

# Integrated Budget 2014-2017 Informal Briefing

27 August 2013

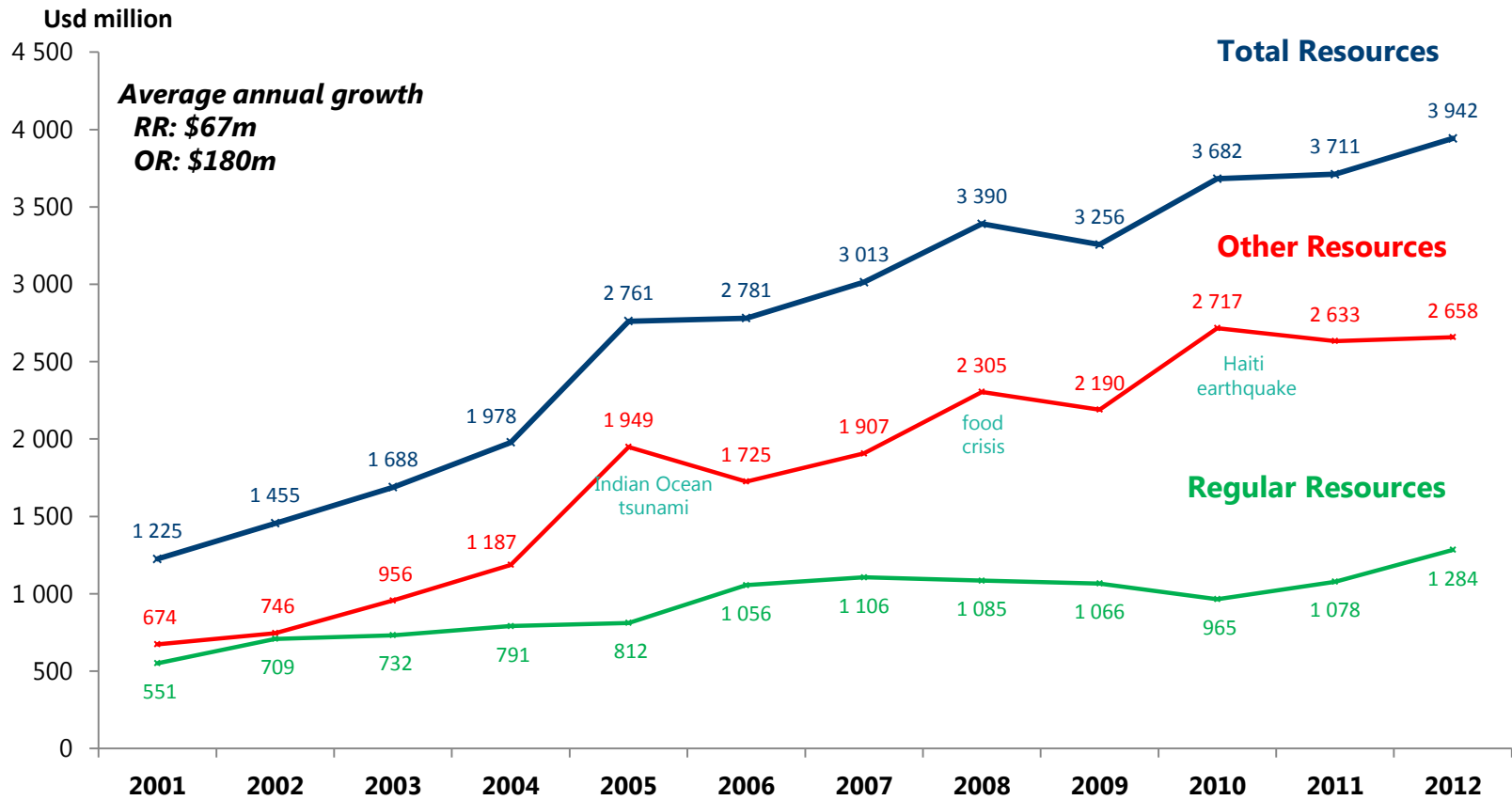
# Roadmap to an Integrated Budget

- Harmonized Cost Classification categories agreed by UNICEF, UNDP and UNFPA Executive Boards.
  - Development
    - Programmes
    - Development Effectiveness
  - United Nations Development Coordination
  - Management
  - Special Purpose
- Alignment of resources with results
- Funding of management costs (revised cost recovery methodology)

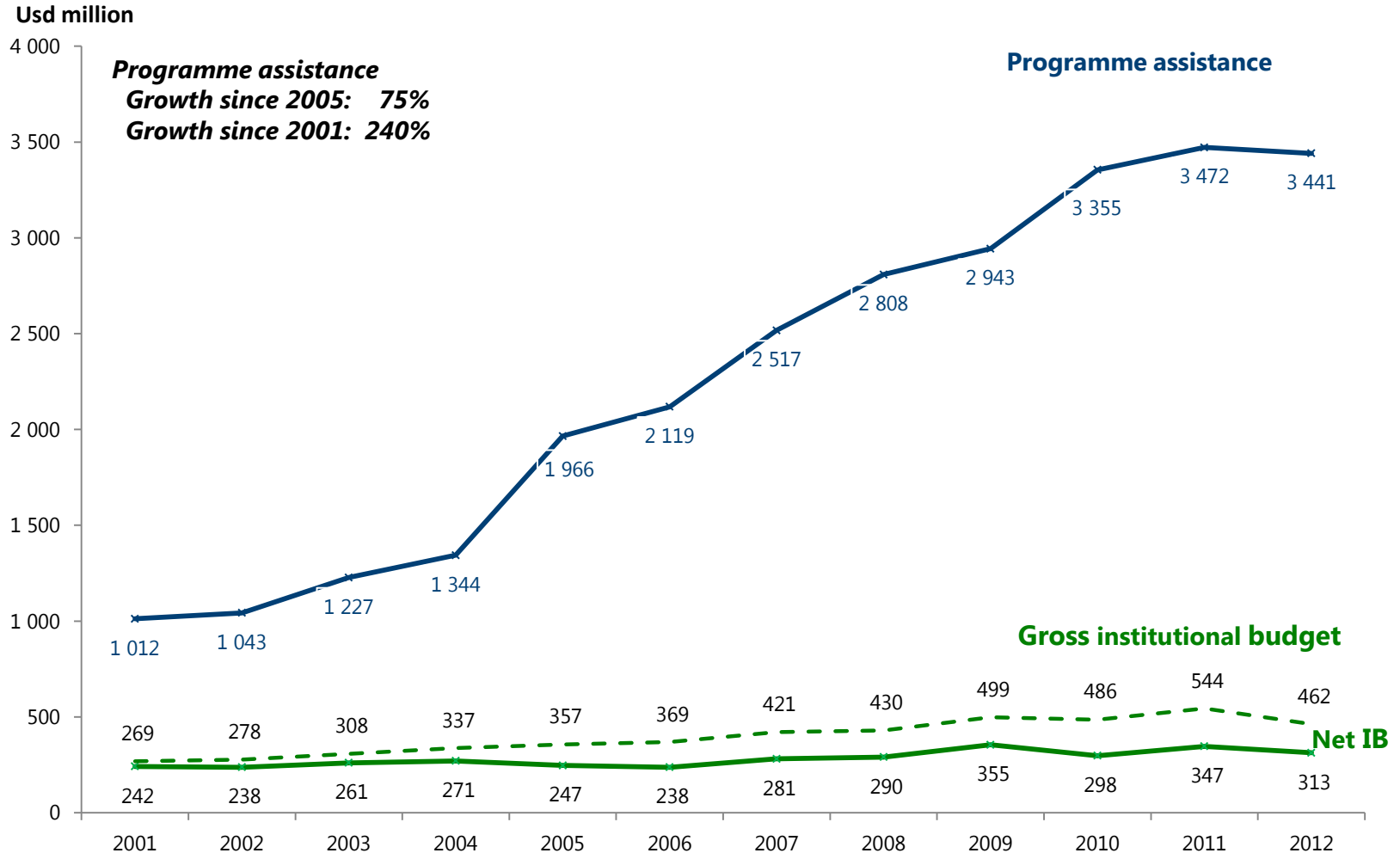
# Presentation Outline

- Overview of :
  - Financial Planning Framework
  - Integrated Resource Plan, 2014-2017
  - Integrated Results and Resources Framework, 2014-2017
  - Proposed Integrated Budget, 2014-2017

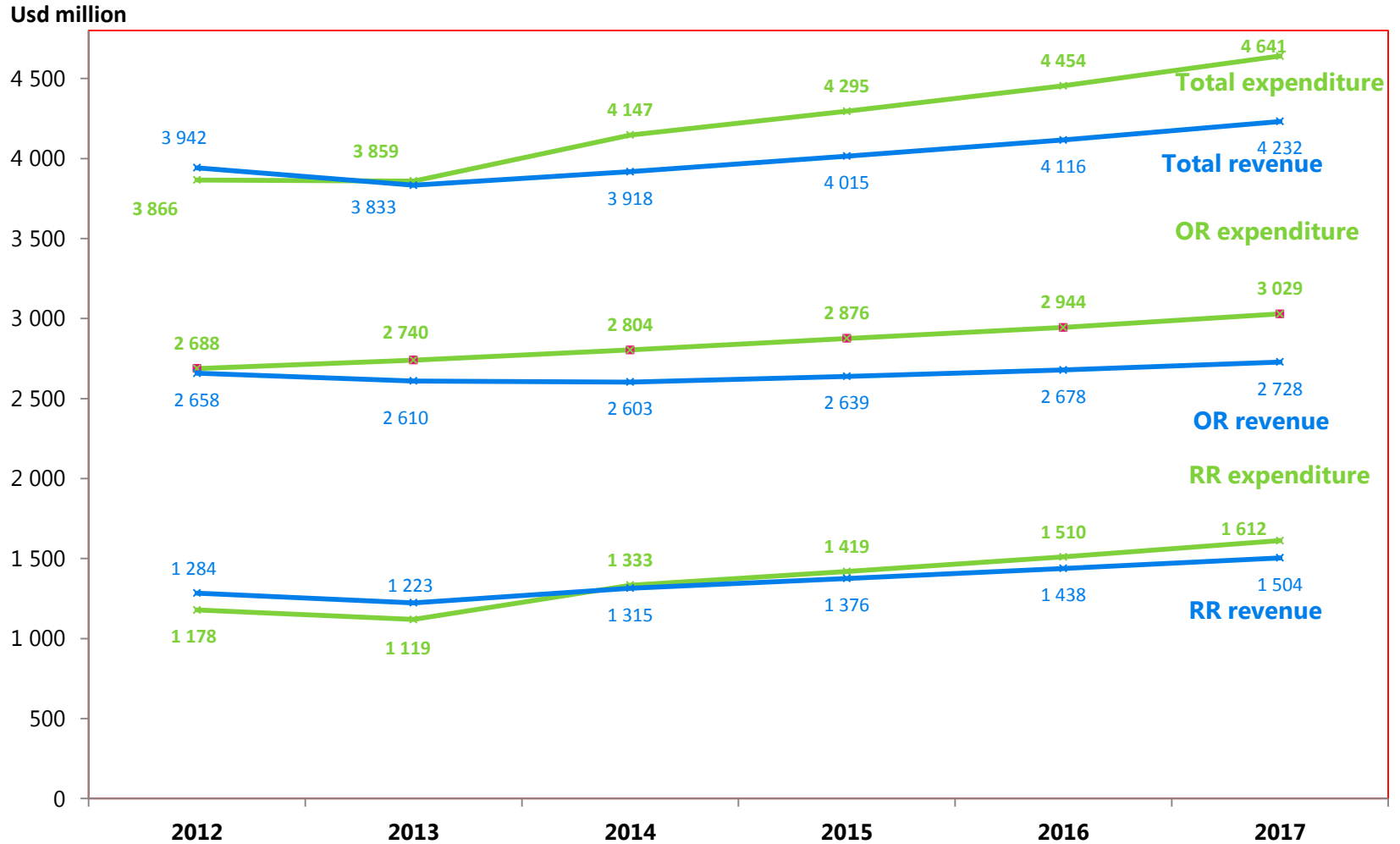
# Historical Income Trend



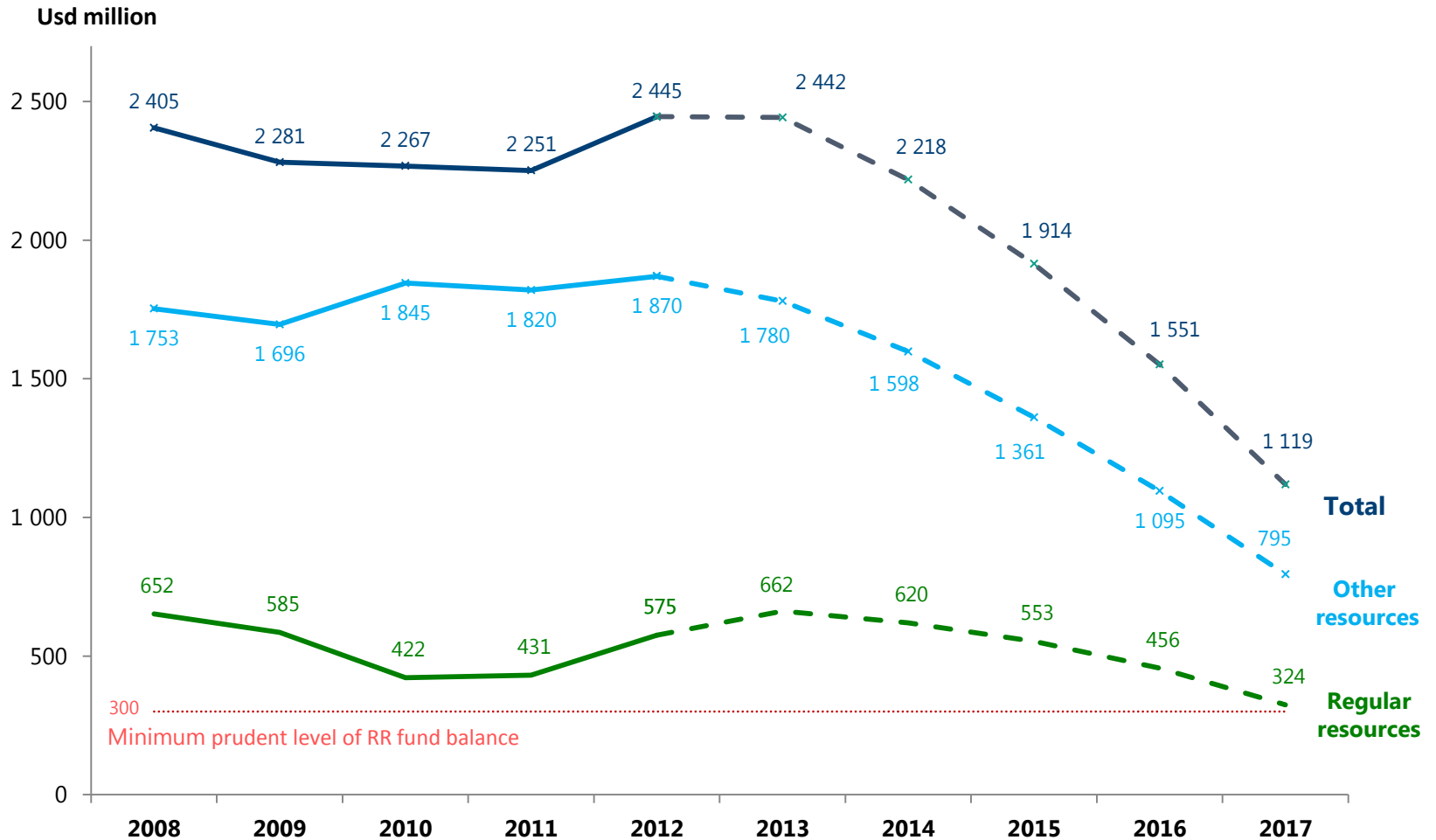
# Historical Expenditure Trend



# Income and Expenditure Projections



# Historical / Projected Fund Balances



# Projected Fund Balances

- Working capital
  - three to six months of planned regular resources expenditures
  - projected RR fund balance \$324m in 2017
- Reserves
  - funding for employee benefits liabilities
    - actuarial valuation of liabilities, \$1,100m
    - funding, \$445m
  - funding methodology reviewed periodically for continuing validity



# Integrated Resource Plan, 2014-2017

	2010-2013 Total Resources  %	2014-2017					
		Regular resources		Other resources		Total Resources	
		\$m	%	Programme \$m	Cost recovery \$m	\$m	%
<b>Resources available</b>		<b>6,198.5</b>	-	<b>12,447.7</b>	-	<b>18,646.2</b>	-
<b>A: Development activities</b>							
A1: Programmes	82.1	4,091.0	69.6	10,713.6	-	14,804.6	84.5
A2: Development effectiveness	3.4	467.4	8.0	100.1	-	567.5	3.2
<b>Sub-total</b>	<b>85.5</b>	<b>4,558.4</b>	<b>77.6</b>	<b>10,813.7</b>	-	<b>15,372.1</b>	<b>87.7</b>
<b>B: UN development coordination</b>	<b>0.0</b>	<b>20.3</b>	<b>0.3</b>	<b>16.3</b>	-	<b>36.6</b>	<b>0.2</b>
<b>C: Management</b>							
C1: Recurring	10.2	642.2	10.9	-	774.2	1,416.4	8.1
C2: Non-recurring	0.1	6.5	0.1	-	12.5	19.0	0.1
<b>Sub-total</b>	<b>10.3</b>	<b>648.7</b>	<b>11.0</b>	-	<b>786.7</b>	<b>1,435.4</b>	<b>8.2</b>
<b>D: Special purpose</b>							
D1: Capital investments	0.4	18.7	0.3	-	36.3	55.0	0.3
D2: Private sector fundraising	3.1	454.0	7.7	-	-	454.0	2.6
D3: Others, procurement services	0.7	174.1	3.0	-	-	174.1	1.0
<b>Sub-total</b>	<b>4.2</b>	<b>646.8</b>	<b>11.0</b>	-	<b>36.3</b>	<b>683.1</b>	<b>3.9</b>
<b>Institutional budget (A2 + B + C + D1)</b>	<b>14.1</b>	<b>1,155.1</b>	<b>19.7</b>	<b>116.4</b>	<b>823.0</b>	<b>2,094.5</b>	<b>11.9</b>
<b>Integrated budget</b>	<b>100.0</b>	<b>5,874.2</b>	<b>100.0</b>	<b>10,830.0</b>	<b>823.0</b>	<b>17,527.3</b>	<b>100.0</b>

# Integrated Resource Plan 2014-2017

- Significant features:
  - Increase in resources available for programmes from \$11.6 billion to \$14.8 billion
    - Substantially to country programmes through the existing allocation system which favors low income countries with high mortality rates, but increasing the minimum annual level for single country programmes from \$750k to \$850k
  - From total resources
    - 88% to development activities
    - 8% to management activities
  - Integration of
    - Private sector fundraising
    - Other activities, including management of procurement services

# Integrated Results and Resources Framework, 2014-2017

## Programme Outcomes

Outcome		2014-2017		
		RR \$m	OR \$m	Total \$m
P1	Improved and equitable use of high-impact maternal and child health interventions from pregnancy to adolescence and promotion of health behaviors.	1,227	2,918	4,145
P2	Improved and equitable use of proven HIV prevention and treatment interventions by children, pregnant women and adolescents.	245	495	740
P3	Improved and equitable use of safe drinking water, sanitation, healthy environments and improved hygiene practices.	450	1,771	2,221
P4	Improved and equitable access to and use of nutritional support and improved nutrition and care practices.	327	1,153	1,480
P5	Improve and equitable access to and completion of quality, inclusive education with a focus on improving learning outcomes.	655	2,306	2,961
P6	Improved and equitable prevention of and response to violence, abuse and exploitation of children.	491	1,286	1,777
P7	Improved policy environment and systems to that effectively respond to increasing knowledge and data on disadvantaged and excluded children.	696	785	1,481
<b>Total</b>		<b>4,091</b>	<b>7,607</b>	<b>14,805</b>

# Integrated Results and Resources Framework, 2014-2017

## Organizational Effectiveness & Efficiency

Result	Functional Cluster	2014-2017			
		RR	OR		Total
		\$m	Programme \$m	Cost recovery \$m	\$m
<b>Higher quality programmes through results-based management</b>					
Effective policies, technical guidance and technical support accessible and useful to programme staff with results monitored, lessons learned and applied, and related quality assurance systems in place	Technical excellence in policy and programmes	394.1	84.7	-	478.8
Timely and effective response in terms of delivery of quality essential supplies and commodities in UNICEF-assisted programmes in all situations, including in complex humanitarian situations	Technical excellence in procurement and management of supplies	47.5	5.4	-	52.9
Timely, effective and reliable support is provided to humanitarian action at country level, including effective preparedness and response in accordance with the Core Commitments for Children in Humanitarian Action as well as to country programmes that contribute to resilience building and address underlying vulnerabilities to limit the impact of future shocks	Technical excellence in humanitarian action	25.8	10.0	-	35.8
<b>Total development effectiveness</b>		<b>467.4</b>	<b>100.1</b>	<b>-</b>	<b>567.5</b>
<b>Coordination of the UN Development System</b>					
United Nations development system leadership and coordination / leadership of humanitarian clusters under UNICEF responsibility is carried out effectively	UN coherence and cluster coordination	20.3	16.3	-	36.6
<b>Total UN development coordination</b>		<b>20.3</b>	<b>16.3</b>	<b>-</b>	<b>36.6</b>

# Integrated Results and Resources Framework, 2014-2017

## Organizational Effectiveness & Efficiency

Result	Functional Cluster	2014-2017			
		RR	OR		Total
		\$m	Programme \$m	Cost recovery \$m	\$m
<b>Improved management of financial and human resources in pursuit of results</b>					
Independent and effective oversight and assurance are assured on internal controls of the use of UNICEF resources and on the relevance, efficiency, effectiveness, sustainability and impact of programmes assisted	Independent corporate oversight and assurance	17.6	-	21.3	38.9
Effective management, utilization and stewardship are assured of financial and information and communication technology resources, assets and administrative policies, procedures and systems	Corporate financial, information & communication technology and administrative management	93.7	-	113.6	207.3
Strengthened partnerships with Member States, multilateral agencies (and United Nations organizations), and strategic and innovative communications and public advocacy	Corporate external relations and partnerships, communications and resource mobilization	97.9	-	118.8	216.7
Effective and streamlined human resources policy and procedures are in place and implemented, providing quality advisory support to develop and maintain a flexible, highly skilled and motivated workforce	Corporate human resources management	48.4	-	58.7	107.1
Effective leadership and executive direction are assured for implementing results outlined in the Strategic Plan	Corporate leadership and direction	25.8	-	31.2	57.0
Enhanced security measures for staff and premises are in place and a safer environment for UNICEF-assisted programmes is achieved	Staff and premises security	6.0	-	7.3	13.3
Improved accountability is in place for achieving results at country and regional office levels	Field / country office oversight, management and operations support	359.3	-	435.8	795.1
<b>Total Management</b>		<b>648.7</b>	<b>-</b>	<b>786.7</b>	<b>1,435.4</b>

# Integrated Budget – Strategic Shifts

- Significant increase in resources available for programmes
- Strengthening of organizational capacity to deliver higher quality programmes
  - Investment in development effectiveness activities from \$482m to \$568m
  - Provision of specialized technical guidance and oversight support both in HQ and Regional Offices
- Additional contribution to UN development system leadership and coordination
  - Humanitarian cluster coordination, \$16m
  - UN Resident Coordinator System, \$14m

# Integrated Budget – Strategic Shifts

- Continued drive for cost effectiveness within management activities
  - Resources prioritised for :
    - Strengthening leadership, oversight and management capacity in country offices
    - Strengthening assurance activities for transfers of cash assistance and performance reporting
    - Provision for implementation of organizational effectiveness and efficiency review conclusions and business process simplification
    - Strengthening strategic partnership and advocacy
  - Resources made available through :
    - Realising benefits of technology and recently implemented ERP, eg establishment of management service centres shared by several countries
    - Implementation of revised cost recovery methodology, including closer alignment of results and resources through 'cost attribution'
- Capital investment level maintained
  - Priorities
    - technologies supporting collaboration, content management and knowledge sharing
    - security and premises in field locations

Thank you.