United Nations Children’s Fund
Executive Board
Second regular session 2024
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Item 7 of the provisional agenda*  

Structured dialogue on financing the results of the UNICEF Strategic Plan, 2022–2025

Summary

In response to General Assembly resolution 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, and in line with relevant decisions adopted by the UNICEF Executive Board since 2014, the most recent being decision 2023/19, this paper considers the financing of the UNICEF Strategic Plan, 2022–2025.

The UNICEF structured funding dialogues are conducted within the framework of United Nations system-wide funding and collaboration, as articulated in the United Nations funding compact, which was endorsed in May 2019 by the United Nations Economic and Social Council. In accordance with Executive Board decisions since 2019, UNICEF continues to monitor its entity-specific progress towards the achievement of the United Nations funding compact. This report provides an overview of the resource trends, current situation and funding perspective for 2023, taking into account both core and non-core resources.

Elements of a draft decision for consideration by the Executive Board are presented in section VII.

Note: The present document was processed in its entirety by UNICEF.
I. Overview

1. This structured funding dialogue report provides an annual update on financing of the results of the UNICEF Strategic Plan, 2022–2025 and on progress against the agency-specific targets of the funding compact.

2. The economic rebound that was expected at the onset of the current Strategic Plan period following the coronavirus disease (COVID-19) pandemic was significantly impeded by a series of global challenges, such as sudden-onset humanitarian crises in a number of countries, geopolitical tensions, disruptions to supply chains, pronounced inflationary pressures, economic fragmentation and considerable foreign exchange volatility.

3. Despite the challenging fundraising climate, UNICEF income surpassed $9.33 billion in 2022 and reached $8.92 billion in 2023. Compared to 2022, UNICEF income in 2023 decreased by 4 per cent (or $406 million), due to a drop in other resources (emergency) (ORE) funding. Of the total income, 73 per cent ($6.55 billion) came from the public sector, 23 per cent ($2.07 billion) from the private sector and 3 per cent ($299 million) from other income.

4. Core resources for results, or regular resources (RR), increased by 19 per cent in 2023 compared to 2022, reaching $1.57 billion. This, coupled with decreased ORE, slightly improved the ratio of RR to total funding from 14 per cent in 2022 to 18 per cent in 2023. Nonetheless, the income trend continued to reflect earmarking and the proportion of core funding still fell significantly short of the 30 per cent commitment to the funding compact.

5. While the Humanitarian Action for Children requirements exceeded $11 billion by the end of 2023, humanitarian contributions dropped by 18 per cent in 2023 compared to 2022, reaching $1.57 billion. This, coupled with decreased ORE, slightly improved the ratio of RR to total funding from 14 per cent in 2022 to 18 per cent in 2023. Nonetheless, the income trend continued to reflect earmarking and the proportion of core funding still fell significantly short of the 30 per cent commitment to the funding compact.

6. Thematic funding – the most-flexible funds after RR – dropped dramatically from a record-level high of $1.20 billion in 2022 to only $475 million in 2023, contrary to the funding compact commitment to double the proportion of entity-specific thematic pools. The drop was largely due to decreases in flexible humanitarian funding for the Ukraine crisis from the private sector. Thematic funding as a share of total other resources (OR) from Member States continued its decline, from 8 per cent in 2022 to 5 per cent in 2023, falling below the funding compact target of 6 per cent.

7. Two years into the UNICEF Strategic Plan, 2022–2025, the context remains challenging for UNICEF to achieve the child-focused Sustainable Development Goals. The year 2023 was marked by high levels of inflation, numerous severe humanitarian crises and uneven recovery from the COVID-19 pandemic. Within this context, flexible and predictable funding – which directly supports the achievement of programme results by investing in national social development systems, thus enabling longer-term planning – becomes even more critical. UNICEF calls upon Member States to sustain their commitments to the funding compact targets on increased core, pooled and thematic funds, as well as multi-year contributions, which will allow UNICEF to effectively deliver the Strategic Plan results, uphold its normative mandate and maintain a strong foundation for sound fiduciary, oversight and risk management functions.
II. United Nations funding compact

8. The funding compact is a shared set of commitments between Member States and the United Nations development system to improve the way in which the system is funded and delivers results. It is built on the premise that sufficient, quality and predictable funding, combined with enhanced transparency and accountability, are preconditions for the system to deliver more collaboratively, effectively and efficiently. With mounting development and humanitarian needs, fulfilling these commitments is critical to ensuring that the system can support countries to respond to complex challenges and remain on track to achieve the Sustainable Development Goals.

9. The structured funding dialogues provide an annual forum for United Nations entities and their governing bodies to monitor progress towards the funding compact targets and to address shortfalls. As a voluntarily funded organization, UNICEF is particularly vulnerable to fluctuations in income and partners’ priorities, which impact its ability to plan and achieve sustainable results. The structured funding dialogue offers opportunities to jointly address this challenge in finding solutions to improve the quality and predictability of funding for the organization.

10. Member States committed to reaching at least 30 per cent in core funding by 2023, increasing the share of multi-year contributions and doubling development-related pooled funds and single-agency thematic funds. Despite some progress in closing the gap on core funding, the 30 per cent target has not been achieved, and there has been regression on Member States’ commitment on doubling UNICEF-specific thematic funding. From an agency-specific perspective, UNICEF continues to meet all its commitments, while Member States have regressed or made little progress on 75 per cent of their commitments. Document UNICEF/2024/EB/9, which is being presented in conjunction with this report, presents the progress on funding compact commitments for UNICEF.

Figure I
Progress on funding compact commitments, 2023 (number and percentage)
III. Resources to support the UNICEF Strategic Plan, 2022–2025

A. Strategic Plan income estimates

11. The UNICEF Strategic Plan is accompanied by a four-year financial plan that is reviewed and revised annually. In 2021, the Executive Board approved total income estimates for the Strategic Plan, 2022–2025 of $25.9 billion, segmented as $5.9 billion (or 23 per cent) as RR and $20 billion (or 77 per cent) as earmarked OR. During the midterm review of the Strategic Plan, UNICEF revised its income projections, which were presented to the Executive Board in June 2024. The revised income was projected to increase to $35.6 billion, of which $5.8 billion is RR and $29.9 billion is OR.

12. The latest updated Strategic Plan financial estimates will be presented to the UNICEF Executive Board in September 2024. The total income is projected at $35.6 billion, of which $5.8 billion (or 16 per cent) is RR and $29.8 billion (or 84 per cent) is OR. Compared to the originally approved Strategic Plan estimates, total income is projected to increase by $9.7 billion.

Table 1
Strategic Plan, 2022–2025 approved income estimates versus revised estimates, by resource partner and funding type
(in millions of United States dollars)

<table>
<thead>
<tr>
<th>Funding type</th>
<th>Original income estimates, 2022–2025, as of September 2021</th>
<th>Revised income estimates, 2022–2025, as of September 2023</th>
<th>Midterm review income estimates, 2022–2025, as of May 2024</th>
<th>Revised income estimates, 2022–2025, as of September 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regular resources</td>
<td>Other resources</td>
<td>Total</td>
<td>Regular resources</td>
</tr>
<tr>
<td>Public</td>
<td>2 179</td>
<td>16 305</td>
<td>18 484</td>
<td>2 045</td>
</tr>
<tr>
<td>Private</td>
<td>3 431</td>
<td>3 739</td>
<td>7 170</td>
<td>3 081</td>
</tr>
<tr>
<td>Other</td>
<td>294</td>
<td>–</td>
<td>294</td>
<td>633</td>
</tr>
<tr>
<td>Total</td>
<td>5 904</td>
<td>20 044</td>
<td>25 948</td>
<td>5 759</td>
</tr>
</tbody>
</table>

Note: Numbers may not add up due to rounding.

Figure II
Strategic Plan, 2022–2025 approved income estimates versus revised estimates
(in millions of United States dollars)
B. Income in 2023

13. Despite the challenging economic and political situation in 2023, UNICEF total income reached $8.92 billion, a 4 per cent decrease from 2022, which was mainly due to the significant drop in ORE income from the private sector for the Ukraine crisis, as well as the gradual decrease of funding to the COVID-19-related ACT-A collaboration from the public sector. Public sector contributions continued to account for the majority of total income in 2023, at 73 per cent, while the private sector contributed 23 per cent and the remaining 3 per cent came from other income.¹

14. Public sector income in 2023 reached $6.55 billion, which was $365 million (6 per cent) higher than the revised estimate in September 2023 and $15 million higher than in 2022, marking the seventh consecutive year of growth. Private sector income in 2023 reached $2.07 billion, declining by 22 per cent from 2022 income of $2.67 billion, largely a result of private sector ORE income reverting to levels prior to the Ukraine crisis.

15. Despite an 8 per cent drop in total OR from 2022 levels, OR continued to constitute the majority of UNICEF income (82 per cent) in 2023, of which 60 per cent was other resources (regular) (ORR) and 40 per cent was ORE. The overall drop in OR in 2023 compared to 2022 was due to a 23 per cent decrease in ORE, while ORR increased by 6 per cent, continuing the trend towards increased earmarking and decreased flexible and predictable funding. This is despite Member States’ commitments to the funding compact.

Table 2
Actual income, 2018–2023
(in millions of United States dollars)

<table>
<thead>
<tr>
<th>Funding type</th>
<th>Actual 2018</th>
<th>Growth %</th>
<th>Actual 2019</th>
<th>Growth %</th>
<th>Actual 2020</th>
<th>Growth %</th>
<th>Actual 2021</th>
<th>Growth %</th>
<th>Actual 2022</th>
<th>Growth %</th>
<th>Actual 2023</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Regular resources</td>
<td>1 422</td>
<td>6%</td>
<td>1 371</td>
<td>-4%</td>
<td>1 470</td>
<td>7%</td>
<td>1 408</td>
<td>-4%</td>
<td>1 326</td>
<td>-6%</td>
<td>1 571</td>
<td>19%</td>
</tr>
<tr>
<td>B. Total other resources (C+D)</td>
<td>4 638</td>
<td>-1%</td>
<td>5 029</td>
<td>8%</td>
<td>5 748</td>
<td>14%</td>
<td>6 713</td>
<td>17%</td>
<td>8 001</td>
<td>19%</td>
<td>7 349</td>
<td>-8%</td>
</tr>
<tr>
<td>C. Other resources (regular)</td>
<td>2 591</td>
<td>5%</td>
<td>2 995</td>
<td>16%</td>
<td>3 559</td>
<td>19%</td>
<td>3 731</td>
<td>5%</td>
<td>4 164</td>
<td>12%</td>
<td>4 396</td>
<td>6%</td>
</tr>
<tr>
<td>D. Other resources (emergency)</td>
<td>2 046</td>
<td>-8%</td>
<td>2 034</td>
<td>-1%</td>
<td>2 189</td>
<td>8%</td>
<td>2 982</td>
<td>36%</td>
<td>3 837</td>
<td>29%</td>
<td>2 954</td>
<td>-23%</td>
</tr>
<tr>
<td>Total income (A+B)</td>
<td>6 060</td>
<td>1%</td>
<td>6 400</td>
<td>6%</td>
<td>7 219</td>
<td>13%</td>
<td>8 122</td>
<td>13%</td>
<td>9 326</td>
<td>15%</td>
<td>8 920</td>
<td>-4%</td>
</tr>
</tbody>
</table>

Note: Numbers may not add up due to rounding.

16. Income from RR in 2023 was less impacted by foreign exchange fluctuations compared to 2022. This, coupled with an increase in core funding from several Governments, as well as significant growth in other income, contributed to an overall increase in RR in 2023 ($1.57 billion) compared to 2022 ($1.33 billion). However, at 18 per cent of total income in 2023, RR remained below the funding compact commitment of 30 per cent and far below the top proportions in earlier years of 49 per cent in 2002 and 33 per cent in 2012. The trend towards greater earmarking of contributions poses serious challenges to the organization’s ability to be agile, flexible, equitable and strategic while fulfilling its normative mandate.

¹ Due to rounding, the numbers do not add up to 100 per cent.
17. Contributions to UNICEF humanitarian funding did not keep pace with humanitarian needs in 2023. While the Humanitarian Action for Children requirements reached $11.1 billion by the end of 2023, humanitarian contributions dropped 18 per cent to $3.48 billion, of which $2.95 billion was ORE. Of the total humanitarian funding received in 2023, 50 per cent went to seven crises: Afghanistan; Ethiopia; the Sudan; the Syrian Arab Republic; the Syrian refugee crisis; the Türkiye earthquake response; and Ukraine and the refugee response. The top six resource partners (the United States of America, the United Nations Office for the Coordination of Humanitarian Affairs, the European Commission, Japan, the United Kingdom of Great Britain and Northern Ireland and Germany) accounted for 54 per cent of the organization’s total humanitarian funding in 2023.

Figure III
**Income by funding type, 2008–2023**
(in millions of United States dollars)

![Income by funding type, 2008–2023](chart)

Figure IV
**Proportion of income by funding type, 2014–2023**

![Proportion of income by funding type, 2014–2023](chart)
18. Flexible funding from core and thematic funds is considered the highest quality of funding as it provides the sustainability and predictability needed for UNICEF to achieve long-term impact for children and its mandate of reaching all children, and to contribute to achievement of the Sustainable Development Goals. Declining flexible funds present a significant risk to the organization. UNICEF urges Member States to contribute flexibly and to meet their funding compact commitments.

C. Expenditure in 2023

19. The Integrated Results and Resources Framework of the UNICEF Strategic Plan, 2022–2025 was approved by the Executive Board in September 2021, with total planned expenditure of $26.9 billion for the four-year period. Based on the actual expenditures for the first two years of the Strategic Plan (2022 and 2023) and the updated estimated expenditures (per the midterm review of June 2024) for the remaining years of the Strategic Plan (2024 and 2025), the planned expenditure (or resource gap) was $17.5 billion as at 31 December 2023. The planned expenditure represents funds required for implementation of the Integrated Results and Resources Framework for 2024–2025, based on actual expenditure in the first two years of the Strategic Plan and updated projected income for 2024–2025.

*Data for the programmes cost category of the five Strategic Plan Goal Areas are reported on an expense basis; data for the organizational effectiveness and efficiency and special-purpose cost categories are reported on a modified cash basis. Expenditure is based on the 2022–2023 actual expenditure and the 2024–2025 estimate. The full text of the Strategic Plan, 2022–2025 Goal Areas is available in the Integrated Results and Resources Framework of the UNICEF Strategic Plan, 2022–2025, E/ICEF/2021/25/Add.1.
Figure VI
Strategic Plan, 2022–2025 Integrated Results and Resources Framework (IRRF) vs. actual expenditure 2022–2023 and planned expenditure 2024–2025, by funding type (in millions of United States dollars)*

*Expenditure is based on the 2022–2023 actual expenditure and the 2024–2025 estimate.

Figure VII
Expenses by Strategic Plan Goal Area, † 2023 (regular resources, thematic funds and earmarked other resources)**

* The full text of the Strategic Plan Goal Areas (GAs) is available in the Integrated Results and Resources Framework of the UNICEF Strategic Plan, 2022–2025, E/ICEF/2021/25/Add.1.

** Funds allocated to humanitarian- and gender-related programming cut across the Strategic Plan Goal Areas.

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An analysis of 2023 expenses related to the five Strategic Plan Goal Areas illustrates the most- and least-funded programme sectors. Goal Area 3 continued to be the least funded programme for two consecutive years of the current Strategic Plan, closely followed by Goal Area 5. All the Goal Areas are heavily reliant on highly earmarked funding, both ORR and ORE, resulting in significant uncertainty in the ability of UNICEF to allocate and deploy resources, including sustaining the necessary level of human resources and expertise for the programme area. Thematic funds, which are the organization’s most-flexible funds after RR, account for a very small percentage of each Goal Area. Goal Area 3, the least-funded of all the Goal Areas, was heavily reliant on RR at 18 per cent.

IV. Quality income resource gap for 2023

The quality of income is determined by several criteria: flexibility, timeliness and predictability of the funding. In the context of the structured funding dialogue, this relates to the extent to which Member States have fulfilled their funding compact commitments on providing core, thematic and multi-year funding. Flexible resources, from core and thematic funds in particular, act as an equalizer against funding imbalances caused by earmarked resources. Quality income enables UNICEF to accelerate action and innovation where the needs of children and gaps are greatest, particularly to meet the Sustainable Development Goals. Insufficient quality funding poses risks to the long-term impact UNICEF can achieve for children.

A. Core resources for results

Core resources are a critical component of the funding compact and are vital in the organization’s ability to deliver its mandate in a timely and efficient manner. Core resources for results allow UNICEF to fulfil its mandate. Core resources equitably fund the foundational programming for children in all country offices and are used strategically to leverage OR to scale up programming in targeted sectors and locales. In the first two years of the current Strategic Plan, over 85 per cent of core funding has supported vital programmes for children across more than 149 countries and territories.

Core resources fund programmes in both low- and middle-income countries and across development and humanitarian contexts. For example, in Montenegro, RR leveraged the Government’s annual $48 million public finance investment for the universal child allowance in 2022 and 2023, which contributed to a reduction in the child poverty rate to under 30 per cent, the lowest level recorded in the country. Likewise, in Haiti in 2023, through the Emergency Programme Fund, RR supported critical supplies for safe drinking water for over a million children and families. In Ethiopia, $8.6 million in RR was used to train and deploy 15 per cent of the country’s social workers, who delivered critical services to 596,500 children affected by multiple crises and contributed to a nearly 27 per cent reduction in child marriages in drought-affected areas.

In 2023, RR income came from 50 Governments, 32 National Committees for UNICEF and 20 UNICEF country offices. The increase of $245 million in RR in 2023 represented a 19 per cent growth to $1.571 billion from $1.326 billion in 2022. The increase is attributable to:

(a) Improved foreign exchange rates;
(b) Increases in RR contributions from some Governments (the United States and Luxembourg provided the largest increases);
(c) An increase in other income, mainly from investments. Despite RR increasing to 18 per cent of total income in 2023, up from 14 per cent in 2022, the RR ratio to total income remained below the funding compact commitment of 30 per cent.

25. The private sector continued to account for a higher share of RR income from voluntary contributions (58 per cent) in 2023, while 42 per cent came from public sector partners. However, in terms of total RR income in 2023 (i.e. voluntary contributions and other income), the share from the private sector was 47 per cent, public sector 34 per cent and other income accounted for 19 per cent. Private sector contributions to UNICEF core funding remain critical for the organization to uphold its normative mandate.

Figure VIII

Regular resources income, by type of resource partner, 2023*

(in millions of United States dollars)

![Regular resources income chart]

* The data in this figure are based on “income,” which represents contributions received from the public sector, revenue from the private sector and other income.

Table 3

Top 10 resource partners for regular resources in 2023, by contribution received*

<table>
<thead>
<tr>
<th>No.</th>
<th>Resource partner**</th>
<th>Regular resources (in millions of United States dollars)</th>
<th>Type of partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>United States</td>
<td>137</td>
<td>Public</td>
</tr>
<tr>
<td>2</td>
<td>Japan Committee for UNICEF</td>
<td>117</td>
<td>Private</td>
</tr>
<tr>
<td>3</td>
<td>Germany</td>
<td>76</td>
<td>Public</td>
</tr>
<tr>
<td>4</td>
<td>Korean Committee for UNICEF</td>
<td>74</td>
<td>Private</td>
</tr>
<tr>
<td>5</td>
<td>German Committee for UNICEF</td>
<td>70</td>
<td>Private</td>
</tr>
<tr>
<td>6</td>
<td>Spanish Committee for UNICEF</td>
<td>68</td>
<td>Private</td>
</tr>
<tr>
<td>7</td>
<td>French Committee for UNICEF</td>
<td>62</td>
<td>Private</td>
</tr>
<tr>
<td>8</td>
<td>Sweden</td>
<td>59</td>
<td>Public</td>
</tr>
<tr>
<td>9</td>
<td>Norway</td>
<td>45</td>
<td>Public</td>
</tr>
<tr>
<td>10</td>
<td>United Kingdom***</td>
<td>39</td>
<td>Public</td>
</tr>
</tbody>
</table>

* Contributions received in cash and in kind; Please refer to the 2023 Funding Compendium for the full list of contributors.

** Excluding private sector fundraising by country offices.

*** The regular resources contribution of $39.1 million from the United Kingdom of Great Britain and Northern Ireland includes two disbursements: $19.8 million for financial year 2023 and a contribution of $19.4 million for financial year 2022 reported and paid in 2023.
B. Regular resources contributions from the public sector

26. In 2023, core funding from the public sector increased by $46 million or 9 per cent, from $494 million in 2022 to $539 million in 2023, accounting for 34 per cent of total RR and 42 per cent of total voluntary RR contributions. This was strongly driven by a more favourable exchange rate compared to 2022, increased RR contributions from some Governments as well as timely payments of annual RR contributions by government partners.

27. A total of 119 government partners (an increase of five from 2022) contributed core resources in 2023. Of these, 50 provided cash contributions and 81 waived fees for the rental of premises. The United States remained the top core funding donor followed by Germany, Sweden, Norway, the United Kingdom and the Netherlands. The United States and Luxembourg provided the greatest increases in core cash contributions. Sweden, Germany, Denmark, the Netherlands and Norway remained strong contributors of flexible funding, while Sweden, the Netherlands and Switzerland were the top contributors to multi-year RR from 2019 to 2023. Governments of the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) accounted for 98 per cent of total RR from the public sector. Regular resources accounted for 12 per cent of total contributions from OECD/DAC Governments. Core contributions from non-OECD/DAC Governments increased by 1 per cent, from $8.31 million in 2022 to $8.38 million in 2023 from 22 Governments (unchanged from 2022). This group accounted for 2 per cent of the total RR income in 2023. Qatar and China were the top RR partners among non-OECD/DAC Governments in 2023.

28. Similar to 2022, core contributions from Member States as a share of overall public sector income remained at 8 per cent in 2023, a significant drop from 18 per cent in 2014. Of the 50 Governments that contributed RR (in cash) in 2023, the number of Governments that met or exceeded the funding compact commitment was only 24, up slightly from 20 in 2022. Of the top 30 government partners, only 13 per cent (4 partners) met the 30 per cent funding compact commitment (Belgium, Switzerland, Luxembourg, and Norway, in order from most to least).

C. Regular resources contributions from the private sector

29. In 2023, the private sector contributed to 58 per cent of the total RR income from voluntary contributions, demonstrating the criticality of private sector
fundraising and markets for UNICEF core funding. However, taking into account the proportion of other income to total core funding, the private sector share of the total RR income was 47 per cent. Private sector core funding came mainly from National Committees (96 per cent) as well as country offices that saw healthy private sector revenue growth in 2023. National Committees contributed $701 million in RR, while country offices remitted $32 million.

30. Private sector unrestricted income has enabled UNICEF to grow RR; it also acts as a buffer to increased earmarking by public sector partners. UNICEF is recruiting individual donors to give to RR and is pursuing philanthropists and institutions to encourage RR to be a key part of their portfolio of investment in children.

D. Multi-year commitments to regular resources

31. Predictable funding commitments in the form of multi-year agreements allow UNICEF to address medium- to long-term development and humanitarian outcomes, reduce fragmentation of interventions and allow for scaling up of programmes. The proportion of RR contributions received as a part of multi-year agreements decreased from 18 per cent in 2020 to 15 per cent in 2023. UNICEF encourages partners to channel more contributions as quality funding towards meeting the funding compact commitment to increase the share of multi-year contributions.

Table 4
Contributors to multi-year\(^a\) regular resources revenue recognized\(^b\), 2018–2023

<table>
<thead>
<tr>
<th>Donor country name</th>
<th>Period</th>
<th>Total multi-year regular resources contribution(^d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>4 years (2018–2021)</td>
<td>241</td>
</tr>
<tr>
<td></td>
<td>4 years (2022–2025)</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>3 years (2019–2021)</td>
<td>236</td>
</tr>
<tr>
<td></td>
<td>3 years (2023–2025)</td>
<td></td>
</tr>
<tr>
<td>Switzerland</td>
<td>4 years (2018–2021)</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>3 years (2022–2024)</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>4 years (2018–2021)</td>
<td>81</td>
</tr>
<tr>
<td></td>
<td>5 years (2022–2026)</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>4 years (2017–2020)</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>4 years (2021–2024)</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>3 years (2020–2022)</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>3 years (2023–2025)</td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>3 years (2018–2020)</td>
<td>32</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>2 years (2020–2021)</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>4 years (2022–2025)</td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>3 years (2019–2021)</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>3 years (2022–2024)</td>
<td></td>
</tr>
<tr>
<td>Qatar</td>
<td>2 years (2019–2020)</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>2 years (2022–2023)</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>4 years (2018–2021)</td>
<td>1</td>
</tr>
</tbody>
</table>

\(^a\) Revenue is recognized, for the most part, in the year an agreement is signed and amounts in other years represent revaluation due to exchange rate fluctuations.

\(^b\) Revenue data exclude write-downs.

\(^c\) Agreements with a lifetime of two years or more defined as multi-year agreements.

\(^d\) Based on the value of the agreement signed at the start of the multi-year contribution.

32. The majority of multi-year support for RR comes from nearly 10 million individual donors, including pledge donors, who sustainably support UNICEF through monthly donations over an average of 8 years, demonstrating the public’s support of the UNICEF mandate. Member States can leverage this trust to increase their core contributions.
33. Timely support is also a key factor for predictability and resource planning. Payments made as early as possible in the year, or at the start of a multi-year planning period, facilitate effective planning and reduce the risks associated with currency fluctuations.

E. Thematic funding

34. After core resources, thematic contributions offer the most flexibility to support the UNICEF Strategic Plan. Thematic funds are softly earmarked pooled funds categorized as OR that are designed to support the achievement of results at country, regional and global levels. The flexibility of thematic funding allows UNICEF to respond more effectively by strengthening systems across sectors, promoting sustainability and reducing transaction costs, thus serving as an ideal complement to RR. They are aligned with the principles of good multilateral resource partnerships and good humanitarian donorship, as well as the Grand Bargain and the funding compact.

35. The UNICEF Strategic Plan, 2022–2025 has five Goal Areas supporting the achievement of the 2030 Agenda for Sustainable Development, for which 11 thematic funding pools have been established.

Figure X
Thematic contributions received, 2014–2023
(in millions of United States dollars)

36. Thematic funding dropped significantly from a record high of $1.20 billion in 2022 to $475 million in 2023. This drop was expected, given the unusually steep increase in humanitarian thematic funding in 2022 (which was 126 per cent higher than in 2021) driven by private sector support for the Ukraine crisis. Thematic contributions in 2023 were 37 per cent lower than contributions in 2021, but slightly higher than they were prior to 2020, indicating a return to pre-COVID-19 funding levels. Thematic contributions in 2023 constituted only 6 per cent of total OR contributions, a drop from 15 per cent in 2022 and the lowest in a decade. Thematic funding as a share of total OR from Member States specifically decreased from 8 per cent in 2022 to 5 per cent in 2023, below the funding compact target of 6 per cent.

37. Over one third (33 per cent, or $158 million) of total thematic funding in 2023 was provided at the global level, 14 per cent ($68 million) was provided as regional thematic funds and 53 per cent ($249 million) was provided at the country level. Global thematic funds, the most flexible thematic modality, decreased by 51 per cent compared to 2022.
38. Regional thematic funding experienced a sharp reduction in 2023, falling below the pre-pandemic average. This contrasts with its exponential growth of over 6,000 per cent between 2021 and 2022, due primarily to the COVID-19 pandemic and the unprecedented private sector support for the Ukraine and refugee crisis. Despite the sharp drop in 2023, regional thematic funding was more than three times the levels observed for each of the years between 2018 and 2021. The flexibility of regional thematic funding – which can be used for either humanitarian or development programming in any country and sector within a specified region – made it an attractive modality, particularly for the private sector, which contributed 99 per cent of the contributions received at the regional level in 2023.

39. The new “CPD thematic” (or flexible country thematic) pool that allows the greatest flexibility for country offices (after RR) gained traction in 2023, growing 118 per cent from 2022 to a total of $25 million. It attracted seven new National Committees for a total of nine, which collectively contributed nearly $6 million. Sweden remained a strong advocate and supporter of this modality, increasing its contribution by 69 per cent to nearly $19 million to support the ‘whole-child approach’ to programming in four countries: Bangladesh, the Plurinational State of Bolivia, the Democratic Republic of the Congo and Uganda. UNICEF encourages more public sector partners to consider this important modality, which for country offices is as flexible as core funding.
40. Both public and private sector thematic contributions decreased in 2023. Contributions from the private sector dropped dramatically from $917 million in 2022 to $287 million in 2023 (a 69 per cent decrease). Despite the sharp decrease, it still represented the majority (60 per cent) of total thematic funding in 2023. Private sector contributions came from 33 National Committees and 28 country offices.

41. Public sector contributions came from 14 Governments and accounted for 40 per cent of thematic funding contributions in 2023 ($188 million), a decrease of 34 per cent compared to 2022. Over the course of two years (2021 to 2023), Member States’ contributions to thematic funding have decreased nearly $180 million, while their contributions to non-thematic (earmarked) OR were the highest-ever recorded for UNICEF over the same period – meaning that UNICEF public sector partners (including Member States) are choosing to provide more tightly earmarked funds rather than flexible ones. This is a worrying trend away from the Member States’ funding compact commitment to double the share of non-core contributions provided through single-agency thematic funds.

42. UNICEF top 10 thematic partners, split evenly between public and private sectors, accounted for nearly three quarters ($352 million) of overall thematic funding in 2023. The top three partners (the United States Fund for UNICEF, Sweden and Germany) collectively contributed 36 per cent of total thematic funding in 2023. Of note, Denmark and Sweden increased their contributions by 28 per cent ($9 million) and 2 per cent ($1 million), respectively. Diversifying the donor base for thematic funding remains a priority for UNICEF.
The dramatic drop in thematic contributions in 2023 only exacerbated the challenge of securing flexible funding across UNICEF programme areas. The nutrition, humanitarian; water, sanitation and hygiene; and education thematic pools experienced the greatest decreases, at 91 per cent, 66 per cent, 61 per cent and 39 per cent, respectively. These cuts put at risk the organization’s ability to immediately respond as emergencies arise, such as in the Gaza Strip where UNICEF was able to get critical health supplies to 15 health-care facilities, benefitting over 500,000 people in need. Similarly, thematic funding is essential to UNICEF systems-strengthening work globally, including through education systems that enabled 37.7 million children and adolescents (more than half girls) to access learning in 2023.
44. While the gender equality and social inclusion thematic pools saw a doubling and quadrupling, respectively, of contributions from the previous year, these amounted to increases of only $2 million to $3 million each. Despite these increases, the gender equality, HIV/AIDS, nutrition and social inclusion thematic pools - the sectors most in need of flexible funding – were the least-funded receiving only 1 per cent each of total 2023 thematic funding.

45. Despite the significant decline in thematic funding for humanitarian action (which dropped 91 per cent from 2022), it continued to represent the highest performing pool, receiving 67 per cent of total thematic funding in 2023, or $319 million. Nearly half of humanitarian thematic funding was received directly at country level ($158 million), 20 per cent at regional level ($64 million) and 30 per cent ($97 million) at global level. Of the total humanitarian thematic funding received, $182 million (57 per cent) was earmarked for five crises: Pakistan, the State of Palestine, the Syrian Arab Republic, Türkiye earthquake response and Ukraine and refugee response.

46. Member States’ contributions to thematic funding fell by 34 per cent from 2022 to 2023, a reduction of nearly $96 million. This is a worrying trend away from the Member States’ funding compact commitment to double the share of non-core contributions provided through single-agency thematic funds.

Figure XV
**Thematic contributions, by funding pool, 2023**
(in millions of United States dollars)

![Diagram showing thematic contributions by funding pool, 2023](image)

F. Multi-year commitments

47. As part of the funding compact, Member States committed to reach at least 50 per cent of agency contributions being part of multi-year commitments. Multi-year commitments improve the predictability of funding streams, lead to faster and more efficient response times and facilitate longer-term programme planning and implementation. In 2023, 43 per cent of total contributions were multi-year, a nominal increase of 1 per cent from 2022.
V. UNICEF resource partners

48. UNICEF resource partners consist of Governments, international financial institutions (IFIs), Global Programme Partnerships (GPPs), United Nations pooled funds and joint programmes, individual supporters, key private sector influencers – including foundations – and businesses.

49. In 2023, contributions from public sector partners amounted to $6.55 billion, or 73 per cent of total income, which was $15 million more than in 2022. Private sector partners contributed $2.07 billion or 23 per cent of total income, which was $597 million less than in 2022. The remaining contributions of 3 per cent, or $299 million, came from other income.

50. UNICEF continued to expand and diversify partnerships across the public and private sectors. In 2023, UNICEF income came from 108 Governments (down by 1 from 2022), including the European Commission; 9.9 million individuals; over 9,000 philanthropists, foundations, membership- and faith-based organizations; and over 22,000 businesses. UNICEF also strengthened its engagement with IFIs and successfully engaged with multi-stakeholder partners to leverage their influence beyond financial contributions to advocate for children’s rights.
Figure XVII
Proportion of income by public and private partner type/income stream, 2023

Note: Due to rounding, the percentages do not add up to 100 per cent.
OECD/DAC = Organisation for Economic Co-operation and Development, Development Assistance Committee.
*Private sector breakdown is based on Revenue expenditure reports.
### Figure XVIII
**Proportion of income by public partner type/income stream, 2020–2023**

![Proportion of income by public partner type/income stream, 2020–2023](chart)

*Note: OECD = Organisation for Economic Co-operation and Development.*

### A. OECD/DAC government resource partners

51. The partnership with OECD/DAC government partners remains critical to delivering the UNICEF mandate for all children. Their contribution to total income remains the largest, at 50 per cent in 2023, which is 68 per cent of total public sector income (1 per cent less than in 2022).

52. Twenty-three Governments generously increased their contributions from 2022 to 2023. The United States remained the top donor to UNICEF, followed by Germany and the European Commission. Greece, Estonia, Poland, Spain, Portugal, Australia, France, Denmark, Austria and Iceland registered the greatest proportional increases (ranging from over 6,400 per cent to 53 per cent) in total contributions from 2022 to 2023 among OECD/DAC Governments. Poland resumed its contribution to core resources in 2023 after a 10-year hiatus while also quadrupling its total contribution from 2022.

53. The Governments of the United States, Germany, Sweden, Norway, the Netherlands, Denmark, the United Kingdom, Switzerland, Australia and Belgium continued to champion support for flexible funding through core, thematic and/or multi-year funding in 2023, while 17 Governments provided over 50 per cent of their contribution as RR and thematic funds, including the Governments of Sweden, Denmark, Belgium, Luxembourg and the Russian Federation.
B. Non-OECD/DAC government partners

54. At the global level, non-OECD/DAC partners are playing an increasingly important role in financing international cooperation and are key partners for UNICEF for generating both income and influence for children. In 2023, 76 Governments provided cash contributions, of which 22 were core funding (in cash).

55. Core contributions from non-OECD/DAC Governments increased by 1 per cent, from $8.31 million in 2022 to $8.38 million in 2023 from 22 Governments (unchanged from 2022). This group accounted for 2 per cent of the total RR income in 2023. Qatar and China were the top RR partners among non-OECD/DAC Governments.

56. The influence of this group of countries is quickly growing and their expanding economies are shaping new ways of delivering aid, with greater emphasis on South-South and triangular cooperation. This has emerged as a pivotal driver for sustainable development and is an area of growth for UNICEF. It is contributing new ways of leveraging resources and forming partnerships for development with strong potential to benefit children and young people. The increasing funding from programme countries underscores the progress achieved through collaborative efforts among nations. Partnerships among countries of the global South have supported progress in national development that complements the traditional model of delivering development assistance. As called for during the 2023 SDG Summit, South-South cooperation is well-placed to support this acceleration by reducing fragmentation and increasing sustainable progress. As a catalyst for the Sustainable Development Goals, it also contributes to the realization of child rights.

57. UNICEF will continue to pursue opportunities for engagement, partnerships and resource mobilization with non-OECD-DAC countries, based on its commitment to the United Nations system-wide strategy on South-South and triangular cooperation and in line with the UNICEF Strategic Plan, 2022–2025.

C. International financial institutions

58. Throughout 2023, UNICEF continued to scale up its strategic engagement with IFIs on leveraging, advocacy and technical exchange for policy change, to advance on the child-related Sustainable Development Goals. An update on UNICEF engagement with IFIs was presented to the UNICEF Executive Board in February 2023. Total income from IFIs in 2023 amounted to $756 million in direct funding and $178 million through tripartite agreements with Governments, accounting for 10 per cent of UNICEF total income (a 2 per cent increase from 2022), and 14 per cent of total income from the public sector (up 2 per cent from 2022). The key drivers included World Bank direct financing in Afghanistan, South Sudan and Yemen; Asian Development Bank financing in Afghanistan; and a general increase in funding in fragile contexts. This was supported by IFI operational policies that provided greater flexibility for collaboration with United Nations agencies and other entities.

59. In November 2023, UNICEF convened its first-ever operational consultation with the World Bank, followed by a strategic partnership dialogue in early 2024, both of which represented key milestones in shaping the direction of the joint strategic partnership priorities and operational engagement outlined in the partnership framework. The nature of UNICEF collaboration with IFIs is wide-ranging and occurs at global, regional and country levels, and in development and humanitarian settings. UNICEF country offices strategically engage IFIs through United Nations coordination mechanisms and sector briefs, and with line and finance ministries. With poverty, climate change and inequality emerging as the defining issues of the era,
UNICEF strategic partnerships with IFIs have become even more critical to protect children’s rights, help to meet their basic needs and expand their opportunities to reach their full potential.

**D. Global Programme Partnerships**

60. Funding from GPPs has demonstrated sustained growth over the past five years, with income doubling since 2019. In 2023, UNICEF received $479 million in direct funding from GPPs and $177 million through tripartite agreements with Governments. This success has been driven by continued global funding to address the COVID-19 pandemic and other humanitarian crises, as well as by increased recognition among financing agencies of the ability of UNICEF to implement programmes at scale.

61. Total income from Gavi, the Vaccine Alliance exceeded $320 million in 2023, with $80 million contributed as ORE. Additionally, $85 million was received from the Global Fund to Fight AIDS, Tuberculosis and Malaria. UNICEF is currently prioritizing climate financing with partners such as the Green Climate Fund, the Adaptation Fund and the newly formed Loss and Damage Fund.

**E. United Nations pooled funds and joint programmes, and collaboration with other United Nations agencies**

62. In 2023, more than 110 UNICEF offices (more than 85 per cent) engaged in United Nations inter-agency pooled funds, receiving a total contribution of $417 million ($54 million less than in 2022). This represents 7 per cent of total OR contributions from the public sector in 2023 (a 1 per cent decrease from 2022). The programmes span across all UNICEF Strategic Plan Goal Areas, contributing to coherence and increased coordination among United Nations sister agencies while reducing transaction costs by using harmonized agreements and reporting.

63. UNICEF was represented in United Nations inter-agency platforms such as the Joint Sustainable Development Goals Fund and the United Nations Sustainable Development Group Fiduciary Management Oversight Group subgroup on United Nations pooled funds, leading the discussions towards United Nations coherence and inter-agency pooled funds. In collaboration with the World Health Organization, the Multi Partner Trust Fund Office and the Development Coordination Office, in 2024, UNICEF plans to participate in an inter-agency pilot training on United Nations pooled funds for partnerships focal points in West and Central Africa. In the spirit of inter-agency cooperation, the materials and lessons learned will be shared with other United Nations agencies.

**F. Private sector**

64. UNICEF strives to achieve impact for children by maximizing income and leveraging influence from the private sector through efforts across the UNICEF ecosystem, which includes the National Committees for UNICEF, country offices and multi-country clusters for private sector fundraising. UNICEF engages with a broad range of private sector partners – individual donors (citizens who make donations through cash, pledge and legacy gifts), businesses, foundations, philanthropists and membership- and faith-based organizations, as well as multi-stakeholder platforms – through advocacy, fundraising, influence and partnerships.

65. A total of $2,068 million was mobilized from the private sector through National Committees and country offices to support UNICEF in 2023, 78 per cent (or $1.62 billion) from the Committees and 22 per cent (or $446.4 million) from country offices.
The majority of private sector income in 2023 came from individual givers, accounting for 57 per cent of total private sector income, up 7 per cent from 2022. This demonstrates the support and confidence that UNICEF has earned from the general public.

Figure XIX
Proportion of income by private partner type/income stream, 2020–2023

66. After the unprecedented year in 2022, which was marked by a spike in funding support for the Ukraine crisis, private sector income was forecasted to return to pre-pandemic levels. However, private sector performance remained strong and was on par with 2021, which was the second highest year on record. The results from 2023 confirm that the new ‘baseline’ of private sector income is anchored sustainably at significantly higher levels than in previous years, giving confidence that the UNICEF private sector income strategy is proving to be effective over the long term.

G. Multi-stakeholder platforms and partnerships

67. UNICEF strategically engaged with 14 multi-stakeholder platforms throughout 2023. Flagship moments for advancing partnership and advocacy priorities during the year included the high-level week of the seventy-eighth session of the United Nations General Assembly, the twenty-eighth Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28) and the World Economic Forum Annual Meeting. All of these witnessed an unprecedented level of participation and engagement in UNICEF-hosted events.

68. In 2023, significant progress was achieved in the integration of influence and income. This was exemplified in the implementation of the ‘advocacy with business’ strategy, particularly in the areas of mental health, climate change and water security. For example, the UNICEF-led Global Coalition for Youth Mental Health engaged two new companies, totalling six business leaders and reaching a collective investment of over $30 million for child and youth mental health. The private sector advocacy strategy on climate formed the basis of many stakeholder discussions at COP28, including UNICEF partnering with the We Mean Business Coalition on a campaign to which over 200 businesses have signed on to the phasing out of fossil fuels. In terms of humanitarian business engagement in 2023, the business and community resilience approach continued to be implemented across seven countries, with additional funding secured for 2024.
**H. Alternative/innovative financing**

69. In line with the innovative financing for children strategy, UNICEF continued to pursue partnerships with financial institutions and private donors and investors, to broaden funding and financing sources through innovative and alternative financing instruments. In 2023, UNICEF implemented the Today and Tomorrow Initiative, the first child-focused climate risk-financing solution. The initiative aims 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. One year since the pilot was launched, UNICEF secured up to $92.5 million in cyclone risk coverage and received approximately $4 million in parametric insurance payouts to respond to tropical cyclone-induced emergencies in six of the eight coverage countries.

70. UNICEF also partnered with the World Health Organization, the Bill & Melinda Gates Foundation, the Global Polio Eradication Initiative and the European Investment Bank to finalize an agreement to pre-finance 500 million euros over three years. This will cover polio vaccinations for 370 million children annually, deliver vital health services alongside polio campaigns, including measles vaccines and other routine immunizations, and strengthen health systems to prepare for and respond to emerging health threats.

**VI. Strategic considerations**

**A. Improved reporting, visibility and recognition**

71. In 2023, there were 13,000 mentions of public sector partners on UNICEF public communication channels in the context of support provided to children through UNICEF. These mentions generated over 4 billion impressions (e.g. likes and comments). Recognition of public sector partners continued to be included in UNICEF flagship reports for 2023, including the Core Resources Annual Report, the Global Annual Results Reports and the Funding Compendium, as well as various regional and country-level thematic reports.

72. UNICEF launched the public sector partner recognition and visibility guidelines in November 2023, followed by a series of capacity-building webinars for UNICEF divisions, regional and country offices. The recognition and visibility of contributors to core resources has a specific focus within the guidelines, which provide specific actions to be implemented to increase the visibility of results achieved through core and flexible funding. For example, UNICEF regional and country offices are encouraged to develop visibility plans and products, including social media posts, human interest stories, multimedia products, case studies to showcase results and/or impact achieved through core resources throughout the programme year. Where possible, country offices are recommended to include major contributors of core resources in technical discussions related to key areas of child rights.

**B. Future directions**

73. International aid rose in 2023 to a new all-time high of $223.7 billion, up from $211 billion in 2022, an increase in real terms of 1.8 per cent.\(^2\) Much of the growth was due to aid for Ukraine, humanitarian aid and contributions to international organizations. This increase translated into the seventh consecutive year that UNICEF

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funding from the public sector reached a new high. However, UNICEF income continues to be at risk due to the growing complexity of crises that could reverse decades of development gains for children.

74. While official development assistance continues to increase, flexible funding from Member States continues a downward trend away from the funding compact commitments. In this context, UNICEF has made concerted efforts to diversify its funding base. Some 10 million individual donors globally constitute the largest group of donors for flexible resources to UNICEF, and their contributions account for 94 per cent of total core funding from the private sector. This demonstrates the general public’s commitment, support and trust for the organization’s mandate and work. Member States should leverage this trust to increase their core contributions to the organization.

75. In terms of diversification, UNICEF engagement with IFIs and their role in the development of innovative financing arrangements will be key in meeting the goals of the 2030 Agenda and the child-focused Sustainable Development Goals. UNICEF must be poised and ready to capitalize on any new opportunities that may arise. This will require an improved enabling environment, including a clearer risk appetite as well as an improved understanding of financial instruments.

76. As part of its commitment to sustainability and climate action, UNICEF will continue implementing its Sustainability and Climate Change Action Plan, 2023–2030, focusing on:

(a) Galvanizing global commitments to put children at the centre of climate policies, financing and partnerships;
(b) Deploying impactful initiatives for children;
(c) Providing dedicated support to countries to prioritize climate action for children in their plans, budgets and implementation arrangements. The targets are to reach 500 million children in 100 countries with water, sanitation and hygiene, education and health services powered by sustainable energy, and to have 20 per cent of global climate and environment finance child-responsive by 2030.

77. UNICEF extends its profound gratitude to its resource partners for the income generated in 2023. While UNICEF values all types of funding, multi-year regular resources remain most essential for the organization to respond with agility to deliver results on the ground, for all children, everywhere. This is closely followed by a preference for thematic funds. A reduction in RR will continue to impact the ability of UNICEF to achieve the humanitarian and development outcomes of the Strategic Plan, 2022–2025; to minimize funding imbalances across programmatic areas; to maintain standards of quality assurance and transparency; and to support independent oversight and quality of programmes through research, evaluation, data, evidence, monitoring and reporting. UNICEF will continue to engage with the Executive Board, Governments, National Committees, civil society and the private sector, through the structured funding dialogues, to make progress in shifting from highly earmarked funds to RR, or flexible OR, and to jointly advance towards the mutual commitments of the funding compact.

VII. Draft decision

The Executive Board

1. Takes note of the structured dialogue on financing the results of the UNICEF Strategic Plan, 2022–2025 (E/ICEF/2024/30);
2. *Recalls* the importance of the Member State commitments to the funding compact, particularly with regard to funding predictability, and urges Member States to prioritize regular resources and multi-year pledges, given that reductions in regular resources jeopardize the ability of UNICEF to achieve the results of its Strategic Plan and to uphold its normative mandate;

3. *Notes* the significant decrease in thematic funding, which is also critical for UNICEF to be able to accelerate programming to meet the Sustainable Development Goals, particularly in those areas that are severely underfunded, and encourages Member States to prioritize this flexible funding modality.