

Benelux Statement

Second Regular Session 2023 of the UNICEF Executive Board

Item 6 - Structured dialogue on financing the results of the UNICEF Strategic Plan, 2022-2025

Mister / Madam President,

I have the honor to deliver this statement on behalf of the Benelux countries, Belgium, the Kingdom of the Netherlands, and my own country, Luxembourg.

Thank you for the presentation on the funding progress for UNICEF in 2022, as well as your report on the progress UNICEF has achieved towards implementing the Funding Compact. We appreciate all common efforts that harmonize the reporting with UNDP, UNFPA, and UN Women. We encourage the agencies to continue strengthening this approach.

We are all aware that providing UN agencies with un-earmarked, multi-year contributions is a key component in advancing the 2030 Agenda for Sustainable Development. As the needs of children are reaching a record high, flexible and predictable core funding and high quality non-core funding are key to help reverse the negative trend in the attainment of the SDGs.

Even though we applaud the steady growth of UNICEF's income over the past years, with the income in 2022 equaling a record-breaking 9.3 billion US dollars, the decreasing trend in core contributions - not only in percentage but also in real value - is of great concern to us. As highlighted in the annual report, regular resources decreased by 82 million US dollars in 2022, reaching the lowest amount reported within the past 5 years. Only 14% of total funding in 2022 was core funding, a far cry from the 30% that was agreed to in the Funding Compact.

As Benelux countries, we strongly advocate for UNICEF not to become a project organization. Rather, we want UNICEF to be able to design and implement integrated, innovative and transformative solutions, with the goal of reaching all vulnerable children around the world, upholding normative mandates, and to have sound fiduciary, oversight and management functions. We attach great value to the implementation of the Funding Compact, and we underline our continued commitment to the Compact. We stress the need for further allocation and promotion of core and flexible resources and we call on all Member States to keep upholding our end of the bargain.

It is important to underline that official development assistance (ODA) is under pressure in many countries. Therefore, our message to UNICEF is the following: please help us to help you. While we welcome the initial steps you have made, UNICEF can still deepen its efforts when it comes to the annual reporting of un-earmarked resources, including the results they have yielded within different contexts and countries. Without thorough reporting mechanisms, it becomes increasingly difficult to advocate for un-earmarked resources. Recognizing core donors at the country level, rather than only primarily focusing on earmarking donors, could also be a helpful advocacy step. In addition, strategic dialogues with core donors, which are often already conducted at capital level, should also take place on a regular basis in the field, at the level of partner country offices. We therefore would like to ask: How will UNICEF work to increase the visibility of core results?

Alongside visibility, transparency and accountability strongly impact the willingness of donors to provide core funding. In that regard, we noted a 3.7 billion US dollars closing balance of resources in 2022. Could you please provide more information and a more detailed analysis about this surplus? How much of this surplus is locked in multi-year commitments?

Lastly, we would like to encourage UNICEF to keep broadening the donor base, so funding becomes more resilient and effective. Could UNICEF elaborate on how it aims to broaden the donor base, in particular for core funding?

To conclude, I would like to emphasize that we really appreciate UNICEF's efforts in organizing the Structured Funding Dialogues. However, we have noticed that we are unfortunately repeating the same conversations over the years and across the different UN agency boards. While the UN agencies continuously advocate for increased core funding, the core contributors continue to ask for more visibility, strategic dialogues and stronger results reporting. We are ready to work with you to move beyond this discussion and find solutions together to improve the quality and predictability of funding. After all, we all have the same goal. We welcome UNICEF's reflections and look forward to continuing our open conversation on this matter today, in order to identify ways to move the needle together.