REPORT ON IMPLEMENTATION OF MODIFIED SYSTEM FOR ALLOCATION OF REGULAR RESOURCES FOR PROGRAMMES
Purpose of Paper

Review progress and lessons learned on the implementation of the allocation system of regular resources for programmes.
Objectives of the RR allocation system

• Enable UNICEF **fulfill its mandate** of maintaining:
  – Lead role for children
  – Advocate & protect children’s rights
  – Ensure high quality policy & guidance

• Ensure sufficient RR for **effective implementation**

• Accommodate **evolving needs** and special circumstances of children flexibly

• Higher priority to children in low-income countries
  – At least: 60% to **LDCs** & 50% to **SSA**

• Maintain a stable level of RR allocations to country programmes
RR allocation system from 1997 to 2008

• All approved country programmes receive a **minimum allocation** of $600,000

• Threshold for country programmes receiving RR was GNP per capita > $2,895 and U5MR of < 30/1,000

• A **formula** was applied to available RR using 3 criteria
  – U5MR, GNI per capita & Child population

• **Multi-country programmes** receive fixed allocations

• **7% Set Aside** is allocated flexibly to evolving needs
Executive Board Decision 2008/15

• Maintained 1997 System for allocation of RR with the following modifications:
  – Increased minimum income threshold per country programme from $600,000 to $750,000
  – Changed the threshold for country programmes receiving RR, from GNP per capita of $2,895 to the achievement of ‘high income’ status (based on WB’s definition)
As a reminder, the 2008 revisions were intended to:

Encourage UNICEF to enter into a more strategic dialogue with all programme countries and to play a normative role and responsibilities to:

- Enhance **national capacities** to monitor the rights of children;
- Promote **international standards** affecting children;
- Provide **impartial advisory support**, based on international experience, technical expertise and good practice;
- Support countries of different per capita income levels in **addressing disparities** and other issues affecting children, such as violence and marginalization
Summary of current RR Allocation process

• All approved country programmes receive a minimum allocation of $750,000

• A formula is applied to available RR using 3 criteria
  – U5MR, GNI per capita & Child population

• Multi-country programmes receive fixed allocations

• 7% Set Aside is allocated flexibly to evolving needs

• Gradual shift in level of allocation to country programmes to maintain stability in RR funding
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<thead>
<tr>
<th></th>
<th>2009</th>
<th>2012</th>
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<tbody>
<tr>
<td></td>
<td>($million)</td>
<td>(%)</td>
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<tr>
<td>Share allocated directly to</td>
<td>688</td>
<td>68</td>
</tr>
<tr>
<td>country level</td>
<td>692</td>
<td>69</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LDCs</td>
<td>442.14</td>
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<tr>
<td>SSA</td>
<td>432.06</td>
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<tr>
<td>Low-income</td>
<td>545.96</td>
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<td>Lower-middle-income</td>
<td>123.76</td>
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<td>Upper-middle-income</td>
<td>17.86</td>
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<td></td>
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<tr>
<td># of countries receiving</td>
<td></td>
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<tr>
<td>$750,000</td>
<td>40</td>
<td>48</td>
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<tr>
<td>Share allocated to countries</td>
<td>4%</td>
<td>5%</td>
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<td>receiving only $750,000</td>
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</table>

For every child
Health, Education, Equality, Protection
ADVANCE HUMANITY

unicef
Implications

• UNICEF’s continued substantive engagement in middle income countries

• LDCs and countries in sub-Saharan Africa continue to be prioritized in allocation of resources
Draft Recommendation

• Takes note of the report on the implementation of the modified system for allocation of regular resources for programmes

• Requests the Executive Director to propose any revisions as required to the modified system in the context of the next MTSP