UNFPA Structured Funding Dialogue

With The Executive Board

Second Dialogue 2019
AGENDA

✓ Recap on UNFPA’s SFDs
✓ Update at mid-year
✓ UNFPA Roadmap to improve Presentation of Resources and Results
✓ UNFPA Individual Giving Programme
Recap on UNFPA’s SFDs with the Executive Board

- A platform for Member States to remain engaged and informed throughout the year
- Predictable & commensurate financing for the realization of UNFPA’s mandate for the next 3 cycles of the strategic plan towards 2030.

- Discuss and find solutions to funding challenges
- Consolidate UNFPA Funding Architecture: addressing fragmentation & enhancing quality funding
- Consistent with and informed by the Secretary General Funding Compact and Dialogue
- Collaboration with other UN agencies
- A more diverse coalition of donors

Broad-based & regular engagement of all is key to the SFDs
Recap on UNFPA SFDs - Process

*To be further defined depending on circumstances, decisions of the Executive Board and directions of the broader UN reform.

- ECOSOC/UN related matters
- UNDP/UNFPA/UNOPS Executive Board related matters
- UNFPA SFDs
Update at mid-year
Targets & Projections for the Strategic Plan 2018 – 2021

Where are we?

- Budget is prudent and realistic
- UNFPA is exploring all opportunities to further mobilize resources beyond these targets
- 2019 Projections reviewed on a monthly basis
- As of 1 May 2019, our income projections are slightly below the 2019 SP target of $875M, due to a projected decrease in Core ($349M)
- Recent geo-political developments are causing major fluctuations in the currency market, where we are witnessing a strengthening of the US $ against all major donors’ currencies, increasing the volatility of 2019 contributions.
Number of Core Donors
Overall downward trend, and still far from the “150 donors” target ...
Only 1.2 % of Core-resources from Non-OECD /DAC countries
Non-Core Funding by funding type 2010-2018

Between 2017 and 2018:

- Thematic Funds increased by 57% (USD 208 M.), representing 24% of non-core resources.
- Humanitarian add a modest 4% increase (USD 172 M.), representing approx. 19% of non-core resources.
- Other Non-Core Resources increased by 20% (USD 497m) representing 57% of non-core.
Challenges - UNFPA continues to face increased fragmentation of non-core funding and number of donors reports

Increase of 42% of active non-core funds Over the past 6 years

Increase of 31% in number of donors reports Over the past 6 years
In 2018, Expenditures show that we are in line with SP/IB indicative resource plans per outcome area.
In 2018, Expenditures show an adequate rate of progress per outcome area

- 2018 Expenditures for each outcome area are between 26% and 36%
- This is consistent with expected proportions after one out of four years of implementation of the SP
- This also shows that past trends used to project use of resources for the SP have been relevant to predict relative weight of outcome areas
Results achieved per outcome and output area

1. Sexual and reproductive health policies for those furthest behind
   - $37.5 million*
   - 51%

2. Integrated sexual and reproductive health services
   - $396.2 million*
   - 72%

3. Health workforce capacity
   - $29.6 million*
   - 96%

4. Delivery of sexual and reproductive health commodities
   - $37.9 million*
   - 86%

5. Accountability for sexual and reproductive health
   - $11.3 million*
   - 76%

A. Improved infrastructure
   - Critical assumption

A. Sustainable financing
   - Critical assumption

A. Infrastructure investments
   - Critical assumption

14. Demographic intelligence
   - $28.7 million*
   - 98%

13. Population data systems
   - $85.4 million*
   - 100%

A. Women's leadership and participation
   - Critical assumption

A. Improved livelihood opportunities
   - Critical assumption

12. Elimination of harmful practices
   - $19.4 million*
   - 75%

9. Laws, policies and accountability mechanisms
   - $8.5 million*
   - 40%

10. Gender and sociocultural norms
    - $5.2 million*
    - 92%

11. Prevention and addressing of gender-based violence
    - $129.5 million*
    - 99%

A. Adolescents and youth skills and capabilities
   - $47.5 million*
   - $9.2 million*
   - 133%

A. Adolescents and youth policies
   - $16.5 million*

A. Improved livelihood
   - Critical assumption

*Total expenditure
Why a Funding Compact?
A partnership to deliver better results on the ground

**MEMBER STATES**
- contribute more core resources
- double contributions to pooled and thematic funds
- increase multi-year commitments

**A FUNDING COMPACT**
makes it possible to
- plan strategically
- offer coordinated and integrated solutions
- act quickly
- leverage development and climate finance

**UN DEVELOPMENT SYSTEM**
- works jointly for common objectives
- improves transparency and reports better on resources, results and impact
- increases efficiency

strenthened trust of governments and general public in multilateralism
UNFPA’s SFD and advocacy for flexible and predictable funding aligned to key elements of UNDS-wide Funding Compact

- **Core resources:** To maintain core resources above 30%
- **Thematic resources:** In 2018, 24% of non-core. Fully formed set of thematic trust funds (4) either aligned to SP outcomes or cross-cutting by end of 2019; Expect to increase the % of non-core through TTFs
- **Pooled resources:** Currently at 13% of total non-core; expectation to grow pooled resources (MPTFs/pass-through JPs) above 15% of non-core. UNFPA sharing experience, helping to expand tools, joint governance and quality assurance

Commitments are very consistent with UNFPA ‘Resource Mobilization Enablers’ in UNFPA’s RM Strategy: management excellence, transparency, visibility, efficiency, results, reporting

Most systems-requirements are in place or will be integrated into UNFPA’s ICT transformation, including funding gap capture and analysis
UNFPA’s support to Funding Compact & Link to UN Reform

Operationalization of the SG Funding Compact -> UNFPA-specific roadmap for FC commitment, implementation and monitoring being put in place

Engagement & Coordination -> As initial co-chair of Strategic Financing Results Group, co-lead of UNDAF/DCF re-design, member of Joint SDG Fund Operations Board, member of Business Innovation Group

RC system financing -> UNFPA already doubled agency contribution
  -> 1% UN Coordination levy administered on tightly earmarked third-party contributions operationalized
UNFPA Roadmap to improve Presentation of Resources and Results
Roadmap to improve presentation of results and resources

Current Practices & Limitations

- UNFPA overall prudent budget planning, based on income projections in order to minimize funding gaps and austerity measures
- Resource Mobilization forecasts: $ difficult to predict, especially for non-core
- Fund allocation complex given multiple non-core funding streams
- IT system needs adjustments to better link resources to results

Way Forward

- Costing Initiative: Review the overall funding requirements approach at all levels
- Adjusting our internal systems to more systematically link resources to results from planning to reporting
- Adjust format/content of reports and visibility products for improved Transparency, Accountability and Dialogues

Continue to exchange with and learn from UN sister agencies
Way Forward to improve presentation of results and resources

COSTING INITIATIVE
- Robust Cost Estimates & Value for Money
- Advocacy, Partnerships & Resource Mobilization

ICT TRANSFORMATION
- Improved monitoring of Income forecast
- Improved results-based planning, budgeting & reporting

RESULTS/RESOURCES REPORTING
- Improved Annual Reports
- Improved visibility and recognition products

Alignment of Resources to Results
Funding and Financing for Greater Impact
Improved Transparency & Dialogues

SFDs
SG Funding Compact
UNFPA COSTING INITIATIVE

Background

UNFPA strategic plan 2018-2021 and the 2030 Agenda for Sustainable Development

Goal is to achieve universal access to sexual and reproductive health and the realization of reproductive rights

By 2030, UNFPA and partners expect to attain, Transformative Results (3 TRs)

10-Year old girl
The 3 Transformative Results

UNFPA’s vision for 2030

- Zero preventable maternal deaths
- Zero unmet need for family planning
- Zero gender-based violence including harmful practices

How?

- Sense of urgency
- Advocacy
Immediate and accelerated action by countries, with collaborative partnerships among governments and stakeholders at all levels.

Profound change **beyond** business as usual
Costing Initiative

- Global price tag
- Lives Saved model to capture UNFPA impact
- UNFPA Transformative Accelerators
- Country investment cases
- Costing UNFPA country programmes
Benefits of costing

- Provide the financing needs for achieving the 3TRs
- Provide evidence and economic arguments for supporting advocacy for the 3TRs.
Way forward

- High Level Political Forum (July 2019)
- Nairobi Summit (November 2019)
- Mid-term review (June 2020)
- Next cycle of Strategic Plan (2021-2024)
UNFPA’s Costing Initiative will reinforce the financial arguments for UNFPA’s vision of where we want to take this organization along with the financial resources required and the positive impact that UNFPA can have on this world.
TRANSPARENCY, VISIBILITY & RESULTS

✓ UNFPA dedicated web-page on SFDs
   https://www.unfpa.org/structured-funding-dialogues

✓ EXPANDED DONOR PAGES TO 20 DONORS
   https://www.unfpa.org/data/donor-contributions
TRANSPARENCY, VISIBILITY & RESULTS
TRANSPARENCY, VISIBILITY & RESULTS

✓ Stories from the Field

News
Just like your mother? Seven ways motherhood has changed (or not) in the last 25 years
UNITED NATIONS, New York – Twenty-five years ago, the world was transforming. South Africa held its first multiracial elections, electing Nelson Mandela as President. Sweden began to allow the registration of same-sex...
3 May 2019
read story

News
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YAKAWLANG/SANGTAKHAT, Afghanistan – Midwives serve in some of the most remote health posts in the world, saving the lives of women and babies in settings that are often harsh and resource-poor. And their work can...
3 May 2019
read story

News
Meet the woman protecting women in Yemen
SANAA, Yemen – Bushra was only 14 years old when her family arranged a child marriage to an older man, and a year later she became pregnant. She was a mother of six when her husband lost his job. Suddenly the family...
1 May 2019
read story
Questions & Answers
UNFPA Individual Giving Programme (2018 – 2021)
Why Individual Fundraising at UNFPA?

• **Need for diversification:** 98% of UNFPA’s budget comes from donor governments with two-thirds of Core coming from just five member states.

• **Largest source of private sector funding:** Donations from members of the public is the single largest source of private contributions to UNFPA’s peer organizations with established IG programmes.

• **Stable source of income:** Individual donations to charities tend to grow even during times of recession. In 2017, Individual Giving (IG) to humanitarian causes growing at 5.8% p.a.

• **Brand and cause recognition:** Individual giving campaigns simultaneously raise funds while engaging tax payers with UNFPA’s work and mandate.

• **Successful pilot phase:** UNFPA implemented a successful pilot of the programme in 2018 establishing the potential UNFPA’s mandate and future growth.
Private Sector Income by Organization in 2017

Income from individuals made up over 80% of total private sector income of 14 IFL members in 2017.
UNFPA Individual Giving Program Pilot Phase (2018)

Completed the implementation of the Pilot phase to assess viability of the program

Key results

- **Donations from 41 countries**
  - **Top 10:** USA, UK, Canada, Sweden, Brazil, France, Italy, Belgium, Ireland, Denmark

- **Regular donations from 19 countries**
  - **Top 10:** Germany, France, Finland, New Zealand, USA, Denmark, UK, Sweden, Australia, Singapore

**Target for 2018:** $100,000  /  **Income Achieved:** $365,536

**Net Income in the first 10 months from general public:** $196,194

**Net Income in first 10 months from HNWIs:** $169,341

**Donors recruited at ROI of 3:1**
UNFPA IG Programme 2018-2021: Moderate growth scenario

Phase 1: Pilot

*Objective:* Assess viability of individual giving for UNFPA

Phase 2: Startup & Market Entry

*Objective:* Fully operationalize donor recruitment and retention infrastructure

Phase 3: Acceleration and market growth

*Objective:* Accelerate market growth and increase UNFPA’s share of global individual donations
UNFPA Individual Giving: Start Up Phase (2018-2021)

**Objective:** Fully operationalize donor recruitment and retention infrastructure

**Key results**

- **Result 1:** Establish and grow digital fundraising operations at HQ and COs.
- **Result 2:** Establish quality donor relationship marketing operations.
- **Result 3:** Establish 1 national committee in a key growth market.

**Gross Income Target (2019-2021):** $5.7m

**Investment Need (2019-2021):** $5.5m
UNFPA Individual Giving Program Phase 3 (2022-2030)

**Objective:** Accelerate market growth and increase UNFPA’s share of global individual donations

**Key results**

- **Result 1:** Acceleration growth in existing markets and establish in three new geographies.

- **Result 2:** Scaling multi-channel donor acquisition for both digital & offline channels at HQ + local levels.

- **Result 3:** Achieve and maintain cost to income ratio of at least $4 raised for every $1 invested

**Net income Forecast (2022-2030):** $165m
# Phase 2: Start Up and Market Entry (2019-2021)

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<tr>
<th>Vision and Objective</th>
<th>Targets (2019-2021)</th>
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<tbody>
<tr>
<td><strong>Vision 2030:</strong> Raise $100 million per year from 500,000 supporters</td>
<td><strong>$5.7 million</strong> in gross income</td>
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<tr>
<td><strong>Objective:</strong> Establish Individual Giving to significantly diversify UNFPA income</td>
<td><strong>30,000</strong> regular donors</td>
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<td><strong>At least 50%</strong> in unrestricted income</td>
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## Strategic Priorities

1. Mainstream Donor acquisition and retention capacity
2. Prioritize digital fundraising operations at HQ + CO level
3. Powerful global campaigns to engage the public
4. Quality donor stewardship to ensure donor loyalty
5. Establish and Strengthen local fundraising operations

## Enablers

- Investment in growth
- IT infrastructure
- Internal preparedness
- Expert human resources
- Oversight and accountability
Focus Countries: Digital & local fundraising operations (COs + NatComms)
Questions & Answers

• Future Subjects to be discussed
• Frequency of SFDs
• Suggestions to improve Dialogues

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THANK YOU