



IUCN, International Union for Conservation of Nature and Natural Resources

Management report for the year ended 31 December 2018

2018 Results

IUCN ended the year with a net deficit of CHF 1 million and with total income of CHF 125 million, a similar level to 2017.

The deficit was a result of a variety of factors: the need to recognise unrealised investment losses of CHF 0.4 million (which have subsequently reversed in the first quarter of 2019), exceptional costs in respect of the reorganisation of the Regional Office for West Asia and a reduction in overhead recovery from the project portfolio as a result project expenditure being lower than budget.

Despite the disappointing result, IUCN's unrestricted reserves remain healthy, totalling CHF 20 million.

The lower than expected project expenditure was due to unanticipated delays in the finalisation and signing of new project agreements and low levels of expenditure in the start-up phase of new projects. This is essentially a timing issue. IUCN has a healthy and growing portfolio, which will result in higher expenditure levels in 2019 and future years.

Funding

Bilateral and multilateral partners provide close to 70% of the organisation's income, alongside Membership dues, income from foundations, the private sector, non-governmental organisations, and support from IUCN's Patrons of Nature.

As IUCN celebrated its 70th anniversary in 2018, the continued trust and confidence of its donors and supporters resulted in significant growth in the organisation's project portfolio. IUCN is grateful to its partners and donors who committed over CHF 127 million of new support in 2018, resulting in an active portfolio of close to CHF 500 million – setting a new record in the Union's 70-year history.

Core support

In 2018, the governments of Switzerland, Norway and the USA renewed their core funding to IUCN, joining the governments of Finland, France, the Republic of Korea and Sweden. These Framework Partners provide core funding through multi-year agreements to support the delivery of the IUCN Programme. Framework income of CHF 11.2 million was received compared to CHF 12.6 million in 2017. This support continues to be essential in providing financial stability that allows IUCN to play its unique role influencing and assisting societies throughout the world to conserve the integrity and diversity of nature.

The Patrons of Nature programme continued to grow and provided CHF 0.7 million in critical financial support as well as strategic guidance to IUCN.



Membership income reached CHF 12.8 million, a significant increase on 2017 (CHF 11.7 million). The increase reflected both new members and the payment of arrears by several members.

Programme and project support

Total project income reached CHF 93.5 million, in line with 2017 (95.4 million).

Framework Partners continue to provide significant support for large programmes and projects on biodiversity and natural resource conservation, water governance and sustainable land management, community-led resilience and adaptation to climate change, fighting marine plastic pollution, curbing wildlife trafficking and fostering gender equality.

As was the case over recent years, the government of Germany remains IUCN's largest government donor, supporting initiatives on climate change resilience, biodiversity conservation, protected area management and forest landscape restoration.

The European Union (EU), in partnership with the African, Caribbean and Pacific Group of States, is IUCN's largest donor with a total portfolio of over CHF 100 million. The EU supports IUCN programmes and projects focusing on conservation and sustainable use globally and within EU countries. The largest EU multi-year grants are for Biodiversity and Protected Area Management Programme (BIOPAMA), the voluntary scheme for Biodiversity and Ecosystem Services in Territories of European overseas (BEST), and the SOS – Save Our Species African carnivore initiative.

As an accredited implementing agency of the Global Environment Facility (GEF), IUCN worked with its State Members in 2018 to implement projects that address biodiversity loss and ecosystem degradation. IUCN's growing portfolio of GEF projects reached US\$ 78 million by the year-end. The largest grant focuses on landscape restoration in 10 countries, in collaboration with the UN Food and Agriculture Organization and the UN Environment Programme. Additional regional projects are under way on international water resource management in four major basins in Africa: Senegal Delta and Mano, Pungwe and Volta Rivers.

IUCN also strengthened its engagement with the Green Climate Fund in 2018 as one of the Fund's Accredited Entities. This saw the approval of a large project to build livelihood resilience to climate change in the upper basins of Guatemala's highlands.

IUCN's work is backed by a number of foundations spread across the world. Support from the MAVA Foundation has been instrumental in solidifying IUCN's position as a leading knowledge provider, through the IUCN Red List of Threatened Species™, the Red List of Ecosystems and the IUCN World Heritage Outlook, the first global assessment of natural World Heritage sites. MAVA's support has further enabled IUCN to strengthen its engagement with local partners in West Africa and renew its small grants programme for emerging non-governmental organisations in North Africa.

Programme implementation

In 2018, IUCN made a critical leap in the implementation of the IUCN Programme 2017-2020. Fifty percent of the Programme Targets have been achieved and a further 30% are on track to achieve their goals for 2020.



One Programme Engagement (involvement of Members and IUCN Commissions in programme delivery) is increasing, particularly with regards to Members. Of all Secretariat projects in 2018, 74% purposefully implement the One Programme approach up from 67% in 2017. Of the total project expenditures in 2018, 30% was spent through Members, IUCN National and Regional Committees and Commission members. More projects are involving Members both in absolute numbers and as a proportion of the portfolio. Project spending through members is increasing in total value and as a share of total expenditures.

Over 60% of IUCN's project portfolio contributed to Sustainable Development Goal (SDG) 15 (Life on land), SDG 13 (Climate action) and SDG 14 (Life below water).

IUCN continues to see a worldwide geographic reach of its project expenditures and spending through grants and partners is increasing in absolute value and share of spending.

Programme quality

In an environment of growing strategic, financial and operational uncertainty, embedding a risk management culture in IUCN is essential to ensure the organisation can continue to achieve its mission. In response, IUCN developed an Enterprise Risk Management Policy, which will help IUCN make risk-informed decisions that maximise impact.

IUCN also modernised its project development process. The improved process ensures that selected projects address society's most pressing needs, mobilise the best expertise worldwide, and propose effective solutions while meeting the highest standards.

Secretariat services

IUCN aims to ensure that its corporate support units are lean and effective, and contribute to achieving the Union's mission.

Finance

In 2018, IUCN continued its drive to improve finance processes and increase efficiency. The eBanking service was expanded to five offices to further improve payment efficiency and fiduciary control across the Union. The organisation's insurance coverage was also reviewed, and a global third party liability policy covering all offices and operations was put in place. Work started on the development of a time management and resource planning system which will be rolled out to all offices during the course of 2019. This will improve process efficiency and resource utilisation.

General services

IUCN introduced new policies and procedures to ensure the efficient and safe running of the IUCN Conservation Centre in Gland, Switzerland. This included new energy and waste management guidelines and a procedure for handling suspicious mail.

Global communications

Corporate communications around the Union's 70th anniversary showcased IUCN's experience and contributions to global challenges such as food security and poverty reduction. A newly developed content strategy was applied to communications around major IUCN reports, helping increase their impact. IUCN-wide communications capacity improved



thanks to new task forces and training sessions, an updated social media policy, and the publication of guides to media relations and to social media best practice. Strong media relations helped secure 71,500 articles mentioning IUCN, published in 179 countries. IUCN social media reached almost 12.2 million people in 2018, with Twitter and Facebook engagements growing 65% and 34% respectively compared to 2017. The IUCN website received over 7.2 million page views.

Human resources

A leadership development programme, which covers the fundamentals of people management, was launched for senior staff. It intends to improve managers' effectiveness as well as staff performance.

To measure sentiment of organisational life, IUCN conducted a staff survey. The results, to be published in early 2019, will guide revisions of HR policies and procedures to improve working conditions. To further enhance IUCN's management principles and practices for staff in the Secretariat, the revised IUCN Staff Rules were approved by the Council.

Information systems

Throughout the year, IUCN strengthened collaboration among its constituents through better collection, storage and access to data, secure information systems and the use of more sustainable technologies.

A new version of the Programme and Project Portal was launched. It now includes all programme and project approval workflows in order to automate and optimise the process for all users. The Portal also ensures alignment of all projects with IUCN's Programme strategy. With preparations for the IUCN World Conservation Congress 2020 under way, a new platform to support Commissions was launched to automate the processes for membership management and approvals across all Commissions. Major applications, software and systems were also upgraded to the latest and most secure versions, and new and improved contracts renegotiated with key suppliers.

Legal

IUCN established a Data Protection Policy for the Secretariat that is consistent with the Swiss Federal Act on Data Protection and the European Union's General Data Protection Regulation. Efforts to ensure that data protection procedures are applied across the Union will continue into 2019.

Aiming to strengthen governance processes, IUCN – through the joint efforts of its Council and Secretariat – also worked on a proposal for improving the processes around IUCN motions. This proposal is a response to a Resolution adopted by Members at the IUCN World Conservation Congress 2016.

Accountability and oversight

IUCN's accountability framework continued to be strengthened through integrating risk management, internal control, fraud prevention and internal oversight. The risk control self-assessment process launched in late 2017 enables management to evaluate and monitor internal risk control systems, and internal audits have helped identify areas for improvement and reduce risk. Investigations examined allegations of wrongdoing and heightened



awareness of the concepts of fraud, corruption and conflict of interest. IUCN also joined the global effort to minimise the impact of fraud by promoting anti-fraud awareness and education during International Fraud Awareness Week in November.

Union development

IUCN completed the host country selection process for the IUCN World Conservation Congress 2020. The IUCN Congress is to be held in Marseille, France from 11 to 19 June.

A total of 63 Members were admitted to IUCN in 2018. To support the recruitment and retention of new Members into the future, work continued on the IUCN membership strategy, which will be finalised and implemented in 2019.

Commission support

IUCN established a new unit in 2018 to support its Commissions in matters related to membership, communications and finance. Since its formation, the unit has made significant improvements to the Commissions' financial and administrative processes. It also improved consistency across Commission websites, newsletters and other communication channels. Visits to Commission pages of the IUCN website doubled compared to 2017. A secure membership management system is being developed to enable Commission Chairs to manage their membership directly in compliance with data protection legislation.

Outlook

The outlook for 2019 is positive. IUCN's project portfolio is showing strong growth through a focussed programme of work that is designed to deliver results at scale and by leveraging the capacity of the IUCN membership. The expenditure budget for 2019 is CHF 155 million, a significant increase on 2018.

Further information on IUCN's programme of work and achievements can be found in the IUCN [Annual Report 2018](#)