Private Fundraising and Partnerships: 2022 workplan and proposed budget

Carla Haddad Mardini
Director
Private Fundraising and Partnerships Division

UNICEF Executive Board – Informal briefing – 25 January 2022
Item 11: Private Fundraising and Partnerships: 2022 workplan and proposed budget
Reference document: E/ICEF/2022/AB/L.1
PFP Results and Targets

Chart Title

ORE

ORR

RR

In millions of United States dollars


Total: 1,366  1,332  1,466  1,432  1,422  1,609  1,880

ORE  207  184  162  144  290  560

ORR  607  619  579  620  599  564

RR  529  623  663  691  658  720  756  794

Item 11: Private Fundraising and Partnerships: 2022 workplan and proposed budget
Strategic Priorities for 2022–2025

- Scaling up digital fundraising
- Optimizing major donor engagement
- Identifying new, effective strategies for fundraising growth in frontier markets and accelerating them
- Working with business to deliver results for children, also to leverage their non-financial resources
- Identifying and scaling up financing for children
- Contributing to strengthened engagement by UNICEF in high-income countries
Private Sector Fundraising and Partnerships targets (2022)

Income from Private Sector

Total: $1.65 billion
- $1.1 billion in revenue from 10.6 million individual donors:
  - $745 million from pledge donors
  - $212 million from cash donors
  - $103 million from legacies
- $186 million from philanthropists and membership-based organizations;
- $165 million from foundations;
- $208 million from businesses;

Income and Influence from Public and Private Sector

- Governments at all levels in countries with National Committee presence deliver on UNICEF priorities for children both domestically and globally;
- Public and private partnerships and financing instruments with private sector investors, philanthropists and multilateral donors catalyzed;

Influence from Private Sector

- 22.8 million individuals supporting children’s rights and on the road to giving;
- Business sector expertise, innovation, data and core assets leveraged;
- Reach and impact of key influencers, foundations and multi-stakeholder platforms mobilized;
- Businesses and business stakeholders advocate for children and take sustainable action to respect children’s rights in all business activities and relationships;

Cross-cutting enablers

- UNICEF business model enables effective partnership and engagement to accelerate income and influence to generate impact for children and young people;
- Governance, internal communication, marketing and knowledge management strengthened;
PFP 2022 Proposed Budget

- **Regular resources expenditure**
  - All increases due to increases in standard costs

- **Other resources expenditure**
  - $2 million increase in ceiling related to revenue generation
  - $36 million World Bank Fund projected expenditure included in PFP workplan for first time

<table>
<thead>
<tr>
<th>2021 Approved</th>
<th>2022 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>68</td>
<td>73</td>
</tr>
<tr>
<td>85</td>
<td>85</td>
</tr>
<tr>
<td>58</td>
<td>60</td>
</tr>
<tr>
<td>224 million</td>
<td>267 million</td>
</tr>
</tbody>
</table>

- **World Bank Expenditure**
- **Other Resource Special Purpose Ceiling**
- **Special Purpose - Investment Funds**
- **Special Purpose - Operating Costs**
- **Institutional Budget**

In millions of United States dollars

Item 11: Private Fundraising and Partnerships: 2022 workplan and proposed budget
2022 Post Changes – Six more OR-funded posts

- Regular resources-funded posts
  * No increase

- Other resources-funded posts
  * Six posts approved by Regional Directors

- 405, 64%
- 211, 33%
- 10, 2%
- 4, 1%
Update on Alternative/Innovative Finance

Background
- Financing gap for Sustainable Development Goals
- Negative consequences of COVID-19
- Expected shifts in volume and scope of traditional sources of aid

Alternative/Innovative Finance and its examples
- World Bank Instrument ($100 million, with $50 million to UNICEF)
- Vaccine Independence Initiative ($234.7 million)
- Bridge Fund with the US Fund for UNICEF (currently $83 million)
- Nutrition Match Fund ($7.4 million)
- Joint global finance initiative with UNDP (aligning 0.5% of the ESG market on common Sustainable Development Goal objectives)

Ways forward
- Finalizing vision and strategies
  - Align $20 billion in environmental, social and governance (ESG) investments towards child-centred priorities during 2022-2025;
  - Leveraging an additional $3 billion towards investments in UNICEF-driven alternative/innovative finance solutions (about $500 million flowing through UNICEF)
- Addressing implementation hurdles
  - Seek the approval of the General Assembly as per the opinion of the United Nations Office of Legal Affairs;
  - Build an agile, streamlined internal governance, financial rules and regulations and operational framework within UNICEF;
  - Establish an innovative finance hub within the Office of Innovation;
Update on the World Bank Instrument

Feb
Financial instrument in partnership with the World Bank authorized by the Board (limited to $50 million)
Financing agreement between UNICEF and the World Bank finalized

March
$50 million received from the World Bank for the investment in 18 emerging-market countries

May
1st round of allocation to countries
Fulfillment of donation milestone informed to the donor, and the obligation for repayment triggered

September

October
2nd round of allocation to countries

Performance vs. Costs

[Performance]
• UNICEF has met its full repayment obligation to the World Bank under the financing agreement
  o The cumulative donations to UNICEF from the private sector pledge donors in the target emerging-market countries had exceeded $50 million in the period March to June 2021

[Costs]
Underwriting costs ($62,500)
+ World Bank administrative expenses ($50,000)
+ A first interest instalment payment ($477,250)

Total costs ($589,750)
Thank you.