UNFPA funding and Resource Mobilization

Executive Board orientation briefing
11 January 2019
UNFPA funding – Main features

• UNFPA is a voluntarily funded organization- contributions are not assessed;

• Traditional reliance on untied core contributions for half of revenue now shifting towards larger co-financing (ear-marked), requiring organizational adjustments and generating larger transaction cost;

• Strong support from member states for UNFPA mandate, but narrow donor base (120 donors to core in 2017, lower in 2018)

• Overall revenue expected to reach 1,2 billion in 2018;

• Enhanced focus on domestic financing and contributions from programme countries, private sector, IFIs etc.
Main funding challenges

Core resources
- **Downward trend in core-funding**
- **Narrow base** of large core contributors with 10 donors contributing to 90% of revenue > vulnerability to decrease or defunding;
- **Stagnant core contributions from programme countries and non-OECD DAC** donors: only 1.2% of UNFPA total core resources;
- **Only 1/3 of donors provide multi year core-funding**
- Majority of payments of core commitments occur **late in the year** > planning & implementation challenges;

Non-core resources
- Some **partners unwilling to include eligible direct costs or to comply with cost-recovery rate** > cross-subsidization & further erosion of core-resources.
- **High volatility** of non-core resources
- Highly **fragmented** sources of funding
Resource Mobilization Objectives: 4-pronged Approach

- Secure and strengthen contributions from traditional donors
- Attract non-OECD country contributions
- Engage different types of donors and diversify strategic partnerships
- Increase programme country contributions
Principles and Enablers

- Linking resources to results
- Clear resource mobilization targets
- Organization-wide resource mobilization functions and accountabilities
- Innovation
- Communication, Visibility, and resource mobilization
- Excellence in fund management
UNFPA Funding Architecture

**FUNDING INSTRUMENTS**

- **UNFPA Supplies**
- **Maternal Health TF**
- **Humanitarian TF**
- **Population & Data TF**

**Global Thematic Funds**
- Issue-based, Regional or Multi-Country Programmes and Initiatives

**Regional Trust Funds**
- Country Programme Funding & Financing (CPDs)

**Country level**
- Thematic / Strategic Joint UN Programmes & Multiparterns Trust Funds

**UN Joint/Pooled Funding**

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**Transformative Results**

- Zero unmet need for Family Planning
- Zero preventable Maternal Deaths
- Zero GBV and Harmful Practices

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**SP Outcomes**

**CORE** – foundation/bedrock
- Minimum Target 350 M./year

**Non-CORE**
- Minimum Target 525 M./year
Revenue vs. Targets

2018: – the projected total revenue will surpass the Strategic Plan (SP) target of $875 million

The projected core contribution revenue is $378.8 million for 2018, an increase of $29 million (8.2 per cent) compared to $350 million in 2017.
OECD DAC Members are still contributing most (around 98.8%) of total Core resources. Programme countries and NON-OECD DAC combined represented only 1.2%
As of 1 Dec. 2018 only 108 Countries/Territories have made commitments to UNFPA Core, which represents a decrease of 12 compared to last year;

Our Target is to maintain 150 core donors per year
The Structured Funding Dialogues with the Executive Board – Main objectives:

- Help align resources to needs of countries
- Keep all member states engaged and informed throughout the year
- Discuss and find solutions to challenges, funding gaps etc.
- Consolidate **UNFPA funding architecture** (addressing fragmentation of resources)
- **Tracking and reporting on** resources and results: data portal, donors pages, stories from the field etc.

> Contribute to the broader Secretary General Funding Dialogue and Compact
Why Is the ExBo’s Engagement crucial in Dialogues?

✓ We need to do things **differently** to meet our ambitions

✓ We need all countries to pro-actively advocate for UNFPA’s mandate and programme countries to invest in their own development – **YOU ARE UNFPA’s SHAREHOLDERS!**

✓ Keep the focus on countries’ needs and priorities

✓ Ensure inclusivity of all constituencies: traditional donors, emerging donors, program countries facing various contexts

✓ **The SFDs give you a platform** to express your views, share best practices and locally tested solutions for new partnerships and additional resource mobilization
  > **More impact on the ground**

✓ “**Co-Champions**” : Sweden and Egypt

✓ **3 meetings per year**, next SFD: End of February 2019