



# Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

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**Structured dialogue on financing**

## **Structured Dialogue on Financing the Results of the UN-Women Strategic Plan 2018–2021**

### *Summary*

In accordance with UN-Women Executive Board decisions on the structured dialogue on financing, the most recent being 2020/7, this report supports an ongoing dialogue on financing the results of the UN-Women Strategic Plan 2018–2021, with the overall objective that the Executive Board-endorsed integrated budgets are fully financed in support of the comprehensive implementation of the Strategic Plan 2018–2021.

This report takes into account previous recommendations to improve the quality of structured dialogues and reflects harmonized approaches to dialogues and Funding Compact reporting among UNDP, UNFPA, UNICEF and UN-Women, including the potential impacts of COVID-19 on financing for development.

In 2020 UN-Women total revenue from all sources increased by 7 per cent to \$563.9 million. Regular resources increased by 15.9 per cent to \$165.8 million and other resources increased by 4.4 per cent to \$373.2 million with the remaining funding received as assessed contributions and other revenue. Regular and other resources contributions in 2020 represent the highest ever recorded for UN-Women. The regular resources shortfall against the 2020 integrated budget narrowed to \$34.2 million compared to \$57 million in 2019, while other resources surpassed integrated budget projections for a second year in a row.

Elements of a draft decision for consideration by the Executive Board are included in section VI of this report.



## I. Introduction

1. UN-Women's raison d'être is to propel action to achieve gender equality and empower all women and girls. This mandate is operationalized through the Strategic Plan 2018–2021. The "Report of the Under-Secretary-General/Executive Director of the United Nations Entity for Gender Equality and the Empowerment of Women on progress made on the Strategic Plan 2018–2021" outlines the Entity's contributions in 2020 to tangible changes in women's and girls' lives, with improved scale, impact and results captured and reported across 95 countries and territories and good performance achieved on 83 per cent of all assessable Strategic Plan indicators.

2. Mandate-driven achievements would not be possible without committed partnerships and results-oriented investments. To enable this, UN-Women and its Executive Board hold structured dialogues to consider the financing of UN-Women's Strategic Plan, in line with General Assembly resolution 71/243. This interactive platform facilitates dedicated and transparent conversations on UN-Women's financing situation, including challenges faced, towards improving the conditions and behaviours required to secure adequate levels of flexible and predictable resources.

3. Executive Board decisions 2016/4, 2017/7, 2018/5, 2019/11 and 2020/7 underpin structured dialogues, recognizing the importance of: (a) the alignment of resources to Strategic Plan results (in support of the Sustainable Development Goals and in the context of the UN Sustainable Development Cooperation Frameworks); (b) continued efforts towards improved efficiency, effectiveness, transparency and accountability; and (c) increased predictability and flexibility of regular and other resources, including through multi-year contributions.

4. In 2020, 171 partners provided contribution revenue of \$548.6 million, up from \$511 million in 2019, and the highest level yet recorded. This is the second consecutive year in which UN-Women contribution revenue exceeded the \$500 million mark. Growth in total revenue between 2019 and 2020 of 7 per cent follows on the heels of an increase of 30 per cent between 2018 and 2019 that resulted from a significant increase in other resource funding, in particular from the European Commission for the Spotlight Initiative to end violence against women. In 2020 growth is attributed to a \$15.8 million increase in other resources and a \$22.8 million increase in regular resources.

### COVID-19

5. Structured funding dialogues are particularly important in the current period, as UN development system entities and Member States navigate a less certain financial environment due to the COVID-19 global pandemic. The socio-economic impacts of COVID-19 have been devastating, setting back development progress, with the global economy experiencing the largest recession in 90 years and the most vulnerable segments of society – particularly women and girls – disproportionately affected.<sup>1</sup> Evidence of increased reported violence against women and girls, contractions in economic activity and increased burdens of care affecting women and women's decreased voice and visibility in decision-making spaces cause serious concern.

6. UN-Women reprogramed \$105 million to respond to COVID-19 in 2020, with \$14 million from regular resources. Tapping into flexible resources was a critical enabler of UN-Women's response, which rapidly focused on both informed, immediate relief and longer-term solutions, drawing on the Entity's specialised

<sup>1</sup> United Nations, Inter-agency Task Force on *Financing for Development, Financing for Sustainable Development Report 2021* (New York: United Nations, 2021), available from: [https://developmentfinance.un.org/sites/developmentfinance.un.org/files/FSDR\\_2021.pdf](https://developmentfinance.un.org/sites/developmentfinance.un.org/files/FSDR_2021.pdf).

knowledge and expertise in delivering strategic support through its 88 field offices. As the pandemic continues to impact the development financing environment and global efforts to achieve sustainable development outcomes, it is critical that Member States and the UN system scale up partnerships for inclusive global recovery, with targeted investments in gender equality and women's empowerment.

### ***Funding compact***

7. The vision of the Funding Compact ([A/74/73/Add.1](#)) between Member States and the UN development system is to guide funding behaviour in the direction required to achieve the Sustainable Development Goals by 2030, with the UN playing a central role in global responses to global challenges. To place UN development work on a more secure financial footing, the compact recognizes that improvements in the quantity and quality of funding is required. Under the compact, Member States and the UN development system share responsibility for commitments to match funding quantity and quality with UN entity requirements, accelerate results through collaboration, improve transparency, and better communicate results and make them accessible.

8. These commitments shape UN-Women structured financing dialogues with its Executive Board. Financing gender equality and women's empowerment outcomes is central to the achievement the Sustainable Development Goals. The UN-Women Executive Board-endorsed 2020–2021 biennium budget of \$970 million supports global efforts to achieve the goals by 2030 and deliver concrete progress for billions of women and girls worldwide.

9. Two years into Funding Compact implementation, UN-Women is meeting all assessable indicator targets across the eight commitments that require entity-specific reporting, as outlined in Annex A to this report.

### ***Interagency harmonization***

10. UNDP, UNFPA UNICEF, and UN-Women continue to work together closely to harmonize approaches to funding dialogues, including through the use of complementary formats and aligned methodologies for better comparability and analysis of funding gaps<sup>2</sup> and in the context of Funding Compact reporting. Joint structured dialogues with the membership of the four agencies' Executive Boards took place in 2020 and 2021. This includes a joint briefing to discuss options to improve the format, content and frequency of funding dialogues, held in January 2020; and a joint dialogue on mitigating the effects of potential decreases in global official development assistance and the impact on implementation of the strategic plan, held in May 2021.

### ***Progress for women and girls***

11. The year 2020 marked several stocktaking milestones, including the 25th anniversary of the Beijing Declaration and Platform for Action, the 20th anniversary of the UN Security Council resolution 1325 and UN-Women's 10th anniversary. In the 25 years since Beijing, some critical areas of progress have been made. More countries have reached gender parity in education, fewer women are dying in childbirth, social protection has been strengthened and in the 10-years since

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<sup>2</sup> Funding gaps (understood as the difference between planned resources and contributions received and planned resources and actual budget expenditures) help gauge compliance with the respective integrated results and resources framework/biennium integrated budget. They can also be considered as the variances between Funding Compact commitment targets and progress to date, in line with the Quadrennial Comprehensive Policy Review of UN system operational activities.

UN-Women's establishment, 131 countries have reformed laws to make them more gender equal.

12. But in many areas progress has stalled, and pervasive challenges, such as conflict, insecurity and inequality, climate change and environmental degradation put gender equality targets in jeopardy, and the emergence of COVID-19 threatens to reverse important gains. Women do three times the unpaid care work of men, hold just one-quarter of parliamentary seats globally and the proportion of women in the labour force has not increase in the last 30 years. Child marriage has only declined from one in four to one in five and an estimated 736 million women, almost one in three, have experienced intimate partner violence and/or non-partner sexual violence at least once in their life.

13. Against this backdrop, and with the hard-won gains for women and girls at stake, UN-Women seeks to strengthen its influence, engagement, partnerships and financial stability as primary corporate priorities. Flexible and predictable funding from our resource partners through regular resources and multi-year funds are critical.

## **II. Resources to Support the UN-Women Strategic Plan 2018–2021.**

14. Investments in UN-Women finance progress for women and girls around the world, in line with five Strategic Plan 2018–2021 outcomes: (1) strengthen implementation of a comprehensive and dynamic set of global norms, policies and standards on gender equality and women's empowerment; (2) women lead, participate in and benefit equally from governance systems; (3) women have income security, decent work and economic autonomy; (4) all women and girls live a life free from all forms of violence; and (5) women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters, conflicts and humanitarian action.

### ***Strategic Plan income projections and contributions received***

15. To enable UN-Women to deliver its mandate the Executive Board endorsed a voluntary contribution revenue target of \$1.85 billion via two biennium integrated budgets covering the periods 2018–2019 and 2020–2021, segmented as \$800 million, or 43 per cent in regular resources (\$200 million per annum), and 1.05 billion or 57 per cent in other resources (\$240 million per annum 2018–2019 and \$285 million per annum 2020–2021).

16. UN-Women receives three sources of contribution revenue: (1) assessed contributions, also known as assessed resources; (2) regular resources, also known as core resources or un-earmarked voluntary contributions; and (3) other resources, also known as non-core resources or earmarked voluntary contributions. In addition, "other revenue" is generated from investment income, exchange transactions and other sources.

17. In 2020, total revenue from all sources reached \$563.9 million, an increase of 7 per cent compared to 2019 and of 68.5 per cent since 2016. Thanks to the generosity of resource partners, revenue growth took place in during the unprecedented COVID-19 global pandemic. Total revenue comprised \$9.7 million in assessed resources; \$165.8 million in regular resources; \$373.2 million in other resources and \$15.5 million in other revenue. It is UN-Women's belief that this reflected increased trust in UN-Women's ability to contribute to results in a particularly difficult year.

Table I  
**UN-Women revenue, 2016–2020**  
(millions of United States dollars)

	2016	2017	2018	2019	2020
Assessed resources	7.6	8.3	8.0	10.2	9.7
Regular resources	141.7	146.4	149.0	143.0	165.8
Other resources	178.1	214.2	235.3	357.5	373.2
Other revenue	7.2	9.3	12.4	16.9	15.3
<b>Total revenue</b>	<b>334.6</b>	<b>378.3</b>	<b>404.7</b>	<b>527.4</b>	<b>563.9</b>
Annual growth (percentage)		+13 per cent	+7 per cent	+30 per cent	+7 per cent

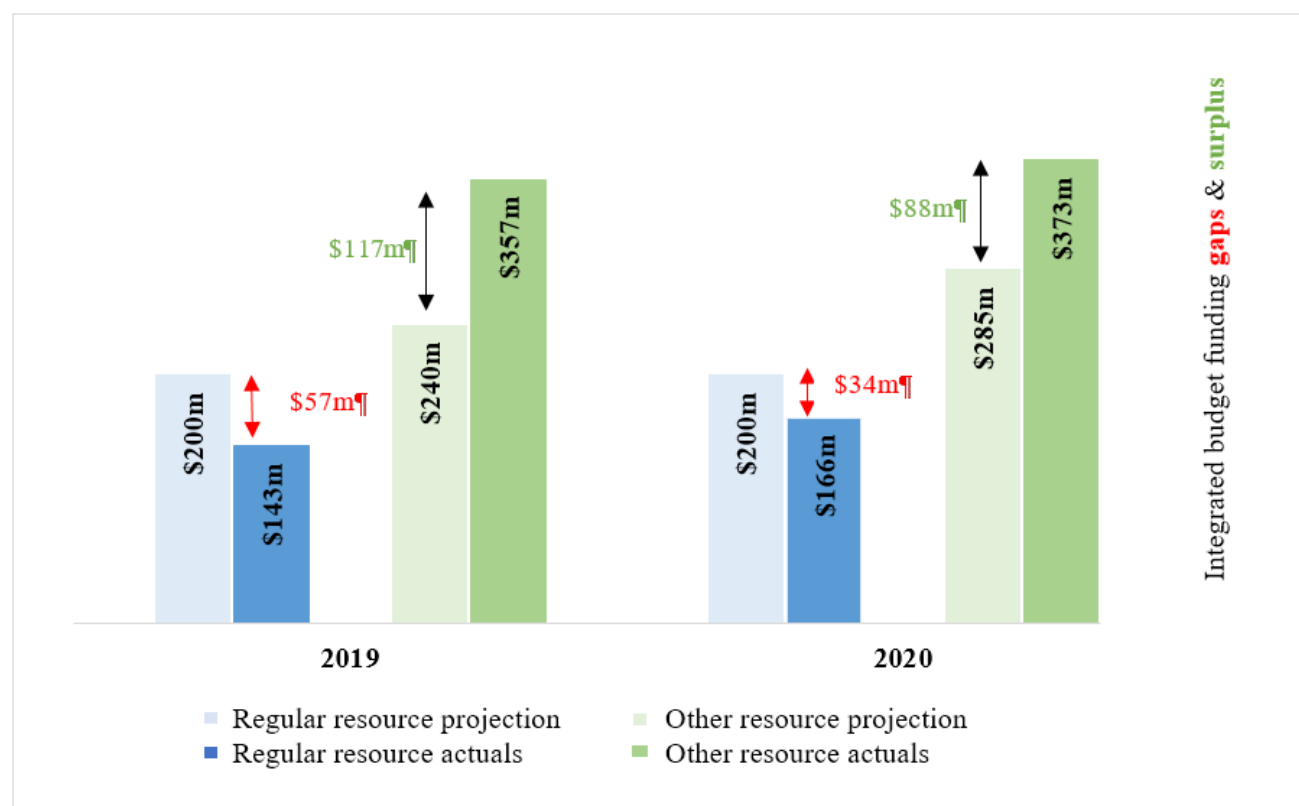
*Note:* Numbers may not add up due to rounding.

18. Assessed contributions are generated through appropriations from Member States and are allocated to UN-Women from the UN regular budget, as approved by the General Assembly. From 2012 to 2019 UN-Women received the lowest amount of assessed contributions of all receiving entities; in 2019 this was equivalent to 0.07 per cent of system-wide assessed contributions. In 2020, the \$9.7 million received was equivalent to 1.7 per cent of the entity's total revenue.

19. Regular resources (unearmarked voluntary contributions that can be spent flexibly) underpin a range of essential institutional functions, including leadership and representation, independent assurance, strategic and programme direction setting and implementation, operations and fiduciary duties, corporate communications, resource mobilization, external relations and corporate security. They are the bedrock of UN-Women's gender equality and women's empowerment work worldwide. They are particularly important for UN-Women's normative and coordination functions, which depend on flexible resources and are not always appropriately funded by individual donors or small groups of donors. While regular resources fell short of the \$200 million integrated budget projection by \$34.2 million, the \$165.8 million mobilized is the highest amount recorded by the Entity to date and, therefore, represents a significant milestone. This increase of 22.8 million over 2019 is primarily the result of significant increases in contributions from the Governments of Denmark, Finland, Germany, Norway and Sweden. It is of note that regular resource increases from the Governments of Germany, Italy, Luxembourg and Sweden specifically referenced commitment to UN-Women's mandate and COVID-19 response.

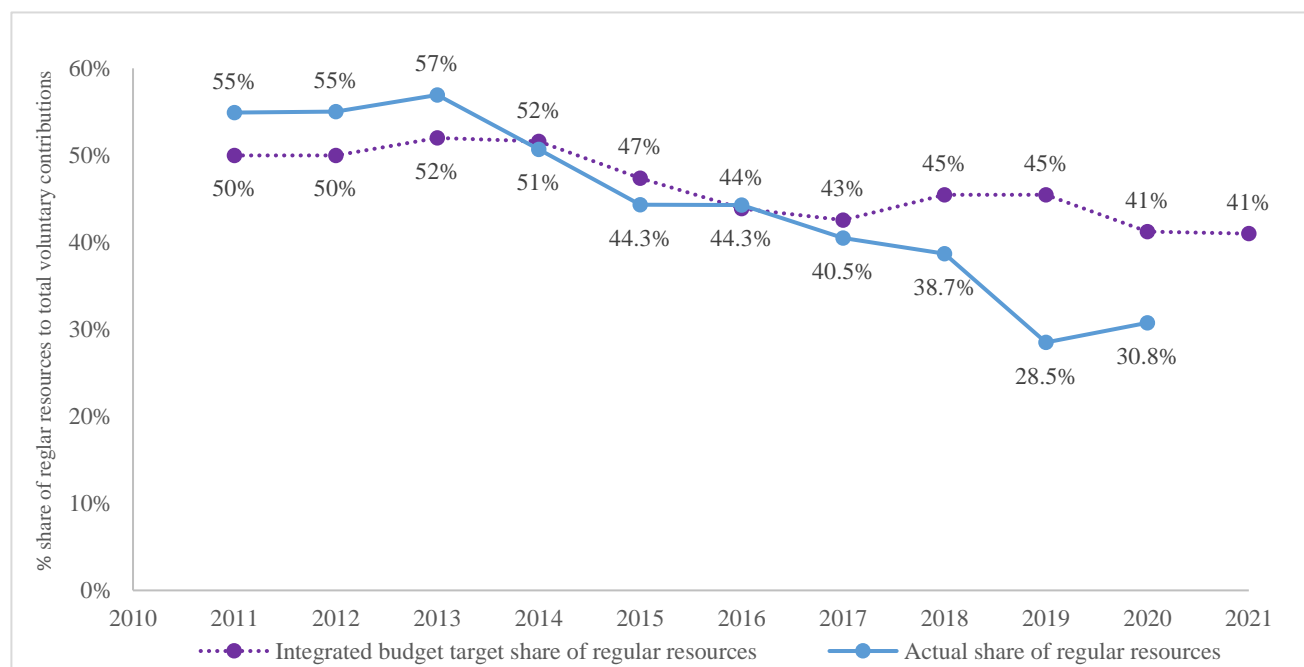
20. Other resources (earmarked voluntary contributions) complement regular resources by supporting the achievement of programme results and allowing the scale up of programme interventions from the foundations enabled by regular resources as well as the expansion and replication of best programme practices and capacity development in countries. The mobilization of \$373.2 million in other resources surpassed the integrated budget projection of \$285 million by 88.2 million, with the European Commission (including funding received for the Spotlight Initiative) the top donor in 2020.

Figure I  
**Regular and other resource funding gaps and surplus, biennium 2019–2020**  
 (millions of United States dollars)



21. In 2020, the integrated budget target for the share of revenue received as regular resources was 41 per cent with the remaining 59 per cent to be received as other resources. The actual share of regular resources received was 30.8 per cent, which met the Funding Compact threshold of 30 per cent and was an increase from 28.5 per cent in 2019, but down from the 55 per cent share ten years ago, in 2011, when UN-Women was established.

Figure II  
Target and actual regular resources revenue as a proportion of total voluntary contributions, 2011–2021



22. Current funding patterns of the UN development system have been marked by a decline in core resources compared to overall funding, unpredictability and a rising share of tightly earmarked funds for specific activities. In real terms, regular resources to the UN development system have increased by 23 per cent since 2002 while other resources have increased by 150 per cent.<sup>3</sup> The April 2020 Report of the Secretary-General on implementation of resolution 71/243 noted that, excluding assessed contributions, just 21 per cent of funding for UN entity development activities was received as regular resources.<sup>4</sup> The Funding Compact seeks to redress this trend.

23. While all UN development system entities value regular resources, which are the foundation of institutional action and results, enhance neutrality and fiscal flexibility, and reduce transaction costs and fragmentation, it is UN-Women's position that entity-specific, mandate-driven functions should influence funding practices. UN-Women's specific mandate requires that it carry out normative support and UN system coordination functions that are specifically dependent on regular resources. Given that "functions like the normative, leveraging and convening role of the UN development system are best funded through core contributions" it should be anticipated that "...core funding of the UN development system will need to increase commensurately".<sup>5</sup>

<sup>3</sup> United Nations, Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2019: Funding compact – Report of the Secretary-General, A/74/73/Add.1–E/2019/14/Add.1, 2 April 2019.

<sup>4</sup> United Nations, Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, A/75/79–E/2020/55, April 2020.

<sup>5</sup> United Nations, Papers by the Independent Team of Advisors to the ECOSOC Bureau. *The Future We Want – The UN System We Need*. ECOSOC Dialogue on the longer-term positioning of the United Nations development system.

24. In 2020 alone, in line with its coordination role, UN-Women provided gender parity advice and/or technical assistance to 120 UN entities, departments and offices, and in support of gender-responsive global normative and policy frameworks, UN-Women worked with 118 countries to undertake a 25-year review and appraisal of the Beijing Platform for Action and supported 83 per cent of UN Country Teams to submit CEDAW reports. These are just a few examples of work that was made possible through regular resource contributions.

25. UN-Women's mandate determines an appropriate balance of regular to other resources which differs from other Funds and Programmes since a larger part of that mandate relies on and is primarily delivered using regular resources. Given this, UN-Women estimates that a minimum of 40 per cent of regular resources is necessary for financing to be compatible with its mandate, and further considers 50 per cent to be optimal. An appropriate balance between regular and other resources will be a key determinant of UN-Women's capacity to deliver its normative, coordination and operational mandate in a balanced and mutually reinforcing manner.

26. Imbalances in the share of regular to other resources:

(a) Increases the risk of cross-subsidization of other-resource funded programmes. Programme results depend on robust regular resource funding for expert staff and offices that make UN-Women a global organization equipped to deliver, including at country-level where UN-Women's ability to influence gender-responsive outcomes can be limited by the ability to provide continued senior policy advice funded by regular resources;

(b) Increases dependency on other resources that fund piecemeal interventions that limit UN-Women's ability to carry out the multi-sector, holistic and integrated interventions required to contribute to UN-Women's mandate and hinders longer-term planning for sustainable programming;

(c) Reduces the ability to invest in research and evidence to produce high quality programmes that provide evidence that helps change policies and public opinion;

(d) Limits the organization's flexibility to respond quickly to a changing context, such as COVID-19, and ability to provide seed funding for programme activities in emerging areas of work, particularly in cases of underfunded and emergency needs, making it difficult to reach the most marginalized and those left furthest behind; and

(e) Makes it difficult for the organization to support institutional budget functions that enable leadership, representation, independent assurance, strategic and programme direction, operations and financial controls and management oversight, corporate communications, resource mobilization, external relations, and corporate security, which are required to build a strong organization empowered to contribute to transformational efforts to improve women and girls' lives.

27. UN-Women requests the continued support of its Executive Board, as the Entity works with key government partners to receive a balanced share of regular resources that will enable operationalization of UN-Women's normative support functions, UN system coordination and operational activities.

### ***Resource expenditure and allocation***

28. In 2020, total programme expenditure reached a record high of \$341.4 million, a 5 per cent increase from 2019 and a 34 per cent increase from 2016. Between 2018 and 2020, the largest proportion of resources contributed to Strategic Plan Outcome 5 on women, peace and security and humanitarian response, followed by Outcome 4



on ending violence against women and girls, Outcome 2 on leadership and governance, Outcome 3 on economic empowerment and Outcome 1 on global norms and standards.

Table II

**Other resources and programmable regular resources growth by outcome area of expenditure, 2016–2020**

(millions of United States dollars)

<i>Outcome area</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
Global norms and standards	6.0	2.6	16.3	24.7	26.8
Leadership and governance	39.4	31.5	60.4	60.5	60.3
Economic empowerment	53.7	50.4	42.0	54.0	47.0
Ending violence against women	73.6	78.4	77.5	76.4	101.8
National planning and budgeting <sup>6</sup>	16.9	10.8			
Peace, security and humanitarian	64.4	75.7	89.4	110.5	105.5
Cross-cutting					
<b>Total</b>	<b>254.0</b>	<b>249.42</b>	<b>285.7</b>	<b>326.1</b>	<b>341.4</b>

*Note:* Numbers may not add up due to rounding.

29. In 2020, programme expenditure (other and programmable regular resources) increased in almost all regions. Total regional programme expenditure reached a record high of \$258 million in 2020, an increase of 5 per cent over 2019 and of 38 per cent since 2016, and representing 75.5 per cent of overall programme expenditure.

<sup>6</sup> Gender-responsive budgeting and planning was integrated into the leadership and governance outcome area in the UN-Women strategic plan, 2018–2021.

Figure III  
**Programme expenses by region, 2016–2020**

(millions of United States dollars)

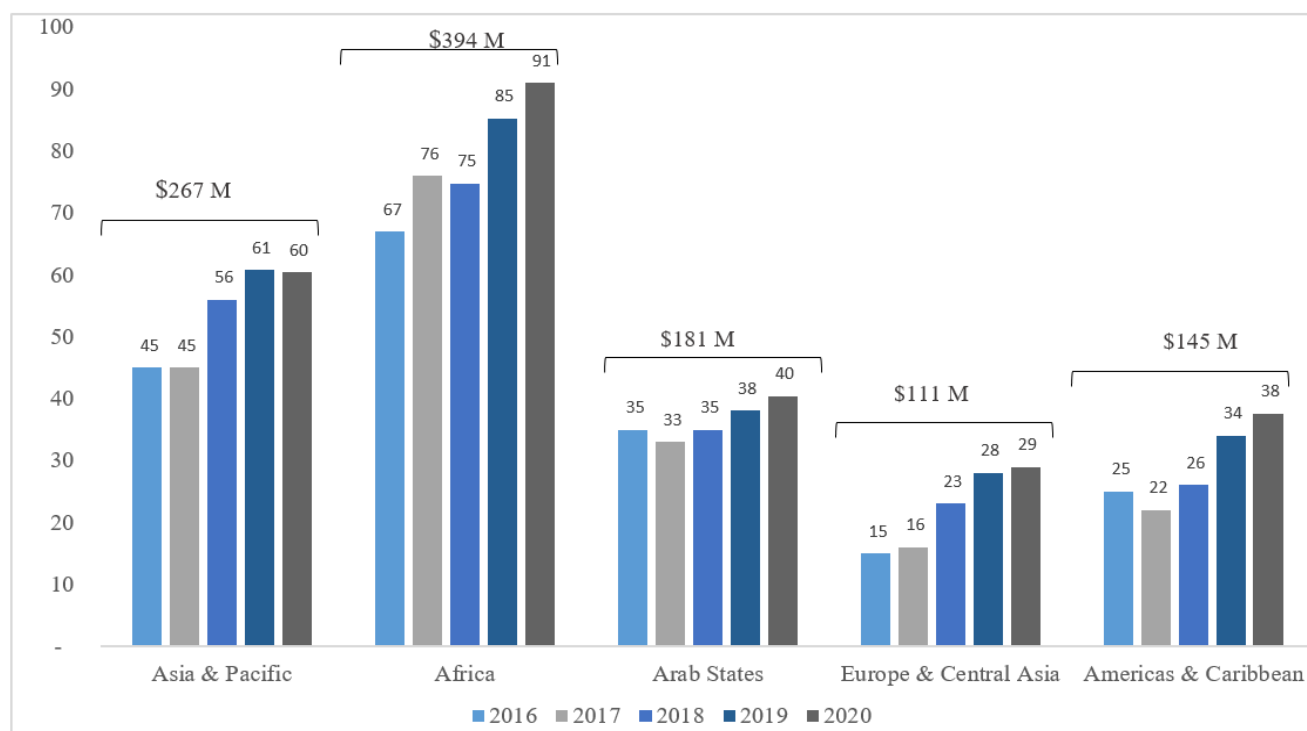


Table III  
**Regional distribution of programme expenses by outcome area, 2020**

(millions of United States dollars)

	<i>Asia Pacific</i>	<i>East &amp; Southern Africa</i>	<i>West &amp; Central Africa</i>	<i>Arab States</i>	<i>Europe &amp; Central Asia</i>	<i>Americas &amp; Caribbean</i>
Peace, security and humanitarian	18.9	11.0	12.3	22.3	6.4	8.1
Ending violence against women	16.4	14.8	10.6	6.9	10.5	11.9
Economic empowerment	13.2	7.6	6.1	5.2	3.8	9.6
Leadership & governance	9.2	16.3	7.4	2.1	8.0	5.8
Global norms and standards	2.8	4.5	0.5	3.9	0.4	2.3

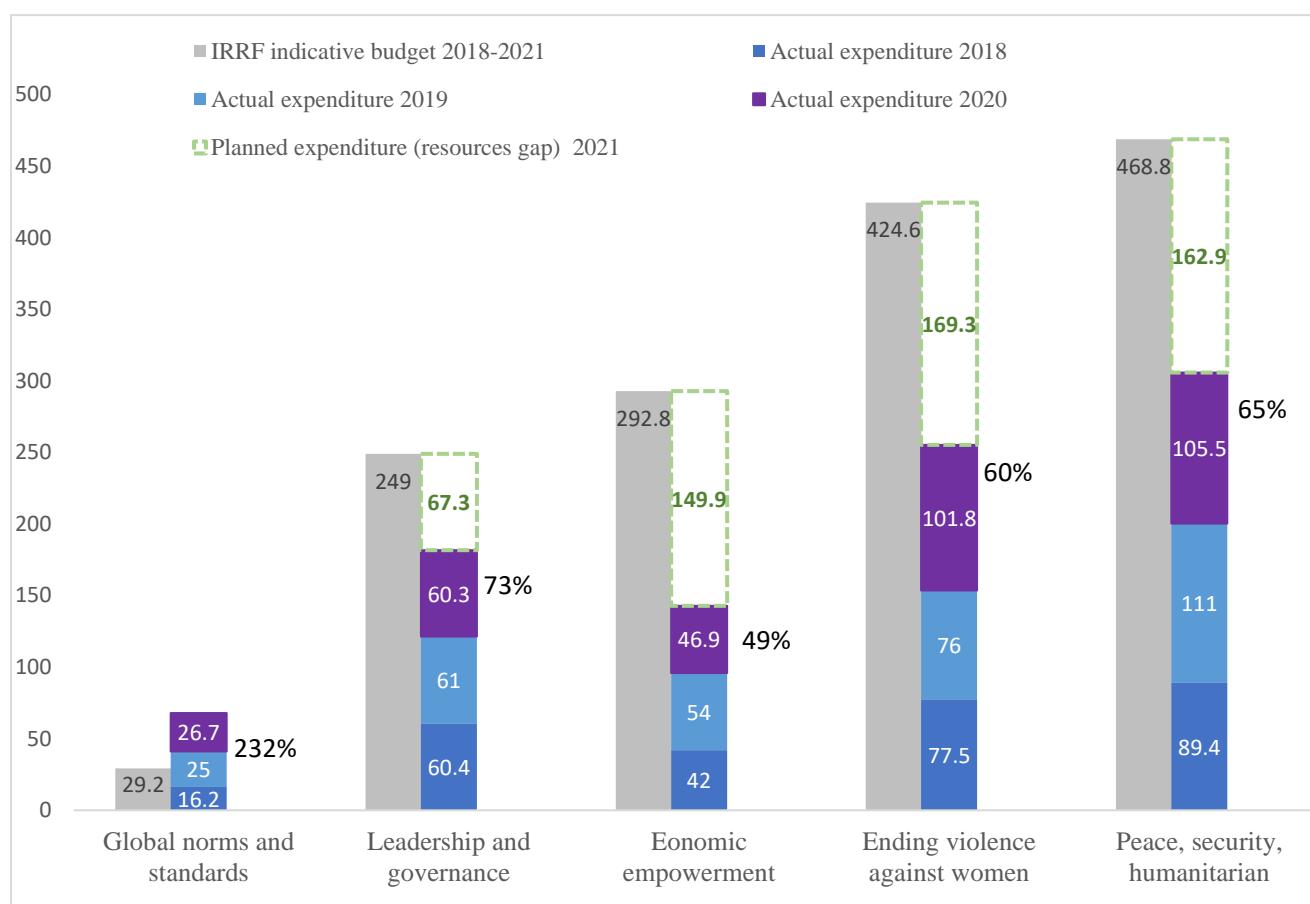
*Note:* Numbers have been rounded.

30. The integrated results and resources framework of the Strategic Plan estimated a resource allocation per outcome area for the four-year period of the Strategic Plan 2018–2021. Actual expenditure by outcome area from 2018–2020 against the four-year indicative allocation is presented in the figure below, along with the planned expenditure (or resource gap) for 2021.

Figure IV

**Planned allocation of resources 2018–2021<sup>7</sup> and expenditure per strategic plan outcome 2018–2020**

(millions of United States dollars)



31. By the end of 2020, expenditure of \$67.9 million on global norms and standards (Outcome 1) had significantly surpassed the four-year estimated expenditure of \$29.2 million due to demand for UN-Women intervention in this area and the cross-cutting nature of this work. In response, the upcoming Strategic Plan 2022–2025 has been refined, with work on global norms and standards no longer a stand-alone outcome area but rather a cross-cutting priority across all UN-Women thematic impact areas.

32. Expenditures in support of leadership and governance (Outcome 2) and peace, security and humanitarian response (Outcome 5) are more closely in line with the planned allocation of resources, while investments in the areas of ending violence against women (Outcome 4) and women's economic empowerment (Outcome 3) are below anticipated investment levels. As of 31 December 2020, planned expenditure in 2021 (or the resource gap) is \$549.4 million. This expenditure analysis highlights the most and least funded programme areas and is a useful touchpoint for UN-Women

<sup>7</sup> The 2018–2021 integrated results and resources framework is the four-year resource projection endorsed by the Executive Board in 2017. The Executive Board endorsed biennium integrated budgets (2018–2019 and 2020–2021) are the two-year resource projections. There is variance between the integrated results and resources framework and the integrated budgets due to the planning period and timing of these documents that took into account income developments and trends at different points in time.

to work with funding partners on required investments to implement the Integrated Results and Resources Framework of the Strategic Plan 2018–2021.

### ***Resources for results***

33. In 2020, UN-Women's leadership and governance work ensured that: 15 national development strategies were gender responsive; 12 government institutions responsible for HIV responses had increased gender-responsive knowledge; 25 new initiatives, including legal and policy reforms, and innovative tools to monitor and mitigate violence against women in politics were developed; and 51,485 women benefitted from legal aid.

34. While women have led COVID-19 responses and the pandemic highlighted the importance of gender-responsive policies and budgets, data collected by UN-Women and UNDP in 2021 shows that women are just 27 per cent of the members of task forces deciding on COVID-19 responses across 137 countries; in 24 countries, task forces have no women members at all.<sup>8</sup> UN-Women can support countries to build back better and equal. For example, with an additional \$8 million UN-Women could have integrated the needs of indigenous and minority women in programming; assisted 20 more national governments to implement gender-responsive plans and budgets, including identifying gender gaps in COVID-19 policy responses; supported the leadership of women living with HIV in national responses; and reached 200,000 more women with legal aid.

35. UN-Women's work on peace, security and humanitarian action provides comprehensive support across the humanitarian-development-peace nexus. In 2020, the partnership with the UN Peacebuilding Support Office led to significant dividends, with UN-Women implementing 51 Peacebuilding Fund-funded projects in 28 countries with total multi-year budgets valued at \$43 million. UN-Women developed the Inter-Agency Standing Committee (IASC) COVID-19 Gender Alert to guide global humanitarian response to the pandemic; monitored adherence to gender commitments in 30 crisis-contexts, and published research on Funding for Gender Equality in Humanitarian Programming. The IASC Gender in Humanitarian Action Evaluation recognized the UN-Women-led Gender Accountability Framework as a success factor and called for better use of UN-Women's mandate within the IASC. UN-Women worked with 50 UN entities to engender the UN Plan of Action on Disaster Risk Reduction progress review. UN-Women worked across the UN system to apply a gender lens to the UN COVID-19 Response & Recovery Fund by setting a 30 per cent financial target for gender focused resources tracked by a gender marker. The Fund's stakeholders believe it provides a replicable model for other funding mechanisms, thereby driving systemic change.

36. With \$15 million, UN-Women could expand sustained gender advisory capacity to UN-led humanitarian efforts from about five to over 30 crisis settings worldwide. With another \$15 million annually, UN-Women could deploy its Women's Resilience to Disasters programme to five additional high-risk countries. An additional \$20 million would enable UN-Women to replicate innovative programming protecting women human rights defenders in the Sahel region and expand joint initiatives on gender-responsive conflict analysis, allowing technical support and deployments, consultations with women on the ground and UN capacity development to inform UN transitions, Peace Building Fund allocations and UN-World Bank funded recovery strategies.

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<sup>8</sup> For more details see UN-Women–UNDP Covid-19 Global Gender Response Tracker: <https://data.undp.org/gendertracker/>.

37. In 2020, UN-Women contributed key achievements on women's income security, decent work, and economic autonomy, despite challenges posed by COVID-19. Capacity development, integrated technical assistance, joint research with partners, and policy implementation in 64 countries led to the adoption of 25 legal, regulatory and policy frameworks on the care economy, 30 on women's land rights and tenure security, 18 on decent work, and 14 gender-responsive macroeconomic frameworks. UN-Women supported 114,243 women to strengthen capacities and skills to participate in the economy, including as entrepreneurs, and opened markets for women by helping 171 government entities, companies, and international organizations in 16 countries develop gender-responsive procurement policies and approaches. Through its flagship programme on climate-resilient agriculture and a joint programme with FAO, IFAD and WFP, UN-Women strengthened the economic empowerment and resilience of over 100,000 women, their communities and environments. UN-Women and the ILO contributed to the COVID-19 response and recovery by developing and applying policy tools on assessing fiscal stimulus packages from a gender perspective and assessing the gendered employment impacts of COVID-19 for a gender-responsive recovery, and supported 22 national gender-responsive impact assessments that informed COVID-19 response plans and strengthened government capacities to implement women's economic empowerment policies in over a dozen countries.

38. With an additional \$20 million, UN-Women could have expanded policy, advisory, and programming support for COVID-19 crisis and recovery to 66 countries, especially to respond to the intensification of women's and girls' unpaid care and domestic work, increased stress on the paid care sector, and women's overall economic insecurity due to job losses and insufficient social and labour protections. UN-Women could have conducted more studies and policy advocacy to support investment in the care economy and leveraged macroeconomic policy levers to strengthen legal and policy frameworks for decent work in 75 countries. UN-Women could have expanded access to financial services, created more opportunities for entrepreneurship and gender-responsive procurement, supported gender-responsive migration policies and services, particularly for care and domestic workers in the informal economy, and scaled up climate-resilient agriculture programming to reach 100,000 more women farmers facing the twin challenges of the pandemic and climate change.

39. In 2020, through interagency and multisectoral approaches to end violence against women and girls (VAWG), UN-Women continued to support Member States to strengthen global normative standards and led system-wide processes in response and prevention. UN-Women drew global attention to the increasing "shadow pandemic" of VAWG during COVID-19. It used global platforms, such as the Secretary-General's report on eliminating VAWG to highlight fallout from COVID-19, and developed policy briefs to accelerate responses by government and non-government groups.

40. However, limited funding constrains UN-Women's ability to: be a thought leader in emerging VAWG areas,<sup>9</sup> undertake deeper analysis of mandated priority areas, and improve policy and programming action (i.e. address the needs of women with disabilities experiencing VAWG during the COVID-19; work with the private sector to prevent VAWG; improve women and girls' safety in cities, and in rural communities, including in the agricultural value chain). With an additional \$12 million per year, UN-Women could address gaps in safe cities and safe public

<sup>9</sup> Such as the humanitarian-development-peace nexus associated with everyday forms of VAWG in all their diversity in humanitarian settings; the use of information and communication technologies to facilitate and end VAWG.

spaces programmes and provide seed support for safe rural community initiatives in three regions. With a further \$12 million, the *RESPECT Women: Preventing Violence against Women* framework and prevention guidance could be rolled out in at least three regions. Moving forward, there is a need to prepare for likely socioeconomic impacts from COVID-19, including lost income and limited government spending on support services and prevention programmes. With an additional \$10 million, UN-Women could deepen and scale up work in 20 countries to improve access to quality essential health, policing and justice and social services.

### III. Flexible and Predictable Investment in Gender Equality

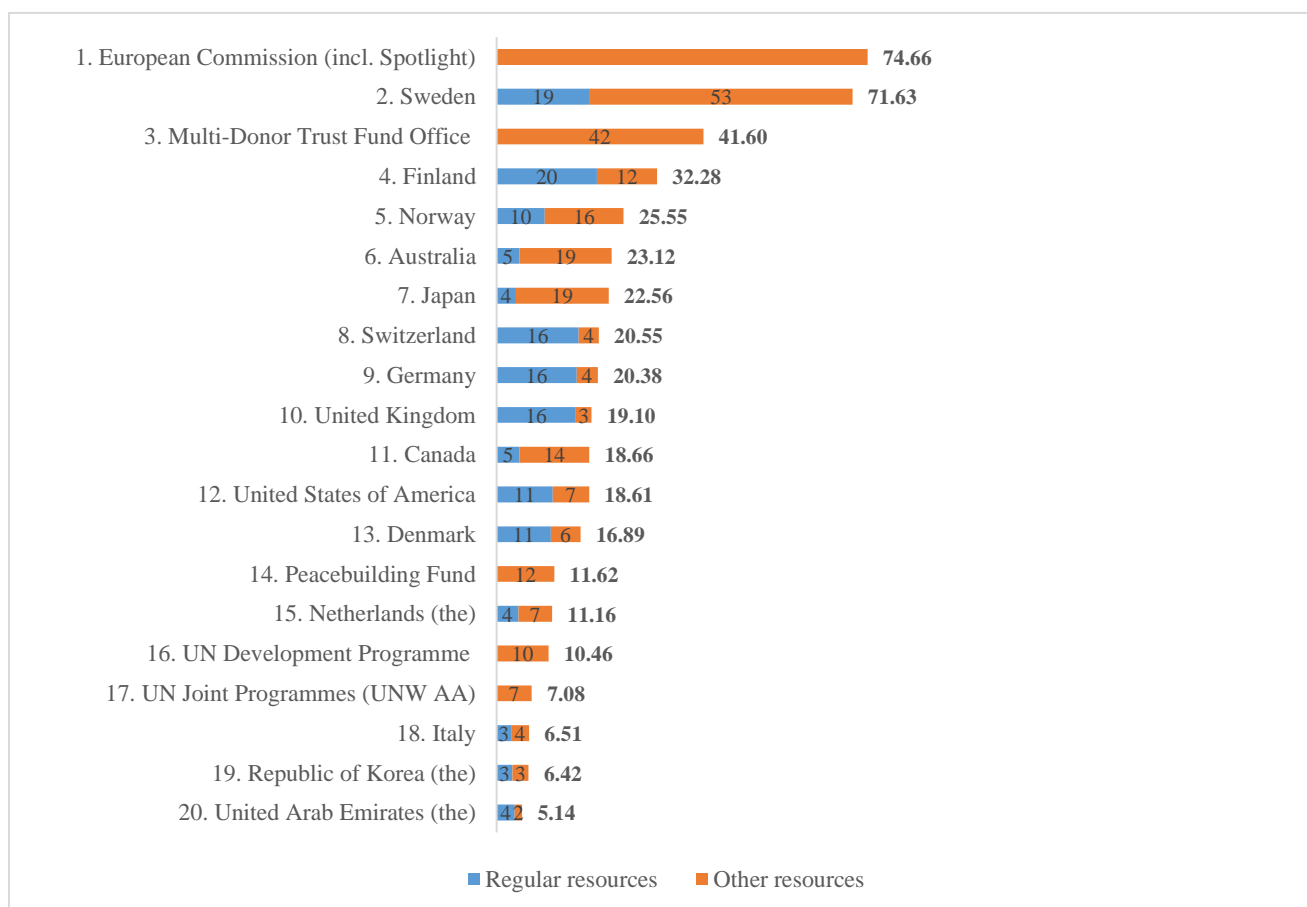
41. Flexible and predictable funding is the best investment that partners can make in the shared pursuit of UN-Women's mandate.

42. The top 20 UN-Women resource partners contributed \$463.9 million or an 84 per cent share of total voluntary contributions. As in 2019, in 2020, the European Commission was the single largest contributor with other resources contributions totalling \$74.6 million. While 16 of UN-Women's top 20 contributors are Member States and the European Commission, the list also includes interagency partners such as the Multi-Partner Trust Fund Office and the Peacebuilding Fund.

Figure V

#### Top 20 resource partners, 2020

(millions of United States dollars)

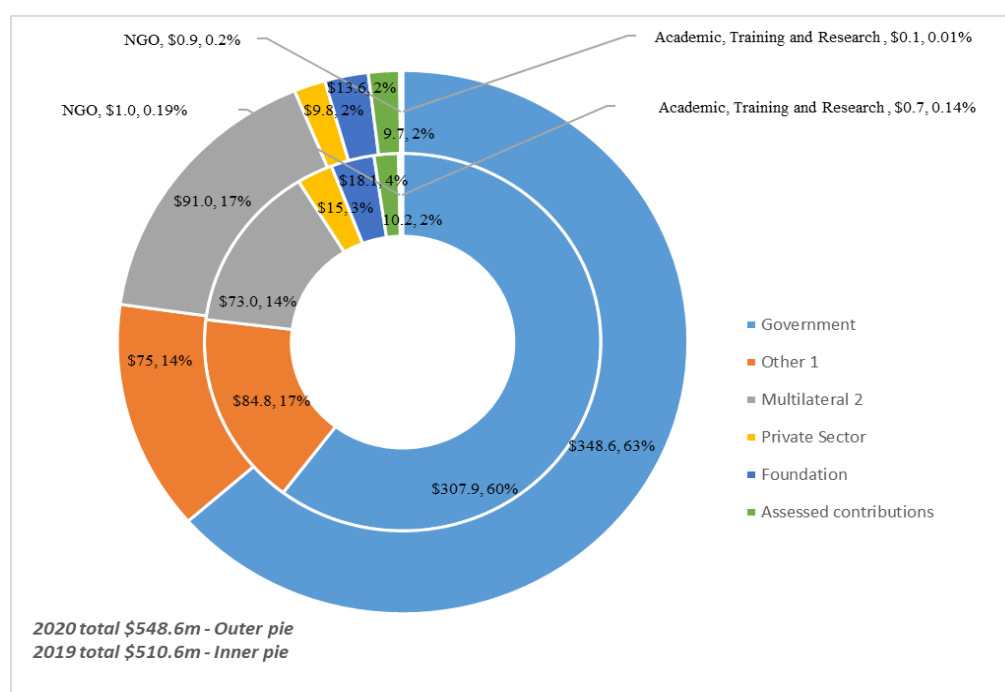


43. In 2020, 171 partners contributed to UN-Women. This decline from 218 in 2019 is largely due to the impact of COVID-19. Nevertheless, Member States, the private sector, UN agencies and National Committees, among others, enabled UN-Women to surpass 2019 revenue levels, demonstrating deeper commitment and support to the Entity and its mandate.

44. Over half (90 of 171) of contributing partners were Member States, with 83 Member States contributing to regular resources.<sup>10</sup> Member States continue to be UN-Women's most reliable and valuable partnership segment; their investments in 2020 accounted for 98 per cent of regular resources, with the remaining 2 per cent, equivalent to \$2.6 million, generated by 12 National Committees.<sup>11</sup>

45. In 2020, 120 donors contributed to other resources; 38 Member States and the European Union/European Commission accounted for 70 per cent (\$260 million) of other resources contributions with 82 other partners, representing a wide-range of donor segments, contributing the remaining 30 per cent (\$113 million). This includes, *inter alia*, multilateral partners<sup>12</sup> that contributed \$91 million in 2020, up from \$73 million in 2019. While UN-Women maintained diverse other resource partnerships in 2020, these contracted in some sectors, most likely due to financial constraints and uncertainty as a result of the COVID-19 crisis. Revenue was down from foundations (\$13.6 million in 2020 down from \$18 million in 2019) and private sector partners (\$9.8 million in 2020 down from \$15 million in 2019) including UN-Women National Committees (\$1.2 million in 2020 down from \$5 million in 2019).

Figure VI  
**Contributions by funding channel, 2019–2020<sup>13</sup>**  
 (millions of United States dollars)



<sup>10</sup> Including 10 Member States that provided in-kind contributions to UN-Women in 2020.

<sup>11</sup> This includes \$38,821 in revenue contributed by "other" miscellaneous donors.

<sup>12</sup> This includes International Financial Institutions, UN organizations and UN inter-agency pooled funds.

<sup>13</sup> In line with UNDG Data Standards, "Other 1" includes contributions from the European Commission and other organizations such as the African Union. "Multilateral 2" includes International Financial Institutions, United Nations organizations and transfers from United Nations inter-agency pooled funds.

### ***Individual giving as a source of regular resources***

46. UN-Women is pursuing engagement across various donor streams to reduce funding concentration, including individual giving, however this has been affected by resource constraints that limit investment. Individual giving is a proven means of generating regular resources in the UN system, as demonstrated by a number of sister entities most notably UNICEF and UNHCR. However donor acquisition requires significant and prolonged investments which remain the main driver of returns. UN-Women continues to seek ways to finance such investment.

47. Once acquired, individual donors have proven to be loyal advocates, reliably contributing regular resources, usually through monthly giving, with many giving for over a decade, even during economic downturns. Given this significant potential and based on benchmarking with other UN system partners, since 2017, UN-Women piloted small-scale investments in National Committees, with a view to acquiring individual donors through telemarketing and face-to-face canvassing.

Table IV  
**Individual giving investment and revenue**

<i>National Committee campaign</i>	<i>Investment</i>	<i>Year 1 revenue</i>	<i>Year 1 return on investment</i>	<i>Estimated year 3 return on investment</i>
Iceland Fundraising TV show	UN-Women: \$200 000	\$240 822	1.2%	3.1%
Sweden Digital marketing and telemarketing	UN-Women: \$39 000	\$26 278	(0.67%)	2.32%
Netherlands Face-to-face and Telemarketing	UN-Women: \$30 000	\$24 687	(0.82%)	2.7%

48. UN-Women appreciates Member States support to UN-Women to further invest in individual giving and urges Executive Board Members to consider providing financial contributions for investment in private sector fundraising and acquisition of new monthly givers.

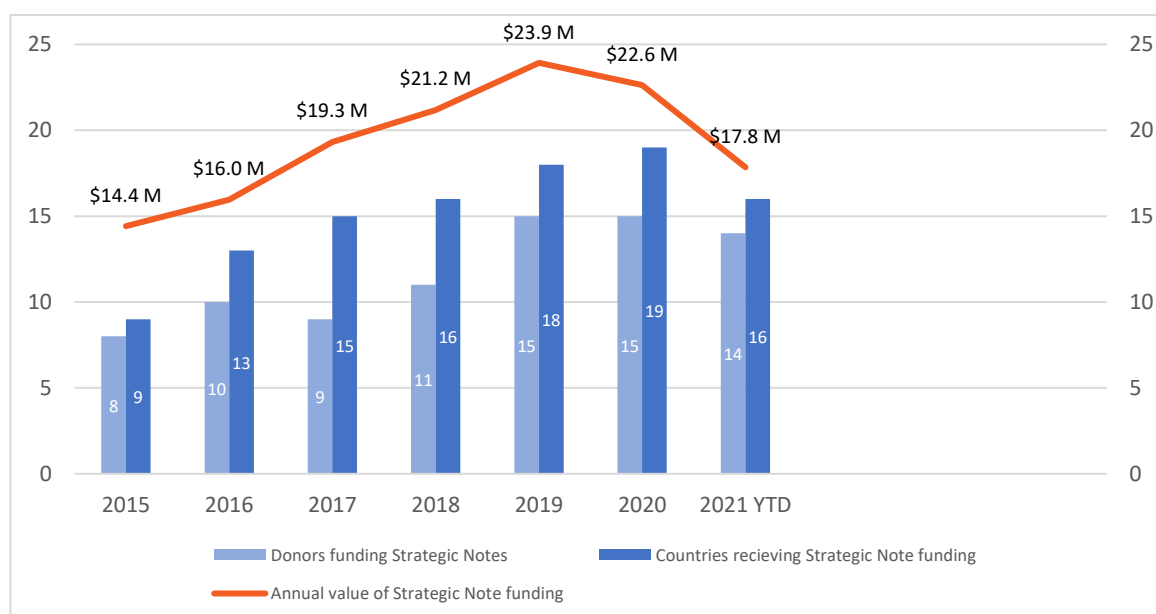
### ***Flexible funding in support of Strategic Plan results***

49. To complement regular resources, high-quality other resources that are loosely earmarked offer greater flexibility to direct funds where they are most needed with greater predictability, allowing more efficient and effective responses; facilitating longer-term planning and sustainability; and generating savings in transaction, management and reporting costs.

50. One proven approach to high-quality other resources is funding for UN-Women country-level Strategic Notes. This offers flexibility through soft-earmarking in support of UN-Women's programmes at country level, aligned to the UN Sustainable Development Cooperation Frameworks and national priorities. While Strategic Note funding has generally increased since 2015, UN-Women believes this instrument remains under used.



Figure VII  
**Strategic Note funding trend, 2015–2021 YTD**  
 (millions of United States dollars)



51. UN-Women Flagship Programme Initiatives (FPIs) are another more flexible funding instrument. The 2020 corporate evaluation of the FPIs is helping to inform the establishment of thematic funds and future programming modalities. It found that the flagship approach was successful in embedding a corporate shift towards consolidated and scalable programmatic approaches, but faced challenges, including in resource mobilization.

52. Thematic funds are an example of high-quality, flexible, other resources that support high-level results at country, regional and global levels. By establishing thematic funds, UN-Women could better enable Member States to fulfil their Funding Compact commitments to increase the proportion of contributions that are flexible and predictable. UN-Women is in the process of establishing thematic funds in line with the draft Strategic Plan 2022–2025, which proposes four thematic impact areas:<sup>14</sup> (1) leadership and governance; (2) economic empowerment; (3) ending violence against women and girls; and (4) women, peace and security and humanitarian action. This draws upon lessons learned from other UN Funds and Programmes and will ensure coherence and synchronicity with other UN-Women mechanisms like the FPIs and country-level Strategic Notes.

### *Multi-year funding agreements*

53. Multi-year commitments improve the predictability of revenue streams and support longer-term programme planning and implementation. They allow programme planning to be strategic, agile and efficient. In 2020, the annual value share of regular resources multi-year commitments was 50 per cent, down slightly from 54 per cent in 2019 but up from 21 per cent in 2016. The share of other resources from multi-year agreements was 56 per cent in 2020, down from 68 per cent in 2019. As of the end of 2020, UN-Women had an estimated \$38 million in future regular

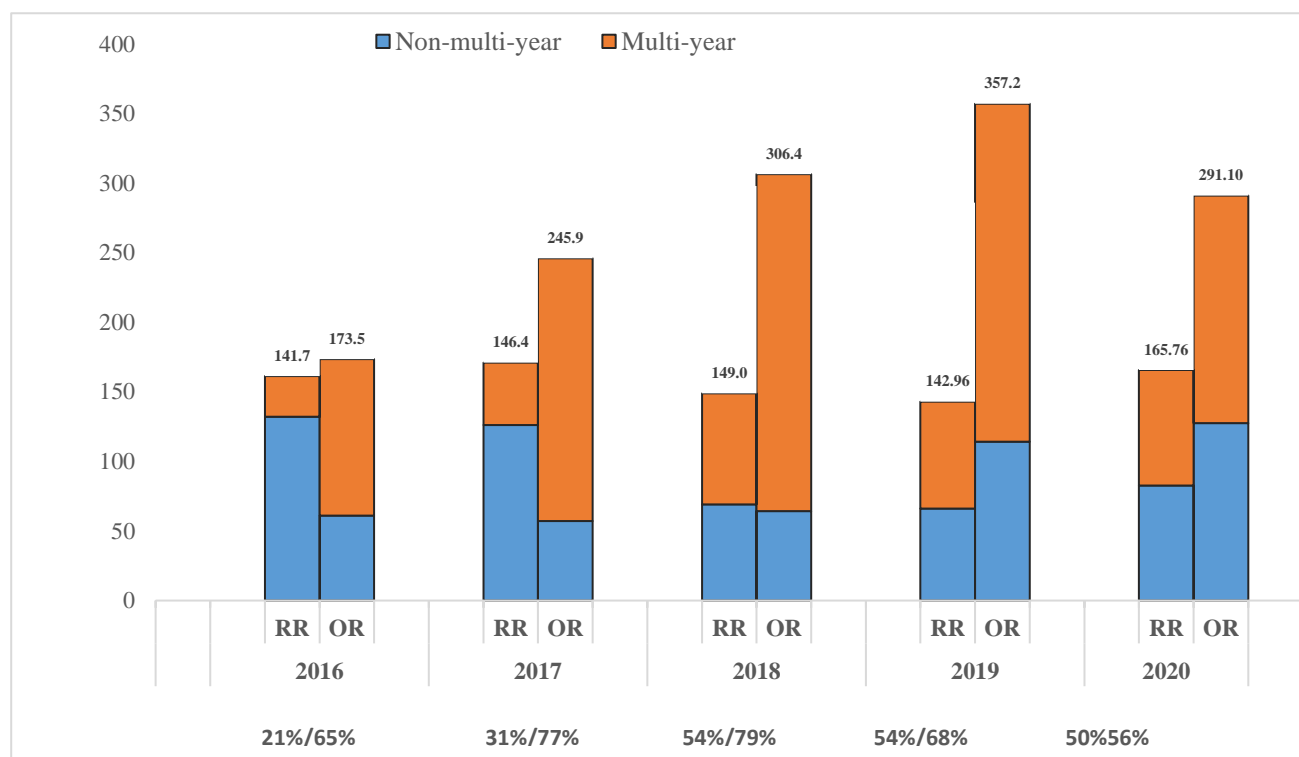
<sup>14</sup> Gender-responsive approaches to climate mitigation and adaptation and technology and innovation will be integrated across the Strategic Plan.

resource revenue based on signed donor agreements and written pledges and \$245 million in other resource future revenue. Of 319 donor agreements signed in 2020, 121 or 38 per cent were multi-year.

Figure VIII

### Proportion of multi-year commitments/agreements by resource type, 2016–2020<sup>15</sup>

(millions of United States dollars)



### Scale of funding investments

54. While the average regular resources commitment value was relatively stable between 2016 and 2019, in 2020 the average value increased to \$1.7 million from \$1.2 million in 2019 and is likely linked to the fewer number of regular resources commitments from funding partners in 2020 due to COVID-19 (96 in 2020 compared to 119 in 2019). The average other resources agreement value fell to below \$1 million dollars for the first time since 2016, coming in at \$0.9 million in 2020, down from \$1.4 million in 2019 with a greater number of agreements made (319 in 2020 compared to 261 in 2019). Given efficiency and effectiveness costs related to managing a higher number of lower value agreements, this trend is concerning. In line with the spirit of the Funding Compact, UN-Women's priority is to increase the size of agreements and volume of multi-year contributions.

<sup>15</sup> Total commitment value for regular resources includes multi-year agreements signed with Member States, as well as pledges, and represents the total contributions received in a given year. For other resources, total value is the amount of an agreement (including pledges, framework arrangements, letters and agreements) in the year in which the agreement was signed. In cases in which an agreement is concluded for an amount in a currency other than United States dollars, the future revenue is calculated based on the United Nations operational rate of exchange of December of the calendar year in which it was concluded.

Table V

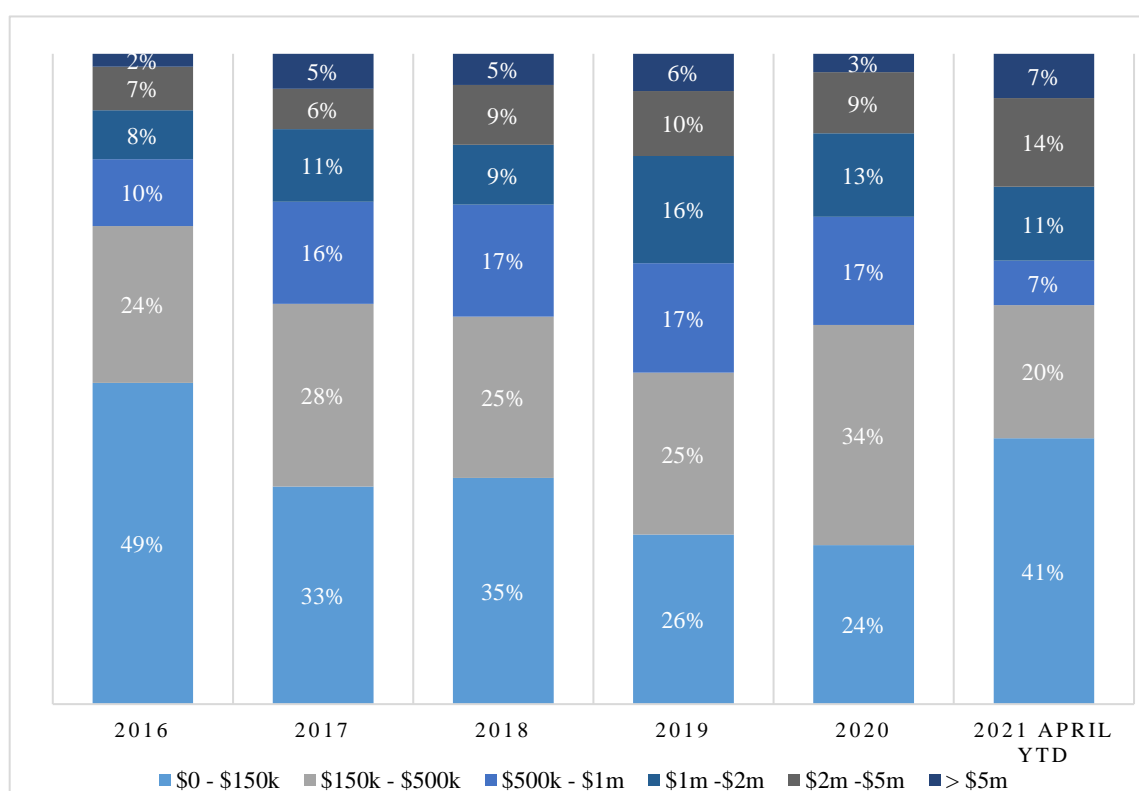
**Average value of regular resources commitments and other resources agreements 2016–2019**

(millions of United States dollars)

		2016	2017	2018	2019	2020
Regular resources	Total commitment value	\$141.6	\$146.4	\$149.0	\$142.9	\$166
	Number of commitments	115	119	115	119	96
	Average commitment value	\$1.2	\$1.2	\$1.3	\$1.2	\$1.7
Other resources	Total agreement value	\$173.5	\$245.9	\$306.4	\$357.2	\$291
	Number of agreements	248	235	250	261	319
	Average agreement value	\$0.7	\$1.0	\$1.23	\$1.4	\$0.9

55. Lower-value agreements have been declining since 2016, from a high of 49 per cent of all agreements in that year to 24 per cent in 2020. After a general upward trajectory in higher-value agreements of \$1 million or more in 2019, the picture in 2020 shows a decline, with just nine agreements of \$5 million or more signed in 2020 compared to 15 in 2019. This is understood to be linked to COVID-19, which led to a reprioritization of programme actions and resource mobilization in response to the pandemic. UN-Women will continue to encourage funding partners to increase the scale of programme investments to improve efficiencies in servicing agreements and managing projects as larger scale investments provide UN-Women and funding partners with economies of scale, allowing, for example, fixed costs to be distributed over a larger programming base in support of higher-level strategic results.

Figure IX

**Proportion of other resource agreements by amount, 2016–April 2021**

*Inter-agency pooled funding*

56. UN inter-agency pooled fund modalities, which include One UN Funds, Trust Funds and joint programmes, are a higher-quality form of other resource funding. Through the Funding Compact, Member States have committed to increase the level of funds channelled through development related inter-agency pooled funds to provide more flexible and predictable resources and respond to Member State demands for UN agencies to achieve common results for agreed programme priorities.<sup>16</sup>

57. UN-Women inter-agency arrangement revenue from UN agencies grew by over 200 per cent over five years, from \$29.8 million in 2016 to \$91 million in 2020. Gender equality remained the most common areas of focus of UN joint programmes. In 2020, 26 per cent of total programme expenditure (\$88.8 of \$341.4 million) was expended on joint programmes, up from 14% in 2019 and exceeding the 20 per cent target in the Strategic Plan. The increase in revenue received through inter-agency arrangements is a result of increased engagement in and development of joint programmes, as well as UN-Women's thought leadership and role in UN system coordination.

58. For example, in 2020, with UN-Women's technical support, some key system-wide financing instruments strengthened focus on gender equality, such as the COVID-19 Multi-Partner Trust Fund, where 65 per cent of funding in the second call went to proposals with gender equality as the principal objective. This is in line with the Secretary-General's 2019 report on mainstreaming a gender perspective into all policies and programmes of the UN system ([E/2019/54](#)) that recommends enhanced financing for gender equality through pooled funding. UN-Women continues to work within the UN system to ensure future joint funding mechanisms consistently apply a gender lens.

Table VI

**Percentage share of inter-agency funding to total contribution income, 2016–2020**

(millions of United States dollars)

	<i>Inter-agency funding</i>	<i>Total contributions</i>	<i>Share of inter-agency funding to total contributions</i>
2016	29.8	327.4	9%
2017	42.1	369.0	11%
2018	50.5	392.3	13%
2019	73	510.6	14%
2020	91	548.6	17%

## IV. The Future We Need: Resources for Gender Equality and Women's Empowerment and the UN-Women Strategic Plan 2022–2025

*UN-Women Strategic Plan 2022–2025*

59. To deliver on its commitments during the first two years of the Strategic Plan 2022–2025, UN-Women has proposed an integrated budget with estimated total

<sup>16</sup> United Nations, Implementation of General Assembly resolution [71/243](#) on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2019: Funding compact – Report of the Secretary-General, [A/74/73/Add.1–E/2019/14/Add.1](#), 2 April 2019.

voluntary contributions of \$1.0 billion for the 2022–2023 period, inclusive of a regular resources target of \$400 million (\$200 million per annum) and other resources target of \$600 million (\$300 million per annum).

60. UN-Women estimates reflect a harmonized approach agreed with UNDP, UNFPA, and UNICEF. The two-year integrated budget is aligned with the four-year Strategic Plan and is accompanied by assessed contributions under the regular budget of the UN. Resource targets were identified based on a review of recent funding trends and an analysis of the likely development funding environment, including uncertainties related to the COVID-19 pandemic.

61. The biennium regular resources target reflects zero growth from the previous four-year strategic plan regular resource projection of \$200 million per year between 2018–2021, and a zero-growth institutional budget. The other resources target of \$300 million per year reflects a cautious approach with a 5 per cent growth target over 2020, which is considered realistic and achievable given that other resources in 2019 and 2020 surpassed the \$300 million mark (\$357 million in 2019 and \$373 million in 2020).

Table VII

**Integrated budget by Strategic Plan Thematic Impact Area, 2022–2023<sup>17</sup>**

<i>Strategic Plan Thematic Impact Area</i>	<i>Share of Integrated Budget</i>
Area 1: Governance & participation in public life	16.6%
Area 2: Economic empowerment & resilience	13.3%
Area 3: Ending violence against women & girls	22.4%
Area 4: Peace, security, humanitarian action & disaster risk reduction	28.2%

***Impact of COVID-19 on the future of gender equality financing***

62. Flexible resources played a pivotal role in UN-Women's ability to deploy immediate support to women and girls in need, with \$105 million (\$14 million in regular resources) reprogrammed in 2020 to respond to COVID-19, as captured in the Report on the UN-Women Global Response to COVID-19. In 2020, \$44 million in new donor agreements for COVID-19 related activities were signed.

63. The pandemic put a spotlight on the complex and interconnected nature of current challenges and the need for effective multilateral support and responses on the road to global recovery. Lockdown measures and disruptions to global trade and supply chains led to the sharpest contraction (an approximate 3.4 per cent decrease) of the global economy since the Great Depression.<sup>18</sup> Alongside this, stimulus measures, valued at 16 trillion globally – with just 1 per cent directed to developing countries – are increasing public debt.<sup>19</sup> Moreover, just 13 per cent of the 2,280 fiscal, social protection and labour market measures taken so far target women's economic security.<sup>20</sup> While official development assistance increased by 3.5 per cent between

<sup>17</sup> Organizational effectiveness and efficiency Outputs 1–5 account for the remaining 19.6% of the budget.

<sup>18</sup> IMF. 2021. *World Economic Outlook Update*, available from: <https://www.imf.org/-/media/Images/IMF/Publications/WEO/2021/January/English/weupdate-jan21-eng.ashx>.

<sup>19</sup> OECD. *COVID-19 spending helped lift foreign aid to an all-time high in 2020 but more effort needed*, available from: <https://www.oecd.org/newsroom/covid-19-spending-helped-to-lift-foreign-aid-to-an-all-time-high-in-2020-but-more-effort-needed.htm>.

<sup>20</sup> UNDP and UN-Women COVID-19 Global Gender Response Tracker, available at: <http://data.undp.org/gendertacker>.

2019–2020, all major income flows to developing countries (trade, remittances, foreign direct investment) declined in 2020.

64. The scenario for development financing in 2021 is difficult to predict, but it will be tied to the economic outlook and priorities of high income countries, and depend on equity in access to vaccines and the easing of pandemic restrictions to support global trade recovery. UNCTAD's *Trade and Development Report 2020*, notes that fair and resilient economic recovery requires the world's advanced economies to lead bold, targeted fiscal expansion. The report calls for increased official development assistance commitments and enhanced multilateral financing mechanisms to build resilience and boost recovery.<sup>21</sup> According to UNCTAD "What is required now is not a submissive retreat into austerity, but a strong collective voice to support sustained and coordinated state-led fiscal expansion around the globe".<sup>22</sup> This is because past austerity policies have been bad for people, particularly women. Rather than generate jobs, provide income support and improve social protection, austerity measures have increased poverty and income and health inequality, undermined human rights and ignited conflict.<sup>23</sup>

65. UN-Women key funding partners have already announced significant cuts to contribution levels in 2021, including of regular resources. At a time when the demands on UN-Women are greater than ever, because women and girls' needs are greater than ever, it is essential that adequate flexible and predictable gender equality investments are made to support an empowering and gender-inclusive recovery.

### **Multipliers of financing for gender equality**

66. UN-Women is working to advance gender equality in major financing decision-making spaces. This includes efforts to influence the approach, financing and programming of international financial institutions, such as partnering with the World Bank on COVID-19 surveys and on collecting global estimates of poverty by sex and working with multilateral development banks to see fiscal stimulus through a gender lens. UN-Women has convened a series of high-level events bringing together finance and gender equality agendas with governments and international financial institutions. Consequently, UN-Women has strengthened its relationships with international financial institutions via memorandums of understanding with the European Bank for Reconstruction and Development and the African Development Bank, with discussions under way with the World Bank and the Inter-American Development Bank, including standard template agreement negotiations.

67. UN-Women is engaging in Financing for Development processes to ensure that the Secretary-General's Build Back Better agenda and Multi-Partner Trust Fund integrates gender equality priorities. UN-Women is advocating for national fiscal stimulus packages, recovery frameworks and strategies to apply a gender lens in their design and for greater investment in gender-responsive budgeting globally to ensure that fiscal policies advance gender equality in short and long-term recovery, with critical data collected and monitored through the UN-Women–UNDP COVID-19 Global Gender Response Tracker.

<sup>21</sup> UNCTAD. 2020. *Trade and Development Report 2020 – From Global Pandemic to Prosperity for All: Avoiding Another Lost Decade*. Geneva: United Nations Conference on Trade and Development.

<sup>22</sup> UNCTAD. 2021. *Bold public spending only way to recover better from COVID-19*, available from: <https://unctad.org/news/bold-public-spending-only-way-recover-better-from-covid-19>.

<sup>23</sup> Ortiz, I. and Cummins, M. 2021. *Global Austerity Alert – Looming Budget Cuts in 2021–25 and Alternative Pathways*. Working Paper for Initiative for Policy Dialogue, International Confederation of Trade Unions, Public Services International, Arab Watch Coalition, The Bretton Woods Project, Third World Network.

68. Work has also been launched on innovative financing to identify new instruments, such as gender bonds, and to explore the use of gender markers in Green and SDG Bonds and on multilateral loans, that can scale-up and sustain investments needed to advance gender equality. UN-Women will engage in developing the frameworks and standards needed to make financing for gender equality accessible, transparent and impactful.

69. Through Action Coalitions, UN-Women is contributing to the Generation Equality process by supporting multi-stakeholder partnerships with government, civil society and the private sector to catalyze collective action; deliver concrete results for women and girls and drive increased public and private investment, with financing as one of the key cross-cutting issues being addressed in order to deliver tangible results.

## V. Conclusion

70. UN-Women is grateful to its funding partners for their strategic and impact-oriented contributions in 2020 that enabled results for women and girls. The Entity recognizes the efforts that funding partners made throughout 2020, in a difficult context, to make contributions early in the year, advocate to prevent funding cuts, and in some cases scale up the volume of regular resources in support of UN-Women's mandate.

71. The increase in official development assistance in 2020 demonstrated the international communities' overall commitment to multilateralism. On the heels of this positive trend and in the face of uncertainties in the development funding landscape, in 2021 and beyond UN-Women intends to work closely with its major funding partners to address the current and longer-term impacts of COVID-19 on resources for gender equality and women's empowerment. In particular, UN-Women seeks support for the balanced resourcing of the Entity's triple mandate, taking into account the need for an effective ratio of regular to other resources in order to enable UN-Women to effectively carry out normative support functions, UN system coordination and operational activities in a mutually reinforcing way.

## VI. Elements of a Decision

72. The Executive Board may wish to:

(a) *Take note* of the *Structured Dialogue on Financing the Results of the UN-Women Strategic Plan, 2018–2021*(UNW/2021/8);

(b) *Emphasize* the importance of sufficient flexible and predictable funding, including through multi-year commitments and payments made early in the year to enable UN-Women to fulfil its mandate;

(c) *Note* the importance Member State commitments to the Funding Compact, particularly with regard to regular, flexible and multi-year commitments and encourage Member States to support UN-Women to diversify donor streams, including through individual giving;

(d) *Recognize* the disproportionate socio-economic impact of the COVID-19 pandemic on women and girls and encourage Member States in a position to do so, to make targeted investments in gender equality and women's empowerment through voluntary contributions to UN-Women, strengthening UN-Women's regular resources and flexible pooled interagency funding mechanisms in line with the Funding Compact; and

(e) *Encourage* Member States to increase voluntary contributions, in particular regular resources, mindful of the serious impact of insufficient funding on UN-Women's ability to fully implement the Strategic Plan 2018–2021.

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