Chapter I: IUCN Today

Congress Decision 147: 20-year strategic vision

November 2023



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1. Introduction

The International Union for Conservation of Nature and Natural Resources (IUCN) is a global union of more than 1,400 Members from over 170 countries. The IUCN membership includes national and subnational governments, international and national nongovernmental organisations (NGO), and Indigenous Peoples Organisations (IPOs). In addition, more than 15,000 volunteer scientists, lawyers, and other conservation experts from across the globe are organised around seven Commissions, tasked with advancing the Union's knowledge. Both Members and Commissions are served by a Secretariat with internationally deployed staff. The work of the Union is overseen by a Council elected by Members at a quadrennial World Conservation Congress.

The Union was established in 1948, at the end of World War II, when many countries did not yet have dedicated ministries of environment and very few conservation organisations were active. As such, at that time, it is believed that IUCN played an instrumental role in setting up the environmental movement.

This chapter aims to provide an overview of IUCN's work today. It is intended to serve as background, feeding into the development of IUCN's 20-year strategic vision, as mandated by Members through Marseille Congress Decision 147. The chapter looks into the current mission and vision, composition and governance, the programme and existing workstreams including Congress Resolutions, the financial situation and the Union's impact. The chapter concludes with some preliminary reflections on the way ahead.

This Chapter is based on a literature review, drawing on IUCN annual reports and particularly – findings from external reviews and assessments of the Union's finances, governance and programme implementation. It does not strive to cover all topics, nor provide an overview of the history of the organisation. It is intended to serve as a succinct summary of IUCN today.

2. IUCN vision & mission: yesterday and today

IUCN is an enduring institution that has refined its focus over time while staying true to its core focus on environment and society.

IUCN's vision and mission have evolved over the years to respond to the global context. In 1948, IUCN was established as the International Union for the *Protection* of Nature; the evolution to *conservation* came years later. Back then, the Union's mandate was centred around 3 pillars: 1) facilitating cooperation amongst governments, NGOs and international organisations; 2) promoting action locally and globally; and 3) generating and disseminating knowledge.

From the Proceedings of the IUCN Foundation Assembly (1948):

The Union shall encourage and facilitate cooperation between governments and national and international organizations concerned with, and persons interested, the "Protection of Nature".

2 The Union shall promote and recommend national and international action in respect to:

a. The preservation in all parts of the world of wildlife and the natural environment, soil, water, forests, including the preservation of areas, objects and fauna and flora having scientific, historic or aesthetic significance by appropriate legislation such as the establishment of national parks, nature reserves and monuments and wildlife refuges, with special regard to the preservation of species threatened with extinction;

b. The spread of public knowledge about "Protection of Nature";

c. The promotion of an extensive programme of education in the field of "Protection of Nature";

d. The preparation of international draft agreements and a world-wide convention for the "Protection of Nature";

e. Scientific research relating to the "Protection of Nature".

The Union shall collect, analyse, interpret and disseminate information about the "Protection of Nature". It shall distribute to governments and national and international organizations, documents, legislative texts, scientific studies and other information concerning the "Protection of Nature"

Today's mission is to **influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically *sustainable*.** By delivering on this mission, IUCN seeks to achieve its vision of **a just world that values and conserves nature**.

The current vision and mission are broad and ambitious, providing IUCN with flexibility to engage in a wide range of themes.

IUCN´s work as a Union is guided by its quadrennium Programme and Congress Resolutions; and the principles of collaboration amongst the constituencies is grounded on the One Programme Charter.

3. IUCN composition

The democratic character of IUCN provides a unique level playing field for government and NGOs alike. Civil society organisations have a degree of influence not offered in other international organisations. Furthermore, the expert Commissions are core to the scientific and technical leadership of IUCN, particularly in the development and dissemination of conservation knowledge – a key pillar of the Union since its establishment. This composition, capacity and credibility enable IUCN to occupy a strong niche amongst global conservation actors, with its access to global leaders, governments and inter-governmental organisations, a global membership of influential organisations, and a professional network that promotes evidence-based action and shares a willingness to monitor change, share information and innovate.

IUCN's World Conservation Congress (herein 'Congress') is the highest governance organ; it meets every 4 years, attracting thousands of actors active in conservation worldwide. The IUCN Council is the governing body elected by the IUCN Members Assembly and in charge of overseeing the Union's work in-between Congresses. It is comprised of elected individuals from Member organisations and Commission Chairs, chosen by the volunteer members of the respective Commissions. The Congress is also the space where the quadrennium Programme and Resolutions are adopted. There are multiple ways through which Members engage amongst each other and with other constituencies within the Union; one of the statutory mechanisms for this engagement is through Member established Regional and National Member Committees and Regional fora of Members; these forums also provide a space for interaction with regional Commission members and the Secretariat.

IUCN's rules and procedures are prescribed in its Statutes and Regulations, adopted at the time of its establishment, and updated several times since. They also contain the tasks and responsibilities of each governance body.

A summary of each constituency group and its role within the Union is described below.

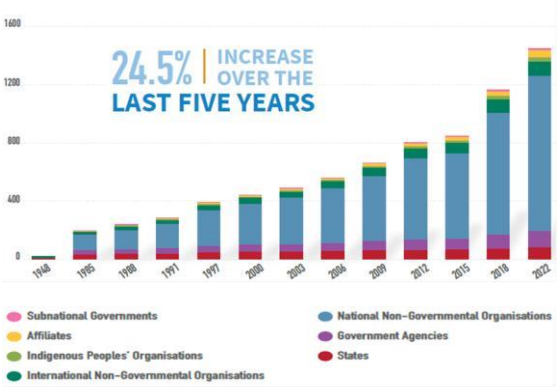
3.1. Members

IUCN Membership has progressively grown over the last 20 years (Figure 1). In the last five years, it increased by more than 24%.

Figure 1: Spread of Membership across statutory regions
Source: IUCN Annual report 2022



Figure 2: Evolution of IUCN´s Membership by category (number of members)



Member organisations are entities independent from IUCN and have their own objectives, governance and funding. The geographical spread of the Membership spans across 170 countries.

During the 2016 Congress, Members formally recognised IPOs as a dedicated constituency group of the Union; and at the 2021 Congress, sub-national governments were also welcomed. These milestones point to the Union's desire to expand.

To date, eight Regional Committees[1] and 66 National Committees have been formally recognised by the Council. Not all states have a national committee; and not all Members in a given state are necessarily part of the Committee. As per the Statutes, Member Committees have the right to a legal personality (currently there are two: France and Netherlands), unlike IUCN Commissions who are not legal entities in and of themselves.

In 2020, the Membership Strategy 2020-2030 was updated and approved by the Council[1]. It highlights:

- *"Stronger involvement of Members in the development of the IUCN programme document*
- *More detailed mapping of IUCN Members´ skills and expertise against Programme priorities* ○ *Contribution of IUCN Members to results or outcomes achieved by the Union (…)"*

A survey carried out during 2017-2020[2] (400 respondents) demonstrated that some of the key benefits for Members relate to knowledge and data access, contribution to conservation, learning and neutral convening platform.

The most recent membership satisfaction survey, conducted in March-April 2023 (262 respondents), similarly demonstrated that some of the key benefits of being a Member include knowledge products (the most useful ones being the IUCN Red List of Threatened Species and the IUCN Red List of Ecosystems), access to a global conservation network, environmental policy work and neutral convening platform. The survey also revealed that 82% of IUCN Members are very satisfied or somewhat satisfied with their membership; many would also like to significantly increase the opportunities to get to know other IUCN Members.

1 Including: i) Eastern and Southern Africa; ii) West and Central Africa; iii) Meso America; iv) South America; v) the Caribbean Region; vi) South and East Asia; vii) West Asia and viii) North Africa.

Both surveys stressed the need to strengthen the provision of capacity-building and advice on policy-related issues. It showed that Members would like to both receive but also, where possible, contribute to capacity building efforts. In addition, the most recent survey demonstrated the need to involve more Members in field projects.

Based on the Membership Strategy, an IUCN Value Proposition for Members was designed. The current value proposition builds on IUCN's history and is grounded on the principles of informing, influencing, and implementing [3] conservation work.

Since 2021, coinciding with the adoption of the IUCN Nature 2030 agenda by IUCN Members, a number of investments have been made to raise the profile of Members' conservation efforts. 2021 saw the launch of the Open Project portal, where information on the Secretariat-managed project portfolio is made publicly available; it also provides information on contribution of Members and donors in the implementation of projects. In 2022, the Contribution for Nature Platform (CfN) was launched, allowing to view contributions made or planned by Members, quantifying their potential impact to global goals for biodiversity

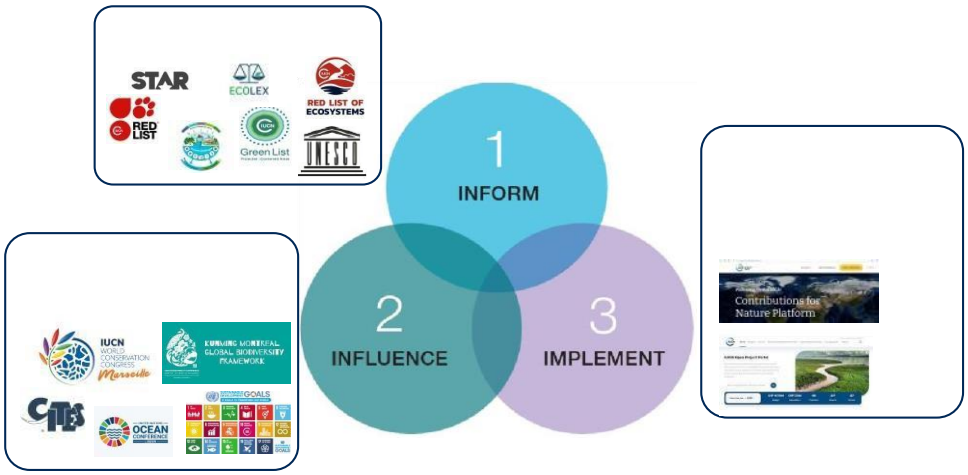
[1] Annex 26 to decision C98/24, 2020

[2] Results included in the above mentioned "Membership Strategy 2020-2030"

[3] IUCN Member Benefits. Inform, influence, implement (2023)

conservation and climate change mitigation. 2023 saw the launch of the IUCN Engage, a digital Member zone enabling constituencies to connect, exchange knowledge and collaborate on conservation issues in a user-friendly manner.

6) World Commission on Protected Areas (WCPA)
7) Climate Crisis Commission (CCC), mandated by the 2021 Congress; CCC is currently in the process of formal establishment.



The membership growth and diversification[4] implies a need to respond to growing demands and expectations of Members. The question remains: how far will the Union grow? Based on what expected impact? These and other questions are addressed further below in this chapter.

3.2. Commissions

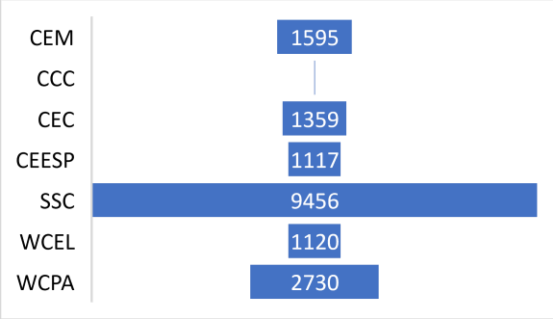
IUCN has a network of more than 15,000 experts organised in seven Commissions, as approved by the Members Assembly.

1) Commission on Ecosystem Management (CEM)
2) Commission on Education and Communications (CEC)
3) Commission on Environmental, Economic and Social Policy (CEESP)
4) Species Survival Commission (SSC)
5) World Commission on Environmental Law (WCEL)

The Commissions are recognised as a constituent structure of the Union. Their work is directed by a Steering Committee, the members of which are approved by the Council. Many also have Specialist Groups, made up of members with shared expertise. Some have thematic groups, such as the Young Professionals Network (CEM) and Nature Education for Sustainability (CEC), and Commissions may partner on specific areas of work (for example CEC- WCPA for the #NatureForAll global initiative). Several of them have regionalised structures to enable action on the ground. These substructures aim to boost participation, engagement, and influence of this global network of experts.

Figure 3: Number of Commission members, Aug. 2023

[4] The typology of "expertise" defined in the Application form includes: agriculture, botanical gardens, business and biodiversity, climate change, economics, ecosystem management, environmental law, forests, gender, governance & rights, Indigenous People and Traditional Communities, marine, coastal and polar, museums, NbS, Policy, Protected Areas, Species management, Water management, World Heritage, Youth, Zoos and aquariums.



IUCN Commissions are "*an important asset, serving a range of knowledge-based functions as they collate, produce, package and share knowledge, develop policy proposals, inform IUCN Programme development […] and introduce new ideas to IUCN*" [5] . The Commissions contribute to the development of tools and knowledge products, as well as technical and policy position statements. They also support international and regional policy processes such as UN Conventions and Conferences of the Parties.

Commissions' work is one of the key sources of science-based approaches, instruments, and policy proposals on conservation generated by the Union. The last External Review of the Commissions[6] dates back to 2004. A 2021 IUCN Monitoring, Evaluation and Learning Analysis recognises that "*the IUCN Commissions represent a valuable source of expertise for structured learning processes; however their engagement is largely project-based*".

The mandate of each Commission is approved by the Congress; and the work plans and reports are approved by the Council on an annual basis (Article 77 of the Statutes). Due to lack of data, it has not been possible to identify the level of participation of Members in the Commissions.

In the case of the Secretariat, joint programmatic work with the Commissions (CEM, SSC, CEC, WPCA for example) is most often manifested through the development of knowledge products and advocacy, such as the Global Standard on Nature-based Solutions (CEM), Green List of Protected and Conserved Areas (WCPA), and the Red List of Threatened Species (SSC) amongst other. However, as pointed out in the External Review of the 20172020 Programme (2020), "*monitoring the work of Commissions remains overall difficult and inconsistent, and as a result, their achievements and contributions are not always integrated nor accounted for at the global Programme level*".

There is also a growing concern about the best way to optimise the work of the astonishing pool of experts and make visible their contribution to conservation.

3.3. Council

The IUCN Congress is the highest governing body of the Union; it elects the IUCN President and Council who oversee the work of the Union in-between Congresses. Both the Members Assembly and the Council are Chaired by the elected President.

In addition to the IUCN Statues and Regulations, the Council's work is governed by a Council Handbook, which is regularly updated in accordance with findings from external reviews and evaluations.

IUCN has made efforts to improve its governance in recent years, evidenced by regular external governance reviews; the most recent ones being in 2015 and in 2019. A range of governance reforms were introduced in response to the 2015 governance review recommendations at Council's 88th meeting. The response and implementation of the recommendations of the 2019 review are underway; this effort is identified as one of the top 5 priorities of the Council for this quadrennium (2021-2025).

[5] IUCN External Review (2015)

[6] In addition to an evaluation of 4 Commissions carried out in 2000.

Based on the External Review of Aspect of IUCN´s Governance (2019), a number of areas of improvement were identified:

- Council: composition, councillors' skills, performance and strategic thinking;
- Professionalisation of strategic monitoring and evaluation of IUCN´s impacts;
- Commissions governance, leadership and accountability in performance requirements;
- Relationship, i.e. fragmentation within the governance bodies (Council, management, standing committees, Commissions, Secretariat and Regional Committees).
- Analysis of the membership model best adapted to IUCN's strategy and strategic changes in the future.

According to the analysis of the survey carried out by the 2019 External Review "*there is a need to rethink the principles and structure of IUCN´s membership for the future (number of members, principles for selection, services to different groups of members) […] A fundamental governance question is if the membership model in its current form is still relevant to IUCN´s mission and purpose, or could it be updated to better support further the Union's goals?* [7] *[…] IUCN´s membership model is essential to determining what IUCN´s responsibility is to its Members."*[8]

Indeed, to enable effective and democratic representation, the governance structure of the Union (i.e. the Council) ought to equitably mirror the membership base of the organisation, ensuring fair representation of all membership categories.

More recently, as part of a Council Induction and Retreat in May 2022[9], a number of key expectations were highlighted:

- Congress Members and Stakeholders be the leading voice on environmental issues;
- Council and President: build consensus, deliver members' messages, including regional voices, increase regular communication with members;
- Secretariat and Commissions: propose strategic decisions to Council, provide timely and transparent information and communications on their work to the Council.
- National and Regional Committees: provide feedback to Council and build on strategic role to empower the Union.

3.4. Secretariat

The IUCN Secretariat serves the Members, the Council and the Commissions. IUCN's headquarters are in Switzerland where most corporate functions sit; in addition to 11 regional offices, 31 country offices and a number of project offices around the world.

The research and development arm of the Secretariat is organised around 5 Centres: Conservation Action, Economy and Finance, Science and Data, Society and Governance and International Policy. The Centres seek to influence policies, implement global projects, jointly with the Regional and Country Offices and Members, and develop science-based products in their areas of expertise together with the Commissions.

Each of these offices and units work to implement IUCN's programme as approved by Members. All offices have common Policies and procedures under the Secretariat umbrella and have a certain degree of independence to pursue contribution to the Union based on the opportunities arising in their respective areas or locations.

The Secretariat has evolved from a few persons in 1948 to around 800 staff in 2019; today,

[7] External review of aspects of IUCN´s governance (2019), pp. 17

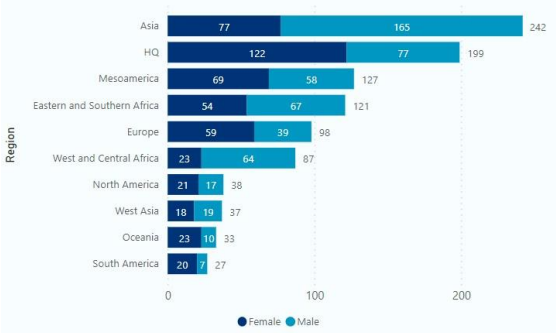
[8] External review of aspects of IUCN´s governance (2019), pp. 16-17

[9] IUCN Council retreat: informal report of outputs 16-17 May 2022. PLB consulting.

there are just over 1000 staff, 80% of whom are funded directly through projects, also known as 'restricted income'. Similarly, all country offices and a large portion of each regional office is likewise funded through multilaterally- or bilaterally funded donor projects.

Roughly 70% of Secretariat staff is based in the Regions and between 14% and 18% sit in the Thematic Centres. In 2022, the executive management, corporate services and membership and commissions support staff represented 15% of the total.

Figure 3: Secretariat Headcount by regions, 2023



Note: In the figure above, 'Europe' incorporates ECARO and MED offices.

Since 2020, significant efforts have been made to integrate corporate services and unify systems of administration, operations, and finance to enable efficiencies and cost reductions.

The Secretariat is led by the Director General (DG), who, as per the Statutes, is the chief executive of IUCN and the head of the Secretariat. The DG is subject to the authority of Council.

4. The Programme

The IUCN Programme is the overarching strategic document that guides IUCN's work in between Congresses. It is developed jointly by all constituencies of the Union.

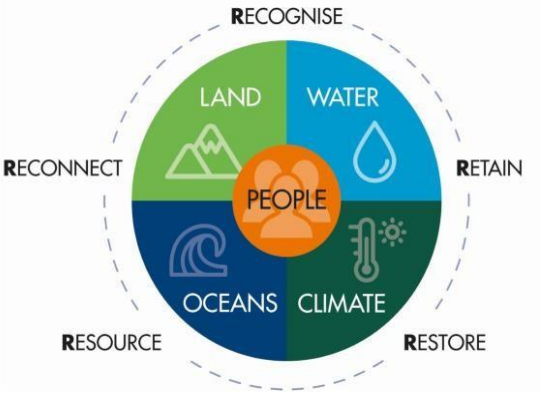
The IUCN Programme for the Union 2021-2024, Nature 2030 for the first time sets its ambition in a decade-long timeframe, in line with the United Nations 2030 Agenda for Sustainable Development and the Kunming-Montreal Global Biodiversity Framework; thus committing to long-term action.

Figure 5: IUCN Programme 2021-2024: contribution to the UN SDGs



The Programme is organised around five Programme Areas (People, Land, Water, Oceans, Climate) and 5 fundamental calls to action to achieve the impact – the 5Rs (Recognise, Retain, Restore, Resource, Reconnect).

Figure 4: IUCN Programme Areas: Nature 2030

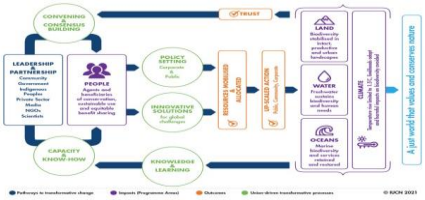


Nature 2030 introduces novel strategies aimed at addressing the increasingly complex and interlinked challenges we face today.

Nature-based Solutions (NbS) frame the entire IUCN Programme, focusing on societal challenges, guiding criteria and indicators related to biodiversity and ecosystem integrity, scale, economic viability, equity, education and governance processes, trade-offs of ecosystem services and sustainability.

Landscape approach is mainstreamed in most of the Programme Areas, with the aim to integrate the management and conservation of different land uses, including cities, and their effects on ecosystems and people.

Gender, Youth, and Indigenous Peoples rights are explicitly highlighted as IUCN priorities – as well as in the impact targets of the Programme Areas. The focus on People has been explicitly addressed. The Gender-responsive approach to conservation has been included since 2018 in the Gender Equality and Women´s Empowerment Policy. Based on the 2020 Review of Youth Engagement and Intergenerational Partnership across IUCN, the IUCN Youth Strategy 2022-2030 was designed based on a joint effort of young professionals from across the Union. In addition, IUCN Indigenous Peoples Self-Determined Strategy "provides IPOs, in partnership with other IUCN Constituency, a basis to support and advance indigenous rights".



Ocean and coastal conservation

Stronger legal and policy frameworks and their implementation are required for more effective governance of marine resources. In collaboration with Members and experts, this programme area seeks to develop sustainable fishing practices to protect coastal and marine biodiversity.

Climate change – instead of being a cross cutting theme, it has been set as a standalone Programme Area for greater visibility. This is further reinforced by the 2021 Congress Resolution to establish a new Commissions entirely focused on addressing the climate crisis.

Nature 2030 is underpinned by the Union's Theory of Change (Figure 7).

The Union-driven transformative processes in green (Figure 7) are directly linked to IUCN's outputs through which the Union expects to deliver on its Vision and Mission: namely: i) convening & consensus building (networking); ii) policy setting (advocacy); iii) capacity and know-how (capacity building); iv) innovative solutions (action on the ground); and v) knowledge and learning.

Figure 6: IUCN Theory of Change

These processes have led to a reliable "value chain for results" that includes actions to work collectively to formulate scientific and social solutions, promote capacity building, collaboration and information-sharing, and enable the engagement of IUCN's highly distributed membership to optimise activities.

With regard to implementation, Figure 8 (below) shows the financial distribution across the five IUCN Programme Areas in 2022.

Figure 7: Financial contributions mapped against IUCN Programme Areas (2022)



It is important to note that the IUCN Project Portal includes projects managed by the Secretariat, many of which are implemented in partnership with Members (in 2022, roughly 48% of projects were estimated to be implemented in direct partnership with Members) and Commission members. It is also worth highlighting that these figures do not capture the extensive work done by Commissions due to data limitations.

In addition, in 2021, several strategic initiatives were launched to help respond to the rapidly evolving external context and steer the organisation – including agriculture and land health, finance for nature and the Urban Nature Index.

4.1. Workstreams

The IUCN Theory of Change defines "transformational processes" which are broadly translated into 5 workstreams:

i. **Convening platform, networking and multi-stakeholder dialogue**, implemented through the Congress itself, regional conservation fora, WCPA Parks Congresses, and since 2022 – annual IUCN Leaders Forum amongst other.

ii. **Knowledge generation, science, and data**, refer to knowledge products such as the Red List of Threatened Species, the Green List of Protected and Conserved Areas, Natural Resource Governance Framework and ECOLEX amongst others. In late 2023, the IUCN Council identified knowledge management as a priority and tasked the Secretariat with the development of a strategy for the Union; this process commenced with the development and approval of a Knowledge Products and Knowledge Management: Strategic Roadmap. The roadmap proposes a **typology of knowledge products**, an important step in developing a Union-wide strategy for knowledge management. It also recognises that existing knowledge products contribute to improved decision-making and positive biodiversity outcomes. However, there is a need to improve linkages between global and national level biodiversity data to increase government and end-users' demand and the use of IUCN knowledge more broadly. It also highlights the need to address the existing fragmented marketing, and no less important, financial sustainability of knowledge products to enable effective maintenance, actualisation, and integration of the different products.

iii. **Policy and advocacy**, guided by Congress Resolutions and Recommendations adopted by Members and steered by the Council's Programme and Policy Committee. This workstream includes both local level advocacy and policy advice, as well as policy influence at the global level through international processes and conventions. In particular, IUCN leverages its strong membership and expertise across Commissions to influence the commitments governments and intergovernmental fora, and helps to formulate new policies and frameworks. It is worth noting that it has become increasingly difficult to fund Resolution implementation efforts. This has been a challenge for the Union for decades, evidenced by the fact that many past Resolutions (from 2016, 2012 and further back) failed to reach implementation. The 2012 Review of the Impact of IUCN Resolutions noted that Resolutions processes have helped the Union to be "at the forefront of the conservation movement" and "recommending effective approaches to seeking a healthy environment that can enhance human well-being".[10]

iv. **Capacity building**, implemented through trainings, awareness raising activities and dissemination of information. In 2023, the Council approved a strategy for the future of IUCN capacity building as a guideline for these activities, aiming to improve the quality of these activities across the organisation, aiding efficiency gains.

v. **Conservation action** – i.e., implementing the IUCN Programme through a portfolio of projects on the ground.

Indeed, a Union with thousands of Members and Commission experts covering all regions of the world and operating at different levels and capacities generate thousands of outputs

[10] WCC Jeju 2012- Review of the impact of IUCN Resolutions

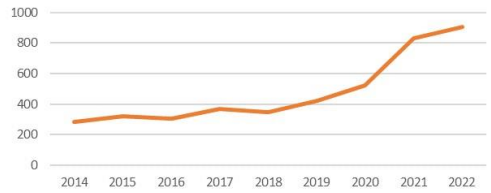
(products and services) every year. Within some regions, Commissions and National Committees, efforts have been made to track and report on deliverables that contribute to the implementation of the Programme. However, the Union lacks consistency and comprehensive data, making it nearly impossible to determine and measure the true impact of the organisation. This challenge is further discussed in section 6. IUCN's Impact.

4.2. The Portfolio

IUCN's Secretariat, jointly with Members, Commission member and partners, implements a donor-funded portfolio of projects, one of the key vehicles used to implement the Programme. The portfolio does not include all the activities carried out by the Union constituencies. The following analysis includes findings and data from the 2021 External Review of the IUCN Programme 20172020, complemented by information from IUCN reports and the newly launched Secretariat management dashboard.

The project portfolio has grown exponentially over the past years. In 2022, its value was nearly double that of 2017 (Figure 9).

Figure 8: Project portfolio value (in million CHF)



This growth is underpinned by an increase in both the size of projects and their duration.

Portfolio characteristic	2019	2021	2022
Number of active projects	500	468	465
Total budget (million CHF)	404	834	907
Average project budget (million CHF)	0.80	1.78	1.95
Average project duration (years)	2.5	n.d.	4.01*

In 2022, as part of a broader effort to improve IUCN's management practices, a **Project Portfolio typology** was developed, based on the role IUCN plays in the various donor funded projects. The objective of the typology is to respond to both opportunities and challenges stemming from IUCN's current operating model and the growth of the portfolio in number, size, donor type and intervention type[12]. It includes the following categories:

✓ **Executing role** meaning direct action on the ground with full responsibility of the management and administration of the project; these projects also include grant making mechanisms as a way of strengthening local capacities and accelerating investment on the ground. This role remains as the predominant delivery mechanism, representing roughly two thirds of IUCN's budget in 2023.

✓ **Implementing role** where IUCN is responsible for the oversight of project execution performed by Members and partners, and accountable for the delivery of the project. This role also includes the accreditation of IUCN to multilateral Agencies such as the Green Climate Fund (GCF) and the Global Environment Facility (GEF), and most recently – an implementing partner with the European Commission under indirect management. This is a key mechanism to engage with State Members and governments as they are the owners of these multilateral projects. The emerging role of IUCN as an implementing organisation has grown significantly and should be further analysed. While in 2019 the budget as an Accredited Entity was 5% of the total budget[13], for 2023, this figure is now at 32%[14]. While this poses many opportunities, this growth also carries risks.

✓ **Service-level agreement** is where IUCN delivers direct services to a client, often a private sector actor. With regard to private sector engagement, according to the

[12] 2023 Work Plan and Budget approved by the Council (C108 Part I meeting; November 2022)

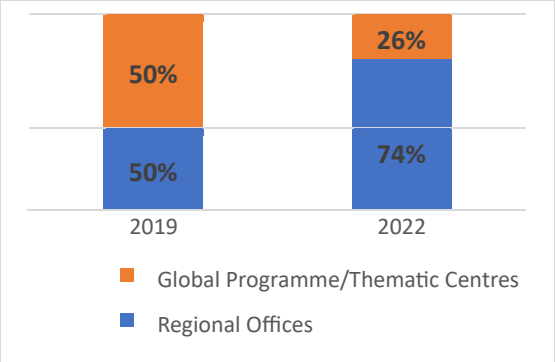
[13] External Review of IUCN Programme 2017-2020

[14] 2022 Report C108, Nov. 2022

External Review of the IUCN Programme 2017-2020, the "engagement with the private sector is an area to explore further to enhance impacts. Changing business practices has a huge impact potential that is considered not yet fully tapped neither at the global nor national level". Based on the last IUCN Business Engagement Strategy of 2012, the Secretariat is in the process of finalising a more strategic and targeted approach to be present to the Council Private Sector Task force in late 2023.

The distribution of the portfolio between Regional Offices and Thematic Centres (formerly Global Programmes) has evolved overtime, whereby Regional Offices now represent 74% of the Secretariat's portfolio (See Figure 10).

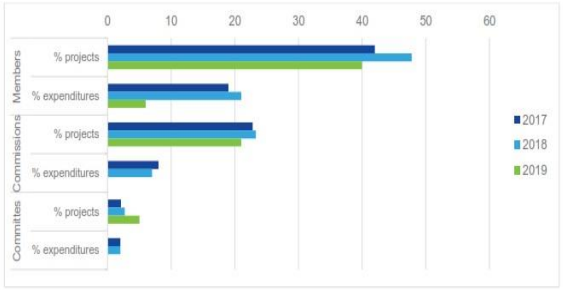
Figure 9: Share of portfolio budget 2019 and 2022: Regional Offices and Global/Thematic Centres



The distribution of the portfolio across Union constituencies for the period 2017-2020 shows that the level of engagement varies (see Figure 11)[11].

2021 and 2022 data demonstrate that the share of projects in which Members are engaged remains similar, ranging from 46% to 49%. It is important to note that this data is based on financial transactions; there are further and additional engagements with Members that do not entail a financial transaction. Consistent hard data on the latter does not exist today.

Figure 10: Distribution of the portfolio and expenditures across IUCN constituencies (% of total number of projects and total of expenditures per year)



According to the 2023 IUCN Finance Strategy and Financial Governance Review[12], over the last five years, about 40% of the project portfolio budget is directly managed by partners; coherent data on the distribution among Members and Commission members is not available. **There is a need to improve data management across the board to reflect the effective participation of Members and Commissions in project design and implementation.**

Finally, it is worth noting that the top contributors to the portfolio are in large European bilateral agencies, the European Union and multilaterals (GEF; GCF) and the United States, IUCN's fourth largest donor. Looking at the global economic and geopolitical trends affecting Europe among others, IUCN's resource mobilisation and partnership development will require a significant strategic and operational re-think, along with a strategic realignment of priorities. It is worth noting that in the past 3 years, multilaterals have overtaken government (bilateral) donors in IUCN's income from those two categories.

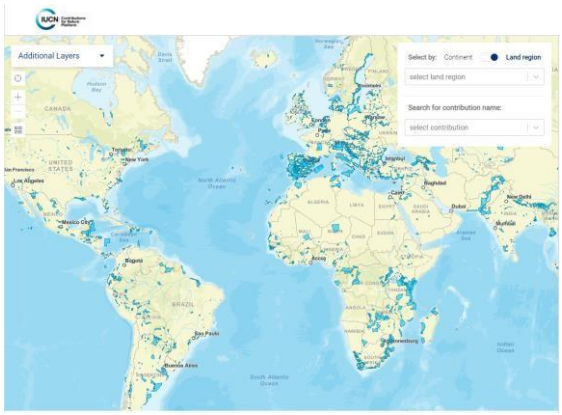
4.3. Contribution for Nature platform

In 2022, the Contribution for Nature Platform (CfN) was launched, allowing to view contributions made or planned by Members, quantifying their potential impact to global

[11] External Review of IUCN Programme 2017-2020

[12] More Kingston Smith LLP. March 2023. IUCN Finance Strategy and Financial Governance Review

goals for biodiversity conservation and climate change mitigation. To date, roughly 10,000 contributions have been uploaded on the platform. The development of this platform was mandated by the IUCN Programme 20212024. The platform is intended to provide visibility to Members' conservation efforts, enabling funding and synergies across regions and stakeholders.

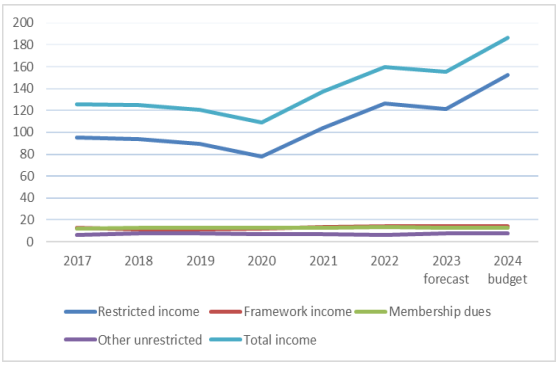


5. Financial situation

This section draws on findings from the 2023 IUCN Finance Strategy and Financial Governance Review, commissioned by IUCN Council´s Finance and Audit Committee in 2022, as well as reports provided by the Secretariat's corporate services. While IUCN should be driven by its Mission, using finance as a key tool to contribute to its achievement, it is equally important to pay attention to and ensure financial sustainability.

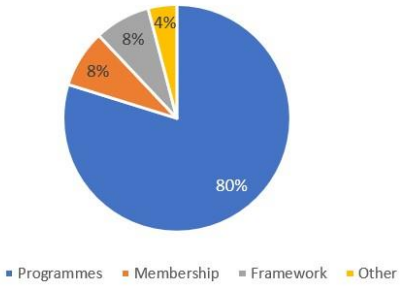
IUCN's annual income for the period 2017 – 2022 and projection for 2023 and 2024 are shown in Figure 12 below, demonstrating a steadily increase from CHF125m to CHF155m (2023 forecast) and CHF187m (2024 forecast).

Figure 11: IUCN annual source and level of income for the period 2017-2022 and projected for 2023 and 2024 (in CHF million)



At a basic level (see Figure 13 below), IUCN's income can be broken down as: **restricted income** (also known as programme or project income, representing the aggregate of portfolio – bilateral and multilateral funding 80%); and **unrestricted** or core income comprising framework income, membership dues and other income (20%). **Framework income** are flexible funds used to underpin IUCN's programmatic work and innovation (8%); **membership dues are** intended for services to Members and to support implementation of the statutory objectives of the Union (8%), and **'other' income** includes tax rebates and office rental amongst others and contribute to the funding of IUCN´s infrastructure (4%).

Figure 12: Breakdown of income types: 2023



It is important to note the strong link between the core funding provided by Framework Partners and the Programme. The stated objectives of all Framework Agreements are to provide core funding for the implementation of the Programme.

Total core or unrestricted funding for IUCN remained relatively stable over the past six years while the restricted and earmarked portfolio has increased significantly. This is in line with a global trend of decreasing 'core' as

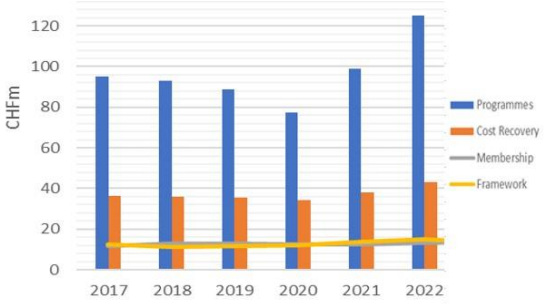
a proportion of total Official Development Aid (ODA). Nevertheless, ODA and other international public and private finance for biodiversity and the nature/climate nexus are expected to increase amid global pledges and commitments, presenting the Union with an opportunity to grow strategic, innovative institutional partnerships. However, this requires a strong Programme with clear deliverables and measurable targets, and the need for IUCN to be able to report results against the Programme. The importance of results and value for money is seen as the most important factor in decision-making by donors and partners when providing unrestricted funding.

Today, the level of restricted funds represents 80% of annual total revenue, while the level unrestricted is at 20% (including membership dues, framework and other funding). **When considering similar organisations, a ratio of greater than 20% unrestricted funds is considered healthy. It is estimated that IUCN requires an additional approximately CHF8-10 million of unrestricted income per year to reduce risks and to ensure financial sustainability.**

Unrestricted income is very significant for the Union as it is intended to fund all services to Members and Commissions, support implementation of the Programme and Resolutions, as well as innovate and manage risks. It also pays for organisational development and a significant portion of infrastructure costs.

A trend analysis of income over time demonstrates that Programme restricted income is accelerating, while other forms of income are holding steady – namely, the unrestricted membership dues and framework. Critically, cost recovery is not increasing in line with the growth in the portfolio and GEF/GCF funds. This reflects the move towards utilising partners and Members for execution where cost recovery rates are lower. Although IUCN has a policy of full cost recovery for restricted funding, this has not been achieved and is unlikely to be achieved completely in the future. There is a risk that if IUCN continues to grow with this pace, it will require further unrestricted income to support its infrastructure.

Figure 13: Annual sources of income 2017-2022.



Source: Statutory Accounts & IUCN 2023 Budget

Another factor to be considered is projects' rate of expenditure (also known as 'implementation rate' or 'burn rate'). This suffered in 2020 (72%) as a result of the COVID19 pandemic and resulting global hiatus, but has since picked up, reaching 93% and 112% in 2021 and 2022 respectively. A low burn rate would put additional pressure on unrestricted funds, and it is therefore critical that IUCN achieves good implementation rates. This can be achieved through efficient project management, effective implementation of the new Overhead Policy and regular monitoring and oversight. There is also a need to analyse IUCN's office footprint to ensure good value for money in the effective delivery of the programme and services to Members.

Finally, when it comes to reserves, IUCN faces a major challenge. Reserves provide a buffer in case of unexpected change in income or expenditure, cover for risk and provide cash flow where necessary. Reserves also allow for the successful dealing of short-term imbalances. Unrestricted reserves declined from 2017 to 2020 (CHF19m to CHF15m) but showed a significant increase in 2021 (CHF21m). However, the portfolio growth, coupled with greater use of partners to deliver work, means that IUCN's risk profile has increased and as a result, a greater level of unrestricted reserves will be required. The latest reserves review in 2023 points to the fact that unrestricted reserve levels should be increased to CHF35m. In comparison, unrestricted reserve was CHF21m at the end of 2022. The obvious question is how will this increase be achieved? There are a large

number of funding opportunities beyond traditional fundraising efforts such as Nature Based Solutions (NbS) certification and generating return from the sale of services that leverage IUCN publicly available data. Each afford great opportunity but require investment to pursue. This is a key weakness that must be addressed if the future strategic vision is to be successful.

Based on the financial analyses to date, it is safe to conclude that IUCN's financial risk is growing and must be considered in tandem with the new strategic vision. The below table summarises current financial strengths and weaknesses for ease of reference.

Strengths	Weaknesses
• A strong geographically spread portfolio • Good positioning in project execution • Growing positioning in project implementation • Solid and largely engaged membership base. • A dedicated group of framework donors willing to contribute to IUCN's work. • A strong longstanding and growing set of bilateral and multilateral donors supporting IUCN's programmatic work. • Revenues generating opportunities for the future (e.g., NbS certification).	• Low reserves insufficient to cover risks. • Extremely tight unrestricted budgets to support Commissions and Members, coupled with growing expectations around the value proposition. • Static overall membership dues and framework funding • Some regional offices are unable to implement projects in a timely and effective manner, relying on no cost extensions. • Growing and more stringent donor requirements.

6. IUCN's impact

The External Review of the IUCN Programme 2017-2020 (herein 'the Review') highlighted that there is no "*system in place to measure progress within IUCN that allows for an assessment of its impact*"; while at the same time "*several examples show that IUCN has contributed to impacts in particular in relation to its convening role, the rolling out of new concepts, tools or standards, change in practices and influence on policy and governance processes*". There is abundant information about many fragments of IUCN's outputs and achievements, but there is no aggregated measurable data that can enable a solid evidence-based analysis of the organisation's impact.

The Review concludes on the overall effectiveness of IUCN as "*difficult to track given the lack of robust monitoring and evaluation system at the global level. Nevertheless, there are indications that the IUCN Programme has progressed in achieving its objectives overall.*"

In the absence of adequate information, the Review provided an educated perception of IUCN performance in these aspects and concluded that they can be considered as reasonably achieved. And with regard to sustainability, the Review points out the need for "*investment in learning as well as rethinking the funding model of the organisation to strengthen overall sustainability of the Programme*". In relation to relevance, the Review indicates that the IUCN 2017-2020 Programme is relevant to the needs of conservation and equity at the global, regional, and local levels.

It is worth nothing that the External Review of the 2021-2024 Programme Nature 2030 is currently underway; preliminary findings are expected before year end, and the final report – in the first quarter of 2024. These findings will therefore feed into the 20-year strategic vision process at a later date.

Since 2021, investments and efforts have been put in place to strengthen the annual planning, monitoring, evaluation and risk processes of the Secretariat. However, in order to analyse the impact of the whole Union, a uniform approach to monitoring, evaluation and reporting would be required for all IUCN constituencies.

Since its creation, it is believed that IUCN has been a key player in generating scientific knowledge, environmental awareness and influencing global policy. Union Resolutions have helped set international, regional and national conservation agendas, for example through supporting the preparation of the World Conservation Strategy and contributing to environmental treaties such as CITES, Ramsar, the World Heritage Convention and the Convention on Biological Diversity.[13]

As stated in the 2012 Review of the Impact of IUCN Resolutions, the Union's work since its creation in 1948 has led to the establishment of a wide range of international programmes and institutions. Some of these include: support for the International Whaling Commission (Lucerne, 1966), calling for the establishment of conservation departments at the national level (New Delhi, 1969), supporting the UNESCO Man and Biosphere Programme (Banff, 1972), calling for the establishment of ICIMOD (International Center for Integrated Mountain Development) (Ashkhabad, 1977), the establishment of the Botanical Gardens Conservation Secretariat (San José, 1988), the establishment of the World Conservation Monitoring Centre (San José, 1988), establishment and supporting of the Global Biodiversity Forum (Buenos Aires, 1994), and active participation in the Millennium Ecosystem Assessment (Amman, 2000 and Bangkok, 2004). These and other initiatives have helped spread IUCN's mission. While IUCN did not act alone in these initiatives, its impact is believed to have helped accelerate their successful establishment.

The Union is also recognised for its key knowledge products, standards and databases on species and ecosystems (e.g., Red List of Threatened Species, Key Biodiversity Areas, and contribution to the UNEP-WCMC World Database on Protected Areas). According to the Review, "*at the global level, IUCN flagship knowledge products have proved to be long-lasting and used throughout the world*". An internal Strategic review of data products based on IUCN Standards[14] revealed that the use of IUCN knowledge products is widespread and have demonstrated successful models to drive use and uptake (such as the International Finance Corporation (IFC) Performance Standard 6). The recognition of key Union knowledge products is also featured in the newly adopted Kunming-Montreal Global Biodiversity Framework. At the same time, the Strategic Review also identified a number of weaknesses hindering greater impact and uptake, such as: limited, fragmented and inconsistent marketing and branding, limited end-user engagement, strategic plans focusing on continuity (funding) rather than innovation, few national-scale products, complex governance and content – i.e. a recurring need for expert interpretation of knowledge with complex and poorly understood messaging to user groups.

Finally, for ease of reference, the below table summarises some milestones of global importance since IUCN's creation.

Period	**Selected milestones**
1948-1980	Supporting the development and early implementation of the UNESCO-World Heritage, CITES, CMS, and Ramsar conventions. IUCN Red List of Threatened Species IUCN Protected Area Categories and Global Standard
1980-2000	Contributions to the development and implementation of the Rio Conventions (CBD, UNFCCC, UNCCD) UN official observer status acquired
2000 - present	Nature-Based- Solutions Support to the UNFCCC Paris Agreement, the 2030 SDG Influencing policies in international fora such as: the UNGA, CBD, CITES, CMS, IPBES, BBNJ Treaty negotiations, and in the UN Ocean Conference, International Marine Protected Areas Congresses (IMPAC)

[13] A Review of the Impact of IUCN Resolutions on International Conservation Efforts (2012)

[14] The Biodiversity Consultancy (2021). Strategic review of Data Products based on IUCN Standards. Unpublished report.

7. Reflections on way forward

This concluding section aims to provide a preliminary set of reflections on the way forward. It highlights existing strengths, weaknesses, and opportunities. In reflecting on the role and vision of IUCN in 20 years, it is important to remain bold and strategic. The implications of a novel vision and mission in terms of structure, functions, governance and priorities should also be considered as part of this process.

7.1. IUCN as a convener

The relevance of IUCN as a convening forum tends to be overlooked. The Union is a forum in and of itself. IUCN's Congress is the largest conservation forum in the world, attracting the global conservation movement, and more recently – a significant number of external stakeholders as well. There is no other such global forum that brings together NGOs, Indigenous Peoples Organisations, governments, and government agencies and more recently the private sector to collaborate on an equal basis. IUCN needs to reflect on the importance, role and the need for and value added of this convening power in the years to come.

Should 'convening power' remain one of the key pillars of IUCN in 20 years?

One of the reasons for this gap is precisely the difficulties to define the IUCN capability to capture the wholesome performance and impact of the entire Union.

Is it possible to define IUCN's focus? Or the complexity of the task makes it unsurmountable? Which 'impacts' and results can IUCN claim as its own?

7.3. IUCN complexity

An entity with thousands of Members, volunteer experts and staff spread across 150[15] countries is without a doubt highly complex. Complexity naturally brings both opportunities and also challenges.

Benefits are closely associated with the mission and the power of bringing together governments and civil society under one name: IUCN. The Union is well positioned to make a difference due to the credibility it brings through its democratic processes and the breadth of its membership. Additionally, a large and established organisation has better access to global processes, evident also by IUCN's formal observer status to the UN.
Today, IUCN is applying an approach which aims to bridge science-based knowledge creation, policy influencing, multi-stakeholder dialogue and action on the ground.

To enable effectiveness and efficiency, two key issues call for further analysis: transaction costs and coordinated action. It is common to associate high complexity with high transaction costs (e.g., processes, administration, knowledge exchange management and learning). In a similar vein,

[15] 7.2. IUCN's reach

What is IUCN? This can be an easy question to answer: IUCN is a Union of governments, diverse organisations and experts guided by a shared mission. A more challenging question is what is IUCN's focus. What results and impacts can IUCN claim as its own? All Members and Commission experts have their own projects and activities; often but not always fully aligned with the IUCN Mission and Programme. Moreover, identifying the precise overlap or complementarity between the actions of IUCN and others is a difficult task; so difficult that to date, IUCN has been unable to provide a reasonably good and precise analysis of its impacts. There are broad descriptions of results in narrative form, but concrete and hard data to support claims is limited.

the internal coordination of the Union components becomes more challenging with the growing complexity. The integration and visibility of the contribution of all IUCN constituents ought to be improved. An essential point to consider when developing IUCN's vision and strategic priorities is how to reduce complexity and transaction costs while improving Union-wide coordination.

What should IUCN's business model be? What quality control mechanisms should be maintained and how should they be resourced? Should IUCN concentrate some of its functions to reduce costs and enable efficiencies? What is the contribution of each constituency? Should it be clearly defined and measured?

7.4. IUCN growth

IUCN is growing in membership, in size, in its global reach. Growth can bring benefits in positioning and influence. Unplanned growth, however, could makes internal integration more difficult, meaning additional transaction costs.

Clearly, as the world's environmental problems become more diverse, interlinked and acute, there is a growing need for ambitious and tailor-made solutions to resolve them. The broad IUCN Mission allows for flexibility and at the same time there is a need to reflect on what concrete issues need to be addressed – in other words, what are IUCN's priorities and what does it want to achieve? IUCN needs to celebrate and at the same time manage its continued growth, in terms of increasing numbers of Members (reflecting on the different Member needs and categories), policy influencing and actions on the ground. There is a need to strengthen the integration of the Union as a whole and develop the support infrastructure required.

It is essential that the delivery approach of IUCN's Mission includes a focused programme at the global level, while simultaneously addressing the multitude of needs of a network of Members at local, national and regional levels.

Should agreed long-term priorities guide future growth? If so, how? What should those priorities be?

7.5. IUCN's emerging roles

Today, IUCN lacks sufficient flexible unrestricted income which affects its flexibility to design, innovate and implement its own agenda, as well as support Members and Commissions. Indeed, there are many new income generation opportunities, but these would require investment. Diversification of income is key. There are also innovative resource mobilisation opportunities available which ought to be considered – such as using publicly available data to package the information and provide paid services to private sector actors (a trend already observed outside IUCN, using IUCN knowledge).

IUCN operates through a diverse set of projects, including executing role, re-granting, implementing role, service level agreement among others. The implementing agency model – one of the newest ways to diversify – is a mechanism to allocate funding while maintaining oversight on implementation of activities including performance, results and impact. This role requires a certain type of skills, systems and capacities.

The nature of this new role of implementing agency (GEF/GCF) is administrative and technical oversight, which will require IUCN to improve its project and risk management function, document management systems, internal audit function and an increased focus on due diligence amongst other. On the other hand, the implementing role can appear attractive. Members can see the new implementing role as a positive since in agreement with the governments and depending on the eligibility criteria – they

could become executing partners. However, for this model to be effective and just, where smaller NGOs have the ability to compete with larger ones, capacity building and technical assistance are key. IUCN's role as an implementing agency could further increase the value proposition to the Union (observed through leveraging GEF and GCF programmes to attract more state Members). It is, however, important to note that the overhead and cost recovery from implementing role is extremely limited, resulting in financial challenges and risks for IUCN if not addressed holistically as part of a broader strategy and business model.

For many years, the delivery model was centred around the Secretariat and to an extent – the Commissions; however, more emphasis is required on the engagement of Members at different levels.

Should IUCN continue its implementation role? Would the implementing role imply better service to Members? Would it also generate more risks?

7.6. IUCN finances

Today, IUCN is a membership organisation, that has grown rapidly through its project-led approach, which, in turn, allows for having an extensive global reach through many offices around the world funded by projects. Portfolio accounts for 80% of all income. The direct and indirect cost recovery ('overhead charge') of projects are intended to fund a major component of the Union's infrastructure. In the current model, improved direct and indirect cost recovery is believed to be critical for IUCN's future sustainability. This issue is currently being addressed through the roll out of the Overhead Policy in 2021, but for this to be fully realised, donors will need to support the request for higher overheads and cost recovery.

Indeed, IUCN will need to become a more efficient organisation, and better at aligning its resources with its mission. The Secretariat should also aim to become a more efficient organisation by further standardising processes, leveraging technology and ensuring adequate cost recovery through effective negotiation with donors of its overhead and cost recovery policy. Significant efforts in the past years have gone in this direction; however, there is more work to be done. Phasing work effectively and moving towards a planned growth would be critical for IUCN's future.

[19] IISD- SDG Knowledge Hub. 2019. https://sdg.iisd.org/news/governments-un-finalize-fundingcompact-for-sdgs/

Finally, it is worth considering conducting an analysis on the balance between membership fees and value proposition. An analysis including a benchmarking exercise can show the right balance between the size – and growth- of the membership base vis a vis cost and benefits of membership. Naturally, with increased membership fees, there is an expectation of increased membership benefits – which, in turn, would jeopardize the membership base; and vice versa. Both models have pros and cons.

Today, IUCN is organically perusing the first option – i.e. a large membership base, low membership fees and more limited membership benefits compared to other membership organisations. Should this model remain in place, a possible strategy could be to increase membership income by taking a 5 to 10-year timeframe with investment in the early years to attract significantly more Members. Such a model would also require use of economies of scale across Member benefits to increase the unrestricted income that IUCN uses beyond servicing Members.

The need for a balance of restricted and unrestricted funding is not unique to IUCN. Many similar organisations are struggling with this ratio as well. For example, the UN passed a resolution in 2019[19] requiring member states

to commit to bringing core, non-earmarked resources to at least 30% within 5 years.

Strengthening the restricted/unrestricted ratio should be a top priority for IUCN to cope with increased demands and opportunities, minimise risks and strive for effectiveness and efficiency.

7.7. IUCN governance

IUCN's governance structure is complex. Recalling the 2019 External Governance Review, "a *fundamental governance question is if the membership model in its current form is still relevant to IUCN´s mission and purpose, or could it be updated to better support further the Union's goals?* [1] *[…] IUCN´s (governance) membership model is essential to determining what IUCN´s responsibility is to its Members."* Therefore, as part of the reflection on the future of IUCN, it is worth considering the representational structure of the IUCN Council, the contribution of Members to the Union and their role in between the quadrennium Congress. The coordination and effective communication among constituents are also issues to be addressed.

Both the Council Induction and Retreat in 2022 and the 2019 External Review of Aspects of IUCN´s Governance pointed out existing issues that need to be addressed. Currently, the Council is working on implementing stated recommendations. It is anticipated that IUCN's 20-year vision may require revisions to the existing governance structure and statutory rules.

Strengthening the strategic role of governance structures could support organisational performance. Is Council structure mirroring the Membership base appropriate and necessary?