Resource-mobilization approach for development cooperation

Discussion paper

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Executive summary

The Doha Congress tasked the Union bodies with implementing a large number of activities and resolutions. However, the financial needs far outstrip the resources available from the regular budget, and technical cooperation in particular needs to obtain external funding if it is to implement its ambitious work programme for the Doha cycle. It is against this background that the International Bureau decided to develop a methodological resource-mobilization approach which identifies activities that will help it to secure the funding it needs in order to meet its development cooperation objectives.

The document is divided into three main parts. First, it defines the concept of resource mobilization and sets out the trends within the United Nations system and at the UPU. Then, it shows the main areas in which intervention is needed and identifies the potential partners and activities that appear to offer the greatest promise. And, lastly, it proposes some ways to implement this approach in the coming years.

In the course of preparing this document, a number of major principles and key actions have been identified:

| Principle 1: UPU resource-mobilization activities should be geared towards development cooperation, including emergency and reconstruction activities, and concern the third pillar. These activities can also facilitate resource mobilization carried out directly by governments or designated operators of UPU member countries. |
| Principle 2: The IB will continue to implement the IPDP approach for technical cooperation and use it as one of the bases for the resource-mobilization strategy. |
| Principle 3: The UPU should identify links between its strategy and those of donors, and develop postal projects that could help to achieve the objectives of potential partners. |
| Principle 4: The UPU should prioritize targeted calls for projects and contacts over the sending out of unsolicited concept notes. Projects submitted to potential partners should achieve a critical mass, justifying the time devoted to resource mobilization and management of the resources obtained. |
| Principle 5: To achieve greater efficiency, resource-mobilization activities should be coordinated by the DCDEV. |
| Principle 6: The development cooperation resource-mobilization activity will be based on a regional approach, in order to reach regional donors and those operating on a decentralized basis. In this context, the resource-mobilization function will be integrated into the regional programmes, with a central role for the regional project coordinators. |

| Area for intervention 1: Improve the visibility of the postal sector among member countries and potential partners by implementing a wide range of advocacy activities. |
| Area for intervention 2: Provide training to internal players involved in the resource-mobilization process, in particular within the framework of the United Nations Development Assistance Framework (UNDAF) approach. |
| Area for intervention 3: Evaluate the current experiments involving the development of projects in partnership with other institutions and integrate the results of this evaluation into the present strategy. |
| Area for intervention 4: Pursue resource-mobilization activities among member countries and designated operators in a more proactive way, in particular by communicating more effectively about the achievements and future needs of technical cooperation and giving thought to what these voluntary contributors can expect in return. |
| Area for intervention 5: Implement a systematic policy of outreach to donors funding UN-system activities (national development agencies, regional development banks, UN agencies and funds and major foundations). |
| Area for intervention 6: Develop a policy on development of partnerships with the private sector. |
I. Introduction

Resource mobilization includes all the actions taken by an organization to ensure that it has the resources it needs to properly implement its strategy. The term "resource" covers not only financial resources, but also the human resources and goods and services made available to the organization. A resource-mobilization strategy requires broad outreach to potential donors and partners in order to diversify the sources of support and financing. In this document, resource mobilization in the UPU context refers to mobilization of resources for development cooperation.

Within the United Nations system, resource mobilization is considered a key activity, fully integrated into the fabric of organizations. Most UN agencies, funds and programmes have sizeable permanent departments responsible for raising funds and forming partnerships to support their mandates and projects. In many UN organizations, extrabudgetary resources provided by donors and partners make up a major slice of the budget.

The Doha Congress adopted resolution C 63/2012, which instructed the IB to "continue and expand the resource mobilization activities launched during the 2009–2012 period, so as to obtain support for the development cooperation policy from international, regional and national financial backers".

At the November 2013 Council of Administration session, the IB presented document CA C 4 CDPG 2013.1–Doc 3c.Annex 1, which announced the development of a resource-mobilization strategy. The present strategy document is the result. It aims to define the main lines of resource-mobilization activities at the UPU, but also to enable member countries to take ownership of the methodology at their own level – essential if it is to be properly implemented.

II. General background to resource mobilization

1 Global analysis of trends in development aid

a Public development aid

Each year, the Organization for Economic Cooperation and Development (OECD) measures the development of public development aid (PDA) in its member countries. The total amount of this aid rose significantly between 2004 and 2011 in the OECD countries, from 79.85 billion USD in 2004 to 133.53 billion in 2011. However, this growth hides some contrasting situations, particularly since the economic and financial crisis of 2008, as table 1 below shows. PDA thus stagnated or dropped in several countries, particularly Spain, Japan and the Netherlands, while it rose in Germany or the United States.

Table 1: PDA development (in millions of USD) in the main OECD donor countries

According to the United Nations Department of Economic and Social Affairs, the official PDA today represents 0.31% of industrialized countries' GNP.\(^2\) This falls far short of the target of 0.7% set in 1970 by the UN General Assembly, in a resolution that stated that "each economically advanced country will progressively increase its official development assistance to the developing countries and will exert its best efforts to reach a minimum net amount of 0.7 percent of its gross national product at market prices by the middle of the decade".\(^3\)

The margin for growth in PDA is therefore large in theory, but in the current economic context, with many industrialized countries suffering recession or very weak growth, and high public deficits, future prospects are uncertain. However, we may also note the emergence of new players on the international scene, first and foremost the emerging countries, which are set to play an increasingly important role in the future.

\(b\) Growing weight of the private sector

Traditionally, development aid has mostly been drawn from public funds. "Donations from private voluntary organizations" for funding of development aid have grown sharply over the past decade, from 11.4 billion USD in 2004 to 30.76 billion in 2010. They now make up a quarter of all PDA.\(^4\) Some 74% of this amount comes from institutions based in the United States, such as the Bill & Melinda Gates Foundation, the Walton Family Foundation, the Ford Foundation or the Rockefeller Foundation. Some of these bodies now play a leading role in various areas of development aid. For example, the Bill & Melinda Gates Foundation's strategy in the areas of financial inclusion or health has a strong impact on the overall activities of players in these two sectors.

c Reference framework for development aid funding

Whether funding comes from public or private players, since 2002 there has been a reference framework for development aid funding, known as the Monterrey Consensus,\(^5\) which identified six leading actions:

– Mobilizing domestic financial resources for development;
– Mobilizing international resources for development, including foreign direct investment and other private flows;
– Encouraging international trade as an engine for development;
– Increasing technical and financial cooperation for development;
– Developing debt-cancellation programmes;
– Addressing systemic issues, for example enhancing the coherence of international trading, monetary and financial systems in support of development.

This framework was reinforced in 2005 by the Paris Declaration on Aid Effectiveness,\(^6\) which set out five major principles around which donors and partner countries (we no longer talk about "beneficiaries") should base their cooperation, namely:

– Ownership: partner countries exercise effective leadership over their development policies and strategies and coordinate development actions;
– Alignment: donors base their overall support on partner countries' national development strategies, institutions and procedures;
– Harmonization: donors' actions are more harmonized, transparent and collectively effective;
– Managing for results: managing resources and improving decision-making for results;
– Mutual accountability: donors and partners are accountable for development results.

The importance of the first two principles is worth underlining, as they have fundamental consequences in terms of resource mobilization for development cooperation. Partner ("beneficiary") countries are placed at the heart of the process, and donors will, in theory, make contributions based on these partners' wishes. For the UPU, in most cases, this means that a request for funding to carry out actions in one of its member countries will only be successful if it has the support of the government of the beneficiary country, and in particular that of the ministry of economics and finance, which is generally at the heart of the system coordinating international donors' aid.

A coordination framework for aid, known as the United Nations Development Assistance Framework (UNDAF), has been put in place by the UN in many beneficiary countries. UNDAFs serve as a strategic coordination mechanism for UN interventions in a given country. They describe the collective response of the various UN agencies to a country's development priorities, based on the comparative advantages of each organization. Specialized agencies of the UN and agencies with no presence in the field in the UNDAF beneficiary country do not generally participate in this kind of coordination, but there is a strong willingness at the UN level to step up the involvement of all agencies in UNDAF development.

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\(^5\) Consensus adopted by all the UN member countries following the Monterrey Conference on Development Financing held in Mexico from 18 to 22 March 2002.

\(^6\) www.oecd.org/dac/effectiveness/34428351.pdf; this declaration was adopted in Paris on 2 March 2005 by the representatives of a hundred developed and developing countries, together with the principal development organizations. To date, over 140 countries have adopted the principles it contains.
2 Trends within the UN system

a Growing importance of extrabudgetary funds

One of the major trends observed within the UN system is falling contributions to the regular budget of agencies, funds and programmes, and rising extrabudgetary contributions. The UN Joint Inspection Unit is currently preparing a report on resource mobilization in the United Nations. This will certainly provide more information on the subject, but initial figures show that the regular budget’s share of the overall budget has fallen significantly in many UN organizations. This is true in particular of the UN Food and Agriculture Organization, the International Labour Organization, the International Atomic Energy Agency, the United Nations Environment Programme, the World Tourism Organization, and the World Meteorological Organization. And many other organizations already have a funding structure based mainly on extrabudgetary contributions. A case in point is the United Nations Development Programme, which in 2012 obtained over 81% of its resources – more than 3.8 billion USD in all – through resource-mobilization activities.

b Millennium Development Goals and Post-2015 Development Goals

In September 2000, the UN member countries adopted the eight Millennium Development Goals (MDGs):

- Eradicate extreme poverty and hunger;
- Achieve universal primary education;
- Promote gender equality and empower women;
- Reduce child mortality;
- Improve maternal health;
- Combat HIV/AIDS, malaria and other diseases;
- Preserve the environment; and
- Develop a global partnership for development.

These goals, due to be achieved by 2015, were designed to form a joint action plan to respond to the needs of the world's poorest citizens. Since they were launched, they have provided a global intervention framework for donors, which now measure the impact of their activities in terms of progress towards achievement of the MDGs.

With the 2015 deadline fast approaching, a high-level group of experts was set up by the UN Secretary General, and numerous consultations took place in order to establish the "Post-2015 Development Goals". The future goals will be finalized for the September 2015 UN General Assembly session, but we can expect them to include areas such as economic growth, social inclusion, environmental protection, access to energy, or development of infrastructures.

The MDGs (and the Post-2015 Development Goals, once they are in place) are of fundamental importance because many donors base their funding priorities directly on these goals. In the resource-mobilization activities to be implemented by the UPU, we should therefore try to show how the postal sector, as an agent for socio-economic development, can help to achieve these goals.

3 Resource mobilization at the UPU: situation analysis

a Background

At the UPU, resource-mobilization efforts have traditionally focused on member countries and designated operators. France's La Poste Group, the Japanese Ministry of Internal Affairs and Communications, Swiss Post and the China State Post Bureau were the principal contributors to UPU development cooperation between 2009 and 2012. In total, in the course of that cycle, no less than 4.16 million CHF was raised by the Development Cooperation Directorate (DCDEV) to implement its projects.

7 The present document will be updated once the conclusions of this study have been made public.
In parallel, in 2009, new resource-mobilization activities were launched among new donors, based on various resolutions of the 24th Congress that explicitly referred to the need to appeal to donors and partners (in particular, C 5/2008, C 6/2008, C 53/2008, C 55/2008 and C 74/2008). A non-core position was thus established, to work 50% on fundraising and 50% on management of strategic projects. The aim of these dual functions was to ensure that management of projects financed by donors was in line with the expectations and criteria of these partners, particularly in terms of project management methodology and reporting.

The approach adopted consisted of positioning the postal sector as a lever for socio-economic development, particularly in rural areas, and as a key player in financial inclusion. The resource-mobilization activities mainly consisted of responding to calls for projects or submitting projects to clearly identified donors. This resulted in over nine million CHF being raised for the UPU, or directly for postal operators. A major chunk of these amounts corresponds to projects that will be implemented in the 2013–2016 cycle, mainly in the postal financial services and financial inclusion area.

The UPU's main donors over this period were the European Union, the International Fund for Agricultural Development (IFAD), the Bill & Melinda Gates Foundation and the World Bank.

b  Context of the new cycle

Implementing all the resolutions adopted by the 25th Congress in Doha would require annual financing of 40.1 million CHF. However, the expenditure ceiling was set at 37.2 million CHF, and the budget finally approved by the CA for 2014 was around 36 million CHF. It is therefore clear that, for the 2013–2016 cycle, the UPU will need to obtain additional funding from outside the regular budget if it is to properly implement the Doha strategy.

Meanwhile, the development cooperation budget will remain at the same level as in the previous cycle. Voluntary contributions by “traditional” UPU partners (governments and designated operators) will not be enough to cover all the activities that developing countries want – for example, activities in the area of financial inclusion, postal reform, e-commerce development, or electrification and improved connectivity, two issues seen as priorities in Africa but for which no funding is available.

To achieve concrete results in favour of member countries, the UPU therefore needs to mobilize more resources – among its members, of course, but above all among external donors, which represent the main opportunity to access new resources. Resolution C 63/2012 adopted by the Doha Congress instructed the IB to “continue and expand the resource mobilization activities launched during the 2009–2012 period, so as to obtain support for the development cooperation policy from international, regional and national financial backers.”

c  UPU specificities: SWOT analysis

The first thing to be borne in mind is that the resource-mobilization market is highly competitive. The UPU is one of the last UN-system organizations to have deployed resource-mobilization activities. And it is clear that a donor, which itself has only limited resources, needs to make choices about the sectors and activities it wishes to fund. In donors’ lists of priorities, it is highly likely that supporting the postal sector will fall some way behind education, access to water, or combating malaria.

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8 Three projects between 250,000 and 500,000 USD supported by IFAD; a 1,057,000 USD project for the Bill & Melinda Gates Foundation, and two projects supported by the European Union totalling 1.5 million EUR and 4.16 million EUR.
The following SWOT analysis seeks to provide a clearer picture of where the UPU stands in this competitive area of resource mobilization:

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
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<tbody>
<tr>
<td>– UPU membership of the UN system</td>
<td>– UPU: an organization relatively unfamiliar to a large number of donors</td>
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<tr>
<td>– Successful experiences with several major donors (Bill and Melinda Gates Foundation, IFAD, World Bank)</td>
<td>– Resource-mobilization activities that are not pursued systematically for want of resources</td>
</tr>
<tr>
<td>– Significant assets for project implementation: technical expertise available both internally and externally (pool of consultants), concrete tools available to postal operators in numerous areas (IFS, IPS and others developed by the PTC), existence of an online training system (Trainpost)</td>
<td>– Extremely limited UPU presence in the field</td>
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<td>– Ability to work with member countries on a political and regulatory level, and with designated operators on a more operational level</td>
<td>– Low visibility of UPU at major events</td>
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<table>
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<tr>
<th><strong>Opportunities</strong></th>
<th><strong>Threats</strong></th>
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<tbody>
<tr>
<td>– The network of postal operators, the world’s largest physical distribution network, which is a major asset</td>
<td>– Image of an outdated and obsolete postal sector</td>
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<tr>
<td>– Development of e-commerce, for which the presence of a physical network is essential</td>
<td>– Sector not seen as a priority by governments in many member countries</td>
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<tr>
<td>– Posts are key players in financial inclusion in many countries and have strong development potential</td>
<td>– To obtain funding from partners, the UPU might be obliged to gear its activities towards non-priority areas or activities that only partially correspond to the Doha Strategy</td>
</tr>
<tr>
<td>– The success of the Exporta Fácil project in Brazil and Latin America shows Posts’ potential in the area of trade facilitation</td>
<td>– The time spent on monitoring and assessing a project can be out of all proportion to the donors’ contribution unless a critical mass is achieved</td>
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<tr>
<td>– Posts’ presence in rural areas all over the world often makes them the sole possible point of contact between local people and the central administration (potential to provide official services, access to information)</td>
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<tr>
<td>– In certain countries, Posts are seen as levers of development and gateways to new technologies for rural populations</td>
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III. Strategic axes for UPU resource mobilization

On the basis of the analyses provided in the first part of this document, we may draw up a number of guidelines that could form the basis of various strategic axes for UPU resource mobilization.

4 Scope of the strategy

As already stated in the introduction, the resource mobilization described in this document concerns development cooperation activities. Since 1 January 2010, there has been a new system of financing the Union budget, based on three pillars:

- a first pillar financed by contributions from member countries, representing the Union’s regular budget;
- a second pillar financed by contributions from the Postal Technology Centre (PTC), the EMS Cooperative and other similar bodies; and
- a third pillar financed by public and private donors, representing tied and untied extrabudgetary resources; the purpose of this third pillar is to finance activities that would otherwise have no funding.

This resource-mobilization strategy concerns the third pillar, and is geared towards securing funding for activities and projects resulting from the Doha Strategy for which resources from the regular budget would not be sufficient. We would therefore exclude actions that relate more specifically to the first two pillars:

- activities carried out by the PTC or EMS to finance their operations;
- actions carried out by the general management in line with the mandate given by the CA to encourage member countries to increase their number of contribution units to the UPU regular budget.

However, the UPU's approach should include any actions that would allow governments and designated operators to directly mobilize resources for the postal sector, whether through international donors, or through mobilization of national resources (particularly government budget).

Principle 1: UPU resource-mobilization activities should be geared towards development cooperation, including emergency and reconstruction activities, and concern the third pillar. These activities can also facilitate resource mobilization carried out directly by governments or designated operators of UPU member countries.

5 Areas for intervention

As we have already seen in the SWOT analysis, the UPU suffers from a low profile. Despite numerous actions in recent years that have helped to make our organization more visible (organization of CEB meeting in Berne in 2008, funding obtained from large partners, success of the Doha ministerial conference, to cite just a few examples), it is clear that, outside the traditional postal circle, few people know the UPU.

Moreover, few governments, in the design and implementation of their development strategies, identify the postal sector as a priority sector, on a par with education, agriculture, access to energy or health, for example.

So the UPU cannot mobilize resources in the same way as certain other organizations, which might launch appeals for funding to combat AIDS, malaria or famine, for example. And we cannot obtain contributions in the same way as the UNDP or UNICEF, or indeed the World Bank, which, thanks to their "brand image", are able to attract tied or untied contributions on a vast scale. The UPU's resource-mobilization approach will need to reflect all these considerations, and focus on two main areas:

- The UPU needs to support its members in positioning the postal sector as a key agent in socio-economic development;
- The UPU should design, and offer potential partners, projects that dovetail with their policies (for example, a project linked to parcels should be approached from the perspective of trade facilitation).

These two areas should then flow into the four points set out below.
a At global level: the UPU as an agent in the development of international development policies

As indicated in the first part of this document, the actions of donors and development partners fall within a global reference framework, namely the Millennium Development Goals (shortly to be replaced by the Post-2015 Development Objectives). At the global level, the UPU therefore needs to demonstrate postal networks' ability to achieve the MDGs or Post-2015 objectives. Various projects have been carried out by the UPU on this subject since 2006, within the framework of the DCDEV: a reference document was produced by a consultant in 2006, followed by an IPDP financing guide (see next point), prepared in 2011.

This approach needs to be strengthened in the 2013–2016 cycle, with the production of new documents in various forms: publications, articles in magazines or blogs, issuing of press releases, etc. A major advocacy programme should be pursued to further raise the awareness of member countries and donors of postal networks' potential contribution to socio-economic development.

This also means organizing events that are capable of having an impact in communication terms. The strategy conference and the next Congress, in particular, should serve as platforms for raising the worldwide visibility of the sector. Participation in various events organized by other UN agencies, the World Bank, donors or other bodies should also help to raise the standing of the UPU and the postal sector.

**Area for intervention 1**: Improve the visibility of the postal sector among member countries and potential partners by implementing a wide range of advocacy activities.

b At national level: importance of the IPDP approach

Generally speaking, donors are looking to integrate their actions into the national development and poverty-reduction policies of their partner governments. To obtain donor support, it is therefore essential for each country to include the postal sector in its national development policy. Integrated postal reform and development plans are the ideal tool for achieving this.

Launched by the UPU in 2005, IPDPs aim to assist the implementation of postal sector reform in developing countries and the inclusion of the sector in the government's overall strategy. One of the main objectives of these plans is to ensure compliance with the state’s obligation to guarantee the provision of universal postal service to its inhabitants and businesses by modernizing and developing the postal sector. More than 70 countries have already benefited from IPDPs and are currently at various stages of implementing these plans.

The strengthening and roll-out of these plans is essential in positioning the postal sector as a key agent of economic and social development, and should be one of the pillars of the UPU's resource-mobilization strategy for development cooperation.

**Principle 2**: The IB will continue to implement the IPDP approach for technical cooperation and use it as one of the bases for the resource-mobilization strategy.

At the same time, the importance of UNDAFs in the development strategy of a given country should be borne in mind. While the IPDP provides the coordination framework for the national postal sector development policy, the UNDAF forms the link between a country's development policy and interventions by all donors. It is therefore essential for the UPU to subscribe to the UNDAF approach as well. Given the UPU's limited presence in the field, it might be worthwhile finding some way to involve the ministers responsible for the Post and designated operators in this process.

**Area for intervention 2**: Provide training for internal players involved in the resource-mobilization process, in particular within the framework of the UNDAF approach.

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9 These two guides are available on the UPU website at www.upu.int/en/activities/technical-cooperation/integrated-postal-reform-and-development-plans/guides.html.
c  Taking account of development partners’ priorities

Clearly, in addition to the advocacy activities referred to in the two points above, there is a need to work on concrete actions to mobilize resources. As the postal sector is not an obvious priority for donors and partners, the UPU resource-mobilization approach should involve three stages:

– identifying potential partners;
– analyzing potential partners’ strategies and priorities; and
– identifying possible links between UPU projects and activities, on the one hand, and partners’ intervention strategies on the other. The idea is therefore to see how a “postal” activity can be aligned with one of the donor’s priorities. To take a concrete example, we will not develop a project on postal financial services, but rather projects geared towards financial inclusion of populations through the use of postal networks.

In this context, the following areas, seen as priorities by various donors, should be targeted for UPU resource-mobilization activities:

– trade facilitation;
– reduction of the digital divide;
– financial inclusion;
– development of rural areas;
– access to government services;
– regional planning and addressing policies;
– reduction in cost of money transfers for migrants;
– increasing the security of e-commerce;
– sustainable development (including natural disaster risk reduction).

This (non-exhaustive) list shows that the three dimensions of the postal sector – physical, electronic and financial – can contribute to economic and social development. Through the projects that we develop, we should try to demonstrate how purely postal activities (parcels, postal financial services, electronic postal services, addressing, etc.) can contribute to areas such as those listed above, and can help to attain partners’ objectives.

Principle 3: The UPU should identify links between its strategy and those of donors, and develop postal projects that could help to achieve the objectives of potential partners

d  Format of projects to be developed by the UPU

It should be clear from the preceding paragraphs that it will be difficult for the UPU to launch huge appeals for funding, particularly for untied contributions. The guiding principles for projects to be developed by the UPU and submitted to donors could, therefore, be as follows:

– Ideally, design projects in response to calls for projects (since such calls show that funds are available);
– Propose projects on a sufficiently large scale for the resources mobilized to justify the time it takes to manage them.
– The current experiment involving the development of projects in partnership with other international organizations for joint submission to donors should be assessed. While joining forces with another organization to mobilize resources significantly increases the chances of success – in particular by virtue of the partner’s experience, know-how or profile – it also has consequences in terms of control of the project, and these need to be analyzed. Two projects of this kind, both funded by the European Union, are currently under way.

Principle 4: The UPU should prioritize targeted calls for projects and contacts over the sending out of unsolicited concept notes. Projects submitted to potential partners should achieve a critical mass, justifying the time devoted to resource mobilization and management of the resources obtained.
Area for intervention 3: Evaluate the current experiments involving the development of projects in partnership with other institutions and integrate the results of this evaluation into the present strategy.

6 Typology of potential partners

The UPU already has some experience of resource mobilization. However, this experience varies greatly according to the different types of partners, which may be divided into three categories: traditional UPU donors; new donors, which are the traditional partners of other UN institutions; and the private sector. For each of these three families, the approaches, risks and opportunities will be different.

a Traditional UPU donors

For many years, the UPU has enjoyed the support of its member countries and designated operators. In particular, within the framework of the DCDEV, each year several countries finance cooperation activities by providing tied or untied funds, expertise or equipment. These resources may concern specific activities (financial services, customs, philately), specific regions, development projects or emergency projects (Haiti, Philippines), training activities (Trainpost), etc. The funds obtained in this way make up almost one third of the technical cooperation funds, and as such are of critical importance.

The efforts to mobilize such resources need to be continued and, if possible, expanded, in particular by precisely identifying what motivates partners to make contributions, appealing to UPU member countries in a more proactive way, and reaching out to new countries that have not traditionally taken an interest in UPU cooperation activities. One of the points on which the DCDEV needs to work is identifying ways of better recognizing the contribution of countries/designated operators that fund UPU cooperation activities:

– For certain major regional players (emerging countries in particular), promote their leadership during regional activities (refer to the source of funding in invitation letters for seminars, on seminar banners, in reports, etc.);
– Better promote the contributions received. For example, in the field, you see many buildings or vehicles that indicate donors’ support (“Vehicle funded by the EU with Belgian cooperation funds”, and the like). The UPU could very easily take similar steps;
– Recognize the contributions of various parties during UPU meetings;
– Mention the contributions received in the UPU’s annual reports.

For this type of donor, the opportunities for new partnerships are moderate, and the risks low.

Area for intervention 4: Pursue resource-mobilization activities among member countries and designated operators in a more proactive way, in particular by communicating more effectively about the achievements and future needs of technical cooperation and giving thought to what these voluntary contributors can expect in return.

b United Nations donors

National development agencies, regional development banks, UN agencies and funds, and (non-profit-making) foundations represent the UPU’s new partners. However, for almost all the other UN-system institutions these are traditional donors, since they have benefited from these partners’ support over many years.

This type of partner represents the UPU’s main resource-mobilization opportunity. Once these institutions have been identified, systematic activities need to be put in place:

– analysis of their priorities, as set out in their strategic plans;
– strategic monitoring of their activities and of new calls for projects that are launched;
– approaches, both at the most senior level and at the operational level, through participation in conferences, organization of events, through the UN network, etc.;
– joint identification of cooperation opportunities – a process that can take several years to bear fruit; and
– design of projects, initially in the form of concept notes, then in the form of requests for financing or project documents.
For partners of this type, the opportunities are considerable and the risks are limited; the main problem is how to avoid excessively "distorting" the UPU's priorities in order to align with those of donors. One difficulty for cooperation with such partners is the lack of flexibility in the UPU rules, and in particular the fact that the agreement of the Council of Administration, in consultation with the Postal Operations Council, is needed in order to enter into any negotiations with a potential partner. This significantly complicates the process of approaching potential partners.

_Area for intervention 5:_ Implement a systematic policy of outreach to donors funding UN-system activities (national development agencies, regional development banks, UN agencies and funds and major foundations).

c  **Private sector**

The third group of potential partners, the private sector, offers great opportunities for the UPU in absolute terms, but also a number of risks. Currently, the UPU raises relatively few resources from the private sector, in particular because of fears that its independence will be undermined. A framework was defined in document CA C 2 2006–Doc 11, which made the following points:

- Cooperation between the UPU and businesses should promote the missions and aims of the UPU.
- This cooperation should respect the general principles established by the UN (advancing the organization's goals, clearly delineating roles and responsibilities, integrity, independence and impartiality, no unfair advantage, transparency).

The UPU Financial Regulations also state that the Director General may accept voluntary contributions, in particular from private firms, under the following conditions:

- The conditions under which these contributions are granted must be compatible with the objectives of the Union.
- The integrity, independence and impartiality of the Union, particularly in the management and execution of the programme or project, must be guaranteed.
- The UPU bodies must be informed about the contributions and contributors.
- Contributions in cash or in kind may be earmarked for the funding of conferences, meetings and study cycles, expert services, vocational training services, fellowships, equipment, or any other service or resource necessary for the type of activity envisaged.

A memorandum by the UN Joint Inspection Union, published in 2009, described partnerships with the private sector as a major opportunity for the UN system. However, the memorandum also drew agencies' attention to two specific points: firstly, partnerships must not undermine agencies' independence; and, secondly, this type of partnership may harm the image of the United Nations if the private partner does not abide by the UN Global Compact's 10 principles (on human rights, labour standards, environmental protection and the fight against corruption). The greatest care must therefore be exercised when selecting partners.

This being said, to date the UPU has adopted the opposite approach to many other UN agencies. The Union has been extremely cautious, while almost every other UN agency and fund has developed strong partnerships with the private sector. So, within its "sector group", ITU has more than 700 organizations, the majority of which are in the private sector (others come from the academic world, and a third group consists of regional sectoral organizations). These organizations contribute directly to the financing of ITU activities, in particular by contributing to the organization of conferences or by donating equipment.

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More generally, other UN-system organizations regularly cooperate with the private sector and agree to associate their name with that of partners. The aim of this document is not to provide specific guidelines for the evolution of the UPU's relations with the private sector, but simply to underline the fact that the UPU, through its CA, needs to consider how to move towards private-sector sponsorship in the future. Within this framework, the following points should be addressed:

– Speeding up of the process for establishing formal contacts;
– What might be offered to a private sponsor in exchange for a contribution to a UPU activity (visibility, participation in UPU meetings, etc.);
– Respective roles of the permanent bodies of the UPU in the process.

*Area for intervention 6:* Develop a policy on development of partnerships with the private sector.

**IV. Implementation of the resource-mobilization strategy**

**7 Organizational structure needed**

*a Coordination of resource-mobilization activities*

To implement all the activities set out in this document, an internal team could be formed to coordinate all activities involving external partners.

This coordination would focus on the following aspects:

– continuously analyzing the actions carried out by the UPU in the resource-mobilization area and identifying lessons to be drawn;
– surveying all activities involving an external partner;
– identifying potential partners and their priorities;
– developing and updating a database of partners;
– liaising with the permanent missions in Geneva, the UN, the World Bank, etc.;
– putting in place targeted advocacy/communication activities.

*Principle 5:* To achieve greater efficiency, resource-mobilization activities should be coordinated by the DCDEV

*b Within the DCDEV*

Responsibility for resource mobilization is currently shared between the Partnerships, Financial Inclusion and Sustainable Development Programme (PARFISD) and the DCDEV programme managers and regional experts. The Asia-Pacific and Operational Coordination Programme has particular responsibility for managing the special funds.

This type of structure seems appropriate for the implementation of the strategy set out in this document. Certain improvements might be considered:

– an increased role for the regional players, including the regional project coordinators (RPCs) in overseeing implementation of IPDPs, with a specific brief to persuade governments to finance these plans;
– the DCDEV should make use of its regional programmes to roll out a regional resource-mobilization approach that enables targeting of regional donors and those operating on a decentralized basis (for example, national delegations of the European Union). The resource-mobilization function will be partially integrated into the regional programmes, with a central role for the regional project coordinators;
– systematically organizing meetings with donors during missions in the field by DCDEV staff;
– increased role for the DCDEV in organizing high-level meetings with potential partners (UN agencies and funds, embassies and national development agencies, in particular).
Principle 6: The development cooperation resource-mobilization activity will be based on a regional approach, in order to reach regional donors and those operating on a decentralized basis. In this context, the resource-mobilization function will be integrated into the regional programmes, with a central role for the regional project coordinators.

c Outside the DCDEV

Elsewhere within the International Bureau, other ideas might be considered:

- Role of the Communication Programme (under the Executive Office, Strategy and Communication Directorate): there are strong complementarities between the activities of the Communication Programme and those of the resource mobilization function: attracting potential partners means effectively communicating the results of projects implemented by the UPU.

- Already, in the 2013–2016 cycle, the Integrated Data and Economic Research Programme (part of the Economic and Regulatory Affairs Directorate) is due to work on assessment of projects implemented by the DCDEV. This role could be expanded to work more extensively on the postal sector’s "success stories", as has already been done with Brazil's successful Banco Postal and Exporta Fácil. In the past, the impact studies carried out in these areas by the DER have contributed greatly to the securing of financing for UPU projects. New economic analyses produced by the DER could be used to develop explanatory texts that would encourage donors to engage in favour of the postal sector.

- There is one final point to be mentioned, concerning the lack of a physical presence in key locations for the development of partnerships: Geneva (UN, embassies), Brussels (EU), New York (UN, foundations, private sector) or Washington (World Bank). The UPU might wish to discuss ways of enabling the postal sector’s voice to be heard during meetings held in these cities, at minimal cost to the UPU. In the current financial context, it is difficult to imagine opening liaison offices in these locations. However, other options could be considered, for example partnerships with other organizations such as ITU, or creating a network of relays linking designated operators and ministries responsible for Posts in UPU member countries.

8 Resources needed in order to implement the strategy

a Financial and human resources needed

It is important to bear in mind that resource mobilization is an investment that needs to generate a return. Within the UN system, the resource-mobilization units of the various funds and agencies often employ dozens of people, and in some cases many more than that. This cost is offset by the resources that these units are able to mobilize for the organization. Given the current budgetary context, the International Bureau will consider the best way to implement the resource-mobilization approach set out in this document. As mentioned above, the idea of creating relays within member countries will studied as a means of widening the scope of resource-mobilization actions.

b Training

Given that the current structure can, to a very large extent, serve in implementing the approach outlined in this document, training should be provided to the individuals who will be called upon to contribute to it. The training modules should cover the following points:

- knowledge of donors;
- resource-mobilization techniques;
- communication;
- project management methodologies used by donors (concept of quality control).

This training should be provided by both internal and external experts, and other UN agencies should be invited to share their experience. We might also consider creating a Trainpost training module, which could, in particular, be used directly by representatives of member countries.
9  Objectives and monitoring of implementation

a  Quantifiable targets

Various indicators should be developed for measuring how successful the implementation of the resource-mobilization strategy is. Naturally, we might consider measuring the number of partners contacted or the number of concept notes sent, but the key performance indicator should be in terms of the monetary equivalent of the resources mobilized, both for the UPU and for the governments and designated operators of its member countries.

b  Monitoring implementation

The International Bureau should report regularly to the competent bodies on the implementation of the resource-mobilization activity, detailing the main activities carried out, difficulties encountered and results achieved in terms of the indicators referred to above.

The approach, in its current form, should be implemented in the 2013–2016 cycle and updated at the beginning of the next cycle. A draft resolution on resource mobilization could be presented to the next Congress to define the scope of activities to be carried out in the next cycle.