

# Update on the World Bank Financial instrument to facilitate sustained investment in private sector fundraising

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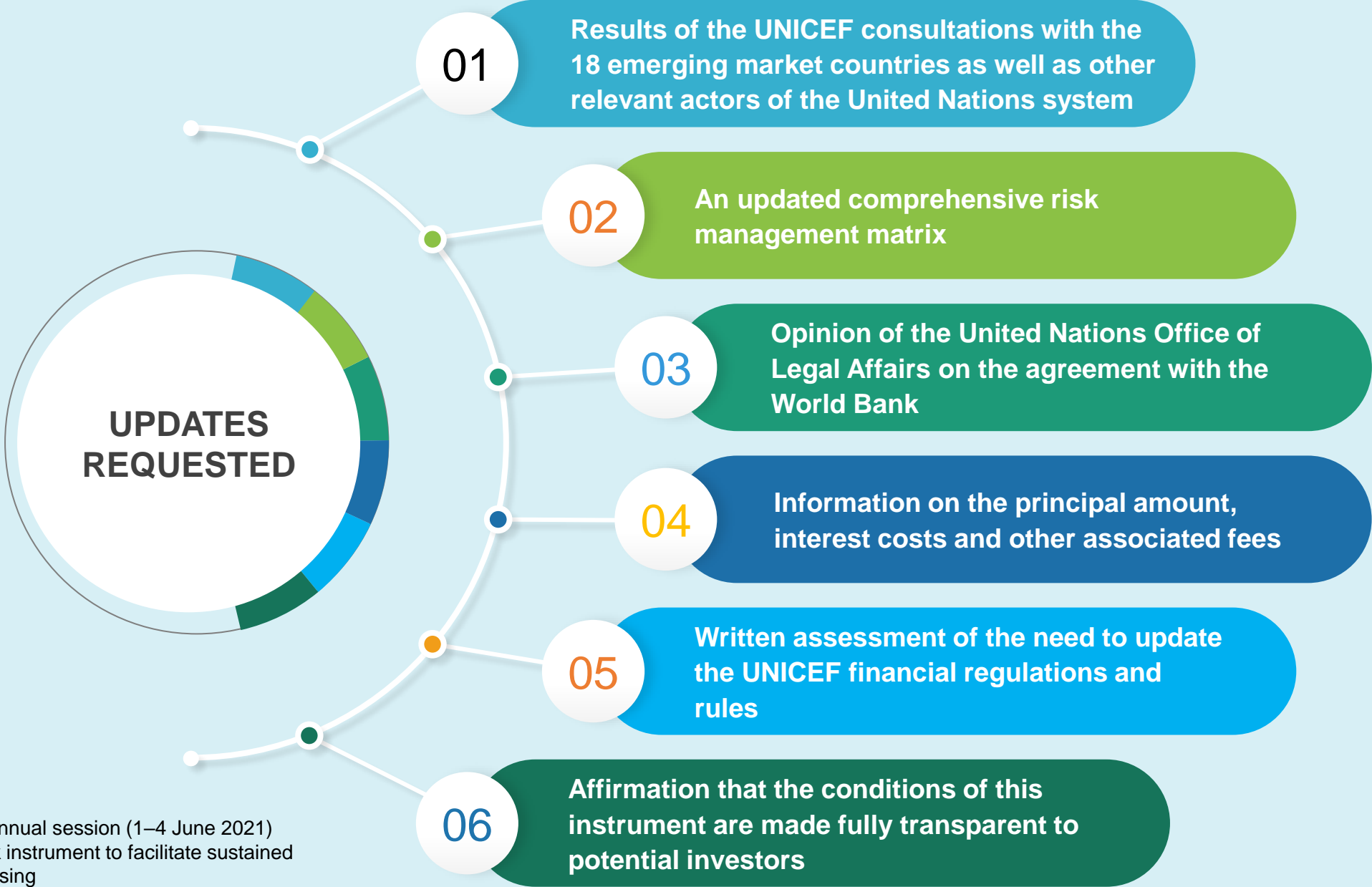
UNICEF Executive Board – 2021 annual session (1–4 June 2021)

Item 13: Update on the World Bank instrument to facilitate sustained investment in private sector fundraising  
Reference document: ([UNICEF/2021/EB/8](#))

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# UPDATES REQUESTED BY THE EXECUTIVE BOARD - DECISION 2021/5



2 UNICEF Executive Board – 2021 annual session (1–4 June 2021)  
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# UPDATES ON THE FINANCIAL INSTRUMENT

## Principal amount, interest costs and associated fees

- ❑ The principal amount is US\$ 50M
- ❑ Overall one-off issuance-related cost of US\$112K
- ❑ The total interest cost amounts to US\$ 4.77M for the five-year cycle (Annual payment of US\$954K)
- ❑ The effective interest rate payable is 1.9 percent

## Conditions of instrument disclosed to investors

- ❑ Conditions of the instrument were fully disclosed to the investors of the bond
- ❑ The Notes are linked to the receipt by UNICEF of monthly pledge donations
- ❑ Noteholders have no rights to require IBRD to enforce its rights against UNICEF

## Opinion of UN Office of Legal Affairs

- ❑ UNICEF's legal and financial interests appear to be well protected by the forward flow agreement
- ❑ If UNICEF desires to engage in further transactions of similar nature:
  - UNICEF should first seek the approval of the General Assembly
  - UNICEF would have to amend the Financial Regulations and Rules to provide for such transactions

## Updated comprehensive risk Management

- ❑ Comprehensive risk management matrix related to the financial instrument updated
- ❑ Details provided in para 17 of EB document [UNICEF/2021/EB/8](#)





Thank you.

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