

UNICEF STRATEGIC PLAN: updated financial estimates, 2023–2026

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UNICEF Executive Board – Informal Briefing – 6 December 2023
UNICEF Strategic Plan: updated financial estimates, 2023–2026
Reference document: E/ICEF/2023/AB/L.6

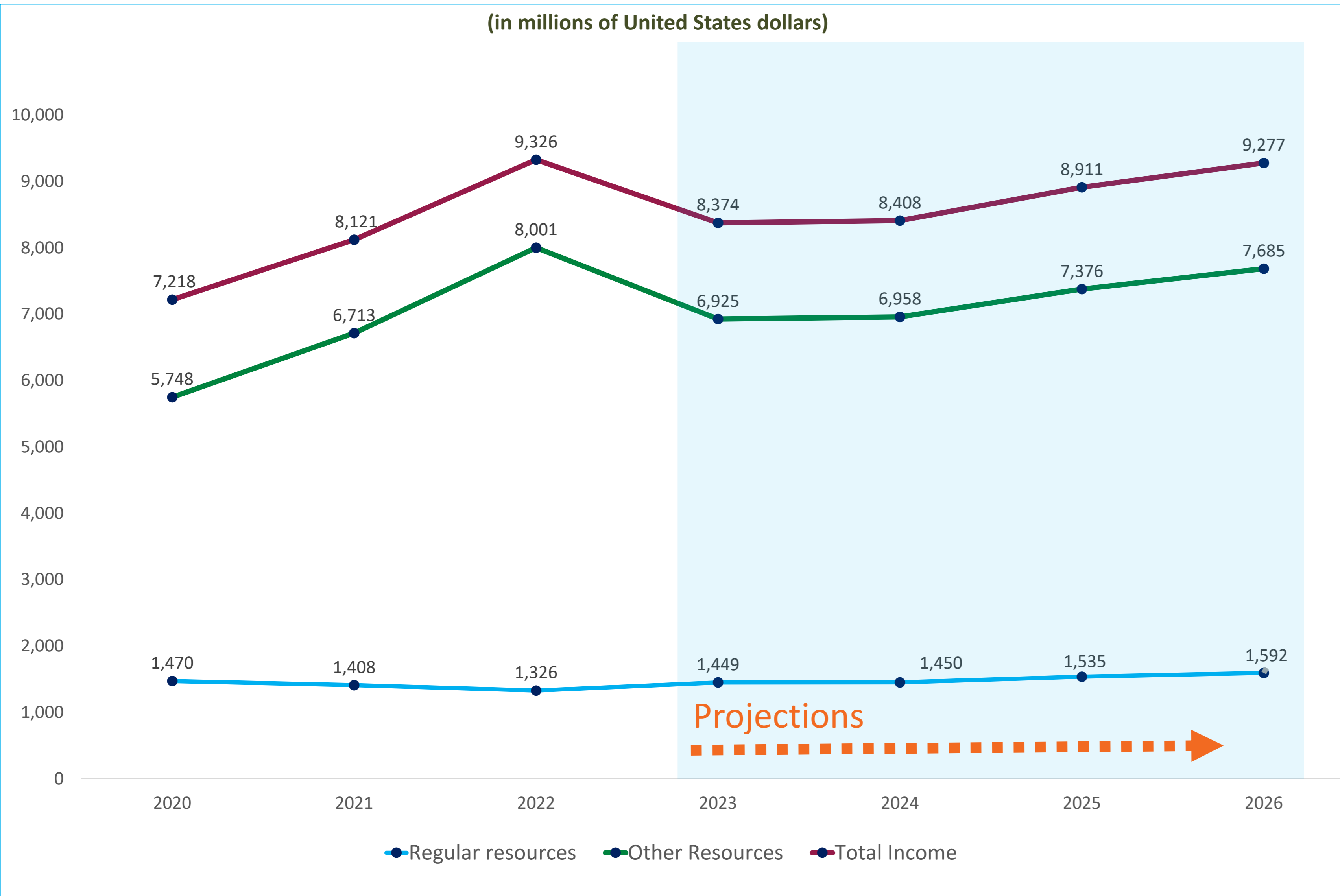
UNICEF Decision 2023/21 – Para 4

Also requests an informal briefing on financial estimates for the period 2023–2026, including regular and earmarked funding, the decline in revenue, and use of surplus funds to mitigate the decline, ahead of the first regular session of 2024.

Ref. Document: [E/ICEF/2023/AB/L.6](#)

Historical Income Trend (2020-2022) and Projection (2023-2026)

(in millions of United States dollars)



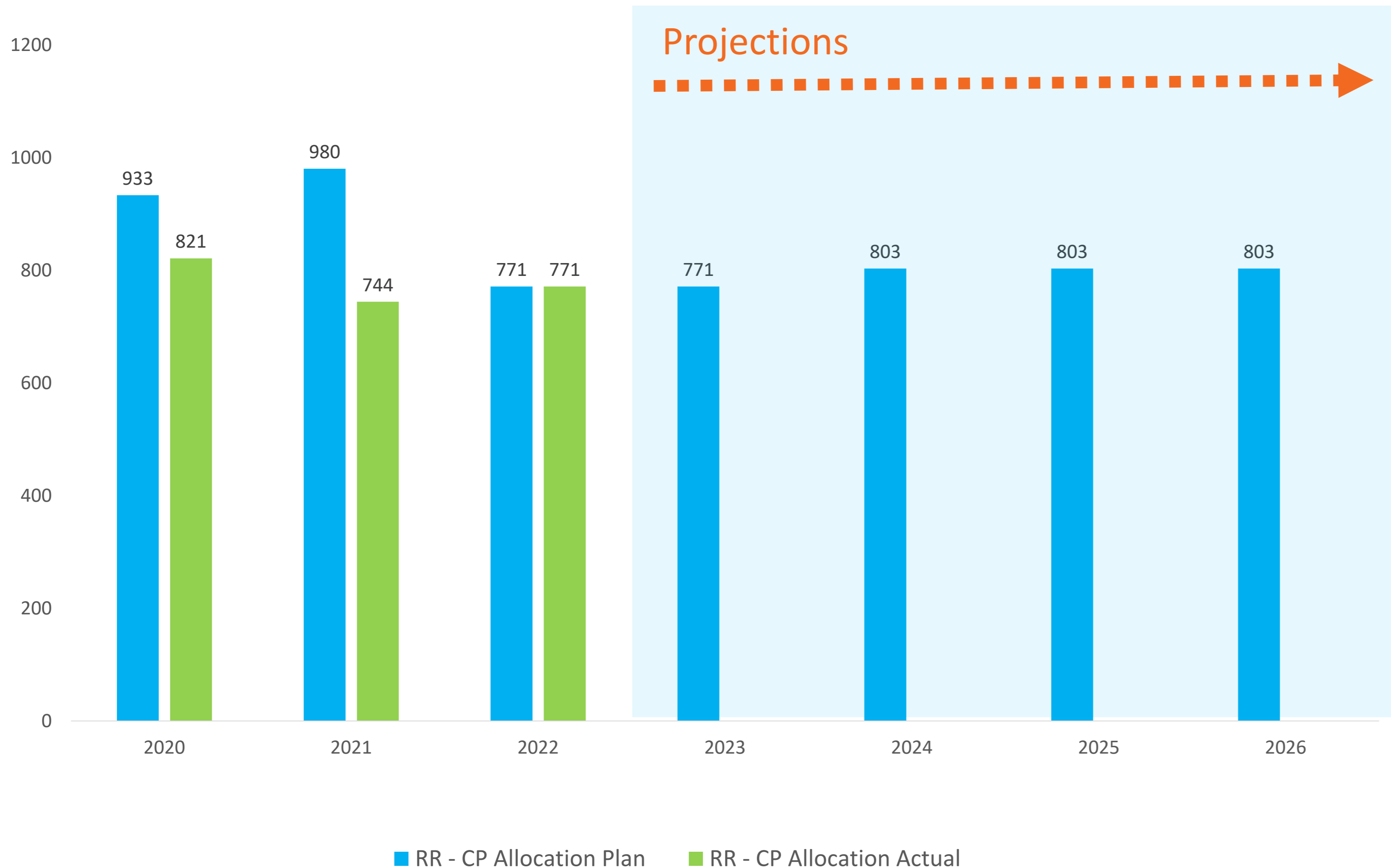
In 2022, the total income was \$9.3 billion, marking the highest recorded figure to date.

The overall Regular Resources (RR) income, excluding Miscellaneous (Other) Income, has shown a declining trend. Miscellaneous Income is making up for the declining RR contributions.

The private sector will remain the largest contributor to RR Income and is projected to increase over the years 2023 – 2026.

Regular Resources Allocations Plan vs Actual (2020-2026)

(in millions of United States dollars)



RR Allocation in **2020-21** was reduced to comply with Executive Board Decision 2020/22 and to respond to concerns expressed by member states during the 2nd regular session in 2020 regarding spending plans that were considered overly optimistic financial projections.

Decision 2020/22: Takes noteUNICEF to closely monitor financial risks in light of the reduced reserves, and furthermore encourages UNICEF to maintain the level of liquidity in regular resources over the period of the next Strategic Plan at a minimum threshold of the equivalent of expenditure for three months.

Reductions in RR allocation to Programme in 2020-21 resulted in an additional \$348 million impact on the RR Reserve.

The 2022 RR Reserve balance, \$655 million, exceeded the minimum by \$280 million.

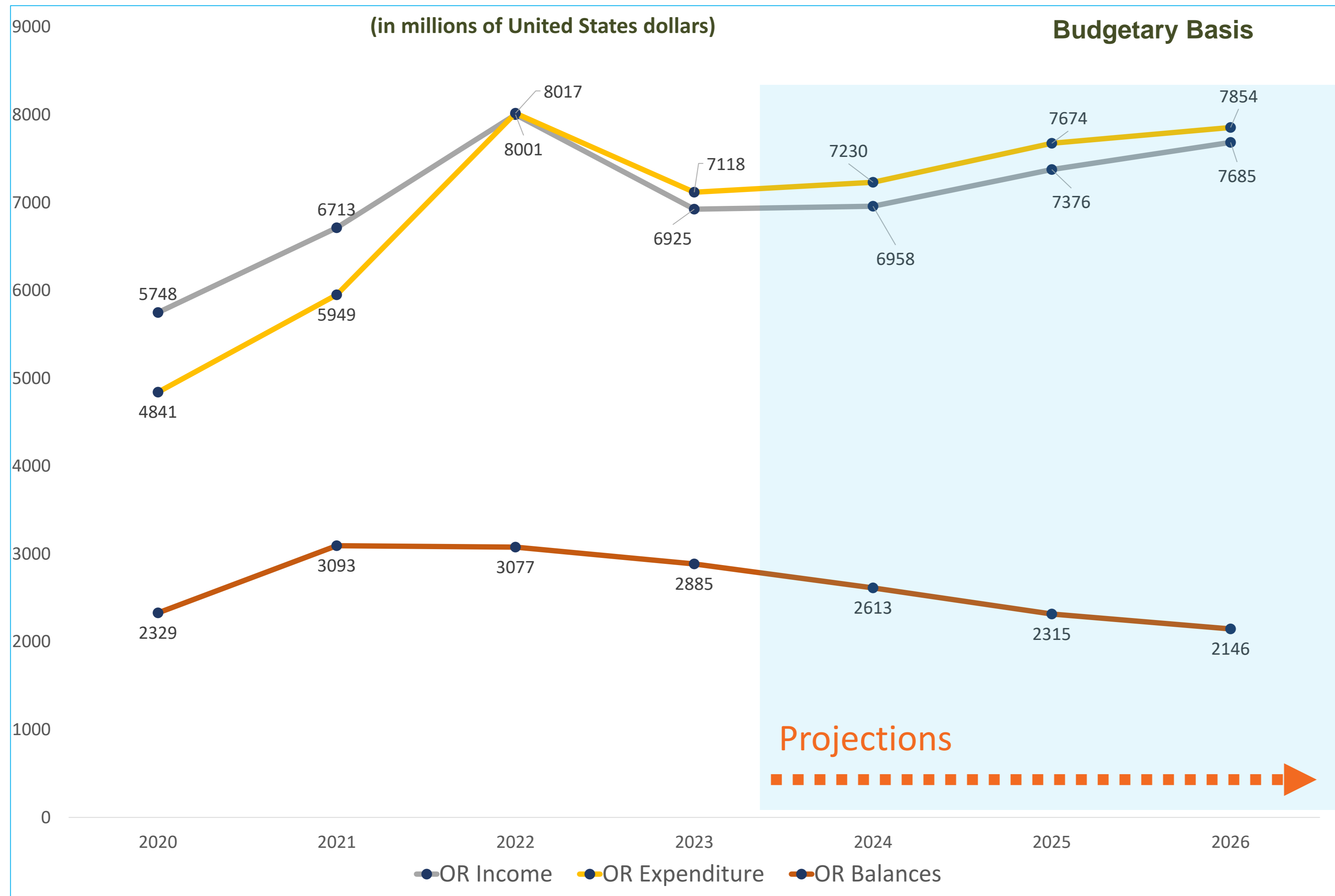
- **Reasons for the increase**

- Reduction in RR Allocations in 2020-21 in response to Executive Board decision 2020/22.
- Miscellaneous Income more than planned.
- Actual Cost Recovery more than planned due to high OR delivery (Ukraine).
- Slow uptake of capital investments at the start of the Strategic Plan period.

- **Planned utilization of RR over the next four years**
 - Additional allocation to Country Programmes (32 million per year)
 - Allocation of the maximum ceiling for the Emergency Program Fund (EPF) due to increased emergencies
 - Capitalization of the Dynamo Fund for Private Sector Fundraising
 - Funding to reduce the unfunded portion of the Staff After-Service liabilities

The projected reserve for 2026 is \$445 million, which is slightly higher than the minimum required amount. This is in line with our strategy to adopt a conservative approach towards reducing over-reliance on miscellaneous income, an occurrence that may not repeat in future years.

Other Resources (2020 – 2026)



OR Income reached 8 billion in 2022, primarily driven by emergencies in Ukraine, Afghanistan, Yemen, etc.

OR Balances represent amounts that have yet to be spent, driven primarily by multi-year funding.

The unspent amount is not static but rather a rolling year-on-year balance.

The unspent balance is expected to decline in alignment with the scale of responses.

Multi-year funding remains essential for long-term secured funding for UNICEF.

Thank you.

