

IPPF Global Income Generation Strategy 2019-2022:



Progress in 2020-2021 and
Remaining Priorities in 2022

What is the GIG Strategy?

IPPF's Global Income Generation Strategy for 2019-2022 (GIG Strategy) is a roadmap for the modernization of IPPF's income generation approach in order to meet the income targets required to deliver on the Strategic Framework (2016-2022) and the Business Plan (2019-2022). Developed by a cross-functional team from the Secretariat's various offices, it reflects the principles of the unified Secretariat both in its design and implementation.

The GIG Strategy articulates the most promising approaches for filling the remaining funding gaps through to 2022 and positioning the Federation for sustainability and growth in the future. These are:

Approach 1: Maximise current funding

by leveraging the funding that IPPF currently has, to make a strong investment case for both unrestricted and restricted funding in the future.

Approach 2: Enhance IPPF's competitiveness

by adopting a more commercial approach to income generation to meet the demands of the current funding environment.

Approach 3: Leverage expertise from across the Federation to grow MA-generated income

by ensuring that MAs are able to access the support they need, and have requested, from the Federation.

The following document summarises progress across the key deliverables for each approach outlined in the Implementation Plan, that defines clear roles and responsibilities for departments/teams from across the Secretariat for driving success.

Why does IPPF need a GIG Strategy?

The Strategic Framework (2016-2022) set targets for doubling the income of the Secretariat and unrestricted grant-receiving MAs by 2022. As IPPF drew up the 3-Year Financial Plan for 2019-2021, it adjusted the annual targets and set an additional aim of growing unrestricted income over the course of the remaining Strategic Framework period. However, IPPF has not had a comprehensive strategy for meeting the ambitious targets.

Income targets 2016 - 2022 (\$USD):



The GIG Strategy aims to address internal demands for accelerating key areas of the Strategic Framework, as identified in the Business Plan, and to respond to the external pressures of a changed funding landscape especially in the current COVID-19 environment.

Some key considerations include:

- Donor demands for increased accountability for use of funds.
- Concentration of government aid in fewer countries.
- Increase in intersectional funding (e.g. gender, humanitarian, climate change, etc) over pure SRHR opportunities.
- Shifts in SRHR donor priorities.
- Trend toward more SRHR funding available at the national level.
- Implications of Universal Health Coverage.
- Expansion of private sector funding opportunities.
- Expansion of individual giving in the Global North and South.

Secretariat income trends

Total income for the Secretariat grew significantly in 2019, after remaining mostly flat during the first part of the Strategic Framework cycle (2016-2018). Mirroring donor trends toward providing more restricted funding, this increase was driven mostly by restricted income, which outpaced unrestricted for the first time in 2018. In 2019, restricted income represented 64% (\$104.2 million) of total income, mostly driven by the FCDO WISH project (\$51.3 million of the total), as well as larger contributions from some traditional donors. Representing the ongoing trend, during the same time period, unrestricted income for the Secretariat showed a decline, ending at 17% lower in 2019 (at \$59.7 million) as compared to 2015 (\$72.2 million).

Secretariat Income Targets/Forecast (\$USD):

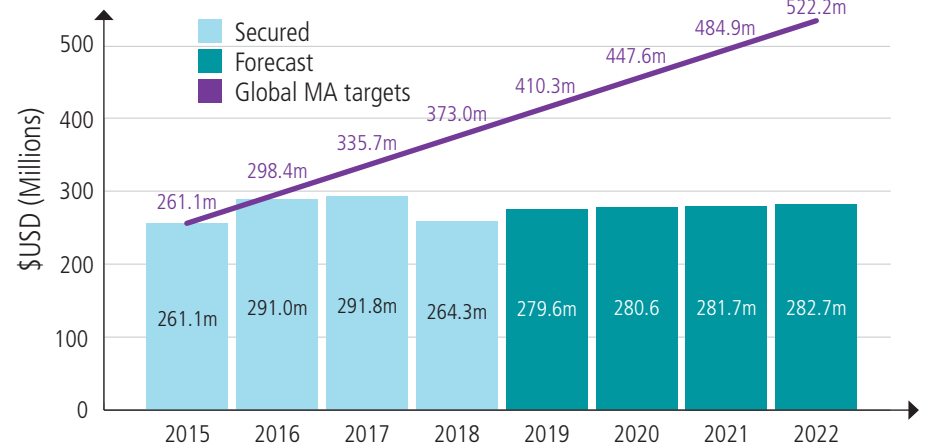


Total income secured and forecast for the Secretariat shows this to be behind target for 2020 as a result of the separation from the Western Hemisphere Regional Office. We expect modest increases in unrestricted income. Significant growth in income for the Secretariat will necessarily be driven through restricted income streams as well as individual giving.

MA income trends

A historic look at total income generated by the unrestricted grant-receiving MAs between 2015 – 2019 shows this to be erratic year on year, with only modest growth as compared to 2015 levels. These numbers have been difficult to analyse due to specific issues related to MA income data, including the inconsistent use of income terminology and inconsistent tracking and cleaning of the data. Furthermore, the stagnation in MA income generation since 2015 puts into question whether unrestricted grant-receiving MAs could absorb a doubling of income. That said, growth beyond current levels with tailored income generation support is certainly feasible if this support is funded. This is detailed in Approach 3.

MA Income Targets/Projections (\$USD):



Approach 1: Maximise current funding

Notable progress has been achieved in improving the strategic utilisation of all funding – both restricted and unrestricted – through streamlining processes across all Secretariat divisions, including programme delivery and capacity sharing, finance, and safeguarding teams. The Global Income Generation team continues to meet monthly and includes focal points in all regional offices.

1.1 Ensure impeccable delivery to secure and increase funding from existing donors



Lead: Restricted Funds Delivery (RFD) team



Partners: Global SPD team, Finance, Safeguarding and Regional Offices

Converting existing contracts into future funding renewal opportunities is one of the most efficient paths to generate income. IPPF is working to ensure current restricted projects are successfully managed and delivered to achieve the greatest impact, in line with donors' expectations and contractual agreements.

Achievements to date

- Secretariat and Member Association (MA) accountability standards and minimum reporting requirements for all 3 core funding streams established
- Financial oversight, management and reporting strengthened at all levels: project implementation reviews and escalation of risk institutionalised within Quarterly Review Meetings (QRMs); regular cross-divisional oversight meetings established for programme managers of large, restricted projects; and quarterly reports for Directors' Leadership Team (DLT) initiated for analysis of restricted project performance and their contributions to IPPF priorities
- Spend ensured to be in line with projections: NetSuite System upgrade commenced to facilitate access to project management and financial information; relevant staff trained on accessing financial and expenditure tracking information (via NetSuite); support from finance staff strengthened for existing restricted projects
- Notification/alert mechanism (through IPPF SafeReport) established to flag and follow up on safeguarding allegations implicating donor funding
- Stronger process established for timely donor communications on fraud allegations

Remaining priorities 2022

- Clarify roles and responsibilities for programme delivery and contractual compliance
- Further strengthen the creation of ready access to related project financial information (including dashboards, visualisations, etc.) for enhanced expenditure tracking
- Further strengthen the safeguarding allegations notification/alert mechanism to ensure cases can be triaged for systematic and timely response

1.2 Generate and use evidence to make the case for continued and increased funding



Lead: Impact and Evidence Team



Partners: Communications, RFD, Finance, WISH team, Advocacy

Evidence is the foundation on which IPPF can shape the donor landscape and ensure increased income growth in the coming years. With improved data, IPPF will be able to better differentiate itself from competitors, advocate for funding based on its strengths, and keep IPPF top of mind with donors. There is still notable progress to be made in 2022.

Achievements to date

- More accountability and robust reporting mechanisms embedded within the new core funding resource allocation model that will highlight to donors the added value of unrestricted funding
- Detailed individual donor engagement strategies developed to facilitate an aggressive pursuit for increases in support from key donors
- Cost extensions and renewals secured for existing programmes

Remaining priorities 2022

- Develop guidance on inclusion of systems strengthening components for all restricted funding proposal budgets
- Package evidence on IPPF's programming to demonstrate effectiveness, impact, and value-for-money: establish a cross-external relations divisional taskforce to discuss and prioritise messaging and packaging of information for donors; analyse cost per service in key countries; and document and package learnings, impact, data etc. from key initiatives
- Build an evidence base of IPPF's diverse impacts, using reports from the new IPPF core funding model in 2021 and 2022
- Align communications, Global Income Generation (GIG), and advocacy strategies and action plans for synchrony
- Finalise remaining donor engagement strategies for targeted donors and work with DLT and Board members to drive collaboration and income growth

1.3 Adopt a more streamlined donor management approach to drive stretch income goals



Lead: Global SPD team, Programme Delivery & Capacity Sharing



Partners: Finance, Safeguarding and Regional Offices

Many of IPPF's current donors (both unrestricted and restricted) have untapped potential, as evidenced by higher levels of giving to IPPF's competitors. Pursuing a closer and more proactive relationship management approach helps IPPF to access greater levels of funding. Notable progress has been made to date.

Achievements to date

- Working document developed outlining donor engagement leads and responsibilities, to clarify and create oversight accountability
- Rules of engagement guidelines developed for managing donor relationships across various entities of the Secretariat. For example, established EN's greater authority for managing the European Commission (EC) portfolio through clarifying donor relationship management and roles and responsibilities for income generation
- SharePoint Library Site created for sharing donor profiles and related intelligence, including donor mapping/background briefs and formalised regional MoUs with UNFPA and other UN entities, with regular updates

Remaining priorities 2022

- Adopt and roll out a Customer Relationship Management (CRM) system for the Secretariat
- Support regional office focal points to proactively build relationships with UN regional offices, and explore regional/country level funding opportunities with these entities

Approach 2: Enhance IPPF's competitiveness

In recognising the shift in the funding environment over recent years, IPPF is taking steps to adopt a more commercial approach to income generation, programme planning, and programme quality delivery and spend. On the whole, Approach 2 has seen major progress since the inception of the strategy. Where gaps endure this is largely due to delays in implementation and for new ways of working to become embedded. The trajectory is largely positive, however.

2.1 Strengthen internal systems and processes required to drive income generation



Lead: Global SPD team



Partners: Finance and Programmes

The GIG team depends on strong, collaborative working relationships with all of IPPF's Secretariat divisional teams (including senior leadership, finance, institutional delivery, technical and programmes, information management communications, and human resources) in order to identify opportunities, manage relationships with donors, set funding priorities, develop commercially sound proposals, and manage programmes in a way that ensures high-quality delivery. Significant action has been taken to enhance this.

Achievements to date

- Income generation roles and responsibilities formalised for staff across the Secretariat: formal matrixed organogram created to link work across the Secretariat and ensure consistency in systems/processes; Africa regional office GIG focal point appointed and trained; minimum expectations of all focal points established; and Business Planning meetings established as the regular coordination mechanism among regional office focal points
- Finance, Programmes and Impact and Evidence better integrated in programme design stage through to implementation phase: programme development model integrating various units in prospecting, proposal development, and contract delivery created; and GIG to programme teams transition/handover process paper published.
- Guidance note developed outlining cost recovery process for the Secretariat through restricted funding
- Improvements made to GIG resource library: comprehensive review of income generation materials based on MA and regional office needs conducted (and is ongoing); restricted projects mapped; standardised tools updated and developed; and a single repository – the MA Forum Website – created for sharing income generation materials, funding opportunities, and other resources

Remaining priorities 2022

- Using the matrixed organogram, formalise agreed engagement mechanisms across the Secretariat including Central Office, regional offices, and Hubs
- Further institutionalise income generation across all stages of the programme development cycle, including hosting a webinar in Q4 2021 for all programme/project teams
- Finalise the Secretariat cost recovery policy implementation guidance and develop simple cost recovery guidance for MA-led income generation

2.2 Position IPPF as a thought-leader and “go to” SRHR organisation, particularly for intersectional funding



Lead: Programmes



Partners: Global SPD team, RFD, Advocacy and Communications

Seizing new opportunities for funding is requiring IPPF to enhance its visibility and build its reputation by developing unique programme models and strong partnerships. Specifically, intersectional programming in the humanitarian-development nexus and gender is the cutting edge for advancing SRHR, particularly among vulnerable populations, and is a major funding opportunity for IPPF moving forward. With most groundwork having been laid, there is now a need in 2022 to galvanise action across deliverable 2.2.

Achievements to date

- Evidence-based strategy papers and theories of change on key issues developed, including: global position papers on SRHR and climate change, and SRHR and LGBTQI developed; environment mitigation position paper and past proposals prepositioned for future proposal use; carbon emission report published; and a QRM report developed to determine thematic priorities for prospective programming
- IPPF's website refreshed, and donor communications maintained for key strategic and sectoral updates to showcase impact and solidify IPPF's reputation as a strategic and competitive SRHR partner for prospective funding

Remaining priorities 2022

- Evaluate current communications strategy and future plans for sharing IPPF position papers with donors
- Develop standardised theories of change for key priority areas of work, such as humanitarian, youth, integrated service delivery etc.
- Assess the potential to market the new Strategic Framework Business Plan for new funding opportunities, and consider how to seek out opportunities for intersectional programming and showcasing thought leadership in the new Strategic Framework
- Further solidify IPPF's reputation as a strategic and competitive SRHR partner: determine the best line of pursuit for profiling IPPF with donors; develop a past performance document on successful track record for partnerships to include in proposals; and map prospective partners for new consortia on case-by-case basis

2.3 Strategically pursue opportunities for new business



Lead: Global SPD team



Partners: Programmes and Social Enterprise Hub

Closing the funding gap will require IPPF to win new restricted business, mostly with government donors and foundations. IPPF is strategically prioritising which opportunities to pursue to meet the income generation targets in line with fulfilment of the Strategic Framework and the Business Plan solutions. There are significant opportunities for IPPF to access intersectional funding related to humanitarian, climate change, gender, and inclusion issues.

Achievements to date

- More strategic assessment and pursual of funding opportunities now occurring: standardised go/no go decision matrix for the Secretariat finalised (and ongoing); bid pipeline maintained and continuously used to identify key opportunities; and standardised NetSuite summary report developed that captures yearly secured and forecast income data, win rate, number of opportunities submitted for, etc.
- QRM identified as formal process to capture and map out all existing programmes and successful initiatives for packaging programming to present to donors

Remaining priorities 2022

- Develop programme packages to present to donors, including a costed programme model for workplace health service delivery
- Conduct research on prospective funding opportunities with non-OECD governments and other donors that meet the criteria to mobilise resources for MAs in high and upper-middle income countries

2.4 Cultivate new donors to diversify IPPF's income streams



Lead: Global SPD team



Partners: DLT, Programme Delivery & Capacity Sharing

IPPF is broadening its donor base to de-risk the portfolio from the loss of any single donor. While cultivating new donors can take several years to yield significant returns, it is critical to laying the foundation for completely new income streams in the future.

Achievements to date

- Progress on prepositioning with the following key prospective donors: France, Spain, USAID, Ford Foundation and Commonwealth Foundation, and the Global Fund
- Individual Giving business case prepared for the US market, with approval for investment from DLT and the Board of Trustees

Remaining priorities 2022

- Pursue prepositioning work with additional prospective bilateral and multilateral donors
- Roll out the Individual Giving Programme

Approach 3: Leverage expertise from across the Federation to grow MA-generated income

IPPF's Business Plan orients the Federation in an MA-centric model that harnesses the experience and expertise of MAs to lead in key areas of achieving the Strategic Framework, and recognises MAs as the most important resource in realising IPPF's vision. That said, a number of MAs across the Federation are still in the process of building governance, management, and financial and operational systems and processes, which are key factors for success in income generation and operational effectiveness. Further, many MAs have expressed a strong wish for the Secretariat to support them in income generation. Significant steps have been made to bolster the capabilities of MAs and create mechanisms to hold the Secretariat accountable for their support.

3.1 Build Secretariat accountability to supporting MAs in income generation



Lead: Global SPD team



Partners: Programmes Delivery and Capacity Sharing, Finance

The trend toward funding at the national level presents a significant opportunity for IPPF's MAs. However, the degree to which MAs can secure this funding independently varies greatly, as does their capacity to implement donor funded programmes. Action has been taken to strengthen the Secretariat's capacity to support MAs in addressing their income generation needs.

Achievements to date

- A segmented strategy developed for supporting MAs in income generation: data collected, cleaned and analysed on MA income by source for 2020, with clear lines of accountability established; MA segmentation criterion created and Secretariat support defined; MA surveys conducted across all regions to better understand income generation needs, and regional analyses completed (with Arab World outstanding); and all MAs segmented for the Africa and Arab World Regions
- Improved MA understanding and consistency of income data reporting, enabled through the business planning process under the new resource allocation model
- Experienced and skilled focal points established in all regional offices to provide targeted support to MAs for: prepositioning with donors and potential partners; basic income generation strategies; and pursuing country-level funding opportunities

Remaining priorities 2022

- Undertake detailed review and analysis of 2021 MA income data along with Finance and Impact & Evidence teams once available, to identify emerging trends and weaknesses, and feed into the new Strategic Framework Results Framework process
- Undertake MA segmentation process for remaining regions to determine prioritisation of support levels

3.2 Create mechanisms for MAs to harness the Federation's business development expertise



Lead: Global SPD team



Partners: MAIPs

Many IPPF entities, including Member Associations with International Programmes (MAIPs), have business development experience, expertise, and tools that could benefit the entire Federation. As such, IPPF is working to ensure that this learning can be systematically drawn upon and shared to support MAs in growing their income generation capabilities.

Achievements to date

- Rules of engagement document finalised and jointly agreed, outlining guidelines, roles, procedures, and responsibilities around how MAIPs and the Secretariat interact on income generation with their respective donor governments
- Proactive information sharing now occurring with the MAIPs to position MAs as potential implementing partners for prospective funding opportunities

Remaining priorities 2022

- Collaborate with MAIPs in building the next GIG Strategy to support the implementation of the next Strategic Framework

3.3 Invest in MA social enterprise capacity to increase financial viability and self-sufficiency



Lead: Social Enterprise (SE) Hub



Partners: Regional SE Focal Points, Global SPD team, Programme Delivery & Capacity Sharing

Social enterprise has good potential as an income growth area for MAs and their long-term sustainability. However, social enterprise approaches across MAs are currently showing varying degrees of success. IPPF is working to help MAs become more commercial and enhance their business acumen, including by investing in capacity building, governance, executive leadership, and financial management, all of which are key drivers of successful social enterprises.

Achievements to date

- New Global Social Enterprise Strategy and operating model document drafted
- Successful roll out of on-demand social enterprise support for MAs: three online tools developed, including the Social Enterprise Readiness tools, Social Enterprise Academy and Business Planning Tool; e-commerce site available for all MAs at no cost; and a Global Social Enterprise curriculum formalised
- Completion of the Social Enterprise Acceleration Programme (SEAP) internship programme in 2019 and 2021 (virtually) by 33 graduates

Remaining priorities 2022

- Finalise the Global Social Enterprise Strategy and operating model document and obtain endorsement
- Integrate online SEAP tools for greater connectivity and provide better support to guide MAs using the online tools
- Ongoing rollout of the SEAP internship programme, including monitoring the results over the next 6-12 months and running the Global Social Enterprise curriculum in parallel