Overview of the functioning of UNICEF

Financial Oversight and Management

January 11, 2019

Thomas Asare,
Comptroller and Director, Division of Financial and Administrative Management
UNICEF is the leading advocate for children’s rights. We are active in more than 190 countries, territories and areas through country programmes and national committees.
UNICEF implements programmes in 151 countries and territories.
Each country office carries out UNICEF's mission through programmes of cooperation developed with the respective host governments.
UNICEF implements Programmes through governments, NGO partners and civil society organizations.
UNICEF sometimes implements directly.
Major support categories:
  - Cash Assistance
  - Programme Supplies
  - Technical Support
Country Programme

- Common country assessment / Situation analysis
- United Nations Development Assistance Framework (UNDAF)
- Country Programme Document (CPD) / Country Programme Action Plan (CPAP)
- Country Programme Management Plan (CPMP)
- Annual Workplans
National Committees

- UNICEF partners with 34 National Committees, each established as an independent non-governmental organization (NGO) under the charity rules of their country.
- They are unique partners of UNICEF that promote children’s rights and raise funds from the private sector.
- Business relationships between UNICEF and National Committees are managed and negotiated through individual Cooperation Agreements established with each committee.
- A Joint Strategic Plan (JSP) ensures that the operations and activities of the National Committee are planned in an appropriate and collaborative way with UNICEF.
### Types of Financial Resources

UNICEF is voluntarily funded with the following funding types:

<table>
<thead>
<tr>
<th>Regular Resources (RR)</th>
<th>Other Regular Resources (OR-R)</th>
<th>Other Resources Emergencies (OR-E)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resources that are unrestricted, and include pledges of voluntary contributions from governments and private donors, other governmental or intergovernmental contributions, donations from non-governmental sources, bank interest and other investment revenue and miscellaneous revenue.</td>
<td>Contributions received which have been earmarked by donors for specific purposes and are hence considered restricted. The earmarking may be by country, geographic area, theme, project, sector etc.</td>
<td>These are contributions received in response to emergencies.</td>
</tr>
<tr>
<td><strong>Other Resources (OR-R)</strong></td>
<td><strong>Other Resources (OR-R)</strong></td>
<td><strong>Other Resources (OR-E)</strong></td>
</tr>
<tr>
<td>Thematic – OR contribution that can be spent flexibly within the funded Outcome or Focus Area.</td>
<td>Non-Thematic – OR contribution that is restricted to a particular activity.</td>
<td>Thematic – OR contribution that can be spent flexibly within the funded Outcome or Focus Area.</td>
</tr>
<tr>
<td>Non-Thematic – OR contribution that is restricted to a particular activity.</td>
<td></td>
<td>Non-Thematic – OR contribution that is restricted to a particular activity.</td>
</tr>
</tbody>
</table>
## Executive Board Sessions

<table>
<thead>
<tr>
<th></th>
<th>First Session</th>
<th>Annual Session</th>
<th>Second Session</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Plan with Integrated Budget</strong></td>
<td></td>
<td></td>
<td>✓ Every 4 years</td>
</tr>
<tr>
<td><strong>Mid Term Review</strong></td>
<td></td>
<td>✓ 3rd year of the SP</td>
<td></td>
</tr>
<tr>
<td><strong>Updated Financial Estimates</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Country Programme Documents</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Audited Financial Statements</strong></td>
<td>✓ 14 months following year end</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PFP Budget</strong></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PFP Financial Report</strong></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>
Other Oversight

UNICEF internal and external oversight is conducted by various bodies including:

- ACABQ
- Fifth Committee
- Internal Management Reviews
- Annual External Audit by UNBOA
- Office of Internal Audit and Investigations
- Independent Audit Advisory Committee
- Joint Inspection Unit (JIU) reviews
- Donor Reviews and Assessments
Financial Regulatory Framework

- UNICEF Financial Regulations and Rules
- UNICEF Policies and Procedures
- International Public Sector Accounting Standards (IPSAS)
- Internal Control policy based on COSO Internal Control - Integrated Framework
INTERNAL CONTROL FRAMEWORK

FOCUS AREAS

Value for Money
Enterprise Risk Management
Regulatory Framework
Transaction Level Monitoring
Anti-fraud Strategy
Results-Based Budgeting
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, etc.
- Management Reviews and Discussions
  - Global Management Team (GMT)
  - Performance Reviews
  - Management Committees
- Internal broad access to all policies, dashboards, audit reports, annual disciplinary report
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
- The Comptroller, on behalf of the Executive Director administers the Regulations and Rules and determines its proper application
Integrated Budget

- **Budget categories**
  - Programme
  - Institutional
  - PFP

- **Regular Resources (RR) allocation to Programmes:**
  - RR allocated according to EB approved formula based on three core criteria:
    - ✓ Gross National Income (GNI) per capita
    - ✓ Under-five mortality rate
    - ✓ Child Population
  - Minimum Allocation: $850k
As a result of sustained investment, the Private Sector will contribute 57% of the Organizations RR revenue for 2018-2021
GOAL AREA 1: EVERY CHILD SURVIVES AND THRIVES

GOAL AREA 2: EVERY CHILD LEARNS

GOAL AREA 3: EVERY CHILD IS PROTECTED FROM VIOLENCE AND EXPLOITATION

GOAL AREA 4: EVERY CHILD LIVES IN A SAFE AND CLEAN ENVIRONMENT

GOAL AREA 5: EVERY CHILD HAS AN EQUITABLE CHANCE IN LIFE

US$ MILLIONS

<table>
<thead>
<tr>
<th>Category</th>
<th>RR</th>
<th>OR</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOAL AREA 1</td>
<td>$1,744</td>
<td>$6,367</td>
</tr>
<tr>
<td>GOAL AREA 2</td>
<td>$872</td>
<td>$3,183</td>
</tr>
<tr>
<td>GOAL AREA 3</td>
<td>$523</td>
<td>$1,910</td>
</tr>
<tr>
<td>GOAL AREA 4</td>
<td>$846</td>
<td>$3,088</td>
</tr>
<tr>
<td>GOAL AREA 5</td>
<td>$374</td>
<td>$1,369</td>
</tr>
</tbody>
</table>

2018-2021 Strategic Plan
Integrated Resources and Results Framework
Thank You