



Structured Funding Dialogue

Informal Session with the Executive Board

24 August 2021

AGENDA

- **Recap on Funding Compact & UNFPA SFD**
- **Highlights of 2020-2021 Report**
- **Strategic Considerations & Way Forward**
- **Q&As**



The United Nations Funding Compact



MEMBER STATES

From 2019-2023:

- Increase share of **core resources** across the system from 21% to 30%
- Double contributions to **inter-agency pooled funds** and **agency-specific thematic funds**
- **Increase the donor base** and move to more **multi-year contributions**
- Ensure full capitalization of the new **Joint SDG Fund** (\$290 million per year) and **PBF** (\$500 million per year).
- **Fund the RC system** through voluntary contributions and levy
- Provide upfront support for costs associated with **common premises**.
- Fully comply with **cost recovery rates**
- **Harmonize reporting & visibility requirements** for non-core funding



UN DEVELOPMENT SYSTEM

From 2019-2021:

- Enhance **collaboration for results** at country level, and increase **joint evaluations**
- Fully implement & support the **new RC system**
- Strengthen quality & transparency of **country level results reporting**
- Develop quality **funding frameworks** for each CF
- Strengthen **system-wide SDGs results reporting** and **transparency on resources** and their link to results
- Improve quality & utility of **Cooperation Framework evaluations**
- Increase accessibility of **evaluations and audits**
- Achieve **efficiency** targets
- Increase efficiency & effectiveness of **pooled funds**

Progress achieved on the Funding Compact in 2020-2021

UNFPA has met 95% of its FC commitments

MS have met 62% of their UNFPA-related FC commitments



UNFPA is on track for all United Nations entity-specific commitments; in some cases, the Fund has exceeded the United Nations system-wide targets



Funding Compact was crucial in response to COVID 19 crisis

Resident Coordinators are key enablers in mobilizing resources for joint programming at the country level and facilitate more effective use of programme resources

At country level, the FC is starting to show results, especially in the number and efficacy of pooled-funding mechanisms

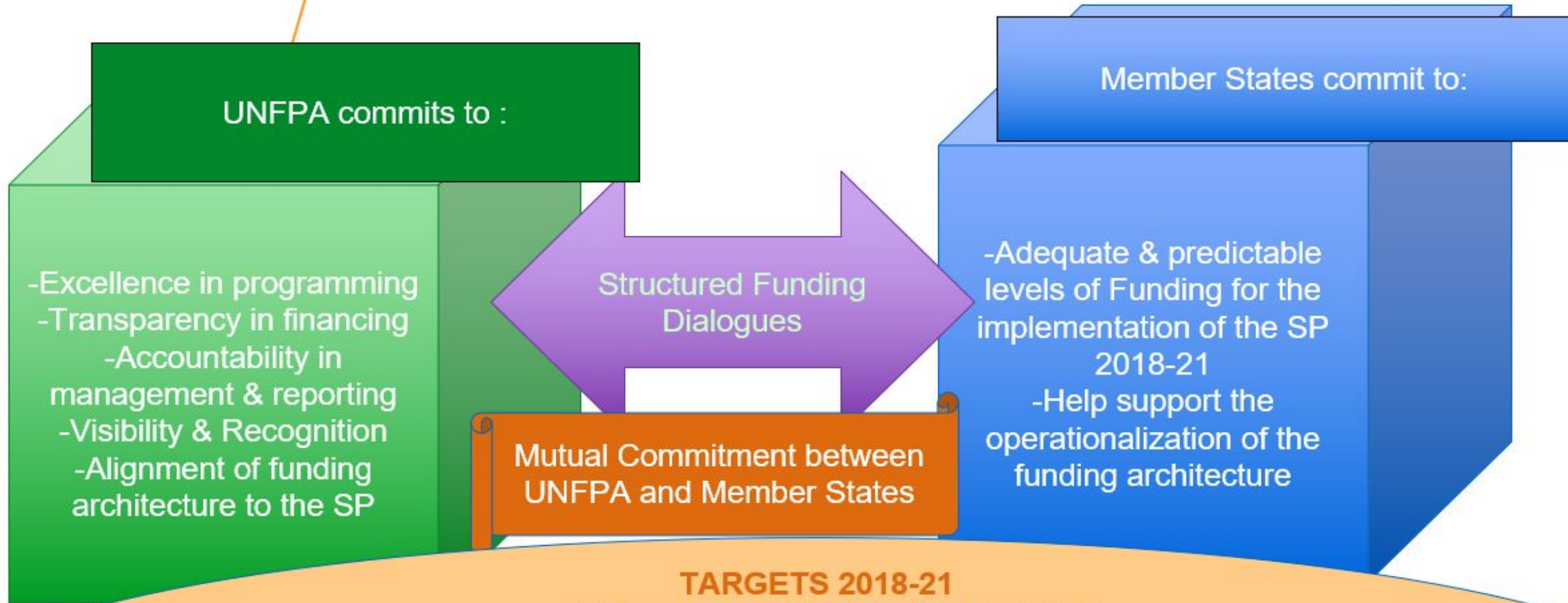
UNFPA Structured Funding Dialogues

- To build and maintain a more diverse coalition of donors
- Predictable and commensurate financing for the realization of universal access to sexual and reproductive health and reproductive rights for the three cycles of the strategic plan towards 2030
- Provide a unique platform for Member States to:
 - gain a greater understanding of the funding situation of UNFPA at various points during the year
 - exchange views on ways to better link results to resources, progress of the instruments central to the UNFPA funding architecture within the broader framework of the United Nations Funding Compact



dialogue

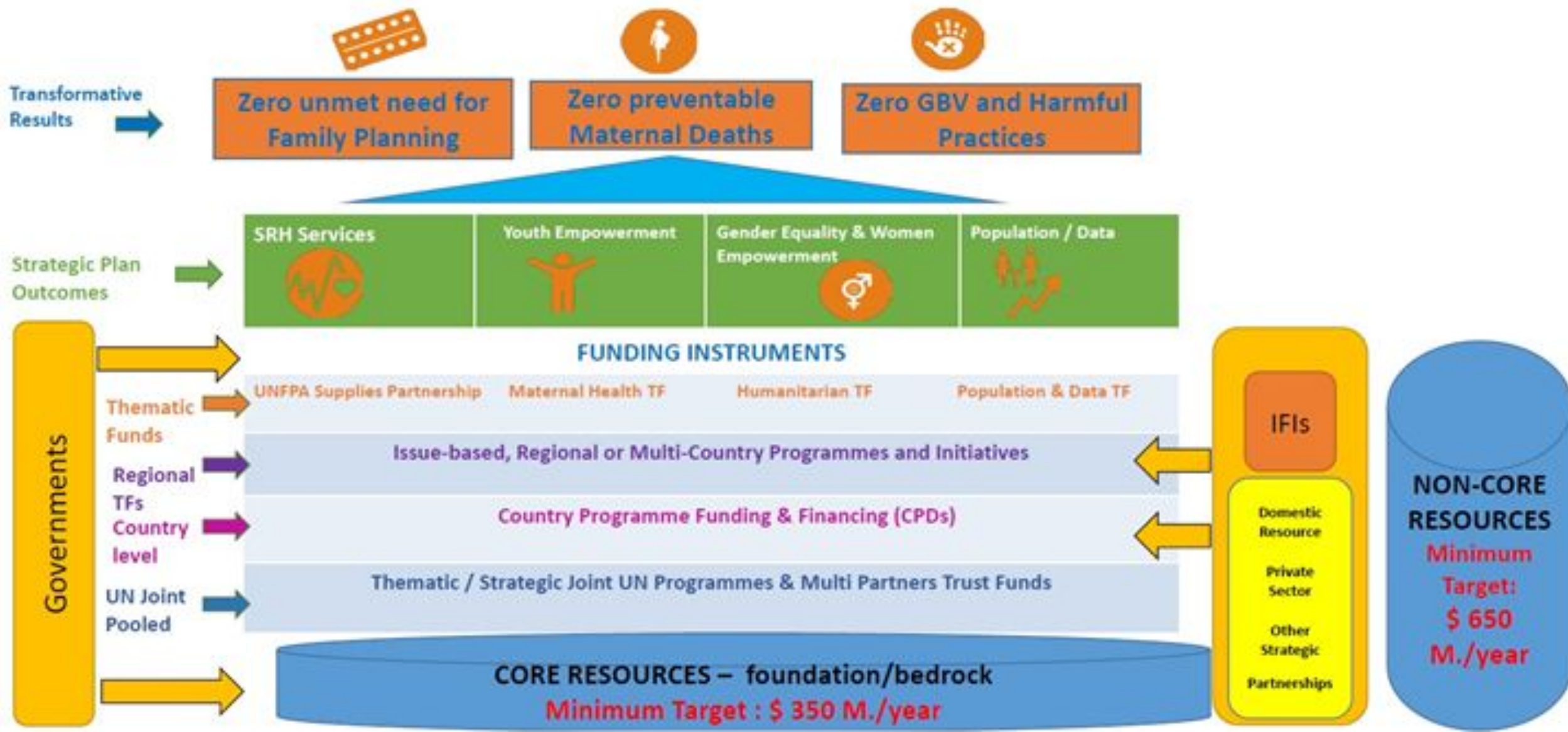
UNFPA SFD – Key Parameters



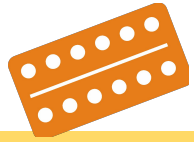
TARGETS 2018-21

- 150 core-contributors (110 in 2021)
- Increase % of non- OECD/DAC & Programme countries core-contributors
 - Maintaining or surpassing \$ 350 M. / year for core resources
 - Increasing multi-year contributions
 - Operationalizing UNFPA funding architecture
- Achieving the Funding Compact Commitments

UNFPA Funding Architecture 2021



Thematic Funds



UNFPA Supplies Partnership

Key driver of UNFPA action towards ending the unmet need for family planning by 2030



UNFPA Maternal and Newborn Health Thematic Fund (MHTF)

Catalytic maternal & newborn health flagship programme



UNFPA Humanitarian Thematic Fund

Provides flexible, multi-year financing, enabling early response & assistance



Population Data Thematic Fund

Addresses long-standing shortfalls in population data and related human capacity



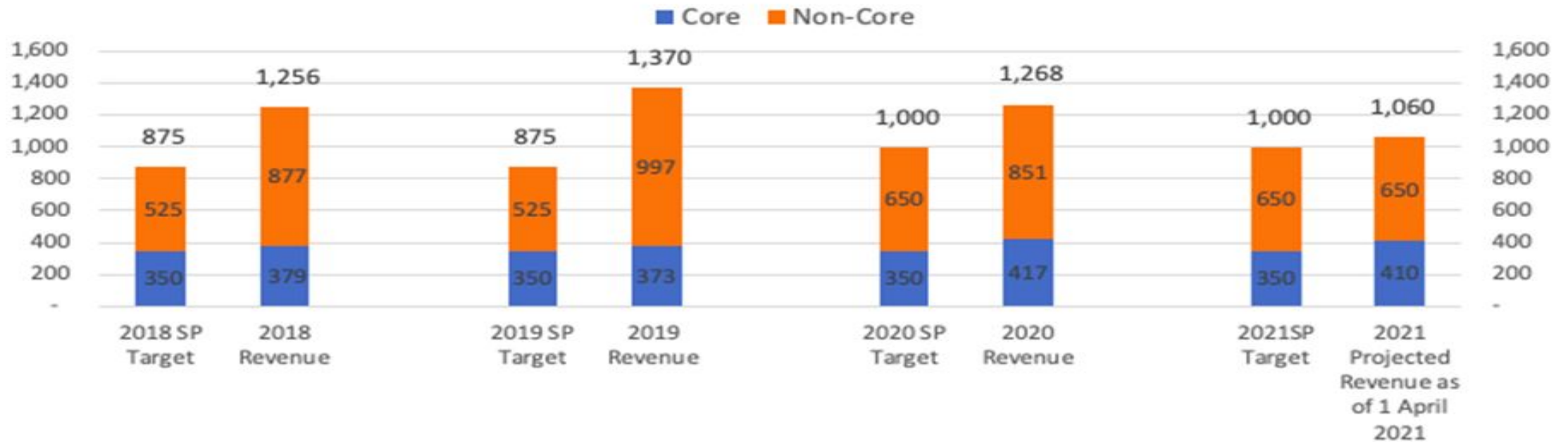
UNFPA-UNICEF Global Programme to End Child Marriage



UNFPA-UNICEF Joint Programme on Elimination of Female Genital Mutilation

The thematic funds have also been strategically positioned to efficiently respond to the pandemic.

Overall Funding Situation 2018-2021



Despite the global economic downturn and uncertainty created by the pandemic, UNFPA maintained a healthy resource situation in 2020, a clear signal of international solidarity and donor trust in UNFPA's ability to adapt and deliver under complex circumstances

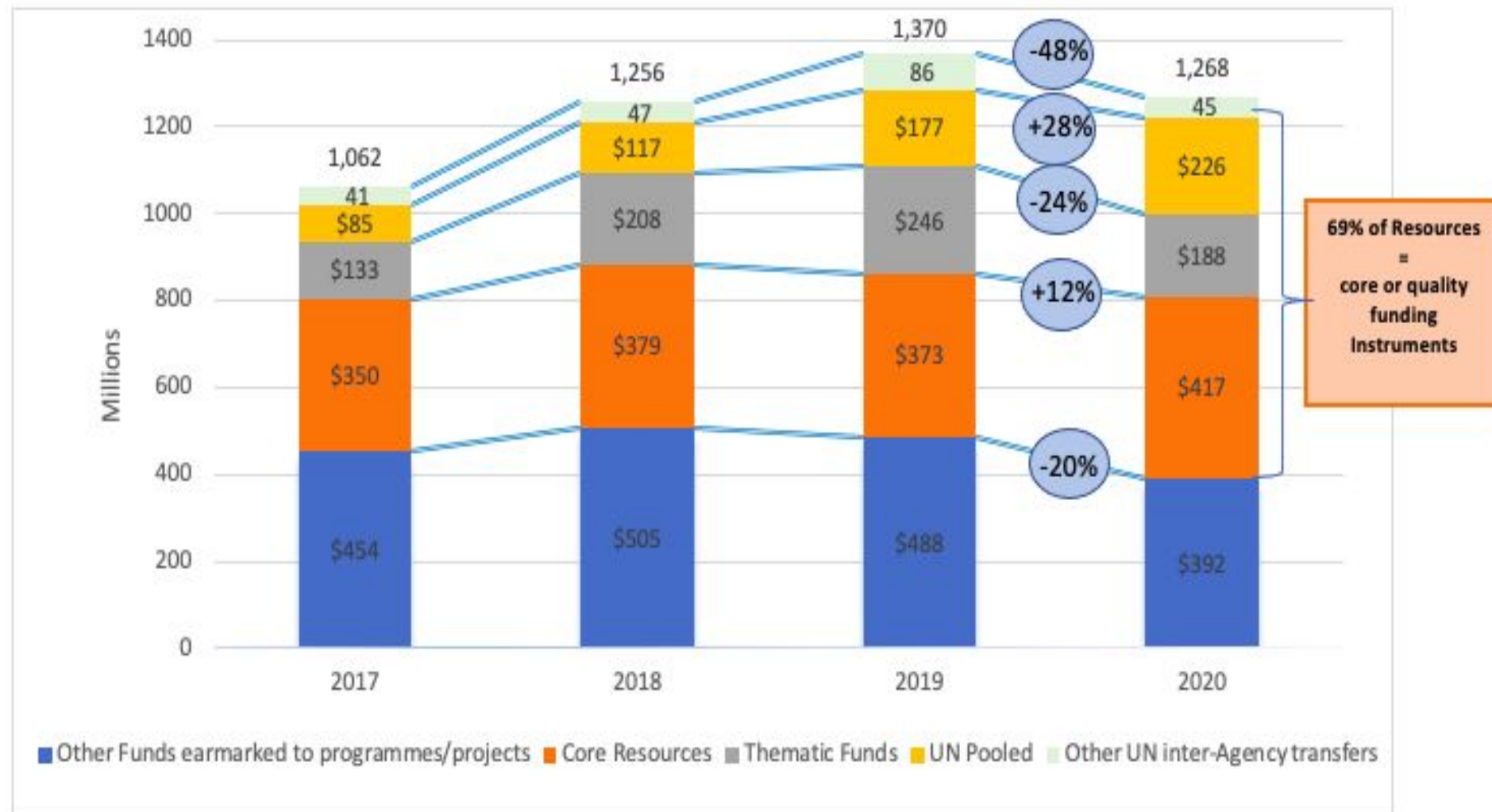
Also the results of UNFPA risk management & mitigation efforts

BUT

Future years are more uncertain & less predictable. We need all member states to recommit to women's and girls' rights politically and financially

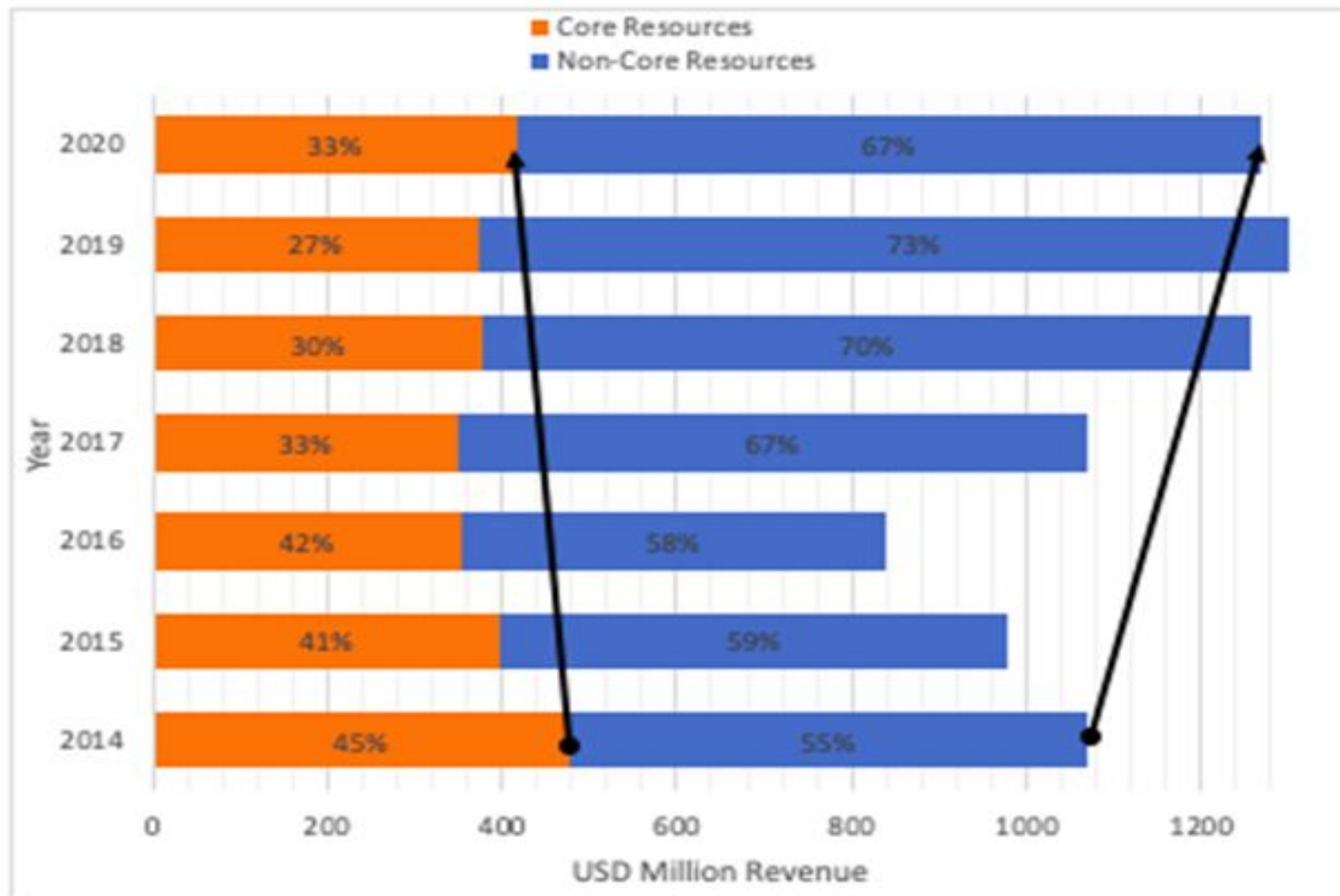
Evolution of UNFPA Funding Instruments 2017-2020

- Core funding increased by 12%
- UN pooled funding increased by 28%
- Thematic funds decreased by 24%
- Project earmarked funding decreased by 20%



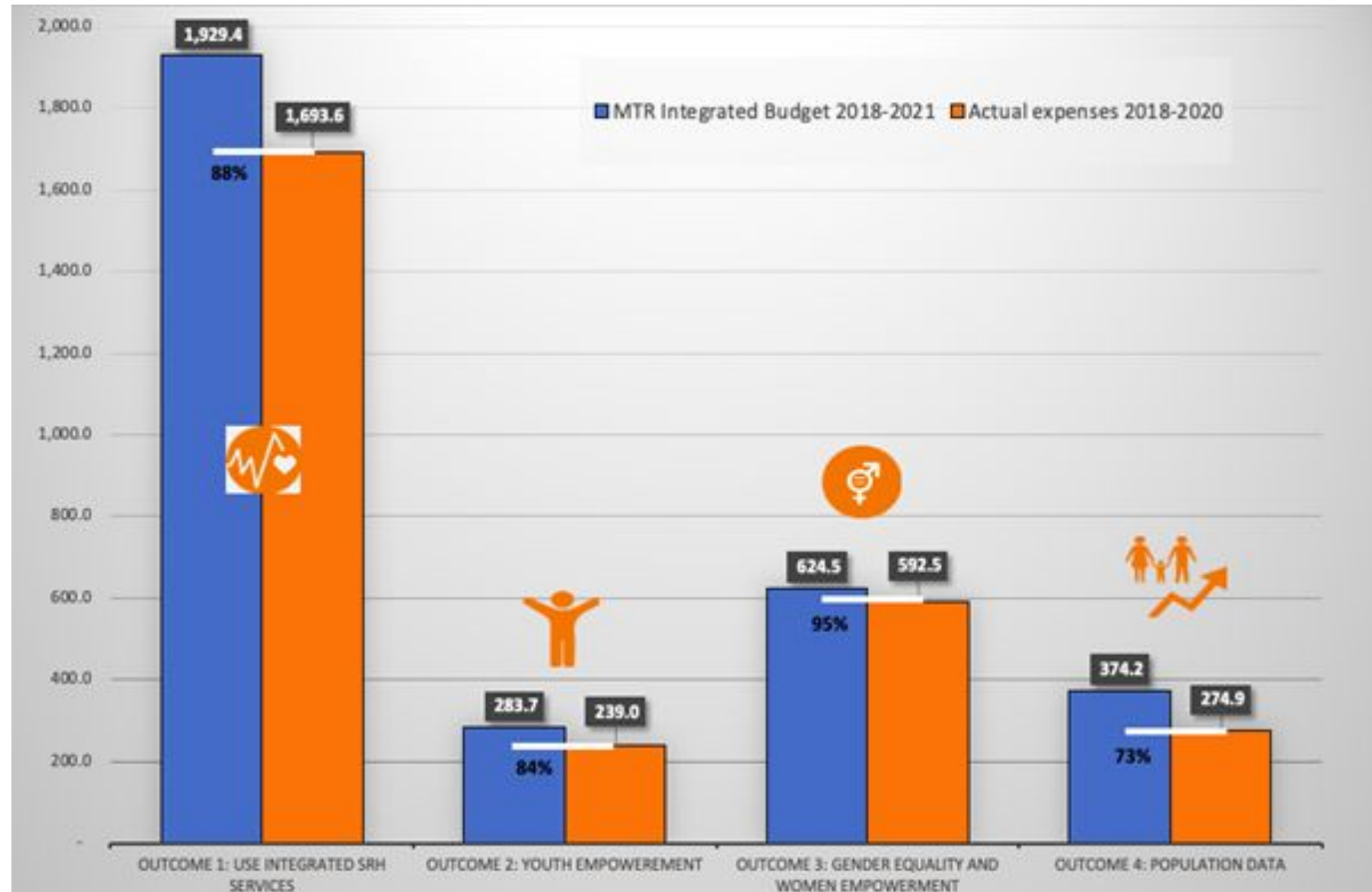
Resources Trend : Core and Non-Core

- In 2020, the proportion of core funding crossed the 30 per cent threshold of the Funding Compact and reached 33 per cent
- UNFPA urges all donors to consider balancing their level of non-core resources with at least the agreed 30 per cent or more in core resources to meet their FC commitments



Allocation of resources vs. actual expenses

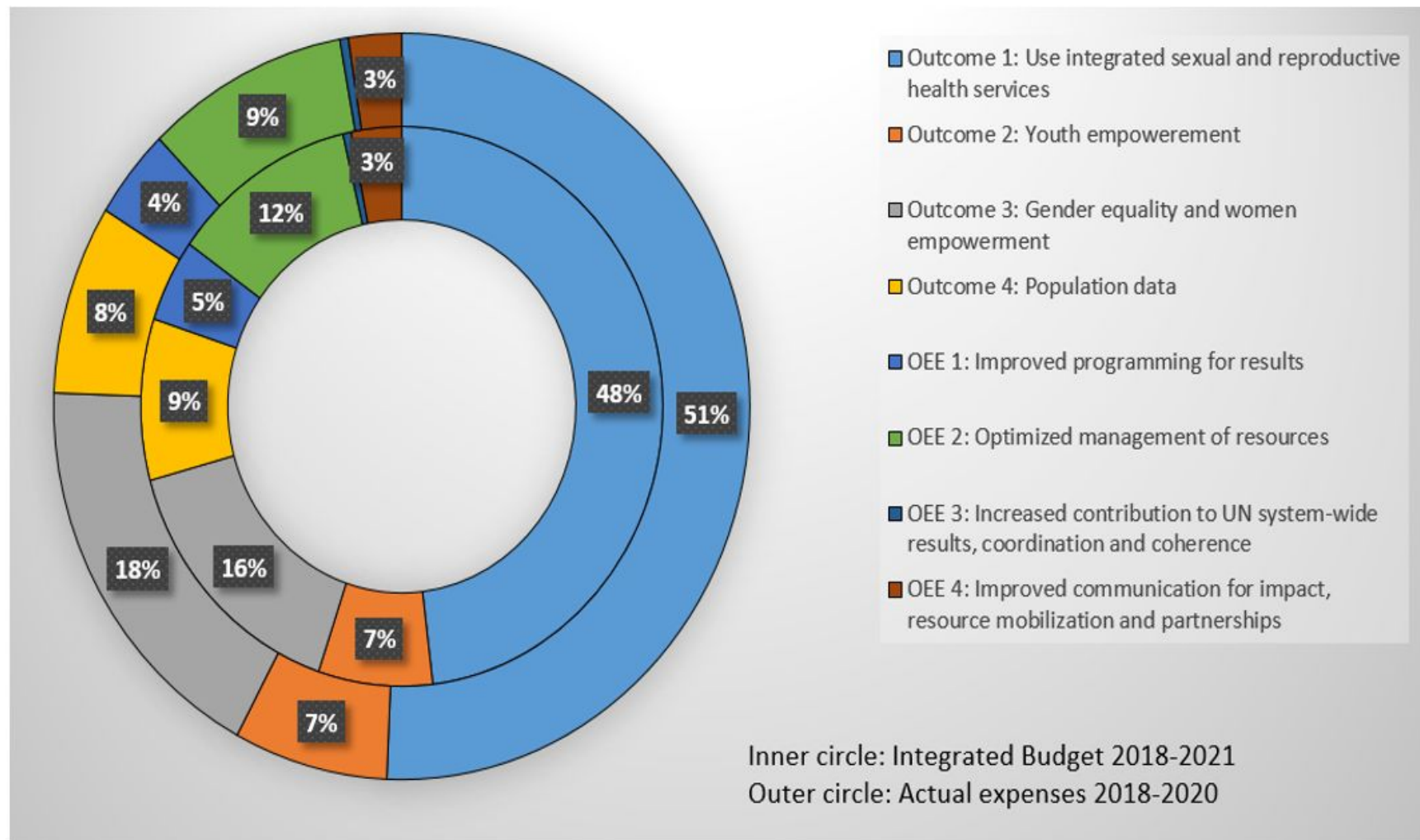
- Robust implementation capacity supported by an adequately funded resources framework
- Resources allocated between 73 per cent to 95 per cent after 3 years of implementation of the SP 2018-2021



Indicative vs. Actual Allocation of Resources 2018-2020

- **Excellent alignment with the planned indicative allocation of resources**
- **Resources allocated and disbursed as intended at a solid disbursement rate, as approved by the Executive Board**

Indicative (2018-2021) vs actual cumulative proportion of resources allocated to outcomes and (OEE) outputs (2018-2020)



Resource allocation per quadrant

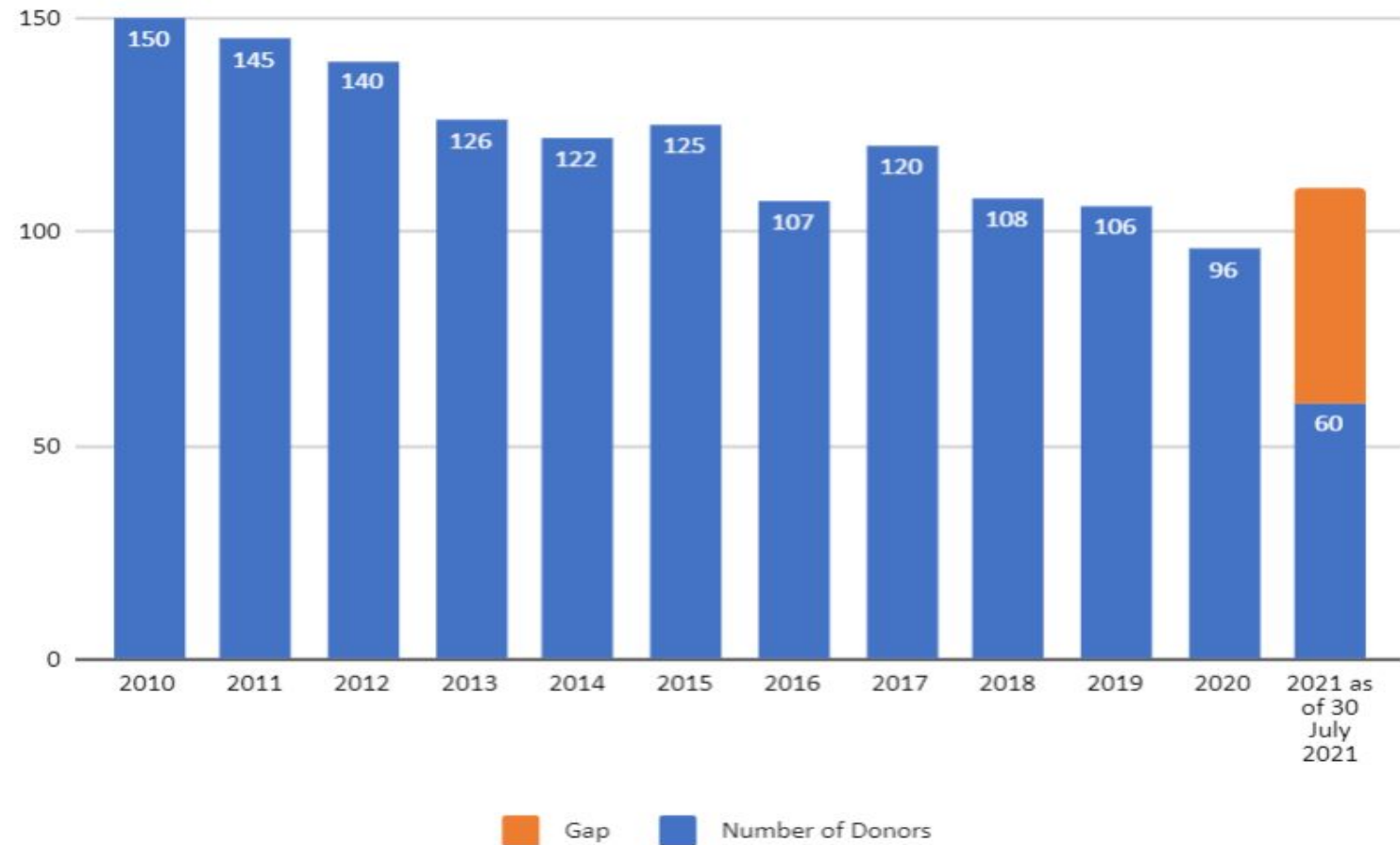
Comparison between the approved Executive Board ranges and actuals (2018-2020)

	Countries in red quadrant	Countries in orange quadrant	Countries in yellow quadrant	Countries in pink quadrant
Resources allocation as approved in the strategic plan, 2018-2021	56-60 %	14-18%	7-11 %	15-17%
Actual cumulative expenses, 2018-2020	58%	14%	11%	17%

Full alignment with allocations as per the approved Resource Allocation System

Number of Core Donors - A worrisome Trend ...

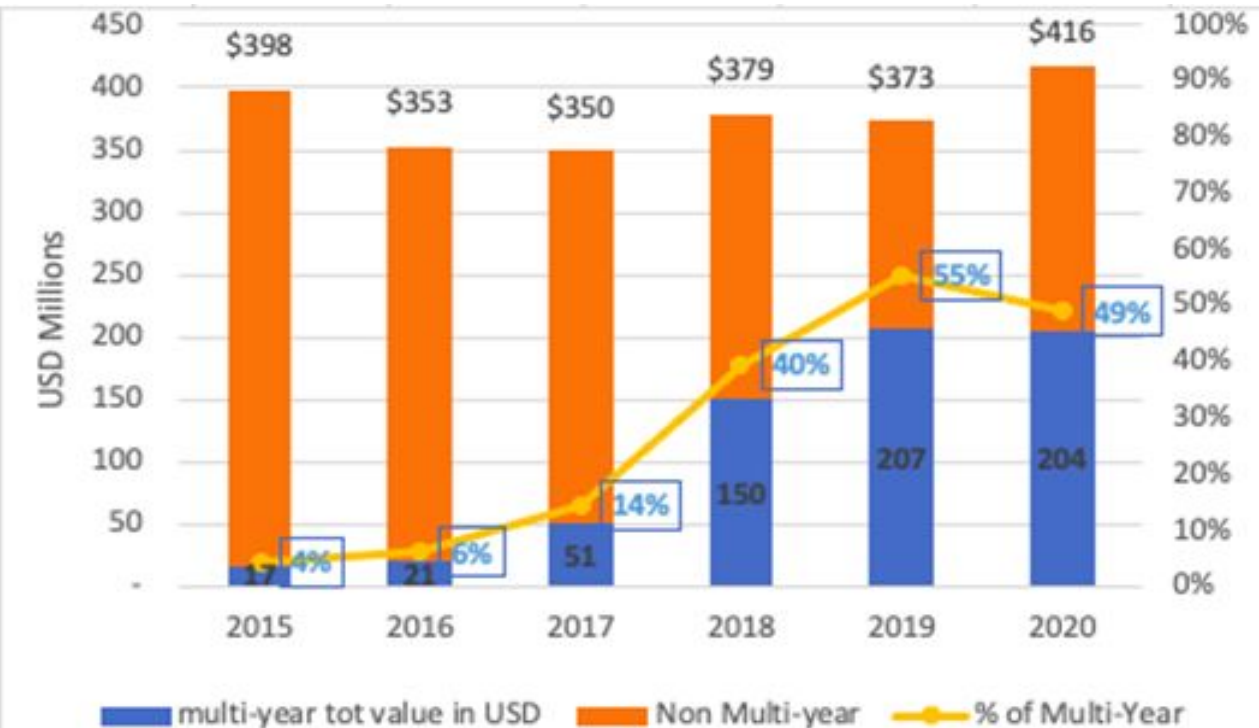
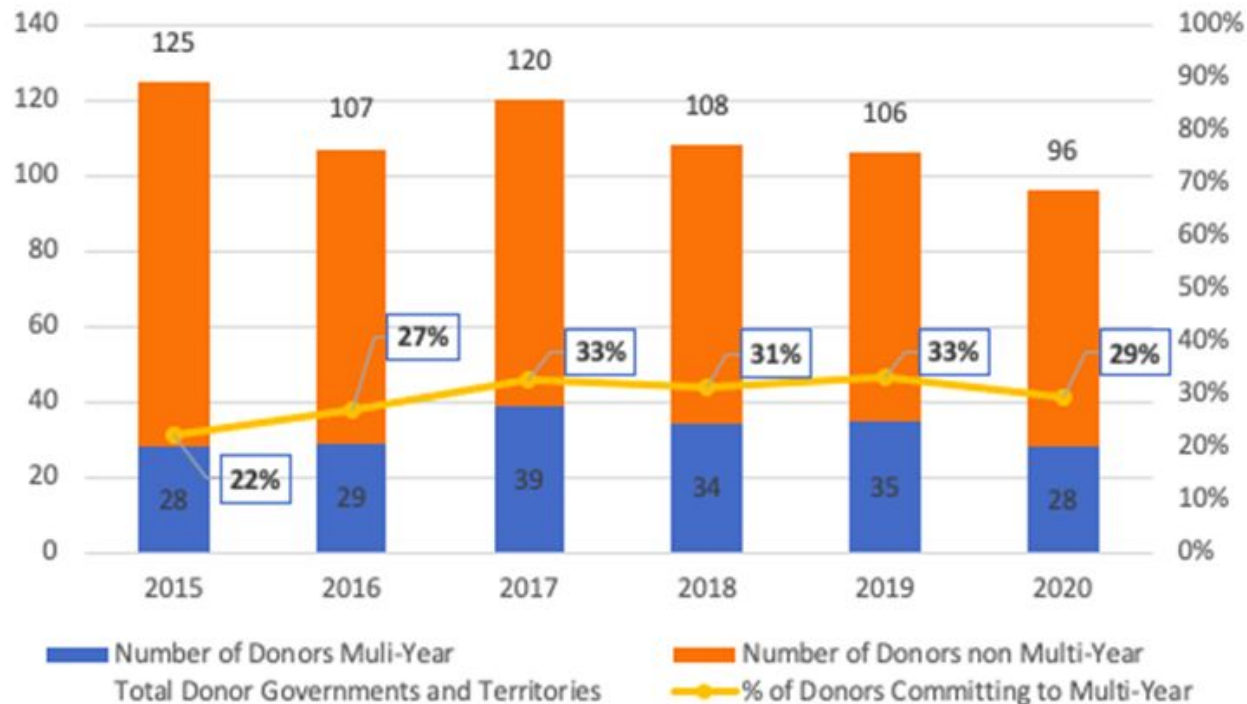
- Despite intensive outreach and mobilization efforts, the overall number of donors to core resources continued to decrease in 2020 (from 150 in 2010 to 96 in 2020).
- As of 30 July, 60 donors pledged to core resources, less than in 2020 at the same period



Multi-year core contribution trends

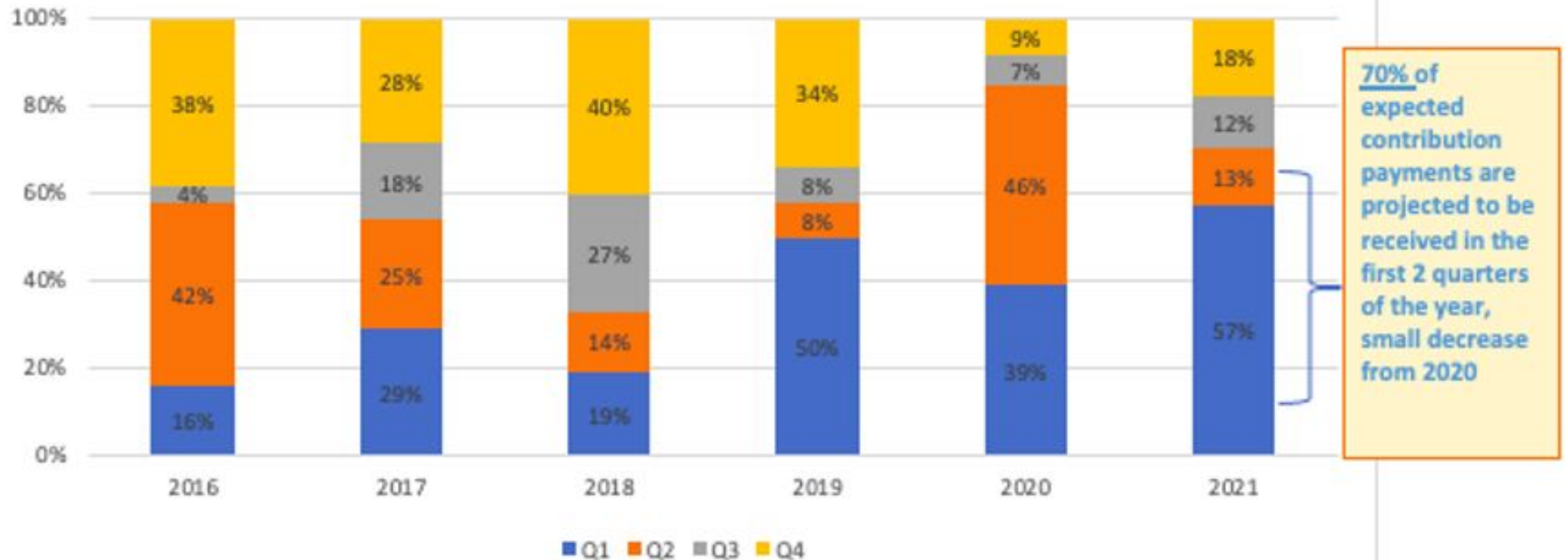
Number of donors providing multi-year core funding had modestly but consistently increased over the past few years. It decreased in 2020, with only 28 multi-year contributors, as opposed to 35 in 2019

Overall value and % of multi-year contributions had consistently increased over the years, reaching \$207 million in 2019. Decreased in 2020 to \$204 million



Importance of early / timely payments

- Early and timely payment are crucial for the effective planning and management of resources
- Essential to respond to crisis such as Covid-19
- In 2020, 85% of funds were received in the first two quarters
- In 2021 we observe a slight decline (only 70% in the first two quarters)
- UNFPA appeals to all donors to expedite payments for 2021, to demonstrate commitment to predictability and to honour contractual obligations



United Nations pooled funds and joint programmes

United Nations pooled funds and joint programmes continue to represent the most significant and growing portion of UNFPA non-core resources

→ This demonstrates UNFPA strong positioning within UN joint-up programming, and that the UNFPA mandate plays a catalytic role for the achievement of UN system-wide operations & the SDGs

→ In 2020:

- Strong engagement in UN system structures for coordination
- Participation in the governance of the Joint SDG Fund & benefited from its funding
- Co-leads the SDG Invest cluster on people and health
- Part of UN COVID-19 Response and Recovery Fund advisory committee.
- Gender and Youth Promotion Initiative of the Peacebuilding Fund

Supporting Programme Country Governments in Accessing Financing & Boosting Domestic Resources



Changing the thinking and approach to funding the transformational results

UNFPA is making significant efforts to support Governments in accessing sustainable development financing and increasing domestic resource allocations for their own development goals:

- > ‘Country investment cases’ to mobilize domestic financing for the three transformative results by leveraging costing and impact modelling tools**
- > Subregional investment cases were developed for small island developing States for both the Pacific Island and the Caribbean subregions**

Accessing Financing & Boosting Domestic



Resources

The success of ICPD will depend on the ability of:

- **Governments to scale up domestic budgets to cover SRH needs and access complementary financing**
- **UNFPA and its partners to help create and support financial arrangements and services to incentivize and facilitate increased investments.**



UNFPA is working on the development of:

- [Bridge Financing Mechanism for Domestic Resource Mobilisation;](#)
- [Strategic Investment Facility;](#)

Improved Forecasting, Reporting & Visibility

- ➔ ICT Transformation
- ➔ Annual Reports to the Board
- > Online versions, country reports
- > Transparency Portals
- ➔ Visibility and Recognition
- > Annual Resource Mobilization Campaign
- > Top Donors Recognition



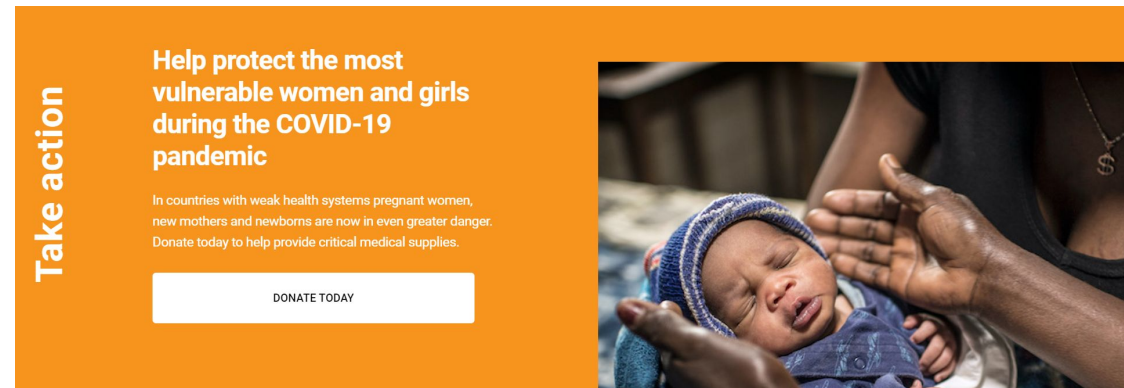
On UNFPA Website !

Private Sector & Strategic Partnerships

In 2020: \$41.6 million in private-sector contributions, collaborating with 100 partners



- Strategic private partners in support of COVID-19 pandemic response
- Global Citizen Covid-19 Recovery Campaign
- Public-private partnership pilot initiative between UNFPA and Royal Philips
- New investments for UNFPA Supplies Partnership from Foundations
- UNFPA Individual Giving Programme
- Partnerships with parliamentarians
- South South and Triangular Cooperation



DIRECTIONS



UNFPA ended 2020 with a good programmatic performance and financial health

Outlook difficult to predict conclusively; significant cuts (\$220 million) by one donor but growth in support from other sources

- UNFPA continuously monitoring the impact of the pandemic on current & future funding
- Funding Needs around \$ 222 billion 2020-2030 (Costing Ex.)
- Prudent income projections 2022-2025

UNFPA will maintain its leading role in implementing and mobilizing partnerships and investments around the three transformative results

MAIN TAKEAWAYS & RECOMMENDATIONS



In this volatile environment, timely inflows of predictable contribution revenues critical for sustaining UNFPA operations

UNFPA encourages all Governments to:

- **increase contribution levels to core resources and other high-quality funding instruments, such as thematic funds**
- **maintain timely payments of commitments**
- **refrain from cutting funding, esp. to life-saving programmes**
- **honour commitments and contractual obligations**

Deep appreciation to all donors for the revenue recorded in 2020 and the early months of 2021

Appeals to all Governments to deliver on all Funding Compact commitments for the new SP cycle



Thank You

