Private Fundraising and Partnerships: 2022 workplan and proposed budget

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Private Fundraising and Partnerships Division

UNICEF Executive Board 2022 first regular session (8–11 February 2022)
Item 11: Private Fundraising and Partnerships: 2022 workplan and proposed budget
Reference documents: E/ICEF/2022/AB/L.1; UNICEF/2022/EB/5; UNICEF/2022/EB/6
<table>
<thead>
<tr>
<th>Strategic Priorities for 2022–2025</th>
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<tbody>
<tr>
<td><strong>Scaling up digital fundraising</strong></td>
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<tr>
<td><strong>Optimizing major donor engagement</strong></td>
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<td><strong>Identifying new, effective strategies for fundraising growth in frontier markets and accelerating them</strong></td>
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<tr>
<td>Working with <strong>business</strong> to deliver results for children, and also to leverage their <strong>non-financial resources</strong></td>
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<tr>
<td><strong>Identifying and scaling up financing for children</strong></td>
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<td>**Contributing to strengthened engagement by <strong>UNICEF in high-income countries</strong></td>
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**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

### 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

### 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 catalysed

### 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>
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<tr>
<th>2021 Approved</th>
<th>2022 Proposed</th>
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<tr>
<td>$224 million</td>
<td>$267 million</td>
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<td>$58 million</td>
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<td>$85 million</td>
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<td>$68 million</td>
<td>$73 million</td>
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<td>$13 million</td>
<td>$14 million</td>
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(In millions of United States dollars.)
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**

**2021**

**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

**September**

Fulfillment of donation milestone informed to the donor, and the obligation for repayment **triggered**

**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
  - 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]

- Total costs ($589,750)
  - Underwriting costs ($62,500)
  - World Bank administrative expenses ($50,000)
  - A first interest instalment payment ($477,250)
Thank you.