

DIVISION OF PRIVATE FUNDRAISING AND PARTNERSHIPS

2010 ANNUAL REPORT

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ACRONYMS

CA	Cooperation Agreement
C&G	Cards and Gifts
CEE-CIS	Central and Eastern Europe and the Commonwealth of Independent States
CSR	Corporate Social Responsibility
CO	Country Office
CRBPI	Child Rights and Business Principles Initiative
CRC	Convention on the Rights of the Child
CRC	Contract Review Committee
DFAM	Division of Financial and Administrative Management
DOC	Division of Communication
DPP	Division of Policy and Practice
DRTV	Direct Response TV
EAPRO	East Asia and the Pacific Regional Office
EDEV	Education for Development
EMOPS	Office of Emergency Programmes
ERP	Enterprise Resource Planning
ESARO	Eastern and Southern Africa Regional Office
FDP	Fundraising Development Programme
GSA	Geneva Staff Association
HQ	Headquarters Divisions
HR	Human Resources
ILO	International Labour Organization
JSP	Joint Strategic Plan
LTC	Learning and Training Committee
MDGs	Millennium Development Goals
MENA	Middle East and North Africa (Regional Office)
MTSP	Medium-Term Strategic Plan
OCHA	Office for the Coordination of Humanitarian Affairs (of United Nations)
OED	Office of the Executive Director
OR/RR	Other Resources/Regular Resources
ORE	Other Resources Emergency
PARMO	Public Sector Alliances and Resource Mobilization Office
PD	Programme Division
PFP	Private Fundraising and Partnerships Division
ROSA	Regional Office for South Asia
RER	Revenue and Expenditure Reports
SMT	(PFP) Senior Management Team
TACRO	The Americas and the Caribbean Regional Office
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNGC	United Nations Global Compact
VISION	Virtual Integrated System of Information
WCARO	West and Central Africa Regional Office
WMT	(PFP) Wider Management Team

Section One: EXECUTIVE SUMMARY

The Division of Private Fundraising and Partnerships (PFP) was established in 2008 to coordinate all private fundraising activities of UNICEF, including individual and corporate fundraising and sales of cards and gifts, to manage strategic relationships with National Committees for UNICEF and to provide support to their child rights advocacy activities. The Division is also responsible for broader corporate engagement with the private sector, including non-fundraising partnerships.

Within PFP, under the guidance of the Director's Office, eight teams work together to help mobilise private support in some 60 countries around the world: Central Fundraising, Cards and Gifts (C&G), National Committee Relations, Finance and Operations, Strategic Partnerships, Corporate Social Responsibility (CSR), Communication and Human Resources.

In 2010, implementation of the Division's activities took place in the context of the global economic recession, consolidation of a fully operational PFP structure and a major restructuring of the Cards and Gifts operation.

The following **key achievements** were realised:

- The total expected net consolidated income for 2010 will surpass the 2010 approved budget. The 2010 latest estimate (December) of net consolidated income is \$1,034 million versus US\$762 million in the approved budget. This is primarily due to the high levels of income received in response to the Haiti and Pakistan emergencies.
- The existing relationship with National Committees was strengthened in the course of 2010 with the signature of 18 Joint Strategic Plans (JSPs), reflecting the increasing value and use of this tool to plan strategic objectives for each market and further align these with UNICEF objectives.
- A number of strategic frameworks were developed and/or finalised and will provide direction and operational guidance to UNICEF's work. These include the Strategic Framework: Private Fundraising by Country Offices; Framework for Advocacy in Countries with a National Committee presence; and the Corporate Resource Mobilisation Strategy.

Partnerships are a cornerstone in the achievement of PFP's mission to maximise UNICEF's private fundraising and advocacy for children around the world. In addition to PFP's main partnership with UNICEF National Committees and the achievements detailed in the annual report, in 2010 the Division led and managed key long term, integrated partnerships with global corporate leaders including IKEA, Pampers, ING, Amway, Unilever, IZA, and multi-stakeholder partnerships, including Schools for Africa, a partnership with the Nelson Mandela Foundation and the Hamburg Society. PFP continued its work with private foundations, including the Gates Foundation, that are an increasingly important source of funds for UNICEF, and, in some instances, strategic partners in advocacy at national and international level.

The **main shortfalls in achievements** in 2010 were:

- Cards and Gifts income: Regular Resources from the sales of Cards and Gifts amounted to US\$15.5 million (45 per cent lower than the approved target of US\$28.4 million) as a result of lower gross proceeds linked to the global recession and a change in consumer and corporate use of cards.
- Strategic Framework for External Communication: the development of the strategic framework has been deferred to 2011 in order to ensure alignment and synergy with the UNICEF Global Communication and Advocacy Strategy that will be completed in mid-2011.
- UNICEF Digital Fundraising Strategy: the development of the strategy was deferred to 2011 in order to build on experience to date, including successes that PFP is starting to see in a number of National Committee countries and lessons learned.

Section Two: KEY DIVISIONAL TARGETS AND STRATEGIES

PFP Functions	DIVISIONAL TARGETS AND STRATEGIES: STATUS
Maximised income from private sector <i>(Pages 8-14)</i>	<ul style="list-style-type: none"> • 2010 Latest Estimate (December 2010) net income at US\$1,034 million is 27 per cent higher than the approved target. • Fundraising for Regular Resources is estimated at US\$331 million (includes US\$21 million negative exchange rate impact; same as approved); Regular Resources from Cards and Gifts sales, however, declined to US\$15.5 million (45 per cent lower than approved target of US\$28.4 million), as a result of lower gross proceeds linked to global recession and change in consumer and corporate consumption of cards. • Other Resources (OR) income is estimated at US\$690 million (42 per cent higher, resulting from fundraising for emergencies). • The Strategic Framework: Private Fundraising by Country Offices was approved by the Executive Director. • A series of tools to facilitate raising flexible funds from private sector for priority programmes were developed and/or rolled out, including the Case for Support, the National Committee Donor Toolkits, the UNICEF Report on Regular Resources. • A Corporate Fundraising Strategy was developed to help create a more strategic, consistent and pro-active approach to working with the corporate sector. • A new platform, 'PFP Emergencies', was established on the PFP intranet portal during the Haiti emergency allowing National Committees to access all the latest materials on emergencies in a "one-stop shop". • The Cards and Gifts Partnership Model was successfully implemented through the establishment of strategic partnerships with licensee and retailers and through the business rationalisation of the current operating model.
Strategic relationships with National Committees <i>(Pages 14-16)</i>	<ul style="list-style-type: none"> • Eighteen new Joint Strategic Plans were agreed and signed between UNICEF and National Committees. • The 'One Country Approach' was finalised and endorsed. The document outlines the general principles of a common position by UNICEF and National Committees in countries with a National Committee presence. It highlights the complementarity and synergy efforts by UNICEF Headquarters Divisions and National Committees with regards to government relations, visibility and advocacy efforts. • Negotiations on the Cooperation Agreement reached their final stage. • Fifteen National Committees developed a Risk Management Framework.
Child Rights Advocacy and Education for Development <i>(Pages 16-17)</i>	<ul style="list-style-type: none"> • The Framework for Advocacy in National Committee Countries was finalised. • The Advocacy Toolkit was produced and disseminated.
Corporate Engagement and CSR <i>(Pages 17-19)</i>	<ul style="list-style-type: none"> • New non-financial partnerships were initiated (UPS, Telenor and Frog Design) • A draft paper Towards an Expanded Approach to Corporate Engagement was endorsed by the UNICEF Global Management Team. • The Child Rights and Business Principles Initiative was launched jointly with the UN Global Compact and Save the Children.
Strategic Partnerships <i>(Page 19-20)</i>	<ul style="list-style-type: none"> • Start-up support was provided to the rollout of the Strategic Partnerships framework through the establishment of a Strategic Partnerships Section in New York.
Cross-Cutting <i>(Pages 19-26)</i>	<ul style="list-style-type: none"> • The PFP Strategic Plan and a three-year rolling work plan for 2011-2013 were developed. • The PFP Risk Assessment was completed. • The Green Office Initiative assessment was completed.

Section Three: ANALYSIS OF STRATEGIES AND RESULTS

3.1 Income generation from the private sector

***Function I:** Maximising UNICEF's income from the private sector by developing and implementing the global private sector fundraising strategy and providing the necessary technical expertise and services, including the efficient management of the UNICEF cards and gifts business.*

The total expected net consolidated income for 2010 will surpass the 2010 approved budget. The 2010 latest estimate of net consolidated income is \$1,034 million versus US\$762 million in the approved budget. This is primarily due to the income received in response to the Haiti and Pakistan emergencies.

The 2010 projected net income for Regular Resources (RR) is US\$344 million, which is 4.7 per cent or US\$17 million lower than the approved budget. This shortfall is due to a decrease in the net income from the sale of cards and gifts linked to the global recession and a change in consumer and corporate consumption of cards.

The projected Other Resources income is US\$690 million, which is 42 per cent more than the approved amount, largely resulting from fundraising for emergencies.

3.1.1 Campaign to double the number of UNICEF pledge donors by 2013

The Global Pledge Strategy

The Global Pledge Strategy has been drafted and is being consulted on within PFP and with National Committees/Country Offices. The strategy has three main elements:

1. Drive acquisition through known, proven channels as vigorously as possible:
UNICEF is now active in Face to Face in 34 markets and Direct Response TV (DRTV) has been tested or is running in 23 markets. Investment has been targeted at these and other proven channels, and significant specialist support has been provided via the Fundraising Forum, regional workshops and bilateral engagement.
2. Make step-change improvements in UNICEF's donor experience to maximise value:
Following on the success of the donor experience sessions at the UNICEF Fundraising Forum, a pledge donor workshop took place in September with delegates from 24 National Committees and Country Offices. PFP is seeing the first positive indications in donor loyalty (and hence value) and is providing ongoing specialist support for the development of country specific plans.
3. Embrace and develop digital innovation to drive pledge:
Tests of direct-to-pledge digital recruitment have been successfully undertaken in Korea, France and the United States. Six digital toolkits and manuals have been developed to support National Committee and Country Office development, in concert with specialist support.

Development and roll-out of the Digital Strategy

Digital fundraising has become a significant focus of the UNICEF Fundraising Think Tank that identified key priorities for its development. These priorities include:

- Developing digital as a tried and tested acquisition channel for new donors, in particular for long term pledge donors.

- Maximising the use of digital fundraising in emergencies, and putting in place a digital preparedness plan for high profile emergency situations.
- Establishing digital communication as central to building donor relations and stewarding supporters so that they continue to give over the long term.

These will form the key building blocks of the Digital Fundraising Strategy, the development of which has been deferred to 2011, while drawing on experience to date, including successes that PFP is starting to see in a number of National Committee countries.

Allocation of Investment Funds to increase pledge

The US\$23 million Fundraising Development Programme (FDP) was allocated in 2010 with the clear focus on growing pledge income. Investments were made in 44 National Committees and Country Offices, with the most substantial investments having been made in France, Netherlands, Spain, Malaysia and Thailand, all of which focused on recruiting new pledge donors. In the first quarter of 2010 additional funds were allocated to the FDP to increase support to National Committees in converting one-off donors to Haiti to long term pledge giving. This proved highly successful in many countries. The overall expectation is that the adjusted budget of US\$25.1 million will achieve a utilisation rate be over 95 per cent utilised.

The fund supports UNICEF's strategic aim of securing more reliable, unrestricted (Regular Resources) income. This primarily means maximising the number of pledge donors to UNICEF, individuals who make regular, automatic gifts via a credit card or bank transfer. In line with the '3-in-3' campaign that was launched in 2009 with the aim of increasing the number of pledge donors to UNICEF to three million by the end of 2012, investments play a key role in growing the number of pledge donors. PFP monitoring shows that UNICEF is on track with the 3-in-3 campaign goal with some two million pledge donors on file by the end of 2010.

As part of the budget process for 2011, PFP proposed and approved an increase in the FDP to US\$40 million. This will provide increased support to strong fundraising performance in large markets and maintain support to smaller markets with strong potential. For the first time a formal prioritisation of countries based on fundraising income potential will be introduced and therefore the support and investment provided from PFP will be streamlined. The categorisation included a range from high performing, large/mature fundraising markets to countries where action is needed to develop their capacity/fundraising market.

PFP has also strengthened its management and monitoring of FDP funds and is developing a set of Key Performance Indicators to assist decisions on future allocations.

Country Office Fundraising

In December 2010, the Strategic Framework: Private Fundraising by Country Offices was approved by the Office of the Executive Director (OED). The final framework document was fully supported as a result of an extensive consultation with Country and Regional Offices as well as HQ divisions.

The Framework highlights the principles for the future business model for Country Office private fundraising, focuses on resource mobilisation and the prioritisation of markets for private fundraising, while recognising that corporate engagement and corporate social responsibility both go beyond financial support. It also reiterates the strategic long-term intent of private sector fundraising that is to increase Regular Resources as a proportion of total fundraising income. Investments and technical support from PFP will in the future be increasingly focused on countries with the highest return on investment and which can move fastest towards contributing to global fundraising.

PFP has seen Regular Resources income start to flow from private fundraising in Country Offices, specifically over US\$2 million of Regular Resources has been raised in Malaysia. In addition, tests have taken place in Argentina and Thailand and have proven successful. In a number of countries, active consultations have been taking place with key Government counterparts to ensure that barriers to Regular Resources fundraising can be removed.

Knowledge of fundraising and market performance

A major research project focused on pledge giving was conducted in multiple countries in 2010, including UK, USA and the Netherlands. This research, in conjunction with increased competitor information drawn through benchmarking studies, is enabling PFP to build a more comprehensive picture of UNICEF's current performance and the significant potential to grow pledge income in the future. This information will enable PFP to provide detailed guidance to National Committees and Country Offices on the strengths and weaknesses of their fundraising programme and will be used in reviewing the allocation of investments. The latter will be especially important in countries where UNICEF is performing better than other not for profit fundraising organisations.

3.1.2 Global Case for Support

Development and roll out of a Case for Support

A Case for Support has been developed jointly between National Committees and PFP and aims to create a strong foundation from which to build a comprehensive and compelling articulation of:

- What UNICEF does for children
- How this is distinct from the work of other organisations
- The difference this makes for children now and in the future (i.e. demonstrated results).

Equipped with this foundation, National Committees will be able to create communication and fundraising campaigns that are more consistent and clear to their audiences and that better attract support for UNICEF's work and mission. This will ultimately result in improved fundraising results for UNICEF with resources that are the most flexible.

The first stage of work was carried out by the Fundraising Think Tank in February 2010, with additional input from National Committees. Market research was carried out over the summer to test and refine the ideas developed by the initial workshop. In October a draft was presented to the Think Tank and comments were provided.

Criteria/system for fundraising/allocation of Other Resources to UNICEF priority programmes

In 2010, PFP finalised its Strategic Allocation Model for determining programmes that would most benefit from the allocation of National Committee resources. The analytical model that PFP developed identifies countries and programmes (a) with strong programmatic need, (b) where there is a clear funding gap, and (c) where Country Offices have a track record of delivering results for children. The selection of countries, which will be updated periodically, includes "donor darlings" and "donor orphans" with a regional spread. Following its initial recommendations, PFP engaged in comprehensive discussions with all regional offices to obtain their input, as their on-the-ground perspective adds a complementary and extremely important dimension to the data analysis that cannot be gleaned from numbers alone. By the end of 2010, the selection of countries had been finalised in CEE-CIS, EAPRO, ESARO, TACRO and WCARO. The selection of countries is expected to be completed in MENA and ROSA in early 2011.

National Committees Donor Toolkits for the UNICEF Medium-Term Strategic Plan (MTSP)

PFP's Strategic Allocation Model is intended to identify programme priorities to which National Committee funds can be directed. Its complementary National Committee Donor Toolkit initiative is the means by which PFP will guide National Committee funding toward specific, identified priorities in order

to have the greatest possible impact in the most critical locations. Out of 120 toolkits planned, 14 were finalised and 71 initiated by the end of the year. Each of the toolkits that PFP is developing for the 2011 pilot phase covers one MTSP Focus Area and follows the Country Programme Cycle.

The goals of this initiative are four-fold: to assist all offices that require assistance in accessing National Committee funds; to reduce transaction costs for National Committees and Country Offices; to increase the quality and flexibility of National Committee income; and to develop in Country Offices the best quality donor materials that will clearly demonstrate results to donors. One of the ongoing challenges that PFP will face as the initiative rolls out is how to continue serving all offices while remaining true to the overall goal of streamlining, and indeed redefining, the National Committee-Country Office relationship through a more strategic allocation of private sector resources.

The aim is to guide up to 80 per cent of National Committee Other Resources funds to select priority programmes by the end of the current MTSP in 2013. The remaining 20 per cent of the Other Resources funds would support all other programmes, including those that may not participate through the strategic allocation model. In these cases, PFP will work closely with Regional Offices and Country Offices to ensure that targeted investments of National Committee funds will have a meaningful impact on the ground. Further, the National Committee model also offers Regional Offices the opportunity to develop their own multi-country, thematic toolkits around specific issues such as HIV/AIDS, the proceeds of which the Regional Offices can then allocate to those countries they deem most in need of the funds.

In each region, PFP's strategic allocation model should be viewed as part of a larger, more integrated approach to overall resource allocation to the field, including National Committee and government contributions, global Other Resources Thematic funds, and Regular Resources.

UNICEF Report on Regular Resources

In 2010 PFP again produced a 'Report on Regular Resources - Impact of Unrestricted Funds on Children' to assist National Committees in their understanding of how UNICEF utilises Regular Resources. The report demonstrates the crucial importance of Regular Resources in helping UNICEF achieve its mandate of promoting the health, education, equality, and protection of all children.

The Report on Regular Resources has appeal beyond the National Committee community and is now used as a reference document by both PARMO and PFP in their outreach to the donor community. In January 2010, the UNICEF Publications Committee approved PFP's proposal to make the Report on Regular Resources a public document, a decision that was supported by PARMO and others, including several key government donors and National Committees. It was agreed that PFP would manage the production of the Report on Regular Resources together with PARMO.

In June 2010, PFP established a Steering Group for the production of the 2009 Report on Regular Resources comprising representatives from PARMO, DOC, PD, DPP, DFAM and PFP. PFP chaired the Steering Group, ensuring that all Divisions were consulted throughout the process, from the inception stage of the report to the final sign off on the content by the Division Directors. The final report was released at the September 2010 UNICEF Executive Board meeting in New York.

3.1.3 Corporate and foundations partnerships

In 2010, PFP undertook several activities to create a more strategic, consistent and pro-active approach to working with the corporate sector. This includes:

1. The development of a Corporate Resource Mobilisation Strategy that aims to triple UNICEF income from leading corporate partnership over the next five years.

2. The streamlining of selection of potential partners through the development of criteria that enables UNICEF to identify the most appropriate partners who fit the organisation's mission and values.
3. A review of cause-marketing partnerships enabling UNICEF to maximise cause-related marketing partnerships to:
 - Increase direct corporate funding and indirect public donations.
 - Build awareness of UNICEF's causes.
 - Support UNICEF's partners in achieving their goals.

The development of these different components will enable UNICEF to secure and implement multi-year, long-term partnerships with a focus on fewer higher value partnerships - both financial and non-financial - that deliver at scale (please see §2.4.1 Non-financial global partnerships). This process has been a collaborative undertaking with National Committees and Country Offices that raise private sector resources, and has collectively enabled the development of a strategic vision and way forward.

At the same time, PFP has continued throughout 2010 to support the development of many alliances both at a national and international level to deliver results for children. Some of UNICEF's most prominent and lucrative global partnerships, including IKEA, Pampers, and FC Barcelona, continue to receive accolades for their efforts to raise not only funds for children in need by continued investment in our programmes for children but also by generating high profile visibility of issues affecting children through cause-related marketing campaigns.

In addition to working with the corporate sector, PFP continued its work with private foundations such as the Gates Foundation, an increasingly important source of funds for UNICEF, and, in some instances, strategic partners in advocacy at national and international level. There are increasing opportunities in partnering with private foundations that have a primary operating base in countries with a National Committee presence, given their well developed and expanding outreach and related resources. As such, PFP will continue to focus on maximising existing and emerging collaboration in a manner that builds on the comparative advantage that National Committees and the wider organisation bring to the fore. Against this background, PFP has drafted a guidance note clarifying roles and responsibilities within the UNICEF family on how to maximise the relationship with these actors.

3.1.4 Coordination of emergency Other Resources from the private sector

“Silent” Emergencies

In early 2010, PFP developed a plan to more proactively mobilise private resources for silent emergencies. This included developing fundraising and communication materials to supplement the 2010 Humanitarian Action Report. Agreement was reached within PFP and with EMOPS and PARMO that PFP would test this new model – intended to raise new Other Resources income and not to supplant existing income – in the Horn of Africa. Six countries were approached and agreed to host joint PFP-National Committee visits to produce the required materials. However, as final plans were being put in place to produce the required materials, the January 2010 earthquake struck Haiti, displacing National Committee interest in the silent emergencies initiative.

A decision was made in late 2010 to re-energise the proposed initiative, with a focus on 6 to 10 of the 32 countries that will be profiled in the 2011 Humanitarian Action for Children Report. Production of communication and fundraising materials is likely to take place in the first two quarters of 2011, with a robust fundraising campaign built around these materials to take place in the latter half of 2011.

Communication flow between National Committees, Headquarters and PFP

Discussions on the flow of information to National Committees at the time of the onset of large scale sudden emergencies were held during the Annual National Committee Communication Workshop in

Madrid in March. Particular focus was on the issue of providing the information that National Committees require in the first 24-72 hours after an emergency breaks in order for them to maximise the fundraising and advocacy potential in their countries. A strong recommendation from the workshop was for PFP to establish additional staff capacity in order to ensure surge communication capacity is available to provide efficient and timely information and materials from the emergency field location that can be used by National Committees. An additional emergencies communication post was subsequently approved in the PFP budget submission: this will allow for the rapid deployment of an experienced communication specialist to a major emergency at short notice in order to service the needs of PFP, and National Committees and their related media.

Collaboration between PFP and DOC was expanded and strengthened and this included how to better systematise the sharing of information. A new platform, 'PFP Emergencies', was established on the PFP intranet portal during the Haiti emergency allowing National Committees to access all the latest materials on emergencies in a "one-stop shop".

3.1.5 Cards and Gifts

In addition to the ongoing support to 59 countries (National Committees and Country Offices), PFP has invested considerable resources in the implementation of the new Partnership Model through:

- The rationalisation of the current operating model.
- The development of strategic partnerships with licensees and retailers.

The new Cards and Gifts partnership model through rationalisation

The business rationalisation project is an integral element of UNICEF's new Cards and Gifts business model, the Partnership Model, which aims to maximise net income and public engagement for children. The objective is to employ a more flexible use of market relevant business approaches (e.g. in-house vs. third party) that will allow UNICEF to pursue new business growth opportunities. In order to realise this UNICEF has identified the need to undertake a comprehensive rationalisation of its in-house Cards and Gifts business (within PFP, National Committees and Country Offices) to decrease costs, improve organisational responsiveness and customer service levels throughout the entire Cards and Gifts value chain.

During the first quarter of 2010, the Cards and Gifts Rationalisation Project team, with the support of KPMG and together with UNICEF internal and external stakeholders, began developing the detailed design of the future Cards and Gifts operating model. A 24 month project implementation schedule was developed with the goal to have the new operating model fully implemented in PFP and in countries migrating to a new business model.

The main achievements of the rationalisation project in 2010 are:

- *Selection, appointment and contracting strategic suppliers:* Three strategic partners have been selected, appointed and contracted for the implementation of the new operating model that will assist UNICEF to become more consumer and customer focused. Many operational functions currently performed by National Committees, Country Offices and PFP will be outsourced to third parties suppliers. These include logistics and warehousing, cards creative development and production services, creative development and manufacturing of direct marketing and interactive material as well as gifts.
- *Review of country business models:* in cooperation with UNICEF Regional Support Centres, National Committees and Country Offices, a full review of the 59 countries serviced in 2010 was initiated and completed. As a result of this review 12 European countries will be serviced in 2011 under a new direct delivery logistics model i.e. cards and gifts products will be directly provided to the end customer through a centralised logistics and distribution system. Sixteen other countries will continue

to be serviced in 2011 through a bulk delivery model thus keeping their local warehousing and logistics structures. Twenty-five countries have been identified to move to a 'full licensing' model in 2011. For three countries the possibility to serve them from other countries will be explored and, if not possible, PFP will discontinue its activities in these countries. Three countries have business models still under discussion.

- *Pilot Tests:* PFP ran a pilot test of the new operating model in Portugal and France to allow UNICEF to validate the new Logistics and Distribution Direct Delivery Model prior to its full roll-out during 2011. The pilot has allowed UNICEF to ascertain how best to maximise effectiveness and efficiency during the transition to the new model when it is applied to all countries and enabled National Committees, PFP and the logistics service provider to test and learn from the new operating model. Piloting in 2010 was crucial in providing evidence for the right financial and human resource requirements to support the rollout in PFP and at country level.
- *Organisational review:* a new organisational structure was designed and developed with a short timeframe and in close collaboration with UNICEF key stakeholders with its implementation in 2011. The result of this process is resulting in an overall reduction of posts from 123 to 67 during 2011. PFP Headquarters (HQ) posts (based in Geneva, New York, Huningue) will move from 84 to 46. PFP funded posts to support the Cards and Gifts business in Country Offices will move from 39 to 21. As part of the consolidation and outsourcing of most Cards and Gifts operating activities, all New York based operations were closed at the end of November. A transition plan has been developed taking into account business continuity needs and support to affected staff.
- *Roll out plan:* PFP, with the support of KPMG, worked with those National Committees and Country Offices moving their logistics and distribution model to direct delivery in 2011. A roll-out plan for the transition in each country was developed to include IT interfacing to logistics service provider, local products, overprinting and tax implications. The engagement of National Committees has been key to ensure that the appropriate resources are utilised and the new operational model is successfully implemented in 2011.

The second pillar of the UNICEF Cards and Gifts partnership model is the development of new strategic partnerships and the strengthening of existing ones that will generate both gross and net income growth and will allow UNICEF to enter new markets, channels and segments. In this light, PFP has worked with National Committees and Country Offices transitioning to a Licensing Model to identify licensing partners and develop business cases. Phase out plans of the currently PFP sourced cards and gifts business model have also started to be put in place. Together with the OED legal adviser, PFP developed a licensing contract template that will facilitate the negotiation and signing of future licensing agreements.

Stabilising Cards and Gifts gross proceeds and net income and creating conditions for return to growth

In 2010, PFP has brought to market a competitive Cards and Gifts range, based on the cards Full of Life campaign, developed in full collaboration with the countries. The number of countries who adopted the campaign has grown in 2010 to 20. UNICEF has also reduced inventory levels and costs of goods in relation to previous years and introduced a new promotional retail menu aimed at offering consumers a more market driven range of promotional materials and a more suitable retail offer.

2010 has also been a turning point year in the creative development approach. As part of the rationalisation process, PFP appointed a new supplier, RR Donnelley, who have taken over responsibility for the creative development of the 2011 cards collection under the leadership of PFP. The collection has been developed in half the time of previous years while providing innovative and fresh products that are consistent with UNICEF cards creative identity. A first ever virtual preview of the Cards and Gifts

selection by all markets took place in 2010 using RR Donnelley's IT capacity, facilitating the selection by countries and forecasting process.

Development of the Cards and Gifts Growth Strategy started in 2010 with the aim of defining the main drivers of future income growth and creating the right springboard for the future development of the Cards and Gifts business. The strategy should be finalised in mid-2011.

3.2 Strategic relationship with National Committees

***Function II:** Managing the strategic relationship with National Committees, including support to an integrated fundraising, advocacy, education for development and communication planning process; developing and implementing cooperation frameworks and oversight tools.*

3.2.1 Managing and enhancing strategic relationships with National Committees

During 2010 much attention was directed at improving the effectiveness of the Joint Strategic Planning (JSP) process. The year began with only three JSPs. The JSP planning process was revised and improved to make it more rigorous and consistent in its intent. At the end of 2010, 18 National Committees have agreed and signed JSPs, reflecting the increasing value and use of this tool to plan strategic objectives for each National Committee market and further align these with UNICEF objectives. A further 11 National Committees have developed new JSPs to an advanced stage. These are expected to be agreed and signed early in 2011. The JSP review process will continue in 2011 with inclusion of other parts of UNICEF in that process, enabling the effective monitoring of the overall direction and adjusting goals based on performance and external environmental factors.

In 2010, PFP continued to strengthen the relationship with the Boards, Executive Directors and Senior Management of UNICEF's 36 National Committees. The Hungarian Committee progressed in its transformation to a foundation through the drafting of new statutes and the recruitment of a new board of trustees. New Executive Directors took office in Andorra, Australia, Germany, Hong Kong and Israel. New Board Chairs were appointed in Hong Kong, Hungary, Iceland and Norway. High level meetings throughout the year presented the opportunity to hold consultations on UNICEF's Cooperation Agreement with National Committees.

PFP also developed consolidated 2011 Country Support Plans for each National Committee market. The objective of the Country Support Plan is to align all parts of PFP on the prioritisation of financial and technical support to National Committee markets. In 2011 the Country Support Plan is the tool through which PFP will plan and deliver all support to National Committees. The Country Support Plan is also the tool which will be used to align JSPs with the objectives of the PFP Strategic Plan for 2011-13.

In 2010, PFP completed a comprehensive review of the Cards and Gifts programmes in each of the National Committees in order to determine the business model to be implemented by the National Committee Boards in 2011. A mapping exercise of National Committee partnerships with civil society organisations was completed in order to increase collaboration with the Civil Society Partnerships section in Programme Division. A National Committee-PFP working group on sports partnerships was also formed to enhance and exchange best practice on working with sports partners and to input into the global sports partnership framework. A post was established in the UNICEF Brussels office to develop new opportunities in working with the European Union, National Committees and UNICEF.

3.2.2 National Committee performance and governance

The New Cooperation Agreement

The Cooperation Agreement revision project was launched in 2008 with the aim to provide an up to date, comprehensive and legally clear document that would reflect UNICEF's need for greater oversight and brand protection while simultaneously recognising the strengthened partnership between UNICEF and National Committees. Consultations between National Committees and UNICEF on a revised Recognition Declaration and Cooperation Agreement advanced considerably during the first months of the year. Due to the complexity of the negotiations concerning a small number of outstanding issues, a new Cooperation Agreement could not be adopted at the 2010 Annual Meeting and no individual bilateral agreements could be signed. This is now expected to take place in 2011.

Risk Management Framework

Risk management is a key component of the Principles of Good Governance adopted by National Committees in 2009. PFP promoted the development and implementation of a risk management framework by National Committees by providing risk management guidance, supporting individual implementation and ensuring that all JSPs signed in 2010 include risk management. At the end of 2010, 15 National Committees had developed a risk management framework; by the end of 2011, based on JSP commitments, most National Committees, representing some 95 per cent of income, will have developed a risk management framework.

Strengthen mechanisms for UNICEF-National Committee engagement

The National Committee Secretariat in PFP continues to coordinate and support the work of the National Committee Standing Group, which met in Montreux, Seoul, London, New York and for the first time by video conference. A special meeting of Board Chairs and Executive Directors was held in Montreux to advance the development of the new Cooperation Agreement and review the rationalisation of the Cards and Gifts business. The Republic of Korea hosted the Annual Meeting of National Committees in Seoul, which was attended by the Prime Minister and was the first overseas visit of Anthony Lake, the new UNICEF Executive Director. Building and strengthening strategic partnerships was the theme of the annual National Committee Executive Directors meeting hosted by the US Fund for UNICEF at Glen Cove in September.

National Committees Financial Reporting

A consolidated matrix for monitoring National Committee ratios and compliance with reporting requirements was implemented during the year. The matrix is updated on a quarterly basis and shared internally within PFP in order that all Sections to have up to date information regarding the performance and reporting status of each National Committee.

The monthly income tracking report introduced for the ten highest-contributing National Committees in 2009 was expanded to include the top fifteen contributors in 2010.

A review of the Revenue and Expenditure Report (RER) was initiated in 2010 with the establishment of a working group and approval of the terms of reference. The working group will be responsible for coordinating the joint review by PFP and National Committee representatives. The revised RER is expected to be in place for the preparation of 2012 budget figures and reporting of 2012 financial results.

3.3 Child Rights advocacy, communication and branding in National Committee countries

Function III: With and through National Committees, the implementation of global strategies in child rights advocacy, communication and branding in National Committee countries.

3.3.1 Strategic framework for National Committees Advocacy and Education for Development work

In 2010, PFP continued to further develop the strategic framework for National Committee Advocacy and Education for Development work. Together with the Division of Policy and Practice and Programme Division, PFP finalised a strategy document to determine the principles and parameters for advocacy in National Committee countries. Based on this Framework for Advocacy in National Committee Countries, PFP drafted a more detailed and operational document, Guidance for Implementing Advocacy in National Committee Countries.

PFP together with relevant Divisions and National Committees also drew up a strategy paper, 2011-2013 Advocacy Priorities for National Committee Countries that identifies five core child rights issues as priorities for UNICEF National Committee advocacy and is also reflected in the PFP Strategic Plan 2011-2013.

3.3.2 National Committee capacity in planning, monitoring and evaluation

To strengthen capacity in planning, monitoring and evaluation, PFP together with DPP produced and disseminated the Advocacy Toolkit. This practical handbook provides a step-by-step guide to advocacy planning and implementation in both Country Offices and National Committees. In an effort to strengthen capacity in a number of smaller National Committees, PFP further developed and began implementing a targeted capacity-building initiative for six National Committees, with the main focus on poverty and social exclusion in Central and Eastern Europe. Close cooperation with DPP on both the Advocacy Toolkit and the Advocacy Framework and with the CEE/CIS Regional Office on capacity building for advocacy in the Central Europe were critical to the success of these initiatives.

3.3.3 Core child rights priorities for industrialised countries

PFP provided guidance and support to National Committees on a range of specific child rights and child protection concerns, as well as methodologies and tools for advocacy, outreach, awareness-raising and child participation. To keep National Committee staff abreast of relevant knowledge and information, PFP produced a monthly Child Rights Newsletter and maintained an intranet knowledge centre. To guide National Committees in the reporting process to the UN Committee on the Rights of the Child (CRC), PFP set up a dedicated intranet resources page and produced a guidance document on CRC reporting. To guide advocacy on maternal, neonatal and child health in the run up to the G8 summit in Canada, PFP provided continuous support to National Committees on policy analysis and messaging.

The project on systematically documenting progress on the General Measures of Implementation for the Convention on the Rights of the Child progressed into the next phase, with six pilot countries facilitating expert groups acting as editorial boards for a continuous updating of country profiles. The combined annual workshops of the National Committee Advocacy and Education for Development networks in New York included a strong training component, with two days dedicated to increasing knowledge on

development policy issues relevant to advocacy by National Committees. PFP and the UNICEF Innocenti Research Centre jointly conducted a review of certification approaches for Child Friendly Cities in four National Committee projects, which proposed recommendations for further developing the Child Friendly Cities concept.

To enhance advocacy on poverty and social exclusion, PFP supported National Committees in the launch of the Innocenti Research Centre Report Card 9, The Children Left Behind, by developing a framework for and guide to national level policy analysis, building in particular on the extensive policy work undertaken at the EU level. PFP also produced several Education for Development tools together with the National Committee Education for Development Network, including a video and teacher toolkit on climate change and child rights, as well as a cartoon on Janusz Korczak and the origins of the CRC.

One of the key supporting factors was the continued active engagement of both the Advocacy Network Steering Group and Education for Development Taskforce.

3.4 Corporate and foundations engagement

Function IV. Development of corporate and foundation alliances and Corporate Social Responsibility (CSR) strategies in support of private sector action on child rights.

3.4.1 Private engagement and Corporate Social Responsibility strategies for private sector action on child rights

In 2010, the Division took further steps to streamline the organisational structures and assess the staffing needs and resources that would support this key function, as well as a new organisational request to PFP to lead the implementation and roll out of the Strategic Framework for Partnerships and Collaborative Relationships (CF/EXD-2009-10). Accordingly a new structure was agreed during the year including a unit in Geneva reporting to the Director's Office headed by a Senior Adviser, P-5, position to lead UNICEF's non fundraising corporate engagement and CSR work, and a unit in New York headed by an Associate Director of Partnerships reporting to the Director's Office primarily leading the implementation of the Strategic Framework for Partnerships and Collaborative Relationships in coordination across UNICEF Divisions and regions. Recruitment for the two senior positions was concluded in December 2010. Interim measures were adopted to advance progress on priorities set out in the work plan and substantial progress was achieved as follows, despite the limited capacity.

Developing a framework for Corporate Social Responsibility for child rights

In April 2010, PFP convened a group of external CSR experts and key UNICEF staff to explore the opportunities and potential areas of strategic focus for UNICEF's Child Focused CSR engagement, thus laying the foundations for the development of the framework that aims to embed child rights within business practice. Central to this approach is an effort to minimise the negative impact and maximise the positive impact of business on children, their rights and their opportunities. In the spirit of the evolving framework, in June 2010, UNICEF (led by PFP and DPP), Save the Children and the UN Global Compact joined forces and launched the Child Rights and Business Principles Initiative (CRBPI) that aims to develop a set of principles that offer concrete guidance on what business can do to respect and support children's rights. The Division also invested in an interdivisional partnership with the Danish Institute of Human Rights to develop a practical Child Rights Impact Assessment Tool for business.

UNICEF approach to corporate engagement

Following from extensive organisation wide consultations in 2008 and 2009, PFP finalised the draft paper Towards an Expanded Approach to Corporate Engagement. The document outlines UNICEF's future approach to proactively and strategically engage, influence and harness the business sector in order to maximise its potential in achieving results for children. The document was presented to the UNICEF Global Management Team (GMT) for final comments and it was endorsed in principle with a request for some further revisions and a final consultation with the GMT and OED. It is expected that this initiative will be finalised in 2011. UNICEF's evolving approach to corporate engagement was presented to the GMT and during the annual Fundraising Forum attended by National Committees, Country Offices and UNICEF Divisions, and at several regional and country meetings.

Engagement with the UN Global Compact (UNGC)

In 2010, PFP continued its close collaboration with the UN Global Compact, representing UNICEF on two fronts: (a) contributing to the activities of the UN System Private Sector Focal Points network coordinated by the UN GC, and (b) collaborating with the UN GC on opportunities to advance the children's agenda with business. In addition to the launch of Child Rights and Business Principle Initiative referenced above, in April, PFP co-hosted the Annual Private Sector Focal Points meeting in Geneva together with the UN Global Compact, UNDP, ILO and OCHA. The two day event brought together more than 90 participants from among the UN family and private sector partners to share experiences, promote coherence and contribute to advancing the UN-Business agenda. UNICEF contributed to the development of the agenda, the identification and securing of key note speakers and panellists, the facilitation of sessions and provided administrative and logistical support.

PFP also participated in the UN Global Compact Leader's summit in New York in June, presenting key platforms for business engagement around children's issues. UNICEF also co-hosted in September, the Secretary-General's Private Sector Forum on the MDGs that gathered more than 300 CEOs, Heads of State, Heads of UN agencies, NGOs and others to discuss partnerships supporting accelerated efforts to meet the MDGs. UNICEF co-led two of six thematic discussions at the event, on Maternal Child Health and HIV, and ICT and Education. The UNICEF Executive Director and senior management participated in the event, as well as several UNICEF partner CEOs and heads of civil society and other organisations.

In addition, PFP continued with its contributions to the UN-Business Web portal, the UN Private Sector Focal Points newsletter and other initiatives that aim to encourage coherence and knowledge sharing within the UN system.

Non-financial global partnerships

PFP continued working with Programme and Supply Divisions, EMOPS and Country Offices on in-kind assistance and other non-financial partnerships, both new and ongoing. Coordination of partnerships with Unilever and KPMG continued and new opportunities for engagement were explored and pursued. Inter alia, an agreement between UNICEF and UPS was finalised to share the company's supply chain and logistics expertise and to provide technical support and training to UNICEF Supply Division. The UNICEF and Pampers partnership expanded to include a staff volunteering programme providing opportunities for UNICEF to benefit from Procter and Gamble staff talent in areas of their expertise and UNICEF need. In Serbia, an agreement was reached between the government, UNICEF and Telenor for the company to contribute its communication technology, equipment, training and expertise to advance the Government's Roma Health Mediators programme and UNICEF's work to facilitate better quality support to Roma families. PFP and the Supply Division continued collaboration around a study of mobile technology interventions in programme delivery that will inform the development of a framework for engagement with the sector around children's issues.

Section Four: MANAGEMENT AND OPERATIONS

4.1 Main partnerships and partnership frameworks in which the Division participates

Internal and external partnerships are a cornerstone in the achievement of PFP's mission to maximise UNICEF's private fundraising and advocacy for children around the world. In addition to PFP's main partnership with UNICEF National Committees and the achievements detailed in other sections of the report, the Division is leading and managing key long term, integrated partnerships with global corporate leaders (such as IKEA, Pampers, ING, Amway, Unilever, IZA and others) and multi-stakeholder partnerships (such as Schools for Africa, a partnership with the Nelson Mandela Foundation and the Hamburg Society). PFP applies a due diligence process including corporate screening, proposal review and approval to all its engagements with the corporate sector in line with the UNICEF 2001 Guidelines for Working with the Business Community. These partnerships are contributing significant income to UNICEF programmes, engaging the customers and stakeholder networks of our partners in advancing children's issues and tapping into the expertise and knowledge of partners to support delivery of UNICEF programmes for children. PFP is also an active member of the UN System Private Sector Focal Points network (see page above) that shares experiences and promotes coherence and standards among the UN family. PFP is also leading a partnership with Save the Children and the Office of the UN Global Compact to develop Child Rights Principles for Business, combining the resources, networks and expertise of the partners to achieve what neither partner could achieve alone.

The Global Framework for Collaborative Relationships and Partnerships

In late 2009, the Project Board overseeing the roll-out of the Global Framework for Collaborative Relationships and Partnerships requested PFP to take on the responsibility for coordinating both its roll-out and the reporting back to the UNICEF Executive Board in June 2012. In 2010, PFP focused its efforts on developing the organisational structures to support the roll-out including, as mentioned above, the establishment of a Strategic Partnerships Section in New York. During the year, a project manager was appointed, an Implementation Group was formed drawing from UNICEF divisions and regions and the recruitment of a Research Officer and Associate Director were concluded. The implementation team convened twice in 2010 to review the roll-out plan and identify priorities.

4.2 Management practices, systems and structures used by the Division to support its work

2011-2013 PFP Strategic Plan

The purpose of the PFP strategic planning exercise was to develop a comprehensive roadmap setting the direction and pace of the PFP work over the next three years in a coordinated and focused manner. The strategic planning process started in November 2009 and was facilitated by an external consultancy firm. The process included the creation of a PFP Strategy Working Group and the facilitation of three two-day workshops at different stages during the year. The Strategic Plan was finalised and approved in December 2010.

The Strategic Plan sets clear results in the areas of: (1) Private income generation, including Fundraising and sales of Cards and Gifts, (2) Child Rights Advocacy and Education for Development, (3) External Communication and Brand Positioning in National Committee countries, (4) Corporate Engagement, and (5) Managing and enhancing strategic relationship with National Committees.

Internal Communication Strategy

A preliminary draft of an internal communication strategy was produced and will be completed in early 2011. In the meantime, a number of short-term measures were taken to improve internal communication within PFP. These included a revamp of the 'onePFP' intranet site (aimed at keeping PFP staff well informed about major divisional activities and other issues of interest), the provision of thematic updates on that same site (e.g. International Fundraising Congress, Responding to Change Workshop) and the archiving of key PFP internal documents on the Document Management System.

Green Office Initiative

Within the context of promoting a climate neutral UN, PFP made greening a 2010 priority and focussing on:

- Short-term quick wins: implementation of relatively simple changes mostly related to behaviour change, generally with no necessity for financial investment
- Medium term systemic changes, i.e. office wide overall assessment, investments in new eco-friendly systems and review of work processes (e.g. green procurement).

The following results were achieved:

- Waste recycling has been integrated as a standard process.
- Bottled water is no longer provided in the office – water dispensers are linked to tap water.
- Printing and copying: the use of individual printers has been discontinued and consequently two-thirds of office printers were taken out of commission. Efficient multi-function printers were installed reducing the use of energy and chemical products (saving on rent of equipment by 37 per cent).
- Electronic filing was encouraged and printing only recommended when mandatory (saving on paper by 66 per cent). Computers and printers were programmed to automatically turn off at the end of the day.
- UNICEF benefited as a pilot agency from a Memorandum of Understanding signed between UNEP and the Canton of Geneva. A full assessment of the premises was funded within this Memorandum and necessary improvements to current settings were identified for implementation in 2011.

Management strategy

During October-November 2010, the Division undertook a comprehensive review of its management strategy. The results of the review have been consolidated into the PFP Annual Management Plan for 2011 and include:

1. Definition of Management Results and performance indicators, which have been aligned with the draft revised Headquarters management results structure and that will define the framework for results-based management in VISION starting 2012: (1) Governance and systems, (2) financial resources and stewardship, (3) human capacity.
2. Annual monitoring of progress against management results during the Annual Review and PFP Consultation Week was conducted in early December. For a number of key results, progress is also monitored more regularly through divisional committees e.g. Senior Management Team (SMT), Wider Management Team (WMT). Beginning 2012, a majority of performance indicators will be integrated in the Headquarters Manager's Dashboard.
3. Accountabilities matrix by function developed, with a detailed description of roles and responsibilities within the Division by section, unit and post, Table of Authority, Table of Officers in Charge and Replacements.
4. Management and coordination mechanisms were reviewed and a comprehensive list of committees, working groups and task forces with TORs and membership updated.
5. Standard Operating Procedures, guidance notes and administrative instructions were formalised and posted on the OnePFP intranet for access to all PFP staff.
6. Performance and monitoring systems including individual performance through e-PAS and group performance through SMT and WMT meetings were reviewed and streamlined.

7. PFP strategies, planning and operational documents, including PFP annual planning cycle, work plans, calendar of meetings and events, and travel plans were updated.

4.3 Any significant issues relating to staff participation and morale including action taken following the Global Staff Survey

The Global Staff Survey in 2009 highlighted PFP staff concerns around management and career/professional development. There have been several initiatives during this year that are designed to improve these areas:

A number of PFP managers have attended the Leadership Development Initiative, an intensive and comprehensive course for middle-managers, and there was also a workshop to build supervisory skills. Managers and staff also benefited from workshops designed to develop and improve coaching skills. In terms of improving career/professional development, PFP has emphasised the individual staff member's responsibility in managing their own career, while at the same time increasing the organisation's support. Initiatives include Career Transition and Coping with Change workshops, an HR professional dedicated to supporting staff with their career plans, and a Learning and Training Strategy that will ensure the most effective and equitable allocation of funds for individual and group learning/training.

In 2011, the Training and Learning Committee (LTC) will continue to identify potential opportunities for staff, including flagship events and emerging learning opportunities, and will inform staff accordingly; these will be included in the PFP Training and Learning Plan. E-pas processes will be further reinforced with this critical issue in mind. As part of the Training and Learning Plan, particular attention in 2011 will be given to orientation and induction of new staff and development of structured learning programmes based on a PFP-wide learning and training needs assessment. Competency-based interviewing training took place for the majority of staff engaged in interviews and will continue in 2011.

In 2010, the UNICEF Geneva Staff Association (GSA) promoted self-empowerment and professional development, helping staff to improve their “work-life” balance, and increasing its support in resolving and managing conflicts within the workplace. The continued dialogue with PFP management led to the development of a 2011-2013 GSA work plan which focuses on the following areas:

- *Staff and Management Relations:* the GSA will work with management and staff to create a better working environment where staff members and their managers are clearly aligned on their objectives and goals. This will include placing emphasis on establishing a clear PER structure and process and the creation of a culture where managers are actively involved in the professional development of their team.
- *Work-life Balance:* the GSA will work with staff to evaluate and better understand the standard of a work-life balance that would best suit staff in Geneva.
- *Learning and Training:* the GSA will work with the LTC, HR and senior management to ensure staff receive the relevant training needed to support them in realising their objectives and to assist in their own professional development.
- *Staff Welfare:* the GSA will work to keep staff better informed about current events at work and in Geneva, to better welcome new staff members, to further develop the GSA website and to continue producing the GSA Newsletter.
- *Cards and Gifts Rationalisation:* the GSA is committed to offering support to staff undergoing the change within the Cards and Gifts business. This will include facilitating communication channels and advocating for a transparent restructuring and recruitment process.

Knowledge Management

Please refer to paragraph 5.2

4.4 Emergency preparedness and response

The National Committee Humanitarian Coordination Team established in 2009 coordinates information flows among UNICEF offices and between PFP and National Committees. The Team is a Geneva-based coordination mechanism comprised of members from EMOPS and PFP, with additional guidance from PARMO, DOC and PD. In media-driven emergencies, the Coordination Team provides National Committees with timely information about humanitarian crises, including specific communication and fundraising messages, and, in the case of politically-sensitive situations, guiding the National Committees in crafting the messages to include in their fundraising appeals. This includes updates within first 24 hours of the onset of the emergency, as well as an Immediate Needs Document of the critical issues affecting children, UNICEF's response activities and funding needs within 72 hours. All information related to emergencies is posted on the PFP Emergencies section of the intranet portal that is accessible to all Committees, and which includes field updates, human interest stories and interviews, photos, appeals, and any necessary guidance on how to respond to individual emergencies.

Furthermore, in an effort to increase National Committee fundraising for underfunded emergencies, PFP will develop and implement a two-pronged approach. The first will be to engage with National Committees, especially those with a proven track record of raising funds for emergencies, in order to identify market opportunities to raise additional income for emergencies without reducing income for media-driven emergencies or other programme areas. The second will involve an ongoing process of engagement among members of the Coordination Team (a) to identify emergency priority countries that PFP can promote to National Committees; (b) to provide PFP and National Committee input to the development of emergency publications, including the annual Humanitarian Action Report, external SitReps, and online materials; and (c) to discuss those potential new crises or dramatic changes in existing ones that are profiled in the inter-agency Early Warning-Early Action Report.

In 2010, the two major humanitarian crises in Haiti and Pakistan tested the capacity of PFP's emergency preparedness and response: while the Haiti emergency highlighted the usual challenge of getting the necessary information from the ground in the first 24-72 hours of the at the onset of the emergency to kick start communication and fundraising efforts, the Pakistan emergency highlighted shortcomings in terms of National Committee response capacity during holiday periods and when fundraising for politically sensitive emergencies – even in the context of the timely, good quality response from the Pakistan Country Office in terms of information and communication materials. PFP has been working to address these challenges in relation to both Country Offices and National Committees, through the establishment of additional capacity in PFP to enable the deployment of a communication specialist at the start of a major sudden emergency, coordinated efforts to send National Committee communication staff to such emergencies, and capacity building to improve the emergency response plans of National Committees.

Section Five: INNOVATIONS AND LESSONS LEARNED

5.1 Joint global policy and strategy development efforts with field offices, other Divisions and external partners

The 'One Country Approach'

In November the One Country Approach was agreed with National Committees. This document outlines the general principles for UNICEF's government relations, visibility and advocacy efforts in countries with a National Committee presence. The purpose of the document is to improve coordination and collaboration strategies between National Committees, PARMO, DOC and PFP. The general principles

outlined in this document will be translated into specific country strategies to be developed through the Joint Strategic Planning processes for National Committees.

Brand Equity

As part of PFP's role in building brand equity and in cooperation with a variety of internal and external stakeholders, PFP developed UNICEF's first global communication strategy for a corporate partnership (IKEA), with the goal of increasing recognition of the UNICEF-IKEA partnership as a leading example of CSR to realise children's rights. PFP also worked to persuade IKEA to reposition the Soft Toy campaign to promote every child's right to education among the company's customers and employees, as well as measured increased awareness (570 million customers annually, 300 stores worldwide).

Given the importance of solid monitoring and evaluation when trying to strengthen the UNICEF brand in National Committee countries, PFP has continued to work in the development and application of media monitoring reports. These reports that measure the success of National Committee communication strategies and activities in terms of message delivery through the media – monitored coverage linked to four key 2009 initiatives in eight countries (Australia, Denmark, France, Germany, Ireland, Italy, Japan and Spain) over four key activity periods linked to the Humanitarian Action Report, Junior8 Summit, the Asia Pacific Emergency, and the CRC@20.

Monitoring and evaluation results (Media Profile Reports and Barometer Reports) showed that PFP's efforts to ensure effective reputation management in National Committee countries and support National Committees in crisis prevention and management are paying off as UNICEF has an overall positive reputation with negligible levels of negative media coverage.

A number of PFP staff participated in the first Global Brand Equity Team meeting at the time of the National Committee workshops and meetings during Fundraising Forum in Madrid in March and chaired by the Brand Manager in DOC. Discussion revolved around the Terms of Reference for the team, undertaking brand audit and using a brand equity scorecard template for assessing brand consistency. One of the challenges that needs to be addressed by PFP is how to ensure that the core brand identity of UNICEF, managed by DOC, is communicated in a consistent way by and tailored to local National Committee markets without substantial dilution. How to synchronise brand equity research and studies also needs to be addressed. A global strategic framework and development of global brand goals remain to be developed and should be part of the Global Communication and Advocacy Strategy that is itself currently being developed and should be completed by mid 2011.

The Advocacy Framework and Toolkits

The new Advocacy Toolkit, developed through inter-divisional collaboration led by DPP and PFP and launched in October 2010, is the first comprehensive UNICEF guidance on advocacy for both Country Offices and National Committees. The Toolkit builds on the organisation's strong legacy of advocating for the rights of children and women by bringing together both internal and external expertise, good practices, knowledge and experience. It offers a basis for understanding advocacy and provides detailed steps, guidance and tools for developing advocacy strategies. The Toolkit also addresses monitoring and evaluation, managing knowledge, assessing and addressing risks, building partnerships, and working with children and young people in advocacy (*Please refer to paragraph 3.3.1 for further details*).

Strategic Framework: Private Fundraising by Country Offices

Please refer to paragraph 3.1.1

5.2 Initiatives to improve PFP's contribution to overall knowledge management in UNICEF and the networking of organisational learning

Knowledge management is a relatively new and challenging area of work for PFP due to the growing complexity of the Division's business, rapid pace of change and the information overflow. It is also an opportunity given the richness and diversity of the Division and its portfolio, and the many possibilities digital and social technologies offer.

Knowledge management is much more than a useful communication system, lying at the heart of PFP's role and identified as a crucial cross-cutting theme in the PFP Strategic Plan 2011-2013. Knowledge management in PFP will centre on the creation of a global knowledge network that will link National Committees, Country Offices and PFP to learn from each other and enable the fast transfer of successes from one country to another.

PFP will also aim to establish working practices to facilitate a learning-based culture, integrating knowledge management with other internal communication processes. The internal communication strategy will be finalised in early 2011 and a knowledge management strategy developed by the end of 2011. Special focus will be placed on tapping into the experiences and tacit knowledge of the Division's staff to facilitate formal and informal knowledge sharing through internal consultations. This could include brown bag lunches, drafting "white papers" on recognised best practices in specific areas, and putting in place knowledge sharing recognition and rewards to encourage staff to share their good work in knowledge management. Knowledge sharing days devoted to one particular topic (i.e. improving communication with UNICEF supporters) will be organised.

As part of PFP's efforts towards both improved internal communication and effective knowledge management, in 2010 PFP carried out a full revamp of its intranet portal, developed a common design guide for PFP databases, set up a centralised repository for common resources (staff photos, images, database codes to name a few) and created modular elements to be shared by all PFP databases in terms of design, look and structure. Panorama, PFP's digital resource for National Committee communication staff, also received a new and up-to-date look.

The 'askgeneva' email helpdesk for National Committee communication staff – first set up in 2006 – was made available to the general public through the UNICEF homepage. A quick estimate from helpdesk staff indicates that five out of six queries received into that email box come from a member of the public and responding to the questions in a manner that is consistent with the main drivers of brand trust (e.g. dynamic, effective, gets things done) has brought new challenges for the Division.

5.3 Initiatives to strengthen divisional or organisational data management and performance monitoring systems

OneERP

PFP's contribution to the VISION (One ERP) project during 2010 included the documentation of PFP specific Business Process Procedures, inputs into the configuration and testing of the different test environments and systems integration testing. In addition, a PFP VISION training focal point was identified and work has begun to draft the contents of the PFP specific training modules in collaboration with the consultant appointed to carry out this work. User acceptance testing is on schedule to begin in April of 2011.

Manager's Dashboard

In order to facilitate the monitoring of PFP work and results, a set of management performance indicators have been developed to measure progress in core management functions. This list of management indicators relates to monitoring financial management of PFP budget, procurement, administration, travel, human resources, training and learning. The list also reflects HQ standard management indicators that have been agreed by all HQ Divisions and as part of the Performance Management Project and will be integrated into a standard HQ Manager's Dashboard that will be available in 2012, to the development of which PFP contributed during 2010.

There are a number of PFP specific indicators related to the PFP oversight function of oversight reporting of National Committees and Country Offices private fundraising and sales that are compiled and monitored by the Budget Analysis Unit through a number of regular reports. The source of information for the PFP specific management indicators are the COGNOS EP database, which is used by the National Committees and Country Offices involved in private income generation activities report their financial and management results to Geneva. A PFP specific Manager's Dashboard will be developed for monitoring performance related to this function during 2011.

Monitoring of 10 National Committees' income (monthly updates)

Please refer to paragraph 3.2.2 National Committees Financial Reporting

5.4 Any efforts made to obtain assessment and feedback from clients on the Division's performance, including feedback from Country and Regional Offices

National Committee Survey

In this research, National Committee Executive Directors gave feedback on their relationship with PFP, in terms of overall satisfaction as well as on a detailed sectional basis, pinpointing what they feel PFP priorities should be and assessing the overall performance of PFP sections in delivering strategic objectives. This allows PFP to highlight key areas of strength and identify those in need of improvement. The research also provides an important benchmark for future assessments, allowing PFP to track progress on a yearly basis.

Country Office Survey 2010

For the first time, a PFP evaluation survey was conducted with Country Offices. As with the National Committee Survey, which it mirrored, the research identified areas of strength and those areas in most need of improvement and has been designed as a tracking survey. In addition to satisfaction ratings, the research model also allowed for qualitative input that gave rich and detailed feedback on specific areas.

Corporate Partnership Research

This study assessed the public's perception of UNICEF and its corporate partners, and their awareness, perception, and reaction to existing and proposed partners (*Please refer to Section Six below*).

Section Six: STUDIES, SURVEYS, EVALUATIONS AND PUBLICATIONS COMPLETED IN 2010

In 2010, PFP carried out a number of projects in achieving its objectives. These primarily included opinion surveys with the public to assess their attitudes on issues related to children, development, and donations, as well as their perceptions of aid, relief, and humanitarian work. In addition, PFP established databases of key country data and performance indicators of UNICEF and other organisations in order to provide consistent benchmarking data to help identify best in class practices and areas for improvement. PFP tracked current socioeconomic and cultural trends and assessed their implications for the public and

how UNICEF’s work should adapt to this changing world. In doing this, PFP collaborated closely with other parts of UNICEF, including Regional and Country Offices, as well as National Committees. Below are a few highlights:

1. Barometer Plus

Objectives
<ul style="list-style-type: none"> - To assess the public’s perception of UNICEF’s work in several areas (overall presence, brand image, fundraising, and greeting cards), across countries and over time. Specifically: - To track the public’s awareness and perception of UNICEF compared to other humanitarian organisations; what does UNICEF stand for in the public’s mind. - To assess the public’s donation habits: whether they donate, to which causes, organisations, and if they pledge. - To measure the public’s greeting cards habits: whether they buy cards, charity or commercial, UNICEF or not. <p>PFP has been running the Barometer study since 1995 and uses it at country, regional, and global levels to drive strategic action on communication, fundraising, and greeting cards. The Division conducted a 10 country full Barometer organisations awareness and image tracking study (on-line for the first time), and donations and greeting cards habits and practices, as well as a five country ‘Barometer light’. This study helps UNICEF benchmark its work against other organisations, from the public perception point of view, and identify opportunities for improving performance. In 2010, the study provided additional analysis on the drivers of trust and donations and important rational and emotional attributes, and established links between messages to deliver and communication channels to use. The 2010 study also covered emergencies, including the Haiti earthquake. Lessons from this study will help UNICEF develop strategies that ensure children get the attention and support they need from the public.</p>
Value added
<ul style="list-style-type: none"> - The Barometer study enables UNICEF, on a country, regional and global level, to assess where it is and where it needs to go. Specifically: - The Commitment Funnel shows the countries where they need to focus their efforts on driving supporters up the loyalty ladder: awareness, familiarity, relevance, etc. - The Brand Maps highlight which attributes UNICEF should focus on communicating: the attributes that are strategically important to UNICEF, that are important to the public in driving donations and trust, and that are not owned by other organisations. - Touch-Points highlight which communication channels are more suitable for delivering certain messages. A similar analysis is also undertaken to highlight the reach and positive response to fundraising by channel. - Cause-Association shows to what other causes people who donate to children’s causes donate, in order to be able to tailor UNICEF messages accordingly. - UNICEF Donations’ Barriers show the reasons the public give for not donating to UNICEF and the model highlights how to overcome these barriers. - Partnerships: an overall profile of UNICEF’s performance is used by the countries when talking to potential partners.
Status
Completed. Presentations and workshops delivered by PFP to Australia, Belgium, Canada, Germany, Holland, Italy and Switzerland.

2. Pledge

Pledge, or regular giving, is a top priority for PFP as it ensures a regular flow of funds to address the on-going priority work (e.g. child rights advocacy and protection), and unexpected (e.g. emergencies). An eight country study, executed in close collaboration with National Committees, identified insights related to feelings of donors about regular giving as opposed to one-off cash donations that are guiding UNICEF's development of new pledge products. Results are used in developing the pledge strategy and products.

Objective
To understand the motivators and barriers to pledge.
Value added
Identified key insights to convert one-off donors to regular giving, including: <ul style="list-style-type: none">- Delivering positive communication, showing results achieved and the need for sustainability.- Sharing concrete examples of success.- Offering products with a high degree of flexibility of payment amounts, frequency, and opting out.- Stressing transparency in the use of funds.- Engage with pledge donors beyond requests for money.
Status
Project completed. Presentations delivered to the countries. Insights presented at the global pledge meeting. Special edition Pledge Newsletter published.

3. Media Tracking

This study tracked the coverage of UNICEF messages as well as its tone, to help refine National Committee media strategies to ensure they are delivering the intended messages.

Objective
To track the media coverage of UNICEF news in eight countries.
Value added
<ul style="list-style-type: none">- Assess the number of media mentions of UNICEF, and compare to previous years and to other countries, to assess a country's overall media communication.- Calculate the percentage of key messages, benchmark across countries and identify Best in Class examples to reapply.- Calculate the percentage of beneficial messages, benchmark across countries and identify Best in Class examples to reapply.- Identify the most prominent Goodwill Ambassadors for UNICEF, nationally and internationally.- Identify the UNICEF reports and cards that generate the highest media coverage.- These insights are then used, in conjunction with other research, to help refine the media strategies and to set targets for the future.
Status
Study completed and presented at country and global levels.

4. Communication Framing Research

This study included an analysis of UNICEF and other organisations' communication addressed at the public, supporters and donors, with the objective of identifying and analysing the cues of unintended communication, such as metaphors, visuals, emotions and frames, and to what extent they supported or distracted from the intended messages. The study consisted of three parts: (a) interviews with UNICEF managers to understand desired communication messages, (b) analysis of UNICEF communication and fundraising materials, and (c) interviews with the public including UNICEF donors. The study also provided concrete examples to guide future communication.

Objective
To identify the sub-conscious communication messages (frames, metaphors, images, emotions, stories) that support or distract from our communication objectives.
Value added
<ul style="list-style-type: none"> - Identified the appropriate metaphors to engage supporters and donors (e.g. actor in a play) compared to the current unintended metaphor (worker on an assembly line). - Identified unintended subconscious messages contradictory to overt communication (e.g. visuals that such an organisation is so strong and rich it does not need funds). - Developed a model to assess if our fundraising communication delivers the intended message (RUN Test: Rewarding, Unique, Naturally fits with UNICEF). - Produced communication material with several countries in their 2010 fundraising campaigns. - Trained the organisation on the basics of neuroscience and how to apply principle of subconscious communication to UNICEF communication and fundraising material.
Status
Study completed. Reports delivered. Workshops conducted in Spain, UK, Holland, and Germany.

5. Corporate Partnership Research

Objectives
<p>To assess the public's perception of :</p> <ul style="list-style-type: none"> - UNICEF partnership with Football Club Barcelona (FCB), and - UNICEF image compared to a few existing and potential corporate partners.
Value added
<ul style="list-style-type: none"> - This study confirmed that the UNICEF/FCB partnership is successful, judging by high awareness and positive perception of both organisations, high awareness of this partnership compared to other humanitarian/sports partnerships, the public's positive perception of the partnership itself, the positive impact of the partnership on both parties' image, and a negative public reaction to the possibility of dissolving the partnership. - The study highlighted a number of areas for improvement; raising awareness of the partnership. - The study highlighted which corporations represent suitable partners for UNICEF, from the public point of view. - PFP is using the study in planning for the new phase of the partnership 2011 and beyond. - The study is also essential in assessing the current UNICEF corporate partnerships and taking into consideration for new potential partnerships.
Status
Study completed, summarised and shared internally (within PFP).

6. Trend Tracking

PFP tracked the emerging social, cultural, economic, and technological changes underway (e.g. social media, sustainability, social responsibility, digital mobility, multiple-identities) in order to assess how they are changing people's attitudes, values and behaviour, and how UNICEF should respond.

Objective
The objective is to identify, with the help of Trend Tracking specialised firms, the emerging and growing social, cultural, and economic trends, and how UNICEF should benefit from them; identifying opportunities and reducing risks.
Value added
<ul style="list-style-type: none">- Trend tracking enabled UNICEF to ensure communication is up to date in both medium and message with the emerging trends in society. It helps identify opportunities related to UNICEF priority areas of work, such as pledge and corporate social responsibility.- At the end of the Trend workshops, each participant left with clear indicated actions. The workshops also provided training and guidance to UNICEF staff on how to identify new opportunities, particularly on public engagement and income generation.- Trend tracking also guides UNICEF in risk management in review of trends for the future.
Status
Completed, presented and shared in interactive and action-planning workshops in a number of forums with National Committees, special groups such as corporate partnerships and within PFP.

PFP also conducted studies to help drive a strong UNICEF brand, assessed the potential of fundraising in several countries, provided guidance to the development of the new cards and gifts strategy, and established a pilot supporter panel to help UNICEF stay continuously in touch with its supporters.

Overall, the following lessons learnt were identified:

PFP continued to appreciate the importance of staying in close touch with the public, especially UNICEF supporters, in a rapidly changing and competitive world. This is critical to ensure an external focus and an ability to connect those who are willing to support children with the children who need their support. As the amount, sources, and variety of knowledge continue to grow, PFP is learning to develop knowledge management approaches and tools in order to connect the dots and maximise the value of this knowledge.

The Division is focusing more on providing knowledge we can act on and is placing emphasis on the needs of the ultimate knowledge users, working closely with them from the beginning to the end of projects, and providing them with a variety of persuasive and engaging knowledge sharing tools e.g. interactive workshops, engaging presentations, factsheets, conceptual models and templates, and cards. PFP is also networking and learning within the knowledge industry, bringing to UNICEF the latest in research methods and tools. The Division is cost conscious and makes every effort to use already existing knowledge within and outside the organisation.

7. Video produced in 2010

‘Child Rights and Climate Change: Your World, Your Voice, Your Future!’

- Type: educational video.
- Themes: climate change, participation of children and young people