



## ANBO Financial Options

ANBO General Assembly, Tunis, 2-4 June 2019

# BACKGROUND

- Study explores options for financial sustainability for ANBO
- Continuation of institutional options analysis carried out in 2015/16
- Financial options study is done in two stages
  - Scoping study to determine potential options
  - In-depths development of preferred option and development of implementation plan



# ANBO SECRETARIAT OPTIONS

- The 2015/16 studies presented five (5) Secretariat options, each progressively increasing in functions and staff size
- Status quo option 2 staff
- Core functionality 4 staff
- Enhanced core functionality 5 staff
- Technical functionality 11 staff
- Enhanced technical functionality 13 staff



# ANBO'S FINANCIAL NEEDS

- Programme finance for ANBO Action Plan 2015-2019: **\$7.15 m**
- Secretariat finance (depending on chosen Secretariat option)
  - Status quo option: **\$ 240,000 p/a**
  - Core functionality option: **\$ 390,000 p/a**
  - Enhanced core functionality option: **\$ 490,000 p/a**



# CURRENT ANBO FINANCING MODEL

- Sources of finance:
- In-kind contributions – mainly Secretariat support provided by OMVS
- Programme funding – currently mainly UNDP/GEF, previously EU
- Membership fees – at present merely a theoretical source of funding as fees are not regularly collected
  
- As a result, ANBO activity depends on availability of donor funded programmes and spikes of programme activity are followed by (often long) periods of inactivity – little continuity in Strategy & Action Plan delivery



# FINANCIAL OPTIONS

## 1. Membership contributions

- A Secretariat fully financed by membership contributions would require annual fees of between US\$ 12,500 – 24,500 depending on the Secretariat option

## 2. Direct donor core funding for Secretariat

- Not permitted by most donor's funding rules. Some Secretariat funding possible if linked to programme activity, but usually no Secretariat co-funding

## 3. Indirect core funding through AMCOW/ RECs

- Would require ANBO to become officially designated partner (e.g. for capacity building) for RECs and/ or AMCOW and as such receive core funding from these organisations (or their donors)



# FINANCIAL OPTIONS

## 4. Service provider model

- ANBO providing paid services to RBOs, RECs, AMCOW – dependent on demand for services and ability and willingness of clients to pay for it. ANBO would have to compete with a high number of public and private providers – requires a ANBO defining a clear niche and develop competitive advantage

**In summary, as stand-alone option neither of the models is likely to generate sufficient funding to maintain a Secretariat, let alone programme funding**



# FINANCE OPTIONS – BLENDED MODEL

- Combines elements of the other models:
  - 1. Basic Secretariat services provided in-kind (OMVS)
  - 2. Membership fee of US\$ 5,000 per organization to finance a full-time business development (fund-raising) manager and assistant whose job it is to develop proposals to fund ANBO Strategy & Action Plan
  - 3. In parallel, ANBO continues to lobby for some core funding for the Secretariat, either direct or linked to programme funding
  - 4. Over time, ANBO begins to charge for delivering services for activities within its work programme (requires careful consideration of donor funding rules if activities charged for are part of donor supported programmes)



# BLENDED OPTION – REQUIRED NEXT STEPS

1. Explore the feasibility of funding two Secretariat positions (business development manager/ grant proposal writer & assistant) through annual membership fees of approximately USD 5,000.
2. Explore potential for the organization to become a paid service provider to RBOs, RECs and AMCOW
3. Re-focus the ANBO Strategy and Action Plan on a reduced number of core areas of expertise.
4. Ensure the ongoing development of grant funding proposals in support of Action Plan implementation.
5. Approach donors to provide funding to cover some core Secretariat costs, for the Secretariat to be able to develop a meaningful programme/ portfolio of projects that in turn can attract further programme funding.



# THANK YOU



# DISCUSSION OBJECTIVES

- **1. Review of draft report**

Does the report make sense? Any areas to be further discussed (at scoping level)?

- **2. Defining scope of Phase 2**

Which model/ areas proposed in the phase 1 report should be further explored and developed into a clear implementation plan for ANBO?

- **3. Methodology/ Roadmap for Phase 2**

How should stakeholders be engaged?

