unicef
for every child

Compendium of Resource Partner Contributions 2015

Cover Image – Nepal earthquake

On 19 November 2015, Kareena Tamang, 15, smiled as she held her one-year-old sister Dikshya in Dhunche, the district headquarters of Rasuwa, one of the districts in Nepal that was worst affected by the April 25th earthquake earlier in the year. Thulo Haku village, where Kareena Tamang's family used to live, was heavily devastated and almost every household there was displaced. Since then, Tamang, her siblings and their mother have been living in Dhunche, where their only shelter is a tiny tent made of tarpaulin. Many young displaced students like Tamang were concerned with the arrival of winter as their shelters and schools were not winter resistant. Families were not equipped with enough winter clothes, shoes or warm blankets.

UNICEF started its response to the disaster from day one on April 25th. It immediately released emergency supplies which had been pre-positioned in four warehouses in the country. The supplies provided a life-saving bridge before additional large quantities of supplies started to arrive in Nepal from outside the country. UNICEF launched an emergency appeal to cover the needs of the immediate response and early recovery phases. By using resources contributed towards this emergency appeal, UNICEF supported a number of life-saving activities across the areas of health; nutrition; water, sanitation and hygiene (WASH); education; child protection; and social protection. In addition, UNICEF helped disseminate messages to assist children and their families stay safe and healthy during the disaster, as well as information on relief efforts in their communities. As of 12 April 2016, the total value of UNICEF supplies received amounted to $34.75 million, out of which $30.85 million worth of supplies had been distributed. The supplies included tents; hygiene kits; vaccines; water purification solutions; vitamins and therapeutic foods; medical supplies and kits; bed nets; information, education and communication materials; and school, recreational and early childhood development kits, among others.

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NOTE OF THANKS

Dear Partner,

The year 2015 was one of unprecedented political resolve to address some of our time's greatest global challenges. With the adoption of the Addis Ababa Action Agenda (financing for development), the Agenda 2030 for Sustainable Development and the COP21 Climate Change Agreement, the world has demonstrated its commitment to a new global development co-operation modus operandi.

It was a year of transition, as the world moved from the Millennium Development Goals (MDGs) to the Sustainable Development Goals (SDGs). We have seen huge progress in the last 15 years; yet, UNICEF's final report on the child-related MDGs also demonstrated that unequal opportunities have left millions of children living in poverty. The 17 SDGs set multiple, ambitious, child-centred targets that demand both significant and sustained investment and the formation of powerful, new models of collaboration. Partnerships are at the heart of the SDGs, with Goal 17 emphasizing the crucial role of all partners – public and private, domestic and international – in achieving the goals.

The year 2015 will also be remembered as one of devastating, pervasive conflicts and natural disasters in many parts of the world. UNICEF responded to 310 humanitarian situations in 102 countries – including protracted conflicts in the Central African Republic, South Sudan and the Syrian Arab Republic; health emergencies in West Africa and Latin America; earthquakes, typhoons, droughts; and the refugee and migrant crisis in Europe. In humanitarian situations alone, 43.5 million children were vaccinated against measles and 7.5 million children were given access to formal and non-formal basic education. The organization's emergency revenue reached an unprecedented $1.8 billion in 2015, a 13 per cent increase compared with 2014. UNICEF is increasingly looking at the humanitarian-development continuum, mindful that lack of development can cause and exacerbate conflicts and natural disasters, just as strong and sustainable development can reduce the likelihood of future crises.

UNICEF's overall revenue in 2015 was $5.0 billion, a slight decrease from $5.2 billion in 2014. To be fit to deliver on its mandate for the world's children, particularly the most disadvantaged, UNICEF relies on flexible funding sources aligned with its Strategic Plan. Un-earmarked Regular Resources declined in absolute terms from $1.3 billion in 2014 to $1.2 billion in 2015, falling to a 23 per cent share of total revenue. The softly earmarked thematic pools saw a welcome 14.5 per cent increase compared with 2014, totalling $390 million in 2015, yet remained stubbornly at 10 per cent of overall earmarked funds.

In 2015, the United Nations Economic and Social Council adopted a resolution in which it reiterated that "core resources, because of their untied nature, continue to be the bedrock of the operational activities for development of the United Nations system." The resolution recognized the important complementarity between core and non-core resources, but highlighted a concerning imbalance between the two. Yet, the trend seems to be that the imbalance continues growing year by year, putting at real risk the ability of UN organizations to fulfil their core mandates. For an agile, efficient response, it is critical that UNICEF and partners can identify solid ways to broaden and strengthen a flexible, predictable funding base.

UNICEF is broadening its funding base, including through innovative multi-partner funding models. In Water, Sanitation and Hygiene, for example, UNICEF is exploring blended finance models that bring together private sector investors, multilateral development banks and local water providers, where UNICEF would provide assistance on the ground. UNICEF will also host UNITLIFE, a new financing partnership that will use revenues from the extractives industries sector to fight chronic malnutrition in sub-Saharan Africa. The initiative is being championed by the Governments of Congo, Guinea, Mali and Niger.

UNICEF continues to place the highest priority on accountability, efficiency, transparency and risk management throughout its work. In early 2016, the organization ranked third out of 46 entities on the global Aid Transparency Index. UNICEF was also recognized as the agency that has made the most progress since 2013. As an efficiency measure, the new Global Shared Service Centre became operational in September 2015, and performs global finance, human resources, administrative and information technology functions. In 2012, UNICEF supply set a target of savings/cost avoidance of $810 million by 2017. By the end of 2015, UNICEF was already 34 per cent above the target with savings in excess of $1 billion.

This compendium celebrates the role our Resource Partners – public and private – have in working with us to realize the rights of every child, especially the most vulnerable.

Olav Kjørven
Director
Public Partnerships Division
New York, May 2016

Gerard Bocquenet
Director
Private Fundraising and Partnerships
Geneva, May 2016

A displaced family from Anbar carrying boxes of winter clothes at a UNICEF distribution in Hilla, Iraq; 800 children from displaced families received clothing during the distribution.

EXECUTIVE SUMMARY

The Compendium of Resource Partner Contributions 2015 comprises information on contributions from public and private sector Resource Partners to UNICEF.[1] Information presented in the Compendium demonstrates the results of extensive policy and programme partnerships between UNICEF and its Resource Partners. The Compendium is not an official UNICEF financial document but it draws largely on financial data and is predominantly intended as a practical and illustrative report for Resource Partners.

In 2015, Net Official Development Aid flows (ODA) from member countries of the Development Assistance Committee members (DAC) of the OECD totalled $131.6 billion. Adjusting for inflation and the appreciation of the US dollar, this represents an increase of 6.9 per cent in real terms, the highest level ever achieved for net ODA.[2] Net ODA as a share of gross national income (GNI) for DAC members was 0.30 per cent, on par with 2014. Despite the adverse economic situation in several DAC member countries, which has led to cuts in aid budgets, overall levels of ODA continue to grow.

Total revenue to UNICEF decreased from the historic high of $5,169 million in 2014 to $5,010 million in 2015, representing a drop of 3 per cent (or $160 million),[3] but was nevertheless the second largest on record. Un-earmarked Regular Resources (RR) amounted to $1,174 million. Slowing economic growth and currency fluctuations, particularly of major European currencies and the Japanese yen vis-à-vis the US dollar, resulted in an overall decrease of 11 per cent (or $152 million) of RR compared to $1,326 million in 2014. Exchange rate variations accounted for $51 million of this drop. Public sector RR decreased 17 per cent from $660 million to $546 million, while private sector RR decreased 7 per cent from $572 million to $530 million.

The share of RR has been steadily decreasing from approximately 50 per cent of overall revenue in 2000 to 23 per cent in 2015. This was the lowest share of RR funding in UNICEF's history. The smaller base of RR poses a challenge as it limits the agility and efficiency of UNICEF in planning and working to fulfil its mandate. A flexible, predictable funding base provided through RR, complemented and augmented by OR in a balanced way, helps the organization achieve results for children as outlined in UNICEF's Strategic Plan 2014–2017.

Earmarked OR decreased slightly, by 0.2 per cent (or $7 million) from $3,843 million in 2014 to $3,836 million in 2015. In total, $2,056 million or 54 per cent came in the form of Other Resources - Regular (ORR) and $1,780 million or 46 per cent in the form of Other Resources - Emergency (ORE). The most significant increase in 2015 was in ORE, up by 13 per cent (or $201 million), reflecting the large number of humanitarian emergencies to which UNICEF responded. Yet, with growing humanitarian needs, emergency appeals remain significantly underfunded as showcased on pages 14-15.

Public sector revenue constituted 69 per cent (or $3,455 million) of total revenue, representing a decrease of 6 per cent (or $224 million) compared to 2014. Since 2010, this is the first time that there has been a decline in public sector revenue. Private sector revenue was $1,457 million or 29 per cent of the total UNICEF revenue, representing an increase of 4 per cent (or $61 million) over 2014 levels. There is a growing trend of decrease in revenue over the past three years from NGOs. Other Income (OI), including income from interest, procurement services and other sources, totaled $97 million or 2 per cent of overall revenue.

Financial resources in 2015 helped UNICEF and partners to achieve significant results for children. Flexible and predictable resources are the foundation on which UNICEF builds programmes that transform the lives of children. More than ever, as the world embarks on a path to achieving the Sustainable Development Goals, investing in children – particularly the poorest and the most disadvantaged – is the right and the smart thing to do.

[1] All figures in this report have been rounded and are as of 1 April 2016.

[2] The currencies of DAC members depreciated significantly against the US dollar in 2015, for some in excess of 15 per cent.

[3] The figures for 2015 are provisional and are subject to audit.

RESOURCES BY TYPE OF FUNDING, 2006-2015

In 2015, funding for UNICEF was over $5 billion for the second year in a row. At the same time, Regular Resources (RR) continued to decrease as a share of overall resources. At 23% in 2015, the share of RR was at its lowest in UNICEF's history. This has resulted in increased challenges for UNICEF due to the more earmarked nature of non-core funding. RR decreased by 11% (or 152 million) from $1,326 million in 2014 to $1,174 million in 2015. Other Resources (OR) decreased slightly by 0.2% ($7 million), from $3,843 million in 2014 to $3,836 million in 2015.

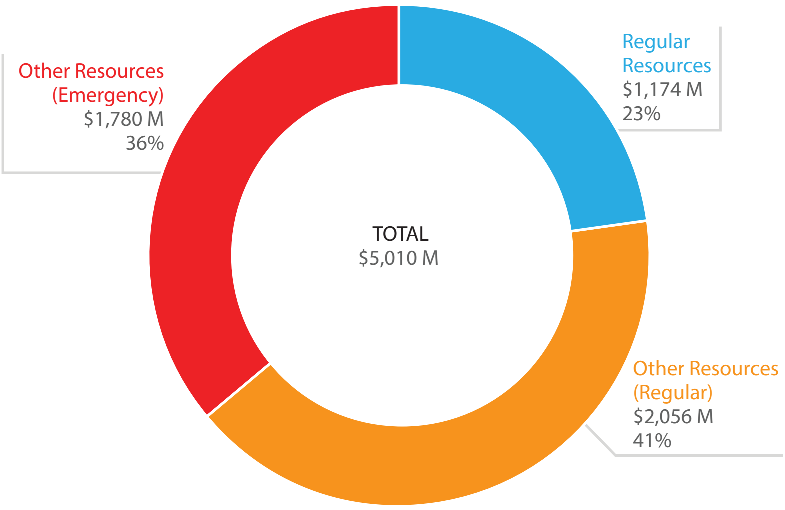
Regular Resources (RR)
RR are un-earmarked funds that are foundational to deliver results across the Strategic Plan.

Other Resources (OR)
OR are earmarked contributions for programmes; these are supplementary to the contributions in un-earmarked RR and are made for a specific purpose such as an emergency response or a specific programme in a country/region.

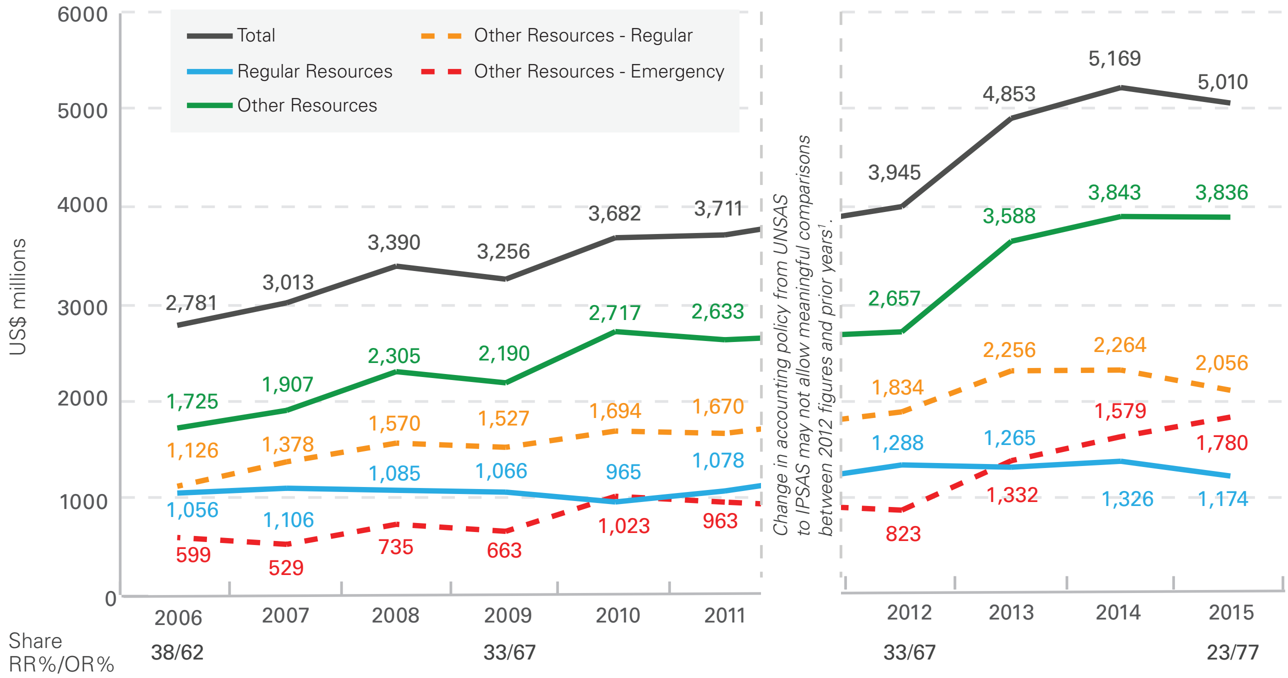
Other Resources Regular (ORR)
are funds for specific, non-emergency programme purposes and strategic priorities.

Other Resources Emergency (ORE)
are earmarked funds for specific humanitarian action and post-crisis recovery activities.

2015 Contributions by Funding Type



Contributions from all Resource Partners



[1] Limits on comparability: Effective 1 January 2012, UNICEF adopted the International Public Sector Financial Reporting Standards (IPSAS) to replace the United Nations System Accounting Standards (UNSAS), which had been in place since 1993. Through a General Assembly resolution, UN Member States requested all UN bodies to adopt IPSAS in order to enhance the quality of financial reporting by ensuring improved transparency, accountability and governance. The change in accounting policy does not allow direct comparisons between figures from 2012 onward, and figures prior to 2012, as it has implications for the timing of revenue recognition.

SUDAN – *CASE STUDY*

"In a protracted emergency context with recurring and cyclical conflict, floods and droughts, and over a decade of multiple displacements, our response aims to bridge the humanitarian and development divide," explains UNICEF Sudan Representative Geert Cappelaere. "Protracted emergencies are complicated to fundraise for and we increasingly depend and rely on flexible catalytic funding in order to dynamically and timely address the critical needs of children."

Sa'diya Adam's 24-month-old daughter Nawadir recovers from measles at a West Darfur hospital.

@UNICEF/SUD/2015/0017/SARI OMER

In 2015, when Sudan was hit with a tenfold measles caseload compared with the year before, UNICEF immediately negotiated the use of 1.2 million existing doses of measles vaccines procured through its RR funding as a stopgap measure, which enabled immunization for over 1 million children. Through the support of the organization's Office of Emergency Operations and Supply Division, UNICEF Sudan managed to later procure an additional 9.6 million doses of vaccine. The timeliness, availability and flexibility of RR was critical in getting the vaccines in country within one month as compared to the normal three to six months' supply timeframe in Sudan, as well as in attracting interest from other partners. A total of 9.5 million children of a 16 million target were reached through this phased nationwide campaign (children aged six months to 15 years).

Thanks to RR, UNICEF was also able to support a more sustainable water system in the Darfur States and the White Nile, linking camps to host communities.

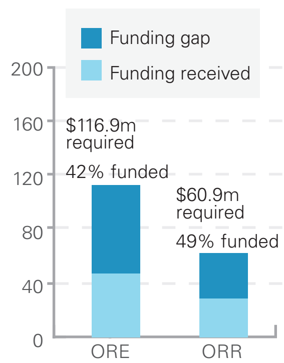
In addition, UNICEF used RR to showcase evidence and advance political support to critical vulnerabilities for children. "The country has about 120 children every day dying because of undernutrition. By focusing on the equity agenda, we were able to bring to the fore the most deprived children in non-conflict-affected areas of the country such as the East, where the situation for children is sometimes worse than in the conflict affected Darfur States. Today, the silence on malnutrition in Sudan is broken. Together with the Government, UNICEF as lead agency in the sector, and other partners, have collectively positioned nutrition as a key national priority," says Geert Cappelaere.

Funding gaps impact results

Much was achieved, but more could have been done had 2015 funding targets been met. For example UNICEF could have:

- Treated 82,822 more **targeted children** with **Severe Acute Malnutrition**, half of them at risk of dying if not treated. (UNICEF is targeting 250,000 children, a fraction of the 550,000 SAM children in need of treatment.)
- Provided some **352,000 more people** with lifesaving **Water, Sanitation and/or Hygiene Services**. (WASH is a major underlying cause of chronic diarrhoeal diseases and undernutrition amongst children under 5.)
- Procured an additional 8 million doses of **measles vaccines** to reach **6.5 million more children** still at risk in the country.
- Reached over 289,000 more **emergency affected children** (50 per cent girls) with **basic education services** (3 million children are out of school in Sudan).

UNICEF Sudan other resources funding status, 2015



ORE = Other Resources–Emergency
ORR = Other Resources–Regular

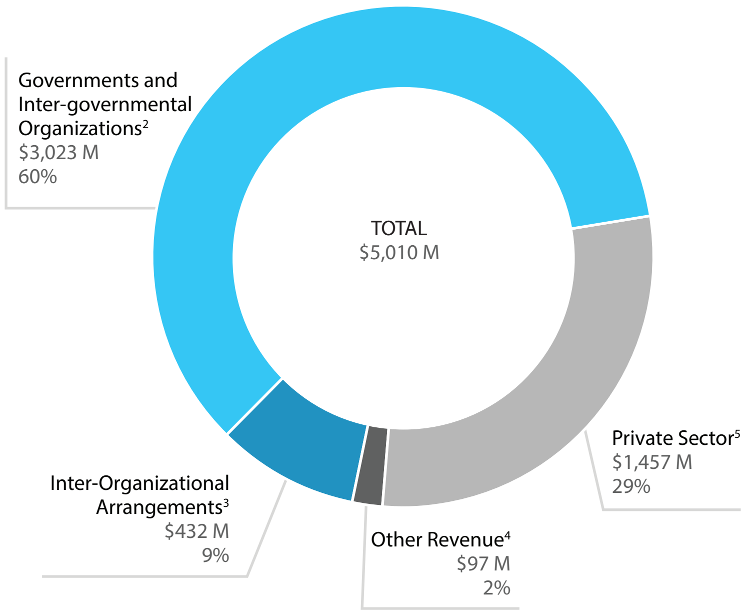
TOTAL REVENUE BY TYPE OF RESOURCE PARTNER, 2015

The total revenue to UNICEF decreased from $5,169 million in 2014 to $5,010 million in 2015, which represents a decrease of 3% (or $160 million).

Public sector revenue constituted 69% (or $3,455 million) of the total revenue, representing a decrease of 6% (or $224 million) compared to 2014. This revenue was made up mostly by contributions from Government and Inter-organizational Partners. Since 2010, this is the first time that there is a decline in public sector revenue.

Private sector revenue constituted 29% (or $1,457 million) of the total UNICEF revenue, an increase of 4% (or $61million) over 2014 levels. This was made up mostly by contributions from UNICEF National Committees, UNICEF Country Office private sector fundraising (PSFR), and Non-Governmental Organizations (NGOs)[1].

Other revenue, including income from interest, procurement services and other sources, was $97 million or 2% of total UNICEF revenue.



UNICEF Contributions trend by Resource Partner Category, 2006-2015