



THIS IS UNFPA



Structured Financing Dialogue

16 February 2018 - Presentation by Arthur Erken, Director DCS

AGENDA

- ✓ Financial updates & analysis 2017
- ✓ Perspectives and Plans 2018
- ✓ UNFPA draft proposal to the Executive Board on Structured Financing Dialogues
- ✓ UNFPA Funding Compact: A Concept Note



Financial updates 2017

Analysis of past
trends, and
lessons learnt



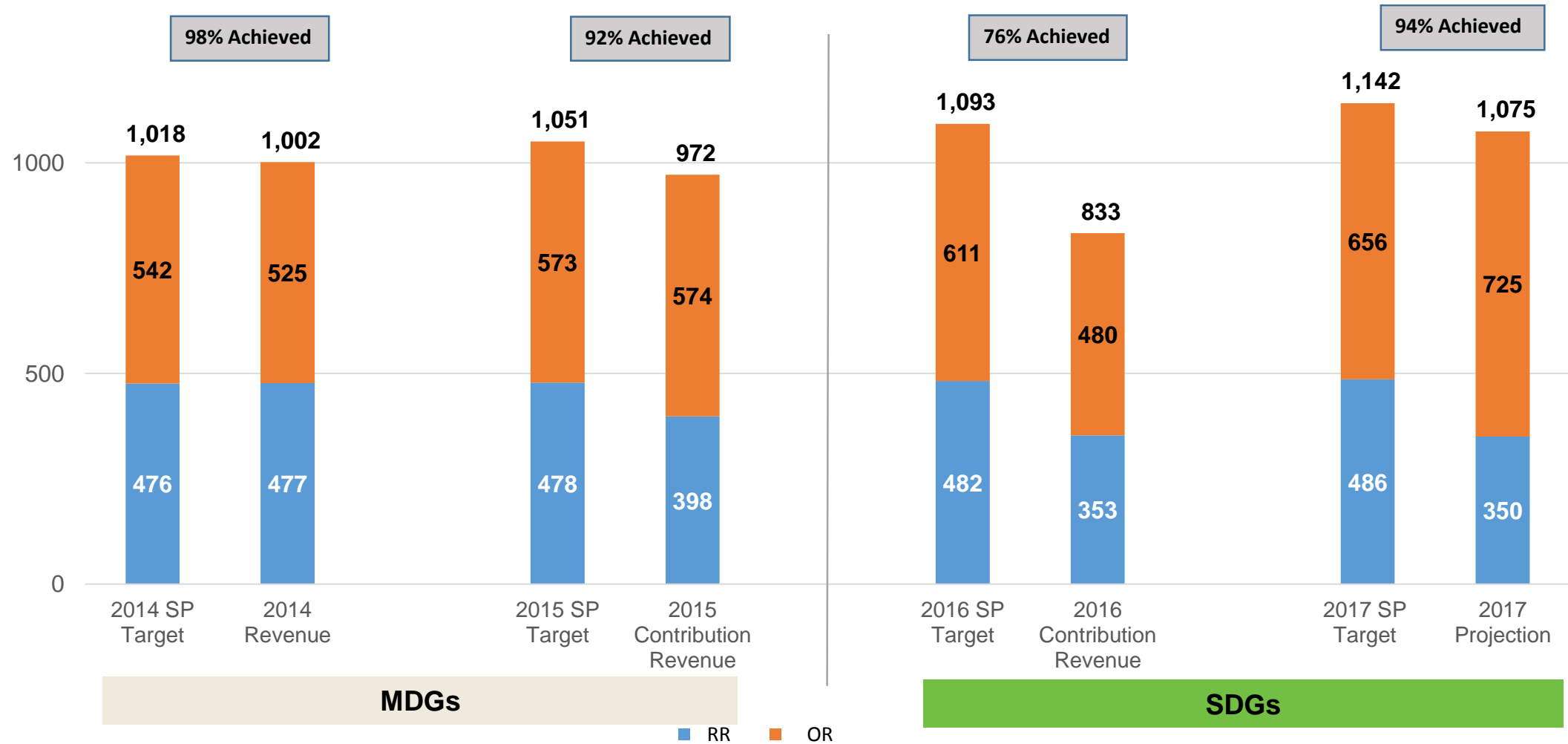
Main take-away 2017

An exceptionally **challenging year** financially and as an organization

But ...

- ✓ exceptional **efforts** to refocus, communicate and mobilize
- ✓ great **solidarity** from our traditional donors to bridge the core-gap and to maintain life-saving activities and humanitarian action
- ✓ international **mobilization** on FP (*London Summit*), women's and girls rights (*She Decides*)
- ✓ consolidation of **partnerships** with the EU and Banks: diversification of arrangements: IADB, IsDB), DevCo, ECCO
- ✓ great **momentum** around the Strategic Plan

2014-2017 SP revenue target vs projections (in USD)

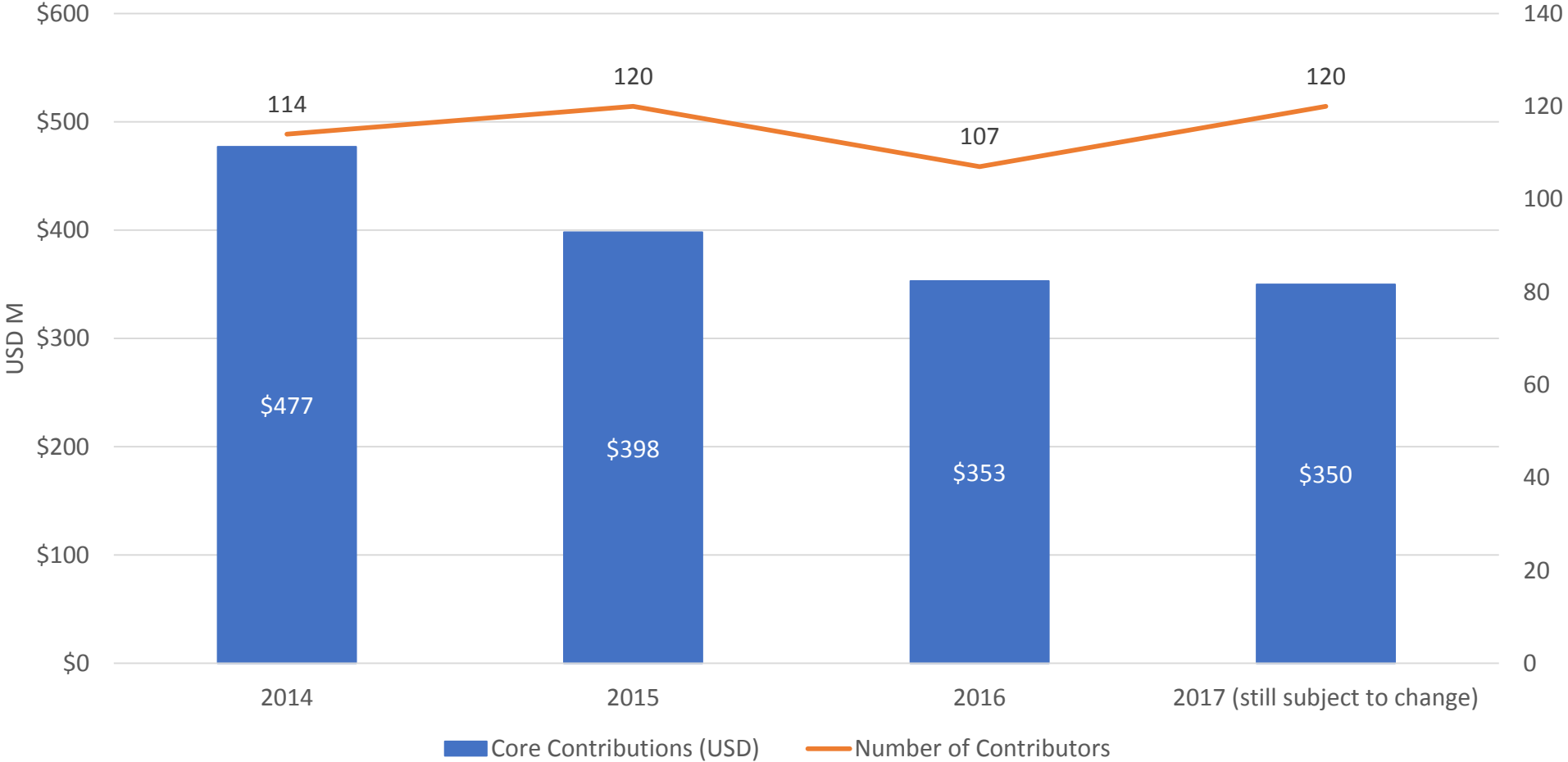


Between 2014-2017 UNFPA mobilized 82% of its Core Target for the period 2014-2017 and 97% of its Non-core financing Target

CORE RESOURCES

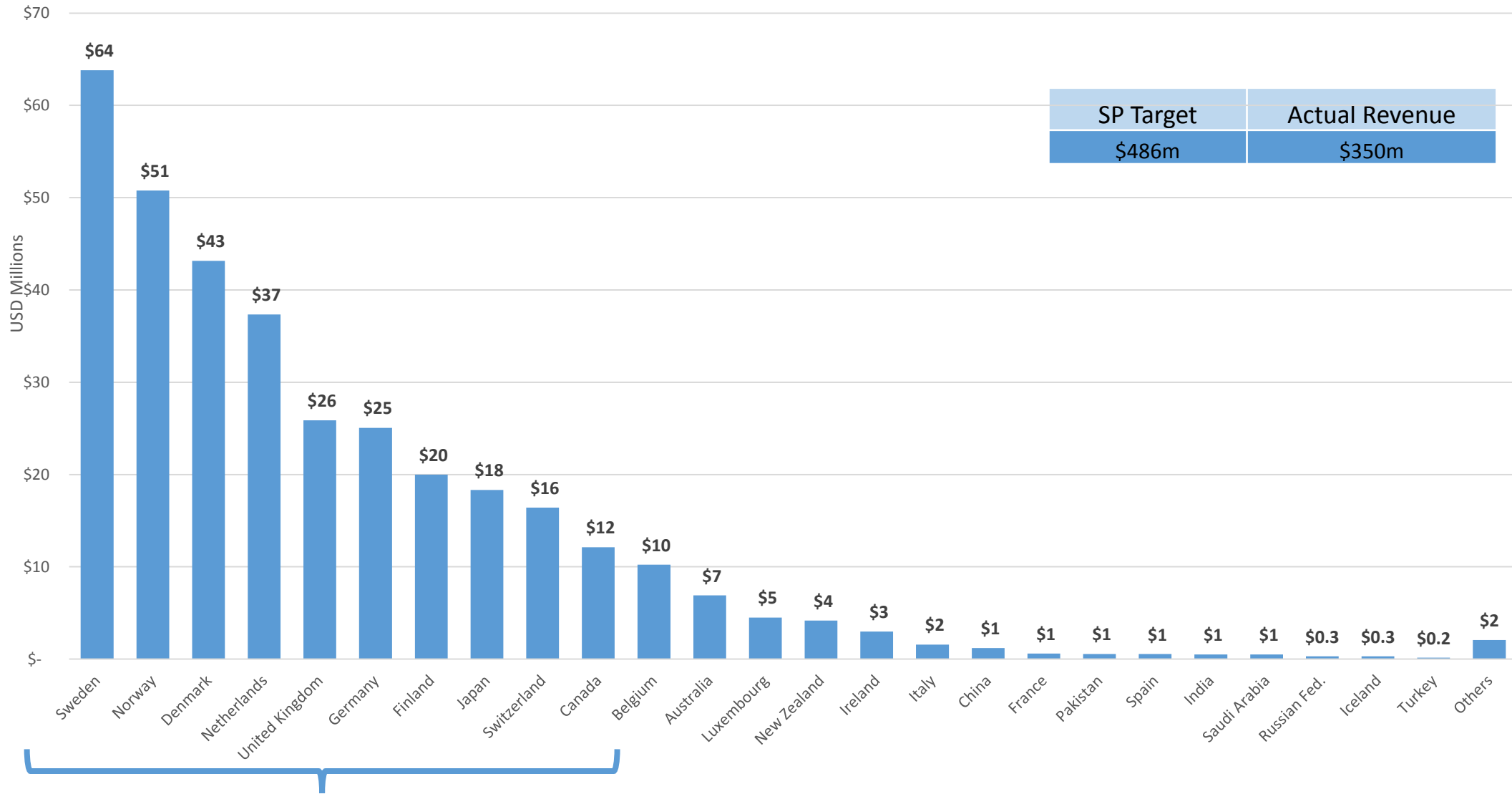


Core Funding Overview – All Donors



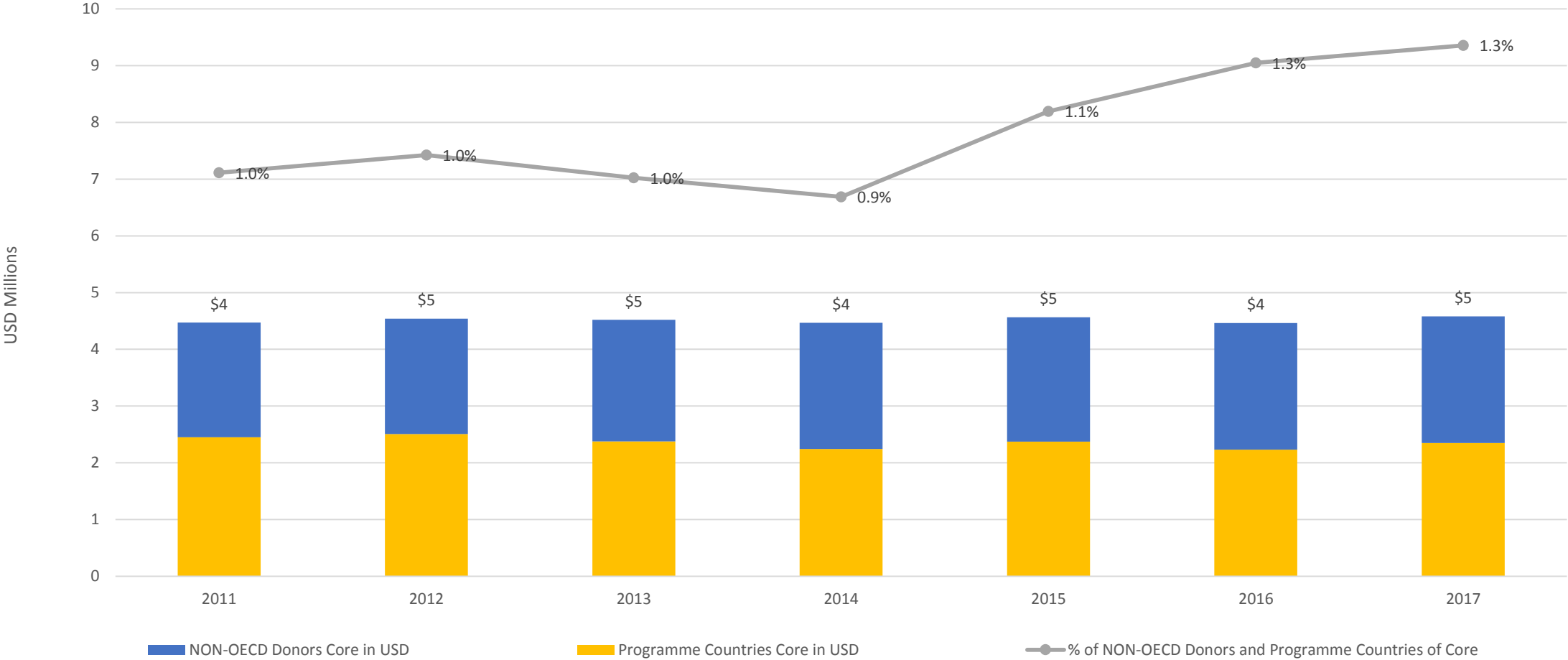
2017 Top 25 donors to UNFPA's Core resources

2017 Data are provisional and still subject to changes

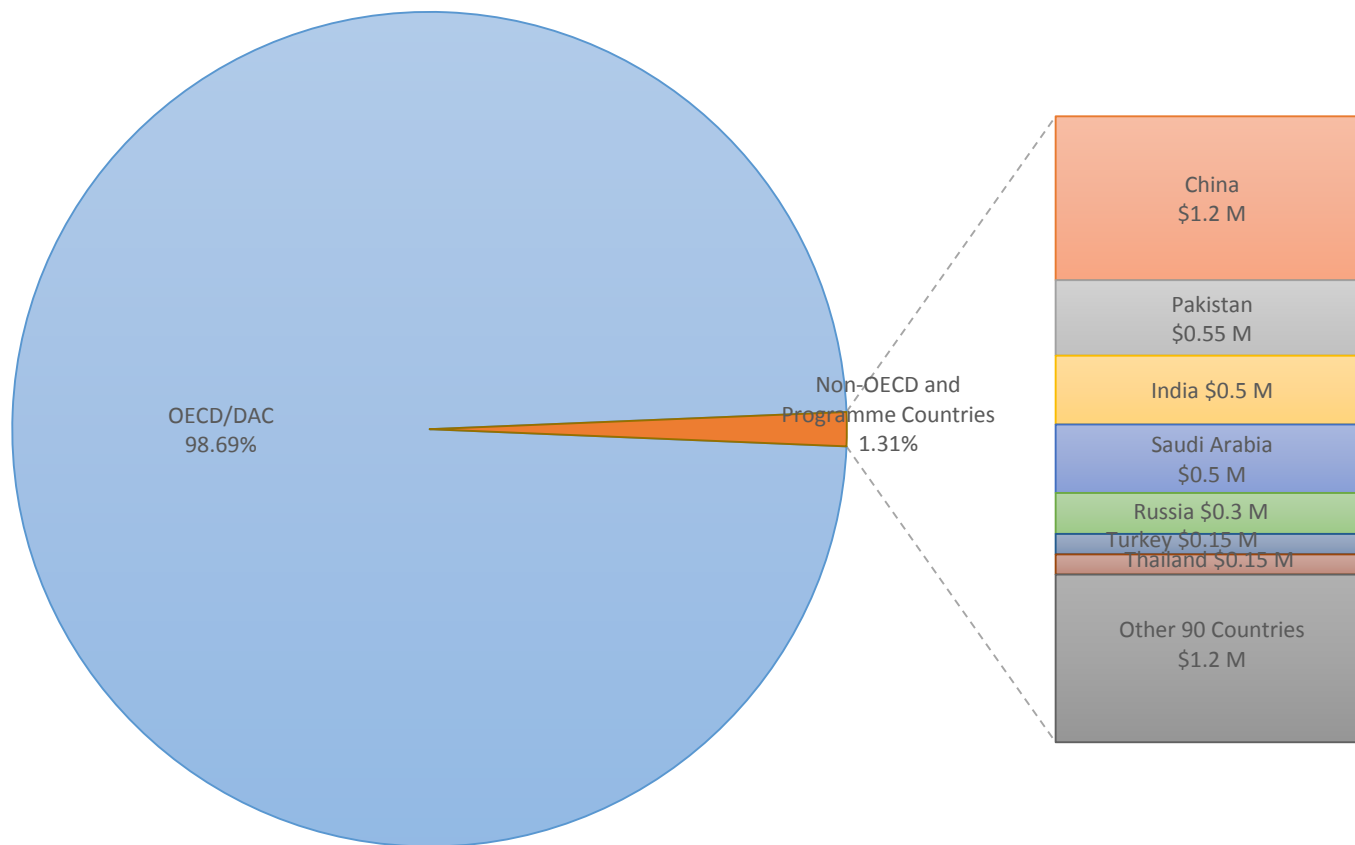


Top 10 Donors contribute to almost 90% of total Core

Programme Countries & NON-OECD Donors to Core Resources Trends 2011-2017



Share of Core resources from Programme Countries & NON-OECD Donors 2017



7 NON-OECD/DAC Donors & Programme Countries contributed to the large majority (75%) of the 5 M. core resources:

- China (\$1.2 M);
- Pakistan (\$0.55 M);
- India (\$0.5 M);
- Saudi Arabia (\$0.5 M);
- Russian Federation (\$0.3 M);
- Turkey (\$0.15 M);
- Thailand (\$0.15 M);

Main core-funding challenges

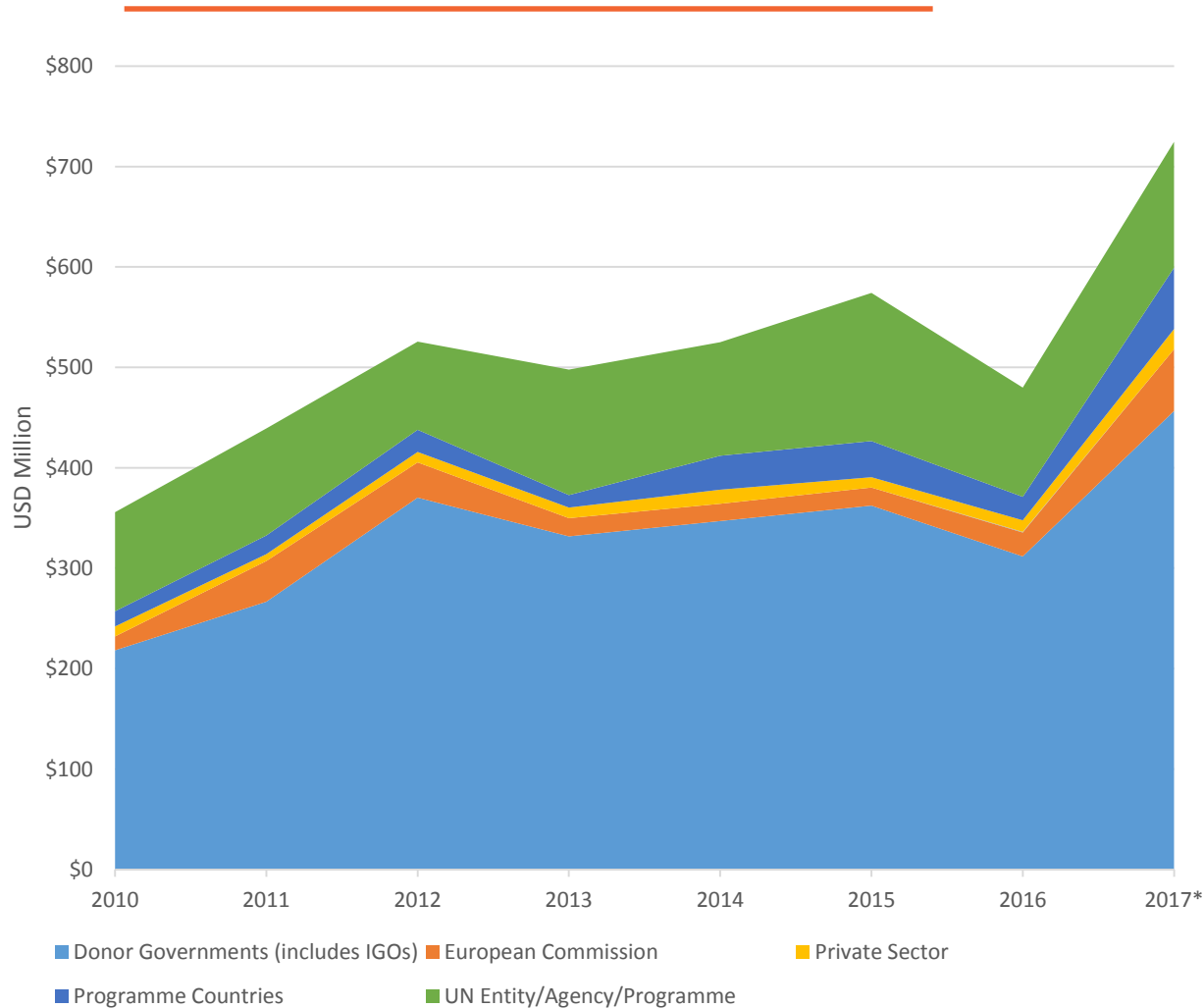


- ✓ **Downward trend in core-funding** from US \$ 477 M. (2014) to US \$ 350 M. (2017)
- ✓ **Narrow base** of large core contributors with only 10 donors contributing to 90% of 2017 revenue > vulnerability to decrease or defunding;
- ✓ **Stagnant core contributions from programme countries and non-OECD DAC** donors: only 1.3 % of UNFPA total core resources;
- ✓ **Only 1/3 of donors** provide **multi year core-funding** & the majority are **40K or below**;
- ✓ Majority of payments of core commitments occur **late in the year** > planning & implementation challenges;
- ✓ Some funding & national government **partners unwilling to include eligible direct costs or to comply with cost-recovery rate** > cross-subsidization & further erosion of core-resources.

NON-CORE RESOURCES



UNFPA Non-core Contributions by Donor Type – 2010-2017



High volatility of non-core resources

Highly fragmented sources of funding

Largest share of non-core coming from donor governments

Steady but moderate growth for :

- ✓ Donor Governments
- ✓ UN Entities
- ✓ Private Sector

Modest yet increasing share for :

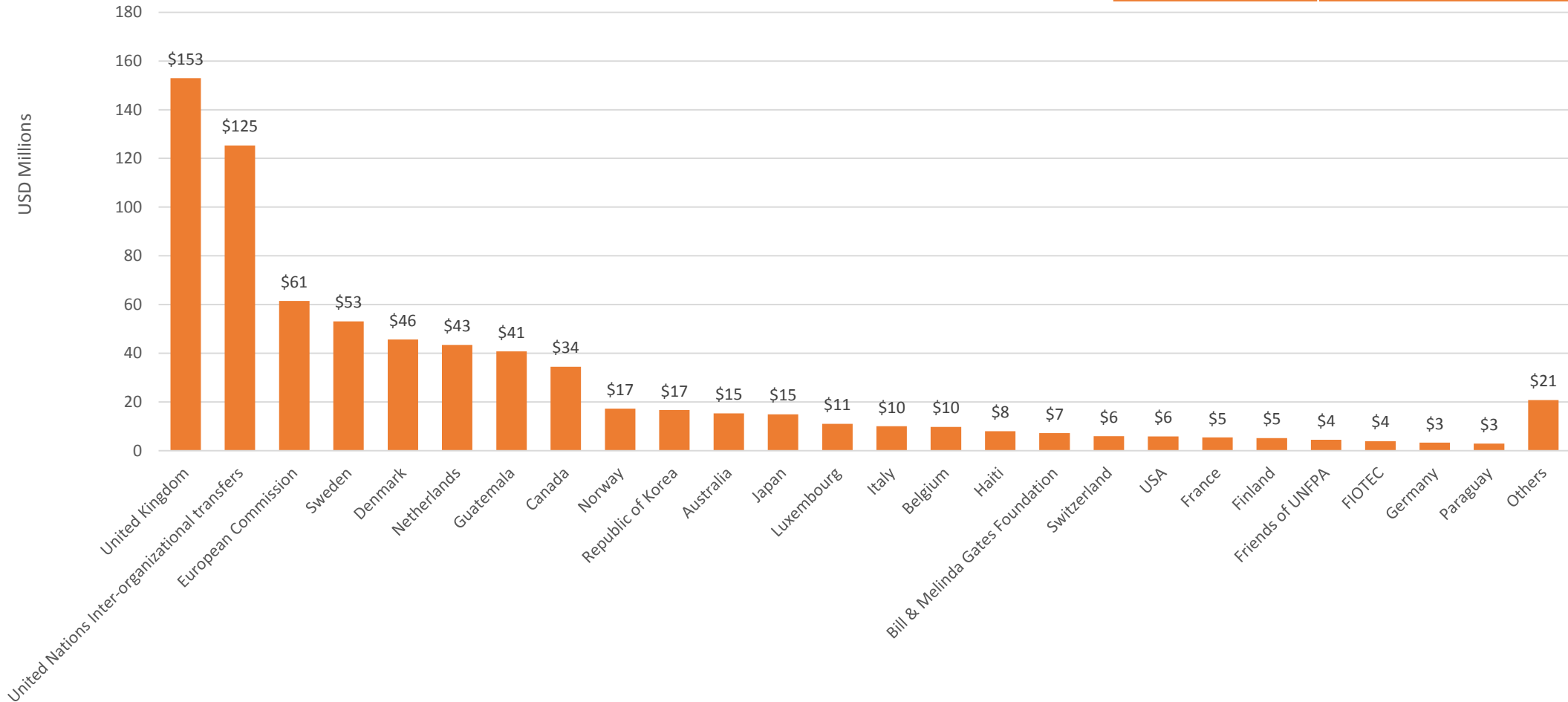
- ✓ Programme Countries
- ✓ European Union

*2017 data are still provisional

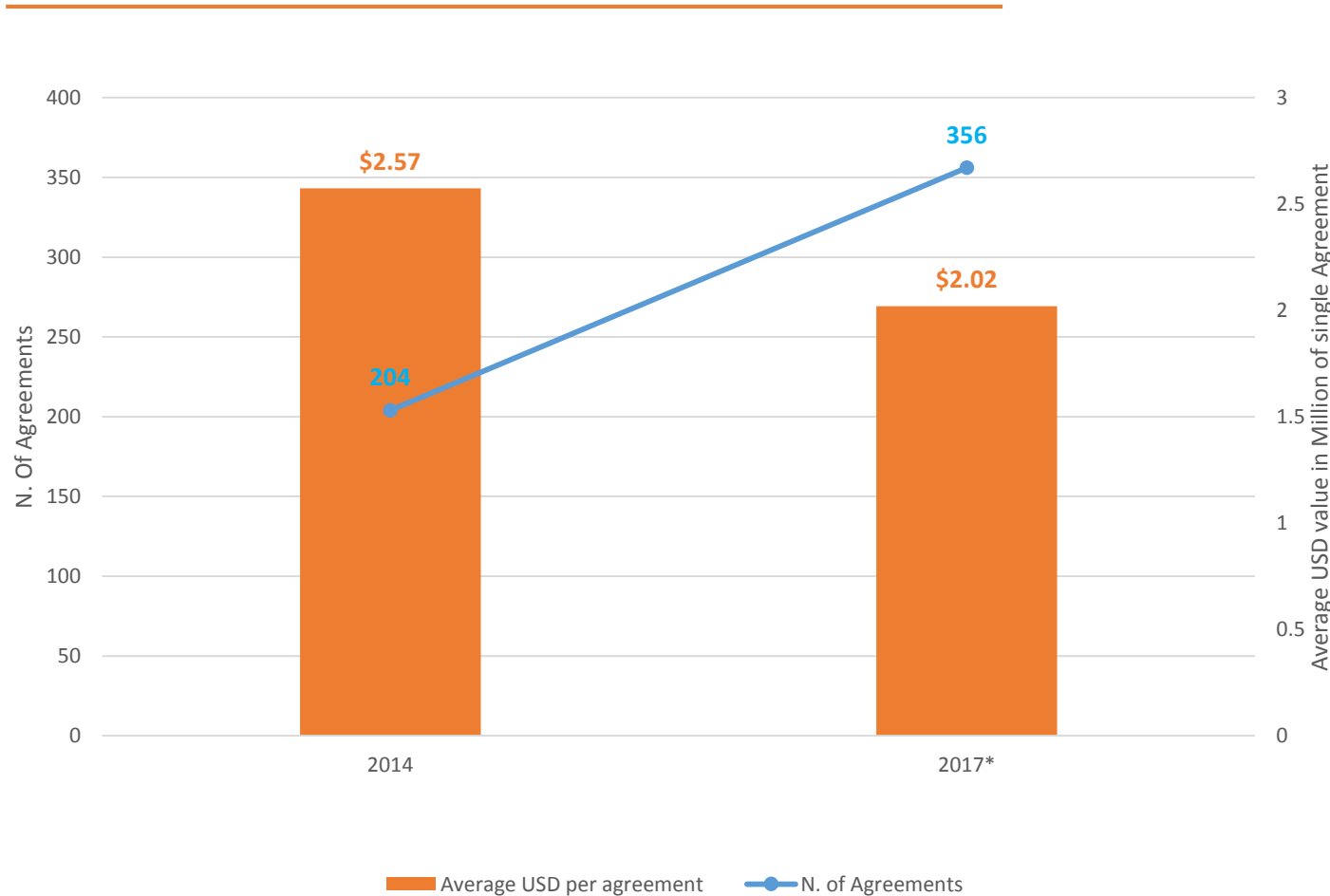
Top 25 donors to UNFPA's non-core resources - 2017



SP Target	Actual Revenue
\$656m	\$725m



Number & average amount of non-core agreements 2014-2017



The number of agreements grew by 75%, while the average value of agreements decreased by -21%

- This shows a decrease of Average Value per Single Agreement compared to 2014
- This means higher transaction costs

Number of agreements is expected to further grow, as new agreements are being recorded to date for 2017

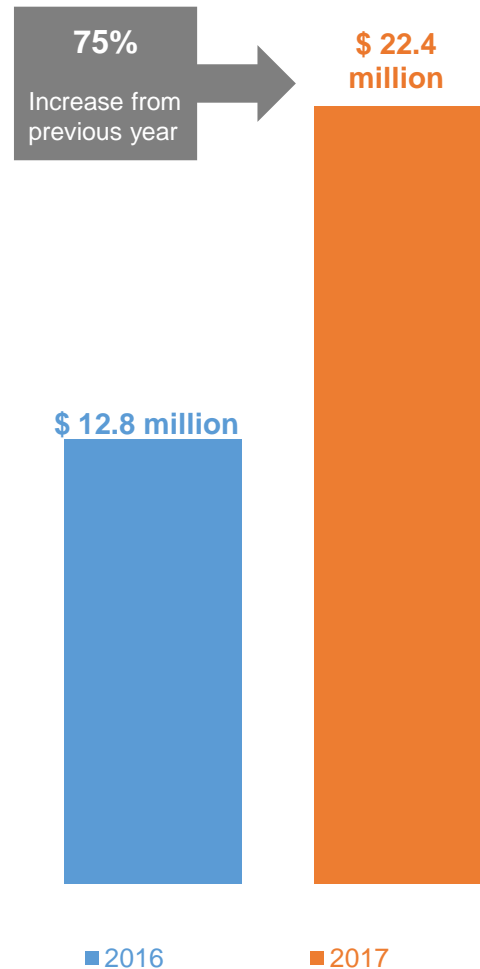
Strategic Partnerships In 2017



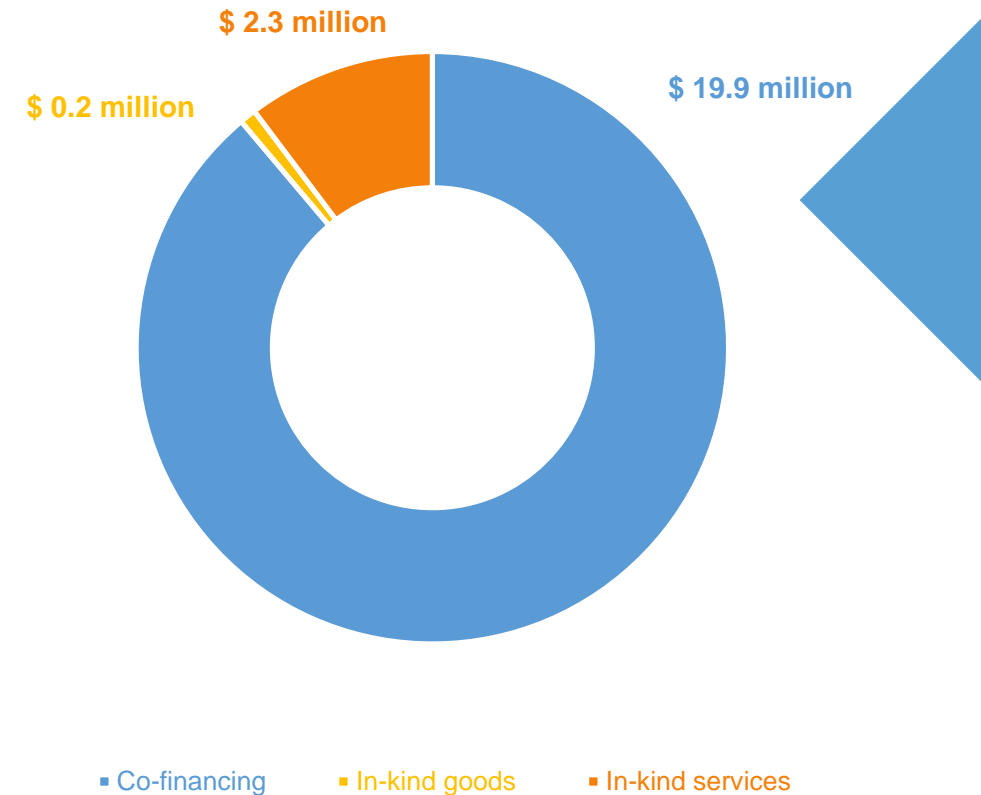
Strategic Partnerships Results - 2017

Total contributions raised

\$ 22.4* million



Breakdown by funding type



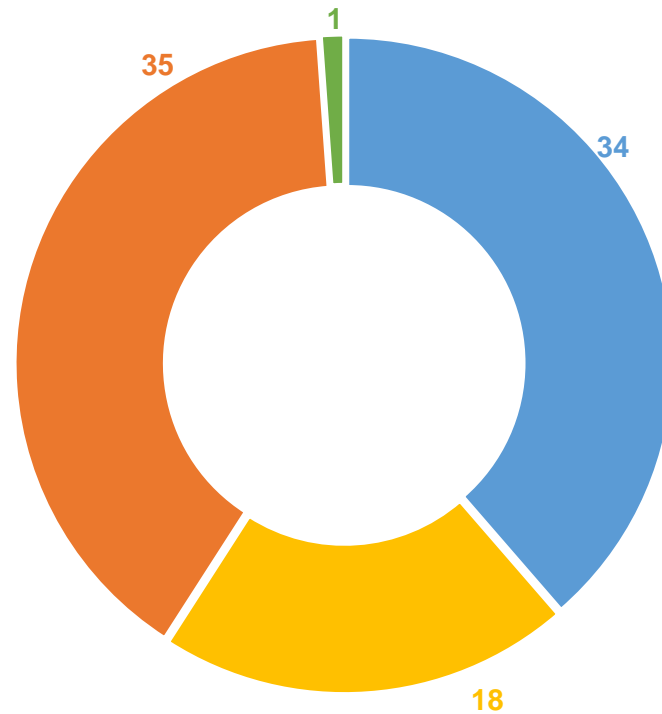
* Note: Figures are provisional and still subject to final reconciliation.

Strategic Partnerships Results - 2017

**Total
partnerships
formed**

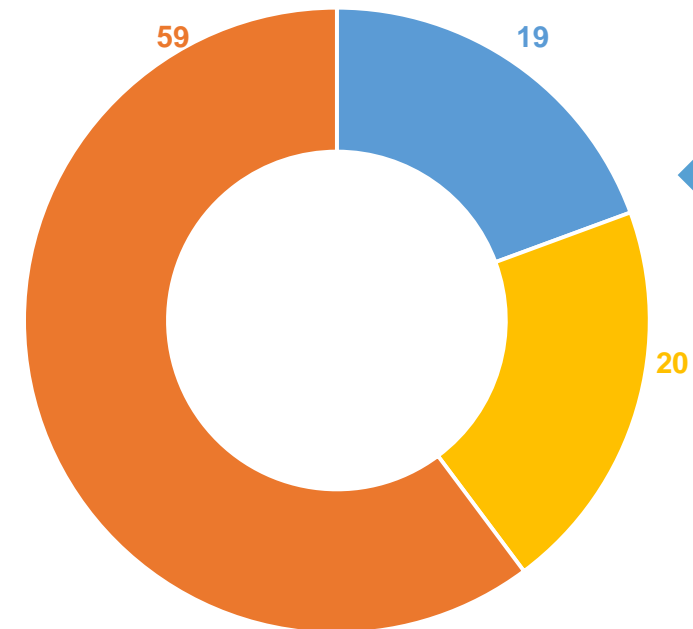
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Breakdown by donor type



■ Corporations ■ Foundations ■ Academia, Faith based organizations & NGOs ■ Sports Association

Breakdown by partnership type



■ Brainpower ■ Reach ■ Resource Mobilization

* Note: Figures are provisional and still subject to final reconciliation.

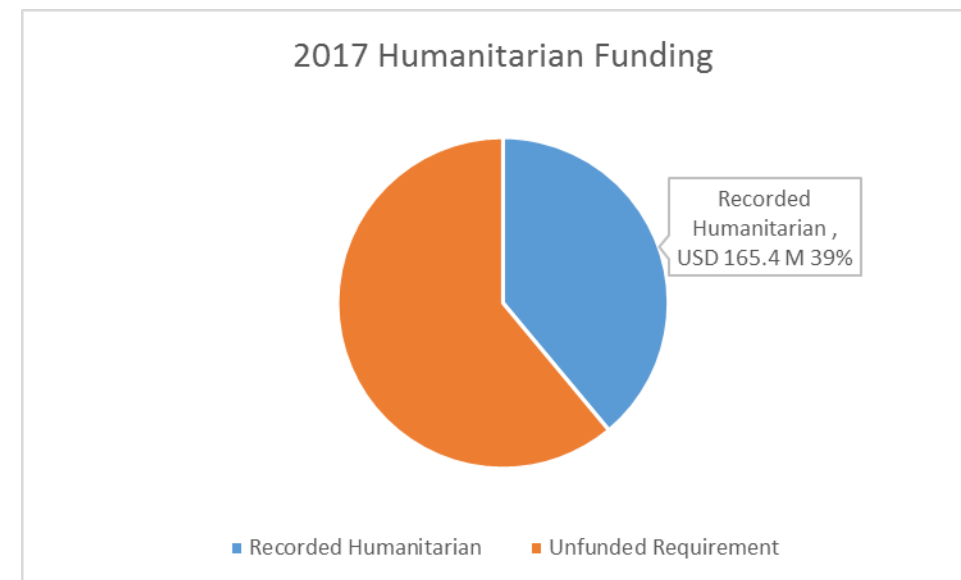
Humanitarian Activities 2017



Humanitarian Funding 2017



- UNFPA global humanitarian requirements increased from **US\$78 million in 2006** to **\$424 million in 2017**
- This mirrors global humanitarian trends: the “new normal” characterized by **protracted & complex crises**
- **UNFPA humanitarian contributions recorded: \$165.4 M. representing 23 % of total non-core**
- The **US defunding had a negative impact on UNFPA’s humanitarian operations**, but some Donors (Nordic Countries, Italy, EC-DG ECHO, Australia) stepped up their contributions, especially for Syria & Iraq
- **Based on humanitarian contribution recorded, the 2017 humanitarian Appeal was 39 % funded** leaving many emergencies underfunded (*Kasai, Rohingya, Yemen, etc*)



2017 is a provisional figure, still subject to changes

UNFPA's Top Humanitarian Donors in 2017

2017 (still subject to changes)

Ranks	Donor	Contributions revenue in USD	%
1	European Commission	42	25%
2	OCHA	33	20%
3	Canada	25	15%
4	Japan	9	5%
5	Norway	7	4%
6	USA	6	3%
7	United Kingdom	5	3%
8	Denmark	5	3%
9	Sweden	5	3%
10	UNDP	4	3%
11	Republic of Korea	3	2%
12	Finland	3	2%
13	Netherlands	3	2%
14	Australia	3	2%
15	Other Donors	11	7%
	Total	165.4	

Lessons learned

&

Perspectives for
2018



Lessons learned

- ✓ Setting achievable yet ambitious **RM targets** in countries had positive impact
- ✓ Maintaining the **focus on the 4 objectives of the RM Strategy** has generated good results
- ✓ Importance of **investment in RM capacities** in the field & clear **accountabilities for RM results**
- ✓ **Excellence** in programming, reporting & communicating matters much: **confidence** of donors in UNFPA
- ✓ **Resources Mobilization Strategy** still relevant and aligned to SP

BUT...

- ✓ Less successful in addressing **fragmentation of resources**
- ✓ More to be done to **broaden the core-funding base**

Perspectives and Objectives for 2018 & beyond



For core-resources

- Maintaining or surpassing the **level of 350 M.** throughout the entire cycle of the Strategic Plan > but it will be a challenge
- Additional **core mobilized will be invested in programmes**
- **Uncertainties** on revenue projections due to potential volatility of exchange rates & conditional payments
- Increasing the number of **core donors** from **120** to **150**
- Increasing the % from non-OECD DAC & countries from **1.3 %** to **5-10%**

For non-core & thematic funding

- **Optimized and fully aligned funding streams** to support the achievement of the SP transformative results

OUR PROPOSALS



OUR PROPOSALS CONSIST OF ...

- ✓ Enhancing **structured financing dialogues** (focus on quality funding, gaps, etc.)
- ✓ Launching **UNFPA FUNDING COMPACT: Transforming the Live of women & young people** (core resources)
- ✓ Contributing and aligning to **SG-UNDS funding reforms** (contours yet TBC)
- ✓ Consolidating **UNFPA funding architecture (addressing fragmentation of resources)**
 - ❖ Country Programme Documents funding model
 - ❖ Funding innovation and blended finance
- ✓ Strengthening and leveraging promising **Partnerships** (EU, IFIs, Pg countries...)
- ✓ **Tracking and reporting** resources and results
- ✓ **Visibility and recognition** to our donors (Donors Pages)



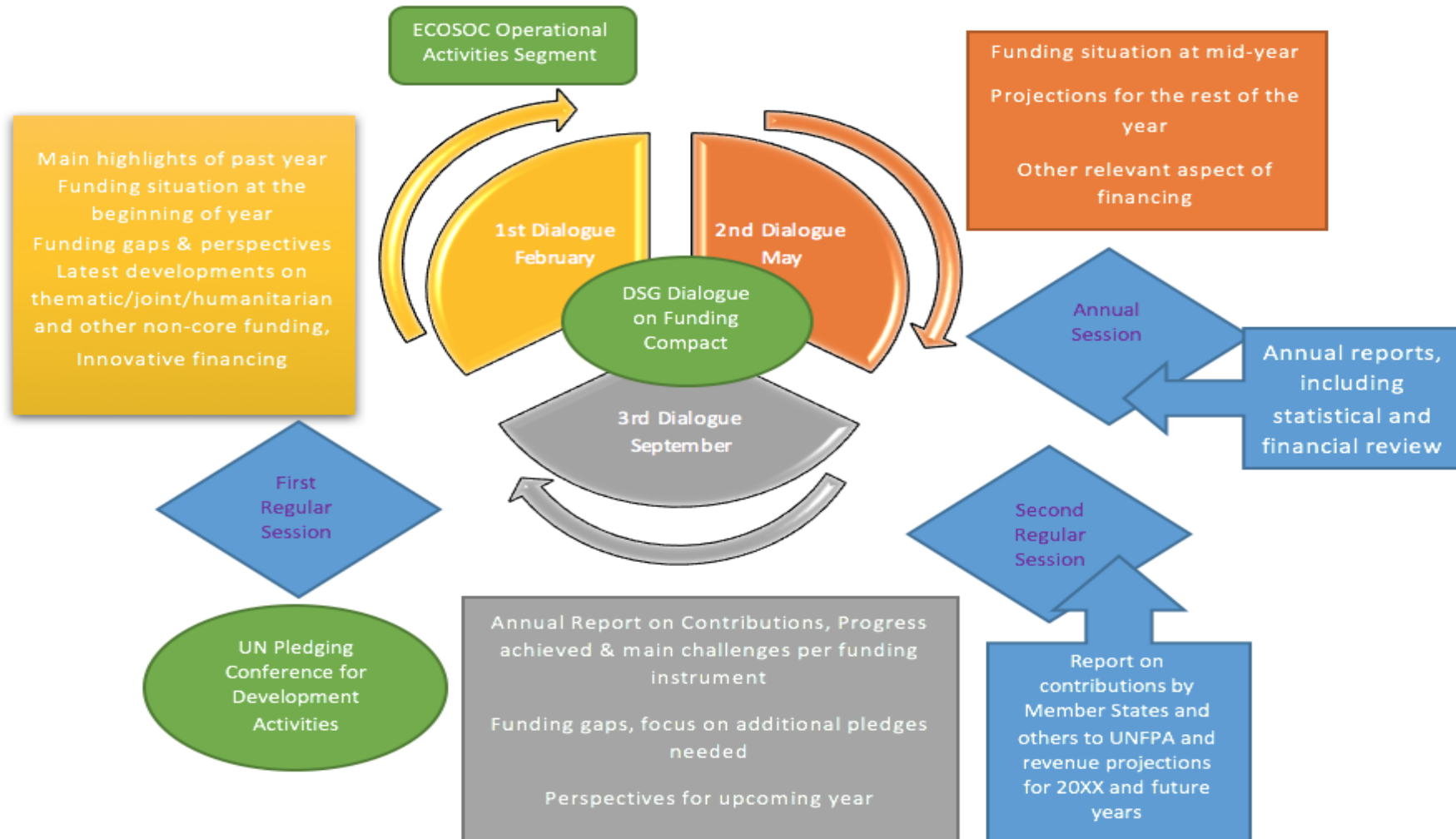
UNFPA Draft proposal to enhance SFD



Guiding principles

- ✓ Regularity throughout the year
- ✓ Structured, yet interactive and flexible
- ✓ Framed in the context of the UN SG Reforms
- ✓ From funding to financing the SDGs
- ✓ Ownership of the dialogues by all member states
- ✓ Focused on:
 - ❖ predictable & sustainable funding, quality non-core resources
 - ❖ aligning resources with needs,
 - ❖ visibility to results achieved with donor funding;
- ✓ Consistency of approaches with the other F&Ps

UNFPA Draft Proposal to enhance SFDs



UNFPA Funding Compact: Transforming the Lives of women & young people



-
- ✓ **What is UNFPA Compact for Core Resources?**
 - ✓ **Why is a Funding Compact for core resources needed?**
 - ✓ **What does it aim at achieving?**
 - ✓ **How would it look like and work?**
 - ✓ **How does it relate to the Secretary General Funding Compact?**

Funding Compact between UNFPA & member states



UNFPA commits to :

Excellence in Programming
Transparency in Financing
Accountability in
Management & Reporting
Visibility & Recognition

Member States commit to:

Adequate predictable levels
of Core-Funding for the
implementation of the SP
2018-21

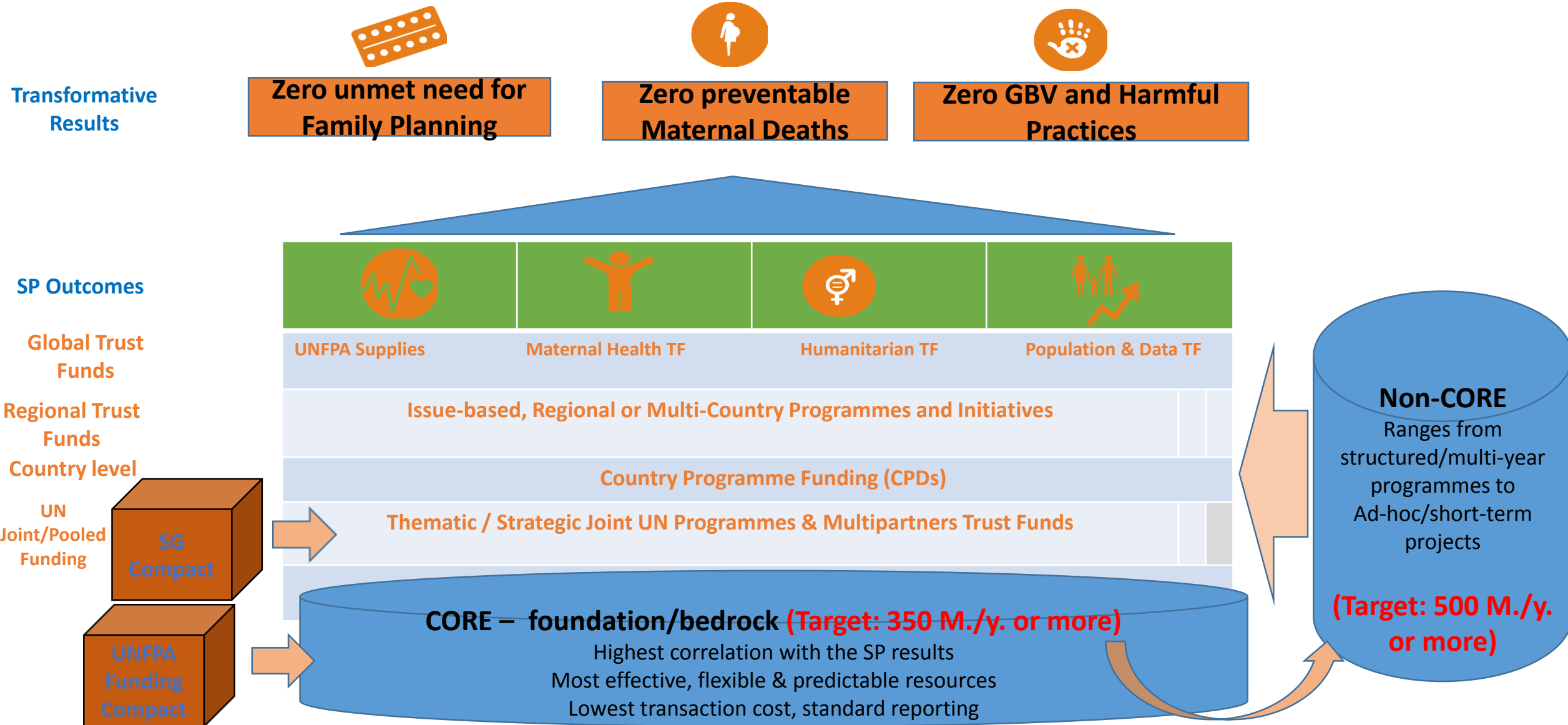
Structured Financing
Dialogue

Agreement between UNFPA
and Member States

TARGETS 2018-21

- From 120 to 150 core-contributors
- From 1.5% to 5-10% of non- OECD/DAC & Programme countries
- Maintaining or surpassing \$ 350 M. / year

UNFPA funding architecture



DIALOGUE with member states



Comments & Suggestions covering :

- ✓ **Financial updates & analysis 2017**
- ✓ **Perspectives and Plans 2018**
- ✓ **UNFPA draft proposal to the Executive Board on Structured Financing Dialogues**
- ✓ **Concept Note on UNFPA Funding Compact**

UNFPA

Delivering a world where
every pregnancy is wanted
every childbirth is safe and
every young person's
potential is fulfilled



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