



6 March 2023

Sarah Champion, MP
Chair, International Development Committee
House of Commons, London, SW1A 0AA

Dear Sarah,

Thank you for your letter of 14 December 2022 inviting UNFPA, the United Nations Population Fund, to respond about the impact of the Foreign, Commonwealth and Development Office (FCDO) funding cuts to UNFPA programmes. We welcome the IDC's leadership on this issue and the opportunity to contribute.

UNFPA values our long-standing collaboration with the FCDO, the UK's global leadership on sexual and reproductive health and rights (SRHR) and its commitment to achieving the Sustainable Development Goals.

In this response we will provide a brief overview of UNFPA's mandate and its funding instruments, outline the UK's contributions to UNFPA as a leading donor (and topline results achieved), provide a broad assessment of the impact of recent Official Development Assistance (ODA) cuts, and outline mitigating action taken. Please note that figures provided for 2022 are interim and subject to change, as UNFPA's 2022 accounts are still being finalised.

UNFPA's Mandate & Key Funding Instruments

UNFPA is the UN's sexual and reproductive health agency with a mission to ensure that every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled. We support women, girls and youth in more than 150 countries – encompassing more than 80% of the world's population. Our programmes aim to achieve the "three zeros" by 2030 – zero unmet need for family planning, zero preventable maternal deaths, and zero gender-based violence (GBV) and harmful practices.

In 2022, UNFPA:

- helped 1.4 million women deliver babies safely through UNFPA-assisted facilities
- provided 2 million women, girls and youth with GBV prevention and response services
- distributed half a million Dignity Kits to women and girls in 42 countries
- reached 22 million women, girls and young people with sexual and reproductive health services

UNFPA is a voluntary-funded organisation – we rely on support from government donors and other partners, including the private sector. Funding for UNFPA's work covers **core and non-core contributions**. Non-core, or earmarked resources, are provided through several funding instruments, including the UNFPA Supplies Partnership, UNFPA Humanitarian Action, the UNFPA-UNICEF global programmes to end child marriage and eliminate female genital mutilation (FGM), and other thematic, regional, multi-country and country-specific initiatives.

- [Core](#): essential funding for UNFPA (and other UN agencies) to deliver its mandate. Core funding supports all programmes and enables UNFPA to act flexibly and efficiently to respond to crises and to reach the world's most vulnerable and marginalised people
- [UNFPA Supplies Partnership](#): the flagship UN programme for family planning. This programme is the world's largest procurer of donated contraceptives (covering approximately 40% of the global market) and also provides life-saving maternal health medicines for developing countries
- [UNFPA Humanitarian Action](#): in 2022 the number of forcibly displaced people surpassed 100 million for the first time – the majority of whom are women and children facing threats to their health, rights, safety and dignity. UNFPA is on the ground providing humanitarian aid in more than 60 countries
- [UNFPA-UNICEF Joint Programme on the Elimination of Female Genital Mutilation](#) (FGM): this is the largest global programme harnessing the latest social science research to prevent FGM, operating across 17 countries
- Other thematic & country programmes include the Maternal Health Thematic Fund, the Population and Data fund, and bilateral contributions to various initiatives.

The UK's role as a Key Donor to UNFPA

The UK has consistently been among the top donors to UNFPA. The UK's commitment to SRHR and its support for programmes tackling harmful practices, such as FGM, are aligned with UNFPA's mandate. Furthermore, as the lead UN agency to end gender-based violence in emergency and humanitarian settings, UNFPA values the UK's focus on putting women and girls at the centre of international development and humanitarian action.

For a decade (2010-2020), the UK contributed £20 million annually to UNFPA core funding. In 2020, prior to the ODA reduction from 0.7% to 0.5% GNI, the UK was UNFPA's 7th largest donor to core funding.

From 2013 to 2020 the UK was the biggest donor to the UNFPA Supplies Partnership. This programme, considered a global public good, is estimated to have prevented 89 million unintended pregnancies, 254,000 maternal deaths and 1.6 million child deaths between 2008 and 2020. The UK's contributions have helped UNFPA reach people in many of the world's lowest-income countries, where maternal death rates are high, modern contraceptive use is low and economic indicators demonstrate a pressing need. Between 2018-2021, key results achieved with UK funding include:

- 7.1 million unintended pregnancies averted

- 2.1 million unsafe abortions averted
- Nearly 20,000 maternal deaths averted
- 91,800 girls saved from female genital mutilation (FGM)
- Prevention/protection services for child, early and forced marriage for 909,300 girls

UK Funding Reductions to UNFPA from 2021

We note that at the 18 October 2022 IDC session, the FCDO confirmed the following reductions in their contributions to UNFPA in 2021:

- A reduction from £144 million to c.£19 million to the UNFPA Supplies Partnership
- A reduction from £20 million to £8 million to UNFPA core funding

In November 2019 the UK pledged £425 million from 2020-2025 to the UNFPA Supplies Partnership, split into two agreements – the first of which, for £65 million, was disbursed for 2020. The UK signed the second agreement in October 2020 to provide a further £360 million through 2025, of which £144 million was expected to be received in 2021. The UK provided the UNFPA Supplies Partnership with £19.8 million in 2021 and £60 million in May 2022. Therefore there is currently a £64 million deficit out of the UK's £144 million commitment, due to have been disbursed by March 2022, as per the agreement.

The fall in UK contributions to core funding from £20 million in 2020 to £8 million in 2021 represented a 60% cut. This took the UK's proportional share of UNFPA core from 6.3% in 2020 to 2.7% in 2021, dropping the UK's ranking from 7th to 11th largest donor to core. In 2022 the UK maintained an £8 million contribution to core funds.

While there are no set annual contributions to humanitarian funding from the UK, in 2022 the UK was one of the top four bilateral donors to this area, with approx. £24.5 million (\$29 million). This included £9 million to Afghanistan, £4.4 million to Ukraine and £3 million to Somalia. We would like to caution that the final 2022 accounts are still being tallied. Given the fluctuation in contributions to Humanitarian funding (partly determined by the nature of crises that emerge), it is difficult to accurately measure cuts, but UNFPA's appeals typically are around 40 per cent funded, and humanitarian needs continue to increase.

In 2021 the UK also cut numerous existing bilateral agreements totalling \$42 million. The affected country programmes were Afghanistan, Malawi, Nigeria and Pakistan, among others, including a £6.5 million cut to the Nigeria programme alone. The affected Pakistan programme focussed on family planning and improving maternal health, whilst cuts to the Syria programme affected essential sexual and reproductive services (including mobile medical teams and childbirth delivery points), dignity kits, capacity building and training. In addition, UNFPA incurred retroactive net revenue reduction of \$42 million for 2021 to reflect contributions committed but not received.

However, some funding has since been restored, including a recent contribution of £1.6 million for Nigeria. In the case of multi-year agreements such as the Supplies Partnership, the UK could still meet its overall funding commitments over the next few years. Additionally, we would like to

note that UNFPA's annual accounts follow the calendar year, while the FCDO's accounts follow the UK fiscal year.

Impact of UK funding Cuts to UNFPA

Given the UK's place historically as one of UNFPA's largest overall donors, the ODA cuts from 2021 have affected our global efforts. As UNFPA Executive Director Natalia Kanem explained at the time the cuts were announced: "The truth is that when funding stops, women and girls suffer, especially the poor, those living in remote, underserved communities and those living through humanitarian crises."

It is difficult to quantify the impact of cuts to core resources or pooled funds, such as joint programmes, where donors' contributions are combined to deliver on shared sets of results. However, the UK pledge of £425 million to UNFPA Supplies for 2020-2025 had the potential to avert an estimated 47 million unintended pregnancies, 813,000 maternal and child deaths, and 14.4 million unsafe abortions. While several donors stepped in and made multi-year commitments for the next phase of the programme, enabling future planning, this was still insufficient to meet all programmatic needs. In 2021 the Partnership reduced its spending by 30% to reflect the new funding reality and to protect the long-term sustainability of the programme. Budget and spending reductions were made across all funding streams, affecting commodity supply, technical assistance, human resources and management.

For the IDC's background, c.75% of the UK's funding contributions to the UNFPA Supplies Partnership goes towards purchasing reproductive health commodities (including contraceptives and essential maternal health medicines). The remaining 25% goes towards technical assistance to strengthen supply chains, encourage SRHR policy reform, diversify financing and expand the range of contraceptive choices in UNFPA Supplies programme countries. Funding cuts on the scale of 2021 levels affect the programme's ability to fully achieve its goal of ensuring that everyone, particularly those furthest behind, can access to quality reproductive health supplies, contraceptives and maternal medicines.

Funding cuts to core undermine UNFPA's ability (as well as that of other multilateral organisations) to effectively plan and manage programmes. Core funds enable us to operate in more than 150 countries, maintain solid management and oversight systems and to procure bulk supplies at low costs - all of which are key to delivering value for money.

The broader impact of cuts to programmes and the cessation of discussions for funding certain thematic or country programmes created a high degree of uncertainty that negatively impacted results and planning. This has inevitably jeopardised progress and has left more women and girls without basic services and medical supplies intended to save or transform their lives.

How UNFPA is mitigating UK ODA cuts

UNFPA is continuously working to mitigate the impact of fluctuations in donors' contributions over time, due to changing political and financial circumstances, as well as from foreign currency

exchange rate volatility. We are broadening and diversifying our donor base, including from the private sector. We have made progress in securing new funding streams, leveraging approaches for innovative financing and individual giving, and made efficiency improvements so funds have the greatest possible impact.

In 2021 UNFPA was able to mitigate UK cuts to the Supplies Partnership through a combination of increased donor pledges and programmatic adjustments. An alliance of government, foundations and private donors ensured we could continue supporting more than 50 low-income countries in overcoming challenges to reproductive health access. The UNFPA Supplies Partnership is continuing to work with partners to secure new and innovative funding streams. The Partnership has also launched several financing schemes that aim to support countries to transition away from reliance on donor funding for family planning in the longer term.

Funding cuts necessitate difficult decisions on priorities and affect the ability to fully implement programmes on the ground. In the current climate of rising humanitarian crises – including in Ukraine, Yemen, Afghanistan, Türkiye and Syria – UNFPA relies on the support of donors to provide life-saving services and supplies to affected populations. UNFPA launched its biggest humanitarian appeal ever, for \$1.2 billion in 2023, to respond to these crises.

Conclusion

UNFPA recognizes the challenges faced by donor governments from the COVID-19 pandemic, the ensuing economic uncertainty and the turmoil caused by the war in Ukraine. But the needs of women and girls have only intensified from these crises.

The UK is a longstanding partner of UNFPA and remains a key political ally in both promoting SRHR globally, and in supporting UNFPA's work to meet the three zeroes by 2030. Investing in and prioritising the rights of women, girls and young people to health, safety and dignity is essential to achieve the SDGs. In this Decade of Action on the Sustainable Development Goals, and amid increased inequalities from the COVID-19 pandemic and the climate crisis, UNFPA is working hard to deliver the promises made to women and girls in the International Conference on Population and Development (ICPD) Programme of Action, including through the "ICPD30" campaign celebrating 30 years of ICPD and aiming to reduce polarisation on issues such as SRHR, bodily autonomy and comprehensive sexual education.

UNFPA values our partnership with the UK, and believes that the UK's leadership working across the humanitarian–development–peace continuum is needed now more than ever.

Yours sincerely,



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