

23 May 2005

English only

United Nations Children's Fund
Executive Board
Annual session 2005
6-10 June 2005
Item 4 of the provisional agenda*

For action

DRAFT

The UNICEF medium-term strategic plan, 2006-2009:
Investing in Children: the UNICEF contribution to poverty reduction
and the Millennium Agenda

Summary

This draft of the UNICEF medium-term strategic plan (MTSP) for 2006-2009 is presented to the Executive Board for comments and discussion. The draft builds on a highly consultative process with Executive Board Members, United Nations agencies, NGOs and UNICEF staff at all levels. This was initiated through the mid-term review of the MTSP for 2002-2005, conducted in 2004, and continued in the first phases of the development of the current document.

The new MTSP will be further revised and shortened following the Board's discussion at the annual session of 2005, and will be submitted for approval, in all official languages, at the second regular session of 2005.

* E/ICEF/2005/7.

Contents

		<i>Paragraphs</i>	<i>Page</i>
I.	Introduction: an overview of the UNICEF organizational focus for 2006-2009	1-11	1
II.	Background and context of the MTSP	12-60	6
	A. Changes in the global and organizational context and implications for the 2006-2009 MTSP	12-36	6
	B. Building on the mid-term review of the 2002-2005 MTSP	37-53	13
	C. Institutional strengths and weaknesses	54-60	16
III.	Guiding principles	61	18
IV.	Approach and focus areas of the 2006-2009 MTSP	62-82	20
	A. Overall objective and summary of the MTSP focus areas	62-70	20
	B. The focus areas and the international development, human rights and humanitarian agendas	71-82	22
V.	Focus areas: strategies, key results and targets	83-185	25
	A. Young child survival and development	84-118	25
	B. Basic education and gender equality	119-133	32
	C. HIV/AIDS and children	134-147	37
	D. Child protection: preventing and responding to violence, exploitation and abuse	148-166	40
	E. First call for children in policies, laws and budgets	167-185	45
VI.	Supporting and cross-cutting strategies of the MTSP	186-246	49
	A. Human rights-based approach to cooperation and gender equality	186-208	49
	B. Results-based management, knowledge management and evaluation	209-246	53
	C. Partnerships for shared success: furthering United Nations reform, working with civil society, leveraging resources and results for children	247-268	61
VII.	Excellence in management and operations	269-319	68
	A. Human resources management and staff learning	273-288	68
	B. Finance and administration	289-296	72
	C. Supply	297-307	74
	D. Information and communication technology management	308-319	77
VIII.	Resource implications, fund-raising strategy and targets	320-350	80
IX.	Financial medium-term strategic plan for the period 2006-2009	351-410	88

I. Introduction: an overview of the UNICEF organizational focus for 2006-2009

1. During the four-year period covered by the MTSP, UNICEF will put at the centre of its work:
 - (a) Strengthening alliances within the United Nations and beyond to promote sustained and scaled-up investments for children and families, as a central strategy for reaching the Millennium Development Goals;
 - (b) Continued support for national capacity building to fulfil children's rights, with increased emphasis on strengthening policy frameworks, service delivery and protection systems and institutions in critical areas;
 - (c) Systematic efforts to leverage additional resources and results for children through new partnerships and by generating evidence to inform decision-making.
2. The MTSP for 2006-2009 builds on the findings of the mid-term review of the preceding organizational plan and responds to changes in the global situation of children, the international context and the institutional context of UNICEF, including its role in the United Nations reform process (see chapter II below).
3. It is intended that the work of UNICEF in the period 2006-2009 and beyond will effectively deploy the organization's capabilities and mandate to support the achievement of critical results for children in well defined focus areas that contribute directly to the Millennium Declaration and its Development Goals.
4. Working within wider partnerships and alliances, and in support of national goals and priorities, UNICEF will focus its resources on the overarching goal of poverty reduction by helping to build national capacities for fulfilling children's rights and directly supporting key interventions to guarantee children's rights to survival, protection and development.

The mission and mandate of UNICEF

5. The new organizational plan is based on a set of guiding principles reflecting the mission and mandate of UNICEF (see chapter III) and deriving from the organization's four key guiding documents:
 - (a) The UNICEF Mission Statement, adopted by the UNICEF Executive Board in 1996;
 - (b) The Convention on the Rights of the Child, adopted by the General Assembly in 1989 and recognized by the Mission Statement as guiding the work of UNICEF;
 - (c) The Millennium Declaration, adopted by the General Assembly in 2000, and its Development Goals;

(d) The Declaration and Plan of Action adopted by the General Assembly Special Session on Children (*A World Fit for Children*) in 2002.

6. These agreed documents provide the basis for framing and focussing UNICEF work through its time-bound corporate plan. The overall framework provided by this plan will in turn be combined with national priorities, strategic partnerships, operational experience and country conditions (especially with regard to children and women) to determine and design specific programmes of cooperation and courses of action. The 2006-2009 MTSP sets out the *core thrust* of the work and strategic intent of UNICEF, but not the details of its work across regions and country programmes, which is adapted and responsive to national priorities and conditions.

7. Thus, while the MTSP serves as the guiding framework for UNICEF work over the designated four-year period, the country programmes agreed with national partners are central to determining the specific design of UNICEF cooperation, in accordance with the principle of national ownership.

The overall objective and summary of the MTSP focus areas

8. The overall objective of the MTSP for 2006-2009 is to focus and organize the work of UNICEF in support of national and international implementation of the Millennium Summit Agenda and pursuit of the Millennium Development Goals, as well as to ensure the effective contribution of UNICEF contribution to poverty reduction through partnerships for sustained investments in children.

9. Two thirds of the 1.5 billion people living in poverty are children, demonstrating the close interrelationship between the UNICEF mission and global goals for poverty reduction. The five focus areas of the new Plan are outlined briefly below, and shown schematically in table 1 in relation to the Millennium Development Goals and elements of the Millennium Agenda to which they contribute. The focus areas reflect the main components of the international agenda on which UNICEF will focus its work for 2006-2009, and substantially thereafter towards 2015. They represent a blend of continuity from the 2002-2005 MTSP and forward movement based on changes in the international environment and the global experience of UNICEF (see chapter II, section B below).

(a) **Focus Area 1 - Young Child Survival and Development:** Support in regular, emergency and transitional situations for essential health, nutrition, water and sanitation interventions, and for young child and maternal care at the policy, provider, family and community levels;

(b) **Focus Area 2 - Basic Education and Gender Equality:** Focus on improved developmental readiness for school; access, retention and completion, especially for girls; improved education quality; education in emergency situations and continued leadership of the United Nations Girls' Education Initiative;

- (c) **Focus Area 3 - HIV/AIDS and Children:** Emphasis on increased care and services for children orphaned and made vulnerable by HIV/AIDS, and on preventing infections among children and adolescents; continued strong participation in UNAIDS ;
- (d) **Focus Area 4 - Child Protection:** Strengthen country environments, capacities and responses to prevent and protect children from violence, exploitation, abuse, and conflict;
- (e) **Focus Area 5 –First Call for Children in Policies, Laws and Budgets:** Put children at the centre of policy, legislative and budgetary provisions by generating and disseminating high-quality, child-focused data and analysis; support emergency preparedness capacity and leverage resources and results through partnerships for investing in children to reach the Millennium Development Goals and foster children’s and young people’s participation.

Table 1. UNICEF support to the Millennium Agenda:
The Millennium Development Goals and contributing MTSP focus areas

MDG 1: Eradicate extreme Poverty and Hunger	MDG 2: Achieve Universal Primary Education	MDG 3: Promote Gender Equality/ empower women	MDG 4: Reduce Child Mortality
Young Child Survival and Development First Call for Children in Policies, Laws and Budgets	Basic Education and Gender Equality	Basic Education and Gender Equality	Young Child Survival and Development HIV/AIDS and Children
MDG 5: Improve Maternal Health	MDG 6: Combat HIV/AIDS, Malaria and other diseases	MDG 7: Ensure Environmental sustainability	MDG 8: Partnerships for Development
Young Child Survival and Development	HIV/AIDS and Children Young Child Survival and Development	Young Child Survival and Development	First Call for Children in Policies, Laws and Budgets
Millennium Declaration (esp. Section IV)	Child Protection: Preventing and Responding to Violence, Exploitation and Abuse		

10. Chapter IV below elaborates on the links between the previous MTSP and the present Plan, and between the Focus Areas and global goals and commitments relating to children. Chapter V describes each focus area, and annex 1 contains results matrices that further detail organizational targets, indicators, specific interventions and key partnerships to be pursued under each area. The matrices describe the specific contributions UNICEF expects to make to

international goals, and provide the basis for subsequent monitoring, reporting and overall accountability.

11. The Plan's major cross-cutting and partnership strategies are outlined in chapter VI. Management and operational strategies underpinning the work of UNICEF are described in chapter VII, and details on the Plan's resource implications, fund-raising strategy and financial targets are described in chapter VIII. Annex 2 provides details on the UNICEF strategic evaluation, research and performance monitoring framework for the Plan period; Annex 3 will provide detailed financial tables.

II. Background and context of the MTSP

A. Changes in the global and organizational contexts and implications for the 2006-2009 MTSP

12. This section outlines some of the major shifts that have taken place in recent years, both in the environment facing children and for UNICEF as an organization, and describes the institutional response of UNICEF, as reflected in the 2006-2009 MTSP.

The situation of children at mid-decade¹

13. Over half the children in the developing world still live without the basic services, commodities and protection critical for their survival and development. The deprivations and threats faced by children constitute a major obstacle to the achievement of the Millennium Development Goals, including the goal of reducing poverty and hunger.

14. About 10.8 million children under the age of five continue to die each year; some 4 million during the first month of life. While overall child mortality rates have steadily declined during the past two decades, progress is now slowing, and in parts of Sub-Saharan Africa child mortality is again on the rise. Of the 20 countries with the highest under-five mortality rates, nearly 50% are countries affected by conflict. Much of the progress since the 1970s was due to a reduction in deaths from diarrhoeal diseases and vaccine-preventable diseases. The latter is associated with major gains in child immunization coverage, which by 2003 had reached 78% worldwide and 76% in developing countries². Far less improvement has occurred with regard to other major killers of children, such as acute respiratory infections, while malaria- and AIDS-related mortality has increased, especially in Sub-Saharan Africa, and neonatal mortality has remained essentially unchanged.

15. Malnutrition is still a factor in more than half of all child deaths; maternal malnutrition is another key contributor to neonatal deaths. While effective actions have been taken against some of the main micronutrient deficiencies, one in six children is still severely

¹ See *State of the World's Children*, 2005, UNICEF New York. Further analysis is contained in *Child Poverty in the Developing World*, Gordon, David et al., The Policy Press, Bristol, 2003, which assesses multiple dimensions of child poverty and deprivation using data from 46 countries

² Coverage of DPT3 among children under 1 year, considered the best proxy indicator. WHO/UNICEF national coverage estimates.

hungry, one in seven receives no health care at all, one in five has no safe water and one in three has no toilet or sanitation facilities at home. Over 640 million children live in dwellings with mud floors or extremely overcrowded conditions. Unhealthy and unsafe home environments play a key role in provoking childhood illness and death.

16. Some 115 million children of primary-school age are not in school, with the worst shortfalls in Africa and South Asia. Girls are disproportionately affected, particularly in these two regions and East Asia and the Pacific; about 83% of all out-of-school girls live in these three regions. Although enrolment numbers have risen, many children are pulled or forced out of school before finishing fifth grade: in Sub-Saharan Africa, just 51 % of children (46 % of girls) complete primary school, while completion rates in South Asia are 74 % for all children and 63 % for girls. Low levels of school enrolment and completion are often concentrated in certain regions and among certain segments of the population in all regions. However, in every country, completion rates are lowest for children from the poorest households, stressing the importance to children of progress on Millennium Development Goal 1.

17. AIDS has become a global catastrophe threatening social and economic stability in the most affected areas, and spreading rapidly into new regions. More than 2 million children are living with HIV. The number of children orphaned by the disease has already reached about 15 million, and is projected to grow to 18 million by 2010. Millions more children have been traumatized and made vulnerable by the illness of parents and family members. HIV infection is closely associated with poverty, gender inequalities and social vulnerability. Almost all of the hardest-hit countries are poor. The disease is most highly concentrated among marginalized populations, women and girls, and people driven by economic pressures to engage in behaviour that dramatically increases their vulnerability to infection.

18. Substantially increased numbers of children live in the midst of crises and require additional interventions to ensure their survival and protection. The achievement of the Millennium Agenda is further threatened by the fact that, every year, millions of children are victims of violence, abuse, neglect and exploitation or are separated from their families or primary caregivers due to such factors as conflict, emergencies, or institutionalization. An estimated 180 million children are engaged in the worst forms of child labour. Up to 300,000 are child soldiers. About 1.2 million children are trafficked each year, while 2 million children, mostly girls, are exploited in the sex industry. These widespread violations of children's rights to protection are major, under-recognized impediments to reaching the Millennium Development Goals for health, basic education and poverty reduction.

19. Major disparities, inequalities and multiple forms of discrimination affect progress for children in middle- and higher-income countries. Children living in rural areas are twice as likely to be deprived of essential goods and services, and three times as likely not to attend school, as their peers in urban areas. Across developing countries, children from the poorest families are more than twice as likely to die before reaching five years of age as those from the wealthiest families.

20. Child poverty has also risen notably in the richer countries³. Only four industrialized countries (of 24 OECD member countries with data available) had fewer children living in low-income households in 2000 than in the late 1980s. Only three industrialized countries had child poverty rates estimated below 5%.

The international context

21. The last few years have seen dynamic trends in the organizational environment facing the United Nations, including UNICEF, which in turn have major implications for the 2006-2009 MTSP. These include:

- (a) The firm establishment of the United Nations Millennium Declaration and the Millennium Development Goals on the priority agenda of developing and industrialized countries alike;
- (b) The success of the Monterrey Consensus in mobilizing additional ODA resources, with increased flows directed to selected countries, and renewed commitment to existing instruments (such as poverty reduction strategies (PRSs)) and newer programme modalities (budget support, Sector Wide Approaches (SWAs), etc.), has been coupled with less than commensurate support to “traditional” multilateral sources, including United Nations development agencies⁴;
- (c) Ongoing ratification of United Nations human rights treaties and protocols relevant to children, and further systematization of national reporting to the treaty bodies;
- (d) Further emphasis on the centrality of national priorities and ownership of the development process, and on the provision of coherent international support with lowered transaction costs;
- (e) The increasingly serious impact on United Nations field operations of major acts against the security of its staff, coupled with repeated large-scale challenges for all United Nations agencies to deliver on their commitments to stricken populations in highly insecure environments;
- (f) The World Bank’s increasing ability to offer an attractive “one stop” approach to Governments and donors, while the role, operations and technical capacity of the United Nations has come under greater critical scrutiny;
- (g) A continued desire to see United Nations agencies achieve greater collaboration, coherence, efficiency and cost-effectiveness to maximise the impact of their relatively limited development resources, along with measures by bilateral donors to achieve similar

³ *Child Poverty in Rich Countries*, 2005, Innocenti Research Centre, UNICEF, March 2005

⁴ On this and other points in this section, see *Triennial comprehensive policy review of operational activities for development of the United Nations system, Resolution 59/250*, United Nations General Assembly, 17th December 2004

goals (for example through the OECD/DAC Harmonization and Alignment initiative and the *Paris Declaration on Aid Effectiveness*, March 2005);

(h) Further emphasis on the role of the United Nations system in supporting national capacity development, including in the poorest countries and those in, or emerging from, conflict;

(i) Increased attention to the United Nations role in peace-building and conflict prevention, including further harmonization of resources and activities across the political, military, development and humanitarian sectors to effectively address the challenge of helping countries with the transition from war to lasting peace;

(j) Affirmation of the importance of the United Nations role in facilitating policy formulation and dialogue, providing normative advice based on international standards and good practice, and offering subject-specific expertise to improve the effectiveness of service delivery to families and communities.

The institutional context

22. The ongoing United Nations reform process calls upon UNICEF, as a member of the Executive Committee of the United Nations Development Group (UNDG), to play an integral, and in some areas a leading, role in shaping a strengthened United Nations system that is more relevant and effective, and better able to support the fulfilment of international commitments. A revitalized United Nations development system, working in close harmony and with country-level leadership, will reinforce UNICEF's work for children; allow for more effective support to the United Nations Millennium Declaration and the child-focused Millennium Development Goals; and be able to take fuller advantage of increasing ODA resources and new financial modalities. The reform process particularly calls for more effective partnerships. UNICEF's plans in this area are detailed in chapter VI, section C below.

23. The Secretary-General's review of five years experience in the follow-up to the Millennium Summit stresses the imperatives and reinforcing nature of development, human security and human rights; the multi-faceted nature of the development challenge; and the need to dramatically accelerate action through well-resourced national strategies bold enough to reach the Millennium Development Goals by 2015⁵. The United Nations Millennium Project's more detailed proposals for achieving the Millennium Development Goals emphasize the need for poverty reduction strategies and partnership coalitions that lead to the rapid scaling-up of public investments in many areas of traditional and ongoing UNICEF involvement, while at the same time strengthening governance and national capacities and promoting human rights and civic participation⁶. The proposals also highlight the role of United Nations country teams in providing effective, coordinated support to national strategy

⁵ *In Larger Freedom: towards development, Security and human rights for all*(A/59/2005).

⁶ *Investing in Development: A Practical Plan to achieve the Millennium Development Goals*, UN Millennium Project, New York, January 2005

development and to the implementation by countries of large-scale programmes and actions to reach the Millennium Development Goals⁷.

The organizational response to the changing environment

24. In light of these changes and trends, UNICEF will substantially increase its emphasis during this Plan period on working as part of the United Nations country team (UNCT) and with partners in support of *national capacity building, policy development and scaled-up implementation*. This will include coordinated technical assistance and support to national and sub-national partners in:

- (a) Formulating and strengthening national strategic planning and poverty reduction frameworks that integrate national priorities for children and multi-donor coordination frameworks for basic services;
- (b) Accelerating programmes and investments to reach the child-related Millennium Development Goals, particularly by extending services to, empowering and building capacities among the poorest families and communities—an approach that also promotes the improvement of human security⁸;
- (c) Supporting policy, legislative, regulatory and administrative reforms aimed at strengthening health, education, social welfare, protection and other social service systems for ensuring children's rights—in accordance with normative principles and agreed international standards, and as part of wider United Nations support to improved governance
- (d) Setting or revising standards for basic service provision, including at the school and facility level;
- (e) Monitoring and reporting on achievement at different levels, including through support to monitoring systems for the Millennium Development Goals and national implementation reports on the Convention on the Rights of the Child and the Convention on the Elimination of all Forms of Discrimination against Women;
- (f) Facilitating policy dialogue and exchange among national partners, including civil society and youth representatives;
- (g) Facilitating access by national partners to international experience and good practice on children's programming, including technological innovations;
- (h) Supporting emergency preparedness and response and post-emergency transition processes;

⁷ *Investing in Development: A Practical Plan to achieve the Millennium Development Goals*, New York, January 2005.

⁸ See: *Human Security Now*, Report of the Commission on Human Security, New York, 2003

(i) Analysing the impact of public expenditure trends, particularly for basic services, and monitoring progress on the Millennium Development Goals and child-related social indicators;

(j) Developing and disseminating strategic information, national research and analysis on the factors affecting the situation of children and women.

25. UNICEF will also participate widely in regional and global inter-agency networks in support of UNCT work that is focused on the Millennium development Goals.

26. A further important UNICEF focus will be on working with partners to identify and leverage additional resources for accelerating results and impacts for children. This will entail new strategic partnerships, at the global, regional and country levels, with multilateral, private sector, philanthropic, faith-based and civil society organizations interested in investing in children and the child-related Millennium Development Goals. It will also call for greater collaboration with global funds, international financial institutions and other United Nations agencies (see chapter VI, section C).

27. Continuing the dynamic trends of the 2002-2005 period, UNICEF procurement services and expertise in *international commodity purchase and supply* will enhance its country programme support. UNICEF will offer Governments, global funding partners and other United Nations agencies a quality-controlled facility through which to make cost-efficient use of resources aimed at ensuring that commodities (such as vaccines and school supplies) critical to achieving the Millennium Development Goals are available to families. UNICEF procurement services are expected to make a particularly critical contribution to key results for young child survival and combating HIV/AIDS and malaria.

28. UNICEF will also strengthen its capacity to support high-impact national programme interventions in LDCs in the Focus Areas of this MTSP, particularly to *support the expansion of basic services to the most under-served populations*.

29. Support for small-scale project implementation with a strong element of capacity-building, including among local NGOs, will continue to be significant in some situations, such as emergency response and post-crisis transition situations. UNICEF will also continue to cooperate with partners in *pioneering and pilot innovations* designed to assist in the development of national sectoral policies and the generation of experience in reaching marginalized children and poor families⁹. UNICEF will, however, need to ensure a higher overall quality in the design and assessment of the formal pilot interventions it supports (see chapter VI, section B).

Greater strategic focus

30. Given the lack of growth of UNICEF regular (core) resources, the shift towards a greater relative emphasis on “upstream” support to national policy, capacity and partnerships

⁹ Support to the piloting of replicable and sustainable approaches to helping children orphaned by AIDS is one example of this role.

for scaled-up programme delivery may, in some cases, entail a reduction of support to smaller-scale project activities. This should also lead to a major reduction in the demands on staff and counterpart time for small-scale project management¹⁰. It will also demand that UNICEF sharpen its prioritization of cooperation areas within the UNDAF, Common Humanitarian Action Plan (CHAP), Post-Conflict Needs Assessments and other country-based frameworks.

31. UNICEF will achieve this improvement in strategic focus by *building on its strengths and focusing more strongly on results for children in well-defined areas of intervention*, guided by national priorities and by the framework provided by this Plan, while supporting other United Nations or bilateral agencies that are taking a lead in areas of cooperation relevant to children. Major areas for the use of joint programme modalities are discussed in several sections of this Plan.

32. Within the United Nations family of agencies, UNICEF will also focus more sharply on other comparative advantages that enable it to make a distinct contribution to *national capacity building for the Millennium Development Goals*. These may include:

- (a) Supporting knowledge-generation on the situation of children in different countries and regions, and on the causes of trends affecting children;
- (b) Facilitating the scaling-up of successful approaches and transfer of proven technologies to improve children's lives and to reach the most marginalized;
- (c) Promoting inter-sectoral approaches that address the multiple needs of children in poor families in a coherent and protective manner;
- (d) Facilitating effective alliances to achieve results for children among national and local partners in both the public and private sectors.

Ensuring capacity for emergency response

33. The major emergencies of the last few years have demonstrated that it is essential for UNICEF to be equipped, prepared and have sufficient capacity to respond rapidly to both large and smaller-scale humanitarian crises, in accordance with its Core Commitments for Children in Emergencies (CCCs)¹¹. Building on the lessons of major humanitarian interventions in Afghanistan, the Democratic Republic of Congo, Iraq, Sudan and elsewhere, the response to the 2004 Indian Ocean tsunami crisis was the largest humanitarian operation ever mounted by the United Nations. It highlighted the importance for UNICEF of having effective policies and procedures, operating systems, experienced staff, stand-by funding and material resources in place.

¹⁰ The introduction in 2006-2007 of revised and harmonized procedures for the monitoring of resource transfer made by UN agencies to national partners is also expected to contribute to this reduction.

¹¹ UNICEF *Core Commitments for Children in Emergencies*, revised, adopted by the UNICEF Executive Board in September 2004.

34. During this Plan period, UNICEF will continue to build its capacity to respond to emergencies in a timely and effective manner. Humanitarian response activities are an essential part of UNICEF's overall programming. They are clearly and explicitly *mainstreamed* into the focus areas and results frameworks of this plan, including through key results in respect of life-saving interventions for child survival, the protection of vulnerable children and restoring education in crisis situations.

35. UNICEF will make use of the lessons learned in recent emergencies, while consistently supporting countries affected by complex emergencies and natural disasters. Building on inter-agency work, including that of the UNDG-ECHA Working Group on Transition Issues, UNICEF will also intensify its support in this Plan period to countries in post-conflict transition that continue to face endemic "poverty traps" and have severely weakened institutional capacities for basic service delivery and child protection. Similarly, UNICEF will continue to increase its attention and support to conflict prevention, peace building, early warning and emergency preparedness. Building on Security Council Resolution 1539, UNICEF will also collaborate with partners to develop systems and mechanisms for monitoring and reporting on violations of children's rights in situations of armed conflict.

36. In humanitarian response and post-crisis transition, UNICEF's extensive field experience and presence, neutrality, human rights-based mandate and operational capacities (including its ability to monitor and account for the use of resources and its strong financial control environment) will continue to be particularly important assets – including for support to the newly proposed Peace-building Commission and initiatives such as the United Nations Integrated Missions.

B. Building on the mid-term review of the 2002-2005 MTSP

37. The development of this MTSP follows a detailed mid-term review (MTR), in 2004, of the 2002-2005 Plan undertaken with the broad participation of UNICEF staff, Executive Board members, other United Nations agencies, National Committees for UNICEF and external partners. The results were formally presented to the UNICEF Executive Board in September 2004 (E/ICEF/2004/13) and extensively discussed, resulting in Executive Board decision 2004/16.

38. The MTR concluded that the 2002-2005 MTSP represented a major step forward in articulating the organization's strategic focus and in facilitating results-based planning, management and reporting on progress for children in a human rights framework. It was recommended that the many positive elements of the 2002-2005 Plan be retained in future UNICEF strategic planning.

39. The MTR also identified critical areas for which *greater clarity* or *more explicit information* was needed in the 2006-2009 plan, including:

(a) Linkages between the work of UNICEF and the international development agenda, especially the Millennium Development Goals;

- (b) The UNICEF role within the wider United Nations system and United Nations reform efforts;
- (c) The UNICEF approach to early childhood development;
- (d) Greater emphasis on the UNICEF role in promoting and supporting national capacity development for pro-child public policies, including through knowledge generation, data and advocacy;
- (e) Strengthening the overall monitoring and evaluation framework for the plan;
- (f) The widespread work of UNICEF in emergency situations and post-conflict transitions.

Incorporating lessons learned and successful approaches

40. The present MTSP addresses these concerns. As recommended by the MTR, UNICEF aims to build on the strengths of the previous MTSP, maintaining a significant degree of continuity into the 2006-2009 Plan period. Three of the five “priority areas” of the 2002-2005 MTSP are retained as focus areas in the current plan. Each of these areas (education, HIV/AIDS and child protection) was validated as a core element of UNICEF work by the MTR, which also recommended adjustments in focus and strategy.

41. These Focus Areas are also directly linked to key components of the Millennium Declaration and the Millennium Development Goals, as recommended by the MTR and shown in Figure I. For example, the Basic Education and Gender Equality Focus Area is designed to establish a more direct relationship with the respective Millennium Development Goals, to build on the gains achieved under the previous MTSP priority for girls’ education, and to extend the focus beyond school enrolment to take account of other aspects of gender equality relating to education and learning.

42. The MTR also urged UNICEF to strengthen its contributions to socio-economic policy formulation, in order to promote effective investments in children. In response, a new Focus Area has been developed for the 2006-2009 MTSP, First Call for Children in Policies, Laws and Budgets. Through this Focus Area, UNICEF will adopt a *systematic, results-based approach* to a range of policy-oriented partnership activities that it has long undertaken on a significant scale, e.g., through work on *Adjustment with a Human Face*, household surveys, child-focused research and child participation, but in a less systematic fashion.

43. In the 2006-2009 Plan, the earlier *Immunization-Plus* programme constitutes a prominent part of the new Focus Area 1 (Young Child Survival and Development). Specific immunization-related interventions are included in the Results Matrix for this Focus Area, and several indicators for vaccination and micronutrient supplementation coverage will be monitored as part of this Plan. The inclusion of immunization as a major part of Focus Area 1

will help promote a more coherent approach to all the critical service interventions necessary to improve child survival and development, and reap gains from synergies among them.

44. Similarly, *Early Childhood Development* (ECD) has been incorporated as an integral part of both Focus Areas 1 and 2 (Basic Education and Gender Equality). ECD is addressed in Focus Area 1 through Key Results and interventions in: basic health, nutrition and clean water services, good parenting, the Integrated Management of Childhood Illnesses and the promotion of recommended care practices for young child survival, growth and development. Within Focus Area 2, ECD is covered through targets and interventions in support of early learning and developmental readiness for school. The reformulation of this area will enable progress on these targets and will be monitored and reported on more directly than was possible under the earlier, more complex, “Integrated ECD” approach.

45. The *integrated and convergent* approaches to young children pioneered in the 2002-2005 Plan, with a holistic focus on children and families, will be pursued as a *key cross-cutting strategy* for the entire plan, as part of its human rights-based approach (see chapter 6, section A).

The life-cycle approach

46. The life cycle approach to children’s survival and development is maintained as a guiding principle in this Plan, as indicated in chapter III. Focus Area 1 (particularly its health, nutrition and care-related interventions) will strengthen the UNICEF focus on *very young children* and their mothers. This is further reinforced through interventions to be supported for mothers, infants and young children affected by HIV/AIDS under Focus Area 3. Meanwhile, Focus Area 2 addresses issues for children in the *pre-school* and *school-going years*.

47. Targets and interventions regarding *adolescents’* protection needs and special vulnerabilities are contained in Focus Areas 3 and 4 (“Children and HIV/AIDS” and “Child Protection,” respectively)¹². Older children and adolescents tend to be more vulnerable to trafficking, sexual abuse, forced conscription and other forms of abuse and exploitation, and to have greater need for information and skills to prevent HIV infection. In addition, support for addressing adolescent learning needs and expanding their learning opportunities is envisaged under Focus Area 2. Age-appropriate participation by children, adolescents and young adults in family and local decision-making and national policy formulation will be promoted through the “First Call for Children” Focus Area.

Differentiated strategies

48. The broad results framework and strategies of the MTSP will continue to be adapted to differing country and regional situations through the country programming process. While the bulk of UNICEF’s financial resources will be allocated to UNICEF cooperation in LDCs across most Focus Areas, UNICEF will continue to play a meaningful role in support of children’s rights in a more selective manner in middle- and upper-income countries.

¹² For UNICEF, “adolescents ” refers to the age range of 10 to 18 years.

49. This broad pattern will also apply at the level of targets and specific interventions. For example, cooperation to address child survival in parts of sub-Saharan Africa will focus heavily on malaria control and immunization, while eliminating the main causes of child deaths in parts of Asia and elsewhere will mean addressing such factors as accidents and injuries. Cooperation in middle-income countries and regions will often involve support for building national and local capacities to reduce inequalities and improve outcomes for highly impoverished or marginalized children and families.

50. Compared to the previous Plan, the organizational targets of this MTSP are therefore more specific in terms of typology of country situation, age-group and gender (see Annex 1).

Leveraging resources

51. Specific targets or interventions for leveraging resources to improve results for children through partnerships and engagement with policy-makers are also included in all Focus Areas. At the same time, the specific strategies for each Focus Area are complemented by supporting and cross-cutting strategies for the work of the whole organization, and include principles and priorities for working with United Nations agencies and others in strategic partnerships.

Monitoring and evaluation

52. The Integrated Monitoring and Evaluation Framework (IMEF) for the MTSP (Annex 2) summarizes the critical themes and issues for evaluation and priority research at an organizational level during the Plan period, as well as suggesting key indicators to be used to monitor and report on results achieved and organizational performance.

Management and operations

53. The supporting strategy of Management and operations clearly indicates how UNICEF will organize, mobilize and utilize its internal capacities to respond to the Plan's Focus Areas and targets. Operational benchmarks and standards are established in the IMEF as a basis for ongoing, and more responsive, performance monitoring and management.

C. Institutional strengths and weaknesses

54. Building on the findings of the MTR, further internal analysis has been conducted of UNICEF's institutional progress, including its main strengths and weaknesses. This analysis is summarized here¹³, and major findings are reflected and addressed throughout this Plan, especially through the supporting and cross-cutting strategies (chapter VI) and by the introduction of key performance indicators of operational efficiency and performance (Annex 2).

¹³ Detailed reports are available from the UNICEF Evaluation Office, New York, and will be posted on www.unicef.org

55. A review by the UNICEF Evaluation Office of internal and external institutional reviews and evaluations made since 1992, including the 2004 MTR, pointed to the following key strengths, improvements and areas of continuing weakness in UNICEF capacity and performance.

56. Among UNICEF's continuing strengths are its:

- (a) Long-term, in-country presence coupled with country-based, action-oriented programming;
- (b) Continuing close relations with national authorities and civil society partners;
- (c) Key role in inter-agency processes and presence as a leading international agency for emergency and humanitarian response;
- (d) Leading role in supporting immunization programmes and supplying vaccines;
- (e) Effective fund-raising and growing overall income derived from multiple sources of different types;
- (f) Strong, trusted world-wide "brand" and role as an opinion-leader.

57. Improvements in UNICEF's work and performance over the past decade are seen to include its:

- (a) Demonstrated ability to make significant changes in strategy and practice;
- (b) Acquired authority in the area of girls' education and growing competence in advocating for and addressing HIV/AIDS and child protection;
- (c) Improved strategic planning, programme policy and guidance structure;
- (d) Move towards addressing the needs of children through a broader approach based on the Convention on the Rights of the Child (although greater clarity on rights-based programming is still required);
- (e) Development of emergency response as a core part of UNICEF operations;
- (f) Expansion of, and greater consistency in, external communications and advocacy.

58. Improvements were also noted on the management side, including clarification of the role of Regional Offices and improvement in the execution of their support and oversight functions (although some weaknesses remain); as well as clarification of financial responsibilities and reinforcement of accounting and control systems (although these remain too labour-intensive). UNICEF has also seen a notable strengthening of its internal audit and evaluation functions, business information systems and technology. Security standards have

been introduced and security capacity and communications networks strengthened. There has been a marked improvement in supply operations.

59. At the same time, there is ongoing concern over *areas of weakness*, including: the continued perception among some partners that UNICEF has been insufficiently active in inter-agency processes; the lack of a sufficiently strategic approach to civil society partnerships, which have expanded and diversified rapidly; continued over-use of staff time on complex internal processes; continued over-emphasis on the management of inputs, with programming and business information systems becoming steadily more focussed on results but still insufficiently so; weaknesses in the internal performance management structure and in reporting to donors; and continuing problems in human resource management, including timeliness of recruitment and gaps in technical competencies. Lastly, while UNICEF's total income has been growing since 1997, its Regular Resource base was essentially flat from 1997 to 2003 in real terms and has declined seriously as a proportion of overall income.

60. During this Plan period, UNICEF will seek to build on these established strengths and positive trends, while addressing the weaknesses identified. Doing so will enable UNICEF to better respond to international trends and institutional developments, take up opportunities presented by new partnerships and technologies, and to be effective as the world's lead agency for children.

III. Guiding principles

61. Derived from UNICEF's Mission Statement¹⁴ and mandate, and from the role of the United Nations as confirmed by the conclusions of the 2004 triennial comprehensive policy review¹⁵ and other resolutions of the General Assembly and Economic and Social Council, the following guiding principles have been used to develop this MTSP, and will be applied throughout the organization in its implementation. These principles represent a refinement of those adopted in the 2002-2005 MTSP and reflect and reaffirm the organization's established core values and purposes:

(a) Based on its mandate and Mission Statement, UNICEF brings a *human rights perspective* and strives to *mainstream gender issues* in all its work for children, with the Convention on the Rights of the Child as principal reference¹⁶, and recognizes the mutually supportive relationship between the Convention and the Convention on the Elimination of all Forms of Discrimination against Women;

(b) The Millennium Declaration and Millennium Development Goals provide a set of *shared international priorities* with worldwide consensus and a 2015 horizon. Their commitments and targets are directly supported by UNICEF as a matter of priority.

¹⁴ Adopted by the UNICEF Executive Board in 1996

¹⁵ United Nations General Assembly, A/C.2/59/L.63, December 2004

¹⁶ See Section E.1 for further details on the human rights based approach and gender mainstreaming as "foundation strategies" for the MTSP.

- (c) The *World Fit for Children* Declaration and Plan of Action adopted by the United Nations General Assembly in 2002 provide a *more detailed vision for children*, and are of particular relevance to the work of UNICEF;
- (d) UNICEF works with *national government leadership*, in cooperation with international partners, and through partnership frameworks, to promote and achieve the best results for children;
- (e) UNICEF is an agency of the *United Nations*. It participates actively in all efforts to improve the work and effectiveness of the United Nations system and collaborates with other United Nations agencies working for the child-related Millennium Development Goals. UNICEF develops and undertakes its country-level cooperation *as a member of the United Nations Country Team*, within the UNDAF, CHAP, CAP or other inter-agency frameworks, as applicable, focussed on results;
- (f) UNICEF promotes, advocates for and supports children's rights in *all situations*, through appropriate means, including in emergencies, post-conflict and natural disaster transition and, through global advocacy, in industrialized countries. It speaks out on behalf of children, especially in cases of gross violations of children's rights;
- (g) UNICEF continues to cooperate primarily through a *country-based approach centred on capacity building*. This approach is: (a) owned, led and coordinated by national authorities; (b) informed by national priorities and planning frameworks and by evidence on the situation of children; (c) oriented toward building the capacities of families and local and national institutions to fulfil the rights of children; and (d) supportive of the effective convergence of basic services, essential commodities, care and protection for children;
- (h) UNICEF works to *support the capacities of parents and legal guardians* as those with rights, duties and primary responsibility for the child, and *promotes the role of families* as the fundamental group of society and the natural environment for the growth, well-being and happiness of children;
- (i) UNICEF aims, through its programmes of cooperation and working with other members of the UNCT, to *promote the rights of women* as equal members of society and to support their full participation in the political, social and economic development of their communities. UNICEF recognizes that the empowerment of women is especially important for the realization of the rights of girls and boys, and for the creation of healthy families, communities and societies;
- (j) UNICEF systematically integrates its commitments in *responding to the urgent needs of children, women and families in emergency situations* throughout its programming and operations. UNICEF staff and all programmes of cooperation aim to be able to adapt to emergency situations that require humanitarian response; while UNICEF builds and retains institutional capacity to meet the CCCs;

(k) UNICEF works with partners to put *children at the centre* of all relevant national policy and planning tools (including PRSs, SWAps, National Plans of Action for children and subnational plans) and promotes the meaningful and appropriate participation by children and young people in decision-making processes that affect them at different levels of society;

(l) UNICEF work at all levels is informed by *evidence*, current knowledge, good practice, the lessons of evaluation and international experience;

(m) Through its cooperation with partners, UNICEF supports effective and essential actions at *each phase of the life-cycle of the child*—including in pregnancy and early childhood, pre-school and school-going years, and adolescence—and supports parents, teachers, service providers, policy-makers and other duty-bearers in their roles in providing age-relevant support, care and protection for children;

(n) UNICEF strives for *efficiency, economy and excellence in its management and operations*, within the framework of its organizational strategic plan, and monitors and assesses its performance on an ongoing basis.

IV. Approach and focus areas of the 2006-2009 MTSP

A. Overall objective and summary of the MTSP focus areas

62. The overall objective of the 2006-2009 MTSP is to focus the work of UNICEF in support of the national and international implementation of the Millennium Summit Agenda and the pursuit of the Millennium Development Goals, and to ensure UNICEF's effective contribution to poverty reduction through partnerships for sustained investments in children.

63. The Plan serves *as a guiding framework* for UNICEF advocacy, partnerships, programme cooperation and resource allocation over the four-year period 2006-2009, within the longer-term horizon established by the Millennium Declaration.

64. The Millennium Agenda for 2015, the changing global environment, UNICEF's child rights mandate, and its guiding principles and comparative advantages provide the basis for selecting the major areas on which UNICEF will focus its work in the period 2006-2009.

65. The content of each focus area was developed with several considerations in mind.

(a) The focus areas stress interventions and key results likely to have a *decisive and sustained impact* on realizing children's rights and achieving the commitments of the Millennium Declaration and the Millennium Development Goals;

(b) They particularly include interventions seen as *essential programme and advocacy investments in the survival, development and protection of the most marginalized children and members of poor families*, and for which there is good evidence of cost-effective results;

(c) Priority has also been given to results areas in which UNICEF has an *established global mandate and recognized authority*, and for which the organization has the capacity, or intends to develop the necessary capacity, to play an effective role.

66. The five focus areas and their respective key result Areas, detailed in chapter V, are designed to orient UNICEF's work toward achieving these multiple objectives. Further details on indicators, interventions, coverage strategies, and partnerships for each focus area are included in the results matrices (Annex 1). The Focus Areas also take account of the extent to which other agencies within and beyond the United Nations system are expected to take a lead role. The Focus Areas will be supported by the cross-cutting strategies described in chapter VI.

67. As noted earlier, while the MTSP sets out the *core* of UNICEF's work and strategic intent, it does not describe all areas of operation in which UNICEF may be involved during the next few years. Nor is it expected that UNICEF cooperation will encompass all Focus Areas in all countries. These are determined through country-based, nationally led programming processes. This is particularly important in view of the great diversity of country and regional situations, the wide variations in local factors affecting the fulfilment of the Millennium Agenda and the rights of children, and the unpredictable nature of the environments within which so many children continue to live. Regional or inter-country initiatives will be pursued when feasible, to achieve cross-country synergies and enhance achievement of key results.

68. Consequently, while UNICEF will channel the bulk of its human and financial resources, advocacy and management efforts toward achieving the organizational targets of the five Focus Areas, it will retain the flexibility required to ensure appropriately *differentiated strategic responses to national priorities and country conditions*— in response to emerging country- or region-specific priorities.

69. As an example of this differentiation: while the majority of countries are focussing their national plans on the achievement of the Millennium Development Goals, others are already able to pursue a more ambitious "Millennium Development Goal-plus" agenda in at least some key areas for children. UNICEF will take these differing national goals into account in the design of its cooperation and advocacy. Similarly, as evidenced by country programmes approved during previous Plan periods, some of the Focus Areas of this MTSP are likely to be accorded relatively greater weight within UNICEF cooperation in LDCs (e.g., Focus Area 1), compared to others in middle-to-higher income countries (e.g., Focus Area 5).

70. The Plan also facilitates UNICEF support for *cross-sectoral* approaches to major issues affecting children and to the child-related Millennium Development Goals. For example, Focus Area 2 incorporates key results and interventions that address the impact of HIV/AIDS on schools, teachers and pupils, as well as interventions to improve nutrition, clean water and sanitation in schools. Similarly, addressing major areas of concern within the "Child Protection" area, such as violence against children and harmful child labour, will support progress on the Millennium Development Goals for child survival and education.

HIV/AIDS prevention and care activities will also improve results in child survival. The fifth Focus Area, meanwhile, will yield results in the other four Areas through macro-level initiatives to improve the policy, legal and financial environment in which decisions affecting children are made, and will thus advance progress toward all of the child-related Millennium Development Goals.

B. The focus areas and the international development, human rights and humanitarian agendas

71. Within the 2015 horizon of the Millennium Development Goals, this MTSP will ensure a major focus of UNICEF's work during 2006-2009 on a sub-set of the Millennium Agenda, and contribute to the international child protection commitments reflected in the Convention on the Rights of the Child, the Millennium Declaration and *A World Fit for Children*.

72. UNICEF will also aim to exploit the *powerful synergies that exist among the Millennium Development Goals*: The manner in which these synergies are reflected in the five Focus Areas can be illustrated through the example of gender equality. The unequal status of women is an underlying cause of both high maternal mortality rates and the disproportionate spread of HIV/AIDS among women and girls. Focus Area 5, in particular, will work toward developing laws and policies to protect women from discrimination and promote gender equality. This, in turn, will have a positive impact on child survival and education, as women gain a greater say in family decision-making, and will contribute to reducing the spread of HIV/AIDS. Promoting gender equality will also contribute to child protection, as women gain status to protect their children from violence and laws protect their inheritance and other social rights.

73. The Focus Areas have therefore been formulated to promote inter-linkages to the greatest extent possible—including the continuum between child survival, early childhood development, early learning and basic education; and between health, nutrition and HIV-related interventions and the basic education system (see the results matrices for Focus Areas 1 and 2).

74. Such synergies, incorporated into UNICEF's approach to partnering, advocacy, and operational work, will make an ongoing contribution to the overall international goal of *global poverty reduction*, and will facilitate the leveraging of greater resources for reaching the most marginalized children and families and halting the inter-generational perpetuation of poverty.

75. Important elements of Millennium Development Goal 1 (Eradicating Extreme Poverty and Hunger) will be addressed through specific organizational targets, such as tackling child and maternal malnutrition (Focus Area 1). Moreover, in both the short and longer term, actions to increase school enrolment and achievement, particularly among girls (Focus Area 2), and to reduce the impact of the HIV/AIDS pandemic (Focus Area 3) and the effects of violence, abuse and exploitation on children (Focus Area 4), will increase the chances for children and families to avoid impoverishment and hunger.

76. Throughout the five Focus Areas—and particularly through key results sought in health, nutrition, water and sanitation, basic education and HIV/AIDS—UNICEF will support and work within coalitions to scale-up and extend to marginalized children and poor families many of the proven public investments (“quick wins”) recommended by the United Nations Millennium Project report for widespread implementation as steps towards achieving the Millennium Development Goals¹⁷.

77. The “First Call for Children” Focus Area (number 5) brings together a range of existing UNICEF-supported activities in promoting pro-child public policies, based on its Mission Statement¹⁸ and the Convention on the Rights of the Child. This focus area will serve to strengthen UNICEF’s knowledge-based contributions to the reduction of child poverty, through enhanced engagement with national and international partners, social movements and the PRS process—and thereby its support to child-specific dimensions of Millennium Development Goal 1 and the partnership objectives of Goal 8. It focuses on support to macro-level and cross-cutting issues affecting children and women and on the leveraging of increased resources for investing in children—adding value to the sectoral-level work supported through the Plan’s other Focus Areas. Focus Area 5 will strengthen UNICEF and partners capacity to give due priority to the best interests of children in policies, legislation and budgets, and will increase UNICEF accountability for working effectively with others to achieve results in these areas.

78. In relation to Millennium Development Goals for which this Plan does not identify a separate Focus Area, Goal 7 (Environmental Sustainability) is addressed both by the inclusion of a key result area, organizational targets and interventions on water, sanitation and hygiene under Focus Area 1; and through school-based interventions in these areas under Focus Area 2. Other elements of Goal 8 (Global Partnerships for Development) will also be addressed, particularly by UNICEF collaboration with pharmaceutical companies to provide access to affordable essential drugs in developing countries.

79. In relation to Goal 5, UNICEF will work with UNFPA, WHO and other partners in countries with high maternal mortality in a well-defined supporting role, through *joint programming and programmes*. Through Focus Area 1, UNICEF will provide significant support to maternal mortality reduction, particularly through preventive support for antenatal care, health system strengthening, and the promotion of breastfeeding and child spacing, and through advocacy and partnerships on maternal health issues. UNICEF will also support local pilot and other initiatives for Goal 5, including emergency obstetric care, when warranted by country circumstances.

80. Other Focus Areas in which joint programming and joint United Nations programmes will be widely pursued in this Plan period include “HIV/AIDS and children”

¹⁷ *Investing in Development: A Practical Plan to achieve the Millennium Development Goals*, UN Millennium Project, New York, January 2005, Overview, Page 26

¹⁸ “UNICEF mobilizes political will and material resources to help countries, particularly developing countries, ensure a ‘first call for children’ and to build their capacity to form appropriate policies and deliver services for children and their families”. *UNICEF Mission Statement, 1996*.

and “basic education and gender equality,” including for coordinated support to school enrolment and retention.

81. Areas of expected major UNICEF intervention in *emergency* situations are clearly reflected within the respective Focus Areas, in terms of specific results, targets and/or core interventions (see table 2). The inclusion of specific key results areas and organizational targets based on the CCCs will enable more systematic monitoring, reporting and accountability with respect to emergency response, while retaining a coherent programming and management approach. These plans are directly informed by the 2004 revised CCCs. The Plan’s management and operations strategy reflects operational aspects of the CCCs in the relevant areas.

Figure I. Mainstreaming emergency operations

The text below summarizes the mainstreamed targets within the MTSP Focus Areas designed to implement the UNICEF Core Commitments to Children in Emergencies (See Annex 1 for further details).

Young Child Survival and Development: Fully implement the CCCs for young child health, nutrition and water, sanitation and hygiene in declared emergency situations. Interventions will include: rapid assessments, coordination for life-saving public health interventions and provision of infant feeding and nutrition rehabilitation services, vitamin A supplementation, immunization, essential drugs, ORT, emergency shelter and family kits, nutritional monitoring and surveillance, safe drinking water and bleach or purification tablets, support for disposal of wastes and excreta, diarrhoea/cholera prevention and treatment, and vulnerability mapping.

Basic Education and Gender Equality: Fully implement CCCs for Education during declared emergencies. Interventions will include: rapid assessment, setting up temporary learning spaces for provision of basic education, support for teaching and learning materials (including School-in-a-Box), education and recreation kits, restoration of community services including water supply and sanitation near schools, peace education and psychosocial rehabilitation, as needed.

HIV/AIDS and Children: In all emergency-affected countries, the HIV/AIDS risks and vulnerabilities of adolescents and young people will be included in rapid assessments and, where relevant, programme responses.

Child Protection: Conflict and other emergency-affected countries will be supported to monitor and report on the protection of children and take necessary action, such as preventing sexual abuse and exploitation of children and women; ending the recruitment and use of children in armed conflict and ensuring their effective release and reintegration; and reduce the use and effects of landmines. Other commitments seek to ensure that all post-conflict countries implement registration, tracing, interim care and reunion for separated children, establish child-friendly spaces, and provide psychosocial support and that national laws and policies reflect international norms and standards for juvenile justice.

First Call for Children: Support to national and sub-national capacities for Emergency preparedness and response; promotion and support of conflict-prevention measures and initiatives; and implementation of DevInfo-Emergencies (as appropriate) for monitoring coordinated response.

82. Through the Plan's five Focus Areas, UNICEF will stress the use of *knowledge and evidence* to support informed national decision-making in children's best interests, and to influence partners in deploying resources for investing in children. UNICEF's evaluation, research and other knowledge-generating functions—and established tools such as MICS, DevInfo, child rights analysis and the Common Country Assessment—will be further deployed to generate and disseminate data and analysis to assist national and local planning for children.

V. Focus areas: strategies, key results and targets

83. For each of the five MTSP Focus Areas, UNICEF has developed strategies, a set of key results and organizational targets, as described below. Indicators for subsequent monitoring, details of specific interventions that may be supported in various countries and contexts, and planned coverage areas are provided in the results matrices found in Annex 1.

A. Focus Area 1: Young child survival and development

International goals and problems addressed

84. A child's first right is to survive. But more than 10 million children continue to die each year, most from preventable causes and the vast majority in poor countries. Six countries account for 50% of all deaths among children under the age of five, and 42 countries for 90%. The causes of death, illness and under-nutrition differ substantially from one country to another, highlighting the need to understand child health epidemiology as well as the underlying and structural determinants country-by-country, and often by areas within a country.

85. Some 6 million children die of diseases that could have been treated or prevented—through immunization, the use of insecticide-treated bed-nets, ORT use, breastfeeding, water, sanitation, and better hygiene and newborn care. Over 27 million children, mainly those living in disadvantaged rural and urban communities, are still not reached by routine immunization services. Significant variations in coverage exist between and within regions and countries. Unless this gap is closed, millions of children under five years of age will continue to die annually from preventable diseases.

86. Research has shown that poor nutrition contributes to half of child deaths associated with infectious diseases and has highlighted the central role that parents, communities and health systems can play in preventing these unnecessary deaths. Under-nutrition among pregnant women leads to low birth-weight, a risk factor for neonatal mortality. In addition, poor health and nutrition have been proven to undermine children's capacity to succeed in school.

87. The high-impact, cost-effective interventions required to reach Millennium Development Goal 4 are technically available, but often cannot be accessed by the families who need them most.

88. Health, nutrition and water and sanitation systems are not just service delivery mechanisms, but also represent core social institutions essential to reducing poverty, social exclusion, and inequity, and through which people can exercise citizenship. While purely vertical child survival interventions tend not to take into account the social role of these systems (and thus often fail to reach the poorest and lack sustainability), heavily process-oriented sector reforms often lack a clear sense of purpose and accountability mechanisms, impeding the scaling-up of high-impact interventions.

89. Basic service systems need to recognize the role of families as first-line care providers. This requires a good understanding of household child-care practices, service access and behaviour patterns. Strategies should be tailored to strengthen existing care practices, support families in making needed changes and promote specific skills among families, parents, service providers and communities. This will enable caregivers to make informed decisions in relation to quality child care, nutritional and hygiene practices, and preventing and managing the leading causes of child mortality. Strategies should also empower families to demand improved quality of basic services, including health, clean water and sanitation and early childhood education, and to make best use of them.

90. The need to strengthen the capacities of both formal health delivery systems and families to provide or seek appropriate and timely nutrition and care for their children is reflected in the first two Key Results Areas addressed by the Young Child Survival and Development Focus Area.

91. The third Key Result Area addresses water and sanitation, two underlying systems critical to ensuring child health but not available to millions of children, especially the rural and urban poor. Sustained development and poverty reduction are not possible without safe and adequate water supplies for domestic use; access to and regular use of sanitation facilities; habitual hand-washing (and other key hygiene practices); and a healthy, hygienic environment. Without them, children will continue to sicken and die, and health systems will continue to be overextended treating water-related illness.

92. Inadequate water and sanitation services tend to reinforce and exacerbate existing inequities. These effects are most keenly felt by poor and disadvantaged populations; especially women who are consigned to the drudgery of fetching water and caring for the sick. A wide-ranging effort encompassing communication, participation and action at the national, district, community and family levels is required to increase access to clean water and sanitation facilities and progress toward Millennium Development Goal 7.

93. Finally, the number of children affected by acute emergencies grows every year, with often drastic effects on their prospects for survival. During the acute phase of emergencies, life-saving services and commodities need to be made available to families, communities and care providers, while in the post-emergency phase, services need to be rehabilitated and strengthened. Ensuring child survival during emergencies is the fourth Key Result Area.

Strategic focus

94. UNICEF will work in partnerships aimed at supporting *interventions with proven potential for high-impact morbidity and mortality reduction and facilitating growth and development* among young children.

95. UNICEF will adopt a *situation-based* approach to achieving Focus Area 1 results. Interventions to reduce child mortality and promote development are most effective when determined by the local, regional or national context. An integrated package of locally relevant, high-impact health, nutrition, water and sanitation and child development interventions should be based on careful analysis of the local situation. Therefore:

(a) In countries—or geographical areas within countries—with *very high child mortality rates* (and in emergencies), the *primary* focus of UNICEF's support will be on increasing the coverage of high-impact child survival interventions;

(b) In countries and geographical areas with *moderate-to-high child mortality rates*, the *primary* focus of UNICEF's support will be on increasing the coverage of high-impact interventions for child survival that *simultaneously* improve child growth and development outcomes (such as exclusive breast feeding, vitamin A, immunization, malaria prevention and treatment);

(c) In countries and geographical areas with *low under-five mortality rates*, the *primary* focus of UNICEF's support will be on increasing interventions to improve child growth and developmental outcomes and preventing injuries.

96. Programme strategies need to ensure that marginalized and excluded children who do not have access to basic services (especially those most affected by poverty, conflict and HIV/AIDS) are reached with life-saving interventions. In many settings biases against girls need to be addressed. In advocating for universal coverage and providing technical support for scaling-up of programmes, UNICEF will focus its resources and cooperation particularly on: (a) developing mechanisms to ensure that service providers are capable of and committed to reaching marginalized families and excluded population groups, and (b) building the capacity of these groups to improve care practices, participate in solutions and hold service providers accountable.

97. UNICEF will support core interventions at the micro, meso, macro and global levels, in recognition that child survival and development outcomes are the result of interactions among all of these actors. At the micro level, families and individuals make choices, adopt behaviours and use available resources, influenced by—and in turn influencing—the services provided at the meso level. At the meso level, service systems and communities are responsive to, and ensure the availability of, such programmes. At the macro (national) level, governments and partners develop supporting policies, allocate resources and build management capacities as a basis for effective and sustainable programmes. At the global level, the international community and agencies support national policies by facilitating reliable and long-term access to information, development assistance,

commodities and affordable technologies for water, sanitation, nutrition and health. UNICEF's comparative advantage lies particularly in its ability to promote, support and facilitate the linkage of policies with processes and interventions at each of these levels to achieve better results for young children. This will involve assisting and promoting collaboration between families, communities, service providers, policy makers and technical and funding agencies.

98. UNICEF's new Health and Nutrition strategy and revised Water and Sanitation strategy, both currently in process, as well as the new WHO/UNICEF Global Immunization Vision and Strategies (GIVS) described below, will serve as overarching frameworks in which MTSP implementation takes place.

Key results

Key result area 1: High-impact preventive health and nutrition interventions

99. The **organizational targets** are to:

- (a) Increase and sustain to at least 80% vaccination coverage in districts and population groups with coverage levels below national averages;
- (b) Increase and sustain to at least 60% the percentage of young children and pregnant women sleeping under an insecticide-treated net in malaria-endemic countries;
- (c) Increase and sustain to at least 60% the effective coverage of high-impact health and nutrition intervention packages;
- (d) Support the development of poverty-reduction strategies that include the scaling up of high-impact health and nutrition child survival intervention packages.

100. For infants and children, the biological causes of poor health are the same as the biological causes of most deaths. Childhood mortality can therefore be understood as cumulative assaults of illness and poor nutrition increasing in number and/or severity and ultimately leading to death. Programmes and policies that address the most important causes of poor health, growth and development in children will also address causes of deaths and have an impact on mortality.

101. A small number of diseases and underlying factors are responsible for most childhood deaths. Existing high-impact child survival interventions could—if implemented through efficient and effective strategies and targeted to reach those most in need of assistance—prevent a substantial proportion of current deaths. Existing evidence confirms that it is possible to design high-impact intervention packages that effectively improve child survival and development in very different contexts (depending on the relative burden of direct neonatal and post neonatal causes and associated malnutrition).

102. In recent years, routine immunization coverage has consistently benefited about three-quarters of the world's children. Current strategies, using a mix of routine services and accelerated disease-control programmes, have contributed significantly to child survival, averted an estimated 2.5 million deaths every year, and prevented countless episodes of illness and disability. The Global Immunization Vision and Strategy, involving WHO, UNICEF and other partners, recommends a set of mutually reinforcing strategies to close the remaining gaps in coverage.

Key result area 2: Family and community care practices for young child survival, growth and development

103. The **organizational targets** are to:

- (a) Increase by at least 50% the number of families utilizing appropriate care and feeding practices for child survival, growth and development ;
- (b) Increase by at least 50% the number of families with access to services and essential resources that contribute to child survival, growth and development;
- (c) Increase the number of countries with policy environments enabling improved family and community care practices.

104. Several high-impact, cost-effective interventions can be implemented at the household or community level, but depend largely on the behavioural practices of parents and families, as well as on their access to resources—including information and commodities—to implement them. Tools and knowledge available today could significantly reduce the burden of malaria and save the lives of millions of children and family members; exclusive breastfeeding, ORT, insecticide-treated nets and timely treatment of pneumonia could save millions more. But parents and caregivers must be willing and able to apply them.

105. Health care professionals do not simply provide services, but should also be able to support better parenting and care-seeking practices among families and communities in favour of disease prevention, optimal management of childhood illness (including HIV/AIDS) and promotion of child growth and development. Building capacity among parents and within health systems to improve care practices is the main focus of Key Result Area 2, and is closely linked to Key Result Areas for early learning and developmental readiness for school, to be pursued under Focus Area 2 (Basic Education and Gender Equality).

106. As many as 10% of children worldwide have some form of developmental delay that affects their ability to learn in school. Such delays usually result from under-nutrition (including low levels of iodine, iron, and protein energy) or lack of learning opportunities in the early years or chronic infections, such as repeated bouts of malaria. Interventions to improve nutritional status, or to create a more stimulating learning environment for young children, result in significant improvements in school entry, performance and eventual

productivity in both industrialized and developing countries—with an estimated return of \$17 for each \$1 spent in some situations.

Key result area 3: Increased access to improved water sources and basic sanitation

107. The **organizational targets** are to:

(a) Support the development and implementation of adequately financed, locally determined programmes consisting of hygiene, sanitation, and water supply interventions for the rural and urban poor;

(b) In all programme countries, support community based hygiene improvement and water safety plans that lead to a reduction in water-related diseases. Reduce childhood diarrhoea and other water-related diseases through promotion of essential hygiene practices;

(c) Provide leadership, with other key agencies, to strengthen sector plans, policies and budgets for hygiene, sanitation and water supply, with a focus on achieving the Millennium Development Goals and adopting demand-responsive, equitable and decentralised approaches; expand capacity for improved social sector plans, policies and budgets analysis and have these incorporated into national Poverty Reduction Strategies, Sector Wide Approaches and explicitly supported by UNDAFs.

108. Control of water-borne diseases by improving the coverage of safe water and sanitation facilities is critical for child survival, particularly in emergencies. Poor hygiene, sanitation and water exacerbate poverty, malnutrition, child mortality and child development problems in many ways. The burden of disease caused by unsafe and unhygienic environments results in reduced productivity and elevated health-care costs. In a recent study, WHO estimates that if everyone had access to basic water and sanitation services, the health sector would save over \$11 billion in treatment costs, and people would gain over 5.5 billion productive days per year as a result of reduced diarrhoeal disease.

109. The burden of fetching water from distant sources reduces the time and energy available for productive activities, child-care, education or leisure. MICS data show that in rural sub-Saharan Africa, people spend an average of half an hour for each trip to a water source. Since in most cases several trips are made per day, this represents a significant amount of time lost. Because poor hygiene, sanitation and water reduce education enrolment and achievement levels, these deprivations are also linked to the long-term economic and social consequences of a poorly educated population.

110. Evidence and lessons learned in the past demonstrate that hygiene, sanitation and water programmes should have both a balanced strategic approach, and a balanced mix of programme components. Programmes are most successful when all three pillars of the strategic approach are taken into account: promotion of behavioural change, access to facilities and an enabling environment. While much progress has been made around the world, there are still many examples of unbalanced sectoral programmes, such as those that

focus exclusively on the delivery of hardware, do not adequately address water quality, or stress water supply—but ignore sanitation and hygiene promotion.

Key Result Area 4: In declared emergencies, every child has access to life-saving interventions

111. The **organizational target** is full implementation of the CCCs for young child health, nutrition, water, sanitation and hygiene in declared emergencies.

112. The goals and targets of this programme area are guided by the UNICEF CCCs which establish programmatic and operational goals and guidelines for ensuring that children's rights and needs are attended to during humanitarian emergencies, including situations of conflict. Overall, the required interventions include rapid assessment of children's health-related needs, and provision of immunisation, nutritional supplementation and clean drinking water, as needed.

Strategies and partnerships

113. Through its partnerships with United Nations agencies, multilateral financing institutions, bilateral development agencies, NGOs, and private foundations UNICEF will support the strengthening of national policy and programme capacities to achieve the targets of the Millennium Development Goals and of the MTSP. Such partnerships will improve the efficiency, economy and effectiveness of service delivery and family and community empowerment, thus contributing toward gains in young child survival and development.

114. Partnerships directed at the achievement of Goal 4 provide an opportunity to strengthen critical components of the health, nutrition and water and sanitation systems at the community, district and central levels (such as financing, supply management, workforce skills and information). Adopting a *systems-based approach* will help to secure more sustainable performance and outcomes in the longer term. Systems can be strengthened by: working with partners to avoid competition between disease-specific interventions; focusing on synergistic packages delivered through a proper mix of country-specific, household and community care; and support for outreach and facility-based networks. In emergencies, attention needs to be given to linking immediate crisis response with the transition to rehabilitation and development investments.

115. All UNICEF-supported programmes will adopt a balanced approach, whenever possible through joint programming with both Government and other development partners. Far more emphasis will be placed on *capacity building, technical assistance and other support* in areas of identified weakness in national programmes (such as hygiene promotion, sanitation, cost-effective water supply and water quality). In recognition of differing competency areas among government and its funding and implementation partners, UNICEF will help to broker and strengthen partnership frameworks that pool competencies and resources to ensure the development and implementation of comprehensive, effective programmes.

116. It is now widely recognized that immunization generally forms an integral component—and often serves as the backbone—of maternal and child health services. At health centres, immunization visits provide opportunities for communities to access additional preventive and curative information, goods and services in support of child health, primary care and reproductive health. As a result (and in order to make optimal use of available human, logistic and financial resources) greater emphasis will be placed on working with partners to *link immunization to other specific health interventions*. For example, Vitamin A has been successfully distributed through supplemental and routine polio or measles immunization activities; some countries have distributed insecticide-treated bednets (ITNs) during immunization activities for measles as part of their efforts to prevent malaria; and other micronutrients, antihelminthics or malaria prophylaxis have been delivered during routine immunization contacts.

117. Well-planned linkages between interventions can lead to the pooling of resources and to reduced costs if transport and distribution mechanisms are shared. Through its integrated approach and partnerships with governments, United Nations agencies, and others, UNICEF will promote and/or take advantage of such opportunities in pursuit of shared child survival goals. For example, the goal of reducing child mortality cannot be met without a major effort to reduce newborn deaths¹⁹. Interventions can be bundled in highly cost-effective packages for delivery via health systems, through outreach, family-community care and facility-based clinical care. UNICEF will seek, through partnerships, to increase coverage rates for many of these interventions, which are currently quite low.

118. As detailed in Annex 1, UNICEF will work with partners to ensure that nationally owned policy and investment frameworks (such as PRSs, SWAps and medium-term expenditure plans) focus on investment decisions and resource allocations in support of child survival and development; that they are evidence-based; and that they address system-wide operational and policy bottlenecks at all levels. These frameworks need to identify options for corrective action and expected improvements in coverage for the poorest population groups, and should estimate the additional costs and impact for Millennium Development Goal 4 of each strategy and policy option.

B. Focus Area 2: Basic Education and Gender Equality

International goals and problems addressed

119. The education-related Millennium Development Goals challenge countries to achieve universal primary education (Goal 2) and to promote gender equality and empower women (Goal 3). Corresponding targets require that by 2015 all children should be able to complete a full course of primary schooling, and that gender disparities be eliminated in primary and secondary education by 2005, and at all levels by 2015. Despite good progress towards these goals and targets, 115 million primary school-age children (62 million of them girls) were estimated to be out of school in 2001. Three-quarters of these children live in

¹⁹ “Evidence-based, cost-effective interventions: how many lives of newborn babies can we save?” Gary L. Darmstadt *et al* for the Lancet Neonatal Survival Steering Team. *The Lancet* Vol 365 Mont 03, 2005

South Asia or sub-Saharan Africa, but countries in other regions also have significant pockets.

120. Major lessons learned suggest that, to achieve the Millennium Development Goals, countries and partners need to: address *gender and other disparities* that impede equitable progress; improve children's *readiness* for school to give them the "right start"; boost *enrolment* rates to put countries on track for 2015; sustain participation to increase *completion* rates; and improve the *quality* of education to consolidate access and learning achievement.

121. Disparities and inequalities stand in the way of countries' achieving the Millennium Development Goals. Gender is a critical disparity, especially for girls. In some countries boys are disadvantaged in terms of drop-out rates and learning achievement. However in most countries it is girls that are disadvantaged; both as a population group and as a sub-group within groups that are already disadvantaged, such as the rural poor, ethnic minorities and indigenous populations. For all of these groups, disadvantage begins in the early years. They are more likely to start school later than the prescribed age, less likely to be developmentally ready and well prepared for school, and more prone to drop out or fail to achieve in school.

122. Many countries in sub-Saharan Africa and South Asia, in particular, face an uphill task to get enrolment on track for achieving the 2015 goal. Enrolment growth rates need to be strong enough to overtake increases in the school-age population, to compensate for the over-aged children still enrolled in primary and cope with the eroding effects of poverty, child labour, poor health and nutrition and HIV/AIDS; that lead to irregular attendance and drop out. Analysis of trends and projections indicate that while these countries have made commendable progress in enrolment growth rate in the past 20 years, they would need to do up to three times better over the next 10 years to achieve Goal 2. Increases in girls' enrolment will need to be even greater, to achieve Goal 3²⁰. Evidently these countries require a major boost in their enrolment growth rates to put them on the right trajectory for achieving the Millennium Development Goals.

123. Educational quality is not only critical for worthwhile learning achievement, but also for increased enrolment and sustained participation that results in improved completion rates. Household decisions about investing in children's education are closely tied to perceived quality and likely returns on such investments. Quality also influences enrolment and completion in that it entails safe, welcoming and child-friendly learning environments.

Strategic focus

124. Against this background UNICEF envisions a world in which: children, in all circumstances—including emergencies—can access and complete good quality basic education as a human right; Governments are supported in addressing disparities and other barriers as they make provision for quality basic education; and all parents and communities are empowered to prepare children for, and take advantage of, opportunities to access and complete quality basic education. To support this vision UNICEF will:

²⁰ *Progress for Children-Primary Education and Gender Parity Report Card*, New York, UNICEF, April 2005.

(a) *Use a two-pronged approach to contribute to the Millennium Development Goals:* UNICEF will contribute to cutting-edge strategies, inter-sectoral partnerships, systems interventions and bold innovations that yield results for education, and help education to deliver on expectations from other sectors. Leadership of the United Nations Girls' Education Initiative (UNGEI) will promote strong partnerships and a growing movement for girls' education that will help to mainstream gender in other initiatives and movements, particularly Education for All/Fast Track Initiative (EFA/FTI);

(b) *Promote a human rights-based approach:* with high priority for support to education in all circumstances where the rights of children to education are endangered by *disparity or discrimination*, or by *emergencies* such as civil conflict, pandemics and natural disasters;

(c) *Mainstream gender* in all aspects of education analysis and programming, as well as in all operational circumstances, including emergencies;

(d) *Stress an inter-sectoral approach* so interventions in other sectors facilitate and strengthen quality basic education, while work in education contributes to progress and help meet key results in other sectors. This entails programming links with Water and Sanitation, HIV/AIDS, Health and Nutrition, Child Protection and other areas;

(e) *Support appropriate delivery mechanisms*, with *formal schooling* as the predominant and preferred mode, but also helping with *alternative learning opportunities*, where children lack ready access to formal schooling, while at the same time advocating strongly for links between the two systems. *Basic education*, as an organising concept for programming, embraces both formal and non-formal education delivery mechanisms;

(f) *Use a life-cycle approach to programming:* Focus on the primary school age-group as the core concern, but also address the early years (3-to-6) as the stage at which gender and other disparities have their antecedents and where future learning takes root;

(g) On the other hand, *basic education* in many countries extends beyond the primary level and encompasses early years of secondary education as well. Besides many of the health benefits associated with education are to be found at secondary level. Teenage girls not in school are at particular health risk as well as being vulnerable to other forms of exploitation. Adolescence, is also the stage when life skills-based education is critical, and gender parity starts to be transformed into gender equality. For all of these reasons, UNICEF should begin to acquire experience in secondary education, especially for girls, with a view to extend such cooperation in the next MTSP period;

(h) *Promote quality education* through use of Child-Friendly School models that encompass multiple dimensions of quality, including: *safe, healthy learning environments* that are inclusive, gender sensitive, effective and efficient and provide school-based health and nutrition services, safe water and sanitation; an *ethos that fosters equality, respect for human rights and participation* of all children; instructional programmes that promote

relevant life skills such as HIV/AIDS prevention and good health and nutrition practices; and a *child-centred* style of teaching and learning. This approach will link with initiatives by the World Food Programme to support school meals programmes, especially in countries and communities with high levels of household food insecurity;

(i) *Restore learning and safeguard education systems* by establishing initial, temporary safe learning spaces for the resumption of quality learning activities and helping to restore *education in all situations of conflict, post-conflict and natural disaster*^{3/4}as linked closely to the restoration of other community services, such as water supply and sanitation. Also by helping to design and implement appropriate coping mechanisms that protect education systems from the impact of HIV/AIDS and other debilitating phenomena.

Key results

Key Result Area 1. Children's developmental readiness to start primary school on time improved, especially marginalized children

125. The **organizational targets** are to:

- (a) Increase proportion of children starting school at the prescribed age by at least 40%, to achieve 100% by 2015;
- (b) Increase from 6 to 40 the number of countries with nation-wide standards for monitoring developmental readiness in their ECD and learning programmes.

Key Result Area 2. Gender and other disparities reduced in relation to increased access, participation and completion of quality basic education

126. The **organizational targets** are to:

- (a) Reduce proportion of primary-school-aged children not in school by at least 40% to be on track for universal primary enrolment by 2015;
- (b) Increase transition rates to post-primary education and training destinations, especially for girls and disadvantaged children, to be on track for 100% by 2015;
- (c) Improve gender parity in primary and secondary education to be on course for achieving full parity within the 4-year plan period;
- (d) At least 90% of programme countries have Education Sector plans that include measures to reduce gender and other disparities.

Key Result Area 3. Educational quality improved and school retention, completion and achievement rates increased

127. The **organizational targets** are to:

- (a) Increase the proportion of Grade 1 cohorts (especially girls) who reach Grade 5 to at least 90% over the 4-year period;
- (b) Increase by 60% the number of programme countries with national quality standards based on “Child-Friendly School” or comparable models;
- (c) Increase by 20% the number of programme countries with standardised tests for measuring learning achievement, linked to the national curriculum.

Key Result Area 4: Education restored in emergencies and post-conflict situations, and education systems safeguarded against threats such as the HIV/AIDS pandemic

128. The **organizational targets** are:

- (a) Full implementation of the UNICEF CCCs in relation to Education during declared emergencies;
- (b) Implementation of the ILO “Code of Practice on HIV/AIDS in the work place” in the education systems of the 54 countries with generalised HIV/AIDS epidemics.

Strategies and partnerships

129. Strategic partnerships will be at the heart of UNICEF cooperation. Governments will continue to be the leading partners, and national plans will provide the overall framework for programme interventions. The United Nations reform process will be a central focus of partnership with emphasis on joint programming and leveraging of resources for children. In general, the main thrust of partnership efforts will be to develop collaborative efforts, synergy in interventions and joint programming, especially around Sector-Wide Approaches in education.

130. The partnership thrust will be clustered around three main existing axes involving: UNGEI (led by UNICEF); the Education for All (EFA) movement (coordinated by UNESCO), and the EFA Fast Track Initiative (led by the World Bank). Within this framework, UNICEF will provide policy support and technical assistance to countries for the development of gender-sensitive, child-friendly and equitable education policies, plans and programmes.

131. UNICEF will also provide evidence to partner agencies and countries for scaling-up of successful pilot initiatives, and seek to influence investment choices of major donors. The UNGEI partnership, in particular, will be strengthened as a vehicle to promote coordinated actions and advocacy around girls’ education at the global, regional and country levels, with coordination enhanced through a strengthened Secretariat and regional focal points. At the country level, UNGEI will support nationally led development and seek to influence

decision-making and investments to ensure gender equity and equality in national education policies, plans and programmes.

132. Membership in UNGEI will continue to embrace key partners such as UNESCO, WFP, UNAIDS and the World Bank, along with numerous civil society groups. At the same time, UNICEF and other UNGEI partners will remain strongly involved in the EFA Working Group and the EFA Fast Track Initiative. UNGEI partners will use the Acceleration Strategy for Girls' Education and other programming and advocacy tools to influence the EFA Working Group (UNGEI is already recognised as the EFA Flagship for gender issues), as well as to mainstream gender issues in the Fast Track Initiative.

133. To help restore education in emergencies, UNICEF will strengthen partnership and collaboration with key humanitarian assistance agencies and other development partners (such as OCHA, UNHCR, WFP and UNESCO) and technical networks, such as the Inter-Agency Network for Education in Emergencies (INEE). In all these partnerships, distinctions will be made between areas for which UNICEF takes the lead; plays a support role; or advocates for others to act.

C. Focus Area 3: HIV/AIDS and children

International goals and problems addressed

134. The Millennium Declaration articulated the global commitment to halt and begin to reverse the spread of HIV/AIDS by 2015, and Goal 6 is globally accepted. Almost all affected or vulnerable countries are now implementing plans and programmes, and in some cases specific budgets, for meeting this commitment. The international community has made major commitments of resources and political support for the control of HIV/AIDS.

135. The United Nations system has strengthened the cohesion of its response through the introduction of: the "Three Ones" principle (one national plan, one national coordinating body, one monitoring and evaluation framework) in each country; the WHO-led drive for 3 million people on treatment by 2005 ("3 by 5"); and the involvement of all concerned United Nations agencies in theme groups at the country level. Access to anti-retrovirals has also increased rapidly, thanks to advocacy and activism, pharmacological advances and reductions in drug prices.

136. But despite these developments, children and adolescents have yet to receive the attention they need in AIDS-specific and related initiatives and funding mechanisms.

137. The impact of HIV and AIDS on children and adolescents is devastating. Given the length of time between HIV infection and the development of full-blown AIDS, and the small number of infected people who know their sero-status, the impact of HIV and AIDS is likely to get far worse before it gets better. In 2004, 2.2 of the 40 million people living with HIV and AIDS were children under 15, accounting for 13% of new HIV infections (640,000 cases in 2004) and 17% of annual HIV/AIDS deaths (510,000 cases in 2004). Between 2001 and 2003, the estimated number of children orphaned by AIDS rose from 11.5 to 15 million.

138. In the worst-affected countries in sub-Saharan Africa, an even greater number of children's lives are being radically worsened by the impact of HIV/AIDS on their families, communities, and education, health care, food security and welfare systems. In regions where national prevalence is still relatively low and/or concentrated in specific areas or population groups, the challenge is to halt the epidemic before it spreads to the general population.

Strategic focus

139. The strategic focus of UNICEF over this plan period is to put young children and adolescents at the centre of the HIV/AIDS agenda and build the capacity of state and non-state parties to halt and begin to reverse the spread of HIV/AIDS among children up to the age of 18 years.

140. UNICEF will continue to play a strong role, as agreed with other cosponsors of UNAIDS, in its areas of comparative advantage. It will continue to act as global convener on orphans and other children made vulnerable by AIDS (OVCs) by coordinating the publication of data and documentation of issues, and by establishing a normative and programmatic framework for OVCs. Having piloted and introduced programmes for the prevention of mother-to-child transmission with WHO in the late 1990s, UNICEF will support national efforts to increase coverage of this effective, low-cost intervention, including through its procurement services. UNICEF will also continue its work with other stakeholders to increase the availability and reduce the cost of paediatric formulations of HIV diagnostics and drugs. And, under the leadership of UNFPA, UNICEF will contribute to global and national efforts to prevent HIV infection in adolescents.

141. Within this strategic framework, UNICEF will develop new or adapt existing advocacy, policy and assistance strategies to build the capacity of national, district and local governments and NGOs, and of communities, families, and children affected by HIV/AIDS. It will also advocate for the inclusion of vulnerable children and adolescents in national plans, programmes and budgets, PRS, Medium-Term Expenditure Frameworks, SWAps, and Common Country Assessments and UNDAFs. It will increase efforts to leverage resources and results for children and AIDS, even when resources are not channelled through UNICEF.

142. Recent evaluations suggest that UNICEF strategies need to be better designed to respond to the specifics of epidemics in each country or region. UNICEF will support strategies that are responsive to the key determinants, age and gender characteristics, the relative maturity of the epidemic and the contributions of its partners in different regions and countries. UNICEF will also ensure that vulnerable children and adolescents participate in HIV/AIDS programming.

143. UNICEF will work to reinforce intersectoral synergies in national responses to HIV/AIDS by promoting measures to strengthen health, education, food security and nutrition, and child protection systems and services. It will also work closely with WHO to provide technical expertise, strengthen supply and demand forecasting, and negotiate for

increases in the availability and reductions in the price of paediatric diagnostics and drugs. It will continue to participate in the UNAIDS Monitoring and Evaluation Reference Group, to analyze the course of the epidemic across different regions, develop statistical models, prepare costings for increased coverage of different interventions, and strengthen United Nations capacity in HIV/AIDS monitoring and evaluation.

Key results

Key Result Area 1. Number of paediatric HIV infections reduced; proportion of HIV-positive women receiving ARVs increased; proportion of children receiving treatment for HIV/AIDS increased

144. The **organizational targets** are:

- (a) a 40% reduction in number of new paediatric infections ;
- (b) 80% of HIV-positive women receiving ARVs for PMTCT.;
- (c) To strengthen government capacities to ensure that the male/female ratio of adults receiving ARVs matches the gender distribution of the epidemic in different regions ;
- (d) To strengthen government capacities to ensure that at least 15% of people are receiving ARVs are children.

Key Result Area 2. Increased proportion of children orphaned and made vulnerable by HIV/AIDS receiving quality family, community and government support

145. The **organizational target** is, in 54 countries with generalised epidemics, to increase to at least 30% the proportion of children orphaned and made vulnerable by HIV/AIDS who are receiving care, support and protection.

Key Result Area 3. Reduce adolescent risks and vulnerability to HIV/AIDS by increasing access to and use of gender-sensitive prevention information, skills and services

146. The **organizational targets** are:

- (a) In all countries, at least 30% of adolescents (10-18), both in and out of school, to have correct information and relevant skills and services to reduce their risk and vulnerability to HIV;
- (b) In countries with adult prevalence above 5%, at least 60% of adolescents (10-18), both in and out of school, to have correct information and relevant skills and services to reduce their risk and vulnerability to HIV;
- (c) In countries with adult prevalence below 5%, to develop (by 2007) and implement a comprehensive prevention strategy for adolescents most at risk;

(d) In all emergency-affected countries, HIV/AIDS risks and vulnerabilities of adolescents and young people are to be included in rapid assessments and, where relevant, programme responses.

Strategies and partnerships

147. At the global level, UNICEF will continue its strong participation in a range of inter-agency task teams (IATTs) and working groups addressing HIV/AIDS in relation to its impact on children and adolescents, including treatment, education and:

(a) *Orphans and Vulnerable Children* (convened by UNICEF and the World Bank with bilateral and multilateral donors, United Nations agencies, NGOs, FBOs, academic and research institutions and key government representatives) to *set programmatic norms and standards and mobilise resources, commitment, and action for children and AIDS*. The IATT on Children and AIDS, (convened by UNICEF with UNAIDS Co-Sponsors) follows up on the recommendations of the annual Global Partners Forum on OVCs.

(b) *Prevention of Mother-to-Child Transmission* (convened by UNICEF, with WHO, CDC, UNFPA, Elizabeth Glaser Pediatric AIDS Foundation, USAID, and UNAIDS), to set norms and standards and identify effective approaches to accelerate scaling up;

(c) *Young People & HIV* (convened by UNFPA with WHO, ILO, UNHCR, UNESCO, UNDP, UNODC and UNAIDS) to harmonize efforts for HIV prevention, address gaps in programme knowledge and generate consensus on promoting evidence-based good practice and joint programming;

(d) *HIV Attributed to Injection Drug Use and within Prison Settings*, (convened by UNODC, with WHO, UNDP, UNESCO and UNAIDS) to generate normative evidence and promote agreement on programming, increase coordination and facilitate interagency responses;

(e) *Global Youth Coalition on AIDS*, supported by UNAIDS cosponsors as a forum for coordinating the voices of adolescents and young people, developing their capacity and increasing their participation as programming partners at the national, regional and global levels in HIV prevention efforts, advocacy, research, programme implementation and monitoring.

D. Focus Area 4: Child Protection: Preventing and Responding to Violence, Exploitation and Abuse

International goals and problems addressed

148. This Focus Area draws particularly on the Convention of the Rights of the Child and the Millennium Declaration, as well as numerous international human rights agreements, as the basis for response to a broad spectrum of child protection issues. In addition, the

UNICEF CCCs provide the framework for child protection efforts during humanitarian disasters.

149. An estimated 300 million children worldwide are subjected to violence, exploitation and abuse, including the worst forms of child labour (sex industry; trafficking; child soldiering; and hazardous, forced or bonded labour); violence and abuse in communities, schools, institutions, or during armed conflict; and harmful practices (such as female genital mutilation/cutting and child marriage). During armed conflict and natural disasters, as well as in areas where HIV/AIDS is especially prevalent, children deprived of or separated from their families become especially vulnerable to such practices. Children in institutions also frequently face adverse conditions.

150. Protecting children from violence, exploitation and abuse is a logical extension and integral component of protecting their rights to survival, growth and development, and thus works to achieve several Millennium Development Goals. Yet providing this protection is highly complex and often sensitive. There are no “vaccines,” and the factors underlying children’s vulnerability differ from country to country, and even within countries. Raising child protection issues often challenges long-held beliefs and practices and can provoke widespread denial. The complexity is reflected in the fact that many countries that are successfully addressing child survival issues still lag behind in child protection.

151. As the prevalence and severity of child protection issues have become better known over the past decade, Governments have responded by committing to new standards. By late 2004, for example, 117 countries had signed (and 88 were parties to) the Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict, while 110 countries had signed (and 87 were parties to) the Optional Protocol on the sale of children, child prostitution and child pornography—up considerably from 16 each at the end of 2001.

152. Despite progress in some areas, the continued existence of several hundred million children exposed to violence, exploitation and abuse demonstrates the grave challenges remaining in the field of child protection.

Strategic focus

153. The strategic focus of the focus area on child protection is to: (a) strengthen the will and capacities of Governments and families to respect and fulfil children’s rights to protection against all forms of violence, exploitation and abuse; (b) mobilise national, international and civil society partners to promote the creation of a protective environment for children; and (c) ensure that children have adequate protection under national justice, penal, and social welfare systems and in situations of armed conflict.

154. Based on its mandate and Mission Statement, UNICEF will communicate clearly and authoritatively the areas in which child protection needs to be addressed and how to strengthen efforts to do so, at all levels of society. Drawing on its country-level presence and broad range of partnerships, UNICEF will galvanize more and better action in favour of

children's rights to protection by collaborating in the collection and analysis of data and monitoring and reporting on the status of protection efforts. This evidence-based information will facilitate successful advocacy, contributing to "breaking the silence" around critical child protection issues, including in conflict situations and humanitarian emergencies. These efforts, in turn, should lead to the strengthening of participatory systems for ensuring government accountability.

155. In conjunction with the other focus areas of this MTSP, UNICEF will stress the important role that effective child protection can play in attaining other critical development objectives. For example, violence, exploitation and gender discrimination prevent children (especially girls) from enjoying their right to education, and often lead to childhood death or disability.

156. The "Protective Environment Framework" developed by UNICEF under the previous Plan serves as both a strategic vision and a programming tool, illustrating the factors that must be in place to keep children safe: *commitment and capacity* within governments, communities and families to protect children and their rights; *legislative frameworks and mechanisms* to ensure enforcement and accountability; children's *own knowledge and capacity* to protect themselves, and *social and political* commitment to addressing attitudes, traditions and practices that are harmful to children.

157. UNICEF has extensive experience working with governments, parliamentarians, the justice sector and communities to generate support for laws and institutions that protect children. Through intensive capacity building and advocacy, these partnerships have helped strengthen the provision of protective services (for example, by creating or revamping of juvenile justice systems and providing guidance and training for social service agencies dealing with traumatized children, including in emergencies), as well as supporting community-led efforts to keep children safe (for example, community child protection networks and work with adolescents to improve their life skills). Such efforts have resulted in the establishment of *sustainable systems* for child protection in some countries, but need to be undertaken or expanded by others.

Key results

Key result Area 1: Government decisions are influenced by increased awareness of child protection rights and improved data and analysis on child protection.

158. The **organizational targets** are:

- (a) At least 80 countries to have disaggregated baseline data available on key child protection indicators;
- (b) At least 70 countries to include key child protection data in national development plans and reports to treaty bodies;
- (c) Conflict-affected countries to monitor and report on the protection of children

Key Result Area 2: Ensure effective legislative and enforcement systems and improved protection and response capacity to protect children from all forms of abuse, neglect, exploitation and violence, and eliminate the worst forms of child labour.

159. The **organizational targets** are:

- (a) At least 90 countries to implement programmes to strengthen institutional protection and response capacity against abuse, exploitation and violence and/or exploitative child labour;
- (b) To institute follow-up actions to the United Nations Study on Violence against Children (to be completed in 2006) at the country level;
- (c) Countries with high prevalence of harmful traditional or customary practices implement programmes to halt these practices.

Key Result Area 3: Children are better served by justice systems that ensure greater protection for them as victims, witnesses and offenders

160. The **organizational targets** are that:

- (a) Detention is used as a last resort and for the shortest time in line with international standards, in at least 50 countries;
- (b) Child-friendly and gender-appropriate investigation and court procedures are established or strengthened, in at least 30 countries;
- (c) All post-conflict countries have norms and standards for child justice that are reflected in pertinent laws and policies.

Key Result Area 4: Children are better protected from the impact of armed conflict and natural disasters

161. The **organizational targets** are:

- (a) Countries experiencing emergencies to implement programmes to prevent sexual abuse and exploitation of children and women;
- (b) Recruitment and use of children in armed conflict halted and their effective release and reintegration is ensured;
- (c) To advocate against use of landmines and coordinate mine risk education.

Key Result Area 5: The number of children separated from their families is reduced and national capacity to provide protective family or alternative care for children is strengthened

162. The organizational targets are:

- (a) Systems for the provision of alternative care, including standards, policies and systems for monitoring foster care and adoption to be present in at least 60 programme countries;
- (b) All programme countries with less than 60% birth registration rate to ensure free and compulsory registration of births, with a focus on excluded communities and groups;
- (c) All emergency-affected countries to implement registration, tracing, interim care and reunion for separated children; establish child-friendly spaces; and provide psychosocial support.

Strategies and partnerships

163. Collaboration with a broad range of national and international partners will help UNICEF to collect and share information, build knowledge and strengthen capacity at all levels of society, including communities. The use of evidence-based research gathered in conjunction with other focus areas of the MTSP (especially Focus Area 5) and in partnership with academic institutions and others will serve as the basis for advocacy with national-level decision-makers, opinion-leaders and media. Such evidence will be used, with data gathered under KRA1, to highlight the need for investing greater resources in Child Protection.

164. Partnerships with the World Bank, UNDP, regional banks, bilateral donors and parliamentarians will also help to boost resource allocation for child protection, as well as to build capacity among national bodies charged with child welfare in areas such as setting standards and enforcing or developing legislation.

165. In collaboration with WHO and OHCHR, UNICEF will contribute to and disseminate the results of the forthcoming United Nations Study on Violence against Children. This process, based on nine regional consultations, will serve to strengthen networks and partnerships, obtain more information about the nature and prevalence of such violence, and identify good practices for violence prevention and response.

166. Other key partnerships and strategies at the global level include: joint work with the ILO for the elimination of harmful child labour; with the Inter-Agency Working Group on Separated Children (including UNHCR, ICRC, IRC, Save the Children and World Vision) on children in conflict situations; with the Committee on the Rights of the Child, the World Bank and others on orphaned and institutionalized children; and the International Parliamentary Union on all aspects of child protection, particularly trafficking and FGM/C; and with UNFPA and the Population Council on child marriage. UNICEF will also work

closely with other Inter-Agency groups, as well as regional associations, to address specific protection issues.

E. Focus Area 5: First Call for Children in Policies, Laws and Budgets

International Goals and Problems Addressed

167. This Focus Area responds principally to Millennium Development Goals 1 and 8, and to UNICEF's obligation under article 45 of the Convention on the Rights of the Child to "foster the effective implementation of the Convention and encourage international cooperation in the field covered by the Convention" in all countries. Through this Focus Area, UNICEF seeks to strengthen the capacity of States and civil society to design and implement policies, laws and budgets that respond to the principle of a "First Call for Children" – that the essential needs of children should be given high priority in the allocation of resources, in bad times as well as in good times, at national and international as well as at family levels. The aim is to enable partners to meet their obligations under the Convention and to achieve the Millennium Development Goals, which are all highly relevant to children, as well as to women and gender equality. The formation of partnerships capable of generating social movements for the Millennium Development Goals and making the international commitments a reality, as mandated by the Millennium Declaration, is an essential component of this Area.

168. A number of significant changes in development assistance practice and financing have taken place in recent years. PRSs have gained prominence as a means to achieve the Millennium Development Goals; SWAs have resulted in more direct budget support for sectoral ministries; global funds have increased in number and influence; and, in response to the Monterrey Consensus, significant increases in bilateral funding for well-performing countries have taken place.

169. These new processes still have far to go in terms of delivering major results for children and women, especially those in the poorest families. UNICEF is uniquely positioned—and has an obligation—to generate knowledge about the underlying factors contributing to child poverty and the best means for attaining global goals for children and women, as well as to support decision-makers in shaping policies, legislation and budgets that work more effectively to produce results for children.

170. To do this, UNICEF must organise its capacities and strengthen its approach to *partnerships*, so that it:

- (a) Acts as a *trusted broker* on behalf of children and poor families, for dialogues between governments and external partners; states and civil society and non-state entities; and between national and local governments;
- (b) Serves as a research-based advocate for *leveraging funds and political capital* for children at the global level (among donors, IFIs, private sector) and at the national level (between executive and legislative branches, private sector);

(c) Effectively applies the *human rights framework* to contribute to debates and dialogue on poverty reduction and international development assistance, as well as on national plans, budgets and social policies as they affect children;

(d) Is able to *galvanize further the energy of the United Nations system* in favour of children and the creation of a culture of human rights, including through strong participation in “Action 2” of the Secretary-General’s reform initiatives.

171. This Focus Area is intended to advance this transformation of UNICEF into a better partner for advancing the Millennium Declaration and its goals. “First Call for Children” will serve as a critical complement to the other Focus Areas described in this MTSP, by working at a broader level and collaborating with partners to: (a) stimulate dialogue around macro-level policies that guide national frameworks, legislative reform and budgetary allocations affecting the realization of children’s and women’s rights, and (b) leverage resources such that national and global investments for the Millennium Development Goals will promote and contribute to fulfilling the best interest of the child .

172. UNICEF pursues development not only for children but with the participation of children and young people, in accordance with their evolving capacity. Children and young people can be enormously creative, resourceful and energetic in contributing ideas for making services child-friendly and sensitive to their needs. Society can benefit greatly by fostering active participation of children. Under this Focus Area, UNICEF will make special efforts to empower children and harness their creative potential for child-friendly basic services.

Strategic focus

173. The *overarching purpose* of this Focus Area is to build the capacity of UNICEF and its partners at the community, local, national and global levels to work together to develop and implement social and economic policies, legislative measures and budgetary allocations that advance the fulfilment of children’s and women’s rights and gender equality, within the framework of the Millennium Agenda. National and international policy dialogue, based on evidence-based knowledge, will be generated to identify and reach consensus on the best cross-cutting policy options, including within PRSs and SWAps. Putting these policy options into practice will contribute to reducing the proportion of children and women living in poverty, support the Key Results identified in Focus Areas 1-4 of this Plan, and promote the achievement by all partners of positive outcomes for children.

174. With the best interest of the child as its central principle, this Focus Area will concentrate its actions at the level of *macro-level economic and social policy*. If, for example, a country’s goals in child survival or basic education cannot be met due to insufficient resources, UNICEF will work with government and international partners to identify macro-economic policy options and resource alternatives capable of addressing the shortfall, and thereby achieve better results for children. Since national budgets are managed by finance ministries and guided by national planning frameworks—not by actors within

specific sectors alone—UNICEF’s work in this arena cannot be isolated in any of the other four Focus Areas, yet advances in “First Call for Children” will bring benefits to all of them, across the MTSP.

175. By building capacities and strengthening partnerships to develop evidence, analysis and targeted communication, including for civic education, Focus Area 5 will effectively complement the other four Focus Areas through addressing *overarching and cross-cutting policy issues*. Examples of areas where “first call” might respond to country requirements include the identification and implementation of: (a) comprehensive national child and family policies; (b) policy options for effective social protection and safety nets for children made extremely vulnerable by factors such as poverty, protection failures, and/or HIV/AIDS; (c) financing for bottlenecks and gaps in sector budgets, with options and innovations for financing scaled-up investments in children; (d) measures to improve the integration of gender perspectives in PRS and sector-based programmes, and legislation in favour of gender equality (e) emergency preparedness plans emerging from data analysis that exposes vulnerabilities.

176. This Focus Area will also contribute to conflict prevention, by supporting partners to strengthen laws, policies, and institutions essential to preventing conflict, and for increasing national preparedness to meet obligations to children under humanitarian law and human rights treaties.

177. Recognising that the status of women, and the extent to which they are able to exercise their rights, is essential to the achievement of children’s rights in general and those of girls in particular, UNICEF will promote gender equality in all its work relating to policies, laws and budgets, and will support partners in their efforts to advance gender equality and women’s empowerment, and their participation in the life of their communities and nations.

Key results

Key Result Area 1: Data and information on children and women to inform strategic decision-making

178. The **organizational targets** are to:

- (a) Support the compilation of up-to-date data, information and knowledge on children and women;
- (b) Support the disaggregation of data to reflect existing disparities and to focus on marginalized populations ;
- (c) With partners and through improved internal knowledge management systems, establish knowledge banks facilitating access to data on children and women;

- (d) Support quality, timely national reporting on the Convention on the Rights of the Child and the Convention on the Elimination of all Forms of Discrimination against Women.

Key Result Area 2: Research and Policy Analysis on Women and Children

179. The **organizational target** is, with partners, to generate and disseminate high-quality research and analysis addressing the implications of international policy frameworks, national legislation and public policies concerning the rights of women and children.

Key Result Area 3: Policy Dialogue and Leveraging of Resources

180. The **organizational target** is to leverage knowledge and resources for children through policy dialogue with key decision-makers at all levels, in partnership with other concerned agencies and organisations, and based on the evidence and analysis generated, to support improved resource allocations and enhanced investments in children.

Key Result Area 4: Participation by Children and Young People

181. The **organizational target** is to support partners to enable the opinions and views of girls and boys to be taken into account in the creation and implementation of policies and programmes that affect their lives, in homes, schools, communities and at national level, in accordance with their evolving capacities, including in situations of conflict and crisis.

Strategies and partnerships

182. A range of strategies will underpin the implementation of this Focus Area. The fostering of partnerships and alliances at the local, national and global levels will be at the core. The other key strategies are: capacity building; knowledge management, effective communication, and participation by children, young people and women.

183. Evidence, analysis and advocacy focussed on leveraging resources and results for children will be used to *identify options and promote policies* to address the underlying, or structural, causes of insufficient progress toward all MTSP Focus Areas, the Millennium Development Goals and the fulfilment of the rights of children and women more generally. Within this process, participation by women and children is critical to improving the effectiveness of interventions and enhance the sustainability of outcomes.

184. These strategies will be carried forward primarily through partnerships with: government agencies, academic and research institutions, parliamentarians, civil society organizations, United Nations agencies, the World Bank, the Committees on the Rights of the Child and the Committee on the Elimination of Discrimination against Women, as well as regional and intergovernmental bodies and organizations of children and young people.

185. UNICEF will work closely with these partners to build research, analytical and communication capacities and to stimulate dialogue on key issues affecting poverty reduction among children. This will, in turn, promote wider agreements on shifting priorities and

resources toward the poorest and most marginalized children and women and their families. The broader partnerships and social movements to be pursued in this Focus Area will complement the more specific and technical partnerships described in this Plan's other Focus Areas. Further details on partnerships and expected initiatives for leveraging of resources for children and the Millennium Development Goals are contained in chapter VI, section C.

VI. Supporting and cross-cutting strategies of the MTSP

A. The human rights-based approach to cooperation and gender equality

186. The UNICEF Mission Statement established that the organisation is "...guided by the Convention on the Rights of the Child and strives to establish children's rights as enduring ethical principles and international standards of behaviour towards children..."

187. The enduring commitment of UNICEF to children's rights and its obligation under article 45 of the Convention to "foster the effective implementation of the Convention, and encourage international cooperation in the field covered by the Convention" have led it to incorporate the principles of the Convention into all of its work. In particular, UNICEF pioneered a human rights-based approach to development that, through Action 2 of the Secretary General's second United Nations reform programme, has been adopted by a wide range of United Nations agencies and institutions.

188. While all the principles of the Convention have equal weight and value, the principle of the *right of the child to life, survival and development* serves as the foundation from which UNICEF country programmes of cooperation and support to the UNDAF are constructed.

189. The principle of *right of the child to life, survival and development* guides UNICEF in prioritizing its support to the Millennium Development Goals and strategic interventions under the MTSP. It helps UNICEF and partners to identify *which* goals and actions to pursue. Child protection is encompassed within this principle, since it aims to ensure that the most vulnerable and marginalized children also enjoy their rights, and that additional actions are taken and services are available in emergency and post-conflict situations.

190. Other international human rights principles (universality, non-discrimination, the best interests of the child, participation and taking account of the views of the child, indivisibility and inter-dependence, accountability and rule of law) guide *how* UNICEF-assisted programmes are implemented. This includes *the process* for meeting goals; *selecting priorities* based on identifying those not enjoying their rights and the contributing factors; and *refining strategies* for reaching them.

191. Taken together, the principles of the Convention form the ethical and legal basis for UNICEF to promote and support the fulfilment of all rights for all children everywhere. They contribute to building "a world fit for children".

Gender equality

192. UNICEF is fully committed to Millennium Development Goal 3 for the promotion of gender equality and the empowerment of women, and recognises that achieving gender equality is not only an important goal in itself, but is essential for the achievement of other goals.

193. The status of girls and women and their empowerment to exercise their rights is central to UNICEF's programming, as a means to ensure the full and effective participation of women as change agents for development. Women's full and equal participation—in political, civil, economic, social and cultural life, and at the national, regional and global levels—is integral to development.

194. Gender-neutral perspectives do not take into account the extent to which historical stereotypes and material realities affect the lives of women and girls. UNICEF recognizes that a focus on girls, including in the earliest years and in relation to access to basic education, serves as an important starting point for the promotion of gender equality in the longer term.

195. In all MTSP Focus Areas UNICEF will meet its obligation to provide evidence and analysis of the situation of women, men, girls and boys; and will advocate for policies and support programmes that contribute to gender equality and women's empowerment.

196. Applying a human rights-based approach and promoting gender equality, as "foundation strategies" for UNICEF's work, will improve and help to sustain the results of development programmes and efforts to reduce poverty and reach the Millennium Development Goals by:

(a) Directing attention, long-term commitment, resources, and development assistance from all sources to the poorest, most vulnerable, excluded, discriminated and marginalized groups;

(b) Supporting parents, caregivers and families to meet their responsibilities for the upbringing, care and development of their children;

(c) Empowering parents, caregivers, women, families and civil society to participate in local and national decision-making and in democratic processes, and to hold states accountable for the quality of services and availability of resources for children;

(d) Building the capacity of the state to be accountable to its citizens through macro-economic and social policy, legislation, institutional reviews and reforms that are transparent and responsive to families' needs;

(e) Requiring a full analysis and understanding of the situation of children as a basis for devising interventions to tackle basic and underlying causes;

(f) Ensuring that PRSs integrate gender analysis and recognize structural inequalities between boys and girls in the enjoyment of their rights;

(g) Providing opportunities for children, adolescents and young people—particularly girls—to express their views and participate in all matters affecting them, and ensuring that their views are given due weight according to their gender, age, level of knowledge and maturity;

(h) Using and benefiting from international monitoring and reporting mechanisms, and from the work of independent human rights treaty bodies, such as General Comments and concluding observations and recommendations on state party implementation reports.

Other major components

197. Within the framework of this overall strategy, other major elements of the human rights-based approach are summarized below.

Reaching marginalized children and families

198. Marginalized children are those who, due to discrimination or exclusion, are not able to enjoy their rights; they are usually the very poorest children. “Programming as usual” has not—and is unlikely to—reach these children; extraordinary measures are required. In many countries these children form the persistent 10-15% of those un-reached by immunization or school enrolment efforts. A human rights approach calls upon UNICEF and governments to develop strategies—and allocate the resources required—to ensure that these children and their families have effective access to basic social services.

199. Among the steps required to carry out this work are: developing a better understanding of the nature, dimension and causes of marginalization; interacting with decision-makers to call attention to their accountabilities in relation to marginalized groups; and jointly creating, with partners, specific capacity-building strategies—among marginalized populations and responsible authorities—for identifying and overcoming the factors that deprive children of access to health, education, and protection—and thus constitute a fundamental obstacle to achieving the Millennium Development Goals.

200. In many countries children of indigenous populations tend to be disproportionately deprived of basic services. UNICEF cooperation seeks to reach out to these children as a matter of priority, where appropriate.

Integrated support to strengthening family and national capacities

201. The central role that families play in fulfilling the rights of children is recognized in all of the Focus Areas of this MTSP. The Focus Areas stress, for example, the importance of building family capacities to prevent illness and care for sick children, protect children from harm and from HIV/AIDS and support their child’s education—especially in the case of

girls. A human rights-based and gendered approach calls for building capacity among families, communities, and service providers to acknowledge and fulfil children's rights. At the level of programme implementation, this will be achieved by strengthening prenatal and family care practices, working with service providers to reduce gender and other disparities, and enabling the age-appropriate participation of children themselves.

202. In addition, efforts will be made in each Focus Area to identify successful family and community interventions already under way, using evidence from research and evaluations. In conjunction with partners, and as part of Focus Area 5, UNICEF will also assess the impact of economic and other policies on family capacities and practices, identifying policies that contribute to strengthening families. Special attention will be paid to identifying effective strategies for promoting positive social behaviour in relation to children and their rights. Together, these activities will contribute to the creation of a knowledge base that can be drawn upon to support the strengthening of family capacities in varying country situations.

Promoting positive behavioural change and social development

203. All of the MTSP Focus Areas include components related to promoting behavioural change, and thus require a consistent understanding of, and approach to, communication. The role of communication in development and social change, and more specifically in relation to "behavioural change," is the subject of widespread debate. In working with partners, it will be important for UNICEF to stress the need for widening earlier emphases on behaviour change among individuals to focus on far broader audiences (households, families, social networks, civil society) and to incorporate a human rights-based approach that is inclusive and participatory.

204. UNICEF works with numerous partners experienced in the field of communications by, with, or about children (from Johns Hopkins University to the Sesame Foundation) and will work with these groups to develop both its own and partners' capacity in the field. UNICEF will collaborate with partners to gather a body of technical knowledge and field experience, develop a menu of indicators to measure shifts in knowledge and behaviour as a means to identify successful communication approaches, and support the strengthening of regional centres of excellence in the field of communications and children in support of the full range of Millennium goals and commitments.

Promoting participation

205. From a human rights perspective, children's participation in matters that affect them is a right of every child capable of expressing a view. Throughout the MTSP Focus Area—and with special emphasis and accountability in Focus Area 5—greater child and youth participation is sought through mechanisms that *institutionalize* participation in schools, communities and other settings—a shift away from the event-based participation characterizing many earlier efforts. UNICEF will focus particularly on encouraging and enabling participation by children whose voices are rarely heard, such as poor and marginalized children, disabled children, and adolescent girls.

206. The approach entails the development of strategies to build child/youth capacity for participation, while at the same time creating an environment and opportunities that assist them to do so safely and responsibly. The latter will require raising awareness within families and communities and among service providers of the need for, and benefits of, child/youth participation; e.g., to modify traditional attitudes about children, or demonstrate how schools and health facilities that adopt “youth-friendly” policies and practices can attract more young people, and thus enhance learning achievement or disease prevention and control.

Ending discrimination and promoting the full development of children with disabilities

207. Children with disabilities are at high risk of being excluded from the progress and rights spelled out in the Millennium Development Goals and the Convention on the Rights of the Child due to discrimination they may experience from those whose duty it is to protect them (including parents, health and education service providers, and government agencies). They are also particularly vulnerable to abuse, exploitation and neglect. Promoting the rights of disabled children is thus an integral part of all of the Focus Areas of this MTSP, and will be facilitated through application of the cross-cutting strategies described in this section.

208. Misunderstanding, fear, and discrimination are typical reactions to disabled children, demanding a broad range of strategic interventions: from building families’ capacities to understand, care for and advocate for these children; to improving attitudes and service access at the provider level; to contributing to national policies and legislation that protect their rights and creating opportunities for disabled children to enjoy greater social participation. In addition, UNICEF can help to develop more accurate data and analysis of the extent and causes of disabilities, while working with partners (such as parents’ groups and NGOs) to place the care and protection of disabled children higher on national agendas.

B. Results-based management, knowledge management and evaluation

Results-based management

209. Progress in the fulfilment of children’s rights depends on using available resources as efficiently and effectively as possible. UNICEF will apply results-based management principles in each of the organization’s business units, and in the management of the MTSP as a whole, including the monitoring of progress towards its targets and key results for children.

210. Country Offices will increasingly apply the tools of results-based programme planning in working with national and United Nations partners both to identify the strategic focus of UNICEF cooperation and to develop the details of specific programmes. The Common Country Assessment is now widely used to build consensus on the most pressing development challenges and their causes, and the UNDAF, CHAP and CAP help in identifying the comparative advantages and roles of the participating agencies within the

United Nations system-wide response. UNDAF outcomes are directly aligned to national priorities, the Millennium Agenda and the PRS where it exists.

211. The UNDAF Results Matrix, in particular, sets out an overall Results Framework and distribution of responsibilities for supporting development outcomes. It helps to ensure that UNICEF-assisted programmes make effective contributions to the overall efforts of the United Nations team. Country Programme Action Plans include a more detailed Results Matrix, describing the specific results at various levels for which UNICEF works with partners, and how these relate to national priorities, international goals and MTSP targets. This Results Matrix provides the reference for the preparation by programme partners of Annual Work Plans, for monitoring and reporting on programme progress, and for necessary adjustments in allocation of human and financial resources over time.

212. For UNICEF Offices, the multi-year Country Programme Management Plan (CPMP) and the Annual Management Plans (AMP) provide the tools for ensuring management attention to office priorities and the availability of key capacities for excellence in programme and operations. These tools: identify office resources and accountabilities for supporting the achievement of programme results; ensure coherence and compatibility between budget and programme decisions; and help to link individual work plans and performance standards to office priorities, programme results and organizational targets.

213. UNICEF Representatives, with the assistance of their management teams, will closely monitor the status of core standard indicators for office management performance, and to take corrective action as required. Many management indicators can now be monitored through the Programme Management System (ProMS) software. Other indicators, such as those related to the quality of technical or planning inputs to national development frameworks, and the effectiveness of United Nations technical and oversight support to the UNCT, the UNDAF and the CHAP, need to be further developed.

214. The CPMP and AMP are also important tools in joint programming, for which the attainment of shared United Nations objectives depends on financial contributions and performance of staff from different agencies. In joint programmes, the accountabilities of different agencies are established through specific agreements among participants.

215. UNICEF's performance monitoring system also includes annual country-level reporting on standard programme and management indicators, which are, in turn, drawn from the targets and other provisions of the MTSP. Regional Offices support improvements in country reporting, and quality analysis is also undertaken by Audits. In addition, Regional Directors are accountable for ensuring that organizational performance standards are met by Country Offices, including those involved in emergency response. They also ensure the provision of technical support to COs in meeting performance standards and programme objectives, as necessary. Regional Management Teams (RMTs) provide a forum for discussion of trends in indicators and common problems, and agreement on necessary actions.

216. Reports on management indicators linked to the MTSP are aggregated globally and by region, and help to focus capacity for technical support, adjust procedures, systems and

budgets where needed and to develop new initiatives to address persistent shortcomings. The cross-country analysis of findings from internal Audit reports is a particularly valuable input in the monitoring of strengths and weaknesses in office, programme and operations management performance.

217. For Regional Office and Headquarter Divisions, Office Management Plans (OMPs) provide the basis for allocation of human and financial resources. Planned results are normally formulated as contributions to the strengthening of capacities, directly or indirectly, of field offices in their pursuit of programme excellence, partnerships, organizational targets and performance standards. Regional Offices provide oversight and support to Country Offices in the application of results-based management. Accountabilities at HQ include the strengthening of guidance and learning resources for results-based management, based on experience and lessons learned from the field.

218. OMPs assign accountabilities among respective sections, units and staff and, in so doing, link their performance to the MTSP targets and performance standards. OMPs are periodically examined against their objectives; progress is reported to senior management. An important component that will be further developed in this Plan period is a core set of standard indicators for use in OMPs, to enable comparisons in management performance.

219. Periodic reporting, including the Executive Director's annual report (which covers progress on MTSP targets) and annual report to the Economic and Social Council, will remain the primary mechanism for reviewing organizational performance, progress achieved in relation to the planned results for children, organizational targets and standards. Analysis of office Annual Reports will serve to identify under-performing or marginal activities and shift resources to high-priority areas. At the global level, UNICEF will ensure the alignment of management plans with organizational priorities and verify the adequacy of oversight and control mechanisms. As part of the feedback system, evaluations and audits will continue to help in identifying good management practices at different levels, and those in need of improvement.

Generation and use of knowledge, including recommended practices and lessons learned

220. In all areas of the MTSP, attention will be given to strengthening the systems, structures, infrastructure and practices for the generation and use of knowledge.

221. The generation of lessons learned and recommended practice is a particular function that requires a long horizon. To promote improved performance in this area, UNICEF will adopt standard nomenclature for describing lessons and successful practice. A "recommended practice" should be both substantiated by evidence and successfully replicated in multiple settings. "Lessons learned" describe specific experiences which are useful in similar country situations. Together, these knowledge products provide operational guidance for direct application.

222. Representatives will continue to identify potential lessons and good practices, including in UNICEF and UNCT annual reports. Regional or global offices may initiate more extensive case studies, in order to document good practice across countries. Regional Directors will highlight especially notable country experiences in their annual reporting and will synthesize multi-country pilot or research activities to generate lessons and knowledge of wider relevance. At the global level, good practice groups for each Focus Area and for the supporting strategies of the Plan will review lessons of organizational significance, including experiences arising from inter-agency work and United Nations reform. Recommended practices and proposed lessons will be validated through a review involving key programme partners. More significant findings will be formally evaluated, including by thematic evaluations comparing experiences from several countries. Other measures which will be taken to identify, assess and disseminate lessons learned and good practices include the more systematic use of quality standards focussed on evidence and reliability, and the establishment of intra- and inter-agency peer review and virtual knowledge networks.

223. At the country, regional and global levels, UNICEF works with partners to identify significant knowledge gaps relating to children and to plan, undertake and support research activities designed to help fill those gaps. Within Focus Areas 1-4, specific attention is given to surveys and analysis required to better understand the causes of sector-related problems affecting children, the technical design of actions to address those problems and the effectiveness of interventions by partners in different contexts. Focus Area 5 gives attention to knowledge generation on the overall situation of children and women and the factors affecting it, and the design and experience of relevant macro-level policies.

224. “Piloting” is a significant strategy for, although not limited to, country programmes. Well designed and well executed pilots have great potential for generating knowledge, testing the effects of planned policy changes and new interventions, and providing evidence for policy dialogue and scaling-up, including in support of PRSs and SWAps. To date, many UNICEF-assisted pilots have not been conducted with the necessary rigor. Many such projects lack a clear baseline, cost analysis or other key features. Detailed guidance on piloting has now been included in UNICEF’s programming procedures.

225. In each of the above areas, UNICEF will draw on academic and technical resources at country level as well as regionally and globally and will work with other development partners to contribute to the capacity of countries and the international community to identify and address critical problems affecting children. At the country level, research and studies to address these gaps will be developed, in cooperation with partners, as integral parts of UNICEF and United Nations cooperation. At the regional level, Regional Offices and Management Teams will identify priority themes for research and evaluation, including for inter-country studies. At the global level, headquarters offices, including the Innocenti Research Centre, will identify and undertake, in cooperation with partners, relevant cross-regional research and address emerging issues. Surveys, studies and evaluations will be planned and managed in the overall context of the Integrated Monitoring and Evaluation Framework (IMEF) in Annex II. The global IMEF presents strategic priorities for knowledge generation and research across the organization, and will be monitored and periodically updated during the MTSP cycle.

226. Quality standards for studies, research and evaluations will be strengthened through several means. The design of studies and evaluations will be strengthened through wider sharing and review of draft terms of reference (TOR), use of generic TOR elements and selection of high-quality consultants. Regional advisers, together with headquarters staff and counterparts from other United Nations agencies, will assist country offices and UNCTs in designing, validating and documenting surveys and studies, pilot interventions, case studies and evaluations. Headquarters advisers, in consultation with field staff, will play a similar role in support of major and/or global research and evaluation. UNICEF participation in and support to networks of academic and policy researchers at the country, regional and global levels will be key to maintaining access to the latest findings and methods, to a wide pool of technical expertise and to capable peer review of reports.

227. UNICEF's internal knowledge management system will be further developed to enable efficient access to and retrieval of the results of research, studies, evaluations and lessons learned, by UNICEF and, in an appropriate manner, from other organizations including academic and research institutions. Practices of other organizations in knowledge generation, management and networking will be assessed in order to strengthen UNICEF approaches to storage, retrieval and archiving of knowledge assets. UNICEF will also periodically review its overall policy and practice in relation to the internal and external dissemination and use of new knowledge, lessons learned and recommended practice.

228. Together, these steps are intended to strengthen national capacity for evidence-based action for children, promote knowledge as a key component of UNICEF support for MDG achievement and advance the culture of learning within the organization.

Strengthening the evaluation Function

229. Executive Board decision 2004/9 endorsed the progress report on the evaluation function in the context of the MTSP 2002-2005 (E/ICEF/2004/11), which described measures taken to strengthen the evaluation function in UNICEF. While welcoming progress to date, the Decision noted that much work remained to be done, including sharpening the strategic focus of evaluation work plans, improving efficiency and raising the overall standards of evaluation work.

230. The decision encouraged the strengthening of the evaluation function in the following areas:

- (a) Improving the efficiency and strategic value of the evaluation function by focusing on fewer, high-quality studies with a strong emphasis on analyzing effectiveness and results;
- (b) Improving evaluation standards at the country level, with the guidance of national authorities, and building on United Nations system-wide norms and standards for evaluation;
- (c) Accelerating progress towards joint evaluation work with national authorities, within the United Nations system (notably the UNDAF) and with other partners;

- (d) Strengthening national capacity for evaluation work;
- (e) Identifying best practices for achieving MTSP targets and objectives and secure organizational learning.

231. During the 2006-2009 Plan period, increased attention will be given to strengthening the evaluation function at the country and regional levels, with a strong emphasis on national capacity-building and leadership in country-level evaluations as well as on joint evaluations within the United Nations system and with other partners. At the country, regional and global levels evaluations will be carried out in relation to all MTSP Focus Areas, dimensions of organizational effectiveness (such as human resources), cross-cutting issues and humanitarian action. The list of priority themes is described in the global Integrated Monitoring and Evaluation Framework (see annex 2).

232. This MTSP focuses attention on six main areas to strengthen the evaluation function, as summarized below with indications of the main results to be achieved.

Heightened management attention to the evaluation function.

233. At country level, this will include:

- (a) Maintenance of an annually updated Integrated Monitoring and Evaluation Plan (IMEP) as part of the Country Programme Action Plan (CPAP) to guide decision-making on evaluation issues;
- (b) Selective use of country programme evaluations as an approach to the MTR of the country programme or in support of strategy development;
- (c) Evaluations are conducted jointly with national partners and contribute to national capacity-building in evaluation;
- (d) Evaluations contribute to annual reviews and evaluations of UNDAFs;
- (e) At least 80% of all evaluation TOR meet established standards from end 2006;
- (f) Official management response made to at least 75% of evaluations from end-2006.

234. At the regional level:

- (a) Regional Management Team evaluation planning and response mechanisms set regional priorities and exert a beneficial quality control impact on country-level IMEPs;
- (b) Technical assistance and support to learning strategies strengthen country-level evaluation capacities (national partners and UNICEF staff) ;

- (c) High-quality reporting on major evaluations to Executive Board;
- (d) At least 80% of all evaluation Terms of Reference meet established standards from end-2006;
- (e) Official management response made to at least 75% of evaluations from end-2006.

235. At the global/corporate level:

- (a) High-level attention through the global-level Evaluation Committee;
- (b) Direct supervision of Evaluation Office by Office of (Deputy) Executive Director;
- (c) Corporate level coordination to monitor monitoring and evaluation trends and needs;
- (d) At least 80% of all evaluation Terms of Reference meet established standards from end-2006;
- (e) Official management response made to at least 75% of evaluations from end-2006.

236. The main strategies will be country- and regional-level prioritization and quality control of country- level evaluations; to mobilize Regional Offices and Regional Management Teams on regional-level prioritization and quality control; and to monitor through audits and ratings, for inclusion of reports in the Evaluation and Research Database

National capacity-building and strengthened national leadership in country-level evaluations (especially country programme evaluations)

237. This will comprise:

- (a) Evaluations of projects and programmes at the country level are, to the greatest extent possible, implemented jointly with national partners (Government and other partners);
- (b) The country programme evaluation approach will support MTR and/or strategy development, when the country programme needs strategic re-orientation or adjustment because of major changes in the programme environment (situation of children, national policies and strategies, new opportunities etc.) and/or to document highly innovative country programme strategies (e.g., human rights-based programming, contribution to country capacity to implement the Millennium Declaration and Millennium Development Goals).

238. The main strategies will be to strengthen regional and country level capacity to carry out evaluations; coordinate with other partners; and consult on priorities for country programme evaluations, facilitate these exercises by consultants and selective technical support

Strengthen the evaluation function within the United Nations System and joint evaluations with other United Nations agencies and other partners

239. UNICEF will:

- (a) Contribute to the preparation and implementation of UNDAF monitoring and evaluation plan at the beginning of the joint programme cycle, Annual Reviews and UNDAF Evaluation during the penultimate year;
- (b) Contribute to United Nations coordination and peer reviews and UNCT workshops and learning events;
- (c) Participate in joint thematic evaluations with United Nations and other partners.

240. The main strategies will be support and oversight of joint evaluation planning and implementation against United Nations Evaluation Group Norms and Standards; participation in joint thematic evaluations with United Nations and other partners; and contributing actively to United Nations Evaluation Group Task Forces

Evaluation in humanitarian crises

241. UNICEF will:

- (a) Develop evaluation approach and methodology to assess organizational performance related to humanitarian action, with reference to the CCCs, humanitarian law and human rights principles and other standards (e.g. Sphere Standards);
- (b) Through the Evaluation Office and Office of Internal Audit, conduct real-time evaluations to assess UNICEF's response capacity at onset of humanitarian crises;
- (c) Carry out Country-Programme Evaluations to assess and improve organizational performance in transition countries

242. The main strategies will be to develop and mainstream evaluation approaches and methodologies, and train staff and partners.

Evaluations related to MTSP focus Areas and strategies, as well as to operational effectiveness

243. UNICEF will: (a) cover all MTSP focus areas and strategies through programmatic and thematic or cross-cutting evaluations (see Annex 2); and (b) prioritize key operational processes of the organization for evaluation; streamline to maximize efficiency, while strengthening management accountability.

244. The main strategies comprise a series of targeted external evaluations and internal reviews that will be managed coherently as part of the global IMEF in the framework of the

MTSP; train operational sector staff in monitoring and evaluation principles, and develop tools for their use.

Strengthen organizational capacity in evaluation

245. Under this area:

- (a) At least 75% of key staff meet monitoring and evaluation learning achievement standards and competency objectives by mid-2007 (stratified by type and level of staff);
- (b) All recruitments for monitoring and evaluation posts result in appointment of qualified staff from end-2006;
- (c) Country Offices have routine access to key guidance and external resources by end-2006, including a Help Desk and rosters of evaluation consultants ;
- (d) Starting in 2006, all new UNICEF-assisted Country Programmes have adequate IMEPs, following technical support and training on results-based management;
- (e) Evaluation frameworks for the MTSP Focus Areas are systematically developed and complete by end 2007;
- (f) Progressively increased compliance with UNEG Norms and Standards and organizational standards for management of the monitoring and evaluation function (standards to be established in the final version of the MTSP);
- (g) At least 80% of all evaluation Terms of Reference meet established standards from end-2006;
- (h) Evaluation skills and tools to be mainstreamed into the programme and operational functions of UNICEF by latest mid-2008.

246. The main strategies will be to establish skill standards and job competencies, combined with technical assessments of recruitment procedures; mobilize and train external resources; develop evaluation frameworks; technical support to country programmes.

C. Partnerships for shared success: furthering United Nations reform, working with civil society, leveraging resources and results for children

247. Working in partnership is a key part of United Nations reform. Since the turn of the decade, UNICEF and other United Nations agencies have been increasingly engaged with new forms of global partnership and with the leadership of various regional and inter-governmental bodies (such as the African Union, South Asian Association for Regional Cooperation, the League of Arab States and regional developments banks) on policy-related and investment issues, including within the context of Millennium Agenda and the *World Fit for Children* Plan of Action.

248. For UNICEF, the emphasis of these global and regional partnerships has been increasingly on constituencies that play critical leadership and mobilizing roles for children, such as: international children's agencies under the auspices of the Global Movement for Children Convening Committee, faith-based organizations, the Alliance of Youth CEOs, the Inter-Parliamentary Union, international sports organizations and sports clubs, and inter-regional inter-governmental organizations such as La Francophonie and the Organization of Islamic Conference.

Furthering United Nations reform and working with United Nations partners

249. A revitalized United Nations development system, working in close harmony and with strengthened leadership by the Resident Coordinator (RC) at the country level, will enable more effective support to countries for achievement of the Millennium commitments, and more effective engagement in new development modalities. In this dynamic context, UNICEF's vision of United Nations reform and its commitments to its partners within the United Nations family is as follows:

- (a) Many United Nations agencies make important contributions to children's rights, especially within the framework of the Millennium Agenda and PRSs, and UNICEF will work in close partnership with them to increase effectiveness and achieve results;
- (b) As one of the largest operational agencies with an extensive field presence, and as a member of the UNDG Executive Committee, UNICEF will play a key role in the future direction of the reform effort, so that the United Nations works effectively in support of the international development goals—most of which concern children;
- (c) UNICEF will continue to identify the strengths and key contributions that it will bring to the United Nations and the reform effort, as a basis for enhanced results for children. These include: a largely field-based structure; a human-rights based approach to programme cooperation and a well-developed gender perspective; strong links with civil society; ability to work flexibly with partners and at sub-national levels; experience in advocacy, communication and social mobilization; good overall quality of emergency response and support to recovery, based on field presence; and high quality human resources;
- (d) UNICEF will respond to the legitimate requirements of its partners, including for accountability to recipient and donor governments, civil society, etc..

250. During the 2006-2009 Plan period, UNICEF will therefore support and promote:

- (a) The use of Human Rights principles based on the *Stamford Consensus*²¹, as the foundation strategy for its contributions to development;

²¹ *A Human-rights Based Approach to Development Cooperation: Towards a Common Understanding*, adopted by the UN Development Group, May 2003.

(b) The development and testing of a common country programme for all United Nations agencies which have a country-based multi-year programme approach, in support of national priorities and the Millennium Agenda, reflecting normative issues in development, and including joint programmes and joint evaluations, as well as joint resource mobilization where appropriate;

(c) The strengthening of the RC system and of the role and functioning of the RC, on the basis of mutual accountability with UNCT members;

(d) Appropriate rationalization of country presence in order to serve countries better, using experience from post-conflict countries, joint office models and other models of closer United Nations teamwork;

(e) Maintenance of a variety of agencies and technical capacities within the United Nations, as one of the system's unique strengths;

(f) Closer collaboration with United Nations peacekeeping missions in situations of crisis and post-conflict transition, and the use of lessons from crisis and post-conflict situations to apply in the development context;

(g) The further reduction of transaction costs, both within the United Nations and for governments and other development and humanitarian partners dealing with the United Nations;

(h) Closer involvement of other agencies in major organizational planning processes and the linkage of respective business plans;

(i) UNICEF's own ability to recruit and retain high-quality staff who will further its aims in terms of effective partnerships and contributions to United Nations reform;

(j) UNICEF ability to take leadership roles when it has a comparative advantage, and to support other partners when they have a comparative advantage²².

Working with civil society partners

251. Since the early 1990s, the Convention on the Rights of the Child has provided the vision and common ground for collaboration between UNICEF and a wide range of NGOs and civil society organizations worldwide. These partners share the United Nations values and vision of a world in which human rights are respected and efforts are undertaken to overcome barriers to equitable development and poverty reduction.

²² UNICEF is continuing to develop its commitments and strategic intent in these and related areas of United Nations reform, both through internal task teams and through discussions with other United Nations agencies towards a joint vision

252. For such partnerships to be meaningful, each party needs to bring relevant capacities and complementary strengths to the pursuit of well-defined results for children. Partners should also be willing to explore innovative programme approaches.

253. The result of a partnership approach to programme and advocacy work is an environment within which national authorities, civil society and others participate in the social as well as economic and political development of their countries. UNICEF, in cooperation with other United Nations agencies, will promote the quality and scope of civil society involvement in building societies “fit for children”.

254. In 1980 the total investment in development by major international NGOs was estimated at around \$3.5 billion. By 1999, with increases in voluntary contributions from the general public, this figure had reached \$15 billion. Success in achieving the commitments made in the Millennium Declaration will depend very significantly on the effectiveness with which non-governmental actors invest their financial and technical resources in Millennium Development Goal-related programmes and advocacy efforts, including those focused on children.

255. In addition, as the Secretary-General has noted, the United Nations system operates in an increasingly integrated global community where critical decisions are strongly influenced by leaders of voluntary agencies, interest groups, private companies, philanthropic foundations, and academic and research centres. It is important to mobilize, support and cultivate the energies and ideas of these non-state actors. Developing and managing strategic global, regional and country-level partnerships—and mobilizing global leadership for children—are core corporate functions for UNICEF and constitute an important element of this MTSP strategy.

256. Between 2002 and 2005 UNICEF concentrated on five major partnerships and respective result areas:

- (a) Mobilizing *religious leaders* to play a central role in global efforts to combat the spread of HIV/AIDS and protect children and women made vulnerable by the epidemic;
- (b) Enlisting major *sports organizations* in global campaigns in support of child protection, girls’ education and tolerance;
- (c) Building the capacity of *parliamentarians* to strengthen the protective environment for children, with a focus on eliminating harmful traditional practices, reducing the incidence of sexual exploitation and child pornography and combating child trafficking;
- (d) Providing technical assistance to international *youth organizations* for their work in promoting the participation of adolescents in community life;
- (e) Motivating a coalition of child-focussed international development organizations, through the *Global Movement for Children Convening Committee*, to use its collective advocacy power in support of orphans and children made vulnerable by HIV/AIDS.

257. UNICEF will build on these successful collaborations in 2006-2009 and will expand its programme and advocacy work with civil society partners and social movements, particularly to address child and maternal mortality, violence against children, youth leadership development and basic education goals.

258. Strengthening these strategic partnerships will also add momentum to UNICEF's efforts to create awareness among decision-makers about the situation of children worldwide, as envisaged under the "First Call for Children" Focus Area.

259. Among the performance monitoring indicators to be developed for use at the country and global levels will be: increased range of organizations investing resources in agreed, time-bound goals for children; increased number of countries that have adopted policies and administrative arrangements to facilitate civil society participation in national policy and planning processes; and increased number of civil society leaders addressing issues of children's rights.

Working with partners to leverage resources and results for children

260. UNICEF currently works within its partnerships to promote wider investments in children, scaling up of critical programmes and actions, and broader fulfilment of children's rights. This leveraging approach has many dimensions, including such areas as the Children and AIDS Campaign, the United Nations Girls' Education Initiative, policy dialogues with the World Bank and regional development banks, work with parliamentarians, the use of evidence and analysis to promote pro-child policies and mobilize public opinion and the provision of guidance to private companies on addressing corporate responsibility issues relating to children.

261. A more explicit and systematic approach will be taken in the 2006-2009 Plan period to realize the potential of leveraging through partnerships—in accordance with the changing role of the United Nations and multilateral institutions, the strongly child-focused nature of the Millennium Development Goals, the new prominence of budgetary support and pooled funding modalities, opportunities arising from the simplification of United Nations procedures, and the possibilities for leveraging major investments for children with a range of private and public sector institutions.

262. To complement the MTSP, new UNICEF-assisted country programmes will, wherever relevant, include clear targets and strategies for leveraging resources for wider investments in children in accordance with the Millennium Declaration and Millennium Development Goals. These leveraging priorities will be based on carefully identified opportunities, comparative advantage and agreements with partners.

263. Opportunities for leveraging new resources for children will be pursued *both* through partnerships and advocacy around macro-level planning, poverty reduction and budgeting frameworks, as part of the "First Call for Children" Focus Area of this Plan, *and* through other Focus Areas, in the context of sector-based programmes, SWAPs and scaled-

up interventions for the Millennium Development Goals in health, nutrition, basic education and water and sanitation.

264. UNICEF will also ensure that the process for resource leveraging is consistent with a human rights approach—for example, that it does not undermine equity objectives or draw resources away from existing social services.

265. For each major corporate leveraging initiative, UNICEF will need to make a practical appraisal and sufficient commitment of resource—to ensure credibility and legitimacy, good “intelligence” on global opportunities, sustained investment over time and good management of the partnership process.

266. New mechanisms will be developed for UNICEF and its National Committees to identify and assess the investments made, costs incurred and results achieved in leveraging for children. Adequately-resourced work on leveraging will only be sustainable through a results-based approach of this kind.

267. During the coming Plan period, the “UNICEF family” will be mobilized in support of clear and selected targets for leveraging with partners of wider resources and investments in children, including the National Committees and Goodwill Ambassadors. In addition to the ongoing initiatives noted above, the priorities will include:

(a) Influencing the Global Agenda on behalf of children through a *global policy initiative* tailored to key institutions, including the World Bank and European Union, *to accelerate the achievement of child-related Millennium Development Goals, reduce child poverty and exclusion* and maintain children at the centre of the Millennium Agenda;

(b) *Ensuring UNICEF’s enhanced and systematic involvement in both PRS and SWAPs*, in conjunction with national counterparts, the World Bank and United Nations partners, to influence strategic national investment decisions (see Focus Area 5 for more details). UNICEF will promote the reduction of child poverty and progress towards the Millennium Development Goals, through scaled-up interventions in line with the outcomes of the 2005 Millennium Summit Review, and through rights-based strategies. UNICEF will seek to facilitate this work through dialogue with the World Bank and periodic joint evaluations of the impact of PRS with other United Nations agencies;

(c) Establishing a consortium, including with Global Movement for Children partners and NGO networks, to *promote child-friendly budgets* and provide governments in selected countries with detailed analysis of budget proposals from a children’s perspective;

(d) Further widening the use of UNICEF *procurement services* to increase commodity availability for poor families (including in the context of PRSs, SWAPs, budget support mechanisms and the International Finance Facility), especially for vaccines, bed-nets, ACT anti-malarials, ARVs, school materials and textbooks. On this basis, UNICEF will also promote *Commodity Subventions* as a front-loaded investment for global public goods that are in short supply and can save the lives of children in poor countries. UNICEF will also

develop further as a “global knowledge resource” on commodities for children and how to deliver them, and will increase its support to governments in local *commodity assessments* and commodity budgeting for the Millennium Development Goals;

(e) Establishing new relationships with selected *foundations and academic institutions* for policy dialogue on children’s issues and critical investments in children;

(f) Engaging more strategically with *the major global funds*, and, in support of their funding operations, strengthening UNICEF’s participation in country coordination mechanisms and its provision of technical support to national policy and implementation capacity. UNICEF will also promote greater prominence of children in the Global Fund portfolio, while strengthening its global leadership role in immunization through GAVI and other mechanisms.

(g) Complementing the Children and AIDS Campaign by developing *joint UNICEF, World Bank and other partner initiatives to abolish all user charges and remove other barriers to primary education for poor children* through the Fast Track Initiative, building on the “Global Partners’ Forum on Children Living in a World of HIV/AIDS”. UNICEF will also cooperate with the World Bank and others to *promote expansion of existing safety net programmes and resource transfer mechanisms* to benefit affected children in the worst-affected countries, and to improve the tracking of measures for children affected by HIV/AIDS;

(h) Seeking to *expand UNICEF partnerships with European institutions*, as part of a combined United Nations approach. Specific initiatives will include the European Union (EU) Water Initiative, including WHO/UNICEF joint monitoring; Children and AIDS; collaboration on commodity subventions and assessments; and support for EU Presidency initiatives for children;

(i) Taking a stronger leadership role in the *Global Movement for Children*, based on a clear understanding of its potential added value; and investing in UNICEF capacity for working with social movements and using *campaigning approaches* selectively in support of Key Results Areas of the MTSP, starting with the campaign on Children and AIDS;

(j) As a United Nations agency, UNICEF gives priority in its work and its Regular Resource allocations to LDCs and sub-Saharan Africa. However, achievement of the Millennium Development Goals will be critically dependent on progress in a relatively small number of countries with large child populations. With this in mind, UNICEF will pursue a complementary initiative to promote the achievement of the Millennium Development Goals in *Large-Child-Population Countries* and countries with large numbers of marginalized children. This will involve working with governments and United Nations Country Team partners to identify and disseminate viable strategies and lessons for taking programmes to scale, addressing inequalities, building capacities and leveraging large-scale investments for children.

268. Other promising avenues for leveraging investments and results for children will continue to be assessed. These include: a possible high-level Business Advisory Council, through which UNICEF could develop public-private partnerships offering corporate partners and high-profile individuals a “compact” opportunity to make a difference for children; possible further development of UNICEF’s newly-expanded range of corporate and individual donors - many brought in as a result of the 2004-2005 Indian Ocean tsunami emergency - as ongoing allies, advocates and actors for children; and working with UNICEF National Committees to expand their capacity and role over time in promoting children’s rights in their home countries.

VII. Excellence in management and operations

269. Capable human resources, with the technical and organizational skills to engage and support programme countries and partners, are vital to the achievement of UNICEF’s organizational targets. UNICEF is committed to ensuring that all staff have the necessary skills—as well as the supply, information, finance, and administration systems—required to fulfil UNICEF’s role at the global, regional, and country levels—including offices operating in emergency environments.

270. Each of the four operations functions described below is led by a headquarters division responsible for developing and updating policy and guidance, providing support to regional offices and other headquarters divisions, and overseeing the global functioning of the sector. Each operations function is also present in all country offices (COs), and Representatives are accountable for each function within their offices. Regional offices are responsible for ensuring CO awareness of the performance standards, providing support and supervision, and monitoring and reporting on the status of CO performance in their region.

271. For each Operations function UNICEF will apply three core management practices: (a) establishment of performance targets; (b) linkage of investment activities to performance targets; and (c) regular monitoring of performance indicators at the global, regional, and country levels.

272. Key Performance Targets and Indicators for the Operations functions are described in Annex 2.

A. Human resource management and Staff Learning

273. The organizational targets set out in the MTSP, combined with the demands of United Nations reform, multiplying emergencies and the rapidly changing international development environment, call for significant changes in the way UNICEF manages its human resources. The greater emphasis during this Plan period on policy development, advocacy and knowledge-generation will require some adjustment of staff profiles and skills. Competencies in social and economic policy analysis and rights-based programming will feature more strongly in staff profiles—along with skills to offer significant contributions to other national development frameworks (PRSs, SWAps, etc.), participate in emergency response and mobilize additional resources—will be essential for many staff. Streamlining

and automation of systems should reduce process-oriented work, thus permitting a shift of resources to more strategic work. Operations staff profiles will need to reflect this change.

274. Building on the UNICEF human resources strategy for 2002-2005 and subsequent consultations, this MTSP seeks to employ motivated and competent staff at the right place and the right time in all areas of its work, including emergencies. The objective is to work within a rapidly changing environment to ensure: (a) timely recruitment, deployment and management of competent, committed staff members, who operate in a supportive and caring work environment that provides for staff well-being, including opportunities for maintaining a healthy work/life balance; and (b) continuous and systematic improvement of staff capacity to learn and adapt to a dynamic set of roles and responsibilities within the context of the MTSP, Millennium Development Goals and United Nations reform.

275. The guiding principles are as follow:

- (a) HR management is consistent with United Nations reform and responsive to the organization's needs and challenges;
- (b) HR is understood to be the business of managers at all levels of the organisation;
- (c) HR management includes integration of recruitment, succession management, career management, performance management and learning;
- (d) Diversity is embraced at all levels of the organisation;
- (e) The learning and staff development function is aligned with the United Nations Organisational Learning Standards;
- (f) HR management, especially for learning and staff development, requires the investment of adequate resources.

Strategies

Enhance recruitment and HR management in a supportive and caring work environment

276. Competency profiles developed for professional and general services levels during the previous MTSP will be revised; competency gap analysis and mapping will inform HR planning and development; and the HR situation analysis will be updated. This analysis will also cover the implications of the increasing imbalance between RR and OR funding on HR management and propose corrective action where needed.

277. UNICEF will implement a new, more competency-based recruitment strategy and ensure that average recruitment time (from closure of advertisement to issuance of offer letter) is no more than three months. Improved recruitment will be linked to Succession Management and Career Development to create talent pools for various types of positions

and levels, including young professionals. Similarly, *rapid response teams* for emergencies will be expanded based on lessons learned in the Darfur region, during the Indian Ocean tsunami and other emergencies. Stand-by arrangements with UNICEF's partners for the sourcing and rapid deployment of staff will be strengthened. An integrated, web-based roster of staff working in both emergencies and development will bring together data on all international and national staff, to better support emergencies.

278. UNICEF will pursue simplification and harmonization of HR policies and procedures, in the context of United Nations reform. The agency will assume leadership roles within a number of United Nations task forces and will increase its contributions to the Resident Coordinator system. Inter-agency mobility will be facilitated at all levels through secondment, loans, learning and staff development programmes.

279. All elements of the new HR Management System, in operation since April 2005, will be fully implemented, thus facilitating access to information on staff and providing links to various aspects of HR management (such as recruitment, performance management and staff development). Improvements to the performance management system initiated in 2002 will be completed, to better reflect staff performance and provide guidance for feedback, staff learning and development. This effort will be linked to development of a more effective approach to managing poor performers. Further implementation of existing programmes will enhance career management, coaching and mentoring and support the establishment of career paths linked to the MTSP.

280. To foster an enabling environment for staff, policies on work-life balance and other critical aspects of the work environment, in both regular programme and emergency settings, will be issued or updated. Particular attention will be paid to spouse employment initiatives and to fostering a more gender-sensitive environment. Building on the success of UNICEF's groundbreaking *Caring for Us* programme, mechanisms will be put in place to improve monitoring of management and staff action in relation to HIV/AIDS in the workplace and to the challenges of stress management. The objective will be to ensure that standards are upheld and problems are identified and addressed in a timely manner.

281. Maintenance of good management-staff relations will continue as an important area for UNICEF. The newly created Ombudsperson post (located within the joint UNDP/UNFPA/ UNOPS/UNICEF Ombudsperson's office) will build on UNICEF's established system involving volunteer peer counsellors to promote speedy and amicable resolution of disputes.

Strengthening Organizational Learning and Staff Development

282. More than ever, the success of UNICEF's work depends on the ability of staff to learn and adapt to different roles and responsibilities within a rapidly changing development context. Leadership and management competencies on the programme and business sides must be complemented by technical excellence, strong advocacy skills, and the capacity to work in multidisciplinary teams using a highly collaborative approach.

283. The vision that drives the learning and staff development function is that all staff, individually and in teams and with encouragement and support from supervisors, will have equitable access to the learning opportunities required to achieve UNICEF's strategic goals.

284. During this Plan period, the learning function will be organized to meet the following two key objectives:

(a) **Creation of an enabling environment for learning in which staff development is addressed effectively and in a timely manner at the levels of: staff and supervisor, office, and organization.** UNICEF will adopt the United Nations Learning Principles designed to ensure more effective learning. The Principles include organizational policies on time and resources invested (minimum of 5% of staff time and 2% of total staff costs), open and equal access to learning opportunities and organization-wide responsibility for learning. In UNICEF, training and learning will become more strategically linked to performance management, leadership development and succession planning;

(b) **The development and delivery of high-quality, competency-based learning programmes that support UNICEF's strategic goals and ongoing staff development needs.** Building on the competency profiles developed for each functional area, *learning achievement standards* will focus on the results to be achieved through learning and staff development programmes. These standards will serve as a reference for the design of learning programmes, methods of delivery, and setting implementation targets (e.g., for office work plans).

Learning programmes

285. To ensure adequate human resource capacity to implement the MTSP, UNICEF learning and staff development efforts will focus on three comprehensive, interlinked learning programmes:

(a) **Basic Learning Programme** : Aims to address core competencies for all staff. The curriculum is intended for general service and junior professional staff and focuses on strengthening teamwork, office management, computer skills, and language skills, as well as the basics of human rights, ethics and diversity management;

(b) **Programme Excellence Learning Programme** : Aims to build capacity of staff managing or supporting UNICEF programmes and operations. It addresses a mix of core, functional and technical competencies needed for programme and operations staff to perform. The programme will allow for further specialisation in strategic functional areas. This programme will include a strong focus on policy and advocacy for children's rights to support implementation of Focus Area 5, facilitating the shift in UNICEF's planning horizon to include ODA Reform, multi-donor budget support mechanisms, and the increased use and strengthening of national systems (supply, disbursement and accounting);

(c) **Leadership and Management Learning Programme** : Aims to build capacity of senior managers and leaders and those enrolled in talent pools of the succession

management programme. It addresses crucial leadership competencies in support of both the UNICEF team and the assisted country programme. The policy and advocacy curriculum based on Focus Area 5 will gradually become a central feature of this leadership programme.

286. Emergency preparedness and response policies, guidance and competencies will be a core and integral part of each of the three learning programmes.

287. All learning curricula will be delivered through coherent and certified programmes applying a variety of learning methods, and designed and implemented in close collaboration with external learning institutions. Programmes will include an individual e-learning component, workshops, team learning and coaching components, as well as on-the-job assignments.

288. During implementation of this Plan, learning and organizational development will be strategically linked to succession planning, leadership development and the senior staff review. Testing will be used to measure learning performance, and successful completion will feed into the human resource management and succession planning.

B. Finance and administration

289. UNICEF will continue to safeguard and ensure transparent, efficient and effective utilization of resources in support of its mission and achievement of the organisational targets set out in this MTSP.

290. The guiding principles are to:

- (a) Place high value on efficient, economic and effective use of resources for maximum results;
- (b) Ensure transparency in resource management to secure continued trust of all donors, governments, inter-governmental organizations, National Committees, and the private sector;
- (c) Advance United Nations reforms on simplification, harmonization and reduction in transaction costs at global and country levels, through collaboration within the United Nations system;
- (d) Adapt to changing development assistance environment, without compromising on transparency and efficiency;
- (e) Promote a secure environment for staff to continually learn, grow, exercise initiative and perform more effectively.

Strategies

291. **Adapt to changing funding environment in the development assistance arena,** and enhance work with United Nations system organizations, funds and programmes on United Nations Reform for simplification and harmonization, through:

- (a) Providing policy guidelines, in conjunction with the undg programme group, in support of increasing use of national systems in the context of UNICEF's assistance;
- (b) Working with the undg High-Level Committee on Management on cost recovery harmonization within United Nations organizations, funds and programmes, and to reach consensus on the harmonization of principles, definitions and categorization of support costs;
- (c) Continuing work with the undg Executive Committee funds and programmes to adopt harmonized policies and processes on resource transfer, joint offices, common premises, and common services at all levels;
- (d) Engaging with other United Nations agencies on the harmonization of results-based management principles and its linkage to results-based budgeting, including the linking of organizational results to the presentation of biennial support budget;
- (e) Monitoring the use of guidelines on joint programming; New mechanisms (including pass-through funding with UNICEF as Administrative Agent and pooled funding with UNICEF as Management Agent) will be monitored during the Plan period.

292. **Maintain and improve financial and administrative management policies, procedures and systems, and continued monitoring of performance,** including ensuring sound financial control requirements, while simplifying business processes and procedures:

- (a) Review thematic funding as a mechanism to direct donor funds to MTSP Focus Areas and reduce transaction costs in donor reporting at the field level;
- (b) Monitor and review policy guidance on In-Kind Assistance for the acceptance, valuation and accounting treatment of non-cash contributions;
- (c) Continue the improvements seen during the last Plan period in implementing Cash Assistance to Government and monitoring of its liquidation. The harmonized procedures on resource transfer modality, which improve cash resource transfers, will reduce transaction costs;
- (d) Place more emphasis on continuous review and simplification of business processes and on providing technical guidance on finance and administration through regular meetings, training workshops, sharing of best practices, and increased interaction between headquarters and field offices;
- (e) Building on achievements in improving resource management systems, further improve the synchronization of headquarters and field systems, for better reporting and monitoring of financial resources.

293. **Support the UNICEF commitment to effective response in emergency situations** through: (a) addressing the financial and administrative needs for different emergency scenarios and ensure that plans and processes are in place for alternative financial and administrative management during emergencies; and (b) allocating core resources to provide staffing for emergency response teams needed to undertake initial assessments, work and coordination of actions.

294. **Optimize use of resources** by (a) achieving the right balance between the number of office locations and staffing structures for MTSP implementation, in part through guidelines on budget planning to ensure strong links between MTSP Focus Areas and office structure; and (b) continued decentralization to the regional level of the budget planning and review process and oversight functions; improved guidelines on Programme and Budget Reviews based on lessons learned from integrated budgeting will be provided to further streamline the process.

295. **Oversight through audits.** As a critical element of organizational oversight, the Audit function will continue to assess and analyze the effectiveness and adequacy of programme and operations management practices, governance processes and internal controls across countries and Headquarters locations. Through disciplined and systematic review, audits will consider the extent to which:

(a) Management is aware of and takes appropriate measures to control major internal and external risks to the achievement of MTSP targets;

(b) Resources are used effectively and efficiently;

(c) Staff and management actions comply with relevant rules, regulations, standards and procedures;

(d) Adequate governance and supervision structures are in place;

(e) Adequate and accurate programme, operational and financial information is available; and is used to measure and report on results against the MTSP target indicators and organizational standards.

296. Areas for ongoing review through audits include: basic programme management controls, financial controls, cash and supply assistance to government, contracts, fundraising and donor reporting, security procedures and staff/office safety, office management and basic information and communication technology.

C. Supply

297. UNICEF has a long history of supply support, both within country programmes of cooperation and, increasingly, as procurement services support to governments and

development partners. During the 2006-2009 period the Supply Function will seek to address specific challenges identified in recent years:

- (a) Essential commodities, both old and new (such as vaccines, medicines and micronutrients, long-lasting insecticidal bed nets, textbooks, and school supplies) continue to be beyond the buying capacity of many LDCs and need to be heavily subsidized from global sources;
- (b) Significant inefficiencies as a result of weak supply planning capacities, whether as part of national or sector development plans, PRS, SWAs, joint United Nations programmes or UNICEF country programmes;
- (c) Weak health and education systems in countries with limited financial and human resources cannot ensure supply chain security to the local level;
- (d) Quality problems (such as the proliferation of fake medicines) and poor distribution and use of products increase the cost of essential commodities;
- (e) Government capacities are often compromised, especially at the purchase level of the supply chain.

298. UNICEF's long-term perspective in the Supply Function is one of strengthening national capacity to meet the commodity needs of children—using both public and private sources, and through child-friendly budgeting. UNICEF will increasingly offer a mix of programme and procurement services to Governments as a unified basket of support that can have a positive impact on access by children and families to essential commodities and services. Ensuring widespread availability of essential commodities, especially for marginalized children and poor families, is fundamental to achieving and sustaining the Millennium Development Goals for children in all countries.

299. UNICEF will be an active partner in the United Nations Procurement Network, as part of the United Nations reform process, providing specialization in essential commodities for children (vaccines, injection devices, insecticidal bed-nets, anti-malaria medicines and paediatric anti-retrovirals for HIV-positive children), as well as equipment and supplies for basic education and rural/peri-urban water and sanitation services.

300. The **guiding principles** are to:

- (a) Maintain a global response to the sourcing, procurement, delivery and use of products;
- (b) Innovate to identify improved supply solutions for children;
- (c) Meet supply components of the CCCs in emergency situations;
- (d) Maximize technical support to UNICEF customers globally;

- (e) Share procurement know-how with development partners;
- (f) Maintain the highest ethical standards for procurement as a benchmark for public procurement;
- (g) Attain high product quality from reliable suppliers;
- (h) Make prices affordable to customers and provide suppliers with reasonable rate of return;
- (i) Attain on-time delivery;
- (j) Comply with UNICEF regulations and rules.

Strategies

301. **Monitor essential commodities:** Assessing and monitoring with governments and other development partners the accessibility and affordability of essential commodities, especially for marginalized groups of children and families; identifying and analyzing bottlenecks, including the impact of trade policy and taxation.

302. **Support access to essential commodities:** Advocating with governments and other development partners to budget resources in a child-friendly manner to meet commodity needs and to remove barriers that hinder access to essential commodities; applying commodity subventions wherever necessary; and advocating with industry to focus on commodities most needed by poor families.

303. **Strengthen capacities:** Supporting capacity improvements within governments to assess and monitor the accessibility and availability of essential commodities; to respond to the supply needs of children and families; and to manage the supply function, including product specification, demand creation, forecasting, funding requirements, purchasing, storage, distribution and use.

304. **Leverage resources:** Leveraging available resources from governments and development partners by providing procurement services that combine UNICEF's global procurement capacity with field office operational capabilities, ensuring effectiveness of in-country logistics arrangements (see also chapter VI, section C).

305. **Focus on critically-needed supplies:** Supplying critically needed supplies to UNICEF-supported programmes, and equipment and supplies needed in UNICEF administration.

306. Enabling actions behind the strategies will include:

- (a) **Knowledge management:** Maintaining and publishing up-to-date market intelligence on essential commodities for children; developing new supply solutions for emerging MDG-critical commodities; communicating achievements through website information and annual reporting;
- (b) **Capacity-building:** Increased focus on good supply planning, forecasting, funding, managing, distributing, monitoring and reporting—where possible consolidated into multi-year requirements; supporting increased government capacities in supply chain management;
- (c) **Partnerships:** Consolidating relationships with WHO, UNAIDS, UNFPA, the World Bank and Regional Development Banks to address both technical and procurement/ supply management issues; building alliances and partnerships with development partners for leveraging resources for essential commodities, including strengthening relations with Global Funds (GAVI, GFATM); advocacy with global and regional trade blocs (such as COMESA, SADC, ASEAN and others); enhancing industry relations for greater focus on essential commodities in poor countries, in the context of their enhanced social responsibility and including increased volumes of relevant, quality in-kind assistance;
- (d) **United Nations reform:** Establishing lead agency roles and increasing the level of common contracting within the United Nations system, within the harmonization process of United Nations reforms, specifically with UNDP, UNFPA, WFP, UNHCR and UNOPS; outsourcing non-essential commodities to United Nations agencies and selected distributors (transport, IT hardware, office supplies, communication equipment);
- (e) **Operations :** Establishing appropriate policies, procedures and systems; providing information on product price structures; reviewing procurement services handling charges; developing e-business solutions to improve efficiency and effectiveness; increasing local and regional procurement where quality products are available; monitoring key indicators for timely procurement and delivery of quality supplies; improving the level of emergency preparedness and response through stockpile hubs, increased staff capacities and in-country logistics guidelines; increasing the monitoring of end use of supplies with regard to their appropriateness, quality and effectiveness; upgrading of staff skills to meet new challenges.

307. In addition, UNICEF will continue to develop its global supply network (comprising the Supply Division and Central Warehouse in Copenhagen with offices in New York and Pretoria and stockpile hubs in Johannesburg, Dubai, Panama and a yet-to-be-determined location in East Asia). Capacity building of national partners will be a joint effort between UNICEF headquarters, regional and country offices and implemented through UNICEF-assisted country programmes as a critical element of promoting long-term sustainability in provision of essential commodities for children. In addition, UNICEF will support the “commodity lead agency” concept of the United Nations Procurement Working Group, and will continue to participate in easing or eliminating barriers to affordable access to essential commodities.

D. Information and communication technology management

308. The IT function seeks to add value to UNICEF's internal and external partners and customers by providing secure and "best in class" information management systems, networks, services and support based on strong leadership, credibility and IT know-how. It supports the achievement of UNICEF's MTSP targets by enabling the integration of IT with business processes, knowledge-sharing and providing innovative, effective, integrated and secure IT solutions. Success depends on an adequate balance of people, processes and technology to achieve the efficiency and effectiveness brought about by information and communication management.

309. IT plays a significant role in business process review and enablement, systems implementation, and knowledge-sharing to ensure that systems and services are aligned with UNICEF's strategies and objectives within the United Nations Reform process. It is a competitive differentiator that enables UNICEF to better achieve its objectives.

310. The **guiding principles** are:

- (a) Focus on simplification, standardization, modularity and integration of systems within an effective governance process;
- (b) All projects begin with a clear case presented and approved by other owners with an established budget and/or an agreed funding plan;
- (c) All IT activities will fall under one investment/budgeting management process where the number of systems, applications and underlying technologies will be streamlined in order to minimize the complexities of the IT environment and reduce overall costs;
- (d) An underlying IT infrastructure based on standardization, real time monitoring, availability and security is necessary in order to provide an IT function that is in support of the targets of the MTSP.

Strategies

311. The strategies to be employed depend on sound governance, management and development of the global IT infrastructure, collaboration with other divisions and internal partners, and working within the United Nations reform process. The strategic directions continue to be guided by field needs and global organizational priorities and policies and will be developed around the following areas:

- (a) Effect smooth technology change and improve customer focus and effective user service quality for Headquarters and the field;
- (b) Enhance, integrate, and support one set of integrated systems and web-based services;
- (c) Provide, enhance and support information management and sharing and collaborative work practices enabled by IT (Extranet, Intranet, Internet);

- (d) Provide, manage and sustain global network connectivity, keeping pace with technology;
- (e) Enhance, sustain and leverage a global common, cost effective and robust IT Infrastructure with adequate resilience;
- (f) Provide coherent global IT security awareness, policy, practices, and implemented technical and process solutions;
- (g) Provide leadership, direction, governance and effective resource management for the IT function of UNICEF and to upgrade its capacity to meet demand.

312. The objective is to provide organizational IT systems and an infrastructure that allow UNICEF to manage, share and utilize information in support of the MTSP targets and processes. The use of technology for collaborative work practices, knowledge-sharing documentation management and e-learning will continue to be adopted and will provide strategic value in support of and in promoting organisational priorities. Access to documentation and collaborative tools via the intranet will be improved to make the intranet more of a communication tool than a document repository. Collaboration with external partners to facilitate information-sharing will continue.

313. Improvements in Information Management will continue. The facilities used for oversight, monitoring, and reporting will see continuous improvement through the use of web-enabled tools, reporting and services. The IT function will work with business owners in defining and exploring innovations in knowledge-sharing and in the usage of portal(s) for information delivery.

314. The scope and definition of IT as a programmatic input will be defined during the first year of the plan. The initial focus will be on Education and Information Sharing; there will be a feasibility study in these two areas in order to understand the impact on IT as a programme input.

315. DevInfo constitutes an important support to the achievement of the MTSP targets, particularly in facilitating the availability of information on social indicators. The development, implementation and use of DevInfo will continue as an inter-agency project, led by UNICEF. Plans to expand the availability and use of DevInfo to be achieved during this MTSP include: a fully functional web-based product; support information sharing in emergencies; expand users to target children and youth; strengthen the processes at the country level for use of data for monitoring, planning and advocacy; standardization of the tool for data storage, access and dissemination of human development indicators.

316. Major initiatives, within the framework of United Nations Reform and inter-agency collaboration in alignment with the UNICEF IT Strategic Plan, will be further reinforced and expanded. The aim is to ensure that systems and services are in place to support and facilitate the reform process. This would involve the sharing of experiences and collaboration in specific areas as identified in the reform and harmonization and

simplification process. The foundation laid in 2002-05 in initiatives and best practices led by UNICEF (e.g. SAP-HR, DevInfo, ProMS, VSAT and emergency telecommunication standards) will be used to further develop this collaboration.

317. Efforts are underway to ensure accurate reporting of expenditures against the MTSP results framework. An updated coding system will be put in place to allow country offices to more accurately code transactions in ProMS to ensure better expenditure reporting. Reporting systems will allow local management of progress towards MTSP targets with Regional and global oversight.

318. Support to emergency situations will continue to be a core function of IT, to ensure the rapid establishment of appropriate information technology and telecommunications services, along with skilled IT staff in emergency areas.

319. With the growing utilization of IT and the interdependence of requirements from all parts of the organization, the need for a strong IT governance process to set priorities and make sustainable investments must be enforced, to align projects with other UNICEF requirements. Projects identified as investment projects in the current plan will continue to be supported as maintenance projects.

VIII. Resource implications, fund-raising strategy and targets

320. The MTSP provides a distinct opportunity for UNICEF and the National Committees to advocate and communicate with donors and partners about organisational objectives in support of the Millennium Agenda. Several challenges and opportunities have emerged since the previous MTSP, including the harmonisation and alignment initiative of the Development Assistance Committee (DAC) and United Nations reforms.

321. International donors are aligning themselves to more strategic actions—including around “good donor-ship” initiatives—that reflect a strong commitment to harmonise and bring more policy coherence to their role as funders of a multilateral development system. In the 2004 Triennial Comprehensive Policy Review (TCPR) it was emphasized that funding of operational development activities for the United Nations system should focus on long-term development and that core resources continue to be the bedrock of the United Nations system’s operational activities. The TCPR noted that core contributions to United Nations funds and programmes have begun to increase again. However, the gap between core and non-core resources in UNICEF has widened, and further efforts will be needed to change this trend. UNICEF will continue to analyze the situation and adopt proactive measures for fundraising in an increasingly complex environment.

322. In the context of increasing official development assistance and within this changing funding environment—including special global funds and direct budget support—UNICEF will pursue funding strategies that support common approaches to reducing transaction costs, streamlining operational processes and producing measurable results.

Fund-raising strategies

323. The success of the MTSP will depend in large part on regular and predictable growth of total income, especially regular resources. Regular resources (RR) allow UNICEF to distribute funds based on local needs and long-term objectives, rather than special interest. Through the allocation formula approved by the Executive Board, RR enable UNICEF to support national capacity development and to leverage wider resources for children. They are also essential to allow UNICEF to retain core managerial and technical capacities to strengthen systems development in monitoring and evaluation, learning and intellectual leadership related to the MTSP results. With adequate and predictable RR income, UNICEF will be in a better position to obtain and use additional “other resources” (OR) to extend programmes of cooperation and ensure planned results in agreed areas of priority for children.

324. The proportion of regular resources to total income has progressively deteriorated, causing the largest gap ever in 2004, when just 40% of total income was from RR, and 60% was OR (earmarked). To reverse this trend, UNICEF will advocate for increased RR at every opportunity.

325. UNICEF will continue to engage closely with donors to bring more consistency to funding approaches. Benchmarks, targets and indicators, to be developed with key donors, will be built into funding work-plans to increase RR and ensure adequate financing of the MTSP. At the same time, the effectiveness of regular resources will be assessed through the tracking and reporting of results achieved, including programme innovations and good practices made possible with core resources.

326. The multi-year funding framework provides a comprehensive framework for UNICEF to raise regular resources through the annual pledging event. However, since the first pledging event in 2000, only 22 % of an annual average of 60 donors that pledged have committed to providing contributions for more than one year. Multi-year commitments, particularly from major donors, are crucial to UNICEF for improving income predictability and stability, effective cash management and programme planning.

327. A related issue is “burden-sharing” among high- and upper-middle-income countries: contributions remain inequitable. RR contributions from the top 10 donors are nearly eight times greater than those of the next tier of ten major donors. The TCPDR resolved that donor and other countries are in a position to substantially increase their contributions to core budgets, and wherever possible, to contribute on a multi-year basis. A performance indicator to track burden-sharing, comparing top-ten government contributions to others, will be monitored and the information used to advocate for more even burden-sharing. (See Annex 2.

328. In addition to increasing RR, UNICEF will further encourage thematic contributions in this Plan period. Established as a modality in 2003, thematic funding (contributions for one of the MTSP focus areas or humanitarian response) has increased rapidly, resulting in greater efficiency. Thematic funds are designed to have fewer

restrictions on their use than most other resources, and also allow for longer-term planning. As a result, transaction costs are reduced and a lower recovery rate is applied.

329. Based on UNICEF's practical experience and known donor preferences, the concept of thematic funding will be further adapted and expanded during the 2006-2009 MTSP period.

330. The response to the 2004-2005 Indian Ocean tsunami crisis showed how thematic funding can make a difference in a large-scale emergency. A rapid response from the general public, private sector and governments enabled UNICEF to disburse over US\$35 million to the affected countries within the first week of the response. Field offices were able to make rapid use of thematic funds according to the needs of the affected population and without having to plan in the context of particular donors' interests. UNICEF will continue to encourage all donors to give more flexibly through thematic contributions.

331. The combination of uneven burden-sharing among top donors and the growing disproportion between RR and OR during the 2002-2005 Plan period led to increasing UNICEF reliance on raising "other resources" for programmes. UNICEF will use every opportunity to stress the importance of simple agreements and flexible funding with donors in capitals and at local levels. UNICEF will also negotiate contributions using standard agreements when available. An indicator to monitor increases in the use of standardised agreements will be tracked as a proxy for transaction costs and flexibility of contributions. Advocacy, dialogue and collaboration with donors will be deepened to establish and reach benchmarks and targets to address challenges.

332. The private sector, particularly through the 37 National Committees for UNICEF, will continue to be a very important source of UNICEF's fundraising. Relationships with non-traditional donors, particularly in Asia and the Middle East, will be cultivated to build ties for the medium and long-term. New fundraising approaches, such as the global campaign on HIV/AIDS and Children will be undertaken, and experiences assessed for modelling. Resource mobilisation targets for each Focus Area and by year will be established to encourage realistic global strategic planning for meeting the financial requirements of the MTSP. Country offices will receive support in managing donor and other contributions, with an emphasis on using a range of funding options, including through joint and common programmes and CAPs.

Diversifying UNICEF's funding partners

333. The Indian Ocean tsunami emergency brought forward a response from a range of new donors, including national partner governments, private sector companies and associations. Such donors are a key element of an integrated and strategic approach to UNICEF fundraising for this Plan period. Relationships with these new partners will be fostered as ongoing allies, advocates and actors for children. As discussed in chapter VI, section C, UNICEF will explore the potential scope of further leveraging of resources with the private sector.

334. The close linkage between the Focus Areas of this Plan and the Millennium Development Goals will enable UNICEF to engage more strategically, within its areas of comparative advantage, with international financial institutions, particularly the World Bank. Building on successful models of United Nations joint programming, UNICEF will continue to support the increasing types and instances of collaborative approaches with United Nations agencies, donors, civil society and the private sector.

335. New opportunities will also be pursued through funding mechanisms—such as GAVI, GFATM, GAIN and other public-private partnerships—to mobilise further support for the MTSP Focus Areas. Despite multiple challenges that arise for United Nations agencies, particularly in channelling of and access to such funds, these mechanisms are driven by child-focussed goals that are unquestionably of direct interest to UNICEF. UNICEF will continue to engage strategically with these funds to coordinate and complement approaches, and to ensure that the funding base of UNICEF and other United Nations programmes remains strong.

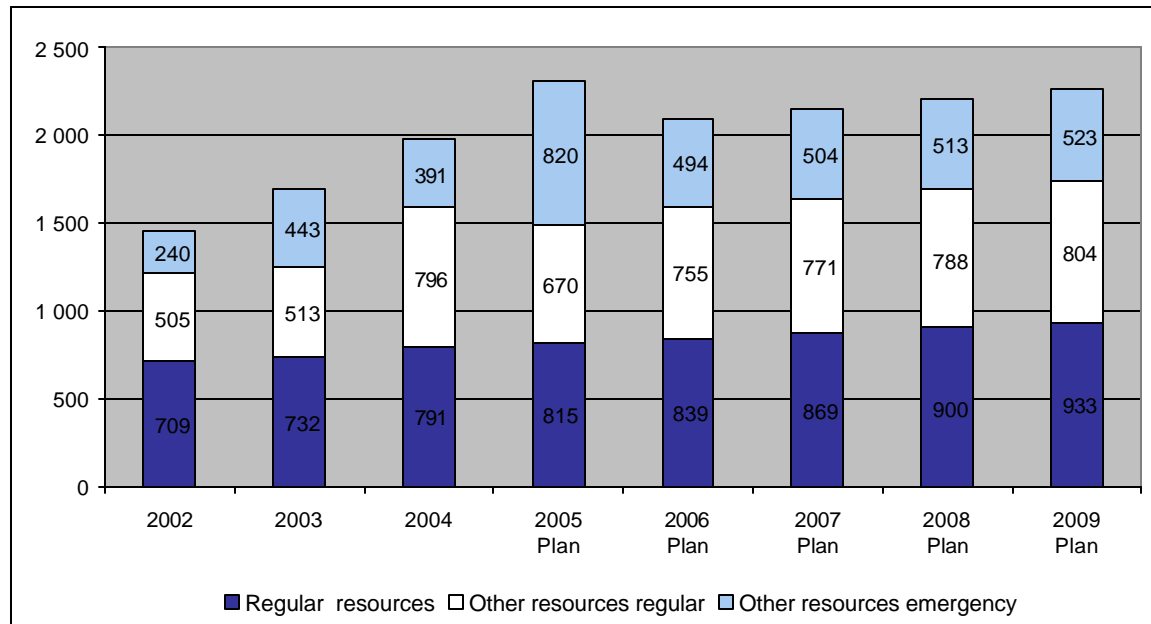
Income trends in the last Plan period

336. Total contributions to UNICEF over the period 2002-2004 grew by 36% (or an average of 12% per year); from US\$1,454 million to US\$1,978 million. During the same period, regular resources grew by 12% (or an average of 4% per year), other resources/regular (ORR) by 57% and other resources/emergency (ORE) by 63%. Complex emergencies and natural disasters continued to attract donor attention. Most of the large-scale, Tsunami-related emergency contributions will be reflected in 2005 records. The favourable exchange rate when translating major donor currencies to the US dollar, particularly in 2003 and 2004, contributed significantly to UNICEF income during the period. The average annual growth rate from 2002 to 2004 for total contributions was 16%, against the forecast of 2% annual growth for the period in the Financial Plan.

Funding targets

337. An organization-wide effort to increase the level of core resources is a high priority. Separate targets for RR, OR-R and OR-E are thus proposed, as reflected in figure 1 below.

Figure II. Funding targets for regular resources and other resources
(2002-2004 actual, 2005-2009 estimates; in millions of US\$)



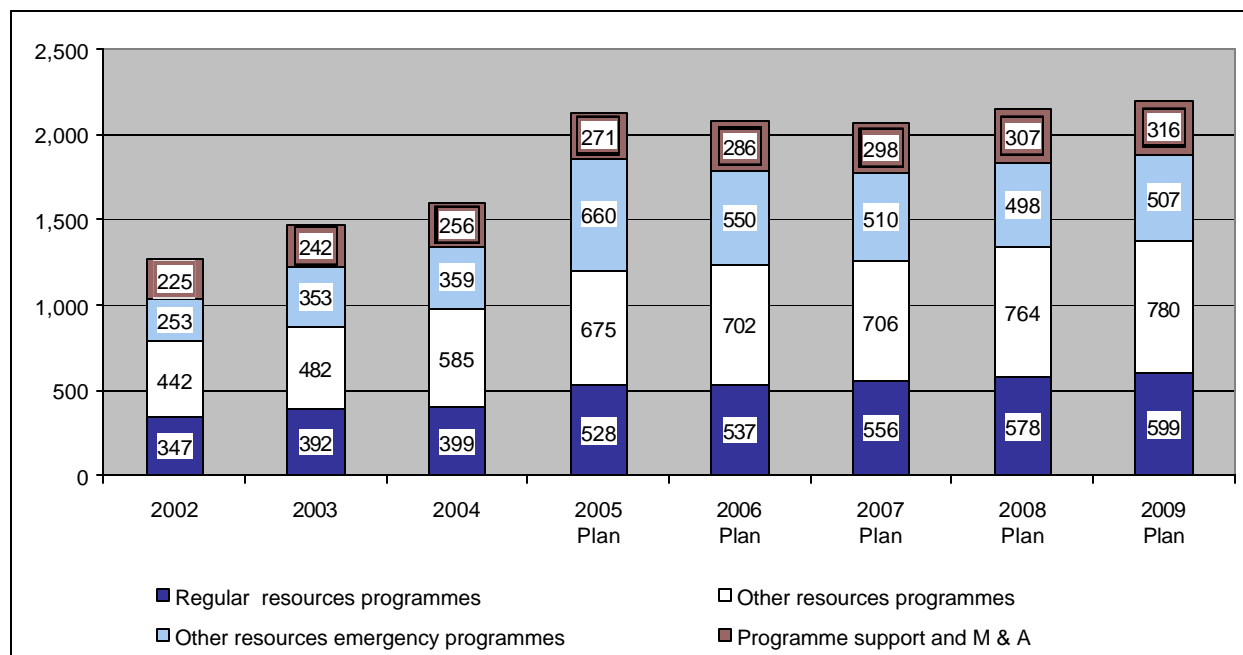
338. Figure I charts the actual contributions for the years 2002-2004 and the projections for 2005-2009. Section H provides detailed information on contribution projections, projected expenditures and other information on cash balances and liquidity projections.

339. UNICEF total contributions for 2005 are projected to be \$2,305 million. The target for the last year of the 2006-09 MTSP is \$2,260 million. The historical growth trends are expected to continue, with an exceptional one-time peak in 2005 resulting from significant Tsunami-related ORE contributions.

340. A 3% growth rate is projected for regular resources contributions for 2005 and 2006, increasing to 4% for 2007-2009, and projected to reach \$933 million by 2009. The projection takes into account the pledges received for 2005, estimates resulting from consultations with donor governments and UNICEF National Committees and the interest rate and the exchange rate environment expected to prevail over the Plan period. Regular resources are projected to remain below the organizational target of 50%, falling to 35% of total income in 2005, due to the growth in OR-E contributions, and remaining in the 40-41% range for the duration of the MTSP period. While the projection of RR growth rate in this Plan is a conservative one, it is UNICEF's fervent hope that the actual growth will exceed this projection.

341. Other resources contributions are also projected to grow steadily during the Plan period. Within the previous overall growth trend, there has been significant volatility from year- to-year. Other resources are projected to reach \$1,327 million by 2009, registering a decline from the exceptional 2005 projections but maintaining the overall historical growth trend. UNICEF expects the share of contributions from inter-organizational arrangements, including under the Joint Programmes modality, to continue to increase during the plan period.

Figure III. Projected expenditure for support budget, RR-Programme and OR-Programme (2002-2004 actual, 2005-2009 estimates; in millions of US\$)

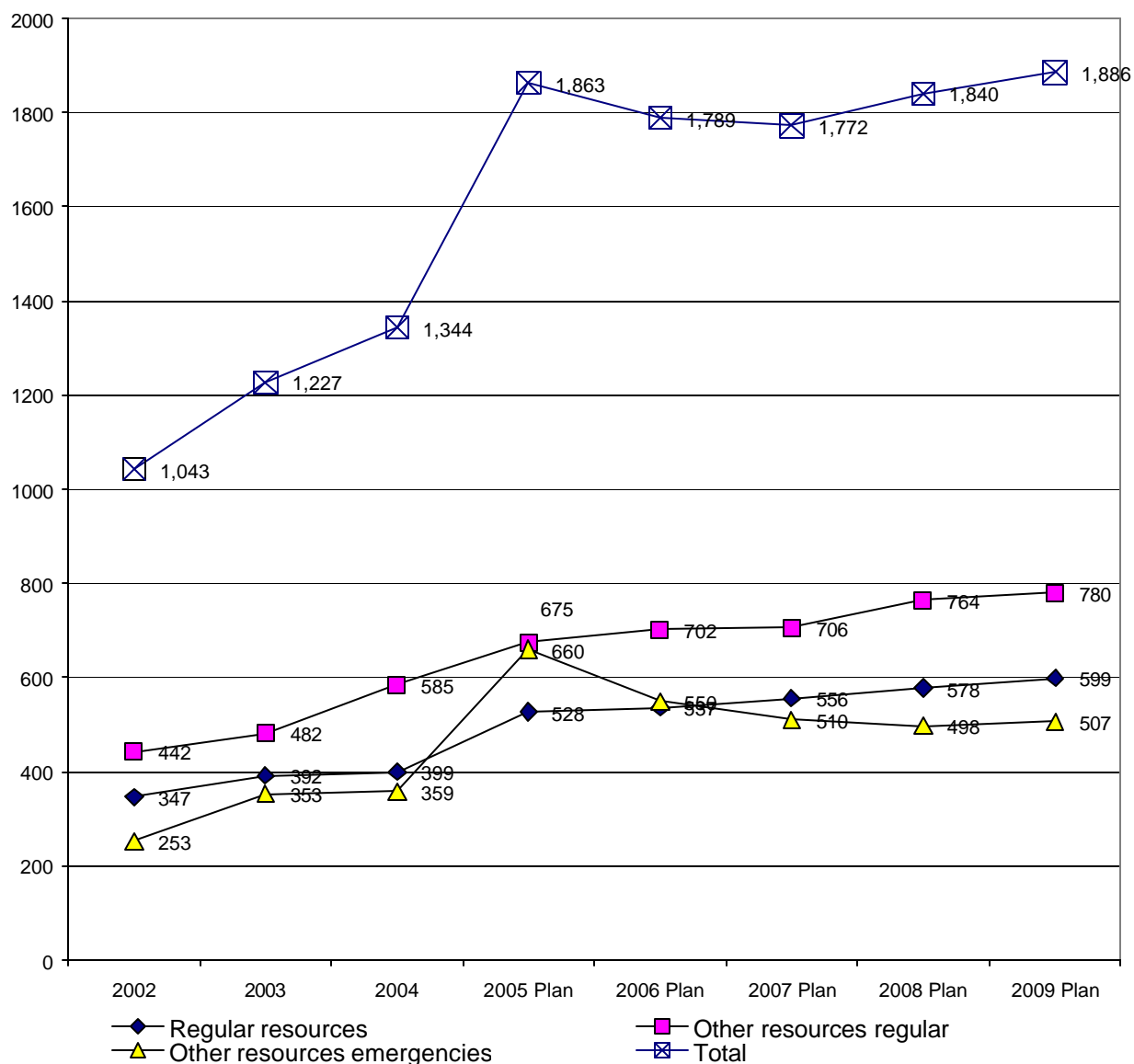


342. Expenditures in 2005 are expected to be 33 % above those of 2004, due to the circumstances caused by the tsunami disaster. In addition to the growth in other resources, significant growth in regular resources programme expenditures is projected for 2006-2009, with additional regular resources being made available for unfunded OR-approved programs. The support budget (programme support, management and administration, policy and quality assurance) is also expected to increase, in part to cover mandatory costs related to security compliance and emergency preparedness.

Direct programme assistance expenditure

343. Programme assistance expenditure increased steadily in the last MTSP period, reaching \$1,344 million in 2004 (see figure 3). This was due to appreciable growth in income for all three sources: Regular Resources, Regular Other Resources, and Emergency Other Resources.

Figure IV. Direct programme assistance expenditures by source
(2002-2004 actual; 2005-2009 estimates; in millions of US \$)



344. Through this expenditure, UNICEF continued to support countries in stable, transitional and emergency situations to fulfil the rights of children and achieve the goals of the Millennium Declaration. Programme spending on emergencies, in particular, reflected large-scale challenges (e.g. in Afghanistan, Iraq, and Sudan) and in 2005, the major response to the Indian Ocean tsunami.

345. As shown above, direct programme assistance expenditure is projected to increase further to \$1,886 million in 2009. Within this, expenditure from RR is projected to increase to \$599 million, representing 32% of direct programme assistance expenditure, compared to 30% in 2004. As per Executive Board Decisions 1997/18 and 2003/13, UNICEF will

maintain an allocation of at least 50% of programme RR to sub-Saharan Africa and at least 60% to LDCs.

346. Within projected RR direct programme assistance expenditure, UNICEF will maintain throughout the 2006-2009 Plan period a share for the Young Child Survival and Development Focus Area that is at a level similar to the estimated 2004 combined shares for the Early Childhood Development²³ and Immunization-Plus priorities of the previous plan (i.e., 46%).

347. UNICEF will also maintain RR shares for other Focus Areas in the 2006-2009 Plan period similar to their equivalent levels under the previous Plan, estimated for 2004 at 21% for Basic Education and Gender Equality, 12% for HIV/AIDS and Children and 9% for Child Protection. The share of RR programme assistance spending in the First Call for Children Focus Area is projected at 11%, including a range of activities already receiving support in the previous Plan period.

348. The pattern of future Other Resource (regular and emergency) income and spending is projected to increase significantly above its planned share of RR the share of *total* programme assistance expenditure for young child survival and development, to an estimated 52%. Increased resource mobilization from the Global Campaign on HIV/AIDS and Children is expected to increase the total expenditure share of this Focus Area to at least 14%. The Basic Education and Gender Equality Focus Area is projected to have an overall expenditure share of 18%, and Child Protection an overall share of 9%. While the First Call for Children Focus Area will also seek significant OR flows, its projected share of total programme assistance expenditure is 6% during the Plan period. Other expenditures, beyond the five Focus Areas, are projected at 1% of both RR and the total.

Reporting

349. Reporting will focus on performance against the expected results. Timely submission of donor reports, narrative and financial per agreed date by the donor, will be tracked (see Annex II). Related systems enhancements will be undertaken to support the automation of such information. In addition, UNICEF will continue to organize joint or bilateral consultations with donors to promote in-depth dialogue on different areas.

350. Financial systems such as the grants module in SAP will be implemented to provide the necessary financial integration between headquarters systems and field offices, including real-time financial tracking and coherent and consistent reporting. Simplified work processes among headquarters divisions will be instituted to ensure a fluid connection among various programme and operational functions within the organisation. Systems and iterative work processes will be developed in a strategic and comprehensive manner, integrating all stages of the funding and contributions management processes—with the primary aim of reducing transaction costs and delivering collaborative programme results, in the spirit of DAC harmonisation and alignment.

²³ Not including Birth Registration, estimated at 2% of RR programme expenditure.

IX. Financial medium-term strategic plan for the period 2006-2009

351. The UNICEF financial plan incorporates the best estimates of future regular and other resource income and is used to: (a) plan affordable levels of regular resources programme expenditures; (b) determine the budgetary estimates necessary to support programme expenditures; and (c) manage the liquidity requirement established by the Executive Board.

Process

352. The financial plan projects income based on pledges and indications received during the pledging event, recent trends in contributions, fund-raising objectives of the Programme Funding Office and the work-plan of the Private Sector Division (PSD). Projected expenditures are based on data relating to the outstanding amounts of approved programmes, plus estimated expenditures on future programmes. Programme and budget plans, implementation experience and available resources provide the basis for the yearly phasing of expenditures.

353. The Executive Board approves budgets for country programmes of cooperation and the support budget for financing from regular resources. UNICEF's biennial support budget cycle is reviewed by the Executive Board every two years. UNICEF prepares estimates for country programmes of cooperation to cover a longer period, according to the national planning cycles, and in harmony with other members of UNDG.

354. Total programme expenditures from regular resources, projected in the present plan, are based on forecasts of future regular resources income. Future country programme expenditures from regular resources are based on planning levels established on the basis of the modified system for allocation of regular resources for programmes approved by the Executive Board in 1997 (E/ICEF/1997/12/Rev.1, decision 1997/18). A report on the utilization of regular and other resources will be reviewed by the Board at its second regular session of 2005.

355. Except in specific circumstances approved by the Executive Board, spending from other resources begins upon receipt of pledges for other resources programmes previously approved by the Executive Board or, in the case of emergencies, as part of the Consolidated Appeals Process.

356. Actual amounts of income and expenditure can differ from projections because:

- (a) Income is dependant on voluntary contributions ;
- (b) The rate of expenditures can be influenced by a number of factors, many of which are beyond UNICEF's control;
- (c) Exchange-rate fluctuations add significant uncertainty to income and

expenditure projections.

357. UNICEF does not have borrowing authority to cover potential differences from planned income and expenditures. If RR income is lower than estimated, the main regulators of expenditures are:

- (a) Adjustment of the amounts of new programmes submitted to the Executive Board for approval;
- (b) Reduction of the existing support budget;
- (c) Adjustment of the rate of expenditures on already approved programmes.

358. Since the effect of these regulators operates with a time lag, UNICEF must maintain a certain amount of cash as a liquidity provision. In addition to providing a cushion for planning contingencies, the liquidity provision covers the cash flow imbalance that often occurs in the first quarter of the year, when disbursements can exceed receipts for regular resources. To meet this requirement, the UNICEF liquidity policy recommends a minimum year-end RR convertible cash balance equal to 10 % of projected regular resources income for the following year. This financial plan sets planned RR expenditure at a level that guarantees compliance with this target. In its decision 2003/8 (E/ICEF/2003/9/Rev.1), the Executive Board decided that UNICEF should continue to manage its liquidity in accordance with the current policy. It should be noted that firm and indicative pledges and early payments by Governments, in accordance with decision 1999/8, enhance the predictability of the availability of resources.

359. To minimize the negative impact of uncertainties about income on programme implementation, UNICEF continuously reviews progress against the plan, identifies deviations and prompts corrective action as necessary. In this framework, UNICEF updates the Financial Plan each year on a "rolling basis" to reflect the most current income estimates. UNICEF uses the revised estimates to update the annual expenditure phasing and to determine the level of estimated programme cooperation to be prepared for the following years.

360. This Plan will enable the Executive Board to review UNICEF's financial performance in 2004 and see updated income projections. In this framework, the plan also provides the Executive Board with a basis for deciding the total level of affordable programmes to be submitted in 2006. The current financial plan is part of the MTSP for 2006-2009, and also covers 2005 financial plan projections.

Performance in 2004 compared with the previous financial plan

361. Figure 4 provides a comparison between the actual results for 2004, the projections of the financial plan and the 2003 results.

362. Total contributions to UNICEF in 2004 amounted to \$1,978 million, compared to 2003 contributions of \$1,688 million. The overall increase of \$290 million results from substantial growth in other resources (regular) and contributions from governmental and private sector sources. Compared with 2003, 13 major government donors increased their contributions by 7% or more. Total contributions in 2004 were 17 % higher than forecast by the financial plan.

363. In 2004, as in previous years, UNICEF derived its contributions principally from two sources: Governments and intergovernmental organizations, which contributed \$1,339 million (68 %) of the total; and non-governmental or private sector sources; which provided \$578 million (29 %), the majority of the latter was raised by UNICEF National Committees. The “other income” category (including interest income and miscellaneous sources) amounted to \$61 million or 3% of 2004 contributions. The share of contributions from government sources increased by 1% in 2004 compared to the previous year.

364. The increased contributions for 2004 are largely the result of a \$283 million increase in contributions to other resources (regular) and a \$35 million increase in government contributions to regular resources driven by a favourable foreign exchange rate. The increase in other resources (regular contributions) was partly offset by a \$52 million reduction in other resources--emergency contributions from governmental sources. As occurred in 2003, UNICEF benefited from exchange rate gains when translating contributions made in major donor currencies into United States dollars.

Contributions: Regular Resources

365. Total 2004 regular resources contributions were \$791 million, \$59 million more than the \$732 million received in 2003, and \$26 million more than projected in the financial plan presented to the Board in 2004.

366. In line with the harmonized budget presentations of the United Nations Development Programme, the United Nations Population Fund and UNICEF, certain biennial support budget costs (including income tax reimbursement and government contributions towards local costs) amounting to \$8.9 million in 2004 have been subtracted from total contributions to arrive at the 2004 income. For 2003, the amount subtracted was \$8.4 million.

367. Government contributions to regular resources were 3% (\$13 million) higher than the financial plan forecast and 9% (\$35 million) higher than 2003 results. Regular resources from the private sector (primarily through UNICEF National Committees and including inter-organizational arrangements) remained at 2003 levels (\$292 million) and were 4% (\$13 million) lower than forecast in the 2004 financial plan.

368. Other income (categorized as regular resources), comprising interest income, miscellaneous income and currency adjustments was higher by \$24 million in 2004. The interest income subcategory registered a growth of \$10 million and the miscellaneous income subcategory was higher by \$20 million, reflecting adjustments resulting from the cancellation

of outstanding budgetary obligations as required by UNICEF financial rules and regulations. Income due to currency exchange adjustments decreased by \$6 million.

369. In spite of the overall 17% increase in income in 2004, the ratio of regular resources to total contributions further deteriorated to 40% (from 43% in 2003 and 47% in 2002). This ratio compares unfavourably with the financial plan forecast ratio of 45%. The 2004 ratio of regular to other resources was affected by growth in other resources (regular) contributions.

Contributions: other resources

370. Total other resource contributions (both regular and emergency) for 2004 amounted to \$1,187 million, an increase of 24% (\$231 million) over 2003 and of \$267 million (29%) in relation to projections. Other resources-regular contributions registered a 55% increase in comparison to both 2003 results and the financial plan. Other resource-emergency contributions decreased by 12% (\$52 million) compared to 2003 results and by 3% compared to the financial plan. In part, this decrease can be explained by contributions made for Iraq operations, which are classified as “rehabilitation” (development) rather than emergency.

Contributions: sources of funding

371. Tables 2 and 3 provide summary information on contributions by type and source of funding for 2003 and 2004 and planned amounts as presented to the Executive Board in 2004 (E/ICEF/2004/AB/L.4).

Table 2. Contributions to UNICEF by type and source of funding, 2003-2004
(in millions of US dollars)

<i>Source of Contribution</i>	<i>2004</i>	<i>2003</i>	<i>2004</i>	<i>Increase over 2003</i>		<i>Increase over financial plan</i>	
	Actual	Actual	Planned	\$	%	\$	%
Regular resources							
Government	438	403	425	35	9%	13	3%
Private sector	292	292	305	0	0%	-13	-4%
Other	61	37	35	24	65%	26	74%
Subtotal	791	732	765	59	8%	26	3%
Other resources – regular							
Government	591	351	350	240	68%	241	69%
Private sector	205	162	165	43	27%	40	24%
Subtotal	796	513	515	283	55%	281	55%
Other resources – emergency							
Government	310	382	345	-72	-19%	-35	-10%
Private sector	81	61	60	20	33%	21	35%
Subtotal	391	443	405	-52	-12%	-14	-3%
Total	1978	1688	1685	290	17%	293	17%

Table 3. Contributions to UNICEF by source and type of funding, 2003-2004
(in millions of US dollars)

<i>Source of Contribution</i>	<i>2004</i>	<i>2003</i>	<i>2004</i>	<i>Increase over 2003</i>		<i>Increase over financial plan</i>	
	Actual	Actual	Planned	\$	%	\$	%
Government	1339	1136	1120	203	18%	219	20%
Private sector/non-government	578	515	530	63	12%	48	9%
Other	61	37	35	24	65%	26	74%
Total	1978	1688	1685	290	17%	293	17%

Expenditures

372. In 2004 UNICEF's total expenditures, including write-offs, amounted to \$1,606 million, an increase of \$126 million over 2003 (\$1,480 million). Of these expenditures, \$1,508 million (94%) was for country programmes of cooperation (\$1,344 direct programme assistance and \$164 million programme support), \$92 million (6%) for internal management

and administration, and about \$6 million (0.4%) for write-offs and other charges.

373. Direct programme assistance of \$1,344 million showed a 9% increase over 2003 (\$117 million) but was \$44 million below the 2004 forecast. Total support budget expenditure was \$14 million higher, reflecting resources provided to cover the mandatory costs in relation to security compliance and emergency preparedness and the continuation of work in relation to United Nations reform and further integration and improvements in global information technology (IT) systems. Support budget expenditures, however were \$3 million less than forecast by the financial plan.

374. Expenditure details by source of funding are displayed in the attached tables 1-3.

Cash balances

375. The 2004 year-end cash balance (excluding \$286 million in trust funds for procurement services and other activities) was \$1,047 million; \$375 million more than the 2003 balance. The increase in cash balances in 2004 resulted largely from the growth in income, and also reflects the differential between income and programme expenditures for the year. Contribution receivables and others accounts receivables remained relatively stable, and thus did not contribute significantly to cash balances—unlike 2003. (See figure H.3 for information on cash balances from 1996-2004 (actual) and 2005-2009 (planned)).

376. The RR cash balance at the end of 2004 was \$329 million, consisting of \$318 million in convertible currencies and \$11 million in non-convertible currencies; \$89 million more than projected. The 2004 OR cash balance was \$718 million, \$275 million more than projected.

377. As per Executive Board Decision 2003/11 (E/ICEF/2003/9/Rev.1), a reserve of \$30 million was established in 2003 to cover contingent liabilities arising from after-service health insurance for staff. The reserve was established following a recommendation made by the United Nations Board of Auditors that a funded reserve cover contingent liabilities, in conformity with good practices in this area, including within the United Nations system. As per the above referenced Board decision, the funded reserve for this insurance was increased by \$10 million in 2004. UNICEF continues to monitor this reserve and to consult with other United Nations agencies to ensure adequate planning in this area.

378. In addition to income and expenditures, movements in non-cash assets and liabilities on the balance sheet also affect year-end cash balances. Increases in assets reduce cash balances, while increases in liabilities increase cash balances.

379. For regular resources cash balances, changes in non-cash assets and liabilities reduced the cash availability by \$4 million during the year. For other resources, the net effect on cash balances of all changes in non-cash assets and liabilities was a reduction of \$17 million in cash.

380. Other accounts receivables, amounting \$335 million, are the largest non-cash assets on the UNICEF balance sheet. Receivables from the National Committee are the largest subcomponent of this item which showed a reduction of \$8 million in 2004 compared to 2003. Contributions receivable (the second largest non-cash item), increased marginally, by \$6 million, to \$275 million only despite increased contributions from governments representing better timing of remittances from Governments.

381. UNICEF inventories consist of the Supply Division warehouse at Copenhagen and PSD stock. The Supply Division uses inventory to meet the requirements for standard supply and equipment items for UNICEF programmes (both regular and emergency) as well as for procurement services. At the end of 2004, inventories were valued at \$26 million, representing a decrease of \$5 million from 2003.

382. Contributions for following years received in advance appear as a liability on the UNICEF balance sheet. At the end of 2004, other resources contributions received in advance amounted to \$7.8 million.

Financial plan for 2005-2009

383. A comparison of this year's financial medium-term plan to last year's plan is shown in table 1.

384. 2005 income and expenditure projections vary significantly from historical trends, as a result of tsunami-related contributions and programmatic activities. An upward trend is projected for total planned programme expenditures for 2006-2009, with 2006 especially showing a higher programmatic expenditure level (reflecting continuation of relief and rehabilitation expenditures in Tsunami-affected countries). The higher projected expenditures result from the anticipated increase in RR income, availability of OR and improved absorption capacities of programme countries, as evidenced by programme expenditure trends in 2003 and 2004 and expenditure levels registered in the first six months of 2005, especially for Tsunami response.

Income projections for 2005-2009

385. Table 3 shows, *inter alia*, income projections from various sources for the period 2005-2009. These projections are set for planning purposes and do not imply a commitment by individual donors since all contributions to UNICEF are voluntary.

386. The financial plan forecasts total income of \$2,305 million for 2005, an increase of \$327 million compared to actual results for 2004. This figure takes into account the already realized significant OR-emergency contributions related to the Tsunami. After 2005 a reduction in other resources (emergency) contributions is anticipated.

387. As a result of the tsunami disaster, 2005 will be an anomalous year during the 2005-2009 plan period. Although the contribution growth is expected to continue, for the year 2009, the last year of the MTSP, the contributions are expected to be less than 2005, but still

14% higher than 2004. Regular resources are expected to constitute about 41% of the aggregate contributions.

Regular Resources Income

388. Table 2 shows the various sources of regular resources income which can be broken down as follows:

(a) **Government contributions.** A total of 50 Governments pledged at the United Nations Pledging Conference and the UNICEF pledging event held during the first regular session of the Executive Board in January 2005. Of the 50 countries that pledged, 13 increased, 28 maintained and 1 decreased their pledges, with 7 resuming their pledges and 1 pledging for the first time. Nineteen were high-income, 21 were middle-income and 10 were low-income countries. The pledges for 2005 regular resources amounted to \$255.7 million, \$1.6 million less than the total pledged for 2004. UNICEF projects regular resources contributions from Governments to be \$455 million for 2005, an increase of \$17 million (3%) over the previous year. The plan forecasts an increase of 3 % again for 2006 and then 4 % growth for the remaining years in the plan duration.

(b) **Private sector contributions.** The projections reflect a revised estimate of the PSD work plan (E/ICEF/2005/AB/L.1), which was approved by the Executive Board at its first regular session of 2005, and the forecast of contributions from non-governmental organizations (NGOs). Net income from the private sector includes proceeds from the sale of greeting cards and other products, private sector fund-raising and the contributions from NGOs. The financial plan forecasts private sector income of \$305 million in 2005, an increase of 4.5%, and average annual increases of 5% for the period 2006-2009.

(c) **Other income.** Other income consists mainly of interest income, gains/losses as a result of exchange rate movements and other miscellaneous items. Other income is forecast to be \$55 million in 2005 and \$50 million per year for 2006-2007 - levels which account for the fact that interest income is likely to be positively influenced by the improving interest rate environment. The gains in interest income are expected to be offset to a certain extent by the improving United States dollar outlook compared to major donor currencies.

Other resources income

389. UNICEF receives contributions for OR for programmes and for emergency relief. Table 2 shows the forecast of these contributions separately. Significant growth is projected for OR-emergency in 2005.

390. OR contributions, especially for relief and rehabilitation activities, remain difficult to project, and thus represent the most volatile component of UNICEF contributions. After a dip in 2006 following 2005's Tsunami-related contributions, historical growth trends are expected to resume, resulting in a likely 2% annual growth between 2007-2009.

391. OR-regular projections are expected to increase gradually during the plan period, but the trend is not linear because of extraordinary growth in 2004 (significant contributions to Iraq classified as OR regular). In 2005 other resources (regular) income is expected to be \$126 million lower (16%).

392. Other resources (emergency) contributions are expected to increase by \$70 million from governmental sources in 2005. The private sector response to the tsunami is expected to bring in \$430 million in 2005 a significant increase of \$363 million compared to 2004 results. Overall, other resources (emergency) contributions are expected to be 110% higher in 2005.

393. Thematic contributions are expected to continue to be an important component of the other resources contributions. No specific targets, however, have been established for the thematic component within the other resources category. The organization, however, continues to encourage thematic other resources to reduce the transaction costs and make more resources available for direct programme assistance. The thematic funding modality introduced in 2003 grew from \$29 million in 2003 to \$158 in 2004.

394. Due to increasing contributions through the inter-organizational arrangements, including those related to joint programming initiatives, this sub-category is being separated from the private sector/inter-organizational arrangements group in the prior years. Inter-organizational arrangements are expected to bring in \$75 million in 2005, a significant increase from 2004, largely resulting from agreements with the World Bank, the United Nations Foundation and the joint programmes.

Liquidity

395. The UNICEF liquidity policy recommends a minimum year-end regular resource convertible cash balance equal to 10% of projected regular resources income for the following year. The proposed financial plan sets planned regular resources expenditures at a level that ensures continuous strict compliance with this requirement, as shown in table 5.

396. Programmes funded from other resources are normally fully funded before implementation begins; therefore, the cash balance for other resources is higher than for regular resources. The year-end cash balance can vary widely depending on the timing of the receipt of funds and the implementation of programmes. For example, if large cash contributions are received late in the year, the year-end cash balance will be high because most of the spending on the related programmes will occur in the following year.

397. With the current funded reserve for the after service health insurance costs at \$40 million, UNICEF is proposing an increase of \$20 million each for 2005 and 2006 and then \$10 million each year from 2007-2009. This proposal is in line with a recommendation by the Board in its report (A/57/5/Add. 2) for the biennium ended 31 December 2001 that UNICEF provide in the accounts a funded reserve to cover contingent liabilities arising from after-service health insurance for staff (as well as the Board decision authorizing the establishment of the funded reserve in 2003). UNICEF continues to monitor the adequacy of

the reserve amount and considers the amounts proposed for the plan period a right step towards addressing the level of contingency estimated at \$266 million as at 31 December 2003 (the date for which the last actuarial valuation was undertaken).

Projected programme expenditures

398. At the beginning of 2005, the unspent balance of approved regular resources programme commitments was \$1,167 million, planned for implementation from 2005 onwards (see table 3 and accompanying footnote).

399. Regular resources programmes proposed to the Executive Board in 2005 amount to \$761 million. The plan provides for the preparation of \$702 million of regular resources programme proposals for approval by the Executive Board in 2006. The levels of planned programme expenditure will be continuously adjusted based on updated information about projected income.

400. The 2005-2009 level of planned spending is in line with the goal of maximizing programme expenditures while maintaining RR liquidity. The estimated yearly phasing of expenditures on approved, new and future programme recommendations is shown in table 3.

401. The plan proposes RR programme expenditures of \$528 million in 2005, \$78 million more than originally planned reflecting increased RR allocation to country programmes in 2005 and the commensurate increase in the implementation rates. Planned programme expenditures for 2006, 2007, 2008 and 2009 are \$537 million, \$556 million, \$578 million and \$599 million respectively. These levels take into account the objective of optimizing use of resources within the bounds of income and sound liquidity management and are also subject to actual regular resource income in the plan period.

402. The unspent balance of programme cooperation from other resources was \$1,052 million at the end of 2003 (\$792 million/regular and \$260 million/emergency). The financial plan forecasts that other resources programme expenditures will be in line with the expected income and available resource levels for 2005 through 2009, with a sizable component of Tsunami-related resources programmed in 2006 and 2007.

403. Based on income projections in the plan, total expenditures (net of reimbursement costs) for 2005 and 2006 are forecast to be \$2,148 million and \$2,089 million, respectively. The financial plan forecasts total programme expenditures to be \$2,084 million in 2007, almost the same level as 2006, increasing to \$2,161 million in 2008 and \$2,216 million in 2009. However, actual spending will be adjusted in line with the level of achievement of income projections set in the present plan.

404. The current financial plan forecasts that following the 6% increase in the support budget in 2005 (largely due to security-related allocations, but also to account for increased programmatic support). The projections take into account higher other resources expenditure levels and increased recovery offset following the adoption of the new UNICEF recovery

policy. The additional recovery income offsets the growth in the support budget expenditures thus maximizing the funds available for programme assistance.

Assets and liabilities

405. As explained above, movements in non-cash assets and liabilities affect year-end cash balances. Line 4 of attached tables 4, 5 and 6 shows the anticipated effect of such movements.

406. At its 1990 regular session, the Executive Board approved a capital asset fund to be used for field office accommodation and staff housing (E/ICEF/1990/13, decision 1990/26). At the end of 2004, \$11 million remained in the fund.

407. All the above items—contributions/income, expenditure and liquidity—are summarized in table 4, with a breakdown of regular resources in table 5 and other resources in table 6. Figures II through V show actual and forecast financial information by source of funds.

Trust funds

408. Trust funds are earmarked resources entrusted to UNICEF from various sources, including Governments, other United Nations organizations and NGOs, mainly to cover the cost of procurement of supplies and services undertaken by UNICEF on behalf of other development partners. They also include financing provided by sponsors to cover the costs of Junior Professional Officers.

409. As per Regulation 5.3 of the UNICEF Financial Regulations and Rules, trust funds are not considered UNICEF income and are recorded separately and distinguished from funds that are part of income and spent for Board-approved programmes.

410. Procurement services activities continue to be an important component of the trust fund accounts. The amount disbursed from trust fund accounts for procurement services was \$379 million in 2004 (\$175 million more than 2003). The disbursement from other trust fund activities was \$200 million (\$85 million less than 2003). Participation in the Global Alliance for Vaccine and Immunization initiative accounted for \$117 million of these disbursements. Table 7 reports on trust fund activity in 2004 and projects receipts and disbursements for the plan period. Overall, in 2004, UNICEF received \$591 million for these trust accounts, while disbursements and obligations amounted to \$579 million.

Table 4. UNICEF financial plan: changes from prior plan
(In millions of United States dollars)

	2004	2005	2006	2007	2008	2009
Regular resources income						
2004 medium-term financial plan	765	788	811	839	863	n/a
2005-medium-term-financial plan	791	815	839	869	900	933
Change	26	27	28	30	37	n/a
Percentage change	3	3	3	4	4	n/a
Regular resources programme expenditures						
2004 medium-term financial plan	450	450	450	450	450	n/a
2005-medium-term-financial plan	399	528	537	556	578	599
Change	- 51	78	87	106	128	n/a
Percentage change	- 11	17	19	24	28	n/a
Programme support and management and administration						
2004 medium-term financial plan	259	267	270	280	290	n/a
2005-medium-term-financial plan	256	271	286	298	307	316
Change	- 3	4	16	18	17	n/a
Percentage change	- 1	1	6	6	6	n/a
Other resources income						
2004 medium-term financial plan	920	920	920	920	920	n/a
2005-medium-term-financial plan	1 187	1 490	1 249	1 275	1 301	1327
Change	267	570	329	355	381	n/a
Percentage change	29	62	36	39	41	n/a
Other resources programme expenditures						
2004 medium-term financial plan	940	910	910	910	910	n/a
2005-medium-term-financial plan	948	1 339	1 256	1 220	1 266	1291
Change	8	429	346	310	356	n/a
Percentage change	1	47	38	34	39	n/a
Total income						
2004 medium-term financial plan	1 685	1 708	1 731	1 759	1 783	n/a
2005-medium-term-financial plan	1 978	2 305	2 088	2 144	2 201	2 260
Change	293	597	357	385	418	n/a
Percentage change	17	35	21	22	23	n/a
Total expenditures (includes SB reimbursement)*						
2004 medium-term financial plan	1 657	1 635	1 638	1 648	1 658	n/a
2005-medium-term-financial plan	1 615	2 148	2 089	2 084	2 161	2 216
Change	- 42	513	451	436	503	n/a
Percentage change	- 3	31	28	26	30	n/a

This cell represents 2004 actual results against the "2005 medium-term financial plan" rows

* Total expenditure includes the support budget reimbursement and write-offs. These amounts are not included in the RR and OR expenditures above. For details please refer to tables 5 and 6 and para 16 in the accompanying text

Table 5. UNICEF income projections
(In millions of United States dollars)

	Average % last 5 years	Actual				Plan				
		2001	2002	2003	2004	2005	2006	2007	2008	2009
Regular resources										
Governments*		351	368	403	438	455	469	483	497	512
Private sector**		164	282	292	292	305	320	336	353	371
Other income		36	59	37	61	55	50	50	50	50
Total, Regular resources		551	709	732	791	815	839	869	900	933
Growth (%)	6	- 2	29	3	8	3	3	4	4	4
Other resources										
(a) Regular										
Governments*		279	343	351	591	470	500	510	521	531
Private sector**		147	149	140	187	125	135	138	141	144
Inter-Organizational Arrangements		13	13	22	18	75	120	123	126	129
Subtotal, Programmes		439	505	513	796	670	755	771	788	804
Growth (%)	13	16	15	2	55	- 16	13	2	2	2
(b) Emergencies										
Governments*		160	203	382	310	380	330	337	343	350
Private sector**		69	34	60	77	430	154	157	160	163
Inter-Organizational Arrangements		6	3	1	4	10	10	10	10	10
Subtotal, Emergencies		235	240	443	391	820	494	504	513	523
Growth (%)	35	18	2	84	- 12	110	- 40	2	2	2
Total, Other resources		674	745	956	1 187	1 490	1 249	1 275	1 301	1 327
Growth (%)	20	17	11	28	24	26	-16	2	2	2
Total Contributions		1 225	1 454	1 688	1 978	2 305	2 088	2 144	2 201	2 260
Growth (%)	12	8	19	16	17	17	-9	3	3	3

* Includes Governments and inter-governmental organizations.

** Includes contributions from UNICEF National Committees, private individuals and corporations, as well as cards and product sales

Table 6. Regular resources: yearly phasing of estimated expenditures

(In millions of United States dollars)

	2005	2006	2007	2008	2009	Beyond 2009	Total recommendations
Field office recommendations							
1. Programme balances available from funds approved in prior years	466	297	205	103	92	1	1 167 ^a
2. Programmes to be submitted to 2005 Executive Board sessions	30	204	150	126	126	125	761
3. Programmes to be prepared for 2006 Executive Board sessions			165	142	132	263	702
4. Programmes to be prepared for 2007 and future Executive Board sessions				170	212	604	986
5. Amount set aside	29	33	33	34	34		
6. Estimated allocation of net income from sale of greeting cards in countries with UNICEF programmes	3	3	3	3	3		
7. Subtotal, programme expenditure	528	537	556	578	599		
Support budget recommendations							
8. Estimated net support budget for 2005	271						
9. Estimated net support budget for 2006-2007		286	298				
Estimated net support budget for 2008				307	316		
10. Write-offs and Misc. Charges	1	1	1	1	1		
10. Total expenditure	<u>800</u>	<u>824</u>	<u>855</u>	<u>886</u>	<u>916</u>		

^a Excluding unspent balance of \$30 million subject to cancellation pending final settlement of accounts for old programme cycles and including other allocations made in 2005 which is not reflected in the end of 2004 balances.

Table 7. UNICEF financial plan: summary (regular resources and other resources)

(In millions of United States dollars)

	Actual				Plan				
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Income*	1 225	1 454	1 688	1 978	2 305	2 088	2 144	2 201	2 260
Growth (%)	8	19	16	17	17	- 9	3	3	3
Expenditures									
(a) Programme assistance	1 012	1 043	1 227	1 344	1 863	1 789	1 772	1 840	1 886
Growth (%)	14	3	18	9	39	- 4	- 1	4	2
(b) Programme support and management and administration	226	225	242	256	271	286	298	307	316
Growth (%)	6	- 1	8	6	6	6	4	3	3
(c) Write-offs and miscellaneous	8	6	10	6	5	5	5	5	5
Subtotal Expenditure (excluding reimbursement)	1 246	1 273	1 479	1 606	2 139	2 080	2 075	2 152	2 207
(d) Support budget costs/reimbursement	8	7	8	9	9	9	9	9	9
Gross expenditures	1 254	1 280	1 487	1 615	2 148	2 089	2 084	2 161	2 216
Growth (%)	13	2	16	9	33	- 3	0	4	3
Income less expenditures	- 28	174	201	363	157	- 1	60	40	44
Movements non-cash assets/liabilities	48	8	- 157	13	- 16	- 18	- 19	- 20	- 21
Year-end cash balance									
(a) Convertible currencies	439	620	664	1 036	1 180	1 161	1 202	1 222	1 245
(b) Non-convertible currencies	8	9	7	11	8	8	8	8	8
Total cash balance	447	629	672	1 047	1 188	1 169	1 210	1 230	1 253

*Gross amounts - "Transfer to biennium support budget" are not included which are shown separately as item (d) under expenditures

Table 8. UNICEF financial plan: regular resources

(In millions of United States dollars)

	Actual				Plan				
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Income*	551	709	732	791	815	839	869	900	933
Growth (%)	- 2	29	3	8	3	3	4	4	4
Expenditures									
(a) Programme assistance	380	347	392	399	528	537	556	578	599
Growth (%)	5	- 8	13	2	32	2	4	4	4
(b) Programme support and management and administration	226	225	242	256	271	286	298	307	316
Growth (%)	7	- 1	8	6	6	6	4	3	3
(c) Write-offs and miscellaneous	4	1	4	2	1	1	1	1	1
Subtotal regular resources expenditure (excluding reimbursement)	610	573	638	658	800	824	855	886	916
(d) Support budget costs/reimbursement	8	7	8	9	9	9	9	9	9
Gross regular resources expenditures	618	580	647	666	809	833	864	895	925
Growth (%)	7	- 6	11	3	21	3	4	4	3
Income less expenditures	- 66	129	85	124	6	6	5	5	8
Movements non-cash assets/liabilities	45	- 34	- 55	- 4	- 12	- 14	- 15	- 16	- 17
Year-end cash balance									
(a) Convertible currencies	76	169	202	318	315	307	297	286	277
(b) Non-convertible currencies	8	9	7	11	8	8	8	8	8
Total cash balance	84	178	209	329	323	315	305	294	285
Funded reserves									
After-service health insurance	-	-	30	40	60	80	90	100	110
Capital assets	14	14	14	11	12	11	10	10	10
(c) Funded reserves total	14	14	44	51	72	91	100	110	120
Total Cash Available (a) + (b) - (c)	70	164	165	278	251	224	205	184	165
Liquidity guideline compared to year-end cash balance:									
(a) Liquidity guideline	71	73	79	82	84	87	90	93	93
(b) Convertible currency balance net of future year contributions received in advance	76	169	202	318	315	307	297	286	277

*Gross amounts - "Transfer to biennium support budget" are not included which are shown separately as item (d) under expenditures

Table 9. UNICEF financial plan: other resources

(In millions of United States dollars)

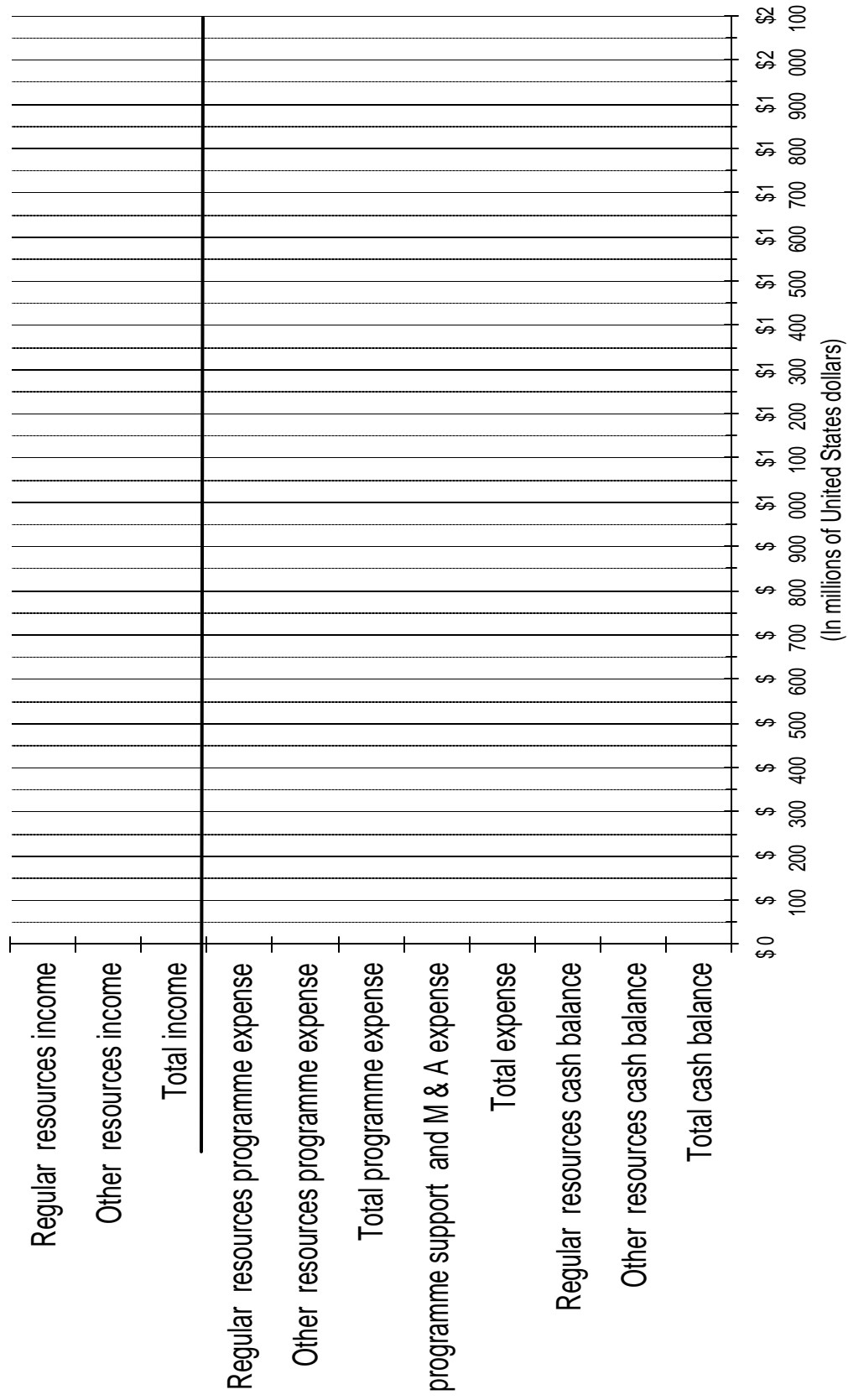
	Actual				Plan				
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Income	674	745	956	1 187	1 490	1 249	1 275	1 301	1 327
Growth (%)	27	11	28	24	26	- 16	2	2	2
Expenditure									
(a) Programme assistance-regular	404	442	482	585	675	702	706	764	780
Growth (%)	20	9	9	22	15	4	1	8	2
(b) Programme assistance-emergency	229	253	353	359	660	550	510	498	507
Growth (%)	48	11	39	2	84	- 17	- 7	- 2	2
(c) Write-offs and miscellaneous	3	5	6	4	4	4	4	4	4
Total expenditures including write-offs	636	700	842	948	1 339	1 256	1 220	1 266	1 291
Growth (%)	29	10	20	13	41	- 6	- 3	4	2
Income less expenditures	38	45	114	238	151	- 7	55	35	36
Movements non-cash assets/liabilities	3	43	- 103	17	- 4	- 4	- 4	- 4	- 4
Year-end cash balance									
(a) Convertible currency	363	451	463	718	865	854	905	936	968
(b) Non-convertible currencies	0	0	0	0	0	0	0	0	0
Total cash balance	363	451	463	718	865	854	905	936	968

Table 10. UNICEF financial plan: procurement services and trust funds

(In millions of United States dollars)

	Actual			Planned				
	2002	2003	2004	2005	2006	2007	2008	2009
1. Opening balance trust funds:								
Procurement services	139	137	210	226	301	461	713	1006
Other activities	-16	-15	58	54	61	107	107	107
	<u>123</u>	<u>122</u>	<u>268</u>	<u>280</u>	<u>362</u>	<u>568</u>	<u>820</u>	<u>1113</u>
2. Funds received:								
Procurement services	143	277	395	291	375	430	479	522
Other activities	203	358	196	251	286	130	130	130
Total	<u>345</u>	<u>635</u>	<u>591</u>	<u>542</u>	<u>661</u>	<u>560</u>	<u>609</u>	<u>652</u>
3. Disbursements:								
Procurement services	145	204	379	216	215	178	186	165
Other activities	201	285	200	244	240	130	130	130
Total	<u>346</u>	<u>489</u>	<u>579</u>	<u>460</u>	<u>455</u>	<u>308</u>	<u>316</u>	<u>295</u>
4. End balance:								
Procurement services	137	210	226	301	461	713	1006	1363
Other activities	-15	58	54	61	107	107	107	107
Total	<u>122</u>	<u>268</u>	<u>280</u>	<u>362</u>	<u>568</u>	<u>820</u>	<u>1113</u>	<u>1470</u>

Figure V
Financial Performance for 2004



2004 Actual 2004 Planned 2003 Actual

Figure VI

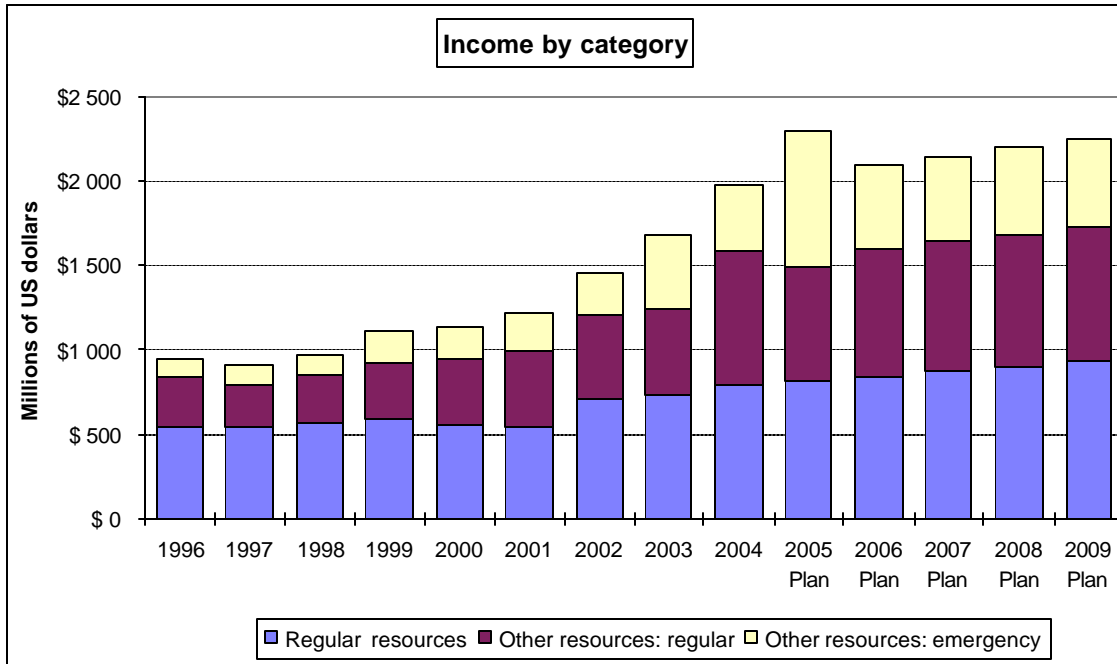


Figure VII

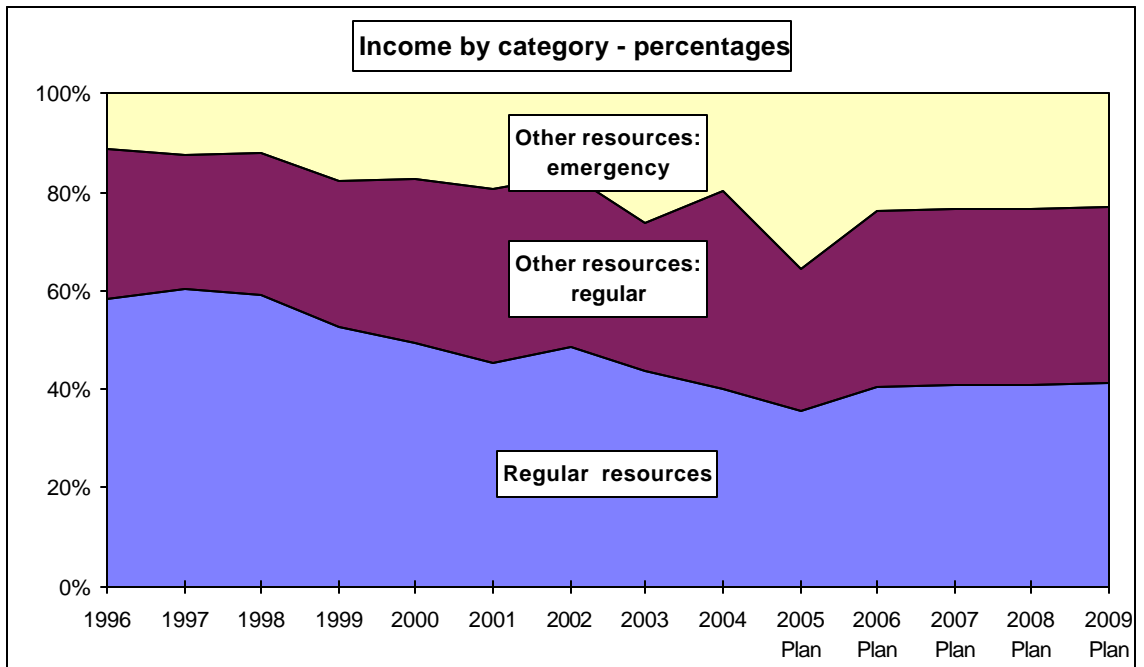


Figure VIII

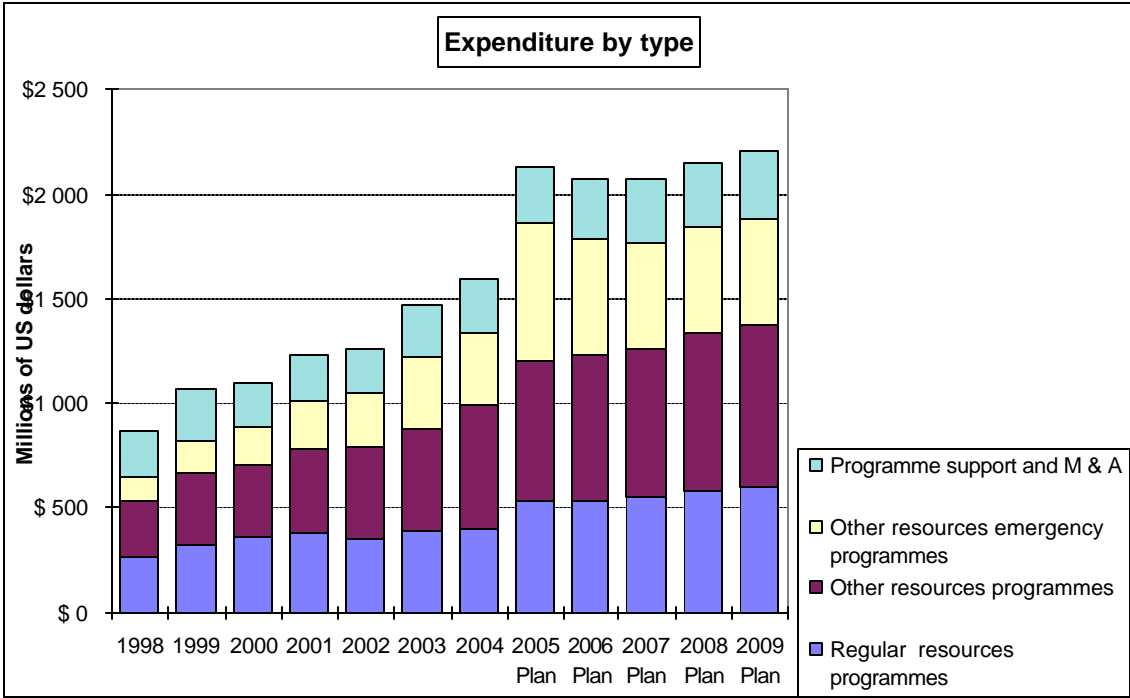


Figure IX

