Financial Regulatory Framework

- UN Staff Rules
- UNICEF Financial Regulations and Rules
  - Regulations approved by the Executive Board
  - Rules approved by Executive Director
  - Comptroller delegated to implement Rules via policies
- UNICEF Policies and Procedures
- International Public Sector Accounting Standards (IPSAS)
Accountability

• Executive Director is fully responsible and accountable to the Executive Board

• All officials are accountable to the Executive Director for their actions. They may be held personally responsible and financially liable for the consequences of contrary actions.

• Officials may be required to reimburse UNICEF for financial losses as a result of their negligence or violation of framework.
Funding Streams

- **Revenue**
  - Regular Resources
    - (Un-earmarked)
  - Other Resources
    - (Earmarked)
  - Other Resources
    - (Regular)
  - Other Resources
    - (Emergency)
Planning & Budgeting

**UNICEF Strategic Plan** and **Integrated Budget**
- every 4 years -

<table>
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<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
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**5 year Country Programme Documents (CPDs)**

- Audited Financial Statements
- Audited Financial Statements
- Audited Financial Statements
- Audited Financial Statements
Integrated Budget

• Budget categories
  • Programme
  • Institutional
  • PFP

• Programme RR allocations
  • RR allocated according to formula based on three core criteria:
    • Gross National Income (GNI) per capita
    • Under-five mortality rate
    • Child Population
  • Minimum allocation: $850k
UNICEF
2018 - 2021 Budget
Revenue Trend 2003-2021
(in millions of US dollars)

Humanitarian programmes in Syria, Africa, Iraq, Nepal, Yemen
Indian Ocean tsunami
Global Food Price crisis
Haiti earthquake

Regular resources
Other resources
Total Contributions
UNICEF is voluntarily funded with two main sources of revenue:

Public Sector (two-thirds) and Private Sector (one-third)

As a result of sustained investment, the Private Sector will contribute 57% of the Organizations Revenue for 2018-2021
2018-2021 Revenue by Source

Public Sector
- $5,674 (39%)
- $2,691 (18%)
- $6,219 (43%)

Private Sector
- $4,220 (51%)
- $3,611 (44%)
- $400 (5%)
2018-2021 Strategic Plan Integrated Resources and Results Framework

GOAL AREA 1: EVERY CHILD SURVIVES AND THRIVES
RR: $1,744 OR: $6,367

GOAL AREA 2: EVERY CHILD LEARNS
RR: $872 OR: $3,183

GOAL AREA 3: EVERY CHILD IS PROTECTED FROM VIOLENCE AND EXPLOITATION
RR: $523 OR: $1,910

GOAL AREA 4: EVERY CHILD LIVES IN A SAFE AND CLEAN ENVIRONMENT
RR: $846 OR: $3,088

GOAL AREA 5: EVERY CHILD HAS AN EQUITABLE CHANCE IN LIFE
RR: $374 OR: $1,369

US$ MILLIONS

- $8,110.9 (40.0%)
- $3,933.8 (19.4%)
- $2,433.3 (12.0%)
- $4,055.5 (20.0%)
- $1,743.8 (8.6%)
UNICEF Internal Control Framework
Internal Control Framework

- COSO Internal Control Integrated Framework as prescribed by the INTOSAI (International Organization of Supreme Audit Institutions) Guidelines for Internal Control Standards for the Public Sector
UNICEF Culture

- Strong Ethics Office
- Policies and standards
  - UN Staff Rules, Standards of Conduct for International Civil Servants and Code of Ethics
  - UNICEF Anti Fraud Policy
  - UNICEF Financial Regulations and Rules
  - UNICEF HR Manual
  - UN Policy on Gifts, UN Supplier Code of Conduct & related UNICEF instruction on Acceptance of Awards, Decorations, Gifts, Honours, Medals, Remuneration, etc.
- Management reviews and discussions
  - GMT
  - Performance reviews
  - Oversight committees
- Internal broad access to all policies, dashboards, audit reports, annual disciplinary report
INTERNAL CONTROL FRAMEWORK

FOCUS AREAS

Value for Money
ERM
Regulatory Framework
TLM
Anti-fraud Strategy
RBB
Enhancing the Internal Control Framework

Internal Controls Assessment
• Assess the UNICEF Internal Controls Framework against the COSO Framework and address gaps identified.

Value for Money
• Policy framework being development for the achievement of results through Economy, Efficiency, Effectiveness and Equity.

Enterprise Risk Management
• Risk management components of annual office management planning tools strengthened
• Revised ERM policy, procedure and training in development.
• Enterprise Risk Management software identified for implementation.

Regulatory Framework
• Organizational regulatory content library launched July 2017.
• Systematic approach to regulatory content development introduced.
• Policy management platform identified for implementation.
Transaction Level Management
• Key transactions monitored through preventive and detective system reports and tools
• TLM software to be piloted using key transaction data for more consistent and systematic monitoring and reporting.

Anti-Fraud Strategy
• Promotes anti-fraud culture focusing on deterrence, prevention and detection.
• Provides clear guidance on managing fraud risk, remedial action and recovery of losses.

Results Based Budgeting
• Complements Results Based Management Organizational approach
• Supported by development of Budget Formulation Tool (BFT)
Oversight

- Executive Board
- ACABQ
- Internal management reviews
- Annual external audit
- Evaluation Office
- Internal audit
- Audit Advisory Committee
- JIU reviews
- Donor reviews