



Report on UNHCR's resource mobilization strategy, including private sector fundraising strategy

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I. Introduction

1. The introduction of the Global Needs Assessment (GNA) and corresponding increased budget in 2010 required a shift in UNHCR's resource mobilization strategy. Previously, the Office had developed its yearly plans based on anticipated funding. Since then, efforts have shifted towards fund raising for the comprehensive needs of persons of concern. The Office now aims to reach and sustain, over time, a level of contributions that covers the basic needs of persons of concern that UNHCR has planned to meet under the GNA budget.

2. While the basic premise of the Office's fundraising strategy has changed, the fundamental approach it has been taking towards achieving the goal of full funding has remained. In other words, the organization still bases its fundraising strategy on maintaining and increasing support from traditional donors, broadening the donor base, increasing contributions from decentralized funding mechanisms and development sources and expanding support from the private sector. Nevertheless, the manner of reaching these goals has been altered bringing new synergies and successful outcomes.

3. This is not to say that the challenges have disappeared and the path to success is clear. On the contrary, new approaches and revised strategies have brought some of the same dilemmas the Office has faced in the past, i.e. limited available funding and demands for more tailored and specific reporting. New challenges have also arisen, such as the need for integrated and longer-term commitment and planning. This paper describes the five main pillars of UNHCR's fundraising strategy and notes some of the shifts and challenges the Office has faced in the past two years.

II. Maintaining and increasing support from traditional donors

4. In 2010, UNHCR received 89 per cent of its funding from its traditional government partners¹ with 10 donors contributing 75 per cent of all voluntary contributions.

5. This is a testament to the strength of the Office's established partnerships with these donors but it is also a challenge to have to rely on a relatively narrow donor base. Some of the impact of this challenge was felt in 2010 and 2011 as the global economic crisis resulted in a few of the Office's traditional donors having less funding available. Thus far, through increased support from other major donors and fundraising efforts that will be described below, UNHCR has managed to weather the effects of the economic downturn. However, renewed and intensified fundraising efforts will remain necessary.

6. Faced with ever-growing humanitarian needs around the world, UNHCR can not afford to become complacent. UNHCR acknowledges the need for improvements in managing and providing information on its operations, and making progress towards reaching targets, successes and critical needs. The Office is therefore working closely with traditional donors to see how best to address their requirements for reporting on the impact of its work and the effects of funding shortfalls. Significant progress has been made in these areas, such as the development of the *Global Focus* external portal which, by the end of 2011, will allow Executive Committee members to access detailed information on key operations, as well as an improved set of Global Strategic Priorities for the 2012-2013 biennium, based on lessons learned from the implementation of UNHCR's results-based management tools during 2010 and 2011.

¹ The European Commission is included as a traditional government partner for the purposes of this paper.

III. Broadening the donor base

7. Increased efforts to expand UNHCR's donor base have begun to bear fruit and synergies, particularly between the public and private fundraising sectors, are being realized. After several years of targeted efforts, through building trust and familiarity, coupled with a commitment of resources, UNHCR has fostered partnerships with several Gulf countries. Recognizing the potential in the region and the need for new strategies, UNHCR has established a public/private sector fundraising agreement focused on specific operations, bringing together the strengths of both teams to build new relationships in the region. This will be used as a model to be adapted as appropriate and applied in other targeted regions.

8. In addition, UNHCR has had some success in broadening its funding base in both Asia and Latin America. All of these results were achieved through targeted strategies, effective public information campaigns and the commitment of time and resources in order to foster new relationships and build upon existing ones. These successes will provide a basis to help expand donor relationships in the coming years.

IV. Increasing contributions from decentralized funding mechanisms

9. The increase in the number of pooled and decentralized funding mechanisms over the past few years has demanded a realignment of how UNHCR operates in terms of resource mobilization, both in the Field and at Headquarters. UNHCR has taken various steps to strengthen inter-agency coordination and mainstream this into its *modus operandi* at all levels around the world. Part of this process has focused on decentralized funding mechanisms, which, by definition, are accessed through processes at field level. This requires trained staff with the experience and skills to coordinate, plan and develop proposals and reports within the inter-agency system, as well as a strong support structure at Headquarters to offer guidance and technical assistance.

10. UNHCR has managed to steadily increase the amount of funding received from decentralized funding mechanisms. In 2006, UNHCR received \$52 million from these sources which had increased to \$78 million by 2010. Nonetheless, the Office recognizes the need to do more. Steps that have been taken include regional training of field-based staff on fund raising in general, with an emphasis on accessing decentralized funds, and the creation of a Humanitarian Financing and Field Support Unit at Headquarters.

V. Engaging and working with development actors

11. Another area in which UNHCR has been expanding its relationships is the development arena. For a number of years, UNHCR has been discussing and developing an integrated approach to solutions for protracted displacement. The result is the Transitional Solutions Initiative (TSI) that UNDP and UNHCR launched in late 2010. Recognizing both the humanitarian and development challenges that true durable solutions entail, this approach is aimed at engaging development actors. In addition, the search for solutions has created synergies between the public and private sectors. By working with UNDP and other multilateral institutions, notably the World Bank, UNHCR has been able to include solutions for refugees and displaced persons on the development agenda of a few pilot countries, and resources have begun to follow.

VI. Expanding support from the private sector

12. Since 2007, UNHCR has systematically invested in and developed its private sector fundraising effort. Current indications, in particular the surpassing of income targets, show that with increased investment, UNHCR can achieve increased returns. The strategy remains focused on developing sustainable net private sector income, but it has also evolved under the Global Needs Assessment methodology and through increased cooperation and coordination, particularly in expanding the donor base, strengthening work with national associations and the TSI, as described above.

13. As UNHCR's private sector fundraising service has grown, so have its priorities. Individual giving remains the primary funding driver for the sector. However, this has now expanded to include thematic fundraising, emergency fundraising and the development of a leadership giving strategy, some of which are already generating funds. Sustained investment and commitment, supported by an integrated approach to public information and communication, are the foundations of the private sector approach and will remain so for the foreseeable future.

VII. Conclusion

14. This paper provides a brief outline of some of the major facets of UNHCR's resource mobilization strategy and recent adaptations. However, this does not imply that there is one immutable strategy that will remain static for many years, nor that the strategy could be separated from the organization's ongoing efforts to respond better and become more impact- and results-focused. On the contrary, while UNHCR's resource mobilization strategy is built upon multiple mutually reinforcing elements, these continue to evolve and new ones are added in light of the changing environment in which UNHCR operates. Success requires the continued commitment and cooperation of all staff of the organization to maintain the support and confidence of the donors, both present and future.
