Overview of the functioning of UNICEF

Financial Oversight and Management

January 17, 2020

Thomas Asare,
Comptroller and Director, Division of Financial and Administrative Management
Where we work

- UNICEF is the leading advocate for children’s rights.
- We are active in more than 190 countries, territories and areas through country programmes and 33 national committees.
Country programme

- UNICEF implements programmes in 151 countries and territories.

- Each country office carries out UNICEF's mission through programmes of cooperation developed with the respective host governments.

- UNICEF implements through governments, NGO partners and civil society organizations.

- In rare situations, UNICEF implements directly.

Country programme exercise

- Common country assessment / Situation analysis

- United Nations development assistance framework (UNDAF)

- Country programme document (CPD) / Country programme action plan (CPAP)

- Country programme management plan (CPMP)

- Annual workplans
### Oversight

**The Executive Board is the governing body of UNICEF.**

- The Board has 36 members, elected for three-year terms with a regional allocation of seats. They are elected among the member state representatives by the United Nations Economic and Social Council (ECOSOC).

- It is responsible for providing inter-governmental support to and supervision of the activities of UNICEF.

- The Board meets three times each year, in a first regular session in January/February, an annual session in June and a second regular session in September.

**UNICEF internal and external oversight is conducted by various bodies including:**

- ACABQ
- Fifth Committee
- Internal Management Reviews
- Annual External Audit by UNBOA
- Internal Audit and Investigations
- Audit Advisory Committee
- JIU reviews
- Donor Reviews and Assessments
Financial Regulatory Framework

- UNICEF Financial Regulations and Rules
- UNICEF Policies and Procedures
- International Public Sector Accounting Standards (IPSAS)
- Internal Control policy based on COSO Internal Control - Integrated Framework
  - Focus areas
    - Value for Money
    - Enterprise Risk Management
    - Regulatory Framework
    - Transaction Level Monitoring
    - Anti-fraud Strategy
    - Results Based Reporting
## Management and Accountability

### Management
UNICEF is led by an Executive Director:
- Appointed by the Secretary-General in consultation with the Executive Board.
- The Executive Director is fully responsible and accountable to the Executive Board for all phases and aspects of UNICEF activities.

### Accountability
- Executive Director is fully responsible and accountable to the Executive Board.
- All officials are accountable to the Executive Director for their actions. They may be held personally responsible and financially liable for the consequences of contrary actions.
- Officials may be required to reimburse UNICEF for financial losses as a result of their negligence or violation of framework.

### Ethics
- **Strong Ethics Office, Policies and standards**
  - UN Staff Rules, Standards of Conduct for International Civil Servants and Code of Ethics and UNICEF Financial Regulations and Rules
  - UN Policy on Gifts, UN Supplier Code of Conduct & related UNICEF instruction on Acceptance of Awards, Decorations, Gifts, Honours, Medals, etc.
- **Management Reviews and Discussions**
  - Global Management Team (GMT), Performance Reviews, Management committees
- **Internal broad access to all policies, dashboards, audit reports, annual disciplinary report**
## Types of Financial Resources

UNICEF is voluntarily funded with the following funding types:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular Resources (RR)</strong></td>
<td>Resources that are unrestricted, and include pledges of voluntary contributions from governments and private donors, other governmental or intergovernmental contributions, donations from non-governmental sources, bank interest and other investment revenue and miscellaneous revenue.</td>
</tr>
<tr>
<td><strong>Other Regular Resources (OR-R)</strong></td>
<td>Contributions received which have been earmarked by donors for specific purposes and are hence considered restricted. The earmarking may be by country, geographic area, theme, project, sector etc.</td>
</tr>
<tr>
<td><strong>Other Resources Emergencies (OR-E)</strong></td>
<td>These are contributions received in response to emergencies.</td>
</tr>
<tr>
<td><strong>Other Resources (OR-R) Thematic</strong></td>
<td>OR contribution that can be spent flexibly within the funded Outcome or Focus Area.</td>
</tr>
<tr>
<td><strong>Other Resources (OR-R) Non-Thematic</strong></td>
<td>OR contribution that is restricted to a particular activity.</td>
</tr>
<tr>
<td><strong>Other Resources (OR-E) Thematic</strong></td>
<td>OR contribution that can be spent flexibly within the funded Outcome or Focus Area.</td>
</tr>
<tr>
<td><strong>Other Resources (OR-E) Non-Thematic</strong></td>
<td>OR contribution that is restricted to a particular activity.</td>
</tr>
</tbody>
</table>
• Four-year Integrated Budget as part of the Strategic Plan

• Updated annual financial estimates per Financial Rules and Regulations – based on current year plus 3 future years.

• Mid-term review of the Integrated Budget as part of the mid-term review of the Strategic Plan

• Allows UNICEF to plan commitments prudently while pursuing medium-term objectives
Integrated Budget

- **Budget categories**
  - Programme
  - Institutional
  - Special Purpose

- **Programme Regular Resources (RR) allocations:**
  - RR allocated according to formula based on three core criteria:
    - Gross National Income (GNI) per capita
    - Under-five mortality rate
    - Child Population
  - Minimum allocation: $850k
# Executive Board Sessions

<table>
<thead>
<tr>
<th></th>
<th>First Session</th>
<th>Annual Session</th>
<th>Second Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Plan with Integrated Budget</td>
<td></td>
<td>✓ 3rd year of the SP</td>
<td>✓ Every 4 years</td>
</tr>
<tr>
<td>Mid Term Review</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Updated Financial Estimates</td>
<td>✓ 14 months following year end</td>
<td>✓ Annual</td>
<td></td>
</tr>
<tr>
<td>Country Programme Documents</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Audited Financial Statements</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>PFP Budget</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>PFP Financial Report</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>
Thank You