



UNICEF STRATEGIC PLAN: updated financial estimates, 2023–2026

Diane Kepler,
Deputy Director, Strategic Resources Management, Division of Financial and Administrative Management

UNICEF Executive Board – Informal briefing – 22 August 2023

Item 9: UNICEF Strategic Plan, updated financial estimates, 2023-2026

Reference document: E/ICEF/2023/AB/L.6

Key messages on the updated financial estimates, 2023-2026

01.

UNICEF has updated its financial framework considering current global environment, unprecedented high inflation; tightening financial conditions; and ongoing conflicts and humanitarian crises in many parts of the world. A **conservative financial outlook has been adopted** for the period 2023–2026, while closely monitoring developments.

02.

Total annual income is forecast to decrease by 10% in 2023 compared with the actuals in 2022 due to reductions in contributions for COVID-19 response, Ukraine and Afghanistan emergencies. It is projected to remain at **a similar level in 2024**, followed by forecasted **growth of 6% in 2025** and **4% in 2026**.

03.

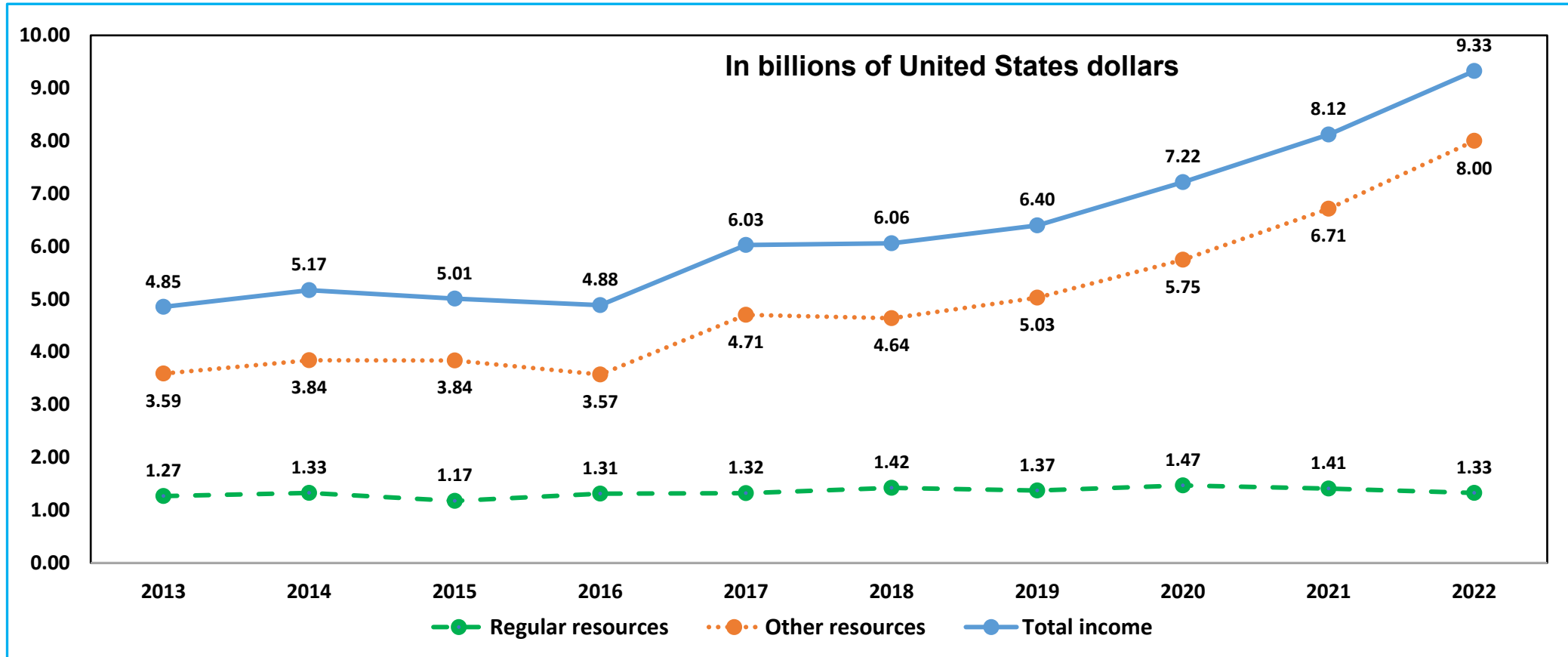
Regular resources have become even more critical to meet the needs and rights of all children since they allow UNICEF to reach children at scale through its country programmes, facilitate sustainability of impact, and enable innovation and rapid response to in-country or regional situations, including emergencies.

04.

UNICEF regularly monitors income projections and planned expenditure and **will make the adjustments to expenditure plans if required**, while keeping the Executive Board informed.



Historical income trends 2013 - 2022

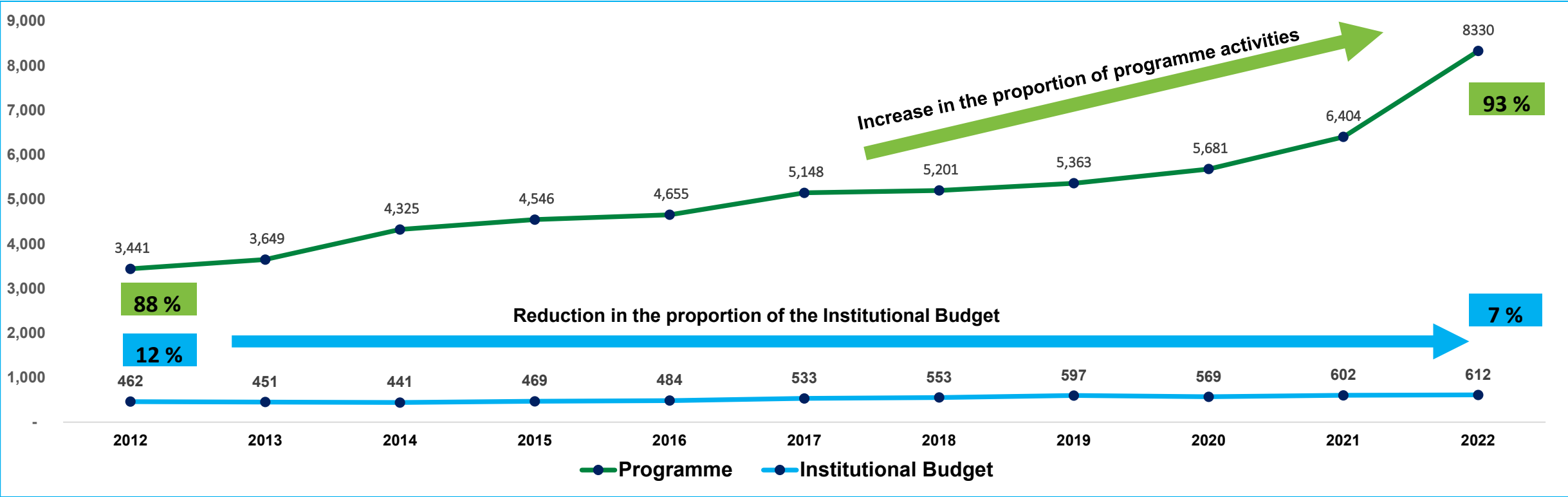


- **Total income has almost doubled** from \$4.9bn to \$9.3bn since 2012, which is largely driven by increases in other resources (earmarked) funding.
- On the other hand, **regular resource income has not grown significantly** from 2013-2022, ranging between \$1.3bn and \$1.5bn.

Historical expenditures trends 2012 - 2022

While expenditure on programme activities has increased by 142% since 2012, **UNICEF has controlled the Institutional Budget with a lower percentage increase (32%)**, demonstrating efficiency and increasing the proportion of resources available for programme activities.

(in millions of United States dollars)

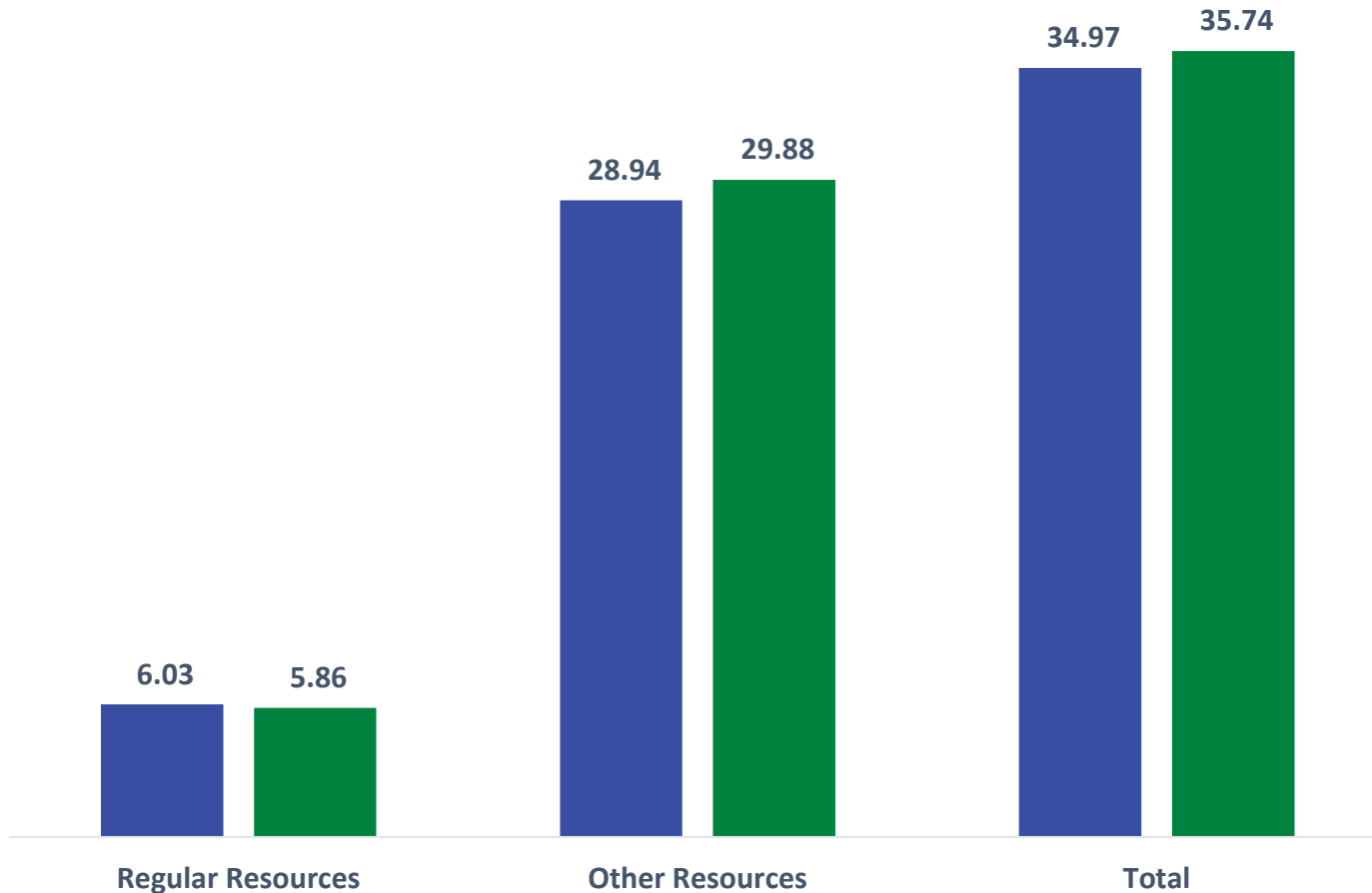


Projected income and expenditures: updated financial estimates, 2023-2026

Total Income and Expenditure Projections, 2023-2026

(in billions of United States dollars)

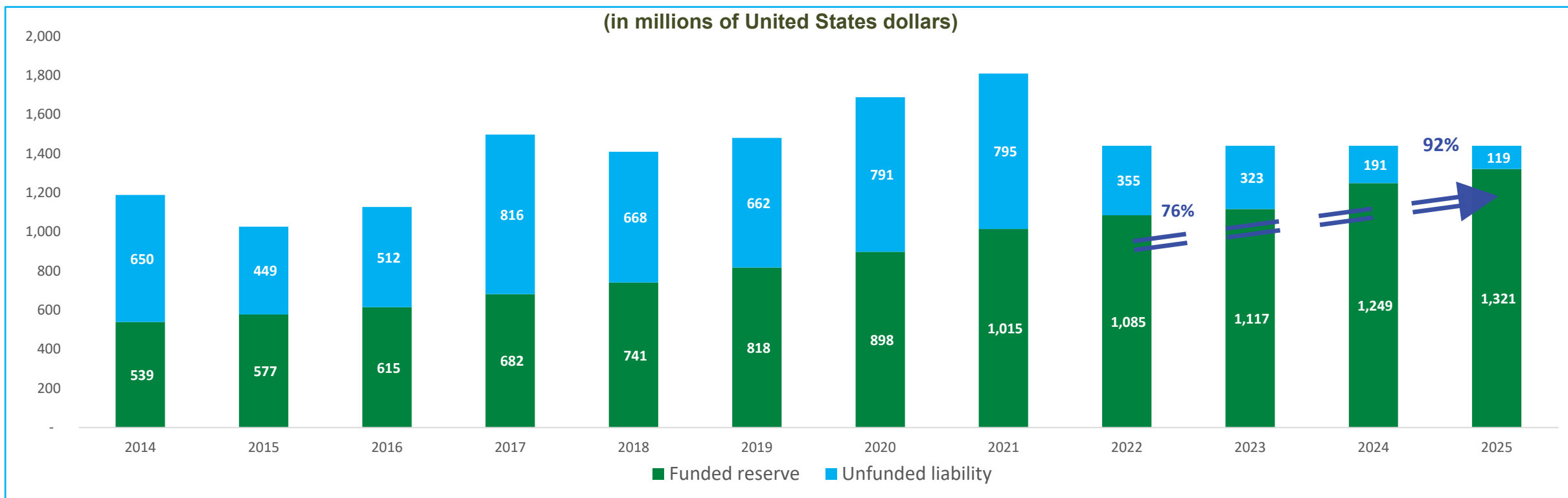
■ Income ■ Expenditure



2023-2026 overall income and expenditure projections:

- The difference between total projected income of \$34.97bn and projected expenditure of \$35.74bn **will be funded from the balance accumulated in prior years**, when actual income surpassed planned amounts.
- UNICEF regularly reviews income and expenditure projections and in line with Executive Board decision 2020/22, **UNICEF will maintain prudent liquidity levels** in regular resources over the period of the Strategic Plan.

Progress on funding staff liabilities



- The staff liability reserve covers 76% of the liabilities as at the end of 2022.
- The funded reserves are **projected to cover 92% of these liabilities by 2025**, that exceeds the UNICEF funding strategy target of 80% coverage by 2025, primarily due to a reduction in liabilities resulting from recent actuarial valuations conducted by the United Nations.
- UNICEF will continue to monitor the effectiveness of, and make appropriate adjustments to, the strategy as financial variables change.

Proposed Executive Board decision for the second regular session related to the financial estimates 2023-2026: Update

Financial Estimates 2023–2026

- Approve the integrated resources framework of planned financial estimates for the period 2023–2026.

Preparation of programme expenditure submissions

- Approve the preparation of country programme expenditure submissions to the Executive Board of up to \$590 million from regular resources in 2024, subject to the availability of resources and the continued validity of these planned financial estimates.

Funding of Staff Liabilities

- Request UNICEF to provide annual updates to the Executive Board on the progress of funding its reserves for staff liabilities.

A young child with curly hair is hugging a person from behind. The person is wearing a blue t-shirt with the UNICEF logo. The child is smiling and looking towards the camera. The background is slightly blurred, showing what appears to be an indoor setting with a window.

Thank you.