



SOS CHILDREN'S
VILLAGES
INTERNATIONAL



STRATEGY 2030

Strategy 2030 as recommended by the International Senate
for endorsement of the General Assembly in June 2016

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IMPRINT

Publisher: SOS Children's Villages International

Cover Photo: © Michela Morosini

Layout: Conny Bolter

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PREFACE



The time has come for us to change: to learn from the past and move forward in new innovative ways. At heart we remain a practitioner organisation, passionate about the development of each child and their success in life. But now we will take more modern approaches to following this passion, always aiming to increase the impact we have – to make a difference for individual children and improve the overall situation of children and young people.

Strategy 2030 will prove successful if all member associations identify with it and practice it on a daily basis. Never before have so many individuals and associations joined hands to shape a common direction. Together we took part in four federation-wide consultations and summits of the Senate and management. Board members, Senators and leaders across the federation have taken on special roles to craft a strategy that is grounded in our common values and aspirations. The result is a strong, shared direction for the next 14 years of which we can all be proud!

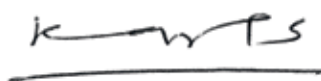
The success and impact of our work is and shall be reflected in what the young people participating in our programmes achieve. The world will belong to them and it is natural that they take part in designing their own future. We must enable this participation by involving them worldwide, giving them the opportunity to voice their opinions and be taken seriously. We must also focus our attention and skills towards successfully empowering these young people to be leaders in their own lives. We are aware of our responsibility, so we involved 200 young people from 10 countries in the Strategy 2030 process to drive the development of a key initiative aimed at strengthening the care provided to young people and improving their employability. Creating lasting change for children will require the energy of these young people and many more in each programme and country.

With Strategy 2030 finalised, we are now turning words into deeds and actions for children. The driving ideas and values behind this process are

summarised in our goals, which take full account of the United Nations Guidelines for the Alternative Care of Children as an internationally recognized framework to support the implementation of the United Nations Convention on the Rights of the Child. By 2030, we will ensure that many more children have a loving home and an equal chance to succeed in life. To do this, we must lead the world's most effective child care movement. This mission provides a clear direction for the future and a clear reason why SOS Children's Villages is necessary. We aim to strengthen the passion, creativity, and care originally embodied by our founder Hermann Gmeiner and not become a faceless NGO. We must now take action and proactively address the current and future challenges we face in a rapidly changing world.

The success and impact of our work is and shall be reflected in what the young people in our programmes achieve.

Special attention has been given to analysing the financial feasibility of Strategy 2030. Our central ambitions are closely aligned with the issues that matter the most to our member associations. Between now and 2020, we will need to invest strongly in our programme quality and fundraising development, rather than significantly expand our programmes. After 2020, our investments will give us the return needed to take innovative funding steps and rapidly expand our programme work in innovative ways. United behind this direction, we will make a profound difference in the lives of many more children who grow up alone or who face a future without appropriate parental care.



Siddhartha Kaul
President, SOS Children's Villages International



2 OUR JOURNEY TO 2030



OUR VISION

Every child belongs to a family and grows with love, respect and security.

Over the next 14 years we want to become an even more successful, thriving organisation. We build on our values and vision. Our 2030 goals are the heart of our strategy.

By implementing our seven strategic initiatives, these goals will come alive.

EXECUTIVE SUMMARY

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Today, approximately 10% of the world's children are growing up without appropriate parental care.¹

SOS Children's Villages has been extremely successful in meeting the needs of these children and young people who make up our target group. But we must not rest on our past achievements. Instead, we must challenge ourselves to strengthen our impact and reach more children.

Based on this central ambition, we defined two goals for 2030, inspired by 30 different associations who showed us the SOS Children's Villages of tomorrow during recent years. The first is to ensure that many more children have a loving home and an equal chance to succeed in life. The second is to lead the world's most effective child care movement to make sure that "no child should grow up alone". We will learn to strengthen our cooperation with others across society in new ways to reach common goals.

These goals are the end result of input from many sources. First and foremost, young people from all over the world actively contributed to the content of this strategy by voicing what really matters to them. Likewise, all member associa-

tions were asked to express their opinions, ideas and concerns throughout the strategy process. As expected, this input from the young people and the member associations proved to be a highly valuable source of knowledge and enabled us to create a truly global federation strategy.

We will learn to strengthen our cooperation with others across society in new ways to reach common goals.

This strategy has a very solid analytical basis. Both external trends and internal challenges were thoroughly considered and they strongly shaped the content. Our Strategy 2030 closely aligns with several of the internationally recognized sustainable development goals (SDGs), which lay out the global path to more prosperity and equality by 2030.

¹ See next section.

Through preventing family separation, ensuring quality alternative care and preparing young people for independent living, we will be able to make a strong contribution to our priority SDGs and the implementation of the UN Guidelines for the Alternative Care of Children in the years ahead and thus have a measurable global impact. Seven strategic initiatives will enable us to reach our 2030 goals.

We are going to innovate and grow alternative care² and deepen its integration into the community. By 2030, 95% of our alternative care programmes will have community-integrated families or offer foster care. This will ensure that children and young people in our programmes are integrated members of the society.

We shall strengthen families by increasing our focus on preventing family separation and providing emergency response. In 2030, we want 85% of families to be self-reliant when they exit a family strengthening programme.

We are going to empower young people by strengthening their care and improving their employability. By 2030, 95% of young people shall be making at least satisfactory progress in education and 90% shall be self-reliant when they leave alternative care.

We shall give a voice to our target group and increase our advocacy impact. In 2030, we shall be able to continuously contribute to improving public policies for our target group in all the countries where we are active.

We are going to create a movement by mobilising people for quality child care and spreading our experience and knowledge. By 2030, 150 SOS Children's Villages programmes will also

develop alternative care partnerships with governments or other providers.

We shall simplify SOS. A simpler, agile and digital organisation means a larger share of our resources will be spent on supporting children and young people.

Finally, we shall boldly grow federation funding from diverse markets to make the change we envision possible. Specifically, we will invest in high-potential markets beyond Europe in order to convince more people to support our mission. We also want to significantly increase government subsidies for domestic programmes in all countries.

Strategy 2030 is to be reviewed regularly with programme growth being adjusted to actual levels of income. In this way, our ambition to reach more children is scalable and based on available income. Our priority to ensure quality outcomes for children and young people in our programmes remains under all circumstances.

Reaching our goals is not merely about implementing strategic initiatives – it is about our general commitment to an entire generation of children who will grow to become young adults by 2030. Ultimately, the success of our strategy depends on what we all make of it and how committed we remain over the next 14 years. Together, we can make our 2030 goals become reality.

² Please note that by 'alternative care' we mean SOS family-based care programmes. A decision has been made to phase out the term 'family-based care' as it can be confusing to external stakeholders and partners. The new Programme Structure Guide coming later this year will contain more information.

OUR WORK IN A CHANGING WORLD



What's it like to be a child in 2016?

Currently, 570 million³ children are forced to live in poverty, meaning that one out of four children on our planet has to survive on less than \$1.25 a day. Furthermore, 150 million⁴ children have lost one or both parents, and a significant share of them will have to grow up alone. Children also often face other risk factors such as poor health, gender discrimination, ethnic discrimination, violence, exploitation or exposure to natural disasters.

Based on rather conservative assumptions, we estimate that at least 220 million children, or 10% of the global child population, are currently without parental care or at risk of losing it. Adding to that, child population is expected to grow significantly in sub-Saharan Africa, where child vulnerability is very often most pronounced. There is no doubt: Our target group continues to be huge and our work is as important today as it has been over the past 67 years.



³ *An Agenda for #EVERYChild, UNICEF (2015)*

⁴ *Every Child Counts, UNICEF (2014)*

EXTERNAL TRENDS



To effectively contribute to achieving the sustainable development goals and having a significant global impact on our target group, we need to carefully consider how the world around us is evolving. A number of key external trends are likely to have an impact on our development up to 2030.



- 0 Awareness of the need to reform inadequate child care systems is high and there are increasing calls to end institutional care across society.
- 0 Young people are more likely than adults to be unemployed or to work in vulnerable employment. Young women are particularly at risk.
- 0 Families have undergone significant transformation. The extended family has almost disappeared in many countries, making new, modern care approaches essential.
- 0 The frequency and severity of natural disasters and conflicts is expected to rise. This will result in growing numbers of refugees and internally displaced people, including many families and unaccompanied children in particularly difficult situations.
- 0 Advocacy efforts must be grounded in solid evidence and entering coalitions is a prerequisite for achieving change.
- 0 The borders between corporates and NGOs are blurring as more and more hybrid models appear. Engagement in partnerships and collaborative frameworks across society is the norm.
- 0 Big international NGOs are slow to embrace transformative change, as they are likely to be blinded by a successful history or rely on overly complex organisational structures.
- 0 Technology is fundamentally changing the way donors, participants and NGOs interact and participate. Fast and flexible web-based initiatives challenge traditional and well-established NGOs.
- 0 The fundraising environment is rapidly changing. Donors focus on impact and transparency. Traditional fundraising markets are increasingly saturated, with economic power shifting to emerging markets.

INTERNAL CHALLENGES



While highly important, the external environment is just one area influencing our future direction. Taking a closer look at our internal challenges can prove equally fruitful. SOS Children's Villages can be proud of an extremely successful past. We have constantly increased our impact on children and young people and are now one of the world's leading child-centred NGOs. In spite of these tremendous achievements, challenges have been mounting for us in recent years. It is only by actively taking on these challenges that we can continue our success story.



- 0 Our unique model of alternative care for those children who have no one faces stagnant growth – in part due to the trend toward de-institutionalisation and the high cost per child to ensure quality care. We also face a high turnover among our care co-workers, especially of our SOS mothers.
- 0 Our work to strengthen families has grown, but lacks a clear focus on our core competence areas and is not aligned with the expected rapid growth of our target group in sub-Saharan Africa.
- 0 We have not succeeded in creating a united voice and strong partnerships for children in our target group, which hinders them to have equal chances to succeed in life.
- 0 In spite of strong advocacy efforts in the past, our approach has not been based strongly enough on the evidence we have from our programme work.
- 0 Many of the young people leaving our care currently have difficulties in finding employment and leading a self-sufficient life.
- 0 We are slow in responding to competitors, who are becoming leaner and more digital.
- 0 Despite a strong European funding basis and growth in some emerging markets, we face slower growth than the competition and have very little presence in other markets.

Taking these external trends and internal challenges into account is vital if we want to make the right choices for the future – the choices needed in order to strengthen our impact on children and young people in our target group and to make a significant contribution to achieving the sustainable development goals.



OUR GOALS



OUR FIRST GOAL:

**BY 2030, WE ENSURE THAT
MANY MORE CHILDREN HAVE
A LOVING HOME AND AN EQUAL
CHANCE TO SUCCEED IN LIFE**

Our first goal is about building on our unique strength and innovating our core.

It calls for dynamic new ways to spread programme innovation and improvements across the federation. Our aim is to strengthen our impact in terms of quality, quantity and results that reflect the spirit of the SOS Children's Village of tomorrow. We want to reach many more children and young people and ensure that they have a loving family, roots in the community, access to quality education, career guidance and that their rights are respected so that they can succeed in life.

CASE STUDY: THE TRADITION OF INNOVATION

SOS Children's Village Imst is successfully innovating alternative care

In 1949, Hermann Gmeiner's idea fundamentally changed alternative care in Imst and was implemented around the world. Today, SOS Children's Village Imst carries on with this tradition of innovation.

The environment and requirements for effective child care have changed over time. Imst has successfully implemented a range of alternative care approaches that ensure that the best interests of each individual child are met. Alternative care approaches have been adapted, while ensuring a loving home and a family-based approach. Fewer families are led by SOS mothers

and new forms of families are established. Furthermore, the connection to and the integration of the biological parents is fostered, by offering family counselling, crisis intervention and enabling parents to take an active role in the life and the upbringing of their children. Families in need of strengthening also live in SOS Children's Village Imst for a limited period of time. For example, a local family received the necessary support to become self-reliant. Refugee families are being integrated into the village, enabling children and young people to live with their biological relatives and to receive professional support if necessary.



OUR SECOND GOAL: WE LEAD THE WORLD'S MOST EFFECTIVE CHILD CARE MOVEMENT TO MAKE SURE "NO CHILD SHOULD GROW UP ALONE"

Our second goal is about opening our organisation and uniting people and partners to ultimately ensure that “no child should grow up alone”.

We know that it will take a global movement by 2030 to make a real difference in the lives of children and young people who lack appropriate parental care. Achieving this goal will require us to make tremendous changes ourselves, but the results will be worth the effort. We shall enable people to join in and raise their voices. We will also launch new ways of replicating our programme approaches, going beyond our own villages and drawing on our experience to work with others.

CASE STUDY: THE SUNFLOWER CONCEPT - EVERY CHILD HAS THE RIGHT TO FLOURISH SOS Children's Villages Norway is sparking a movement amongst kindergartens

The Sunflower Concept aims to engage Norwegian kindergartens on different levels, such as becoming familiar with the work of SOS Children's Villages or sponsoring an SOS child. The project's success is underlined by the fact that 700 Sunflower kindergartens now exist in Norway, 500 of which act as sponsors.

In response, SOS Children's Villages Norway has developed a package of materials that makes participation fun and simple. Children learn about their rights while watching their favourite shows or listening to books specially written for them. In addition, they dive into the world of SOS children. During this

year's campaign they get to follow three girls from the SOS Children's Village in Kosovo and see the world through their eyes. Most of the material is digitised and an app for mobile devices is under development in order to spread the word.



By 2030, we shall achieve our two goals both through our own programmes and in partnership with others.



6 STRATEGIC INITIATIVES

By 2030, we ensure that many more children have a loving home and an equal chance to succeed in life. We lead the world's most effective child care movement to make sure "no child should grow up alone".

These goals will be achieved by introducing seven strategic initiatives, focusing on core challenges of tomorrow.



"Our actions will be focused on keeping high quality standards, being transparent, trusted and fair, fostering a culture of partnership and collaboration, valuing the long-lasting consequences of our decisions, and [...] creating a more sustainable future for vulnerable children and their families."
SOS Children's Villages Georgia



INNOVATE ALTERNATIVE CHILD CARE

Innovate and grow alternative care and deepen its integration



"By 2030, SOS Children's Villages is providing leadership in foster care and supporting child care within families in communities."
SOS Children's Villages Zimbabwe

We are going to innovate and grow alternative care and deepen its integration.

The need for such an initiative is high, as during the past 20 years a de-institutionalisation process has been calling to close institutional care. This is why we help governments and partners to implement quality alternative care options.

STRATEGIC INITIATIVE OVERVIEW

- We build on SOS Children's Village of tomorrow experience. This means innovating alternative care across all SOS Children's Villages programmes.
- We deepen integration in order to increase impact on children's and young people's lives.
- We grow alternative care where the need is greatest, form partnerships and invest in cost-effective models in line with SOS quality standards.

STRATEGY COMPONENTS

All SOS Children's Villages programmes innovate within the frame of SOS quality standards and

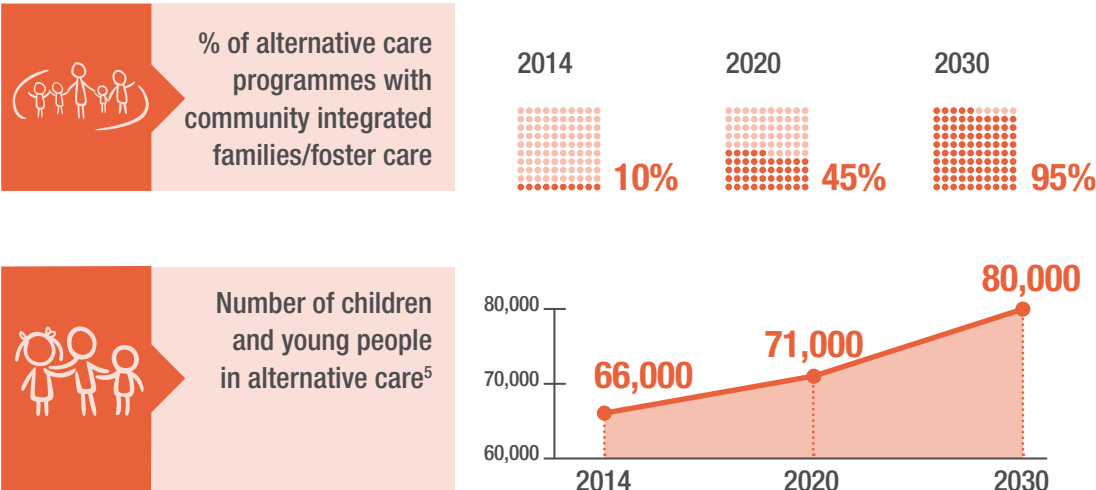
- Improve the physical and social integration of children and young people into the community
- Promote modern, gender-sensitive programme practices

Every member association is encouraged to innovate within a range of alternative care options and respond to the situation of children in their country. All responses embrace the UN Guidelines for the Alternative Care of Children.

- By 2030, all SOS Children's Villages programmes integrate at least one family directly into the community depending on local opportunities and available resources.
- SOS Children's Villages programmes develop and implement a range of care responses based on local requirements. This includes quality SOS foster care that better balances cost and quality, and alternative care models for unaccompanied and separated children in emergency situations.

Our focus will be on strengthening the care profession – in terms of social integration, working conditions and ongoing support – for SOS mothers, care co-workers, foster parents and other caregivers.

2020 TARGETS AND 2030 AMBITIONS



⁵ Please note that by 'alternative care' we mean SOS family-based care programmes. See note on p. 6



STRENGTHEN FAMILIES



Increase focus on preventing family separation and on emergency response

"[In 2030] Our preventive work is much stronger, and we reach many more children and their families through local community initiatives."
SOS Children's Villages Denmark

We shall strengthen families by increasing our focus on preventing family separation and on emergency response.

Experience has shown that we can reach a great number of children by positioning ourselves as a care and prevention organisation. Current developments have also shown us that prevention and care are especially needed during emergency situations, which tear families apart or threaten to do so.

STRATEGIC INITIATIVE OVERVIEW

Increase our focus on preventing family separation through family strengthening and by providing both short and long-term support for emergency affected families and unaccompanied children. This includes:

- Boosting the quality of and scaling up family strengthening to reach more children according to the local situation and cultural context
- Establishing preparedness and capacity for emergency response
- Partnering to ensure that families have access to education, health and economic empowerment services

STRATEGY COMPONENTS

Family strengthening

Focus on key elements of prevention of family separation, including strengthening parents' ability to guide child development and manage their households, coaching children on education and career opportunities, and empowering girls and women to lead change in their families and communities.

These key elements are delivered via two models of family strengthening:

- Direct family empowerment: parental skills capacity building to strengthen families and child development support
- Community empowerment for family empowerment: support of community organisations (and local authorities) to strengthen families

Emergency response

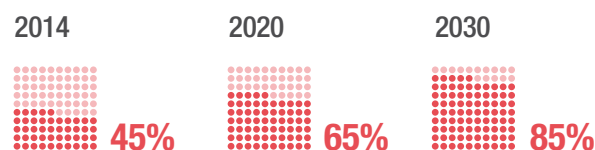
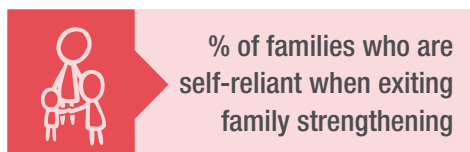
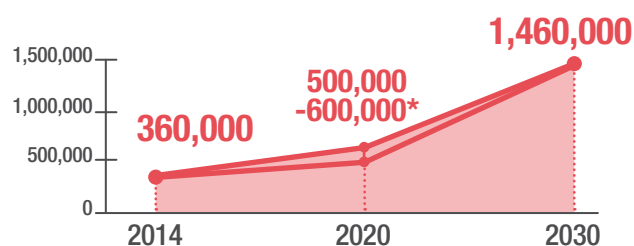
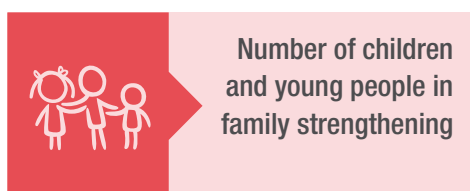
Focus on safeguarding children and help reunite and strengthen separated families.

- Establish the necessary preparedness and capability to respond in countries with high risk of emergencies and which are experiencing high rates of migration
- Launch interventions that strengthen the resilience of children and families and enable them to be self-reliant

Partner to ensure access to necessary support services, including education, health and economic empowerment. This includes transferring the direct management and financing of our own SOS education and health facilities to partners by 2020.

2020 TARGETS AND 2030 AMBITIONS

* ambition to reach 600,000 children with 500,000 being the minimum target





EMPOWER YOUNG PEOPLE

Strengthen their care and employability



"All children [in SOS care] become fully independent and self-sufficient."
SOS Children's Villages Sri Lanka

"In 2030, we will have managed to give the children the tools they need, to be integrated into society."
SOS Children's Villages Tunisia

We are going to strengthen the care and employability of young people.

Recently, the need for more structured coaching in education and career decisions has arisen and SOS Children's Villages will commit to address this need.

STRATEGIC INITIATIVE OVERVIEW

Modernise our youth care with young people's participation and deepen their integration into the community. Strengthen care and coaching to enable them to better succeed in life.

STRATEGY COMPONENTS

We work on all stages of a child's and young person's development to prepare them to be self-reliant, starting with early childhood development through to adulthood.

Care for young people in SOS families longer and shift away from youth care models with institutional features. This supports the integration of young people into the wider community and will result in stronger impact at the individual and social level.

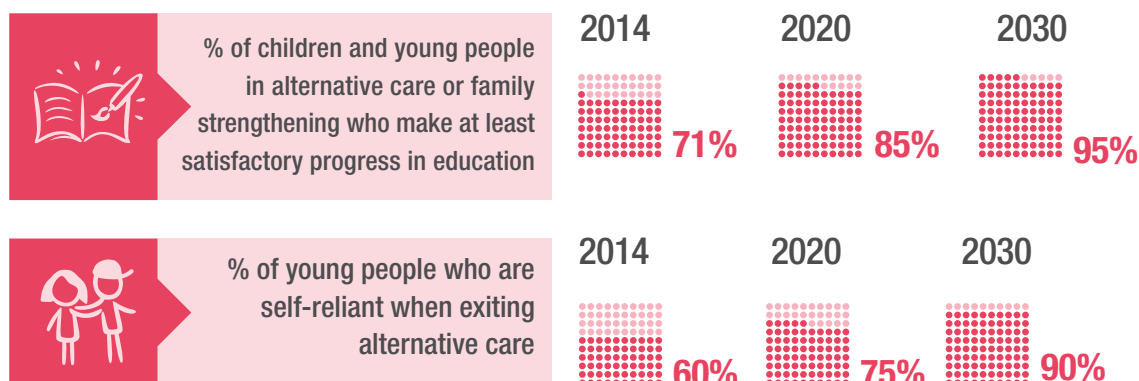
Train care co-workers on how to prepare children, young people and parents to succeed in life and become economically self-sufficient, gender-sensitive, and socially and environmentally conscious.

Focus on coaching for formal education and career development and offer parents skills trainings in these areas. Strengthen employment-related and entrepreneurial skills of young people via partnerships and enable alternative care alumni networks to support young people through coaching and mentoring activities. Special attention is given to language and technology skills.

Strongly support young people to enter the job market through securing internship opportunities in the public and private sector.

Enable young people to participate in shaping care practices to respond to their situation and prepare them for independent living.

2020 TARGETS AND 2030 AMBITIONS



ADVOCATE FOR CHILDREN

Give a voice to our target group and increase advocacy impact



"We will have an impact on the laws regulating the rights of children, adolescents and young people, especially those at social risk."

SOS Children's Villages Mexico

Over the past 10 years, we have successfully started to influence governments and international actors such as the United Nations and the European Union to include our target group in their policy and funding frameworks. As a federation, we can do more to deepen our advocacy impact.

We will increasingly do it with the participation of children and young people themselves. By 2030, SOS Children's Villages will lead strong, evidence-based and ambitious advocacy actions at global, national and local levels to ensure that no country leaves our target group behind.

STRATEGIC INITIATIVE OVERVIEW

Scale up evidence-based advocacy work locally, nationally and internationally to have a more profound impact on many more children in our target group.



STRATEGY COMPONENTS

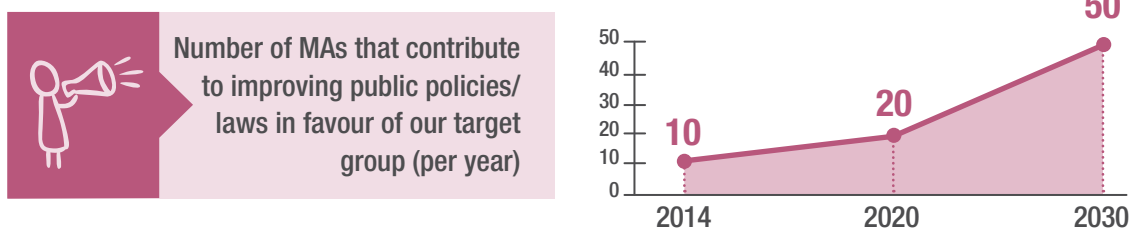
Focus on care and prevention to improve social protection systems for children and young people without parental care or families at risk. This includes implementing the UN Guidelines for the Alternative Care of Children and strengthening caregivers and the social sector workforce.

Focus on evidence-based advocacy work leveraging programme expertise and supported by strong research, monitoring and evaluation.

Ensure every member association builds its own capacity in advocacy, policy dialogue, networking and alliance building.

Ensure the participation and active involvement of children and young people in advocacy work.

2020 TARGETS AND 2030 AMBITIONS





CREATE A MOVEMENT

Mobilise people for quality child care



"[Mobilising people for quality child care] is the core for existence and therefore critical in enabling us to achieve our goals."
SOS Children's Villages Uganda

We are going to mobilise people for quality child care.

Change is a process carried by an entire society, not individuals. Therefore, we must involve people and make them as passionate about quality child care as we are.

STRATEGIC INITIATIVE OVERVIEW

We form the world's largest child care movement to ensure that "no child should grow up alone" and mobilise people to spread quality care around the world. In order to achieve this, we take strong steps to get ready and to establish the competence to scale up and replicate our experience and models. We build on those countries having already created a movement locally.

STRATEGY COMPONENTS

Develop a professional service to replicate our programme models

- Build the internal competency to replicate programme models, including consultancy, concept development and franchise-oriented programme monitoring to ensure quality child care.
- Develop alternative care partnerships with other providers of alternative care and ensure shared quality standards are in place. This includes public or private partners, including in new countries, where SOS Children's Villages is not present.

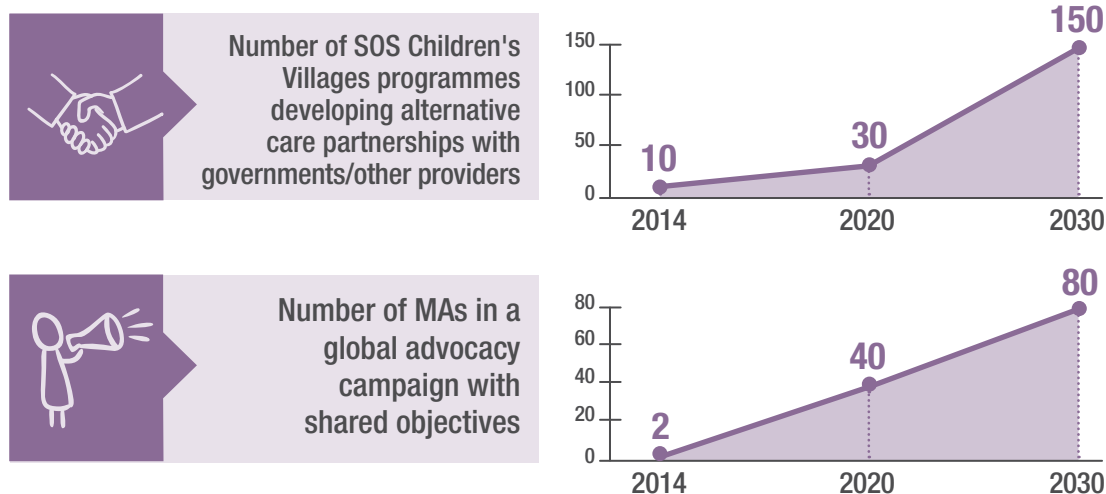
Establish readiness to create and lead the child care movement

- Expand internal capacity to successfully develop and drive advocacy campaigns with the participation of children, young people and former beneficiaries.
- Develop talent and leadership at all levels of the organisation, ensure people with adequate capabilities are in place and achieve a better gender balance.
- Strengthen the care profession within and beyond the organisation, empowering women to take a strong and leading role in driving societal development. This includes SOS mothers, SOS aunts, family assistants, family strengthening professionals, foster parents and other care staff from diverse organisations.

Establish a well-organised volunteer programme

- Strengthen and mobilise the existing volunteer base of board members and member associations' members as a key strategic group.
- Attract people to the implementation of the organisation's mission in a variety of action-oriented ways.
- Train and organise volunteers to ensure quality participation.

2020 TARGETS AND 2030 AMBITIONS



SIMPLIFY SOS

Create a simpler, agile and digital organisation



"It is necessary to promote a less bureaucratic and flatter organisation, encouraging shared learning and exchange of best practices among national associations."
SOS Children's Villages Uruguay

We shall create a simpler, agile and digital organisation.

Technology-focused, web-based approaches have been shortening the distance between donors and beneficiaries considerably, which simultaneously allows for decreasing costs. By 2030, the federation will be a more decentralised and inventive community, which adapts proactively and has a high level of digitalised initiatives.

STRATEGIC INITIATIVE OVERVIEW

Transform SOS into a simple, agile and digital organisation by

- Shifting towards a leaner organisational structure with more efficient processes
- Connecting donors more effectively with programmes
- Strongly integrating technology into programme work models.

STRATEGY COMPONENTS

Simplify organisational structures and processes

- Improve federation closeness, cooperation, process efficiency and strategically exploit synergies
- Improve technology infrastructure and related leadership capabilities in order to digitise SOS value creation and extend virtual collaboration
- Establish a learning and innovation culture as a basis for ongoing organisational change enabling us to become more competitive as an organisation

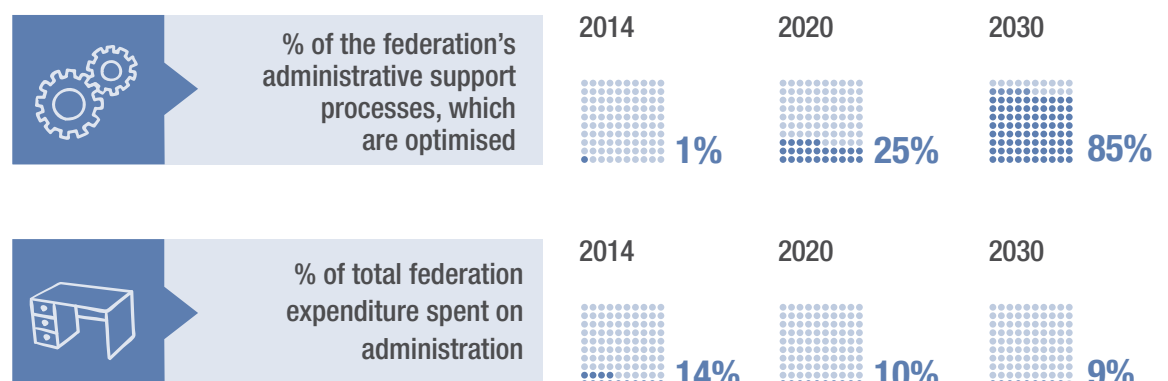
Connecting donors more effectively with programmes

- Create end-to-end processes in order to link donors more strongly to the programme level and decrease multiple levels (PSA-IO-IOR-NA-programme)
- Employ information and communication technology in order to gain insights into donor expectations and preferences, enabling us to strengthen overall fundraising activities

Integrate technology into programme work in all countries

- Leverage digital tools to enhance and extend programme services (e.g. parental skills capacity building via smart phone applications)
- Introduce technology to each SOS family and SOS youth programme in order to ensure beneficiaries grow up computer literate
- Improve child care data gathering and analysis, consequently providing up-to-date evidence and better impact targeting, while fully complying with data protection standards

2020 TARGETS AND 2030 AMBITIONS





INVEST FOR FUNDING GROWTH



Grow federation funding boldly from diverse markets

"[In 2030] SOS Children's Villages is a financially viable organisation with solid knowledge of attracting all possible sources of income relevant to the brand and image of the organisation. This will enable us to afford being innovative, initiative and creative."
SOS Children's Villages Armenia

We are going to invest for funding growth.

To fund current programmes and their growth, solid income growth will be needed. In Europe and a few emerging markets we are strong. However, compared to peers, we are overly dependent on our European core market and underrepresented in markets outside of Europe. A shift in our fundraising investment approach is needed.

STRATEGIC INITIATIVE OVERVIEW

- To reach our programme aspirations, federation funding must grow above market average via continuous increase in governmental subsidies, significant and focused investments in fundraising and via innovation.
- We diversify into new markets in order to reduce dependence on Europe. There is a federation commitment to make investments into targeted markets including sharing competence. We appeal to high-potential markets to increase their share of federation funding by 2030.
- Overall, the cluster approach will continue to guide federation investment in programme growth and to ensure long-term sustainability.

STRATEGY COMPONENTS

Our funding aspiration

To reach our programme aspirations, we need to grow funding above the market average; this includes setting ambitions for fundraising and for governmental funding. Each member association decides how to best reach the ambitions.

Four ways to achieve the aspiration

- **Increase in governmental income:** All countries increase their share of governmental subsidies for domestic programmes that are in line with our strategy and our programme portfolio. Knowledge sharing regarding best practice is established worldwide.
- **Diversify into new markets** in order to reduce dependency on Europe.
- **Commitment to invest:** Make large strategic fundraising investments in high-potential long-term ROI markets to fund international work through a mechanism gradually integrating the

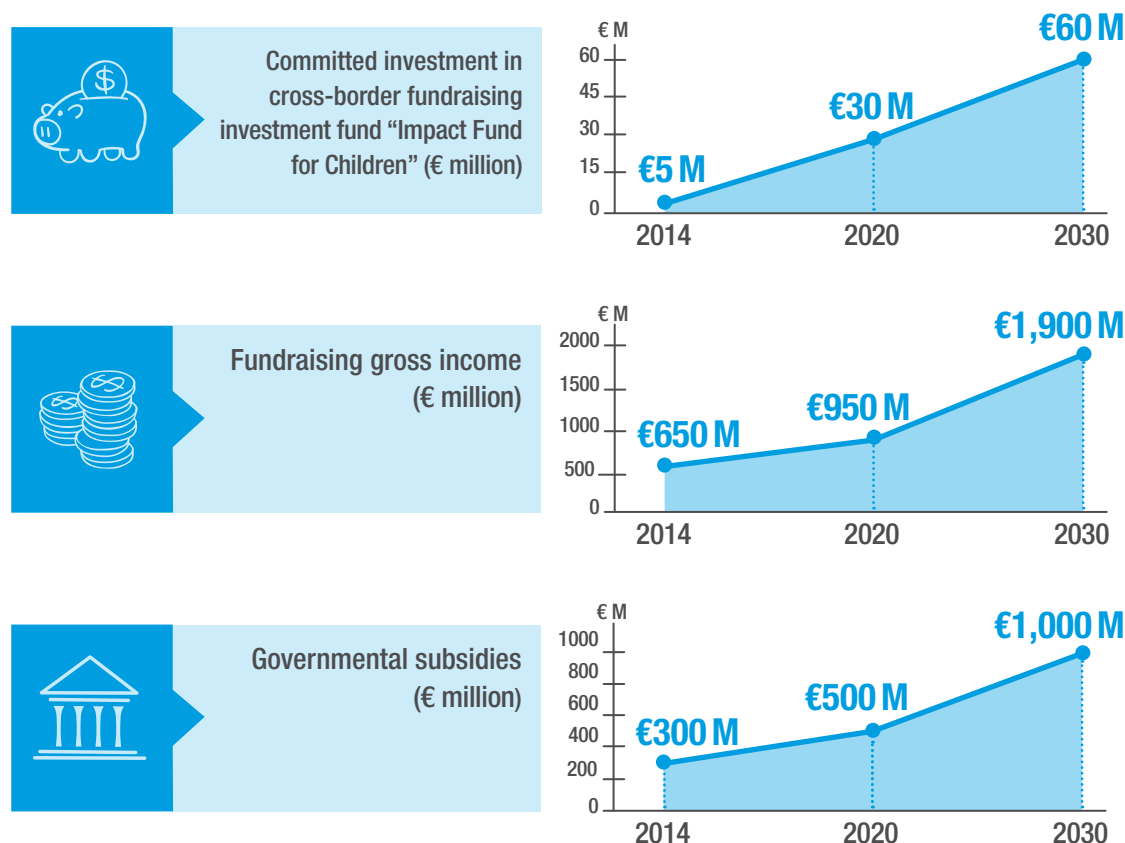
Sustainable Path Implementation Fund (SPIF) and the Strategic Growth Investment Programme (SGIP).

- **Funding innovation:** Innovate via tailor-made solutions and entrepreneurial spirit. Bring the donor closer to the programme by innovating in fundraising and exploring new interaction models, in particular in committed giving, building on technology and piloting new social finance instruments.

Federation financial sustainability and programme growth

- **Supporter cluster MAs (PSAs)** grow funds significantly in their own and high potential long-term ROI markets (e.g. emerging Asian and Latin American markets).
- **Self-sufficient cluster MAs** grow a sustainable funding base.
 - All self-sufficient cluster MAs are financially self-sufficient from international funding as soon as sustainably possible or latest by 2030. This includes ensuring a sustainable organisation and programmes.
 - MAs that have already agreed to Sustainable Path strategy continue to follow it; other MAs agree to a strategy with the funding PSA and the GSC.
 - MAs having the ambition to financially support other MAs are given guidance to do so.
- **Challenge cluster MAs** keep programmes at a lean, efficient and innovative level. The overall share of international funding to this cluster is maintained at 2015 levels until 2020. The level of international funding is determined in each MA's strategy, which is agreed upon between MA, the funding PSA and the GSC.
- **Growth cluster MAs** receive the majority of international funding to enable programme quality and to grow. These MAs grow their own income mainly through domestic governmental income and institutional partnership development funding.

2020 TARGETS AND 2030 AMBITIONS



FINANCIAL MODEL FOR STRATEGY 2030



In order to check the financial feasibility of Strategy 2030, the GSC Finance & Controlling team has prepared a financial model for the development of income and expenditures across the federation.

A high-level, **top-down financial forecast** (based on country-specific growth rate assumptions and an average yearly inflation of 1.8%) resulted in expected yearly growth rates of 5.7% for the income and 5.2% for the expenditures between 2015 and 2030, in line with the historical growth rates for the 2008-2014 period. This income growth rate would generate a total income of €2.5 billion by 2030.

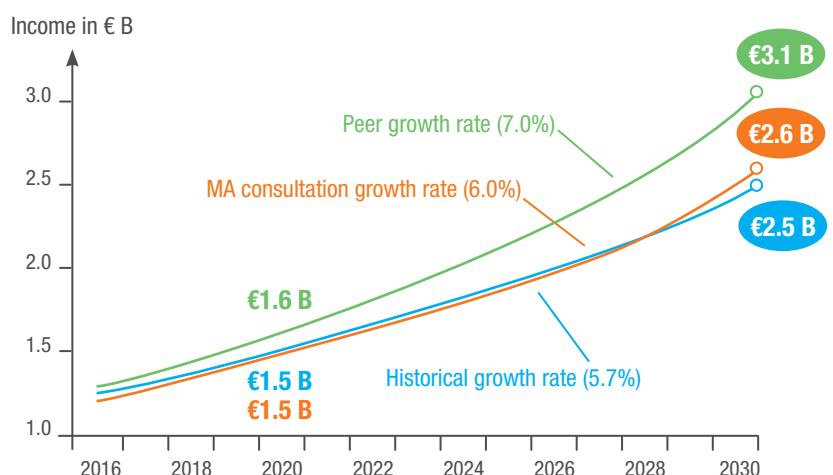
This forecast was re-confirmed by a **bottom-up survey** conducted with all member associations (MAs), in which each MA provided essential information about its expected income and expenditure development. Based on this survey, the average annual income growth rate is at 6.0%, resulting in a total income of €2.6 billion by 2030.

This growth rate is still behind the average growth rate of other INGOs. Furthermore, this growth rate will not provide enough funds to finance the planned strategic initiatives. We therefore need to grow our income faster, which is

the purpose of the “Invest for funding growth” initiative, focusing on the **fundraising growth** within the organisation. As a result of this strategic initiative, we aim to grow our income at 7.0% per year, the historical growth rate of other INGOs, reaching a total income of €3.1 billion by 2030. This growth level would ensure that Strategy 2030 can be implemented.

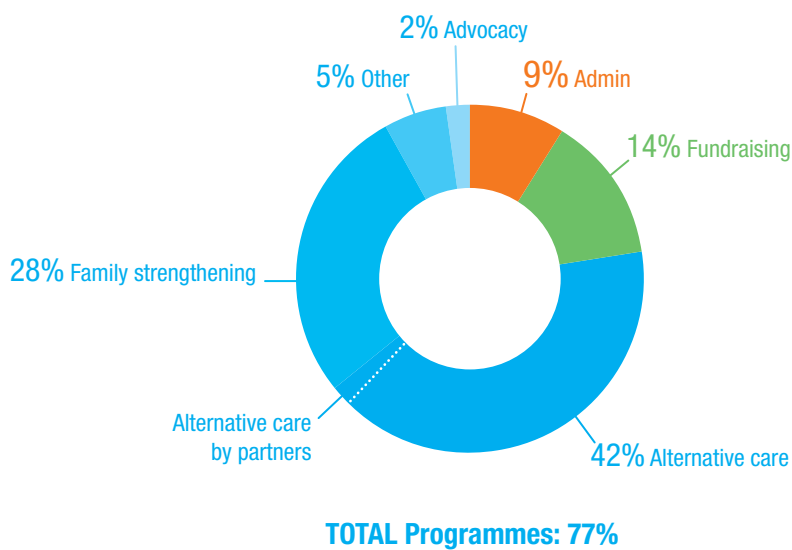
The graph below shows the expected income development for the three scenarios.

Income development in € billion, 2016-2030



As part of the financial model, the allocation of the 2030 expenditures among the different programme types and the amount of financial resources dedicated to fundraising and administration was also reviewed.

Split of expenditures projected to 2030



As the graph shows, we expect that 77% of the total expenditures in 2030 will be spent on programmes, up from 71% in 2014. In absolute amount this represents an increase of €1.7 billion in annual programme expenditures between 2014 (€0.7 billion) and 2030 (€2.4 billion).

At 42% of total expenditures (2014: 46%), alternative care is still expected to be the most significant programme type in 2030. At the same time, in line with our initiative “Strengthen families”, we plan to significantly increase our focus on family strengthening programmes, increasing their share from 10% in 2014 to 28% by 2030. We also expect to reduce the share of other programmes (including health and education programmes) in our portfolio from 15% to 5% of total expenditures. In line with the initiatives “Advocate for children” and “Create a movement”, we plan to significantly increase the resources available for advocacy.

In order to reach our income growth targets, we continue investing in our fundraising activities. As a result, the share of fundraising expenditures will remain flat at 14%. At the same time, through our “Simplify SOS” initiative we expect to be able to reduce the share of administration expenditures from 14% in 2014 to 9% by 2030.

Strategy 2030 is to be reviewed regularly with programme growth being adjusted to actual levels of income. In this way, our ambition to reach more children is scalable and based on available income. Our priority to ensure quality outcomes for children and young people in our programmes remains under all circumstances.

2030 Strategy and the sustainable development goals

By preventing family separation, ensuring quality alternative care and preparing young people for independent living, Strategy 2030 will enable us to make a strong contribution for our target group in the years ahead. This impact will bring progress toward realizing five of the SDGs and meeting the specific targets they entail.

By 2030, we ensure that many more children have a loving home and an equal chance to succeed in life

We lead the world's most effective child care movement to make sure "No child should grow up alone"

Our 2030 Goals

Prevent family separation and ensure quality alternative care

Partner to improve nationally appropriate social protection systems for children, young people and families at risk through service provision and advocacy



Prepare young people from our target group for independent living

Promote quality education for children from early childhood onwards and youth employability to ensure full inclusion in social, economic and political life



SOS Children's Villages directly leads on 2 topics immediately relevant to the SDGs

SDG 1 – No Poverty

Target 1.3 Implement nationally appropriate social protection systems [...], and achieve substantial coverage of the poor and the vulnerable

SDG 10 – Reduced Inequalities

Target 10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, [...] economic or other status

SDG 16 – Peace, Justice and Strong Institutions

Target 16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children

SDG 4 – Quality Education

Target 4.2 Ensure that all girls and boys have access to quality early childhood development, care and pre-primary education [...]

Target 4.3 Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

Target 4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

Target 4.5 Ensure equal access to all levels of education and vocational training for the vulnerable, including [...] children in vulnerable situations

SDG 8 – Decent Work and Economic Growth

Target 8.6 Reduce the proportion of youth not in employment, education or training



SDG 3
Good Health & Well-being



SDG 5
Gender Equality



SDG 17
Partnership for the Goals

SOS Children's Villages also contributes to progress on other SDGs

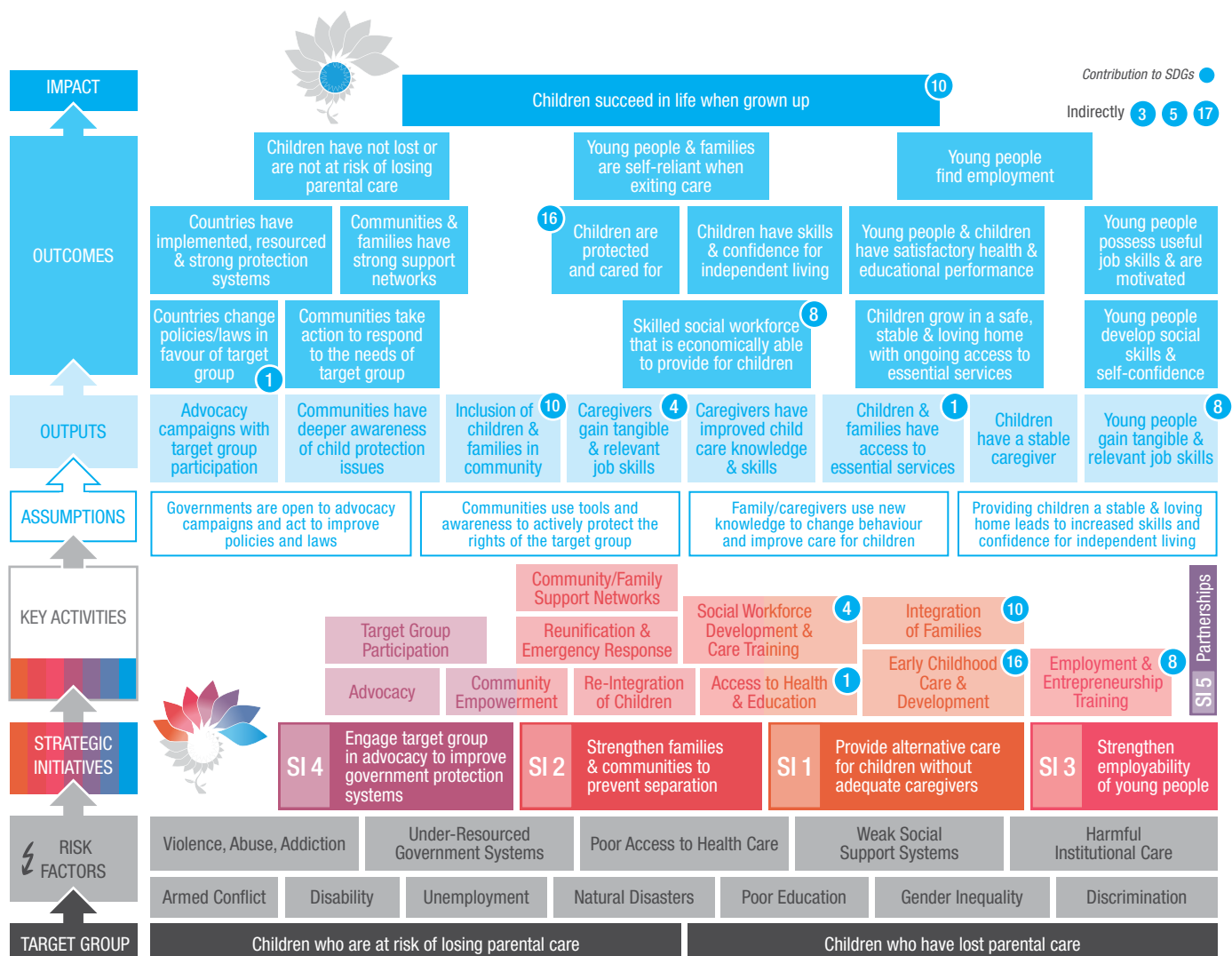
Theory of change

A theory of change is a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context.⁶ The theory of change mapped here enhances our Strategy 2030 by showing the relationship between the strategic initiatives and programme-level impact.

In building this theory of change, we followed several principles to ensure that it clearly reflects key aspects of the strategy:

- The **target group** and **risk factors** are aligned
- The **strategic goal** – “equal chance to succeed” – is turned into the desired impact – “succeed in life” – and grounded at the programme level
- The **strategic measures** feature in the outcomes and output; for example, one outcome is “young people and families are self-reliant when exiting care”
- The **strategic initiatives** are directly represented

GRAPHIC: The theory of change



⁶ Centre for Theory of Change: <http://www.theoryofchange.org/what-is-theory-of-change/>

The theory of change thus links the strategic initiatives to the goal in a concrete way, showing the detailed step-by-step logic between activity and impact.

- 1. Target group:** the core beneficiaries that SOS works with
- 2. Risk factors:** external factors that threaten the target group
- 3. Strategic initiatives:** broad approaches taken by SOS to address these threats
- 4. Activities:** key activities implemented to eliminate risk factors and assist the target group
- 5. Outputs:** short-term results of activities
- 6. Outcomes:** medium- to long-term results that the outputs will lead to
- 7. Impact:** the overall change SOS is working towards
- 8. Assumptions:** the basis for links between levels where no evidence exists to prove them (external data supports links whenever possible)

Federation planning

How will this strategy roll out in member associations and the General Secretariat?

The following key principles will guide the rollout of this strategy to MAs and the General Secretariat:

1. Global frame – local ownership

The 2030 federation strategy provides the frame for each member association's 2020 mid-term plan. In the 2020 mid-term plan, each association sets a direction for the next years in careful consideration of the local environment and internal readiness.

2. Integration of planning, budgeting and systems

The new planning process will strongly integrate the dimensions of content planning, financial resourcing and reviewing. Strong systems support is needed to ensure efficient planning. Overall, the planning process will improve step-by-step over the next four years as improvements to systems are also implemented.

3. Emphasis on 2020 mid-term planning versus annual planning

The planning process puts more emphasis on forming a mid-term plan opposed to concentrating mainly on annual planning. This ensures a medium- to long-term perspective. The 2020 mid-term plan builds on the inputs provided by the member association to Strategy 2030, particularly the November 2015 input regarding ambitions. These together with inputs regarding external factors (February 2015) and strategic options (May 2015) provide a strong base for forming a 2020 mid-term plan.

4. Results orientation

One key aspect of the new planning process is “results-based management” (RBM), an approach ensuring that our decisions are based on the actual differences we make in children's and young people's lives.

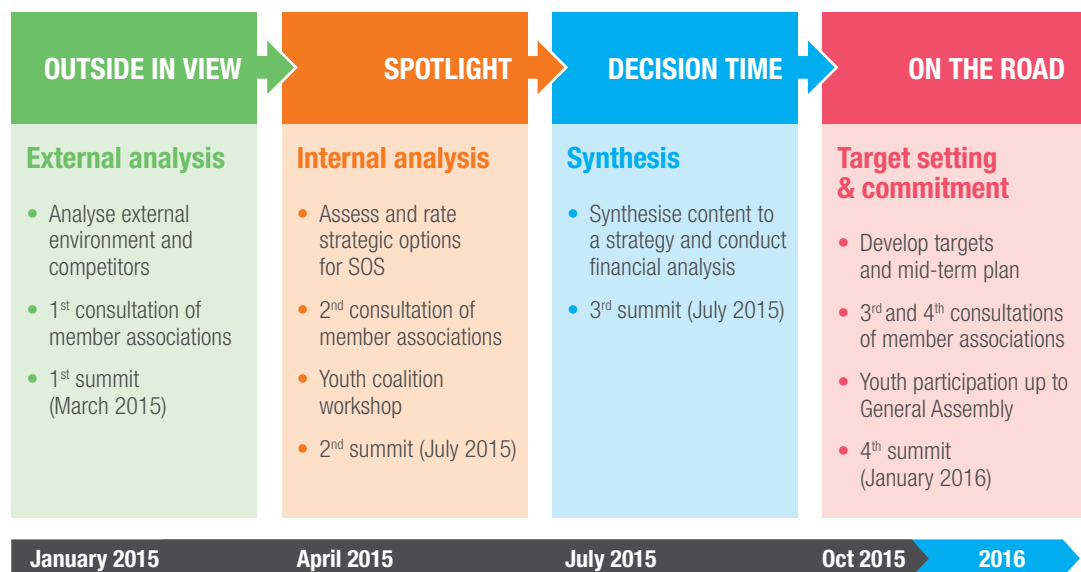
The federation's 2020 mid-term plan operationalises the strategy for the next four years. Part of its implementation entails putting the new planning process into practice. Preparations are being made in 2016, and most associations will create their 2020 mid-term plans during 2017.

Four phases of the Strategy 2030 process

Arriving at this federation strategy required a tremendous investment of work and time from all of us.

The project kicked off at the beginning of 2015 and passed through several phases before it reached the final stage in June 2016.

The Strategy 2030 process



SARA

JOEL CARMEN SAMUEL
FERNANDO Christopher Alfredo OUSAINOU
KHADRO 祥客 IDAN Blessing ABDINASIR
NAYELI RAMADHAN Joëlla MEKDES Susan Dumutb
Denison Antoinette Esha 双珠 Cha-Kom
Suthad Numa HAWOKIEN ADRIAN
ABDIAZIE Khytsafalo
Armando Darko Anu YEIMER
Maite 仲光 MANDY Stephanie Seng
Martina youn ANITA Sunita Kevin
ANASTASIA Otiadisa LAKSHAN
PRESCILLA
william ГОРАНУ KASECH UBAHKA
NAJMO Ираге vilash
Cecilio Andee AMDO MIKHAELA
RAISSA FEISAL BELVAP
Assucena Yhuleidi Comila Венера Ydanda ESCARLETH
HARDI MILAN Lucas
ATHAIS
BLUAYEHU MINTESNOT Leoma
OMAR MIRIA
3APABKO
Turpin

