 822
	Togo	618 822	18 802	637 624	73 057	47 727	120 784	691 879	66 530	758 408
Total West & Central Africa		18 483 807	380 840	18 864 647	4 245 421	901 498	5 146 918	22 729 228	1 282 337	24 011 565
Grand Total		60 648 291	1 434 177	62 082 468	28 834 393	3 698 915	32 533 308	89 482 684	5 133 093	94 615 776

^{a/} Encumbrance equals a firm commitment for goods and/or services which have not yet been delivered.

Table 7. 2024 Country envelopes: Details of funds transferred to Cosponsors at country level (in US dollars)

Region	Country	ILO	UNDP	UNESCO	UNFPA	UNHCR	UNICEF	UNODC	UN Women	WFP	WHO	Total
Asia Pacific	Bangladesh				40 000	38 000	42 000	50 000				170 000
	Cambodia	10 000	25 000		92 000				10 000		23 000	160 000
	China	40 000	30 000	40 000					45 000		45 000	200 000
	Fiji				15 000		15 000				40 000	70 000
	India	75 000	105 000	75 000	50 000		150 000	75 000	50 000		150 000	730 000
	Indonesia	40 000	40 000		50 000	30 000	40 000	40 000	50 000		60 000	350 000
	Iran				55 000	40 000	50 000	70 000			35 000	250 000
	Malaysia					50 000		45 000			15 000	110 000
	Myanmar				42 000		59 000	39 000		19 000	41 000	200 000
	Nepal		20 000				18 000	24 000	24 000		24 000	110 000
	Pakistan			35 000	35 000		50 000	90 000			60 000	270 000
	Papua New Guinea				50 000		50 000		30 000		50 000	180 000
	Philippines		75 000		70 000		100 000	50 000	20 000		85 000	400 000
	Thailand		85 000					65 000				150 000
	Viet Nam				15 000			85 000	15 000		85 000	200 000
Total Asia Pacific		165 000	380 000	150 000	514 000	158 000	574 000	633 000	244 000	19 000	713 000	3 550 000
Eastern Europe and Central Asia	Belarus		27 000		27 000		26 000				20 000	100 000
	Kazakhstan		14 400	20 000	49 600			16 000				100 000
	Kyrgyzstan		22 000	20 000	20 000		15 000	23 000				100 000
	Tajikistan		06 000				34 500		34 500		25 000	100 000
	Ukraine	25 000	25 000		25 000		25 000	25 000			25 000	150 000
	Uzbekistan		15 000		20 000		26 000	09 000			30 000	100 000
Total Eastern Europe and Central Asia		25 000	109 400	40 000	141 600	0 0	126 500	73 000	34 500	0 0	100 000	650 000
Eastern and Southern Africa	Angola		36 000		57 000	19 000	51 000	40 000			27 000	230 000
	Botswana			54 000	54 000		54 000	10 000	54 000		54 000	280 000
	Egypt						35 000	75 000			40 000	150 000
	Eswatini		25 000	23 000	50 000		47 000		30 000	35 000	35 000	245 000
	Ethiopia			25 000	25 000	40 000	25 000	25 000	20 000	20 000	100 000	280 000
	Kenya	83 000		97 000	45 000		85 000		90 000			400 000
	Lesotho			30 000	65 000		65 000		30 000	15 000	40 000	245 000
	Madagascar	20 000	67 500		24 000		85 000			15 000	38 500	250 000
	Malawi	25 000	30 000	20 000	50 000	52 000	22 000	28 000	54 000	34 000	25 000	340 000
	Mozambique	70 000	50 000	50 000	100 000		115 000	50 000	50 000	50 000	115 000	650 000
	Namibia			30 000	55 000		40 000		40 000		45 000	210 000
	Rwanda				40 000	25 000	40 000		40 000	25 000	30 000	200 000
	South Africa	75 000	75 000	55 000	90 000		105 000	80 000	90 000		105 000	675 000
	South Sudan		20 000	25 000	25 000	40 000	05 000		25 000	35 000	35 000	210 000
	Sudan		30 800		28 200		31 000	10 000			50 000	150 000
	Uganda			100 000	100 000		70 000		90 000		40 000	400 000
	United Republic of Tanzania	70 000	40 000	70 000	50 000		85 000	15 000	30 000		90 000	450 000
	Zambia		120 000	35 000	60 000		80 000				90 000	385 000
	Zimbabwe	30 000	20 000	40 000	61 000	20 000	34 000		40 000	10 000	45 000	300 000
Total East and South Africa		373 000	514 300	654 000	979 200	196 000	1 074 000	333 000	683 000	239 000	1 004 500	6 050 000

Table 7 Continued

Region	Country	ILO	UNDP	UNESCO	UNFPA	UNHCR	UNICEF	UNODC	UN Women	WFP	WHO	Total
Latin America and Caribbean	Argentina		50 000		50 000						50 000	150 000
	Bolivia				30 000		50 000	6 000	40 000		24 000	150 000
	Brazil	70 000		70 000	40 000						100 000	280 000
	Chile		70 000		20 000						60 000	150 000
	Colombia		45 000		55 000					15 000	85 000	200 000
	Cuba				50 000		50 000				50 000	150 000
	Dominican Republic		30 000		30 000		30 000			30 000	30 000	150 000
	Ecuador				45 000		46 000			15 000	44 000	150 000
	El Salvador		20 000		17 000		18 000		32 000		33 000	120 000
	Guatemala		19 000		28 000		47 500			23 000	32 500	150 000
	Guyana		30 000		20 000	20 000	20 000				30 000	120 000
	Haiti		10 000		40 000		26 800		30 000	20 000	23 200	150 000
	Honduras				23 500		50 000				46 500	120 000
	Jamaica		43 000		34 000		30 000		30 000		43 000	180 000
	Paraguay		18 000		54 000						28 000	100 000
	Peru			45 000	50 000		55 000			08 000	22 000	180 000
	Venezuela				80 000		77 000				43 000	200 000
Total Latin America and Caribbean		70 000	335 000	115 000	666 500	20 000	500 300	6 000	132 000	111 000	744 200	2 700 000
West and Central Africa	Algeria		45 000		20 000	15 000		70 000				150 000
	Benin		25 300		23 700		36 000			20 500	44 500	150 000
	Burkina Faso		30 000	15 000	20 000	25 000	40 000			30 000	40 000	200 000
	Burundi				24 000		23 000		10 000	15 000	28 000	100 000
	Cameroon		50 000		45 000		50 000		44 000	65 000	96 000	350 000
	Central African Republic				64 000	35 000	41 000				60 000	200 000
	Chad				58 000	28 000	70 000			40 000	54 000	250 000
	Congo		30 000	25 000	20 000	20 000	60 000			20 000	25 000	200 000
	Cote d'Ivoire		10 000	35 000	65 000		175 000				65 000	350 000
	Democratic Republic of Congo	10 000	60 000	25 000	50 000	60 000	60 000		25 000	60 000	50 000	400 000
	Equatorial Guinea				35 000		105 000	10 000				150 000
	Gabon			15 000	15 000		30 000	10 000			30 000	100 000
	Gambia		20 000		10 000		30 000	10 000		20 000	10 000	100 000
	Ghana		30 000	30 000	60 000		90 000				140 000	350 000
	Guinea		20 000		40 000		40 000	20 000		30 000		150 000
	Mali		30 000	25 000	35 000		60 000		25 000	10 000	15 000	200 000
	Niger			10 000		25 000	40 000			35 000	40 000	150 000
	Nigeria	45 000	60 000	45 000	70 000	20 000	35 000	50 000	40 000		35 000	400 000
	Senegal			35 000			25 000		15 000	25 000	50 000	150 000
	Sierra Leone		30 000				50 000	25 000	20 000		25 000	150 000
	Togo			15 000	75 000		25 000	23 000		20 000	42 000	200 000
	Tunisia		20 000		35 000			25 000			20 000	100 000
Total West and Central Africa		55 000	460 300	275 000	764 700	228 000	1 085 000	243 000	179 000	390 500	869 500	4 550 000
Grand Total		688 000	1 799 000	1 234 000	3 066 000	602 000	3 359 800	1 288 000	1 272 500	759 500	3 431 200	17 500 000