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Work Programme and Budget of the Independent Integrity Unit for 2027- 2029

Summary

The Independent Integrity Unit is an accountability mechanism of the Green Climate Fund mandated to investigate allegations of fraud, corruption, and other Prohibited Practices, and to conduct integrity-related oversight and capacity-building initiatives in Fund-related activities and operations.

The GCF Board considers and approves the work programme and budget of the IIU on an annual basis. This document presents the proposed Work Programme and Budget of the IIU for 2027-2029. A draft decision is presented in annex I to this document for Board consideration.

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I. Introduction

1. The Independent Integrity Unit (“IIU” or “the Unit”) was established by the Board of the Green Climate Fund (“GCF” or “the Fund”) under Article 68 of the Governing Instrument¹. In accordance with its Terms of Reference (“ToR”)², the IIU investigates allegations of fraud, corruption, and other Prohibited Practices or misconduct, and conducts integrity-related oversight and capacity-building initiatives in Fund-related activities and operations. The IIU reports directly to the Board or through the Ethics and Audit Committee (“EAC”) of the Board, and it is operationally independent from the GCF Secretariat.

2. The Board, on the recommendation of the EAC³ and the Budget Committee (“BC”)⁴ of the Board, is responsible for reviewing and approving the annual budget of the IIU. The Head of IIU is mandated to propose *“a budget for meeting the annual expenses of the Unit to ensure its financial independence.”*⁵ In accordance with the principles established in Board decision B.38/07⁶, the IIU presents a multi-annual (three-year period) work programme and budget to the Board each year for its consideration.

3. This document contains the proposed **Work Programme and Budget of the IIU for 2027-2029 (“WPB”)**. This WPB proposal was considered and endorsed by the EAC at its 125th meeting on 21 July 2026. The BC considered the proposal at its 16th meeting on 18 August 2026, with subsequent endorsement on 31 August 2026 through written procedure on a no-objection basis.

4. The detailed IIU work programme proposal for 2027-2029 is contained in annex II to this document and the corresponding multi-year budget proposal is contained in annex III.

II. Considerations for the IIU Work Programme for 2027-2029

5. The multi-annual WPB of the IIU is proposed on the basis of the IIU mandate and its multi-year strategic objectives, and the B.43 provisional agreement regarding the provisional IIU work programme and budget for 2027 and 2028⁷.

6. The proposed Work Programme and Budget has been prepared to capitalise on synergies between the IIU and other GCF units and Secretariat offices, fostering where possible cross-unit/Secretariat collaboration and generating efficiency gains that strengthen the delivery of the IIU’s mandate while ensuring the efficient and prudent use of resources.

7. In identifying these synergies, particular emphasis has been placed on the area of risk management, including capacity-building, under the Updated Monitoring and Accountability Framework (“Updated MAF”) for Accredited Entities as adopted by the Board through decision B.42/13. The IIU will contribute to the initiatives under the Updated MAF, through targeted integrity risk management initiatives and capacity-building activities, in cooperation with in particular the second and third lines of defence (Department of Risk Management and

¹ The *Governing Instrument for the Green Climate Fund* sets out the mandate, governance, and working methods of the GCF as approved by the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC). Available at <https://www.greenclimate.fund/document/governing-instrument>.

² Board decision B.06/09 para. (b), annex IV *Terms of Reference of the Independent Integrity Unit*. Available at <https://www.greenclimate.fund/document/terms-reference-independent-integrity-unit>.

³ Para. 20(d), *Terms of Reference of the Independent Integrity Unit*.

⁴ Board decision B.38/07 para. (c), annex IV *Terms of Reference of the Budget Committee*. Available at https://www.greenclimate.fund/sites/default/files/document/terms-reference-budget-committee_0.pdf.

⁵ Board decision B.10/05 para. (l), annex VI *Terms of Reference of the Head of the Independent Integrity Unit*. Available at <https://iiu.greenclimate.fund/sites/default/files/document/terms-reference-head-independent-integrity-unit.pdf>.

⁶ Board decision on GCF/B.38/11 *Administrative Budget and Accounting Framework*. Available at <https://www.greenclimate.fund/sites/default/files/decision/b38/decision-b38-07-annex-iii.pdf>.

⁷ Board decision B.43/11 para. (c).

Compliance, and Office of Internal Audit), thereby reinforcing the GCF's overall risk management framework and supporting a more coordinated and effective approach to risk oversight.

2.1 IIU Mandate and Key Responsibilities

8. In accordance with its ToR, the key responsibilities of the IIU are to:
 - (a) Serve as the initial point of contact for all alleged and suspected integrity violations, including staff misconduct and Prohibited Practices implicating Counterparties or GCF Personnel, and investigate them in line with applicable GCF policies and standards;
 - (b) Draft, implement, advise on, and monitor implementation of integrity policies;
 - (c) Proactively assess and mitigate integrity risks in Fund-related activities and operations;
 - (d) Build integrity capacity and knowledge in GCF stakeholders; and
 - (e) Collaborate with peer integrity offices.

2.2 Strategic Objectives of the Independent Integrity Unit

Table 1. Strategic Objectives of the Independent Integrity Unit

<i>Strategic Objective 1: To foster strong institutional governance and a culture of integrity of the Fund</i>	
1.1	Support to the EAC and the Board in their oversight of the Fund's operations
1.2	Training and awareness raising for GCF internal stakeholders
1.3	Advisories and guidance on implementation of and compliance with integrity policies
1.4	Integrity policy development, implementation, and monitoring
<i>Strategic Objective 2: To enhance capacity of GCF partners and be a thought leader in climate finance integrity</i>	
2.1	Training, technical assistance, and awareness raising for GCF external stakeholders
2.2	Knowledge product development
2.3	Building of strategic partnerships and communities of practice
<i>Strategic Objective 3: To serve as an effective investigation function</i>	
3.1	Investigations and optimisation of investigative processes
3.2	Strengthening of investigative coordination and collaboration with partners
<i>Strategic Objective 4: To proactively identify and manage integrity risks in GCF-Funded Activities/operations</i>	
4.1	Integrity risk management by means of Proactive Integrity Reviews and other risk detection mechanisms
4.2	Innovation and data-driven risk assessment

2.3 Key Elements of the IIU Work Programme and Budget Proposal for 2027-2029

9. The IIU WPB proposal for 2027-2029 continues to group activities into three main work domains as elaborated in the subsequent tables. The operational context in each of these work

domains informs the relevant resource requirements by the IIU that will allow the Unit to effectively fulfil its mandate and achieve its strategic objectives.

Table 2. IIU Activities under Investigations & Integrity Policy Work

INVESTIGATIONS & INTEGRITY POLICY WORK	
THE SITUATION / WHAT IS PLANNED • Handling of suspected cases of Wrongdoing • Advisories to Secretariat on GCF operational/systemic risks or project-related internal control issues; conflicts-of interest advisories • Finalisation of 3-year PPP⁸ Review and start of 3-year PPWW⁹ Review • Liaison with relevant international partners in investigations	WHAT IS NEEDED • Staff resources (1 additional investigation staff member) to: ○ Handle more complex cases ○ Manage case statistics/data for risk analysis and stakeholder reporting ○ Support integrity policy work (completion of integrity policy framework; provision of conflict-of-interest advisories) • Investigative tools (forensic, due diligence)

Table 3. IIU Activities under Integrity Risk Management

INTEGRITY RISK MANAGEMENT (PROACTIVE INTEGRITY REVIEWS)	
THE SITUATION / WHAT IS PLANNED • Undertaking of Proactive Integrity Reviews (PIRs) and other integrity risk assessments under the Updated MAF (1 in 2027, 2 in 2028-2029) • Collaboration with IFIs, MDBs, and CSOs¹⁰ in global fora to share insights, mitigate integrity risks, identify prevention measures, and promote collective learning and action	WHAT IS NEEDED • Data analytics services for objective project selection and integrity risk detection • Consultancies to support PIR work • PIR onsite missions (1 per PIR) by IIU staff and missions to global fora on integrity risk management

⁸ Policy on Prohibited Practices.

⁹ Policy on the Protection of Whistleblowers and Witnesses.

¹⁰ International Financial Institutions, Multilateral Development Banks, and Civil Society Organisations.

Table 4. IIU Activities under Capacity Building

CAPACITY BUILDING	
THE SITUATION / WHAT IS PLANNED	WHAT IS NEEDED
• Implementation of IIU capacity-building strategy through: ○ Joint IIU-IRM Regional Accountability Workshop (2027 & 2029) ○ Integrity Forum (2028) (in parallel, the IRM¹¹ will hold its GRAM Partnership conference) ○ Integrity Toolkit (Final Phase - 2027) ○ e-Learning Modules for GCF Staff (Final Phase - 2027) ○ New set of integrity knowledge products in 2028 ○ 2nd Peer Learning Cohort Programme for 2027-2028	• Travel subsidies for participating DAEs • Organisation of the Integrity Forum and the joint IIU-IRM Regional Accountability Workshop • Final design activities of the Integrity Toolkit and e-Learning Modules • Facilitation of trainings in the 2nd Peer Learning Cohort Programme

III. Recommended action by the Board

10. It is recommended that the Board:
 - (a) Take note of the information presented in document GCF/B.46/14 titled “Work Programme and Budget of the Independent Integrity Unit for 2027-2029”; and
 - (b) Approve the draft decision presented in annex I to this document.

¹¹ Independent Redress Mechanism, one of the accountability mechanisms of the GCF.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.46/14 titled “Work Programme and Budget of the Independent Integrity Unit for 2027-2029”:

- (a) Approves the work programme and administrative budget of the Independent Integrity Unit for 2027 in the amount of USD 4,593,660, as set out in annexes II and III, respectively, to document GCF/B.46/14;
- (b) Takes note of the provisional work programme of the Independent Integrity Unit for 2028 and 2029, as set out in annex II to document GCF/B.46/14;
- (c) Approves the provisional administrative budgets for the Independent Integrity Unit, as set out in annex III to document GCF/B.46/14, in the amounts of USD 4,838,622 for 2028 and USD 4,771,278 for 2029;
- (d) Authorises the Budget Committee to consider and approve drawing from the Board contingency budget the costs of unanticipated case-related work of the Independent Integrity Unit in 2027, upon recommendation of the Ethics and Audit Committee; and
- (e) Tasks the Executive Director with distributing salary adjustments in line with the GCF Compensation Framework adopted by the Board through decision B.38/06.

Annex II: Work Programme of the Independent Integrity Unit for 2027-2029

1. The multi-year Work Programme of the IIU for 2027-2029 is based on four overarching strategic objectives. The subsequent tables outline the proposed activities of the IIU for 2027-2029 based on respective strategic objectives. The corresponding budgetary considerations are presented in annex III to this document.

Table 5. IIU Key Activities for 2027-2029 under Strategic Objective 1

<i>Strategic Objective 1. To foster strong institutional governance and a culture of integrity of the Fund</i>				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
1.1	Support to the EAC and the Board in their oversight of the Fund's operations	• Provide timely and comprehensive Board mandated reports on case statistics and IIU activities • Develop and submit the IIU multi-year work programme and budget	• Provide timely and comprehensive Board mandated reports on case statistics and IIU activities • Develop and submit the IIU multi-year work programme and budget	• Provide timely and comprehensive Board mandated reports on case statistics and IIU activities • Develop and submit the IIU multi-year work programme and budget
1.2	Training and awareness raising for GCF internal stakeholders	• Implement a targeted capacity-building strategy to enhance understanding of integrity standards and obligations among GCF personnel ○ Roll out mandatory integrity e-learning modules for GCF personnel, in cooperation with relevant Secretariat functions	• Implement a targeted capacity-building strategy to enhance understanding of integrity standards and obligations among GCF personnel ○ Design and conduct trainings on specific integrity topics for GCF project/operations units ○ Develop and implement a standard integrity induction programme for GCF personnel • Assess and strengthen the effectiveness and relevance of integrity training programmes	• Implement a targeted capacity-building strategy to enhance understanding of integrity standards and obligations among GCF personnel ○ Design and conduct trainings on specific integrity topics for GCF project/operations units ○ Implement the standard integrity induction programme for GCF personnel

<i>Strategic Objective 1. To foster strong institutional governance and a culture of integrity of the Fund</i>				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
			for GCF personnel through periodic evaluation	
1.3	Advisories and guidance on implementation of and compliance with integrity policies	• Provide guidance to iTAP and AP members¹² through compliance advisories on PECOI-related matters • Provide advisory support to the Secretariat on integrity-related provisions in GCF contractual agreements with selected external partners	• Provide guidance to iTAP and AP members through compliance advisories on PECOI-related matters • Provide advisory support to the Secretariat on integrity-related provisions in GCF contractual agreements with selected external partners	• Provide guidance to iTAP and AP members through compliance advisories on PECOI-related matters • Provide advisory support to the Secretariat on integrity-related provisions in GCF contractual agreements with selected external partners
1.4	Integrity policy development, implementation, and monitoring	• Complete the development of the ARE Subsidiary Documents • Conclude the three-year implementation review of the PPP • Commence the three-year implementation review of the PPWW by submitting to the EAC a report and proposal • Submit the annual policy implementation reports on the PPP and PPWW to the Board	• Conclude the three-year implementation review of the PPWW • Submit the annual policy implementation reports on the PPP and PPWW to the Board	• Submit the annual policy implementation reports on the PPP and PPWW to the Board

¹² Independent Technical Advisory Panel and Accreditation Panel.

Table 6. IIU Activities under Strategic Objective 2

<i>Strategic Objective 2. To enhance capacity of GCF partners and be a thought leader in climate finance integrity</i>				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
2.1	Training, technical assistance, and awareness raising for GCF external stakeholders	- Implement a targeted capacity-building strategy to assist DAEs¹³ in meeting their GCF contractual and policy obligations - Deliver a joint IIU-IRM Regional Accountability Workshop covering stakeholders in the Eastern Europe & Central Asia region - Rollout the Integrity Toolkit for DAEs and other implementing partners - Implement the second DAE cohort of the Peer Learning Programme (2027-2028)	- Implement a targeted capacity-building strategy to assist DAEs in meeting their GCF contractual and policy obligations - Deliver the GCF Integrity Forum + GRAM Partnership in collaboration with the IRM and the Secretariat - Commence the first phase of development of the next set of integrity e-learning modules - Conclude the second DAE cohort of the Peer Learning Programme (2027-2028) - Establish an Integrity Champions Network among DAEs - Organise annual IIU-branded events or webinars on emerging issues and trends in climate finance integrity	- Implement a targeted capacity-building strategy to assist DAEs in meeting their GCF contractual and policy obligations - Deliver a joint IIU-IRM Regional Accountability Workshop covering stakeholders in either Africa or Southeast Asia region - Conclude the development of the next set of integrity e-learning modules - Implement the third DAE cohort of the Peer Learning Programme (2029-2030) - Sustain the Integrity Champions Network among DAEs - Organise annual IIU-branded events or webinars on emerging issues and trends in climate finance integrity
2.2	Knowledge product development	Initiate development of an integrity knowledge database	Develop new digital knowledge products, including	Develop new digital knowledge products, including

¹³ GCF Direct Access Entities.

<i>Strategic Objective 2. To enhance capacity of GCF partners and be a thought leader in climate finance integrity</i>				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
		with good practice library and lessons learned	multimedia package, to support capacity building of DAEs	multimedia package, to support capacity building of DAEs
2.3	Building of strategic partnerships and communities of practice	- Foster collaboration and knowledge-sharing with partner institutions on peer learning initiatives, shared platforms, and integrity knowledge products - Advance international stakeholder management through active engagement with international partners (MDBs/IFIs, UN, CSOs, among others)	- Foster collaboration and knowledge-sharing with partner institutions on peer learning initiatives, shared platforms, and integrity knowledge products - Advance international stakeholder management through active engagement with international partners (MDBs/IFIs, UN, CSOs, among others)	- Foster collaboration and knowledge-sharing with partner institutions on peer learning initiatives, shared platforms, and integrity knowledge products - Advance international stakeholder management through active engagement with international partners (MDBs/IFIs, UN, CSOs, among others)

Table 7. IIU Activities under Strategic Objective 3

Strategic Objective 3. To serve as an effective investigation function				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
3.1	Investigations and optimisation of investigative processes	- Deliver effective investigations that support the administration of justice and the ARE framework - Maintain robust investigative processes through the development and periodic updating of internal operating procedures and forms - Enhance investigative capabilities with the effective	- Deliver effective investigations that support the administration of justice and the ARE framework - Maintain robust investigative processes through the development and periodic updating of internal operating procedures and forms - Enhance investigative capabilities with the effective	- Deliver effective investigations that support the administration of justice and the ARE framework - Maintain robust investigative processes through the development and periodic updating of internal operating procedures and forms - Enhance investigative capabilities with the effective

Strategic Objective 3. To serve as an effective investigation function				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
		use of investigative databases, digital forensic tools, and related technologies	use of investigative databases, digital forensic tools, and related technologies	use of investigative databases, digital forensic tools, and related technologies
3.2	Strengthening of investigative coordination and collaboration with partners	- Facilitate Counterparty reporting and IIU's review of Counterparty investigative findings - Establish processes that support Accredited Entities in fulfilling investigative function requirements under the Revised Accreditation Framework	Facilitate Counterparty reporting and IIU's review of Counterparty investigative findings	Facilitate Counterparty reporting and IIU's review of Counterparty investigative findings

Table 8. IIU Activities under Strategic Objective 4

Strategic Objective 4. To proactively identify and manage integrity risks in GCF-Funded Activities/operations				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
4.1	Integrity risk management by means of PIRs and other risk detection mechanisms	- Conduct Proactive Integrity Reviews (PIRs) on selected GCF projects - Strengthen risk-based project selection methodologies for PIRs in collaboration with the Secretariat - Notify the Secretariat on internal control gaps or project/programme-related risks identified during investigative activities, including through MIRs and	- Conduct Proactive Integrity Reviews (PIRs) on selected GCF projects - Notify the Secretariat on internal control gaps or project/programme-related risks identified during investigative activities, including through MIRs and PIAs and periodic reporting to relevant dashboards	- Conduct Proactive Integrity Reviews (PIRs) on selected GCF projects - Notify the Secretariat on internal control gaps or project/programme-related risks identified during investigative activities, including through MIRs and PIAs and periodic reporting to relevant dashboards

Strategic Objective 4. To proactively identify and manage integrity risks in GCF-Funded Activities/operations				
WORK AREAS		2027 (Specific)	2028 (Provisional)	2029 (Provisional)
		PIAs ¹⁴ and periodic reporting to relevant dashboards		
4.2	Innovation and data-driven risk assessment	Advance the use of data analytics and digital innovation to support PIR effectiveness, stakeholder capacity-building, and integrity risk management in collaboration with the Secretariat	Advance the use of data analytics and digital innovation to support PIR effectiveness, stakeholder capacity-building, and integrity risk management in collaboration with the Secretariat	Advance the use of data analytics and digital innovation to support PIR effectiveness, stakeholder capacity-building, and integrity risk management in collaboration with the Secretariat

¹⁴ Management Implication Report and Project Implication Advisory.

Annex III: Draft Budget of the Independent Integrity Unit for 2027-2029

1. The Work Programme and Budget of the Independent Integrity Unit for 2027-2029 was presented to the EAC and BC for their respective endorsements¹⁵, prior to submission to the full Board for its consideration at B.46. The table below outlines the proposed multi-annual budget of the IIU for 2027-2029:

Table 9. Draft Multi-Annual Budget of the Independent Integrity Unit for 2027-2029

Expense Category	2026 Approved	2026 Forecast ¹⁶	2027 Provisional	Proposed			% Change (Year-on-Year)				% CAGR (3-Year Period)
				2027	2028	2029	2027 Proposed vs 2026 Forecast	2027 Proposed vs 2027 Provisional	2028 Proposed vs 2027 Proposed	2029 Proposed vs 2028 Proposed	
Staff, Consultants, & Interns (A)											
Full-Time Staff	3,109,800	2,727,211	3,316,133	3,489,220	3,579,839	3,579,839	28%	5%	3%	0%	9%
Consultants	41,200	26,500	19,800	19,350	39,350	19,350	-27%	-2%	103%	-51%	-10%
Interns	19,700	13,418	19,700	11,730	11,730	11,730	-13%	-40%	0%	0%	-4%
Subtotal (A)	3,170,000	2,767,129	3,355,633	3,520,300	3,630,919	3,610,919	27%	5%	3%	-1%	9%
Contractual Services (B)											
Communications & Outreach	15,000	7,978	10,000	10,000	10,000	10,000	25%	0%	0%	0%	8%
Professional Services	270,000	245,441	315,000	240,000	265,000	265,000	-2%	-26%	10%	0%	3%
Subtotal (B)	285,000	253,419	325,000	250,000	275,000	275,000	-1%	-23%	10%	0%	3%
General Operating Cost (C)											
ICT	87,700	99,574	85,500	112,700	99,400	117,700	13%	32%	-12%	18%	6%
Other Operating Costs	208,000	201,071	94,600	80,000	200,000	130,000	-60%	-15%	150%	-35%	-14%
Shared Cost Allocation	437,400	437,414	484,400	532,249	520,033	501,113	22%	10%	-2%	-4%	5%
Subtotal (C)	733,100	738,059	664,500	724,949	819,433	748,813	-2%	9%	13%	-9%	0%
Travel (D)											
Travel – General	105,400	148,187	101,200	98,411	113,270	136,546	-34%	-3%	15%	21%	-3%
Subtotal (D)	105,400	148,187	101,200	98,411	113,270	136,546	-34%	-3%	15%	21%	-3%
GRAND TOTAL	4,294,200	3,906,794	4,446,333	4,593,660	4,838,622	4,771,278	18%	3%	5%	-1%	7%

¹⁵ The IIU work programme as endorsed by the EAC on 21 July 2026 and the corresponding administrative budget as endorsed by the BC on 31 August 2026.

¹⁶ Forecast based on actual and projected expenditures as at 31 July 2026.

2. In line with the priorities set out in its multi-year work programme, the IIU proposes a budget of **USD 4,593,660** for 2027. While this represents an increase of 18% (or USD 686,866) compared with the projected 2026 year-end expenditure, the comparison is affected by temporary implementation factors that constrained budget utilisation in 2026. The current expenditure forecast indicates a 91% utilisation rate, with the majority of the underspend attributable to delays in staff recruitment and deferred implementation of budgeted professional services and other operating costs. As staff recruitment efforts progress and several positions have already been filled, the IIU anticipates substantially completing its staffing plan by year-end and in early 2027, thereby reaching full operational capacity in 2027.
3. Certain activities requiring specialised contractual services, notably the planned PIR and associated integrity risk analytics, have been deferred to 2027 to allow for the onboarding of key IIU staff to support their effective implementation. In addition, the decision to postpone the Integrity Forum in 2026 due to geopolitical and the corresponding logistical considerations reduced planned expenditures on consultancies and operating costs, including travel support to participants. To maintain stakeholder engagement while managing operational risks and costs, the IIU will instead deliver a targeted albeit scaled down regional accountability workshop in Latin America and the Caribbean in partnership with the IRM. Nonetheless, this adjustment also created an opportunity to strengthen collaboration with the Secretariat and achieve cost efficiencies. Colleagues from the Department of Risk Management and Compliance (DRMC) and the Department of the Latin America and the Caribbean Region (DLAC) will contribute a series of sessions in the workshop, broadening the programme's technical content and facilitating engagement with external partners.
4. Although these factors altogether resulted in a slightly lower-than-anticipated expenditures in 2026, the proposed 2027-2029 multi-annual budget represents a return to full operational implementation and provides the resources necessary for the IIU to effectively fulfil its mandate, deliver Board-mandated priorities, and strengthen integrity and risk management across the Fund.
5. The proposed 2027 budget represents a 3% increase (or USD 147,327) over the 2027 provisional budget and reflects the investments required to deliver the IIU's expanded work programme and respond to evolving operational demands. Such increase is driven by three key factors:
 - (a) The IIU proposes the addition of one Investigator position to address the growing volume and complexity of cases. This investment will strengthen the Unit's ability to conduct timely and effective investigations of, in particular, complex cases. With this additional position, the IIU's staffing complement will increase from the current 15 to 16 full-time staff positions. This accounts for 70% (or USD 103,129) of the proposed 3% increase over the 2027 provisional budget, reflecting a strategic investment in the IIU's investigation function;
 - (b) The proposed increase in ICT costs reflects necessary adjustments to maintain critical investigative and due diligence capabilities. Costs associated with investigative tools and subscriptions have increased over time owing to market fluctuations, while additional licenses are required to support the Unit's expanded staffing capacity (i.e., license fees are proportional to the number of users). This represents 11% (or USD 16,206) of the proposed 3% increase over the 2027 provisional budget, supporting strategic investments in innovation and data-driven capabilities; and
 - (c) The budget reflects an anticipated increase in the Shared Cost Allocation based on consultations with the Secretariat. The increase is driven by the expansion of shared services, platforms, and institutional support functions provided to the Independent Units. These services enable the IIU to operate efficiently while leveraging common institutional infrastructure and avoiding duplication of resources. This accounts for 19% (or USD

27,992) of the proposed 3% increase over the 2027 provisional budget. Given that these additional costs are largely outside the IIU's direct control, the Unit has partially offset the impact through adjustments in its operational activities.

6. The IIU proposes a provisional budget of **USD 4,838,622** for 2028 and of **USD 4,771,278** for 2029. The proposal assumes a 5% increase (or USD 244,962) in 2028, followed by a 1% reduction (or USD -67,344) in 2029. The modest growth in 2028 reflects the IIU operating at full staffing capacity following the completion of its recruitment plan in 2027, as well as the delivery of the biennial Integrity Forum + GRAM Partnership with the IRM. This flagship capacity-building initiative is provisionally envisaged to be hosted in Africa, and associated costs include short-term consultancies, event logistics, travel support for participating DAEs, and staff travel. Following its delivery, the IIU's budget is projected to return to a more normalised level in 2029. The provisional staff cost projections for 2029 are based on the current salary scale and do not yet reflect any future salary scale adjustments that may be considered and approved by the Board at the appropriate time.

7. Across the 2027-2029 period, the budget reflects a balanced, predictable, and sustainable trajectory, with an overall compound annual growth rate of 7%.
