

# Funding Briefing & Donor Update 2024

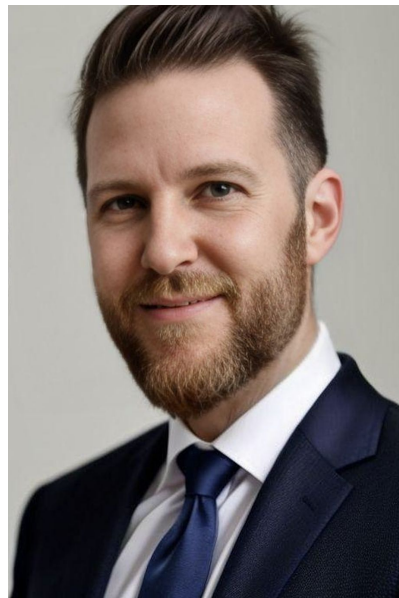
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6 December 2023



# About us

- ✓ We help NGOs to be better funded, operate better and deploy smarter strategies
- ✓ A social enterprise with many services subsidised. Training is already free for partners.  
**In-person training is back!**



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# a (sort of) **brief & pragmatic** overview for 2024

General global funding trends

Funding outlook from selected donors

For detailed & tailored funding advice, see

[www.mzninternational.com](http://www.mzninternational.com)



# Before we look at donors

## MzN research since 2018

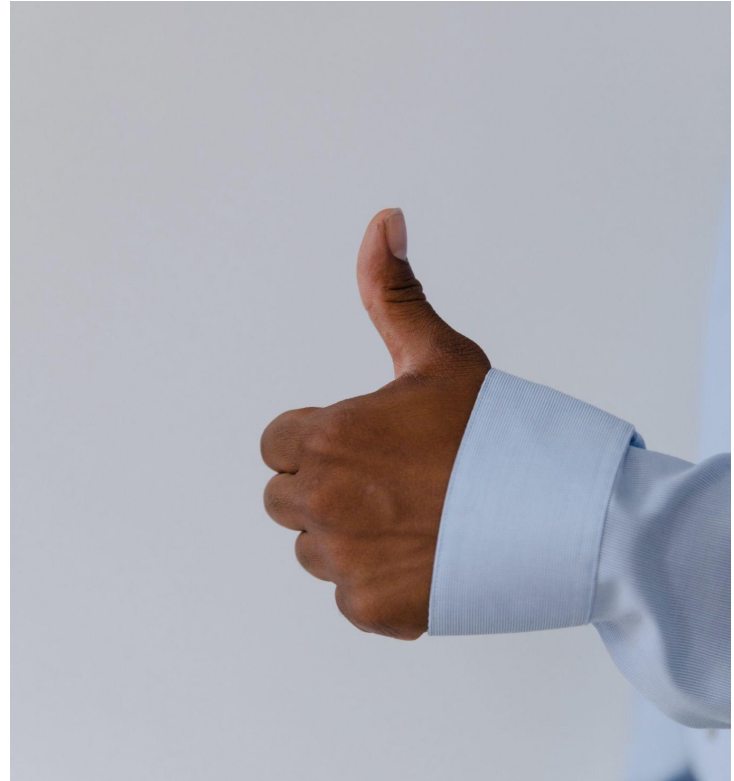
1. Based on working with a large number of NGOs and social enterprise since 2011
2. Data from consenting, anonymised, past and present clients and analysis based on publicly available data since 2011

## Key learning points from our research

1. Organisations with around 30% unrestricted income (UR) are four times less likely to fall into financial distress than those that have lower UR rates.
2. NGOs that manage to grow
  - a. mature (in value) approx. 15% of their donors every year, and
  - b. add at least two new ones per year.
3. NGOs that grow invest substantially into Business Development permanently.

# Getting funding right

- The myth of donor diversification:  
Many donors are good, the right ones are better!
- Aim for 15%-30% unrestricted funding to be financially stable (MzN research 2020).
- Actively manage large donors and add two new institutional donors per year.
- Minimise proposal development costs





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**Funding trends - selected institutional donors**



# Overall Institutional Donor trends

## Funding

- 2023 funding was dominated by bilateral funding to the Ukrainian response.
- Top funding themes of 2023 have been:
  - Infrastructure
  - Health
  - Inclusive development
  - Education
  - Agriculture & Rural development
  - Climate Change response
  - Gender issues
  - Localisation
  - Private sector collaboration
- Private sector partnerships and investor involvement are increasing sharply.
- Pure Advocacy work is harder to fund by grants



# Major topics in 2024

## Funding

- In 2024 we will hear more on the following themes
  - Localization (led by USAID)
  - Private Sector Partnerships
  - Commercial / Service contracts
  - Peace- Development - Humanitarian nexus
  - Non-profit with business grants instruments
  -
- Being reactive to calls/ToRs/donor publications is no longer enough. Donors aim for more co-creation.





## Record year 2024:

- In Fiscal year 2024, the State Department and USAID manage \$63.1 billion, including \$32 billion for USAID's, a 10% increase.
- Recipients mostly Multilateral institutions, contractors and 10 large INGOs.
- But, strategy to work with smaller NGOs is gaining speed.
- Expect a lot more to be pushed to mid-sized and local implementation agencies.

## Thematic focus on:

1. Private sector partnership
2. Localisation takes centre stage
3. Improving Global Health and Global Health Security.
4. Promotes gender equality, equity and empowerment.
5. Assistance to the Ukraine.

## Get the right funding, not just any!

1. Programmatic & geographic long term fit has to be right.
2. Things move fast: Build or acquire the capacity to daily monitor, engage thematically and bid fast.
3. Core programmes of USAID will likely remain constant, but beware of
  - a. new head of Acquisition and Assistance
  - b. Elections in 2024
4. Localisation & Private sector partnership are key success factors

## Practical tips:

1. Register with <https://www.workwithusaid.org/> and engage weekly, especially as a local or small organisation
2. Monitor large calls & quarterly business forecast and approach key contractors and awardees for subcontracting
3. At the right time, prepare a NICRA application process to ensure financial sustainability

**BE PREPARED!**

- The [FCDO](#) has earmarked £6.9 billion for aid in 2022/23, but the increase to £8.3 billion in 2024/25 now is being questioned
- Continued support to Ukraine, as well as Migration focus
- Top themes in 2024:
  - Environment and Natural Resources
  - Innovation and ICT
  - Agriculture and Rural Development
  - Energy
  - Humanitarian Aid
- Good to know
  - Innovation fund for impact
  - **Small Charities Challenge Fund**
- Expect fierce competition as more UK organisations lose EU funding access.



## Key focus areas 2019 - 2024 forward:



**Protecting citizens and freedoms**



**Developing a strong and vibrant economic base**



**Building a climate-neutral, green, fair and social Europe**



**Promoting European interests and values on the global stage**

The EU runs more than 30 programmes which provide funding opportunities for EU member states as well as partner countries. It is easy to get lost in the funding opportunities unless you know what you are looking for. While some of these programs are well known and widely recognized - such as Erasmus +, Horizon Europe, EU4 Health, many remain unknown to potential beneficiaries.



## Selected EU funds

Horizon Europe is the EU's research and innovation programme for 2021-2027 with a budget of € 95.5 billion.

EU Health Programme, with its budget of €5.3 billion allocated for the period from 2021 to 2027, represents an exceptional level of financial support from the European Union in the field of healthcare.

The Cohesion Fund provides support to Member States with a gross national income (GNI) per capita below 90% EU-27 average to strengthen the economic, social and territorial cohesion of the EU with a total budget of € 392 billion for the period 2021-2027.

Global Europe: Neighbourhood, Development and International Cooperation Instrument - With an overall allocation of €79.5 billion, the new Global Europe will cover the EU cooperation with all third countries, except for the pre-accession beneficiaries and the overseas countries and territories from the geographic programmes

<https://ec.europa.eu/info/funding-tenders/find-funding/eu-funding-programmes>

# EU Programmes - DG INTPA

As the European Commission's leading agency for international cooperation and development, DG INTPA carries out a number of initiatives that help European Commission and European Union member countries fulfill their commitment toward the attainment of the Sustainable Development Goals, or SDGs.

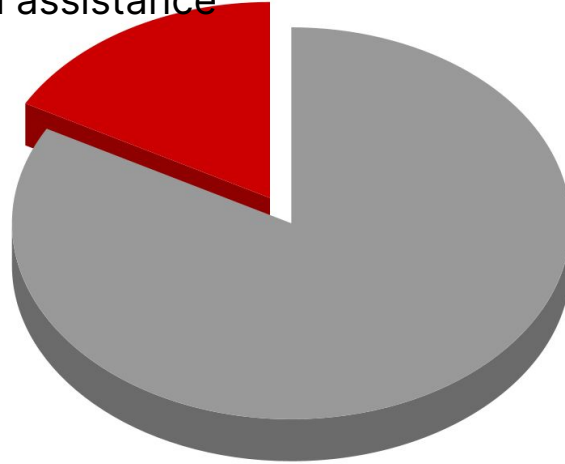
DG INTPA accounts for a significant portion of total EU aid spending, which is estimated to be worth more than €15 billion annually.

- 33% Infrastructure & Economic Support
- 26% Human Rights, Democracy & Peace
- 23% Budget Support (GOs) & Development/Safety Net
- 18% Climate (esp. Natural Resource Management)



# EU on Humanitarian Assistance (ECHO)

EUR 350 million, to be  
spent as food and  
nutrition assistance



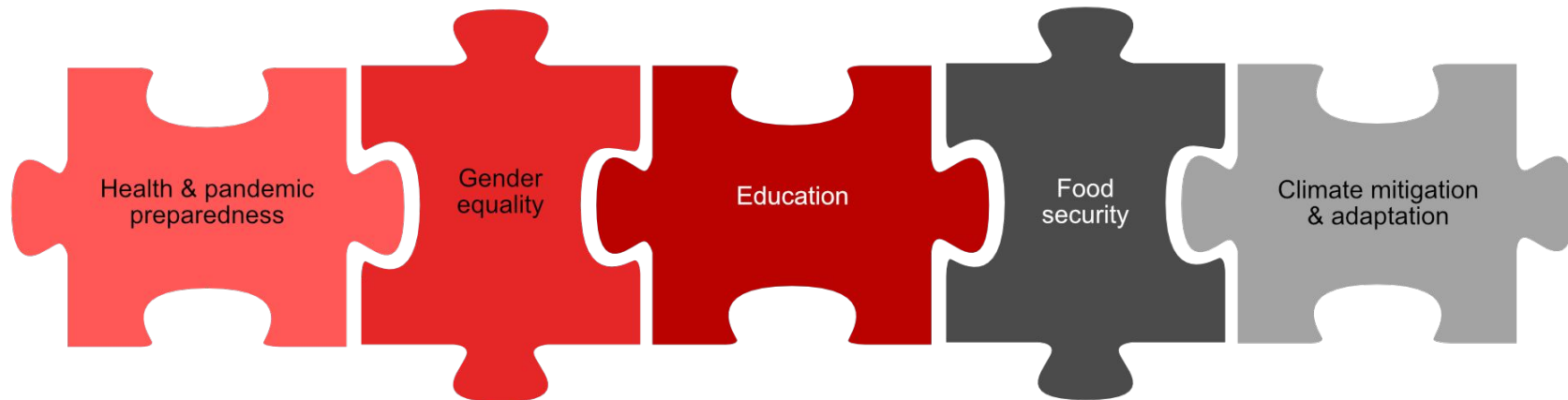
Union-funded  
humanitarian aid  
actions for 2024 is set  
at EUR 1.8billion.

*NGOs wishing to become partners with DG ECHO and increase their access to programmes funded under DG ECHO are required to complete a comprehensive application procedure. When rewarded with the Certificate of Partnership, it will be valid until December 31, 2027. When a certificate is awarded, then the NGO is eligible to apply for funding and implement humanitarian actions in line with the established rules and procedures.*

## Key focus areas

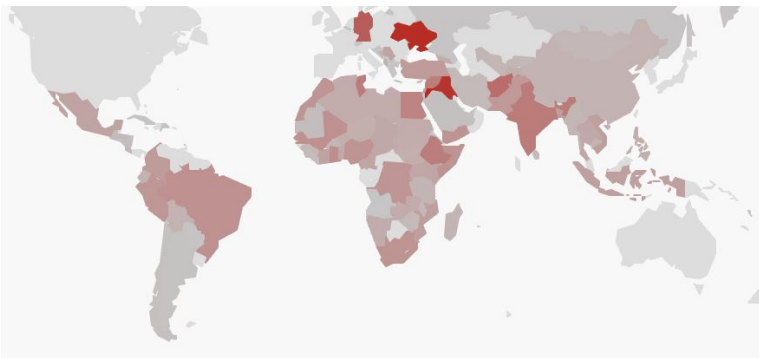


- The government's coalition treaty (2021-2025) lists the following development priorities:



- **The Green Climate Fund** (USD 19 Billion, since 2010, largest worldwide, Green Bonds on Infrastructure) GIZ focussed on Water, Biodiversity, and 100's of other project.
- **Agriculture and food security, e.g.,** through BMZ's special initiative 'ONE WORLD - No Hunger' with €615 million (US\$701 million), implements since 2022.
- **Flight and migration,** through the special initiative 'Tackling root causes of displacement, stabilizing host regions, supporting refugees', BMZ allocated €453 million (US\$516 million) for this issue since 2022.
- **Climate change and renewable energy,** with a pledge of €1.5 billion (US\$1.7 billion) to the Green Climate Fund (2020 to 2023)

# GIZ - Cont'd



ANZAHL PROJEKTE

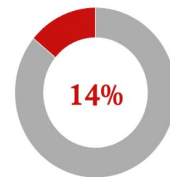
1.498

LAUFENDE PROJEKTE

AUFTRAGSVOLUMEN IN EURO

20.769.828.401

ANTEIL DER KOMBIFINANZIERUNGEN



Auftragsvolumen aller laufenden Projekte (Gesamtlaufzeit)

GIZ is currently supporting 1.496 projects worldwide with average 14% of co-financing requirement.

<https://www.giz.de/projektdaten/region/-1/countries/>

## Any upcoming calls:

- Calls are normally advertised at the level or regional or national offices or shared among stakeholder networks. You can also follow proposals on <https://ausschreibungen.giz.de/Satellite/company/welcome.do>
- CO-CREATE: Provide recommendations for Donor Interventions to support Green Industrial Policies and Just Transition Implications (deadline for application is 17 January 2024).  
<https://ausschreibungen.giz.de/Satellite/public/company/project/CXTRY6Y1EQWGUKJ/de/overview?1>

# UN Agencies - UNHCR



## Key focus areas 2022 forward:

- 2024 Four Global Challenges Approach - Accountability to Affected People, Climate action, Internal displacement, and Statelessness

## Budget:

The 2024 budget of \$10.622 billion supports UNHCR and partners in providing life-saving aid to an anticipated 130.8 million displaced and stateless people.

### 16 outcome areas of UNHCR

1. Gender-based violence,
  2. Education,
  3. Clean Water and Sanitation,
  4. Local integration and other local solutions,
  5. Resettlement, complementary pathways and family reunification,
  6. Safety and access to justice
  7. Sustainable housing and settlements
  8. Well-being and basic needs
- Etc.

### 5 Enabling Areas

1. Efficient, modern, and streamlined systems and processes,
2. Enhanced operational support,
3. supply chain and technology, strengthened human resources and improved organizational culture,
4. Enhanced partnerships, coordination, public outreach, and
5. resource mobilization and Effective strategic leadership and governance and independent oversight

## Any upcoming call(s):

[www.ungm.org](http://www.ungm.org)

<https://www.unpartnerportal.org/>

## Key focus areas 2022 forward:

- In 2022 UNICEF launched its 2022-25 strategic framework, guiding funding and programming for the next 3 years. The focus is on:
  - **Transformative Systemic Change** - addressing the underlying causes of children's mortality, poverty, vulnerability, gender inequality and exclusion.
  - **Recovery Strategy** - from the prolonged impacts on children of COVID 19.
- **Recent strategic shifts:**
- **Digitalisation** - to improve UNICEF programme implementation, streamline operations and processes and enhance outreach in all contexts including remote and digital service delivery and flexible, community-based approaches.
- **Climate Change and Urbanisation** - Understanding the effects of climate change in rural communities and how that impacts children in rapidly urbanizing environments.

## Any upcoming call(s):

[www.unicefinnovationfund.org/funding-support](http://www.unicefinnovationfund.org/funding-support)

[www.ungm.org](http://www.ungm.org)

# How we support NGOs

1. Weekly and monthly opportunity notifications, all relevant and personal
2. Guaranteed proposal development support from donor experts
3. Low cost & cancel anytime





# Training Courses



## Write Winning Proposals

In this course you will learn how to write, manage and negotiate a winning proposal. You will improve your proposal writing skills through exercises on real proposals, case-studies from the world's leading donors and learn together in small groups. Before and after the course, you can benefit from our online learning offers.



## Grants & Beyond; Diversifying Income & Building Reserves

Successful NGOs need the right funding mix to create impact and build a better world. But with donor funds severely restricted, and constantly changing priorities and demands, the key question is how can we build a financially sustainable NGO?



## Getting Project Budgeting & Reporting Right

The budget is the most frequent reason why proposals fail to win funds. And many projects are limiting their impact due to budget management issues. Let's fix that!

<https://mzninternational.com/training-courses/>

# Stay in touch!

We are here to make doing good better. We help non-profit organisations secure more funding, drive innovation and develop smarter strategies.

By 2030, most of our services to NGOs will be free of charge or subsidised. Training already is.

**Christian Meyer zu Natrup**

Chris@mzninternational.com

New blog, podcast and upcoming events  
[www.mzninternational.com](http://www.mzninternational.com)



## Upcoming webinars:



### **10 Tips to improve your Proposal Budget**

23 January 2024

3:00 pm - 4:00 pm CET



### **AI & Proposal writing, funding support, & more**

8 February 2024

3:00 pm - 4:00 pm CET





**Thank you for listening.**

**Any Questions?**

