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United Nations Children's Fund

Executive Board

Compendium of decisions adopted by the Executive Board in 2012

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First regular session

2012/1

Annual report to the Economic and Social Council

The Executive Board

1. *Takes note* of the report of UNICEF to the Economic and Social Council (E/2012/6-E/ICEF/2012/3);
2. *Encourages* UNICEF to continue enhancing its reporting, including by placing greater emphasis on challenges and trends;
3. *Decides* to transmit the above-mentioned report to the Economic and Social Council.

*First regular session
10 February 2012*

2012/2

Road map towards the UNICEF medium-term strategic plan for 2014-2017

The Executive Board

1. *Welcomes* the “road map towards the UNICEF medium-term strategic plan for 2014-2017” (E/ICEF/2012/5) as a living document;
2. *Takes note* of the key milestones and time frames relating to the development of the strategic plan for 2014-2017 contained therein;
3. In line with Executive Board decision 2011/12, *requests* UNICEF to include in the road map specific actions and details of the opportunities for consultation towards the development of the strategic plan results framework;
4. *Encourages* UNICEF to strengthen consultations with other relevant United Nations entities pertinent to its mandate on strategic planning, results, and monitoring and evaluation frameworks, with a view to building on best practices and lessons learned;
5. *Requests* the Executive Director of UNICEF to continue to update and consult with the Executive Board on progress as foreseen in the road map, and in this regard, requests an updated version of the road map to be made available by June 2012;
6. *Looks forward* to further consultations on the road map, as appropriate.

*First regular session
10 February 2012*

2012/3

Harnessing knowledge to achieve results for children

The Executive Board

1. *Welcomes* the proposals included in the strategic integrated framework for research and knowledge management, including (a) its three strategic priorities, namely, building the evidence base for results for children; putting countries at the

centre of knowledge gathering and use; strengthening linkages between knowledge functions, and topics and levels of the organization; (b) the associated key results sought; and (c) the additional suggested ideas and directions;

2. *Recognizes* the organizational steps being proposed, which are (a) clarifying the functions of the Office of Research, (b) putting in place processes for setting priorities; (c) changing incentives, (d) working with information technology, and (e) ensuring adequate resources;

3. *Encourages* UNICEF to report to the Executive Board at its annual session of 2013 on the strategic priorities and organizational steps as well as key results set out in the framework, and in this regard, recalls its decision 2011/3 requesting UNICEF to report on concrete steps taken to improve knowledge management at headquarters and in the field;

4. *Welcomes* the proposal of UNICEF, presented in document (E/ICEF/2012/6), to translate the suggested ideas and directions into a workplan, timeline and budget;

5. *Stresses* the importance of the research function and knowledge management in the development of the new UNICEF strategic plan for 2014-2017, and encourages UNICEF to allocate adequate regular resources to reflect implementation of its strategic integrated framework.

*First regular session
10 February 2012*

2012/4

Country programme document for the Republic of South Sudan

The Executive Board

1. *Recalls* its decision 2011/16 to consider for approval, on an exceptional basis, the country programme document for South Sudan at the first regular session of 2012;

2. *Also recalls* that an informal consultation on the draft country programme document for the Republic of South Sudan (E/ICEF/2012/P/L.1 and Corr.1) was held on 19 December 2011;

3. *Approves* the revised country programme document for the Republic of South Sudan, with the aggregate indicative budget of \$10,536,000 from regular resources, subject to the availability of funds, and \$87,960,000 in other resources, subject to the availability of specific-purpose contributions, for the period 2012 to 2013.

*First regular session
10 February 2012*

2012/5**Extensions of ongoing country programmes***The Executive Board*

Takes note of the one-year extension of the country programme for Eritrea approved by the Executive Director, as indicated in the table to document E/ICEF/2012/P/L.3.

*First regular session
10 February 2012*

2012/6**Private fundraising: 2012 workplan and proposed budget****A. Private Fundraising and Partnerships budgeted expenditures for 2012 season***The Executive Board*

1. *Approves* for the fiscal year 2012 (1 January to 31 December) budgeted expenditures of \$130.4 million, as detailed in the table below and summarized in column I of table 3 to document E/ICEF/2012/AB/L.1.

(In millions of United States dollars)

Cost of goods and inventory overhead	12.3
Investment funds	39.0
Direct expenses (excluding cost of goods)	24.1
Indirect expenses	55.0
Total expenditures, consolidated	130.4

2. *Authorizes* UNICEF

(a) To incur expenditures, as summarized in column I of table 3 to document E/ICEF/2012/AB/L.1, and to increase expenditures, up to the levels indicated in columns II and III of the same table, should the apparent proceeds from fundraising or cards and products sales increase to the levels indicated in columns II and III;

(b) To redeploy resources between the various budget lines (as detailed in paragraph 1 above), up to a maximum of 10 per cent of the amounts approved;

(c) To spend an additional amount between Executive Board sessions, when necessary, up to the amount caused by currency fluctuations, to implement the 2012 approved workplan.

B. Budgeted income for the 2012 season*The Executive Board*

Notes that, for the period 1 January to 31 December 2012, Private Fundraising and Partnerships net proceeds are budgeted at \$1,002 million, as shown in column I of table 3 to document E/ICEF/2012/AB/L.1.

C. Policy issues

The Executive Board

1. *Renews* investment funds, with \$39 million established for 2012;
2. *Authorizes* UNICEF to incur expenditures in the 2012 fiscal period related to the cost of goods and inventory overhead (purchase of cards and other products) for the 2013 fiscal year, up to \$12.3 million, as indicated in the Private Fundraising and Partnerships Strategic Plan 2012-2013 financial projections (table 5 to document E/ICEF/2012/AB/L.1);
3. *Approves* an interim one-month allocation for January 2013 of \$13.04 million, to be absorbed in the annual Private Fundraising and Partnerships budget for 2013.

*First regular session
10 February 2012*

Annual session

2012/7

Annual report of the Executive Director of UNICEF: progress and achievements against the medium-term strategic plan

The Executive Board

1. *Takes note* of the annual report of the Executive Director of UNICEF: progress and achievements against the medium-term strategic plan, 2006-2013 (E/ICEF/2012/10);
2. *Recalls* its decision 2011/12 and reiterates its requests to UNICEF to introduce lessons learned and recommendations for future strategies of the organization and to include challenges and concrete steps to address these in future annual reports, and *urges* UNICEF to continue efforts to improve results reporting within the present MTSP period by describing progress compared to plans, including more systematic references to risk assessment and mitigation as well as achievements from UNICEF efforts to enhance children's rights and gender equality within its programmes;
3. *Recalls* its decision 2011/10 inviting the Executive Director to integrate, in close collaboration with the chair of the United Nations Development Group, the implementation of the Istanbul Programme of Action, in the programme of UNICEF, and to report on its implementation as part of the next annual report;
4. *Welcomes* the ongoing efforts to enhance results-based management, and in this regard, requests UNICEF to continue to consult with members of the Executive Board and to work closely with other United Nations entities, in order to develop a robust and harmonized results framework for the next strategic plan 2014-17, that is clear, simple, and demonstrate a complete result chain with expected results at each level;
5. *Recalls* its decision 2012/2, and requests that UNICEF update the timetable set out in its roadmap towards UNICEF Medium Term Strategic Plan

2014-17 by including more details of the key actions and consultations to be undertaken;

6. *Acknowledges* the importance of reporting on gender equality results in all focus areas, as well as, with reference to Executive Board decision 2010/21 on human resources management, including recruitment that takes into consideration the necessity of securing the highest standards of efficiency, competence and integrity, while paying due regard to recruiting on as wide a geographical basis as possible in accordance with Article 101, paragraph 3, of the Charter of the United Nations, and *reiterates* the request to comprehensively integrate the results in these issues in the annual report of the Executive Director.

*Annual session
8 June 2012*

2012/8

Report on progress of gender equality work in UNICEF

The Executive Board

1. *Reaffirms* gender equality as one of the key cross-cutting strategies of the medium-term strategic plan of UNICEF;

2. *Welcomes* the report on the progress of gender equality work in UNICEF (E/ICEF/2012/11) and the steps taken to improve work on gender equality within UNICEF, including structural improvements, and through increased collaboration with other United Nations partners, in particular UN-Women, including through piloting the United Nations System-wide Action Plan for implementation of the United Nations System Chief Executives Board for Coordination policy on gender equality and the empowerment of women, led by UN-Women;

3. *Urges* UNICEF to continue to make improvements towards contributing to the achievement of gender equality results across all sectors and all country programmes, and to report on the contributions of UNICEF to improved gender equality results at national and global levels, in the context of the medium-term strategic plan;

4. *Requests* UNICEF to continue to work closely with UN-Women to advance gender mainstreaming, gender equality and the empowerment of women;

5. *Requests* UNICEF to inform the Executive Board of the findings of the review of the current strategic priority action plan (SPAP) for gender equality 2010-2012, as well as how these findings are being used to strengthen the next SPAP;

6. *Encourages* UNICEF to ensure that the next SPAP for gender equality is adequately resourced;

7. *Requests* UNICEF to continue to report on the progress of its gender equality work, in line with the SPAP for gender equality 2010-2012 and the successor to the plan, during the annual session of the Executive Board in 2013.

*Annual session
8 June 2012*

2012/9
Draft country programme documents

The Executive Board

1. Approves the aggregate indicative budgets for the following country programmes of cooperation:

<i>Region/country</i>	<i>Period</i>	<i>Regular resources</i>	<i>Other resources</i>	<i>Document E/ICEF/2012/</i>
Central and Eastern Europe and the Commonwealth of Independent States				
Bulgaria	2013-2017	3 750 000	12 500 000	P/L.4
Republic of Moldova	2013-2017	3 750 000	20 300 000	P/L.5
Romania	2013-2017	3 750 000	12 500 000	P/L.6
East Asia and the Pacific				
Pacific Island Countries — multi-country programme	2013-2017	27 825 000	44 000 000	P/L.7
Eastern and Southern Africa				
Lesotho	2013-2017	5 260 000	40 000 000	P/L.8
Middle East and North Africa				
Djibouti	2013-2017	3 750 000	19 500 000	P/L.9
Jordan	2013-2017	3 600 000	8 000 000	P/L.10
South Asia				
India	2013-2017	210 000 000	540 000 000	P/L.11 and Corr.1
Nepal	2013-2017	34 160 000	109 952 095	P/L.12 and Corr.1
Sri Lanka	2013-2017	3 750 000	56 250 000	P/L.13
The Americas and the Caribbean				
Belize	2013-2016	3 000 000	3 500 000	P/L.14
Bolivia	2013-2017	6 760 000	60 000 000	P/L.15
Costa Rica	2013-2017	3 750 000	6 000 000	P/L.16
West and Central Africa				
Guinea	2013-2017	44 710 000	57 000 000	P/L.17
Liberia	2013-2017	23 470 000	126 530 000	P/L.19
Sierra Leone	2013-2014	17 286 000	97 712 335	P/L.21

Annual session
8 June 2012

2012/10

Request by Rwanda to present a draft common country programme document to the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF and WFP

The Executive Board

Recalling its decisions 2002/4, 2006/19 and 2008/17 on the country programme approval process,

1. *Notes* the request by Rwanda to present, on an exceptional basis, a draft common country programme document, incorporating a common narrative with the organization-specific results framework and related resource requirements, to the first regular session of 2013 of their respective Executive Boards;

2. *Decides* to consider, on an exceptional basis, the draft common country programme document of Rwanda at the first regular session of 2013 of the respective Executive Boards;

3. *Decides further* that the final common country programme document will be posted on the websites of the respective organizations no later than six weeks after the discussion at the respective Executive Boards;

4. *Emphasizes* that, in line with Executive Board decisions 2002/4, 2006/19 and 2008/17, the organization-specific component of the common country programme document will be approved, on a no-objection basis, without presentation or discussion, at the annual session of 2013, unless at least five members have informed the respective secretariat, in writing before the session, of their wish to bring the final common country programme document before the Executive Board.

*Annual session
8 June 2012*

2012/11

Extensions of ongoing country programmes

The Executive Board

1. *Takes note* of the one-year extensions approved by the Executive Director for the country programmes for Cuba, Mexico, Nigeria and Togo, as well as the Gulf Area subregional programme, as indicated in table 1 of document E/ICEF/2012/P/L.22;

2. *Approves* the two-year extensions for Colombia and Comoros, the second one-year extensions for Madagascar and Tunisia and the third one-year extension for Namibia, as indicated in table 2 of document E/ICEF/2012/P/L.22.

*Annual session
8 June 2012*

2012/12

Annual report on the evaluation function and major evaluations

The Executive Board

1. *Takes note* of the annual report on the evaluation function and major evaluations in UNICEF (E/ICEF/2012/13);
2. *Reaffirms* the central role played by the evaluation function in UNICEF and the importance of the principles set out in its Evaluation Policy (E/ICEF/2008/4);
3. *Welcomes* the evidence presented in the report of continued efforts to strengthen the evaluation function at the headquarters, regional and country levels and *encourages* UNICEF to accelerate progress;
4. *Takes note* of the key performance indicators tracking the effectiveness of the evaluation function and the administrative data on human and financial resources;
5. *Notes* the positive work to strengthen global learning, including the skills, capacities and systems of national partners and South-South learning;
6. *Welcomes* the thematic presentation of recent evaluation results in child protection and the prevention of violence against children, and the management response;
7. *Recalls* decision 2011/20 and *reiterates* its request to UNICEF to ensure that management responses are prepared to address all evaluation recommendations and to report on progress in the implementation of management responses;
8. *Requests* UNICEF to:
 - (a) Undertake the proposed review of the evaluation function and Evaluation Policy, with a view to presenting an updated Evaluation Policy to the annual session of the Board in 2013 for discussion;
 - (b) Focus future Annual Reports on the performance of the evaluation function across UNICEF, including evaluation planning and resources, while preparing a separate report each year to the Board on a substantive theme synthesizing evaluation findings and lessons and illustrating their use by UNICEF;
 - (c) Ensure that relevant evaluation results are systematically considered and used in preparing key policies, strategies and programmes.

*Annual session
8 June 2012*

2012/13

Office of Internal Audit 2011 annual report to the Executive Board

The Executive Board

1. *Takes note* of the Office of Internal Audit 2011 annual report to the Executive Board (E/ICEF/2012/AB/L.2), the UNICEF Audit Advisory Committee annual report for 2011, and the UNICEF management response to the Office of Internal Audit annual report for 2011 (E/ICEF/2012/AB/L.3);

2. *Welcomes* the focus on risk-based audit planning;
3. *Takes note* of the change of the name of the Office of Internal Audit to the Office of Internal Audit and Investigations;
4. *Expresses its support* for strengthening the capacity of the Office of Internal Audit and Investigations and requests management to ensure adequate and timely staffing;
5. *Recalls* paragraph 13 of its decision 2011/21 on internal audit and oversight, which requested Executive Board consultations on a broad range of possible transparency and accountability measures, including public disclosure of internal audit reports; and paragraph 12 of decision 2009/8 on specific circumstances where full disclosure would not be appropriate;
6. *Recognizes* that the independence of the internal audit function and transparency with respect to audits, financial reporting, risk management, and internal controls strengthens accountability and increases public confidence;
7. *Expresses its support* for greater accountability and transparency;
8. *Decides* that the Director of the Office of Internal Audit and Investigations will make publicly available all internal audit reports issued after 30 September 2012;
9. *Decides* that before making disclosure of an internal audit report that contains findings related to a specific Member State, UNICEF will provide a copy of the report to the concerned Member State and provide the concerned Member State with adequate time to review and comment on the report, as per paragraph 9 (b) of decision 2009/8, and in this context *notes* that where information contained in a UNICEF internal audit report is deemed by the Executive Director or the concerned Member State to be particularly sensitive (relating inter alia to third parties or a country, government or administration); or as compromising to a pending action; or as being likely to endanger the safety or security of any individual, violate his or her rights or invade his or her privacy, such UNICEF internal audit report may be redacted or withheld in its entirety at the discretion of the Office of Internal Audit and Investigations;
10. *Requests* the Office of Internal Audit and Investigations to include in its annual reports to the Executive Board the titles of all internal audit reports issued during the year and information on significant issues, if any, related to the public disclosure of internal audit reports; and to include in its 2014 annual report an analysis on experience gained from public disclosure to date.

*Annual session
8 June 2012*

Second regular session

2012/14

Proposed programme of work for Executive Board sessions in 2013

The Executive Board

Adopts the programme of work for Executive Board sessions in 2013 as a flexible framework subject to revisions as appropriate in the course of the year.

*First regular session
5-8 February 2013*

*Annual session
18-21 June 2013*

*Second regular session
10-13 September 2013*

Organizational and procedural matters

Election of the President and Vice-Presidents of the Executive Board (A)

Programme and policy matters

Annual report to the Economic and Social Council* (A)

End-of-cycle review of the medium-term strategic plan 2006-2013 (D)

Updated Roadmap to and outline of the medium-term strategic plan for 2014-2017 (D)

Programme cooperation:

Adoption of revised country and common country programme documents (A)

Draft country programme documents (A)

Oral report on UNICEF follow-up to recommendations and decisions of the Joint United Nations Programme on HIV/AIDS (UNAIDS) Programme Coordinating Board meetings (O)

Organizational and procedural matters

Programme and policy matters

Annual report of the Executive Director: Progress and achievements against the medium-term strategic plan 2006-2013** (A)

Report on progress of gender equality work in UNICEF (D)

Draft medium-term strategic plan for 2014-2017 and draft results matrices (D)

Harnessing knowledge to achieve results for children (O)

Programme cooperation:***

Draft country and common country programme documents (A)

Extension of ongoing country programmes (A)

Organizational and procedural matters

Proposed programme of work for Executive Board sessions in 2014 (A)

Programme and policy matters

UNICEF medium-term strategic plan: 2014-2017 and results matrices (A)

Advocacy, programme development and intercountry programmes (A)

Regional summaries of midterm reviews of country programmes (D)

Programme cooperation:***

Draft country and common country programme documents (A)

First regular session
5-8 February 2013

Annual session
18-21 June 2013

Second regular session
10-13 September 2013

Evaluation, audit and oversight matters

Global thematic evaluations

Evaluation, audit and oversight matters

Annual report on the evaluation function (A)

UNICEF Evaluation policy (revised 2013) (D)

Evaluation synthesis report (D)

Report of the Ethics Office (A)

Office of Internal Audit 2012 annual report to the Executive Board (A)****

Evaluation, audit and oversight matters

Resource, financial and budgetary matters

UNICEF financial report and audited financial statements for the biennium ended 31 December 2011 and report of the Board of Auditors (I)

Private fundraising: 2013 workplan and proposed budget (A)

Pledging event

Resource, financial and budgetary matters

Resource, financial and budgetary matters

Institutional budget (A)*****

Report on Implementation of the recommendations of the Board of Auditors (I)

Interim financial report and statements for the year ended 31 December 2012, the first year of the biennium 2012-2013 (I)

Private fundraising: financial report and statements for the year ended 31 December 2012 (D)

Other matters

Other matters

Address by the Chairperson of the UNICEF Global Staff Association

Reports of the field visits of the Executive Board (I)

Other matters

* The relevant reports of the Joint Inspection Unit will also be considered under this agenda item.

** A separate Data Companion is available under this agenda item.

*** The consolidated results and performance data for the previous programme cycle of each draft country programme document are posted on the UNICEF Executive Board website with the draft country programme documents (decision 2008/17); the number of countries that will opt to present a common country programme document in 2013 is not known yet.

**** The management response to the annual report of the Office of Internal Audit for 2012 will also be considered under this agenda item (decision 2009/19). The UNICEF Audit Committee annual report will also be considered under this agenda item.

***** The report of the ACABQ on the Institutional Budget will be considered under this agenda item.

The Executive Board considers four types of agenda items:

- (i) *For action (A)*: The Executive Board is expected to discuss and to adopt a decision under the agenda item. The secretariat prepares official documentation and a draft decision for consideration by the Executive Board;
- (ii) *For discussion (D)*: The Executive Board is expected to discuss the official documentation prepared by the secretariat. The secretariat does not prepare a draft decision, but the Executive Board may opt to take a decision under the agenda item;
- (iii) *For information (I)*: The secretariat prepares documentation for information at the request of the Executive Board;
- (iv) *Oral reports*: Oral reports are presented at the request of the Executive Board. They are accompanied by short, informal background documents.

*Second regular session
14 September 2012*

2012/15

Report on the implementation of the “modified system for allocation of regular resources for programmes” approved by the Executive Board in 1997

The Executive Board

1. *Takes note* of the report on implementation of the modified system for allocation of regular resources for programmes, as contained in document E/ICEF/2012/19;
2. *Requests* that progress and developments in the implementation of the regular resource allocation system and its implication for UNICEF cooperation with programme countries continue to be monitored and reviewed, and *further requests* UNICEF to update the Executive Board on its implementation as part of the consultations on the next MTSP 2014-2017.

*Second regular session
14 September 2012*

2012/16

Draft country programme and common country programme documents

The Executive Board

Approves the aggregate indicative budgets for the following country and common country programmes of cooperation:

<i>Region/country</i>	<i>Period</i>	<i>Regular resources</i>	<i>Other resources</i>	<i>Document E/ICEF/2012/</i>
Eastern and Southern Africa				
South Africa	2013-2017	4 550 000	75 000 000	P/L.32
Middle East and North Africa				
Libya	2013-2014	1 500 000	7 000 000	P/L.33
Sudan	2013-2016	41 380 000	243 000 000	P/L.34
South Asia				
Pakistan (CCPD)	2013-2017	90 740 430	320 010 000	P/L.38

<i>Region/country</i>	<i>Period</i>	<i>Regular resources</i>	<i>Other resources</i>	<i>Document E/ICEF/2012/</i>
The Americas and the Caribbean				
Haiti	2013-2016	12 096 000	62 000 000	P/L.30
Nicaragua	2013-2017	3 750 000	30 250 000	P/L.31
West and Central Africa				
Cameroon	2013-2017	31 825 000	47 710 000	P/L.35
Democratic Republic of the Congo	2013-2017	274 730 000	390 000 000	P/L.36
Equatorial Guinea	2013-2017	3 750 000	5 000 000	P/L.37

*Second regular session
14 September 2012*

2012/17

Draft country programme document for Eritrea

The Executive Board

1. *Recalls* its decisions 2002/4, 2006/19 and 2008/17 on the country programme approval process;
2. *Notes* the request by Eritrea to present, on an exceptional basis, the draft country programme document to the first regular session 2013 of the Executive Board;
3. *Decides* to review and approve, on an exceptional basis, the draft country programme documents for Eritrea at the first regular session 2013 of the Executive Board.

*Second regular session
14 September 2012*

2012/18

Extensions of ongoing country programmes

The Executive Board

1. *Takes note* of the one-year extensions of the country programmes for Guinea Bissau and Mali and the six-month extension of the country programme for Rwanda approved by the Executive Director, as indicated in table 1 of document E/ICEF/2012/P/L.39;
2. *Approves* the second one-year extension of the country programme and operations for the Syrian Arab Republic, including humanitarian assistance for affected children in health, nutrition, education, water and sanitation, protection and other key areas;
3. *Approves* the second extension for Egypt, for six months, as presented in table 2 of document E/ICEF/P/L.39.

*Second regular session
14 September 2012*

2012/19

**Medium-term strategic plan: planned financial estimates for the period
2012-2015**

The Executive Board

1. *Takes note* of the financial review for 2011 and planned financial estimates for 2012-2015 as contained in document E/ICEF/2012/AB/L.4 as a flexible framework for supporting UNICEF programmes;
2. *Takes note* with concern that the share of regular resources of total income in 2011 declined to 29 per cent from 38 per cent in 2006, and *encourages* Member States in a position to do so to increase their contribution to regular resources;
3. *Emphasizes* that regular resources are the bedrock of UNICEF and are essential to maintaining the multilateral, neutral and universal nature of its work, and *encourages* UNICEF to work strategically with partners to further mobilize such resources and increase their share of total income;
4. *Approves* the framework of planned financial estimates for 2012-2015 and approves the preparation of programme expenditure submissions to the Executive Board of up to \$847 million from regular resources in 2013, subject to the availability of resources and the continued validity of these planned financial estimates;
5. *Takes note* of the revised funding mechanism for the after-service health insurance reserve;
6. *Requests* UNICEF to provide annual updates to the Executive Board on the progress of funding its reserves for staff liabilities.

*Second regular session
14 September 2012*

2012/20

Roadmap towards an integrated budget, beginning 2014

The Executive Board

1. *Recalls* the principle of full cost recovery as stipulated in General Assembly resolution 62/208, as well as the principle of avoiding the use of core resources to cover costs related to the management of non-core funds and their programme activities, as stipulated in General Assembly resolution 64/289 on system-wide coherence;
2. *Notes* that UNDP, UNFPA and UNICEF have different business models and mandates, and that this implies that their funding structures differ;
3. *Takes note* of the proposed harmonized conceptual framework for cost recovery, and *appreciates* the efforts to develop a simple, transparent and harmonized calculation methodology for cost-recovery rates;
4. *Further notes* that in the harmonized conceptual framework, costs should be defined and funded in line with the cost categories approved by the respective

Executive Boards, and also notes that no distinction is made between fixed indirect costs and variable indirect costs;

5. *Requests* UNICEF, in consultation with UNDP, UNFPA and UN-Women, to further develop the harmonized conceptual framework and calculation methodology for cost-recovery rates to enable the Executive Board to take a decision on cost-recovery rates at its first regular session 2013;

6. *Requests* UNICEF to provide to the Executive Board during the last trimester of 2012, in order to enable it to adopt a decision on cost-recovery rates at its first regular session 2013, further information on the following:

(a) Critical cross-cutting functions, their funding, and the implications for cost-recovery rates;

(b) The way development effectiveness will be directly funded from core and non-core resources and the consequences for cost-recovery rates;

(c) The comparable and non-comparable special-purpose activities and associated costs, their funding, and the consequences for cost-recovery rates;

(d) The advantages and disadvantages of including or excluding United Nations development coordination activities in the cost-recovery calculation methodology and the consequences for cost-recovery rates;

(e) The transitional arrangements after the new cost-recovery rates are adopted;

(f) The way the new cost-recovery policy will help to achieve improved cost efficiency;

7. *Requests* UNICEF, together with UNDP and UNFPA, to provide the Executive Board with an analysis of the following for their respective organizations:

(a) Different scenarios of harmonized versus organization-specific cost-recovery rates and their possible consequences and risks;

(b) The effects of differentiated rates — those taking into account different volumes of funds and the different nature of funds, including, inter alia, complex development situations with attendant increased risks, programme-country contributions and the degree of earmarking — on mobilizing core as well as non core contributions and the kinds of non-core contributions;

8. *Notes* the guiding principles of the integrated budget contained in the joint note of UNDP, UNFPA and UNICEF on steps taken towards the integrated budget and the mock-up of the integrated budget;

9. *Encourages* the further alignment of the UNICEF integrated budget with the medium-term strategic plan (MTSP), including the resource plan, results frameworks and the linking of resources to results;

10. *Looks forward* to receiving, at the first regular session 2013, the mock-up of the integrated resource plan with a harmonized presentation of the cost-recovery amount and information on its use;

11. *Decides* that the resource projections and the integrated budget for all cost categories will cover a four-year period, coinciding with the duration of the MTSP, and that the integrated budget will be reviewed together with the midterm review of the MTSP.

*Second regular session
14 September 2012*
