



## Economic and Social Council

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**For decision**

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### United Nations Children's Fund

Executive Board

**Annual session 2023**

13–16 June 2023

Item 15 of the provisional agenda\*

### **Private Fundraising and Partnerships: Financial report for the year ended 31 December 2022**

#### *Summary*

The present report provides the financial and non-financial results achieved by the Private Fundraising and Partnerships Division, together with the National Committees for UNICEF and country offices, in respect of the Private Fundraising and Partnerships Division budget for 2022.

Elements of a decision for consideration by the Executive Board are provided in section III.

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\* [E/ICEF/2023/9](#).



## I. Overview

1. The Private Fundraising and Partnerships Division (PFP or “the Division”) aims to achieve impact for children by maximizing income and leveraging influence from the private sector jointly with National Committees for UNICEF and UNICEF country offices around the world. The year 2022, which was the first year of implementation of the UNICEF Strategic Plan, 2022–2025, was another period of strong performance in major income streams in which UNICEF continued to grow its engagement with private sector supporters.

2. In 2022, total private sector revenue reached \$2.67 billion, of which regular resources<sup>1</sup> represented \$713.0 million and other resources represented \$1.96 billion. Over half of UNICEF regular resources came from the private sector. Overall, private sector revenue was \$1.02 billion (61.9 per cent) higher than the 2022 approved budget of \$1.65 billion and 28.4 per cent higher than in 2021. The 2022 figures presented in this report are unaudited.

3. The private sector contribution to emergency revenue for 2022 reached \$1.11 billion, a \$568.6 million (105.1 per cent) increase over the 2021 actual revenue. This growth was the result of mobilization efforts to pursue emergency needs at scale for humanitarian crises such as Afghanistan, the Horn of Africa and Ukraine.

4. In 2022, the National Committees and country offices continued to deliver extraordinary results. Total private sector revenue generated by the National Committees and country offices was \$2.24 billion and \$432.7 million, respectively. This represents an increase of \$478.3 million (27.2 per cent) and \$112.4 million (35.1 per cent) over the 2021 result for National Committees and country offices, respectively.

5. Most National Committees and country offices saw healthy revenue growth. The National Committees of Germany, Japan, Sweden and the United Kingdom of Great Britain and Northern Ireland contributed the highest level of regular resources and thematic funding.

6. In line with the UNICEF Strategic Plan, PFP is committed to working together with other United Nations entities in private sector fundraising. Highlights of collaborations across the United Nations system in 2022 include the following:

(a) UNICEF liaised regularly with peers at the Office of the United Nations High Commissioner for Refugees and the World Food Programme on issues of performance and potential areas of collaboration on private sector fundraising to address the evolving needs of children, as well as common challenges.

(b) Partnered with the United Nations Global Compact at the twenty-seventh session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP 27) to position children and climate adaptation, which increased visibility through the United Nations Global Compact network at the conference.

(c) To mark the tenth anniversary of the Children’s Rights and Business Principles, jointly developed by UNICEF, Save the Children and the United Nations Global Compact, a global milestone event was held as part of the United Nations Global Compact Leaders’ Summit in June 2022.

(d) UNICEF and the United Nations Development Programme continued to roll out a joint global finance initiative that supports the Sustainable Development

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<sup>1</sup> Revenue allocated to cover fundraising expenses (\$86.6 million) is presented under other resources in this report, while in the UNICEF financial statements it is presented under regular resources revenue.

Goals. A feasibility study was commissioned for a joint private sector financing facility to mobilize and align private sector capital through alternative and innovative financing partnerships, to accelerate the achievement of the Sustainable Development Goals.

(e) Engaged with the World Health Organization, the leading agency on policy around hand hygiene and pandemic preparedness, and convened public and private sector partners on the Hand Hygiene Market Accelerator group to strengthen national supply chain systems to sustainably design, manufacture and distribute high-quality and affordable products and services.

(f) In Uganda, UNICEF and the United Nations Capital Development Fund partnered to explore the development of a platform for youth empowerment and early childhood development through an impact investment model approach.

7. Through engagement with multi-stakeholder partners on key global themes, PFP had success through close collaborations and engagement beyond income. There was exponential growth in the UNICEF advocacy and children's rights agenda and the role of the private sector in using its influence to positively impact children's rights.

## **II. Results achieved**

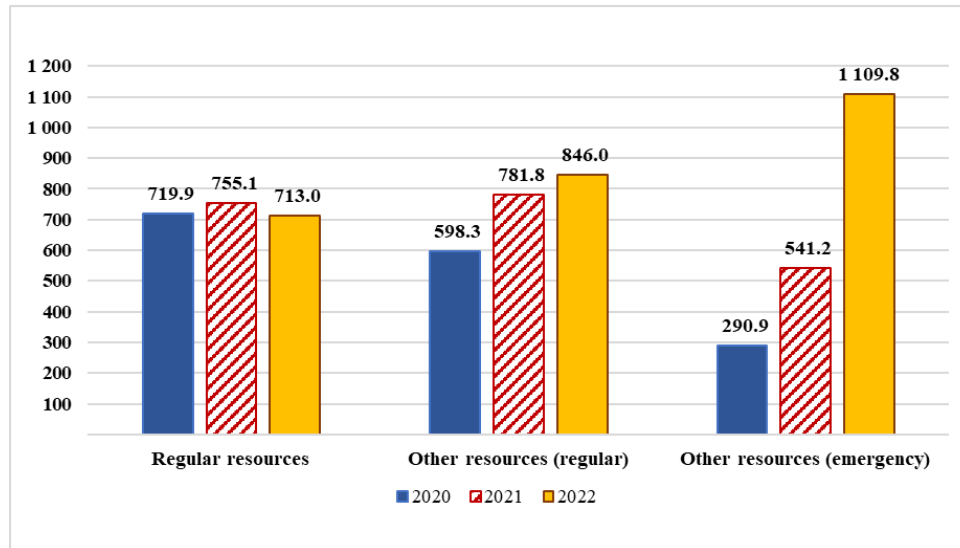
### **A. Financial results by fund type, market and audience**

8. Private sector revenue totalled \$2.67 billion in 2022 compared to \$2.08 billion in 2021, an increase of \$590.7 million (28.4 per cent).

9. Within total private sector revenue, regular resources revenue totalled \$713.0 million, a decrease of \$42.1 million (5.6 per cent) compared to regular resources revenue of \$755.1 million in 2021. The decrease in regular resources contributions is predominantly due to significant strengthening of the United States dollar against major fundraising currencies like the Euro, Japanese yen, Korean won, Swedish krona and United Kingdom pound sterling. The top private sector contributions to regular resources came from the National Committees of France, Germany, Japan, the Republic of Korea and Spain.

10. Other resources revenue totalled \$1.96 billion, an increase of \$632.8 million (47.8 per cent) compared to 2021. Within other resources revenue, other resources (regular) revenue was \$846.0 million, an increase of \$64.2 million (8.2 per cent) compared to 2021; other resources (emergency) revenue was \$1.11 billion, an increase of \$568.6 million (105.1 per cent) compared to 2021.

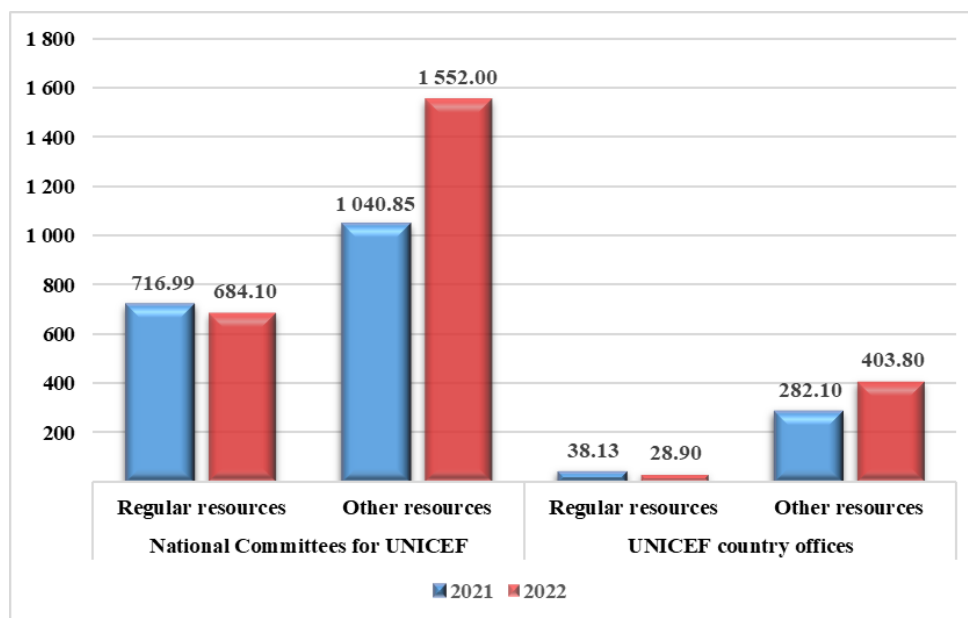
Figure I  
**Total revenue to UNICEF, 2020–2022**  
 (in millions of United States dollars)



11. In 2022, private sector revenue was generated in the 33 National Committees, 21 UNICEF country offices with structured private sector fundraising activities (PSFR COs) and 32 other country offices raising funds either locally or through the UNICEF global giving online platform (non-private sector fundraising country offices (non-PSFR COs)).

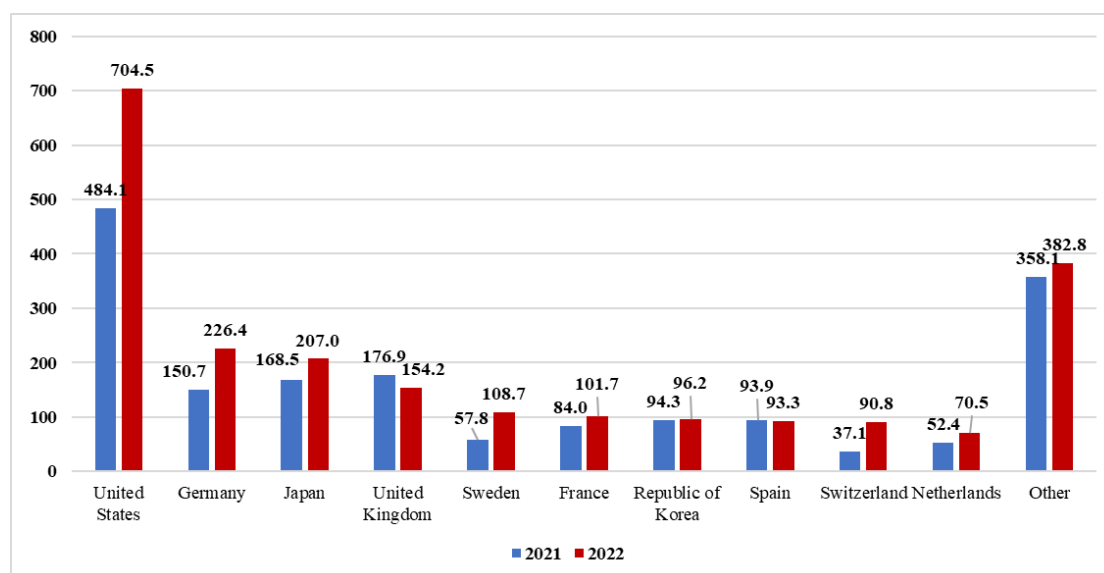
12. Total private sector revenue generated by the National Committees, PSFR COs and non-PSFR COs was \$2.24 billion, \$396.8 million and \$35.9 million, respectively. Of this total, regular resources revenue from the National Committees, PSFR COs and non-PSFR COs was \$684.1 million, \$27.6 million and \$1.3 million, respectively, and other resources revenue was \$1.55 billion, \$369.2 million and \$34.6 million, respectively.

Figure II  
**2022 revenue generated by UNICEF National Committees and country offices**  
 (in millions of United States dollars)



13. Revenue generated by the National Committees increased by \$478.3 million (27.2 per cent) in 2022 compared to 2021. The 10 largest National Committees generated revenue amounting to \$1.85 billion, which represented 82.9 per cent of the total revenue generated by the National Committees in 2022.

Figure III  
**2022 versus 2021 revenue from UNICEF National Committees**  
 (in millions of United States dollars)

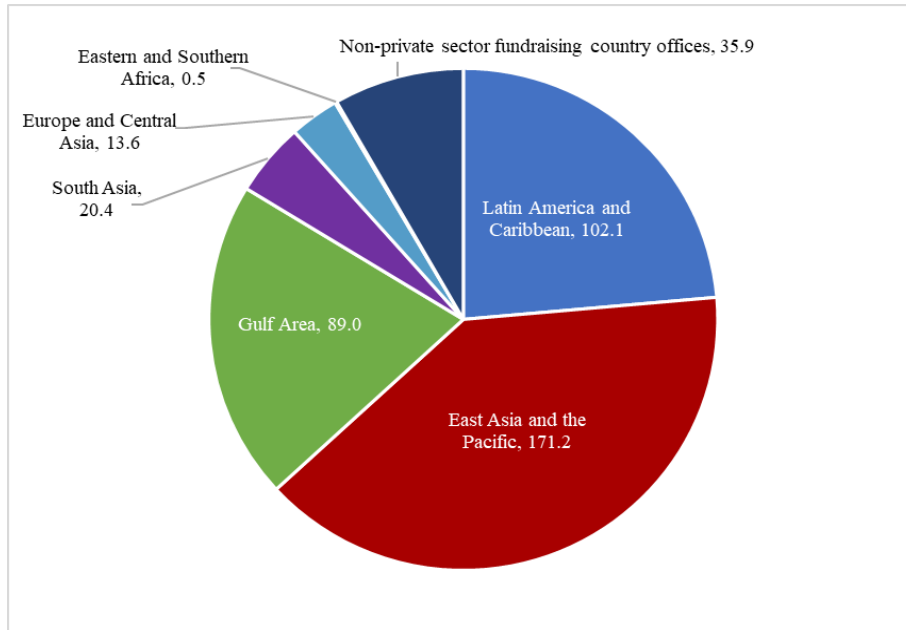


14. Revenue generated by PSFR COs increased by \$83.4 million (26.6 per cent) in 2022 compared to 2021. Revenue generated by non-PSFR COs increased by

\$29.1 million (426.2 per cent) as a result of receipt of several large donations earmarked for UNICEF emergency responses.

Figure IV

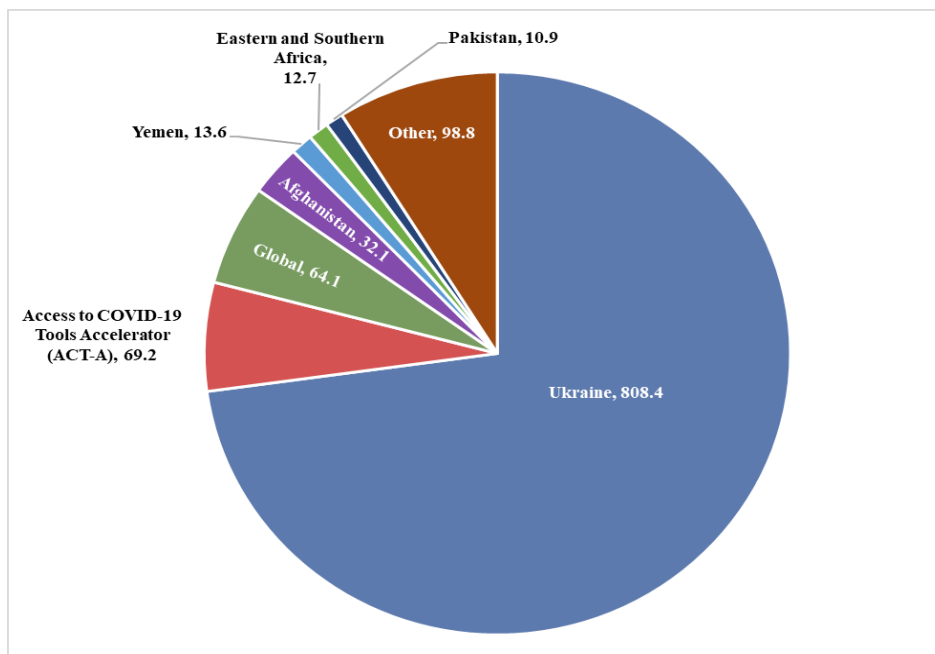
**2022 revenue from country offices, by UNICEF regions and subregions**  
(in millions of United States dollars)



15. The other resources (emergency) revenue raised from the private sector went to 50 Humanitarian Action for Children appeals. The top seven appeals received 91.1 per cent of total amount of other resources (emergency) funding.

Figure V

**Private sector contributions to emergency appeals in 2022**  
(in millions of United States dollars)



## **B. Financial and non-financial results, by outcome and output**

### **Outcome 1: Income – Sustainable private sector income growth is diversified and further accelerated to raise \$7.2 billion in private sector revenue from 2022 to 2025, of which \$3.4 billion will be regular resources, for the UNICEF contribution to achievement of the Sustainable Development Goals**

16. Private sector income surpassed expected levels in 2022, and was driven by the response to the Ukraine emergency. National Committees and country offices delivered outstanding revenue in 2022, tapping deeper into their market potential and aided by optimized market-level strategies, investment and fundraising innovation.

17. In 2022, revenue in local currencies continued to grow, which indicates that the fundamental business model and strategy are fit for purpose.

#### **Output 1.1: Market development**

18. The Division allocated \$84.4 million of investment funds in 2022 using a rigorous allocation process. That investment was forecast to raise \$582 million in private sector revenue over four years. The majority of investment funds were allocated to National Committees. Country offices were primarily supported by the pilot World Bank financing instrument, with \$39.8 million disbursed to private sector fundraising in country offices. The Division also worked with the United States Fund for UNICEF to pilot the low-interest UNICEF Impact Fund for Children Bridge Fund refundable finance mechanism to support regular resources-generating activities for National Committees. Investments managed by PFP helped to achieve the record-setting levels of private sector revenue delivered in 2022.

19. The Division continued to provide National Committees and country offices with funding, expertise and tools to drive fundraising innovation in their markets. The investment funds also provided seed funding to markets to develop potentially game-changing fundraising products and initiatives for the future, such as InPulse, the new technology developed by the Italian Committee for UNICEF – Foundation ONLUS. In 2022, the Reimagining Fundraising initiative brought 120 innovative solutions to markets. Additionally, the Division established a roster of 10 global partners to enhance the innovation capacity of fundraising teams in several markets.

#### **Output 1.2: Income from pledge and cash donors**

20. In 2022, individual giving revenue was generated from more than 10.5 million donors. UNICEF saw an extraordinary growth in cash donations, which was largely due to the Ukraine emergency and improvements in digital fundraising that allowed UNICEF to maximize the fundraising opportunity.

21. The key drivers of growth were threefold:

(a) strong performances in digital fundraising and direct response television drove acquisitions to record levels;

(b) audience-centric approaches led to better segmentation of donors with new products and propositions;

(c) investments by UNICEF and National Committees in individual giving and the availability of investment funds, including the continued injection of funds coming from the pilot World Bank financial instrument.

22. Lessons from the Ukraine fundraising appeal showed that investments in digital fundraising and storytelling are very important for UNICEF to maximize opportunities. Similarly, investing in donor journeys is a pathway to relationship building and to driving long-term value, especially as individual giving is also the largest funding stream to regular resources.

**Output 1.3: Income from legacy donors**

23. While the last few years have been quite challenging for legacies, overall hand-raiser numbers were well above the plan and new opportunities emerged in markets. The lead time of legacy gifts converting to revenue remains slow, but is expected to bring higher financial contributions to UNICEF from this fundraising channel in the future.

**Output 1.4: Income from philanthropists and membership-based organizations**

24. In 2022, UNICEF continued to mobilize funds from philanthropic partners in support of its programmes for children around the world, delivering a major growth in revenue in comparison to 2021.

25. In 2022, UNICEF engaged the world's billionaires to help to address some of the biggest challenges for children, including the emergency in Ukraine, for which more than \$130 million was raised. UNICEF received its first mega gift of \$100 million to support children in this emergency. Billionaire philanthropists from 14 countries contributed over \$210 million in 2022 – and 56 per cent of the first-time billionaire donors to the COVID-19 Vaccine Global Access (COVAX) Facility from 2021 were retained in 2022.

26. Eighteen new members joined the UNICEF International Council – a community of the world's leading business families and global influencers who want to optimize their philanthropic investments for children – bringing the total to 130 members and collectively giving more than \$85 million in 2022.

27. In 2022, faith- and membership-based and non-profit organizations supported UNICEF work across 20 countries, exceeding the target set for 2022–2025. Membership-based organizations continued to be among UNICEF long-standing partners. Rotary International, which started partnering with UNICEF in 1988, renewed its commitment to eradicating polio worldwide, contributing more than \$68.8 million to UNICEF. In addition, \$1.8 million was committed by the Islamic Food and Nutrition Council of America. Faith- and membership-based groups continued their response to humanitarian emergencies. Over \$20 million was raised for the Ukraine emergency, including a \$10 million gift from Buddhist Tzu Chi Foundation, and over \$1 million from Radiohjälpen in Sweden. The Interfaith Movement to End the Pandemic completed its campaign by supporting the COVAX Facility with \$2.5 million.

**Output 1.5: Income from foundations**

28. In 2022, foundation partnerships revenue grew, and the number of foundations giving more than \$1 million a year expanded to 24 foundations.

29. To nurture and maximize the potential of foundation partnerships and investments, the UNICEF Global Foundations Network convened its annual meeting with participants from 40 country and regional offices and National Committees. Throughout the year, the network made frequent calls and sent emails to its 115 members to support capacity-building and cross-market collaboration.

30. The Bill & Melinda Gates Foundation, the largest foundation partner, contributed \$183 million in 2022. The partnership also saw increasing diversification of emerging areas of mutual interest, such as education and social and behaviour change.

31. The partnership with the Educate A Child initiative of the Education Above All Foundation saw considerable growth in 2022, with the signing of four new partnership agreements in the Gambia, Paraguay, Somalia and the United Republic of Tanzania to enrol around 500,000 out-of-school children. The project in the Gambia is a zero



out-of-school-children project that is expected to enrol every child in the country who is out of school.

### **Output 1.6: Income from business**

32. The year 2022 was the fourth year of double-digit growth for business, with an additional \$28 million raised for the coronavirus disease (COVID-19) pandemic/COVAX Facility/Access to COVID-19 Tools Accelerator (ACT-A) and \$232 million for the Ukraine crisis. More than half of UNICEF private sector donations related to COVID-19 and nearly a third of private sector funds raised for Ukraine in 2022 were from businesses.

33. In February 2022, UNICEF announced an innovative partnership with Siemens Healthineers in sub-Saharan Africa, with a grant of \$5 million over five years. The partnership will help to optimize point-of-care diagnostics networks, strengthen health systems strained by the COVID-19 pandemic, and foster community engagement in two countries: Côte d'Ivoire and Ghana.

34. Global leaders in logistics Hapag-Lloyd continued to support UNICEF education initiatives in sub-Saharan Africa as well as in regular resources, with a partnership agreement signed by the German Committee for UNICEF for a contribution of \$7.5 million over three years.

35. In addition to providing emergency support to Ukraine and Ukrainian refugees with a \$10 million grant, the LEGO Foundation contributed \$7 million over three years to conduct global advocacy on positive parenting with the goal to reduce neglect and abuse within families and ultimately contribute to better mental health. Specific attention was given to inclusion, and an additional \$1.2 million was provided to girls' education and its promotion through the United Nations Girls' Education Initiative.

36. Epic Games, Inc. gave UNICEF \$25.6 million in a one-off emergency donation to support the response to the Ukraine crisis, and 55 other donors each gave over \$1 million, including Apple Inc, which donated \$5 million. Tetra Laval supported UNICEF work with the COVAX Facility in 2022 with a \$10 million grant, and UNICEF secured a partnership with Eli Lilly with a contract value of \$14.4 million over four years to support health systems strengthening in five countries – Bangladesh, Malawi, Nepal, the Philippines and Zimbabwe – and to focus on work on non-communicable diseases.

37. To maximize results for children, PFP remained focused on driving, growing and renewing all partnerships; however, deliberate investment was made to exponentially grow a subset of those partnerships through the sleeping giants strategy. 'Sleeping giants' are corporate partners with an estimated capacity to give \$20 million or more over three to four years – averaging \$5 million to \$10 million per year.

### **Outcome 2: Influence – The spectrum of engagement and investment with private sector stakeholders enhances systems, services and practices for children and young people at scale**

38. The Division developed the first private sector influence strategy to establish a strategic approach to engage the private sector across income and influence. In 2022, UNICEF recorded significant results that substantiated the approach in the private sector influence strategy.

39. The Global Coalition for Youth Mental Well-Being was launched by UNICEF and the Z Zurich Foundation to advance a global movement to strengthen the social and emotional skills and supportive environments for the mental well-being of 30 million young people, including refugees and migrants, in 30 countries by 2030. As a global platform, the coalition mobilizes public and private sector investment and

action to promote youth mental well-being and increase collective action for youth mental health programming globally. In 2022, the coalition mobilized additional support from Jo Malone London and Spotify, both in terms of funding and advocacy for the cause, and is now active in eight countries: Colombia, Ecuador, Indonesia, Maldives, Mexico, Nepal, the Republic of Korea and Viet Nam. The private sector influence strategy aims to bring together private sector partners – businesses, multi-stakeholder platforms, foundations, philanthropy partners and individuals – to mobilize and leverage:

(a) coalitions, networks, platforms and the voices of chief executive officers, and to rally partners around UNICEF priority issue areas, setting global, regional and national advocacy objectives;

(b) resources (data, technical expertise, assets) to achieve UNICEF results at scale and leverage investments more broadly for the Sustainable Development Goals at the global, regional and national levels;

(c) changes in industry and business policies and practices that adversely impact children.

#### **Output 2.1: Influence from individuals**

40. The supporter engagement strategy aims to improve the experience of individual supporters and increase their loyalty and commitment by supporting the deployment of a digital platform in UNICEF markets to grow the base of individuals who donate their money, voice and time to the cause of children and youth. By the end of 2022, the digital platform had been rolled out in 16 markets and had generated interest from additional National Committees.

#### **Output 2.2: Influence from key influencers – leveraging assets**

41. UNICEF continued to engage with private sector partners to mobilize a broad spectrum of assets to achieve results for children. Some country offices reported mobilizing non-financial assets from the private sector in 2022. Examples of large partnerships included the Bill & Melinda Gates Foundation partnership, which leveraged UNICEF technical expertise and the foundation's influence to advance progress towards the 2030 partnership goals.

#### **Output 2.3: Influence from key influencers – leveraging voice and finance**

42. Efforts to engage major donors continued mostly online in 2022, through creative, informative and meaningful virtual experiences. In-person events, meetings and engagement were also re-established to allow more advocacy with stakeholders. Throughout the year, more than 1,000 partners and prospects joined high-value briefings and trips, virtually or in-person.

43. The UNICEF International Council Symposium was hosted in Copenhagen, offering members a range of experiences such as a visit to the Supply Division. International Council members also attended a mid-year meeting to hear UNICEF updates on the plan and programmatic priorities to motivate their external advocacy and engagement in favour of children's rights around the globe.

44. The International Council aims to empower the next generation and amplify their voices. In 2022, Council members formalized this goal by creating a youth engagement task force in collaboration with the UNICEF Adolescent Development and Participation Section and young change makers from around the world to advance UNICEF youth engagement work.

45. The global Next Generation (NextGen) community, with leadership hubs in Germany, Italy, the United Kingdom, the United States of America and Viet Nam, mobilized over \$11.4 million for UNICEF programmes worldwide. The first NextGen

global board, UNICEF NextGen global principals, was launched in 2022 with 11 principals representing over 11 countries. In its first year, the principals donated and influenced over \$5 million and spoke on over 17 panels and high-value channels, reaching more than 1,700 new ultra-high-net-worth individuals and educating their networks on the work of UNICEF.

46. The UNICEF Multifaith Giving Circle grew to 11 members, representing Buddhist, Christian, Jewish, Muslim and interfaith organizations. These members collectively raised over \$32 million for UNICEF programmes in 2022 and are key advocacy and social and behaviour change partners of UNICEF, providing support to global advocacy moments, participating in the global Faith and Positive Change for Children, Families and Communities initiative led by the UNICEF Programme Group, and sitting on the United Nations Multi-Faith Advisory Council.

47. In addition to providing funding, foundations were fundamental in championing UNICEF advocacy and Sustainable Development Goal priorities. In 2022, PFP leveraged more than \$500 million towards results for children and the Sustainable Development Goals. Social sector spending was increased in six countries. The UNICEF advocacy partnership with the Bill & Melinda Gates Foundation was instrumental in driving donor commitments for multiple global health replenishments and initiatives, resulting in investments in Gavi, the Vaccine Alliance, the COVAX Facility and ACT-A. The partnership also secured extensive national policy changes to turn commitments into improved access to vaccines and child health services.

48. UNICEF launched the Child Nutrition Fund at an event during the high-level week of the United Nations General Assembly. Nearly \$280 million of new commitments were announced at the event, with new contributions from both public and private sector partners. In total, \$577 million was leveraged between July and September 2022 to address the child malnutrition crisis.

49. In partnership with the Education Above All Foundation, UNICEF supported the Ministry of Education and Higher Education in Qatar in national consultations to prepare for the Transforming Education Summit, which resulted in strong commitment to support education around the globe. UNICEF also joined the Education Above All Foundation on its International Day to Protect Education from Attack, to mobilize the global community to ensure appropriate measures are taken to protect education from attacks and to support the effective implementation of Security Council resolutions 2061(2012) and 1612 (2005).

#### **Output 2.4: Influence from business stakeholders**

50. Engagement regarding influence from business stakeholders was positioned in key strategic documents such as anchoring the work around the ‘income + influence = impact’ narrative for the UNICEF Strategic Plan, 2022–2025, specifically linked to the change strategy on partnerships and engagement: public and private.

51. The advocacy with business strategy articulated for the first time the pathways to engage business across a full spectrum of activities, ranging from awareness-raising to collective action, in response to the changing external environment, with business stakeholders expecting a broader value proposition for engagement with UNICEF. This approach allowed UNICEF to influence businesses platforms and reach their business members and business leaders. The overall advocacy with business strategy was integrated into the wider partnership and advocacy strategies and into big-ticket/high-value propositions. Thematic advocacy strategies were developed for mental health, climate and water, sanitation and hygiene. On mental health, operationalization of these strategies entailed launching the Global Coalition for Youth Mental Well Being in 2022, which now includes four corporate partners. On climate change, a Business Statement on Climate Change and Child Rights was

released with corporate endorsements at COP 27. On the water, sanitation and hygiene agenda, the year 2022 included the development of an integrated advocacy and fundraising strategy in preparation for the United Nations 2023 Water Conference.

52. Engagement with businesses in many cases complemented engagement with the public sector. Public-private partnerships have the potential to address gaps in mobilizing income and leveraging influence at scale. UNICEF established a shared public-private partnerships team across its Public Partnership Division and PFP to pursue partnerships centred on children strategically. A public-private partnerships practitioners group with more than 100 members from National Committees, regional offices, country offices and headquarters was formed to facilitate exchange and promote the agenda.

53. Collaboration and engagement continued to be formalized with multi-stakeholder platforms. In 2022, two memorandums of understanding were signed, with the International Chamber of Commerce and with the Global Alliance for Trade Facilitation. These memorandums were instrumental in localizing global engagement and included mobilizing local chambers of commerce in the context of the Ukraine crisis, and providing support to the work of the Global Alliance for Trade Facilitation in Mozambique in digitizing import processes.

54. The World Economic Forum remained a key platform to engage the private sector at scale on global priorities by strategically identifying initiatives for UNICEF to influence the inclusion of children's issues. The formal and direct engagement of the UNICEF Executive Director, including at the forum's Annual Meeting, provided access for collaboration and strengthening systems on topics such as education and learning, health, water and digital inclusion. This enabled more technical engagement and participation throughout the year. In addition, this leveraged the forum's network, including its convening power, research, media and communication platforms, communities and initiatives, for partnerships.

55. In 2022, the Children's Rights and Business Principles celebrated its tenth anniversary and held a global milestone event. Nordic Business Roundtables were also held, and UNICEF released a global stock-taking report. UNICEF advocated for greater visibility of children's rights in responsible technology initiatives and worked on integrating children's rights into emerging mandatory human rights due diligence legislation and reporting standards. UNICEF also advanced the integration of business action into programme approaches and recorded key landmarks, such as securing a \$1.4 million public grant for advocacy work with partners to promote family-friendly policies in Australia.

**Outcome 3: Income and influence from public and private – Income and influence at scale for children and young people are accelerated through the public and private sectors working together on financing, leveraging and advocacy efforts**

56. The Division worked with National Committees and the Programme Group to align national child rights issues with UNICEF global priorities, influenced policy change, enhanced knowledge and understanding of child rights and amplified UNICEF global advocacy priorities at the national level. A UNICEF Child Rights School Framework was developed, and included tool kits to evaluate integration of rights-based activities by schools.

57. The Innovative Financing for Children Global Vision and Strategy was launched in 2022 and UNICEF announced the Today and Tomorrow Initiative at COP 27.

58. The one country approach principles, which were adopted in 2010, outline a common position for UNICEF and National Committees, which unite for universal

rights and results for children everywhere. The world has changed significantly since 2010, thus UNICEF and the National Committees have been updating the principles to guide all teams involved in the collaboration, anchored in the Cooperation Agreements, to maximize results for children using the highest standards.

59. In 2022, PFP facilitated numerous field trips, in-person and virtually, and also held briefings for National Committees and their supporters for Ukraine and the surrounding countries hosting Ukrainian refugee children and families.

### **Output 3.1: Programming in high-income countries**

60. In 2022, National Committees made significant progress in advancing policy change for child rights, both domestically and globally, with most efforts targeted at child rights-based reforms, in policies, programmes, budgets and practices of Governments and other key child rights stakeholders. Child rights education activities reached more than 6 million children, and the Child Friendly Cities Initiative has resulted in 14 million children living in municipalities that have an explicit commitment to, and action plan on, child rights. In Japan, the Committee's multi-year advocacy strategy that leveraged the UNICEF *Report Card* series as a comparative tool resulted in the Government establishing its first Children and Families Agency.

61. National Committees continued to advance UNICEF global advocacy priorities, particularly in mental health and climate change, and supported the work to influence official development assistance policies. The Committees' support to UNICEF overall resource mobilization efforts also secured significant financial commitments to some of the largest partnerships and platforms, such as Gavi, the Vaccine Alliance, the Coalition for Epidemic Preparedness Innovations and the COVAX Facility. In 2022, World Children's Day child rights education activities undertaken by 16 National Committees reached at least 439,886 children.

62. Sixteen National Committees planned or implemented Child Rights Schools models, involving over 6,000 schools and 1.8 million children. As part of the European Union-funded project 'Children as Champions of Change', the development of the UNICEF Child Rights Schools Framework, accompanying tool kits, as well as on rights-based child participation in schools and a self-assessment methodology, supported these initiatives.

63. The Child Friendly Cities Initiative continued to expand and was implemented in 22 National Committees in 2022, with around 1,140 municipalities recognized. Through the initiative, National Committees continued to support robust activities related to child participation at the local level.

### **Output 3.2: Development finance**

64. UNICEF continued working on innovative finance partnerships to catalyse funding and align financing to meet the Sustainable Development Goals for children through alternative financial instruments. At COP 27, UNICEF announced the Today and Tomorrow Initiative, the first child-focused climate risk-financing solution to address climate change risks, and in particular the impact of cyclones, in eight at-risk countries: Bangladesh, Comoros, Fiji, Haiti, Madagascar, Mozambique, Solomon Islands and Vanuatu. This pilot initiative, which will be operationalized in 2023, will build on long-term climate resilience, disaster risk reduction and preparedness efforts today, while leveraging an innovative risk transfer financing tomorrow, which will be used for disaster response and climate-resilient recovery through a bespoke parametric insurance policy.

65. The year 2022 marked the 10-year anniversary of the United States Fund for UNICEF Impact Fund for Children Bridge Fund. The fund's stakeholders include institutional and corporate partners as well as members of the UNICEF International

Council. The fund achieved impact by accelerating critical funding for UNICEF programmes, procurement of essential supplies and emergency response – as well as provided investments in National Committee regular resources fundraising.

66. UNICEF deepened its engagement with the private sector through corporate partnerships with investment managers. To successfully manage these partnerships, UNICEF issued a policy on engagement with investment managers to create and market investment funds to mobilize funds in support of UNICEF programmatic activities, and is finalizing a procedure to implement the policy.

**Outcome 4: Cross-cutting enablers – The UNICEF business model enables effective partnership and engagement to accelerate income and influence for children and young people**

67. In 2022, PFP enablers demonstrated their ability to support priority engagements to accelerate resource mobilization and rapidly changing business needs. The Division focused on investing in innovation and capacity-building, tactically using internal communication and knowledge management platforms as well as aligning work processes, systems and human resources to achieve results. Key results, priorities and strategies had been fully integrated into the UNICEF Strategic Plan, 2022–2025, which will formalize and promote a holistic and organization-wide effort and investments for private sector fundraising and partnerships.

68. The Division worked with National Committees to strengthen good governance practices and processes in line with the principles of good governance for National Committees. The Division also focused on supporting fundraising in new markets, building country office capacity with private sector fundraising operations, and creating a service-oriented culture through a global tracking system to support private sector fundraising.

**Output 4.1: Agile and responsive business model**

69. To help to scale up private sector fundraising globally and pioneer innovative financing for children modalities, PFP enablers provided extensive policy, financial planning and procurement support for informed partnership decision-making, by minimizing reputational risks. Innovative global business solutions, such as an updated fund remittance system, a business-to-business pilot programme, and the UNICEF and National Committees Customer Relationship Management system integration pilot programme, were implemented to drive efficiencies.

70. The Division strengthened risk management practices by focusing on key strategic divisional risks and adopting a more proactive approach to managing them. Data security remained a priority and a global project on data security standards achieved significant results in decreasing the risk of data breaches.

**Output 4.2: Internal communication and staff engagement**

71. In 2022, PFP made progress in improving internal communication, as shown by the positive response from staff in the Global Staff Survey on staying informed about organizational developments and strategic priorities. The internal communication function supported the communication of strategic priorities and change processes through various channels, including weekly updates, monthly meetings and the Pulse newsletter. The Division successfully utilized a networked model approach for improved staff collaboration and increased productivity. This was further facilitated by the transition to a new intranet platform, which improved access to collaboration sites and digital tools.

### **Output 4.3: Decentralized and empowered governance and oversight**

72. In 2022, National Committees continued to strengthen governance processes in line with the principles of good governance, under the oversight and stewardship of their Boards and supported by PFP through technical guidance, training and tools. Strategic governance objectives and improvement strategies agreed in Joint Strategic Plans were implemented. As part of the overall governance agenda, a robust ethical framework with a focus on child safeguarding and effective enterprise risk management, and informed by environmental, social and governance considerations, continued to be a priority.

73. Key structural enhancements to the joint strategic planning process included the addition of the new ‘people and culture’ enabler in the strategic plans; alignment of the overall Joint Strategic Plans scorecard with the quarterly financial scorecard and revenue and expenditure report; adapting key performance indicators in both the influence and income sections of the Joint Strategic Plans; and overall improvements to the user experience. A critical update to the platform was the integration of the investment funds application process with core information into the Joint Strategic Plans.

74. In 2022, PFP started implementing the strategic shift to support fundraising in new markets and contribute to the financial sustainability of UNICEF programmes in upper-middle-income and high-income country contexts. This, coupled with continuous efforts to drive private sector fundraising income, resulted in \$433 million generated by UNICEF country offices in 2022, a 35 per cent growth compared to 2021.

75. The Division continued to support country offices with the management, use and repayment of the World Bank financing instrument, meeting all payment and reporting (impact and financial) obligations to the World Bank, as well as to the Executive Board. The instrument has contributed to the sustainable and healthy growth of flexible income in country offices.

76. Further investments were made to drive excellence in private sector fundraising and partnerships through talent and capacity development. This included two rounds of the PFP Senior Staff Orientation (benefiting 48 country office and regional office senior leaders) and the design and launch of two new talent programmes – the Fundraisers Excellence Programme (for national fundraising staff) and the private sector fundraising Chiefs Learning Journey (for fundraising chiefs)– which will continue to support the professional development of country office staff throughout 2023.

77. The Division continued exploring the potential of Islamic giving and philanthropy in both existing and new markets, with a focus on high-value and digital fundraising, taking advantage of existing digital infrastructures. Following a testing period in late 2022, this work is expected to be further implemented through technical groups involving National Committees and country offices.

78. The year 2022 was pivotal for the creation of a service-oriented culture, and a global system was established to track and address operational challenges related to private sector fundraising in country offices that require headquarters attention and support.

### **Output 4.4: Dynamic people and inclusive culture**

79. The human resources function in PFP supported the recruitment, development and retention of high-calibre staff, consultants, individual contractors, interns and staff on stretch assignments to meet organizational needs. The learning and development team delivered 17 programmes comprising 56 virtual sessions and

engaging 955 participants. To support the diversity, equity and inclusion initiative, training on unconscious bias was piloted, with 14 in-person participants and 7 virtual participants. Increased collaboration with the global people and culture community proved to be a strong opportunity for PFP human resources to support the Division and organization with cross-fertilization and agility. The PFP-led National Committee-Private Sector Fundraising Human Resources Network continued to achieve increasing engagement in 2022 and helped to integrate people and culture reporting in the new Joint Strategic Plans.

#### **Output 4.5: Brand and marketing**

80. In 2022, PFP continued to capitalize on building brand awareness with private sector audiences and integrating communication to ensure successful fundraising. Along with other Divisions, PFP helped all audiences and donors to understand the impact they make when they engage with UNICEF. With more than 10 million donors in 2022, and millions more engaging with UNICEF content, people around the world were able to see UNICEF in action.

#### **Output 4.6: Evidence and knowledge management – Data, market and business intelligence**

81. In 2022, UNICEF undertook robust knowledge exchange and capacity-building initiatives among National Committees and country offices. Over 380 case examples were captured through the Inspire Awards and the new Knowledge Exchange Platform, which was launched in 2022. More than 100 knowledge and skill-sharing sessions were successfully organized within the Virtual Skill Share Academy umbrella, with over 4,400 participants throughout the year. E-courses were updated using foundational knowledge, strategies and new cases. Capacity-building offerings were also developed and updated, including the Supporter Engagement Capacity Building Programme and the new Fundraising Excellence Programme.

### **C. Resource utilization**

82. The results of PFP, together with the National Committees and UNICEF country offices, are funded by three sources:

(a) The special purpose budget, which is funded by regular resources for investment and other fundraising activities of PFP and its regional support centres in Amman, Bangkok, Nairobi and Panama; and the special purpose ceiling funded by other resources for fundraising activities in PSFR country offices.

(b) The institutional budget for development effectiveness and management activities.

(c) The forward flow agreement in partnership with the World Bank that raised additional funds for investment in private sector fundraising.

83. In its decision [2022/8](#), the UNICEF Executive Board approved a special purpose budget funded by regular resources of \$158 million, comprising investment funds of \$85 million and other private sector fundraising costs of \$73 million, and the establishment of an other resources ceiling of \$60 million. The institutional budget allotment to PFP for 2022 totalled \$13.6 million.

#### **Special purpose budget funded by regular resources**

##### ***Investment funds***

84. Investment funds allow PFP, working with the National Committees and country offices, to strategically invest in donor retention, quality and acquisition. In 2022, the available resources were directed to the most-rewarding opportunities that grow



regular resources revenue and further develop critical regular resources revenue streams, such as pledge and legacy fundraising, including through digital fundraising activities.

85. Investment fund expenditure in 2022 totalled \$84.4 million and was below the budget by \$0.6 million (0.7 per cent).

86. Investment funds allocations to the National Committees totalled 79 per cent, 3 per cent was allocated to country offices and 18 per cent to global initiatives managed by PFP. The decision-making criteria for investment funds allocations included the cost-effectiveness of proposals received and the revenue-generating potential of markets. Investment funds were allocated to 36 markets for fundraising activities in National Committee countries and country offices. This compares to 2021, when investment funds were allocated to 47 countries.

#### ***Other fundraising activities***

87. The budget for other fundraising activities was increased in 2022 by \$4.6 million to \$72.6 million. Expenditure on other fundraising activities in 2022 totalled \$64.2 million, which represented 88.4 per cent of the approved budget. The underutilization of \$8.4 million (11.6 per cent) was a result of savings from vacant posts.

88. Expenditure on other fundraising activities comprises the cost of the technical expertise provided by PFP in global fundraising support to the National Committees (\$36.4 million) and country offices (\$10 million); marketing and communications (\$9.3 million); engagement with the private sector (\$7.3 million); and procurement (\$1.2 million). Significant components of the cost of global fundraising support are technical expertise on individual giving (\$17.7 million); corporate partnerships (\$8.5 million); and global philanthropy (\$10.2 million).

#### **Fundraising activities funded by other resources**

##### ***Other fundraising activities***

89. The ceiling for other fundraising activities provides for the direct costs of country office fundraising activities and is established based on projected revenue targets. Country offices are guided to invest up to 25 per cent of their gross private sector revenue raised in-country in any calendar year in fundraising activities. The ceiling represents the estimated cost level. Expenditure is incurred in relation to the revenue raised. Therefore, expenditures that are higher or lower than the ceiling do not result in overspending or savings to UNICEF.

90. Expenditure on other fundraising activities totalled \$61.9 million in 2022 compared to the approved ceiling of \$60.0 million, while total revenue raised by country offices exceeded the budget by \$131.0 million.

##### ***Institutional budget***

91. The institutional allotment for development effectiveness and management activities totalled \$13.6 million in 2022, an increase of \$1.1 million compared to 2021. Expenditure related to the PFP Director's Office, and the strategic planning, finance and National Committee relations functions totalled \$10.8 million. The underutilization of \$2.8 million (20.6 per cent) comprised savings from vacant posts which, based on UNICEF policy, are retained and managed centrally.

##### ***World Bank instrument***

92. In 2022, 24 countries benefited from the World Bank financing facility. These 24 country offices have raised \$232.7 million in revenue from pledge donors since implementation of the instrument, with \$128.0 million raised during 2022.

## **D. Net surplus**

93. The net private sector surplus was \$2.41 billion, or 74.4 per cent higher than planned for 2022, and \$570.2 million, or 31.0 per cent higher than in 2021. The net private sector surplus represents 90.2 per cent of the private sector revenue. The net surplus ratio in 2022 is higher compared to the 2022 budget and the prior year ratio of 83.8 per cent and 88.4 per cent, respectively.

## **E. Strategic priorities**

94. The Division, together with the 33 National Committees for UNICEF and 21 UNICEF country offices, aims to generate income and influence at scale from the private sector to contribute to the delivery of results established in the UNICEF Strategic Plan, 2022–2025, based on the following six strategic priorities:

- (a) scaling up digital fundraising;
- (b) optimizing major donor engagement through income, and by leveraging their voices, investments and expertise;
- (c) developing effective strategies for fundraising growth in new markets;
- (d) continuing to mainstream working with business to deliver results for children, to generate income and to leverage non-financial resources, such as innovation, expertise and core assets;
- (e) scaling up financing for children;
- (f) contributing to strengthened engagement by UNICEF in high-income countries.

## **III. Draft decision**

### *The Executive Board*

1. *Takes note* of the Private Fundraising and Partnerships: financial report for the year ended 31 December 2022 ([E/ICEF/2023/AB/L.3](#)).
2. *Also takes note* that the revenue figures presented in this report are subject to external audit and that the non-financial results are indicative.

## Annex

## Revenue and expenditure, 2021–2022

<i>(in millions of United States dollars)</i>	2021 actual			2022 approved budget			2022 actual			2022 actuals vs. 2022 approved budget	
	Regular resources	Other resources	Total	Regular resources	Other resources	Total	Regular resources	Other resources	Total	Amount	Percentage
<b>Private-sector revenue</b>											
Revenue from licensing	2.2	-	2.2	5.0	-	5.0	4.8	-	4.8	(0.2)	-4.0%
Private-sector fundraising revenue	752.9	1 323.0	2 075.9	788.7	855.1	1 643.8	708.2	1 955.8	2 664.0	1 020.2	62.1%
National Committees	714.8	1 040.8	1 755.6	749.5	592.6	1 342.1	679.3	1 552.0	2 231.3	889.2	66.3%
Country offices	38.1	282.2	320.3	39.2	265.5	301.7	28.9	403.8	432.7	131.0	43.4%
<b>Total private-sector revenue</b>	<b>755.1</b>	<b>1 323.0</b>	<b>2 078.1</b>	<b>793.7</b>	<b>855.1</b>	<b>1 648.8</b>	<b>713.0</b>	<b>1 955.8</b>	<b>2 668.8</b>	<b>1 020.0</b>	<b>61.9%</b>
<b>PFPP expenditure</b>											
<b>A. Development effectiveness:</b>	<b>4.1</b>	<b>-</b>	<b>4.1</b>	<b>4.9</b>	<b>-</b>	<b>4.9</b>	<b>4.1</b>	<b>-</b>	<b>4.1</b>	<b>(0.8)</b>	<b>-15.6%</b>
National Committee relations	4.1	-	4.1	4.9	-	4.9	4.1	-	4.1	(0.8)	-15.6%
<b>B. Management:</b>	<b>7.6</b>	<b>-</b>	<b>7.6</b>	<b>8.7</b>	<b>-</b>	<b>8.7</b>	<b>6.7</b>	<b>-</b>	<b>6.7</b>	<b>(1.9)</b>	<b>-22.0%</b>
Director's Office and Strategic Planning	1.5	-	1.5	1.6	-	1.6	1.4	-	1.4	(0.2)	-14.6%
Finance and Operations	6.1	-	6.1	7.0	-	7.0	5.3	-	5.3	(1.7)	-23.7%
<b>C. Special purpose:</b>	<b>150.9</b>	<b>77.3</b>	<b>228.3</b>	<b>157.6</b>	<b>96.0</b>	<b>253.6</b>	<b>148.6</b>	<b>97.9</b>	<b>246.5</b>	<b>(7.1)</b>	<b>-2.8%</b>
Fundraising	32.3	0.3	32.6	40.9	1.0	41.9	36.4	-	36.4	(5.5)	-13.1%
Country office support	6.1	-	6.1	7.6	-	7.6	7.9	0.7	8.6	1.0	13.1%
Country office direct fundraising costs	2.0	61.3	63.3	3.0	58.0	61.0	2.1	61.0	63.1	2.1	3.4%
Marketing and communication	9.7	-	9.7	11.2	-	11.2	9.3	-	9.3	(1.9)	-16.9%
Procurement	1.1	-	1.1	1.5	-	1.5	1.2	-	1.2	(0.3)	-19.8%
Private sector engagement	7.1	0.4	7.5	8.4	1.0	9.4	7.3	0.2	7.5	(1.9)	-20.2%
Investment in fundraising*	92.6	15.4	107.9	85.0	36.0	121.0	84.4	36.0	120.4	(0.6)	-0.5%
<b>Total PFPP expenditure</b>	<b>162.6</b>	<b>77.3</b>	<b>239.9</b>	<b>171.1</b>	<b>96.0</b>	<b>267.1</b>	<b>159.5</b>	<b>97.9</b>	<b>257.4</b>	<b>(9.7)</b>	<b>-3.6%</b>
National Committees licensing/sales expenditure	0.3	-	0.3	0.7	-	0.7	0.9	-	0.9	0.2	28.6
Impairment	-	-	-	-	-	-	1.2	1.3	2.5	-	-
<b>Net private sector surplus</b>	<b>592.2</b>	<b>1 245.6</b>	<b>1 837.8</b>	<b>621.9</b>	<b>759.1</b>	<b>1 381.0</b>	<b>551.4</b>	<b>1 856.6</b>	<b>2 408.0</b>	<b>1 027.0</b>	<b>74.4%</b>

\*Investment in fundraising: The column titled "2022 actual" represents expenditures of PFPP investment funds in the Regular Resources column; and of the World Bank instrument in the Other Resources column.