



IUCN, International Union for Conservation of Nature and Natural Resources

Management report for the year ended 31 December 2022

2022 Results

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	CHFm	CHFm	CHFm	CHFm	CHFm	CHFm
Income	32.2	127.4	159.6	33.3	103.7	137.0
Cost recovery and internal allocations	42.2	(42.2)	0.0	39.3	(39.3)	0.0
Operating expenditure	(70.3)	(82.3)	(152.6)	(67.8)	(62.8)	(130.6)
Net operating surplus	4.1	2.9	7.0	4.8	1.6	6.4
Other income and expenditure	(4.1)	(2.9)	(7.0)	0.9	(1.6)	(0.7)
Net surplus/(deficit) for the year	0.0	0.0	0.0	5.7	0.0	5.7

IUCN ended the year with a breakeven result. Total income reached CHF 160 million, significantly higher than the level of CHF 137 million realised in 2021. Unrestricted income reached CHF 32.2 million compared to CHF 33.3 million in 2021. Project income and expenditure reached CHF 127 million compared to CHF 104 million in 2021.

The significant increase in project implementation was attributable to a growing project portfolio and higher implementation rates following the end of the Covid pandemic and a rebound in project activities.

Although the year-end result was breakeven, an unrestricted operating surplus of CHF 4.1 million (2021: CHF 4.8 million) was achieved.

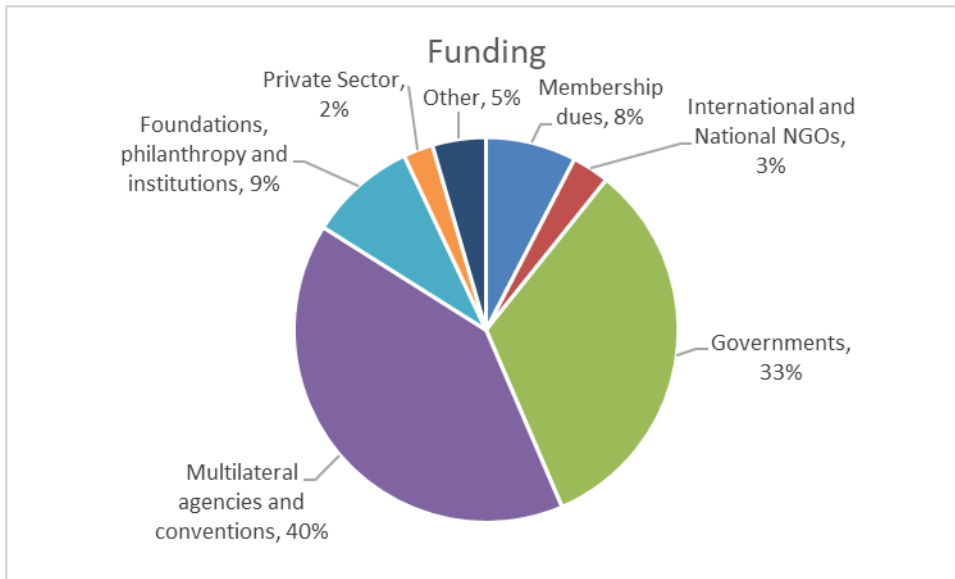
The healthy operating surplus reflects a continued drive to increase operational efficiency and to increase the funding of operational costs from the project portfolio thereby reducing the pressure on unrestricted funds to cover operational costs. In addition, a strengthened planning, budgeting and reporting process introduced in 2021 led to more efficient delivery.

Other income and expenditure included unrealised losses on IUCN's investment portfolio of CHF 1.7m and losses on foreign exchange of CHF 1.3m. The former was a result of significant falls in both global equity and bond markets which in turn were driven by a rising interest rate environment and a downturn in major economies. Although IUCN has a low risk investment strategy the falls were nonetheless significant. The losses on foreign exchange were primarily due to the strengthening of the Swiss franc against other IUCN operating currencies and the impact this had on balance sheet revaluations at the year-end

Unrestricted reserves stood at CHF 20.0 million at the end of 2022 compared to CHF 20.6 million at the start of the year.

Funding

Governments and multilateral agencies provided 73% of the organisation’s income, alongside Membership dues (8%), income from foundations and philanthropy (9%), the private sector (2%) and non-governmental organisations (3%).



Unrestricted income

IUCN’s Framework Partners continue to be instrumental in building and supporting a strong Union through multi-year funding agreements:

- Ministry of Foreign Affairs of Denmark
- Ministry for Foreign Affairs, Finland
- Government of France
- Ministry of Environment, Republic of Korea
- Norwegian Agency for Development Cooperation
- Swedish International Development Cooperation Agency
- Swiss Agency for Development and Cooperation
- United States State Department
- Ministry of Environment, Luxembourg

Framework income of CHF 13.7 million was received compared to CHF 13.6 million in 2021. The Ministry of Environment, Luxembourg joined as a new framework partner in 2022. Framework income continues to be essential in providing financial stability and flexibility that allows IUCN to play its unique role in influencing and assisting societies throughout the world to conserve the integrity and diversity of nature.

Membership income reached CHF 13.5 million, compared to CHF 12.6 million in 2021. 62 new Members joined IUCN in 2022, including one new State Member, The Maldives. At the end of 2022, there were 1,452 Members across 165 countries.



Restricted income: programme and project portfolio

IUCN's project portfolio continues to grow strongly. At the end of 2022, the value of the project portfolio stood at CHF 927 million, comprising 556 projects in 166 countries. The European Commission was IUCN's largest donor, followed by the Global Environment Fund (GEF), the German Government and the Green Climate Fund (GCF).

Outlook

The outlook for 2023 is positive. Funding is strong and the portfolio continues to show healthy growth. Implementation levels are expected to increase by over 10% compared to 2022. Several steps are being taken to improve long-term financial sustainability. Investments continue to be made in resource mobilisation to boost the level of unrestricted funds. In addition, a new overhead and costing framework was rolled out in early 2022 with the objective of improving project budgeting and increasing the funding of operational costs by the project portfolio. The benefits of these tools will be realised as new projects are taken on.

Details of IUCN's programme of work and highlights, together with further information on the Union can be found in the Annual Report.

[IUCN Annual Report 2022](#)