

2.1 CHAIR'S AND DG'S PROGRESS REPORT

PART 1 – THE EXTERNAL ENVIRONMENT

The period since March has brought no surprises, but no relief either. The hostile environment we anticipated at the start of the year has continued to deepen, and the architecture that the global SRHR movement has relied on for decades is now under simultaneous pressure from multiple directions. We present this report in that context, and with clear eyes about what it means for IPPF.

The scale of the **contraction of the global development finance environment** is now documented and stark. Preliminary data published by the OECD in April 2026 shows that official development assistance (ODA) from Development Assistance Committee members fell by 23.1% in bilateral aid in 2025, the largest annual decline in the recorded history of ODA, bringing total assistance to USD 174.3 billion, a level not seen since 2015.ⁱ The United States alone drove three-quarters of this decline, with its ODA falling by 56.9%, the largest reduction in volume by any provider in any single year on record, while core contributions to the UN system declined by 27%.ⁱⁱ The OECD projects a further 5.8% decline in ODA in 2026.ⁱⁱⁱ

The United Kingdom is also among the major donors contributing to this contraction: FCDO's multi-year spending plans published in March 2026 confirm that the total value of FCDO programmes will fall by 31% compared to 2025/26,^{iv} with direct FCDO spending on health already down 46% in 2025/26 and funding for multilateral human rights initiatives down 65%.^v These reductions are compounded by significant institutional contraction within FCDO itself, with overall headcount expected to fall by between 15% and 25%,^{vi} raising serious concerns about the retention of technical expertise in health, gender, and SRHR.^{vii}

For IPPF, these reductions have a direct funding impact: FCDO has notified the Secretariat in March of a 35% reduction to our core funding allocation for 2026/27, from £1.75m to £1.1m, with the three-year total (2026–2029) falling from £3.45m to £2.8m. An expected core top-up from Sida and the Netherlands means this reduction should not affect the current year budget or Stream 1 funding to Member Associations.

This financing crisis is inseparable from a wider geopolitical shift in how development assistance is being deployed. Following the January 2025 USAID stop-work orders, IPPF's survey with Member Associations found that the total funding loss to the Federation was \$87.2 million. At least 969 MA staff lost their jobs across 24 MAs and 1394 service delivery points were shut down across 29 Mas, translating to an estimated 8.6 million fewer people will be able to access SRHR services.

The United States government (USG) launched the **America First Global Health Strategy** in September 2025, explicitly framing health foreign assistance as a geopolitical tool.^{viii} To date, 27 MOUs have been concluded with governments across Africa (17), Asia and the Pacific (4) and Latin America, and the Caribbean (5). The Board should note several features of these agreements that give serious cause for concern: negotiation processes that excluded civil society, parliamentarians, and in some cases Ministries of Health; Helms-style language applied for the first time to bilateral sovereign agreements; co-financing requirements that in some cases demand domestic health budget contributions exceeding 40%; and ambiguous clauses permitting the USG to request future policy changes from recipient governments. These provisions must be read alongside the expanded Global Gag Rule introduced in January 2026, and in the context of broader anti-rights activity. Civil society is actively resisting, legal challenges have been filed in Kenya, where the MOU has been paused pending a court ruling. In Zambia, civil society analysis influenced the parliamentary SRHR caucus, and the government declined to sign, though it now faces threatened denial of HIV medication.^{ix} IPPF has engaged with most of our government donors, the Belgian parliament, and the European parliamentarians to share analysis and build coordinated responses.

The third pressure point is the proposed **merger of UNFPA and UN Women** under the UN80 initiative. The merger assessment report, released on 24 April, proposes a unified entity as a key strategic option.^x IPPF responded swiftly and in coalition: as an implementing partner for UNFPA and the world's largest provider of SRH services, we called on governments to reject the single-entity model and insisted that any reform must protect SRHR mandates in full. The concern is not reform in principle; it is what happens to SRHR in the process. Forty-five of the 54 UNFPA Supplies programme countries have direct operational overlap with IPPF MAs, and IPPF MAs receive an estimated \$8–10 million in commodities annually through UNFPA Supplies. Any disruption to those pipelines during a merger transition, at a moment when supply chains are already under stress from the USG withdrawal, would be felt immediately on the ground. More than 500 civil society organisations signed an open letter to the Secretary-General warning that when SRHR is absorbed into broader mandates it risks being deprioritised, underfunded, or rendered politically invisible. IPPF was among them.^{xi} The UNFPA and UN Women Executive Board sessions in June are a critical moment, and we remain actively engaged.

What ties these three dynamics together is a single underlying shift: the international architecture that has underpinned SRHR progress for three decades is being redesigned under political pressure, at speed, and without adequate safeguards or civil society participation. The simultaneous withdrawal of the United States and contraction of the United Kingdom from global health financing is not a temporary disruption. The Secretariat is clear about the challenges these dynamics pose to IPPF and what this moment requires and will continue to bring its full assessment to this Board as the situation develops.

PART 2. ORGANIZATIONAL HEALTH

This part covers three areas the Board must track for governance purposes: our financial position, our people and culture, the Member Associations health and our pressure points.

2A- Financial Position

As of Q1 2026, total income received stood at USD 22.9 million, contributed by higher-than-budgeted unrestricted core and restricted income of USD 12.3 million and USD 10.6 million respectively, with a further USD 78.3 million forecast over the remaining nine months of the year. The Individual Giving programme has generated USD 1.1 million in the first quarter, approximately USD 0.6 million above budget and almost three times the actuals for the same period last year. Liquidity remains very strong, with funds and reserves standing at USD 130 million, well above prior-year levels. Cash general reserves remain at USD 22 million at the mid-level of the approved threshold, despite most core income yet to arrive in the second half of the year.

Year-to-date expenditure of USD 30.4 million is USD 3.7 million below budget, partly reflecting lower unrestricted grant spend in countries where MAs are suspended or still being scoped. Restricted and Designated fund grant burn rate are higher than budgeted. A large proportion of the Fight Back Fund (USD 22.3 million of the USD 27.6 million total) has been committed, with USD 13.6 million mobilised from Sida, Irish Aid, Norad, Packard, FCDO, MACP, and Vitrol.

Against this picture of resilience, the funding environment remains structurally challenging. Cost recovery across contracted opportunities fell short of year-to-date projections by USD 137,000, a pattern that requires active management as the pipeline grows. On WISH: forward funding has been confirmed with a 22% reduction, alongside the agreed absorption of Options staff and programming, a decision that protected a critical component of the project at risk of closure. The net resources flowing to IPPF are broadly equivalent to original projections

2B - People and Culture

The most significant structural development in this period has been the evolution of the People, Organisation and Culture function. Following a period of reflection and consultation, we have moved to a model that separates two dimensions that previously sat together but require different types of focus and leadership. Operational HR functions (contracts, payroll, policies, compliance, and workforce planning) have moved into the Finance and IT department, strengthening the operational backbone and improving consistency. A dedicated DLT-level function will now lead our culture, organisational effectiveness, and anti-racism agenda, making explicit that culture is a leadership responsibility, not an HR one. This is a deliberate signal about how we intend to operate as a Secretariat.

Alongside this structural change, Mina Barling concluded her nearly eight years with IPPF at the end of April, following an extraordinary contribution to our transformation agenda as Director of External Relations. Mina has not gone far, she has taken up the leadership of the Secretariat of Commission 2048, an initiative IPPF is co-leading with Amnesty International and ILGA World, a fitting reflection of both her legacy and the federation's ongoing influence in shaping the broader movement. Riva Eskinazi, Director for Donor Relations and Fundraising, has stepped up to provide stability and continuity during the transition. The restructure has created the opportunity to review and reposition the function for the road ahead.

2C – Member Associations resilience

The health of the federation is not a static condition; it is a dynamic that requires active reading and active response. The picture across the Member Associations in this period is one of divergence: between associations that are holding and even strengthening under pressure, and associations where structural integrity is at risk in ways not yet fully visible in programme delivery data.

The federation is holding, but unevenly. The Fight Back Fund has provided critical relief to the most affected associations. The pattern we are watching is not one of uniform decline: it is a divergence. Some associations facing the deepest funding cuts have continued to deliver. In Sudan, despite security threats, bank system collapse, and staff displacement, our MA remained the primary or sole provider of SRHR services in several cities. In the South Asia and the Pacific regions, early investment in new MA leadership in Nepal and Malaysia is showing measurable results: both associations have strengthened governance, stabilised their funding base, and improved programme delivery within the past year. These are proof points that targeted investment in leadership and governance works.

At the same time, pressure is concentrated in three distinct contexts the Board should hold. First, associations operating under active political hostility from their own governments, including deliberate economic boycott, legal harassment, and in some cases personal threats against staff, in environments where far-right administrations have explicitly targeted SRHR organisations. Second, associations in active conflict environments, where governance norms are difficult to maintain, bank systems have collapsed, and staff displacement is significant. Third, associations in higher-income settings, particularly several in the European Union, where the phasing out of IPPF core grants, combined with domestic civil society funding cuts creates structural risk that their high-income country status makes extremely difficult to mitigate through international resource mobilisation.

We are also tracking an emerging cybersecurity risk with financial and reputational dimensions. A recent incident in which an MA's email system was compromised and funds nearly transferred to a fraudulent account signals broader vulnerabilities across the federation's digital infrastructure, vulnerabilities that anti-rights actors could seek

to exploit. The Secretariat is assessing the scope of this risk and will bring recommendations forward.

2D — Pressure Points

Two areas are named here for the Board's awareness. These are not new risks — they are live pressures we are actively managing, and that we want this Board to hold with us.

Funding pipeline concentration

Total secured income of USD 93.7 million and a forecast potential pipeline of USD 50.1 million provide a solid foundation. However, the pipeline carries concentration risk: a significant share of potential income is weighted toward a small number of large, multi-year opportunities at varying stages of development. In the current ODA environment, the loss or delay of one or two major bids would have a material impact on income. Cost recovery has not met year-to-date targets. We are actively managing this through a more diversified bid strategy, continued growth in individual giving, and the Fight Back Fund. Encouraging developments include two anticipated top-up contributions from Sweden and the Netherlands in Q3 not previously forecast, new discussions under way with key foundations, and two large restricted project renewals, Sprint with DFAT and Countdown 2030 with Gates, progressing positively. The Board should be aware that the pipeline, while healthy, has not yet reached the level of diversification we are targeting.

Performance accountability and results integrity

IPPF's credibility with donors, governments, and the public rests on one thing above all: our ability to demonstrate, with rigour and transparency, that our work delivers. In a funding environment defined by contraction and competition, the organisations that survive and grow will be those whose results data is unimpeachable. This is not a reporting cycle concern; it is a strategic priority.

The honest picture is that our federation-wide data infrastructure is not yet at the standard our ambition requires. Across 110 service-providing Member Associations, reporting participation is uneven, data management capacity varies significantly, and the flow of quality data from MAs to the Secretariat is more dependent on goodwill and voluntary effort than on systems built for the pressures we now face. When MAs are under financial and political stress, as many are, data quality is typically the first casualty, at precisely the moment when strong results reporting matters most. The current environment has made this structural vulnerability more visible and more consequential.

We are naming this because the Board should hold it as part of the strategic agenda, not because it is a crisis, but because the window to address it deliberately is now, before it becomes one. The Secretariat is actively working on this: investment in MA

data capacity and systems is embedded in the Fight Back Fund logic, and we are seeking dedicated funding to strengthen the data review function at the Secretariat level. Stronger data governance including utilization of data in informing programming and decision-making is integral to our accountability and results framework which includes the GA resolution commitments.

The Board will receive a fuller picture when the final 2025 Annual Performance Report is presented. It will highlight the significant progress made by MAs in delivering critical care to marginalized people and this in spite of deep funding and political disruptions. We flag it here because it deserves strategic attention, and because naming a genuine challenge plainly, with a clear plan behind it, is the standard we are setting for how we report to this Board.

PART 3 — FOR THE BOARD’S REFLECTION

Behind the figures in Part 1 (the 969 staff, the 1,394 closed service points, the 8.6 million fewer clients) are people and communities for whom IPPF’s work is not a programme, but the only available path to safe care. We offer this not as a rhetorical opening, but as an anchor for everything that follows. The pressures we have described in this report are not abstract. They are being lived today, in communities IPPF Member Associations serve. We carry that into every conversation with this Board, and we ask that the Board carry it too.

We welcome the Board’s perspective on two key areas.

Firstly, regarding the UN80 process, the upcoming Executive Board sessions on the UNFPA/UN Women merger will be crucial, and our reform efforts must continue to gain momentum. IPPF has actively engaged in this process, but we need to sustain our influence through Member State relationships and civil society coordination. We’d like to know where you believe our voice is most needed and where we should be bolder as advocates.

Secondly, the challenges we face, including funding pressures and political shifts, are long-term and structural. We believe IPPF is well-positioned to navigate this period with a solid financial base and a strong leadership team. We seek your honest insights on potential risks and opportunities, and where we might need to act more decisively.

This kind of dialogue, frank, forward-looking, and rooted in shared purpose, is what we hope to build as the norm between this Board and this leadership.

ⁱOECD (April 2026), A Historic Decline in Foreign Aid: Preliminary 2025 ODA Data. Available at: <https://www.oecd.org/en/data/insights/data-explainers/2026/04/a-historic-decline-in-foreign-aid-preliminary-2025-oda-data.html>

ⁱⁱIbid.

ⁱⁱⁱOECD (April 2026), Official Development Assistance (ODA). Available at: <https://www.oecd.org/en/topics/official-development-assistance-oda.html>

^{iv}House of Commons Library (May 2026), UK Aid: Reducing Spending to 0.3% of GNI by 2027/28. Available at: <https://commonslibrary.parliament.uk/research-briefings/cbp-10243/>

^vChatham House (November 2025), Rethinking UK Aid Policy in an Era of Global Funding Cuts. Available at: <https://www.chathamhouse.org/2025/11/rethinking-uk-aid-policy-era-global-funding-cuts/02-changing-aid-landscape>

^{vi}Bond (December 2025), Bond Warns of Impact of FCDO Staffing Cuts on UK Aid. Available at: <https://www.bond.org.uk/press-releases/2025/12/bond-warns-of-impact-of-fcdo-staffing-cuts-on-uk-aid-following-committee-sessions/>

^{vii}UK Parliament, International Development Committee (March 2026), IDC Chair Responds to 'Unrelenting' UK Aid Cuts. Available at: <https://committees.parliament.uk/committee/98/international-development-committee/news/212779/idc-chair-responds-to-unrelenting-aid-cuts/>

^{viii}US Department of State (September 2025), America First Global Health Strategy, p.17.

^{ix}The New York Times (March 2026), No H.I.V. Aid Without More Access to Minerals: U.S. Ponders 'Sticks' Against Zambia. Available at: <https://www.nytimes.com/2026/03/16/health/zambia-hiv-aid-minerals-trump.html>

^xUN Secretary-General's independent assessment report on the proposed merger of UNFPA and UN Women, released 24 April 2026.

^{xi}Open letter to the UN Secretary-General on the proposed merger of UNFPA and UN Women, signed by more than 500 civil society organisations, April 2026.