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Update on UNICEF engagement with international financial institutions

I. Overview

1. Achieving the Sustainable Development Goals requires that the world not only regain lost ground, but accelerate progress twofold to sevenfold, reaching children in the poorest countries and the communities that are the most discriminated against and underserved, and building back more sustainable, accessible, inclusive and equitable systems that are resilient against future shocks.

2. Amid the coronavirus disease 2019 (COVID-19) pandemic, an encroaching global recession, the climate crisis and geopolitical fragmentation, UNICEF is further increasing efforts to use its child rights mandate to mobilize other actors to maximize collective impact, rally support around development opportunities and advance human security globally. In its Strategic Plan, 2022–2025, UNICEF has committed, among other things, to leverage financing to accelerate achievement of the Sustainable Development Goals, including from countries' domestic resources and those of the United Nations development system, international financial institutions (IFIs) and the private sector.

3. UNICEF recognizes that IFIs play a critical role in supporting countries' response and recovery efforts and ensuring their continued progress towards attaining the Sustainable Development Goals. Guided by its Strategic Plan and the United Nations Secretary-General's Strategy for Financing the 2030 Agenda for Sustainable Development and related financing road map, UNICEF is strengthening and scaling up its work with IFI partners. Stronger partnerships between the United Nations and IFIs allow them to jointly help countries to accelerate and scale sustainable financing for the Sustainable Development Goals, pursue a resilient and inclusive pandemic recovery, and address complex and multidimensional challenges. Furthermore, through these partnerships, UNICEF is able to enhance its programmatic engagement and leadership across sectors to improve the well-being of children and their communities.

4. The present document, presented to the Executive Board pursuant to its decision 2022/16, provides an update on the multifaceted engagement of UNICEF with IFI

* [E/ICEF/2023/1](#).

partners, and aims to demonstrate that by joining forces, UNICEF and IFIs can maximize their collective impact for children.

II. Introduction

5. The UNICEF Strategic Plan, 2022–2025 notes the criticality of strategies to leverage financing and influence for children through increasing collaboration with IFIs including the World Bank Group, the International Monetary Fund (IMF) and regional development banks. The partnerships with IFIs support the Strategic Plan’s “partnership and engagement” change strategy as well as the “accelerated resource mobilization” enabler to meet shared priorities and targets of the Goal Areas. The Goal Areas clearly outline the numerous complementary areas of substantive focus shared between UNICEF and the World Bank Group. Similar synergies exist across all of the IFIs to make change at scale for children. Moreover, the Strategic Plan includes specific indicators under Goal Area 5, to monitor the capacity of UNICEF to leverage public and private resources for social sectors, where partnerships with IFIs play a central role.

6. IFIs are an important source of finance for global public goods and can support collective action for challenges such as climate change and pandemic preparedness that span across borders, country actors and multilateral institutions. With poverty, climate change and inequality emerging as the defining issues of the era, UNICEF strategic partnerships with IFIs are necessary to protect children’s rights, help meet their basic needs and expand their opportunities to reach their full potential. Furthermore, IFIs play a critical role in supporting Governments on the use and prioritization of domestic financing, which continues to be the largest financier of social sector investments. UNICEF partnerships with IFIs enable them to work hand-in-hand to ensure that social spending is protected, that funding allocations are efficient, transparent and equitable, and that specific critical innovations are prioritized and resourced adequately.

7. IFIs are not donors, but rather critical partners that provide large-scale financing to Governments to support their development activities and influence agendas relevant to the UNICEF mandate. UNICEF works with IFIs to help mainstream planning, financing and programming that prioritize children, particularly across social sectors. UNICEF and IFIs share values in support of environmental and social sustainability, and the protection and safeguarding of children.

8. The nature of UNICEF collaboration with IFIs is wide-ranging and occurs at the global, regional and country levels. At the country level, UNICEF country offices strategically engage IFIs through United Nations coordination meetings and sector briefs, and with line and finance ministries. UNICEF aims to have its collaboration rooted in strategic partnership frameworks and joint action plans that identify key opportunities for cooperation, and already has these in place with most IFI partners.

9. UNICEF works with a full spectrum of IFIs, including the World Bank Group; IMF; European Investment Bank (EIB); and regional development banks such as the African Development Bank (AfDB); Asian Development Bank (ADB); Asian Infrastructure Investment Bank (AIIB); Caribbean Development Bank (CDB); Council of European Development Bank (CEB); Development Bank of Latin American (CAF); European Bank for Reconstruction and Development (EBRD); Interamerican Development Bank (IDB); and Islamic Development Bank (IsDB). Each IFI partnership is at a different stage of maturity and comes with its unique set of priorities and challenges.

10. In humanitarian crises and fragile settings, UNICEF is seen as a trusted and credible partner for supporting IFI-financed programmes across the humanitarian-

development-peace nexus. In certain cases, UNICEF can be selected as a partner for the implementation of an IFI-financed programme or provider of technical assistance and capacity development services to support Governments in implementation. IFIs are also key partners for UNICEF procurement services for Governments, enabling Governments to procure essential supplies and services through UNICEF and leveraging the comparative advantage of UNICEF in procuring goods and services. In addition, UNICEF and IFIs are finding unique methods for collaboration by developing innovative financing instruments.

11. Data exchange, joint evidence generation and thought leadership, providing tools to guide data systems and planning and programming, are other common areas for collaboration, including through multilateral platforms, such as the Access to COVID-19 Tools Accelerator (ACT-A). UNICEF works with IFIs to issue global protocols, provide technical inputs to line ministries during the development and monitoring of IFI-financed projects or related policy documents, as well as ensure the protection and enhanced allocation of public social spending, including in the context of stimulus packages, relocation of resources, and financial reform processes at country level. Similarly, IFIs are an important advocacy partner and working together often enables more effective and wide-reaching dialogue when engaging Governments on shared priorities. Lastly, UNICEF works to both leverage and influence IFI policies and investments at global and country levels in areas critical for the well-being of children.

12. Section III of this document presents the methods and modalities of UNICEF partnership with IFIs, including the programmatic collaboration, joint research and technical exchanges, advocacy and communications, and leveraging and influencing of IFI financing. A path forward for strengthening partnerships with IFIs is provided in section IV.

III. UNICEF–IFI partnerships, 2018–2022

A. Methods and modalities of IFI partnerships

1. Programmatic collaboration

Partnering in humanitarian crises and fragile settings

13. The dual development and humanitarian mandate of UNICEF and associated programming approaches have highlighted the synergies of working hand-in-hand with IFIs in humanitarian crises and fragile settings. IFIs are increasingly looking for options to continue operations in the most complex fragile and humanitarian crises when they can no longer do business as usual with Governments or de facto authorities. In turn, they are turning to United Nations agencies to support implementation of their projects, and UNICEF is seen as one of the partners of choice. Partnering with IFIs in these contexts brings tremendous opportunities to deliver for children, through programming at the heart of the humanitarian-development-peace nexus such as building shock-responsive social protection, fostering social cohesion, or strengthening social services and systems. In addition, partnerships with IFIs also help UNICEF to meet core commitments to children in these settings.

14. In 2017, UNICEF signed the first direct financing agreement with the World Bank in Yemen to implement a large-scale emergency cash transfer programme to provide life-saving assistance to 1.5 million vulnerable families, or more than 9 million people based on the existing national social protection system. The partnership is often referenced as an example of how UNICEF – and United Nations agencies more broadly – can support the World Bank to remain engaged in crisis settings. To date, UNICEF has delivered \$810 million, provided support to enhance

the national system, and is in the process of progressively enhancing the capacity of national entities. It has also paved the way for two other partnerships in Yemen: 1) the Yemen Emergency Human Capital Project, in which UNICEF works with partners such as the World Health Organization (WHO) to deliver essential health and nutrition services to more than 17 million beneficiaries; and 2) the Restoring Education and Learning Project, where UNICEF, the World Food Programme (WFP) and Save the Children support 360,000 children in 1,200 schools by maintaining access to basic education, improving conditions for learning, and strengthening the education sector's capacity. Since 2018, UNICEF has partnered with the World Bank, WHO and the International Committee of the Red Cross in South Sudan to deliver life-saving essential health services, reaching nearly 500,000 beneficiaries. More recently, more than 2.1 million people (15.5 per cent of the entire population) have been fully vaccinated as part of the nationwide COVID-19 response and vaccination.

15. In 2021, ADB provided direct financing to four United Nations agencies that have presence and logistics in Afghanistan, for immediate humanitarian support in response to the unprecedented crisis and to help sustain the country's human development. In addition to work by WFP and the Food Agriculture Organization of the United Nations (FAO) to address acute food insecurity through the project, UNICEF helps to maintain basic health care and essential hospital services with high-impact and value-added interventions, covering a target population of about 5.3 million people, and the procurement and deployment of 2.3 million single-dose COVID-19 vaccines. ADB support also enables UNICEF to strengthen 10,000 community-based education classes, reaching around 264,000 children, 60 per cent of which are girls, and promote the development of female teachers and ensure the continuity of learning for up to 20,000 adolescent girls from vulnerable families in secondary schools. The United Nations Development Programme (UNDP) monitors project implementation, undertakes macroeconomic and social assessments in the country, and assesses the impact of ADB assistance.

16. With financing provided by IDB to the Government of Haiti, UNICEF is supporting the Government in response to the ongoing humanitarian crisis, which has been further exacerbated by the COVID-19 pandemic, the earthquake in August 2021 and the cholera outbreak in October 2022. UNICEF will provide clean water and access to sanitation and hygiene to more than 100,000 vulnerable people and 152 schools and health centres, while at the same time strengthening urban programming and interventions for the urban poor.

17. The Shock Responsive Safety Net for Human Capital Project is a World Bank-funded project designed to support Somalia in establishing a national cash transfer programme, locally referred to as Baxnaano. UNICEF is implementing one of three components of Baxnaano, focused on development of systems such as a unified social registry, the delivery process for a national cash transfer programme, and supporting the institutional capacity of the Minister of Labour and Social Affairs of Somalia. Baxnaano is currently reaching approximately 186,000 poor and vulnerable households with children under the age of 5 years, across 21 districts in all five Federal Member States and Somaliland.

18. These partnerships demonstrate the benefits of effectively connecting humanitarian and development efforts to bridge gaps by working towards achieving collective outcomes that reduce need, risk and vulnerability, and deliver long-lasting results for children.

Providing technical assistance to Governments

19. To support Governments and contribute to building their capacity, UNICEF can be requested to provide technical assistance as part of IFI-financed projects. This

reflects UNICEF experience and credibility in strengthening national policies, programmes and systems in order to ensure that all children grow and develop to their full potential and well-being. Through technical assistance services, UNICEF acts as a trusted adviser to Governments, providing them with practical support for building their national policies and systems.

20. For example, in Serbia, UNICEF was asked by the Ministry of Education to provide technical assistance to support the implementation of a new curriculum framework within the project “Inclusive Early Childhood Education and Care”, financed through a World Bank loan. Through the partnership, around 75 per cent of all preschool teachers in Serbia have been capacitated to implement a new play-based curriculum as part of the overall reform agenda, intended to nurture children’s well-being and to support development of lifelong learning dispositions. All preschools benefited from blended trainings, mentoring support and designing of communities of practices, focusing their development on the inclusiveness and cooperation with families and local communities.

21. Similarly, through a tripartite engagement with the Government of Panama, CAF is supporting UNICEF in the development of early childhood development (ECD) services. UNICEF provides technical assistance to strengthen institutional capacities and human talent addressed at improving quality of ECD services for children under the age of 4 years. A thorough revision of the ECD services operational manual has been completed and validated to accelerate increased coverage. UNICEF will also train childhood care centre staff throughout the country and is in the process of developing a continuous training strategy through an official digital platform, ensuring that it fulfills the required operating standards established in the manual.

22. UNICEF and the World Bank continue to lead global efforts in response to the learning crisis that has been made worse by the COVID-19 pandemic. The two have worked closely with other partners to support Governments with the technical resources required to mount an effective response to the crisis. This has included building a coalition of global partners to influence the learning agenda, developing the RAPID Learning Recovery Framework for countries to use to guide their response, and leading a global effort to get countries to endorse a Commitment to Action on Foundational Learning. These efforts build on long-standing partnerships with other IFIs including IsDB, IDB, ADB and CDB to help Governments provide access to quality learning experiences for children.

Procurement services

23. UNICEF procurement services are another key source for IFIs’ assistance to Governments. As a partner of choice for IFIs, UNICEF is able to support both Governments with IFI funding and the actual IFIs throughout the procurement process for a full spectrum of products. Such support comes in the form of, for example, providing expertise on strategic commodities and shaping global markets, providing access to an expansive list of supplies and maximizing value of money through competitive pricing and supplier relations, supporting quality control and ensuring ethical and transparent practices, and providing strong country presence and local knowledge. This approach has the added advantage of strengthening national systems and leveraging IFI investments beyond individual procurement transactions. Procurement services offered to Governments with IFI funding include procurement of routine immunization, cold chain, nutrition supplies and others.

24. Amid the COVID-19 pandemic, and supply chain and market constraints, UNICEF has served as a critical partner in enabling IFIs to help Governments secure life-saving supplies and equipment, including personal protective equipment, diagnostics, therapeutics, COVID-19 vaccines and related tools. There has been strong collaboration through multilateral initiatives, including ACT-A/COVID-19

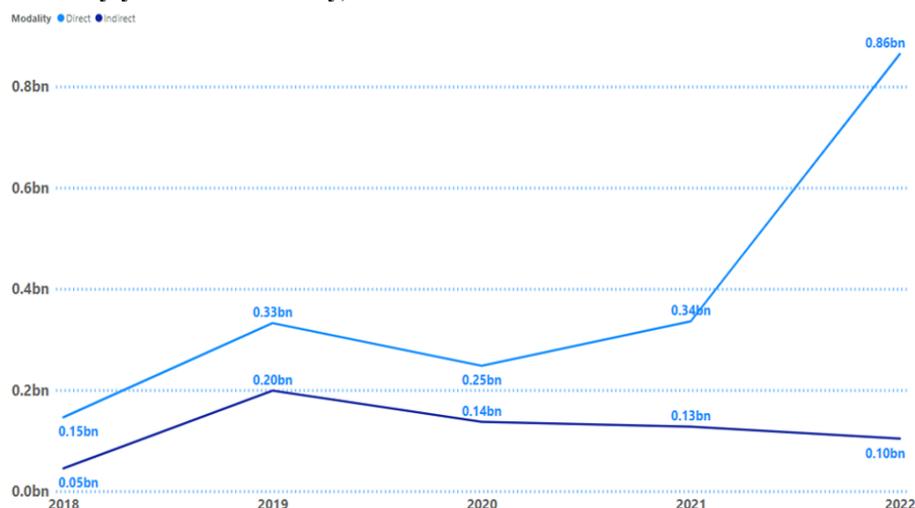
Global Access (COVAX) Facility as well as the African Vaccine Acquisition Trust (AVAT). UNICEF has developed new procurement services memorandums of understanding with the World Bank Group and ADB, specifically tailored to the procurement of COVID-19 vaccines, taking into account the novelty and specific liabilities connected with these products. This has enabled countries to procure COVID-19 vaccines through AVAT and the COVAX cost-sharing mechanism directly with IFI funding.

Supporting implementation of IFI-financed projects

25. While donors fund UNICEF programmes, IFI financing is intended for Governments/countries. UNICEF may be asked by Governments and/or IFIs to support implementation of an existing IFI-financed project to provide technical support and overcome implementation bottlenecks. This has fundamental differences in terms of how UNICEF works with donors from both a programme design and management perspective. Often it is being a trusted adviser to line ministries and ensuring an active presence in sector coordination mechanisms that brings forward opportunities to support on the implementation of an IFI-financed project. Resources can be mobilized to support Governments in the development and implementation of IFI-financed operations, while also building national capacity.

26. The comparative advantages of UNICEF have helped position the organization as a key partner for IFI projects, resulting in steady increases in resource mobilization over the past five years, as Governments have grappled with compounding crises. Figure 1 depicts the total resources mobilized through IFI partners (direct grants and indirect financing to implement government loans and grants from IFIs) from 1 January 2018 through 31 October 2022. From 2012 to 2016, average revenue mobilized through IFI partners was approximately \$40 million per year. Since 2017, the annual average revenue has increased significantly to over \$425 million – more than ten times the 2012–2016 annual average. Resource mobilization across the IFI portfolio continues to trend upward. As of 31 October 2022, resources mobilized already exceed previous year-end revenue by 109 per cent. Some of the key drivers of this revenue growth include: COVID-19 response and recovery; World Bank direct financing in Afghanistan, South Sudan and Yemen; ADB financing in Afghanistan; and a general increase in funding in fragile contexts in tandem with IFI operational policies providing more flexibility on implementation with United Nations agencies and other entities. In addition, funding received for procurement services has also increased, with UNICEF signing supply agreements totalling more than \$1.8 billion in 2021.

Figure I
Revenue by year and modality, in United States dollars



New and innovative ways of engagement

27. As partnerships with IFIs grow and strengthen, UNICEF is finding new and unique methods for collaboration. Developing innovative financing instruments is a growing area of work within UNICEF, which often entails working directly, or indirectly, with key IFI partners. Initiatives range in their design and level of implementation and include leveraging our expertise in public finance for more resources for children, as well as successful public-private partnerships, such as the UNICEF–World Bank sustainable bond, where half of the bond’s \$100 million proceeds are used by the World Bank to finance sustainable development projects and programmes in World Bank member countries, while the other half goes to UNICEF to enhance UNICEF fundraising programmes to support the generation of additional resources in the emerging markets and accelerate the impact of UNICEF on the Sustainable Development Goals as well as its response to COVID-19 impacts. Under another initiative – Educación Mesoamérica – ten Mesoamerican countries, the IDB, UNICEF, and public and private partners sought to build an innovative regional partnership to transform education during and after the COVID-19 era, and to empower a generation of young people to actively contribute to the economic and social development of Mesoamerican countries. The initiative is based on a results-based financing model, which leverages public and private donor funding to promote more effective and equitable allocation of government education resources. In addition to funding in-country operations, technical assistance, monitoring and evaluation and the coordination of the initiative, for every \$2 raised, the donors would leverage \$1 from partner countries for in-country operations. Despite significant efforts on the partners’ side, the initiative failed to attract donors and therefore it did not move forward.

2. Joint research and technical exchanges

28. Technical collaboration is mainstreamed across UNICEF partnerships with IFIs. The UNICEF multisectoral approach, data and analysis on sector needs and capacities, and insights from its on-the-ground presence, offer critical information and technical expertise that can support IFIs’ engagements with Governments, particularly for project implementation. UNICEF regularly shares evidence, data and information with IFIs to ensure that considerations relevant to children are included not only in IFI operations but also in their policies and decision-making. As part of

UNICEF country offices' ongoing technical advice to Governments, UNICEF looks for opportunities to engage with ministries and IFIs to provide advice on the technical design of IFI-financed projects, strengthen the statistical and data systems in countries to improve government monitoring of the situation of children and child-related programmes, and participate in IFI-financed project monitoring and evaluation. UNICEF also works with IFIs to produce new data/findings to help inform policymakers' decisions, often through joint reports.

29. Recognizing the need to accelerate education recovery with urgent, at-scale action, UNICEF, in partnership with the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Bank and the Organisation for Economic Co-operation and Development (OECD), conducted multiple rounds of joint surveys with Ministries of Education, with the latest report, *From Learning Recovery to Education Transformation*, released during the Transforming Education Summit convened by the United Nations Secretary-General during the 77th General Assembly. In parallel with the joint surveys, UNICEF has been working with the World Bank and other partners on a Learning Data Compact and a Global Education Recovery Tracker, which collect data to inform effective and equitable learning recovery and education transformation.

30. In October 2022, WHO, UNICEF and the World Bank Group released a report on the *State of the World's Drinking Water*, which provides a comprehensive review of the links between water, health and development, with actionable recommendations for Governments and partners. The report shows that Governments must invest strategically in building safe drinking water systems by not only increasing funding, but also strengthening capacities to plan, coordinate and regulate service provision, if the world is to achieve universal access to safe drinking water and mitigate the effects of climate change.

31. The World Bank Strategy on Social Protection and Jobs outlines the need to invest in risk-informed and adaptable social protection systems, which aligns with the comprehensive approach of UNICEF to social protection and emergency cash transfers. UNICEF and World Bank teams are working to enhance their collaboration to strengthen and protect these systems in times of crises. There are also technical exchanges under way to address the current hunger crises and famine prevention through the World Bank Food Security Crisis Preparedness Plans in target countries (for example, Somalia and Yemen).

32. At country level, with funding provided by ADB, UNICEF and WFP supported the Government of Cambodia with a social impact survey assessing the impacts of the COVID-19 pandemic on Cambodian households' welfare. This included collection of data and analysis of data gathered from Cambodian households on the social impacts of COVID-19 containment measures.

33. In Honduras, the Social Affairs Office, IDB and UNICEF simulated the impact of the COVID-19 pandemic on child poverty, highlighting that poverty was 2.5 times higher in households with children compared with those without children. As a result, the Social Affairs Office added families with children under 5 years of age to the government vulnerability index to focus on social welfare programmes as part of the pandemic response.

3. Advocacy and communications

34. As UNICEF continues to strengthen and expand its partnerships with IFIs, it also aims to build strong alliances with them to accelerate positive change. UNICEF and IFIs leverage each other's platforms to drive forward programmatic priorities through strategic positioning and advocacy. UNICEF frequently participates in high-

level events with or hosted by IFIs, as well as invites IFI attendees to UNICEF-hosted events. These engagements present an opportunity to advocate for UNICEF priorities for children and families, highlight successful partnerships with IFIs to a broad audience, and incorporate important development finance perspectives. UNICEF also leverages its convening power to organize events on critical topics to improve alignment between IFIs, Governments and other relevant stakeholders.

35. In June 2022, UNICEF Executive Director, together with the heads of the World Bank Group, the United Kingdom Foreign, Commonwealth and Development Office (FCDO), the United States Agency for International Development (USAID), the Bill and Melinda Gates Foundation and UNESCO advocated for the RAPID Learning Recovery Framework to address post-COVID crisis in foundational learning. Following the Transforming Education Summit, UNICEF is working with these partners to capitalize on the momentum and secure country endorsements to the Commitment to Action on Foundational Learning to ensure that all children, including the most marginalized, develop foundational learning to realize their full potential and participate in society. The Commitment to Action is a formal way for countries and the global education community to demonstrate a commitment at the highest political levels to securing foundational learning for all children and to implement policies that will help to achieve targets under Sustainable Development Goal 4.

36. UNICEF partnerships with IFIs are vital for increasing investments to scale up maternal and child nutrition. The positioning of nutrition as core to human capital development, along with analyses of financing needs, make partnerships with IFIs indispensable to advocacy with Governments for increased financing for nutrition. Since 2012, UNICEF, WHO and the World Bank inter-agency team has been producing annual joint global and regional estimates of malnutrition among children under 5 years of age. This important collaboration reports on three out of the four nutrition-related Sustainable Development Goals.

37. COVAX, the vaccines pillar of the ACT-A, is co-convened by the Coalition for Epidemic Preparedness Innovations (CEPI), Gavi, the Vaccine Alliance and WHO – working in partnership with UNICEF as key implementing partner, developed and developing country vaccine manufacturers, the World Bank and others. It is the only global initiative that is working with Governments and manufacturers to ensure that COVID-19 vaccines are available worldwide to both higher-income and lower-income countries. To facilitate coordination across the IFIs, in 2020 and 2021, UNICEF convened two COVAX round tables with WHO and Gavi for IFIs to exchange updates on country COVID-19 vaccine financing plans. In May 2021, the UNICEF Executive Director and the IsDB Group President issued a joint op-ed on ending the pandemic and advocating for COVID-19 vaccines to reach the most vulnerable populations in an equitable manner.

38. Thanks to advocacy from an inter-agency working group on multidimensional poverty (Sustainable Development Goal 1.2) led by UNICEF, UNDP and the World Bank, the United Nations Sustainable Development Goal portal includes multidimensional child poverty indicators, both disaggregated national multidimensional poverty measures as well as child-specific multidimensional poverty measures. Going forward, UNICEF will deepen its ongoing relationship with the World Bank to measure, analyse and communicate issues relating to child poverty, and to focus on coordinated advocacy, communication and programming efforts through its role as co-chair of the Global Coalition to End Child Poverty.

4. Leveraging and influencing financing

39. Recognizing the scale of IFI financing, UNICEF has increased its activities aimed at leveraging and influencing IFIs in order to deliver results for children,

oftentimes in close coordination and collaboration with United Nations partners. At the global level, UNICEF has contributed to the design of several IFI strategies, such as the IMF Social Spending Strategy; the World Bank Fragility, Conflict and Violence Strategy; the EBRD Strategy for the Promotion of Gender Equality 2021–2025; the IMF Strategy for Fragile and Conflict-Affected Settings; and the IMF Mainstreaming Gender Strategy. Further, UNICEF has also played a key role in shaping the design of financial tools – such as the World Bank Pandemic Fund. At the country level, UNICEF collaborates with IFIs to inform the design of country strategies and specific projects to ensure that they take into account the needs of children, families and the most vulnerable.

40. With IMF, there is increasing country-level collaboration to influence and improve Governments' public spending decisions for children. Drawing on the IMF Social Spending Strategy as a critical partnership entry point, UNICEF has increased joint work at country level via social policy teams, particularly in relation to enhancing data and information to influence key IMF decisions. There is also increasing collaboration with IMF on fiscal reforms and potential allocations to social sectors to either prevent policies that may be harmful for children, or to shape recommendations and lending conditionalities to enhance child well-being. UNICEF continues to share data and evidence with IMF to support their surveillance and capacity-building activities, including in Article IV missions.

41. Further, UNICEF engages in activities to strengthen public finance systems and build capacity in areas such as planning, costing and budgeting. Collaboration in this area can help to ensure that IFI-led reforms incorporate priority programmes, performance indicators, and mechanisms for monitoring and reporting on key social services. UNICEF is well placed to work with IFIs and Governments on reforms such as child-sensitive, gender-responsive, or climate-responsive budgeting. Similar opportunities exist in relation to activities to promote budget transparency and credibility.

42. In Viet Nam, UNICEF leveraged its partnership with the Ministry of Finance, World Bank, ADB, IMF and German Agency for International Cooperation (GIZ), in the formulation of the 2021–2030 National Finance Strategy. UNICEF and partners ensured investment in human capital development and social spending for children and other vulnerable groups, including the poor and ethnic minorities, as key components of the Strategy. UNICEF also developed budget briefs for evidence-based advocacy and engaged with the World Bank, ADB and the Embassy of the Netherlands to advocate with the Ministry of Agriculture and Rural Development, Ministry of Construction, Ministry of Health and Ministry of Finance to increase investments in water, sanitation and hygiene (WASH), with targets linked to sanitation, hygiene and malnutrition.

43. In Tajikistan, UNICEF collaborated with different ministries, United Nations agencies, non-governmental organizations and private sector partners to leverage funds for the country through technical assistance to the World Bank and IsDB. This partnership allowed UNICEF to engage in a socioeconomic resilience-strengthening project, which aims to invest in skills focusing on innovation, psychological well-being, participation, and prevention of gender-based violence. UNICEF technical assistance to IsDB and the Ministry of Education and Science in developing a proposal led to the leveraging of \$19 million for vocational education and training in the country. UNICEF also supported the Government of Tajikistan, EBRD and AIIB on a road infrastructure project by providing necessary evidence to influence the project design, construction and operational phases to reflect the needs and concerns of children.

44. From the start of the COVID-19 pandemic, existing inequalities in Tunisia were further weakened, resulting in poor social protection coverage for the most marginalized children. In response, and for the first time ever in Tunisia, UNICEF teamed up with the World Bank and other partners to initiate child benefits (social protection) support for both age groups 6–18 years and vulnerable children under the age of 5 years, with education objectives and ECD synergies, respectively. To date, an estimated 129,000 children under the age of 5 years are still benefiting from this support thanks to its institutionalization. Moreover, as a result of this work, UNICEF was able to influence the recommendation of IMF to increase government budget allocations for social protection.

45. As the global economic crisis hit the economy of Ghana hard, the Government turned to IMF to start negotiations on an extended credit facility (ECF). The UNICEF team engaged with the IMF mission during the early stages of ECF negotiations to share evidence on the status of social sector financing, the impact of unsustainable debt and proposed solutions. The team was called to various follow-up technical meetings and was asked by IMF to develop a social protection-related conditionality for the ECF programme. Throughout the process, UNICEF leveraged the partnership with the World Bank, FCDO, the broader development partners group and other United Nations agencies, as well as discussed with civil society organizations on key takeaways to align messages.

46. In the Horn of Africa, work undertaken by UNICEF WASH teams in the Afar region of Ethiopia on groundwater mapping and deep aquifer drilling influenced a World Bank project benefiting from \$385 million in International Development Association financing to boost the region’s capacity to adapt to the impacts of climate change. The project supports Ethiopia, Kenya, Somalia and the Intergovernmental Authority on Development, focusing on the region’s largely untapped groundwater resources to cope with and adapt to drought and other climate stressors that impact their vulnerable borderlands and children’s WASH needs. Djibouti and South Sudan have also expressed interest in joining the programme in subsequent phases.

IV. The path forward: UNICEF Global Strategic Action Plan to Strengthen Partnerships with IFIs

47. Tremendous strides have been made in recent years to enhance UNICEF partnerships with IFIs. However, to take these partnerships to the next level, there is a need for a multifunctional approach that is adequately resourced and jointly owned by relevant stakeholders across UNICEF.

48. In that regard, in September 2022, UNICEF Global Management Team approved a result-oriented and timebound action plan to enhance and strengthen UNICEF partnerships with IFIs as outlined in the UNICEF Strategic Plan, 2022–2025. The intention of the action plan is to outline the main workstreams required to enhance UNICEF partnerships with IFIs to support both the “partnership and engagement” change strategy as well as the “accelerated resource mobilization” enabler in the Strategic Plan.

49. A key part of the action plan is development of an overarching IFI Partnership Strategy to frame UNICEF engagement and identify agreed-upon goals, objectives, priorities and targets for working with IFIs. The strategy is intended to serve as an internal document that refreshes the vision of UNICEF for IFI partnerships. It will aim to leverage existing sectorial and regional strategies and articulate key programmatic priorities with each IFI partner and methodologies for engagement, and will be developed in tandem with other enabling activities required to leverage immediate opportunities and support ongoing partnership with IFIs.

50. The action plan also reflects the need to increase shared understanding between UNICEF and IFIs of each other's regulatory frameworks and operational requirements. Significant negotiation and collaboration with IFI partners already took place to establish novel arrangements that respect the parties' respective statuses as international organizations. In that regard, UNICEF aims to engage with IFIs in substantive risk-based negotiations on how our respective operating models interoperate, and complement and set those out in the legal agreements. For instance, UNICEF is in discussions with several IFIs on environmental and social safeguards policies, as well as matters to establish agreements for information-sharing and agree on alignment of terminology on integrity matters, as each party has its own integrity framework and operationally independent oversight office.

51. The Strategic Plan charts a course for UNICEF and its partners for this Decade of Action and embodies a vision of the transformation that is possible even amid the crises and uncertainty that mark the present moment – premised on expanded, innovative engagement with a diverse range of partners. By enhancing and strengthening its partnerships with IFIs, UNICEF will help to deliver on this vision.
