

Top five global trends

for private-sector fundraising and partnerships

Major global trends and their implications for UNICEF private sector fundraising and partnership activities have been developed on the basis of a detailed analysis of external trends and UNICEF strengths and weaknesses. The situation analysis was also based on contributions from National Committees and country offices.

The five significant trends include:

1. Increasing pressure on official development assistance (ODA) from traditional donor governments.
2. Growing role of the private sector in development, with a multitude of actors and new aid mechanisms and modalities, from innovative financing and solidarity initiatives to public-private partnerships and pooled funds.
3. Increasing competition for the donor dollar in a progressively more competitive and globalized marketplace, with more and professional not-for-profit organizations and new channels for communicating with and engaging audiences to garner support, build trust and raise funds.
4. Rising expectations for cost-effectiveness, with donors seeking transparency and value for money.
5. Explosion of digital communication. Digital communication, including computer and mobile channels and applications, is dominating the communication landscape, raising expectations among supporters in terms of transparency, immediacy, relevance and personalization.

Increasing pressure on ODA budgets. Official development assistance (ODA) from traditional donor governments is likely to shrink further due to low economic growth rates and long-term structural issues, including the rising costs of public welfare for ageing populations. Development aid allocations are also increasingly influenced by public opinion and political pressure by various non-governmental actors, including civil society coalitions and the media. This presents an opportunity for UNICEF to mobilize civil society and use targeted advocacy to prioritize development aid. In the face of limited prospects for growth in government donations, UNICEF must also focus on further diversifying its funding sources and invest in generating more income from the private sector.

Growing role of the private sector in development. The development aid environment is changing. The traditional dominance of government donors is giving way to a more complex picture, with a multitude of actors and new aid mechanisms and modalities, from innovative financing and solidarity initiatives to public-private partnerships and pooled funds. The role of the private sector in sustainable development is becoming more prominent – with a number of highly influential and cash-rich private organizations and initiatives, such as the Bill and Melinda Gates Foundation. Development is also increasingly becoming part of the core business mix of corporations.

Business actors also have access to vast resources and channels of influence that can be leveraged to promote child rights. Corporations are increasingly looking for partnerships that deliver tangible, measurable results in addition to enhancing their business and reputation. The business and human rights agenda has also evolved substantially with the United Nations Guiding Principles on Business and Human Rights, the work of the United Nations Global Compact, Women's Empowerment Principles and more recently, Children's Rights and Business Principles. Business engagement offers an important opportunity for UNICEF both to maximize resources and to influence core business activities in favour of child rights.

Increasing competition for the donor dollar. National Committees and country offices are operating in the context of a progressively more competitive and globalized marketplace. The environment is rapidly evolving with an increase in the number and type of professional not-for-profit organizations and new channels for communicating with and engaging audiences to garner support, build trust and raise funds. There is both a growing number of initiatives and organizations that engage in advocacy and fundraising and increased professionalism and effectiveness in such efforts. In an increasingly competitive environment, UNICEF must succeed in attracting supporters who can choose among a wide range of options.

Rising expectations for cost-effectiveness. Both institutional and individual donors increasingly demand transparency and seek 'value for money'. With the rise of real-time viral communication, controversies around cost-effectiveness represent an ever-increasing risk to organizations. These heightened expectations and greater scrutiny challenge UNICEF and National Committees for UNICEF to maximize cost-effectiveness and to be able to demonstrate how donations translate into results for children.

Explosion of digital communication. The explosive global growth of digital communication in the early 21st century is leading to its dominance of the communication landscape. The trend is especially pronounced in emerging markets, where digital media have the power to rapidly surpass traditional technologies. For example, mobile phone ownership and use is flourishing in the absence of a fixed line infrastructure in many countries. The digital revolution has also dramatically raised expectations among supporters in terms of transparency, immediacy, relevance and personalization. The digital transformation of the communications arena provides UNICEF with an opportunity to leverage digital media for brand-building, public advocacy, communication, social mobilization and fundraising. Furthermore, a strategic digital presence is an essential factor shaping the future of UNICEF as an organization which can effectively engage the general public, galvanize action to support child rights, and build long-lasting relationships.