

4.2 FEDERATION RESULTS AND FUNDING: Understanding the current frameworks to shape those for the new strategy.

“Show me your strategy and I’ll tell how well you write. Show me your results framework and budget and I’ll tell you what your strategy is.”

As we approach the approval of a bold, new strategy, it is crucial that Trustees understand the Federation’s current results framework and the efforts to build one aligned with the new strategy. As critical is understanding how the Federation gets resourced and the key role the strategy document plays for a significant portion of this funding. What gets funded and measured is what gets done. The document presents this and ends with a few questions to guide progress towards General Assembly approval.

Results Framework associated with 2016-2022 Strategic Framework:

IPPF’s current Strategic Framework (SF), covering the period 2016-2022, was approved by the Governing Council in November 2014. After eight months, in July 2015, a Secretariat Implementation Plan, that included a results framework (RF) to guide the operation of the strategy, with 16 expected results (ERs) was approved. The RF was developed separately, well after the SF (2016-2022) had been approved and was somewhat rushed. The process did not allow adequate consultations and feedback mechanism; and insufficient attention was given to how selected expected results (ERs) meaningfully reflected each of the strategic outcomes, and to their feasibility in terms of data collection.

This was confirmed by the mid-term review of the SF¹ conducted in April 2020, which further recommended some of the ERs to be revised and/or removed, while also suggesting additional ERs, e.g., to measure gender equality. There was also a focus on selecting ERs that would allow to present large numbers (e.g., **ER 3:** 5,000 youth/women’s organizations take a public action on SRHR to which IPPF engagement contributed, **ER 7:** 1.5 billion SRH services provided and other similar ones). Thus, the second half of the process was limited by (a) the focus on volume above all and (b) the use of specific targets that had to be matched by the sum of the indicator results over the years.

As indicated in the Annual Performance Report 2020², and a recent paper³ reviewing IPPF’s current strategy 2016–2022, IPPF’s overall performance against projections has been variable so far. Overall,

¹ [Mid-term review of the Strategic Framework 2016-2022: Key Findings](#)

² <https://www.ippf.org/sites/default/files/2021-07/Annual%20Performance%20Report%202020.pdf>

³ https://ippfstrategy2028.org/wp-content/uploads/2022/01/Research-Report_Context-and-Results-2016-2022-1.pdf

four Expected Results are on track or nearly so, while seven are not keeping pace with projections, and the remainder have been removed or revised halfway through the period. Mitigating factors for some of these results include COVID-19 and the “loss” of data from some Member Associations (MAs) after WHR’s departure. But it is clear that for several indicators the necessary strategies and resources have not been in place to fulfil the expectations set down in the ERs while for others, the projections were just over-ambitious in the first place.

For a number of these ERs, it is not only the performance that is open to question but also the design of the indicators themselves. Several of the Expected Results (particularly **ER2**: 70 per cent of countries are on track with their post-2015 targets improving sexual and reproductive rights and **ER5**: 75% of those who completed CSE increase their SRHR knowledge and their ability to exercise their sexual rights) were not amenable to being reported on as the data was not collectable. For others such as **ER6** (1.5 billion people reached with positive SRHR messages in 2022) and **ER16** (3 million IPPF activists), the numbers were well above projections, but the design of the indicator was flawed to the extent that the results were not sufficiently meaningful to outweigh the burden on MAs of collecting them. In some cases, these indicators were replaced or revised as part of the SF Mid-Term Review, but that meant the dashboard only had an incomplete set of results.

We are in the process of collecting 2021 data and will be able to report on the findings by May 2022, but the results so far⁴ indicate that there will be a shortfall against some of the anticipated targets we set in the RF by 2022, the end of the current SF period. This will be especially apparent for the service delivery-related ERs, CSE numbers (high dependency on one or two MAs) and local income generation by MAs. This might be problematic in securing and maintaining donor confidence, especially within a focus on value for money and payment by results.

An outline of the proposed results framework development process for the 2023-2028 Strategic Framework:

Learning from that experience, an altogether different approach is followed for the 2023-2028 SF. This time, the RF is being developed hand-in-hand with the SF. Starting in December 2020, time and space have been provided for adequate consultations, testing of ideas, roundtables and thought showers to shape the vision, mission and priority objectives; along with a realistic, reliable and measurable RF that guides the assessment of performance and programme planning processes. Important considerations for framing indicators were identified to encourage developing a results framework that is solidly grounded. In January 2022, the writing/drafting team worked in sync with the RF developers to ensure integrity. Later in January, IPPF’s DLT reflected on the proposed SF outline alongside recommendations on the RF process.

During the third phase of co-creation of the SF development, extensive, multi-lingual consultations and roundtables are planned in February and March to gather feedback on the proposed Strategy and RF. Surveys, webinars and focus groups will be used by stakeholders to review both drafts. The writing team will work to ensure that indicators included in the proposed draft are consistently measurable, inclusive, and acknowledge IPPF MAs comparative advantages in-country. The key message is *‘less is more’* – have fewer indicators in the RF that we can focus on, to ensure quality

⁴ See Annex B page 26 of IPPF’s Annual Performance Report 2020, for IPPF’S PERFORMANCE DASHBOARD RESULTS, 2016–2020 available at [https://www.ippf.org/sites/default/files/2021-07/Annual Performance Report 2020.pdf](https://www.ippf.org/sites/default/files/2021-07/Annual%20Performance%20Report%202020.pdf)

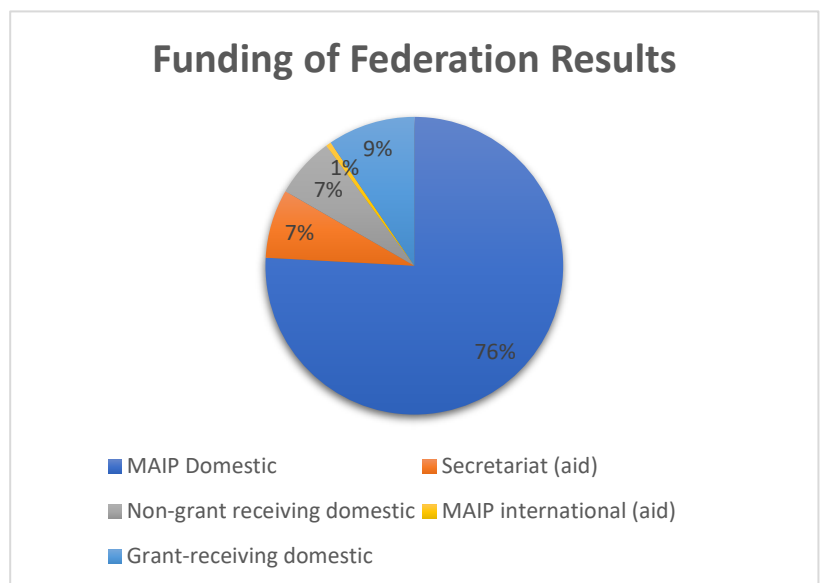
and integrity of data and improve data utilization. Rather than the previous RF’s emphasis on volume and global totals, the new RF will aim to capture the value added by every MA, not merely those with the greatest outputs.

C-SIP will present a close to finalised draft to the IPPF Board at their June 2022 Board Meeting. They will request preliminary sign off before presenting the Strategy and accompanying RFs to the General Assembly for final approval.

IPPF Income

The other side of the strategic delivery ‘coin’, is our income. The strategic results framework depends on the income we receive. Importantly, the results reported in IPPF’s strategy framework are those delivered by all of its members, collaborative partners and the Secretariat, who are funded in different ways including:

- “grant receiving MAs” receive ‘aid’ (core and restricted funds) through the Secretariat and generate income through other means.
- “Non-grant receiving MAs” generate income for their domestic activities
- MAIPs (MAs with International Programmes) also raise resources for international activities – some of which are implement through grant receiving MAs.



The pie chart provides a sense of the relative size of these envelopes. In the past, while reporting on all MAs results, IPPF has not provided financial figures for the domestic part of MAIPs, thus presenting itself like a development INGO rather than a true global federation of national SRHR organisations.

Secretariat generated Income. In 2020, IPPF Secretariat’s income was **US\$ 170m**. Despite the Covid pandemic and the FCDO cuts, we expect to see only a small decline in 2021 (in the tune of 3%) to our overall income.

- The main source of funding through the Secretariat is from around 12 governments that provide (core + restricted) grants coming from their aid budget.
 - These government grants accounted for 88% of our overall funding in 2020 (core+restricted).
 - It is important to note that around 95% of our unrestricted funding (which supports Stream 1-2-3) also comes from these donor governments. They fund the strategy and in this sense our strategy document is a fund-raising tool that will form part of their contracts. It is of critical importance for this group of donors.

MA generated Income. It is important to know that grant receiving MAs also generate income via a range of different sources. This includes activity such as income from client fees, commodity sales, and the provision of training, as well as income from local and national governments and international donors.

In 2020, grant-receiving MAs generated **US\$216m**, down 14% from 2019. Around 2/3 of grant-receiving MAs generated more than half of their income from local sources as opposed to IPPF unrestricted grants. IPPF works closely with MAs as part of a Global Income Generation Strategy to support greater diversity of sources of funding among MAs, and hence greater sustainability.

Non-grant receiving MAs that do not have international programmes are generally quite small, with Germany being the main exception. They generated approx. **US\$150m** in 2020.

Income generated by Member Associations with International Programmes (MAIPs). A number of IPPF MAs not only conduct activities in their own countries but also develop and implement programmes in other countries with high need. Known as MAIPs, they channel donor funds and their own sources of income to support vital work to promote SRHR. IPPF MAs in Australia, Denmark, Finland, Japan, New Zealand, the Netherlands, Norway, Sweden and the USA currently make up the MAIPs group. In 2020, IPPF MAIPs directed over US\$7m to IPPF MAs and an additional US\$6m to other civil society organizations, demonstrating how MAIPs add value to IPPF's global work by broadening the reach of the Federation. This is reported in the above chart as MAIP International (aid).

MAIP Domestic Income accounts for by far the largest share of overall Federation income, at US \$1.725 billion. As noted above, IPPF in the past has not provided financial figures for this income. A significant majority (\$1.64b) is generated by IPPF's US MA.

Why core funding is critical for the implementation of the new strategy?

The Secretariat plays a critical function in income generation for the global Federation, mobilising all unrestricted "core" funding that is allocated to MAs and playing a key role in securing global, regional, and country level restricted contracts.

As we get ready to launch our new six-year Strategic Framework, 2022 is a pivotal year as we have a large number of core funding agreements that are up for renewal to start with the new strategy funding cycle. Having so many renewals in one year is always a risk; especially in the event of an unexpected external shocks that could prevent governments from providing IPPF with the same level of funding. It is therefore a key priority to ensure we develop a Strategy that donors would like to endorse with multi-year commitments.

MA Expenditure By Strategic Framework Outcome Areas

In terms of how (grant-receiving) MAs spend their funds across the four outcomes of the Strategic Framework (SF), MAs are spending the most on **Outcome 3 (Services)**. On average most MAs spend **40-50% of their total budget on services**. However, at larger MAs this share tends to be greater: those MAs in the top budget quartile spent an average of 65% of their budget on services. Overall Outcome 3 accounted for 37% of all MA projects.

The second highest expenditure area is **Outcome 4 (Systems strengthening)**. This Outcome has considerably less total funding at \$31m, despite accounting for 32% of all MA projects, a relatively similar percentage share to Outcome 3. The median share of MA budget spend in this Outcome is 20%.

Outcome 2 (Youth) had an overall expenditure of \$14m, and accounted for 19% of all MA projects. The median share of MA budget spend in this Outcome is 10%.

Outcome 1 (Advocacy) is the Outcome against which MAs spend the **least**, with \$12m invested here accounting for 13% of all MA projects. The median share of MA budgets dedicated to advocacy is 6%. Only 18 MAs undertake international advocacy.

MA's reliance on IPPF Unrestricted Funding

In 2020, a total of 74 per cent of grant-receiving MAs generated more than half of their income from local sources as opposed to IPPF unrestricted grants. But Redstone's analysis has demonstrated the critical importance of IPPF's unrestricted funding as an income source, particularly for smaller MAs. It is not only an issue of dependency, but often the unrestricted funding underpins all actions of the member association.

As expected, smaller MAs are largely more reliant on IPPF core grants:

- 34 IPPF MAs receive over 40% of their income from IPPF's unrestricted stream, and of these 34 MAs the average total annual budget is \$462,000.
- For MAs where IPPF core grants represent less than 40% of their income the average annual budget is US\$3m.

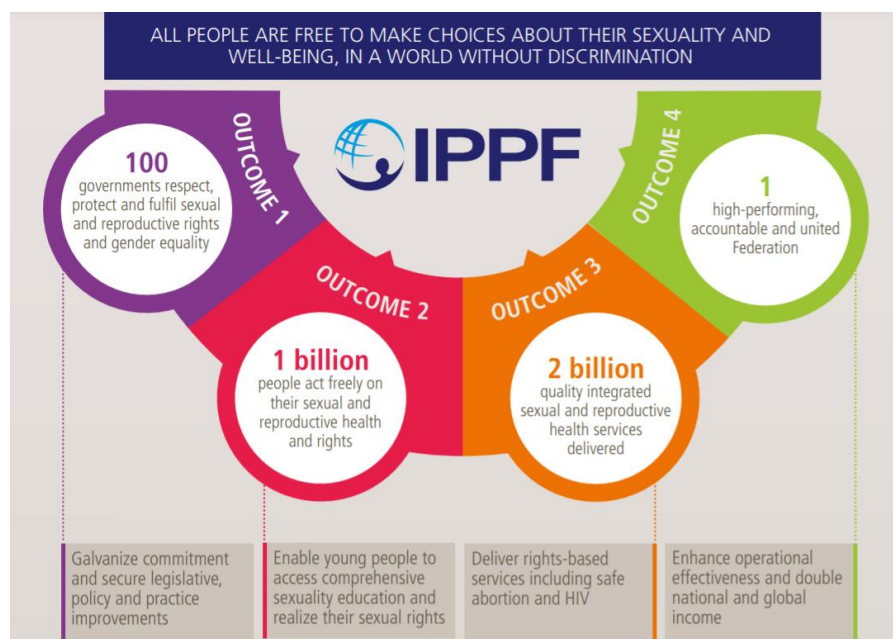
With the recent research commissioned for the development of the new Strategy, we learnt that while IPPF is not the largest global provider of CYP or abortion services, we are **the number 1 provider in 89 countries and the sole provider in 64**. In the current strategy, we allocated large amounts of core grants to large countries with more capacity to deliver, rewarding performance in terms of absolute numbers. But what the data reveals is that more focus should be paid to **countries where IPPF have a large market share or are the only credible CSO provider**.

In parallel, IPPF works closely with MAs as part of a Global Income Generation Strategy to support greater diversity of sources of funding among MAs, and hence greater sustainability.

Conclusion. It is important to understand the results and income frameworks and how they link (or not) to each other and to the strategy. As of now we do not show (or even track) the domestic financing of MAIPs and most non-grant receivers for fear of appearing "too rich" or discouraging donors that are ready to make what might be seen as too small a contribution. As a result we de-link results and income frameworks and present the global Federation much more as a 'development organisation' than we truly are.

Management's recommendation is to present strategy, results and income in a comprehensive and coherent way going forward.

ANNEX 1 Annex: 2016-2022 Strategic Outcomes and Expected Results



ER1	1,000 successful policy initiatives and/or legislative changes in support or defence of SRHR and gender equality to which IPPF advocacy contributed
ER2	70 per cent of countries are on track with their post-2015 targets improving sexual and reproductive rights
ER3	5,000 youth/women's organizations take a public action on SRHR to which IPPF engagement contributed
ER4	500 million young people completed a quality-assured CSE programme (delivered or enabled by Member Association volunteers or staff)
ER5	75% of those who completed CSE increase their SRHR knowledge and their ability to exercise their sexual rights
ER6	1.5 billion people reached with positive SRHR messages in 2022
ER7	1.5 billion SRH services provided
ER8	150 million couple years of protection
ER9	60 million first-time users of modern contraception (2012–2020)
ER10	85% of IPPF's clients would recommend our services
ER11	500 million SRH services enabled
ER12	Income generated by the Secretariat is doubled to US\$232.4 million
ER13	Income generated locally by grant-receiving Member Associations is doubled to US\$522.2 million
ER14	20% of unrestricted funding used to reward Member Associations through a performance-based funding system (by 2019)
ER15	2 million IPPF volunteers
ER16	3 million IPPF activists