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UNICEF integrated budget, 2026–2029

Summary

The UNICEF integrated budget, 2026–2029 contains the resources that will contribute to the achievement of the Integrated Results and Resources Framework.

As an integral part of the UNICEF Strategic Plan, 2026–2029 (E/ICEF/2025/29), the integrated budget and its annex (E/ICEF/2025/AB/L.6 and E/ICEF/2025/AB./L.6/Add.1) should also be considered in conjunction with the Strategic Plan and its annexes.

The total projected income for 2026–2029 is $26.0 billion, representing a 27 per cent decline over the projected income presented in the Report on the midterm review of the UNICEF Strategic Plan, 2022–2025. The projected income is based on consultations with major donors, including Governments, private sector partners and National Committees for UNICEF. Demonstration of results and value for money, as well as continued investment in resource mobilization and concerted outreach, will help to sustain and drive growth in this projected income, which will be prioritized for use in country programmes of cooperation and contribute to improved results for children.

Of the $25.3 billion available for development and humanitarian activities (including development effectiveness) during 2026–2029, UNICEF is proposing to channel $23.6 billion, or 93 per cent, through country programmes. This is $6.6 billion, or 22 per cent, lower than the 2022–2025 midterm review of the integrated budget. This substantial decrease is attributed to a dramatic shift in global priorities from late 2024 to 2025, driven by political instability and economic downturns, which have affected UNICEF public and private fundraising efforts.

From the resources available for programmes, UNICEF is proposing a budget from regular resources (RR) of $195.6 million, and other resources (OR) of $900.0 million, subject to the receipt of contributions to OR, for the Global and Regional Programme during 2026–2029.

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UNICEF is proposing an institutional budget of $2.5 billion for 2026–2029, with $1.1 billion funding from RR and $1.4 billion from cost recovery from OR. Compared with the original 2022–2025 budget, the proportion of total resources utilized for the proposed institutional budget will decrease from 10.2 per cent to 8.9 per cent.

UNICEF recommends that the Executive Board approves the preparation of programme expenditure submissions to the Executive Board of up to $697.0 million from regular resources in 2026, subject to the availability of resources and the continued validity of the planned financial estimates.

UNICEF will continue to maintain prudent liquidity levels in RR over the Strategic Plan, 2026–2029 period, as encouraged by the Executive Board in decision 2020/22.

Elements of a draft decision are included in section VIII.

This integrated budget proposal will be presented to the Advisory Committee on Administrative and Budgetary Questions, whose report will also be made available to the Executive Board.

Contents

I. Overview

1. This document presents the UNICEF integrated budget, 2026–2029. It is an integral part of the UNICEF Strategic Plan, 2026–2029 (E/ICEF/2025/29) and should be considered in conjunction with the Plan and its annexes.

2. UNICEF uses an integrated resource plan for the presentation of budgetary information, cost-classification categories and cost-recovery methodologies and approaches to cost attribution that have been approved for harmonized use by the Executive Boards of UNICEF, the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).

II. Introduction

3. UNICEF developed its integrated resource plan for 2026–2029 based on actual income and expenditures from 2022 to 2024, provisional estimates for 2025, and projected estimates for 2026 to 2029. The total projected income for 2026–2029 is $26.0 billion, representing a 27 per cent decline over the projected income presented in the report on the midterm review of the UNICEF Strategic Plan, 2022–2025 and is based on consultations with major donors, including Governments, private sector partners and National Committees for UNICEF.

4. Of the $25.3 billion available for development and humanitarian activities during 2026–2029, UNICEF is proposing to channel $23.6 billion, or 93 per cent, through country programmes.

5. From the resources available for programmes, UNICEF is proposing a budget from regular resources (RR) of $195.6 million and other resources (OR) of $900.0 million, subject to the receipt of contributions to OR, for the Global and Regional Programme during 2026–2029.

III. Integrated resource plan

6. This section provides information on the following:

(a) Actual financial performance, compared with the resource plan approved by the Executive Board for the period 2022–2025 as part of the Report on the midterm review of the UNICEF integrated budget, 2022–2025 (E/ICEF/2024/AB/L.5);

(b) The integrated resource plan proposed for the period 2026–2029.

A. Review of financial performance, 2022–2025

7. Appendix C of the annex to the present report compares the actual performance against both the integrated resource plan presented in the original integrated budget, 2022–2025 as well as in its midterm review document.

8. In 2024, UNICEF revised its integrated resource plan for 2022–2025, considering actual income and expenditures for 2022–2023 and revised estimates for 2024–2025. The revised plan proposed increasing the total use of resources by 32 per cent, from $26.9 billion to $35.6 billion. This increase in planned use of resources was primarily for development activities, with an increase of 36 per cent from $24.0 billion (approved plan) to $32.7 billion (revised plan). Concurrently, UNICEF proposed an increase in the approved budget for the RR-funded Global and Regional Programme, 2022–2025, from $235.0 million to $265.0 million, a modest increase of $24.0 million in the institutional budget, and maintained the same level

for the ceiling funded from OR, of $1.4 billion, subject to the receipt of OR contributions.

9. Compared with the initially approved integrated resource plan, 2022–2025, the proportion of total resources utilized for development activities increased from 89.2 per cent to 91.8 per cent, and planned use of total resources for the institutional budget decreased from 10.2 per cent to 7.8 per cent.

B. Integrated resource plan, 2026–2029

10. Table 1 below provides information on the projected total available resources and the proposed use of resources for all cost classification categories for 2026–2029. In accordance with Executive Board decision 2024/25, UNICEF, together with UNDP, UNFPA and UN-Women, will use revised cost-classification categories and their definitions effective 1 January 2026, as outlined in the joint cost-recovery policy and reflected in table 1.

C. Resources available

11. Total resources available of $29.5 billion are projected for 2026–2029, comprising $5.65 billion in RR and $23.83 billion in OR.

12. The total projected income for 2026–2029 is $26.0 billion, a 27 per cent decline from the midterm review projection for 2022–2025. The current projection is based on consultations with major donors, including Governments, private sector partners and National Committees. In 2024, major geopolitical shifts triggered a fundamental redirection of official development assistance (ODA), driven by shrinking fiscal space, increased defence spending by Governments, and a stronger focus on national agendas. It is expected that ODA will contract by at least 20 per cent over the coming years, impacting long-term development commitments and funding predictability. These factors adversely affect UNICEF fundraising. Given heightened risks and uncertainty, UNICEF has adopted a prudent and conservative approach for the 2026–2029 budget. Details on actual income for 2022–2024 and projections for 2025–2029 are in appendix E of the annex.

13. The UNICEF income trend continues to reflect increasing earmarking and decreasing flexibility and predictability of funding. While the ratio of RR to total income showed improvement, increasing from 14 per cent in 2022 to 19 per cent in 2024, it still falls significantly short of the commitment of at least 30 per cent outlined in the funding compact.

14. In 2023 and 2024, other income from investments, licensing and procurement services cost recovery accounted for 19 per cent ($299.0 million) and 22 per cent ($346.0 million), respectively, of total RR income. This reflects a notable increase compared to 2022, when other income amounted to $123.0 million. The trend is expected to continue in 2025, with projections estimating other income at $340.0 million, representing 25 per cent of total RR income. Despite this upward trajectory, other income remains an unpredictable and volatile funding source for UNICEF as it is heavily influenced by global economic conditions. Thus, it is projected to gradually decrease in 2026–2029. Other income continues to complement RR income from voluntary contributions and contributes to a higher overall ratio of RR to total income.

15. Regular resources income remains critical to meet children's needs, help them to fulfil their rights, sustain the impact of interventions and enable innovation and rapid response to regional or in-country emergencies. They allow UNICEF to allocate resources where they are most needed to achieve the Impact Results of the Strategic

Plan and the Sustainable Development Goals. UNICEF prioritizes strategies to maintain and accelerate RR mobilization through organization-wide efforts to increasingly promote its importance as well as targeted approaches to engage more partners, diversifying the funding base.

16. The projected RR reserve at the end of 2029 is compliant with Executive Board decision 2020/22, which encourages UNICEF to maintain an RR reserve at a minimum of three months of projected expenditure.

D. Use of resources

17. The total proposed use of resources for 2026–2029 is $28.0 billion, comprising $5.3 billion in RR and $22.7 billion in OR.

18. Of the $28.0 billion, UNICEF is proposing to utilize $25.3 billion for development and humanitarian activities, $39.4 million for United Nations development coordination activities, $1.6 billion for management activities, $93.6 million for independent oversight and assurance activities and $990.0 million for special purpose activities. Compared to the 2022–2025 midterm review, the proportion of total resources allocated to development and humanitarian activities is projected to decrease slightly, from 91.8 per cent to 90.2 per cent, corresponding to a reduction of $7.4 billion, primarily attributable to anticipated declines in income. The proportion of total resources utilized for management activities and oversight and assurance activities is proposed to increase slightly, from 5.1 per cent to 6.1 per cent.

19. Within development and humanitarian activities, UNICEF proposes to make $23.6 billion available for country programmes. This represents a decrease of $6.6 billion compared with the amount reported in 2022–2025 midterm review, which was $30.2 billion.

20. From the resources available for programmes, UNICEF is proposing for approval a budget for the Global and Regional Programme during 2026–2029 of $195.6 million funded from RR, and an app roved ceiling of $900.0 million funded from OR, subject to the receipt of OR contributions.

21. UNICEF recommends that the Executive Board approve the preparation of programme expenditure submissions to the Executive Board of up to $697.0 million from RR in 2026, subject to the availability of resources and the continued validity of the planned financial estimates. Appendix L of the annex to the present report contains the details of the RR yearly phasing of estimated expenditures for programmes.

22. UNICEF is proposing an institutional budget of $2,501.3 million for 2026–2029. The institutional budget comprises the following resource requirements: $633.9 million for development effectiveness; $39.4 million for United Nations development coordination; $1,619.4 million for management; $93.6 million for independent oversight and assurance activities; and $115.0 million for capital investments within special purpose activities.

23. Compared to the original approved plan for 2022–2025, the proportion of total resources utilized for the institutional budget is projected to decrease slightly, from 10.2 per cent to 8.9 per cent. Although this proportion exceeds the 7.8 per cent projected in the midterm review, the institutional budget for 2026–2029 is proposed to decrease by $261.0 million compared to the midterm review estimate of $2,762.3 million. Of the institutional budget of $2,501.3 million, $1,067.3 million is proposed to be funded from RR, and $1,434.0 million from cost recovery from OR.

24. UNICEF is including a budgetary provision for private sector fundraising in the integrated budget, under special purpose activities.

25. The resource requirements proposed under private sector fundraising comprise the direct investment costs supporting the fundraising and advocacy activities of the National Committees and the UNICEF country offices. The appropriation for these resource requirements is presented for approval to the Executive Board on an annual basis in conjunction with the Private Fundraising and Partnerships workplan and budget.

E. Sufficiency of reserves for staff liabilities

26. UNICEF maintains reserves to fund its employee benefits liabilities, which comprise after-service health insurance and end-of-service entitlements.

27. Following discussions with the Executive Board and the implementation of the International Public Sector Accounting Standards that require the full reporting of after-service staff liabilities in corporate financial statements, UNICEF is implementing a robust funding strategy for those liabilities. The strategy ensures that, over time, the reserve for those liabilities is accumulated from the funding sources to which post cots are correctly attributed and transfers of additional resources when the year-end balances permit. UNICEF carries out a full actuarial valuation on a biennial basis, with the last one carried out as at 31 December 2023. The actuarial liability as at 31 December 2024 was $1.34 billion and accumulated reserves were $1.33 billion; these accumulated reserves reached 99 per cent coverage of liability. This exceeds the UNICEF funding strategy target of 80 per cent coverage by 2025. It is important to note that the level of liabilities may increase in the near future, as indicated by the recent trends observed in actuarial valuation.

28. UNICEF will continue to monitor the effectiveness of the strategy, make appropriate adjustments as financial variables change, and provide yearly updates to the Executive Board in the document UNICEF Strategic Plan: updated financial estimates.

F. Lessons learned from the implementation of the integrated budget 2022–2025

29. The adoption of a four-year budget has presented both opportunities and challenges for UNICEF. Aligning the Strategic Plan with the integrated budget cycle has strengthened the connection between strategic and financial planning, which together form a unified vision for the organization. From a resource mobilization perspective, a long-term plan helps donors to better understand and support UNICEF programme funding needs. However, UNICEF continues to face increasing demands for assistance, as well as significant funding challenges, including donor unpredictability and constrained global resources.

30. The four-year budget framework poses significant operational challenges for UNICEF, requiring regular revisions amid an uncertain funding environment. Economic recovery following the coronavirus disease (COVID-19) pandemic has been slowed by the war in Ukraine, instability in the Middle East, rising humanitarian emergencies, supply chain disruptions, inflation and currency volatility. Since 2024, geopolitical shifts have caused a projected 20 per cent decline in ODA over the coming years. As a result, UNICEF must implement major budget cuts in response to declining income, creating uncertainty that may affect global programme delivery. UNICEF continuously monitors funding and operational needs to adjust plans, ensuring effectiveness and equity. Strategic prioritization and prudent resource management remain vital to UNICEF sustaining impact and fulfilling its mandate.

G. UNICEF Future Focus Initiative

31. UNICEF is currently undertaking significant organizational changes to enhance its agility and readiness for future opportunities and challenges while responding to the evolving global funding landscape. This process is ongoing, and its outcomes will not be fully known during the preparation of the present document. As such, while the current budget proposal reflects the best available information, certain elements may be subject to revision once the decisions are finalized. Any resulting adjustments will be transparently presented to the Executive Board in the document UNICEF Strategic Plan: updated financial estimates, which is presented to the Board annually, and the Midterm review of the integrated budget, 2026–2029.

Table 1
Integrated resource plan, 2026–2029
(in millions of United States dollars)

	Approved, 2022–2025 midterm review (E/ICEF/2024/AB/L.5)							*2026–2029*						
			Other resources							*Other resources*				
	Regular resources		*Programmes*	*Cost recovery*	*Total resources*		*Trust funds*	*Regular resources*		*Programmes*	*Cost recovery*	*Total resources*		*Trust funds*
	$m	*%*	*$m*	*$m*	*$m*	*%*	*$m*	*$m*	*%*	*$m*	*$m*	*$m*	*%*	*$m*
1. Resources available														
Opening balance	523.2		3 093.3	-	3 616.6		4 721.8	614.2		2 969.5	-	3 583.7		1 448.0
Income														
Contributions	4 984.0		29 864.3	-	34 848.3		-	4 164.0		20 858.0	-	25 022.0		-
Other income	791.6		-	-	791.6		-	985.0		-	-	985.0		-
Total income	5 775.7		29 864.3	-	35 640.0		-	5 149.0		20 858.0	-	26 007.0		-
Tax reimbursement adjustment	(87.4)		-	-	(87.4)		-	(84.0)		-	-	(84.0)		-
Transfer to Working Capital Fund	(80.0)		-		(80.0)		-	-		-	-	-		-
Transfer to Dynamo Fund	(118.7)		-		(118.7)		-	(30.0)		-	-	(30.0)		-
Transfer to after service staff liabilities	(80.0)		-		(80.0)		-	-		-	-	-		-
Trust fund receipts	-		-	-	-		8 505.9	-		-	-	-		8 800.0
Total available	**5 932.8**		**32 957.6**	**-**	**38 890.5**		**13 227.8**	**5 649.2**		**23 827.5**	**-**	**29 476.7**		**10 248.0**
2. Use of resources														
A. Development and humanitarian activities														
A.1 Programmes	4 040.2	*72.7%*	27 873.5	-	31 913.6	*89.6%*	11 426.7	3 655.6	*68.7%*	21 000.0	-	24 655.6	*88.0%*	8 800.0
Country	3 775.2	*68.0%*	26 426.8	-	30 202.0	*84.8%*	-	3 460.0	*65.1%*	20 100.0	-	23 560.0	*84.0%*	-
Global and Regional	265.0	*4.8%*	1 446.7	-	1 711.7	*4.8%*	-	195.6	*3.7%*	900.0	-	1 095.6	*3.9%*	-
A.2 Development effectiveness	626.6	*11.3%*	72.5	73.3	772.4	*2.2%*	-	633.9	*11.9%*	-	-	633.9	*2.3%*	-
Subtotal (A)	4 666.8	*84.0%*	27 945.9	73.3	32 686.0	*91.8%*	11 426.7	4 289.5	*80.7%*	21 000.0	-	25 289.5	*90.2%*	**8 800.0**

	Approved, 2022–2025 midterm review (E/ICEF/2024/AB/L.5)							*2026–2029*						
			Other resources							*Other resources*				
	Regular resources		*Programmes*	*Cost recovery*	*Total resources*		*Trust funds*	*Regular resources*		*Programmes*	*Cost recovery*	*Total resources*		*Trust funds*
	$m	*%*	*$m*	*$m*	*$m*	*%*	*$m*	*$m*	*%*	*$m*	*$m*	*$m*	*%*	*$m*
B. United Nations development coordination	37.6	*0.7%*	2.6	-	40.1	*0.1%*	-	39.4	*0.7%*	-	-	39.4	*0.1%*	-
C. Enabling functions														
C.1 Management	109.5	*2.0%*	10.6	1 598.0	1 718.1	*4.8%*		349.2	*6.6%*	-	1 270.3	1 619.4	*5.8%*	
C.2 Independent oversight and assurance	17.5	*0.3%*	0.2	84.1	101.7	*0.3%*	-	20.2	*0.4%*	-	73.5	93.6	*0.3%*	-
C.3 Special purpose														
C.3.1 Capital investments	86.9	*1.6%*	-	43.1	130.0	*0.4%*	-	24.7	*0.5%*	-	90.3	115.0	*0.4%*	-
C.3.2 Private sector fundraising	636.3	*11.5%*	285.9	-	922.3	*2.6%*	-	595.0	*11.2%*	280.0	-	875.0	*3.1%*	-
Subtotal (C)	850.2	*15.3%*	296.6	1 725.2	2 872.1	*8.1%*	-	989.1	*18.6%*	280.0	1 434.0	2 703.1	*9.6%*	-
Institutional budget (A.2+B+C.1+C.2+C.3.1)	**878.0**	***15.8%***	**85.7**	**1 798.5**	**2 762.3**	***7.8%***		**1 067.3**	***20.1%***	**-**	**1 434.0**	**2 501.3**	***8.9%***	
Integrated budget (A+B+C)	**5 554.6**	***100.0%***	**28 245.1**	**1 798.5**	**35 598.2**	***100.0%***	**11 426.7**	**5 317.9**	***100.0%***	**21 280.0**	**1 434.0**	**28 031.9**	***100.0%***	**8 800.0**
3. New amounts from / (to) other funds				**(56.0)**	**(56.0)**						**-**	**-**		
4. Closing balance of resources	**378.3**		**2 858.0**		**3 236.2**		**1 801.0**	**331.3**		**1 113.5**		**1 444.8**		**1 448.0**

Note: Due to rounding, the totals may differ slightly from the sum of the columns.

IV. Integrated Results and Resources Framework

32. The UNICEF Strategic Plan, 2026–2029 contains a single results framework architecture for UNICEF, composed of 5 quantified Impact Results, 20 sublevel results, 3 accelerators, 6 change strategies and 4 enablers.

33. Table 1 provides information on the proposed use of resources by cost-classification category. Table 2 identifies how total resources available to UNICEF will be allocated to the five Impact Results.

A. Planned use of resources for Strategic Plan Impact Results

34. UNICEF is proposing investments to achieve the Strategic Plan Impact Results. See table 2 for the amount each Impact Result is projected to utilize over the four-year period.

B. Country programmes

35. Of the $25.3 billion available for development and humanitarian activities (including development effectiveness) during 2026–2029, UNICEF is proposing to channel $23.6 billion, or 93 per cent, through country programmes. This is $6.6 billion, or 22 per cent, lower than the 2022–2025 midterm review of the integrated budget. This substantial decrease is attributed to a dramatic shift in global priorities between late 2024 and 2025, driven by political instability and economic downturns, which have impacted public and private fundraising efforts.

36. Regular resources are allocated to individual country programmes of cooperation according to the modified system for allocation of RR for programmes, approved by the Executive Board, with an emphasis on three core criteria:

(a) under-5 mortality rate;

(b) gross national income per capita;

(c) child population.

37. The Executive Board approves indicative budgets for OR (regular) when approving country programme documents or equivalent, while OR (emergency) funds are programmed according to need.

C. Global and Regional Programme

38. UNICEF proposes a reduction in the Global and Regional Programme budget for the Strategic Plan, 2026–2029 period. The budget funded from RR is proposed to decrease from $265.0 million to $195.6 million, and the budget funded from OR from $1,446.7 million to $900.0 million, compared to the allocations presented at the midterm review. These proposed levels are also lower than the original budget for the 2022–2025 period, which stood at $235.0 million for RR and $1,446.7 million for OR. This reflects a deliberate effort to reduce costs at the regional and headquarters levels and to reallocate resources more directly to country programmes.

D. Allocation of resources to organizational effectiveness and efficiency results

39. Resources for the organizational effectiveness and efficiency results are presented in accordance with the harmonized cost classification categories and in line with the joint comprehensive cost-recovery policy approved by the Executive Board in decision 2024/25.

40. Resources allocated to organizational units are grouped into functional clusters. The functional clusters for management activities are harmonized among UNDP, UNFPA, UN-Women and UNICEF. Development effectiveness activities are more closely associated with the programme outcomes and delivery modalities of each of the United Nations entities and are therefore not harmonized among them.

41. Within UNICEF, resources for development effectiveness are allocated to three functional clusters: technical excellence in policy and programmes; technical excellence in humanitarian action; and technical excellence in procurement and management of supplies.

42. The paragraphs following table 2 below provide a summary update by organizational effectiveness and efficiency result and functional cluster.

Table 2
Integrated Results and Resources Framework, 2026–2029
(in millions of United States dollars)

		2026–2029			
			Other resources		
		Regular resources	*Programme*	*Cost recovery*	*Total resources*
Impact Result	*Functional cluster*	*$m*	*$m*	*$m*	*$m*
Programmes		**3 655.6**	**21 000.0**		**24 655.6**
Impact Result 1 – 10 million child lives saved and at least 500 million children healthy, well-nourished and developmentally on-track		1 718.1	9 870.0		11 588.1
Impact Result 2 – 350 million more children and young people learning and skilled		767.7	4 410.0		5 177.7
Impact Result 3 – 100 million fewer children in multidimensional poverty		456.9	2 625.0		3 081.9
Impact Result 4 – 350 million children protected from violence		402.1	2 310.0		2 712.1
Impact Result 5 – 500 million children better protected from disasters, climate and environmental risks		310.7	1 785.0		2 095.7
Organizational effectiveness and efficiency		**1 662.3**	**280.0**	**1 434.0**	**3 376.3**
A. Development effectiveness		**633.9**			**633.9**
	Technical excellence in policy and programmes	555.3			555.3
	Technical excellence in procurement and management of supplies	51.6			51.6
	Technical excellence in humanitarian action	27.0			27.0
B. United Nations development coordination		**39.4**			**39.4**
	United Nations coherence and cluster coordination	39.4			39.4
C. Enabling functions		**989.1**	**280.0**	**1 434.0**	**2 703.1**
C.1 Management		**349.2**		**1 270.2**	**1 619.4**
	Leadership and corporate direction	11.0		39.9	50.9
	Corporate financial, information and communications technology and administrative management	55.9		203.2	259.1
	Staff and premises security	4.2		15.2	19.4
	Corporate external relations and partnerships, communication and resource mobilization	52.3		190.4	242.7

		2026–2029			
			Other resources		
		Regular resources	Programme	Cost recovery	Total resources
Impact Result	*Functional cluster*	*$m*	*$m*	*$m*	*$m*
	Corporate human resources management	21.0		76.5	97.5
	Field/country office oversight, management and operations support	204.8		745.0	949.8
C.2 Independent oversight and assurance		**20.2**		**73.5**	**93.6**
C.3 Special purpose		**619.7**	**280.0**	**90.3**	**990.0**
C.3.1 Capital investments		24.7	-	90.3	115.0
C.3.2 Private sector fundraising		595.0	280.0	-	875.0
Total use of resources		**5 317.9**	**21 280.0**	**1 434.0**	**28 031.9**

Note: Due to rounding, the totals may differ slightly from the sum of the columns.

Result 1: Higher quality programmes through results-based management

Cluster:	Technical excellence in policy and programmes
Resources:	$555.3 million

43. Composed of the Programme Group, Division of Data, Analytics, Planning and Monitoring, Office of Innovation, Global Office of Research and Foresight and technical advisers in the regional offices, this cluster is responsible for programme policy, guidance, technical support and quality assurance to achieve the Strategic Plan's programme goals. It draws on research, evidence-based lessons and insights from practical programming experience.

44. The Programme Group will continue driving organization-wide programme excellence through five core strategies. It develops global policies and frameworks guiding UNICEF, the Executive Board, field offices and donors, ensuring alignment with the UNICEF mandate. The Programme Group provides evidence-based solutions and expert guidance and supports legal reforms and large-scale programmes with Governments and partners. It leads initiatives and fundraising to expand resources and partnerships, strengthening the organization's response to children's needs. The Programme Group works with global actors to align priorities with development goals, ensuring strong cooperation and representation. Finally, it links global policy to field action by equipping offices with technical expertise, innovation and best practices for scalable, sustainable results.

45. The Division of Data, Analytics, Planning and Monitoring and the Global Office of Research and Foresight will be consolidated into the Division of Strategy and Evidence. The division will enhance evidence-informed decisions, organizational effectiveness and impact for children. It will lead agile, rights- and results-based programming by guiding the strategic use of data, planning, monitoring, risk, knowledge and performance. For 2026–2029, priorities will include strengthening support to national systems, transforming monitoring and risk management to improve partnerships, enhancing programme quality through digital innovation, and positioning UNICEF as a data- and knowledge-driven organization. This will be complemented by independent, rigorous research and foresight on emerging and long-term challenges. Other priorities will include helping UNICEF and partners to apply quality evidence, conducting ethical, inclusive research reflecting children's voices, and informing strategic responses to global trends. Flagship platforms such as *The State of the World's Children, Prospects for Children and Report Card* publications and the Leading Minds conference reinforce UNICEF leadership in research and foresight.

46. The Office of Innovation drives innovation across UNICEF, helping country and regional offices to accelerate programmatic results. By connecting innovators, partners and internal stakeholders, it fosters collaboration to discover, iterate and scale up solutions that improve children's lives. For 2026–2029, priorities will include using a problem-led approach to co-create and scale up solutions to key challenges facing children and youth; advancing a possibility-led approach by exploring and de-risking emerging technologies; influencing Governments and other partners to adopt innovations while building strong external partnerships; and strengthening internal governance, culture and capacity for innovation within UNICEF.

47. As part of the restructuring process, UNICEF is establishing centres of excellence in four time zone locations to consolidate existing technical assistance functions from headquarters and regional offices. These centres will deliver high-

quality, timely and integrated support to country and regional offices, strengthening the organization's commitment to excellence, accountability and demand-driven technical assistance. The Centres will also support Governments and UNICEF teams in mobilizing domestic resources and international partnerships to scale up results for children and sustain equitable access to essential services, including in humanitarian settings.

Cluster:	Technical excellence in procurement and management of supplies
Resources:	$51.6 million

48. During 2026–2029, Supply Division and UNICEF wider supply function will contribute to the achievement of Strategic Plan results by increasing access to supplies and services to improve the health, nutrition, education, sanitation and hygiene of children and adolescents. In partnership with Governments, civil society, the private sector and other stakeholders, Supply Division and the supply function will prioritize strategic procurement, with an emphasis on localization; supply preparedness and response in humanitarian and fragile contexts; financing for supplies and services; supply chain systems strengthening; and supply chain optimization and digitalization.

Cluster:	Technical excellence in humanitarian action
Resources:	$27.0 million

49. The Office of Emergency Programmes provides strategic support to regional and country offices in preparing for and responding to humanitarian crises. Working with regional offices, it ensures country offices have the capacity to meet the revised Core Commitments for Children in Humanitarian Action and to scale up as needed. The Office defines UNICEF role in complex emergencies and natural disasters, develops related policies and guidance and ensures organizational readiness. During 2026–2029, the Office will continue to strengthen preparedness and resilience through improved risk analysis, security management and innovative approaches to emergency response and the humanitarian-development-peace nexus. Advanced technologies, data-driven decisions and digital tools will enhance the efficiency of response. Emergency procedures will be streamlined, made more people-centred and include strong feedback mechanisms for accountability. The Office will also promote localized humanitarian response, prioritizing innovation and support for women-led local organizations.

Result 2: Improved management of financial and human resources in pursuit of results

Cluster:	Leadership and corporate direction
Resources:	$50.9 million

50. The Office of the Executive Director provides leadership, strategic direction and coordination for UNICEF. The Office provides policy guidance, ensures coherence across all levels of the organization and oversees performance and accountability. It also leads external engagement, crisis coordination and Executive Board relations to keep UNICEF responsive, results-focused and aligned with its global mandate. In the quadrennium 2026–2029, the Office will lead on organizational transformation and change management.

51. The Ethics Office promotes ethical awareness and plays a crucial role in fostering a culture of integrity and accountability within UNICEF. Since 2023, it has shifted from transactional processing to focusing on outcomes by aligning programmes with desired results, identifying gaps, deepening team engagement and applying early detection of ethical risks for prevention. To increase impact, the Office is moving from individual advice to tailored group guidance. From 2026 to 2029, it will strengthen collaboration with partners like the Office of Internal Audit and Investigations, the Division of People and Culture, the Global Staff Association and the Office of the Ombudsman for United Nations Funds and Programmes, to promote ethical practices and early resolution of issues; expand awareness and accessibility of ethics services regionally and nationally; embed ethics in leadership priorities; enhance protection against retaliation; and sustain progress in training, outreach and communication.

Cluster:	Corporate financial, information and communication technology and administrative management
Resources:	$259.1 million

52. Building on progress made during 2022–2025, the Division of Financial and Administrative Management will continue to drive operational excellence by advancing digital financial transformation, risk-informed decisions and streamlined processes. Past improvements in data protection for cash assistance, automated oversight and agile financial risk responses have set a strong foundation for scaling up innovation and accountability. From 2026–2029, the Division will deepen its focus on data, technology and partnerships to boost efficiency, integrity and impact. Priorities include expanding intelligent automation, enhancing predictive analytics for risk management and further simplifying processes to reduce administrative burdens. By building on reforms and adopting new solutions, the Division aims to create a more responsive, transparent, and resilient operational model aligned with organizational needs.

53. The UNICEF Digital Impact Strategy, 2026–2029 builds on the Digital Transformation Strategy to harness its potential and multiplier effects, accelerating impact for children globally. Aligned with the inclusion of “innovation and digital transformation” as an accelerator in the draft Strategic Plan, the Information and Communication Technology Division will drive impact through digital solutions, ecosystems and emerging technologies like artificial intelligence, data digitalization and digital skills development. The division will focus on scaling up programmatic impact through digital technology, embedding child rights in policies, strengthening partnerships and advising country offices; ensuring a safe, inclusive digital environment with strong protections; enhancing cybersecurity to safeguard data, digital identities and systems from evolving threats; building secure, user-friendly and scalable digital infrastructure; and supporting UNICEF-wide digital initiatives by accelerating delivery of solutions and promoting continuous improvement with industry best practices.

Cluster:	Staff and premises security
Resources:	$19.4 million

54. The Office of Emergency Programmes manages UNICEF global security in close coordination with the United Nations Department of Safety and Security (UNDSS) and other United Nations Security Management System (UNSMS) bodies. The Office monitors global threats, sets standards for United Nations Security

Management System policy application within UNICEF and provides strategic security risk guidance. The Office works with the Division of Financial and Administrative Management, the Legal Office and others on security issues and leads inter-agency security policy through the Inter-Agency Security Management Network to influence the United Nations Department of Safety and Security. These efforts ensure staff and asset safety, maintain operational continuity and enable UNICEF to operate within acceptable security risks.

Cluster:	Corporate external relations and partnerships, communication and resource mobilization
Resources:	$242.7 million

55. The Public Partnerships Division has strengthened and broadened its partnership base and engaged in policy advocacy with Member States in recent years. This advocacy has advanced progress towards achievement of the Sustainable Development Goals related to children, placed children's rights on the sociopolitical agenda, and enabled meaningful participation of children and youth in intergovernmental forums like the United Nations General Assembly. From 2026 to 2029, key priorities for resource mobilization include leading UNICEF to secure quality public sector income and promote international development and humanitarian resources by maintaining and expanding flexible funding from diverse partners such as Organisation for Economic Co-operation and Development, Development Assistance Committee (DAC) donors, non-DAC partners, international financial institutions and global public partnerships. Additionally, the Division will preserve, expand and forge partnerships to safeguard income and maximize resource mobilization for children.

56. The Division of Global Communication and Advocacy will continue to lead the UNICEF communication and advocacy agenda at the global level in support of the realization of child rights. It will place children at the heart of global agendas and advocate and partner for the rights of every child to support the informed influence of decision-makers and to inspire and engage other key audiences to address child rights issues. The Division will co-lead the development of global communication and advocacy strategies aligned with the UNICEF Strategic Plan, setting the vision, ambition and priorities that guide the work of UNICEF at all levels, so that the organization can raise public awareness, influence decision makers, drive support and mobilize funds for children.

57. The Private Fundraising and Partnerships Division is responsible for the strategic framework that informs UNICEF cooperation with its National Committees. Included in this functional cluster are activities related to leading and coordinating UNICEF cooperation with the National Committees, as well as private sector strategy development and implementation. The resources supporting revenue-generation and influence-building activities in National Committees and country offices are included under "special purpose".

Cluster:	Corporate human resources management
Resources:	$97.5 million

58. Aligned with the people and culture enabler in the Strategic Plan, 2026–2029, the Division of People and Culture builds a dynamic, inclusive and agile workforce to deliver sustainable results for children. Priorities include upholding UNICEF core values with zero tolerance for misconduct; ensuring talent management to attract,

develop and retain skilled and adaptable staff for development and humanitarian work; prioritizing well-being by supporting mental, physical and emotional health; enhancing representation and inclusion by promoting diverse voices across functions; leveraging artificial intelligence and predictive analytics to anticipate workforce needs and improve the digital people experience; and promoting transparency through open communication that fosters collaboration, breaks down silos and nurtures a values-driven culture.

Cluster:	Field/country office oversight, management and operations support
Resources:	$949.8 million

59. Senior leaders play a vital role in achieving this result through representation and cooperation with national and local leaders, partner organizations and experts from other United Nations organizations and regional intergovernmental groups. This role is responsible for advocating for children's rights, especially for the poorest and most vulnerable, through the effective and efficient use of resources made available to support programme delivery.

60. The Global Shared Services Centre supports the efficiency of UNICEF operations by centralizing core transactional functions such as payments, human resources, payroll and customer care. Located in Budapest, a lower-cost duty station, the Centre has contributed over the past decade to greater standardization, process simplification and reduced operational risk. As it gradually transitions towards a global business services model, the Centre is expanding its service offering to include areas such as recruitment support, travel services and contract processing hubs. By incorporating data-driven approaches and process automation, the Centre aims to improve service delivery and support cost-effective operations. It will continue to collaborate with business owners and stakeholders to support office modernization efforts and enhance operational responsiveness where feasible.

61. UNICEF will continue supporting the reinvigorated resident coordinator system and coordination structures at the headquarters, regional and country office levels; implement the Management and Accountability Framework; and enhance business operations and efficiencies through joint United Nations procurement tenders, the Business Operations Strategy, common back offices, common premises and mutual recognition. As part of the common premises agenda, UNICEF will continue to promote accessibility for people with disabilities. It will also advance energy efficiency and environmental sustainability to meet the 2030 carbon reduction targets, optimize operating costs and ensure business continuity using clean power in hard-to-reach and off-grid areas.

Result 3: Coordination of the United Nations development system

Cluster:	United Nations coherence and cluster coordination
Resources:	$39.4 million

62. This result covers coordination by the Office of Emergency Programmes and UNICEF role in the humanitarian coordination system. As the largest cluster lead agency in the Inter-Agency Standing Committee, UNICEF has a responsibility to drive transformative change towards a more efficient humanitarian system amid growing needs and shrinking funding. The Office leads coordination of clusters for water, sanitation and hygiene; nutrition; and education, and the global child protection area of responsibility, applying an effective, flexible, principled and accountable

approach. It is also responsible for establishing inter-agency partnerships, developing humanitarian policies and providing operational support to enhance capacity for timely crisis response. Through these efforts, UNICEF ensures coherence among United Nations agencies, fosters collaboration and promotes efficient resource use in complex humanitarian contexts. Additionally, UNICEF actively shapes Inter-Agency Standing Committee normative and operational humanitarian work, advancing coordinated approaches with United Nations and non-governmental organization partners.

Result 4: Independent oversight and assurance

Cluster:	Corporate oversight and assurance
Resources:	**$93.6 million: Total**: $8.6 million: Evaluation Office $57.5 million: Office of Internal Audit and Investigations $27.6 million: Evaluation Pooled Fund

63. Evaluation is an independent oversight function with dual accountability and learning roles. Rigorous evaluations provide UNICEF and partners with relevant, credible and timely assessments of organizational performance to maximize results for children. The Evaluation Office oversees the global evaluation function. The function plays a central role in managing programmatic, financial and reputational risks. The Evaluation Pooled Fund was regularized for 2022–2025 at $21.5 million and increased to $30.5 million in 2024. In view of the current cost reduction exercise, the proposed budget for the Fund for 2026–2029 is $27.6 million. Priorities for 2026–2029 include delivering high-priority global evaluations; integrating and harmonizing the function; investing in methods and technologies to improve timeliness, cost-efficiency and rigour; strengthening impact through strategic communications and management response monitoring; and scaling up three frontier areas critical for the organization’s future: impact evaluation, national capacity development and evaluation synthesis.

64. The Office of Internal Audit and Investigations provides independent assurance, investigative and consulting services while promoting accountability, integrity and ethical behaviour. For 2026–2029, its focus is to continue delivering assurance and investigative services, to act as a catalyst for smarter risk management, and to boost donor confidence by ensuring funds are properly used. The Office is improving its ability to gather high-quality risk intelligence to target the organization’s highest risks and is allocating resources accordingly. It will implement a three-year information and communications technology audit strategy to expand coverage and broaden assurance on cross-cutting themes, as resources allow. An increasing number of reports of misconduct, including sexual exploitation, abuse and fraud, are straining Investigations Section resources. The Office has also redirected resources to support corporate initiatives on risk management, donor relations, anti-fraud activities, protection from sexual exploitation and abuse and development of the UNICEF Policy on Safeguarding.

65. Although the overall institutional budget is being reduced by 9.5 per cent, the budget allocated to the independent oversight offices is being reduced by only 8 per cent. This comparatively smaller reduction underscores the organization's continued commitment to accountability, transparency and effective oversight. It reflects the recognition of independent oversight as a critical function that supports sound governance and ensures the responsible use of resources.

E. Special purpose

66. The proposed special purpose resource requirements total $990.0 million and include capital investments of $115.0 million and public sector fundraising activities of $875.0 million.

Cluster:	Capital investments
Resources:	$115.0 million

67. A total of $60.0 million is proposed for investment in technology-enabled organizational solutions, spanning efficiency gains, better business intelligence, robust repositories of knowledge and externally facing tools that increase interactivity for advocacy and partnerships. This amount represents a slight reduction from the $65.0 million approved at the midterm review, in line with the cost-reduction initiative. The proposed investment for 2026–2029 represents the continued prioritization of digital transformation.

68. A total of $25.0 million is proposed to support compliance with the United Nations Minimum Operating Security Standards. This funding will continue to be directed towards systematic identification of vulnerable offices and prioritization of additional security investments in country offices, ensuring sustained and continued operations.

69. A total of $30.0 million is requested for capital expenditure linked to premises maintenance and management and the pursuit of the broader strategy of United Nations common premises initiatives. In addition, this funding will support initiatives of eco-efficiency and inclusive accessibility. The proposed allocation for 2026–2029 is a reduction from the $40.0 million approved during the midterm review.

Cluster:	Private sector fundraising
Resources:	$875.0 million

70. This cluster covers activities supporting private sector fundraising by UNICEF National Committees and country offices. The proposed budget is submitted annually to the Executive Board at its first regular session. From 2026 to 2029, efforts will aim to increase income and influence from the private sector to advance the UNICEF Strategic Plan, 2026–2029 and support achievement of the Sustainable Development Goals. The approach focuses on two main strategies: engaging private sector investment to strengthen systems and services for children at scale; and fostering public-private collaboration for advocacy and innovative financing. The income goal is $10.9 billion (gross) or $8.8 billion (net). Key strategic shifts include scaling up digital fundraising, accelerating innovative finance and partnerships, growing fundraising in new markets, and enhancing engagement of major donors.

V. Institutional budget

A. Summary of changes

71. Table 3 details the proposed decrease of $261.0 million in the institutional budget. The change in resource requirements between the budget periods 2022–2025 (midterm review) and 2026–2029 are analysed by cost category and functional cluster based on strategic shifts proposed by management and cost factors, including inflation.

72. In response to declining levels of international assistance, in 2025 UNICEF launched a global review to align the planned expenditures for the period 2026–2029 with the most recent financial projections. This initiative seeks to ensure the organization remains fit for purpose by driving strategic shifts and reducing costs to enhance effectiveness, efficiency, agility and operational readiness.

73. The overarching objectives are to maximize the proportion of resources that directly benefit children, ensure the organization's structure remains financially sustainable and safeguard programmatic delivery. These goals will be pursued by combining targeted efficiency measures with broader efforts to improve ways of working across all levels of the organization.

74. The integrated budget document reflects restructuring measures undertaken during the first phase of this initiative and presents only the most essential and highest-priority needs. Further streamlining efforts will continue throughout the quadrennium and will be reflected in subsequent updates, including those to be presented at the midterm review and in the annual updated financial estimates.

75. The institutional budget includes cost adjustments resulting from projected changes in the rates or conditions of staff costs, exchange rates and rates of inflation. Factors that may affect the rates and conditions of staff costs include within-grade increments and other post entitlements as determined by the International Civil Service Commission, vacancy factors and the organizational policy on funding employee liabilities.

Table 3
Summary of changes in the institutional budget, 2026–2029
(in millions of United States dollars)

	2022–2025	*2026–2029*
	$m	*$m*
Development effectiveness	**772.4**	**633.9**
Technical excellence in policy and programmes	675.2	555.3
Technical excellence in procurement and management of supplies	64.9	51.6
Technical excellence in humanitarian action	32.3	27.0
United Nations development coordination	**40.1**	**39.4**
Enabling functions		
Management	**1 718.1**	**1 619.4**
Leadership and corporate direction	62.6	50.9
Corporate financial, information, communication technology and administrative management	270.3	259.1
Staff and premises security	21.8	19.4
Corporate external relations and partnerships, communication and resource mobilization	282.6	242.7
Corporate human resources management	106.4	97.5
Field/country office oversight, management and operations support	974.4	949.8
Independent oversight and assurance	**101.7**	**93.6**
Corporate oversight and assurance	101.7	93.6
Special purpose - capital investment	**130.0**	**115.0**
Special purpose, capital investment	130.0	115.0
Grand total	**2 762.3**	**2 501.3**

B. Overview of post changes

76. The total number of posts included in the institutional budget, 2026–2029 has decreased by 34 since the midterm review, from 3,294 to 3,260. The reduction comprises 24 International Professional posts and 10 positions in the National Officer and General Service categories. Of the total reduction in posts, 25 are in country and regional offices and 9 in headquarters. Appendix H of the annex to the present report presents a summary of the post changes in the institutional budget.

VI. Cost recovery

77. The integrated budget, 2026–2029, has been prepared using the cost recovery methodology and rates in line with the revised joint comprehensive cost-recovery policy approved by the Executive Board in September 2024 through decision 2024/25. This policy lists cost-classification categories, methodology and rates effective 1 January 2026. Table 4 below presents a detailed calculation of the notional cost-recovery rate based on the approved cost-recovery methodology, as it pertains to the integrated budget, 2026–2029.

78. The methodology results in proportional use of RR and OR to fund management activities and related costs. Table 4 shows that 19 per cent of the institutional budget subject to cost recovery will be funded from RR, with the balance of 81 per cent funded from OR. This is similar to the proportional share of planned expenditure funded by RR and OR, confirming that RR do not subsidize the implementation of OR-funded programmes. By ensuring the more proportional use of RR and OR to fund management and special purpose activities and related costs, a larger proportion of RR is available for allocation to programme activities.

79. Differentiated cost-recovery rates, including for thematic and private sector contributions, calculated based on total projected expenditure, will continue to be lower than the harmonized base cost-recovery rate of 8 per cent.

80. Further details on the implementation and results of the revised cost-recovery methodology will be shared with the Executive Board alongside the inter-agency update on the joint comprehensive cost-recovery policy at the 2028 second regular session. UNICEF, with UNDP, UNFPA and UN-Women, will also provide annual updates on reduced cost-recovery rates in a joint report discussed during the presentation of the Structured dialogue on financing the results of the UNICEF Strategic Plan.

Table 4
Detailed calculations of the notional cost-recovery rate, 2026–2029
(in millions of United States dollars)

	2026–2029		
	Regular resources (RR) $m	*Other resources (OR) $m*	*Total resources $m*
Total expenditure	**5 317.9**	**22 714.0**	**28 031.9**
Proportional use of RR and OR to fund integrated budget	19%	81%	100%
Total institutional budget			**2 501.3**
Less: Development effectiveness activities			633.9
Less: United Nations development coordination activities			39.4
Less: Critical cross-cutting functions			175.4
Total institutional budget subject to cost recovery			**1 652.7**
Institutional budget — subject to cost recovery	**313.5**	**1 339.1**	**1 652.7**
Proportional use of RR and OR to fund institutional budget	19%	81%	100%
Expenditure (excluding cost recovery)		19 940.9	
Cost recovery		**1 339.1**	
Notional cost-recovery rate		***6.7%***	

VII. Reporting on implementation of the integrated budget

81. Given its reliance on voluntary contributions, UNICEF has established regular internal monitoring and reporting processes that include continuous and rigorous review of the income and expenditure projections that form the basis of the integrated resource plan.

82. UNICEF will continue to report to the Executive Board on the fulfilment of the results articulated in the Strategic Plan in the Annual report of the Executive Director and will report on actual financial performance in the document UNICEF Strategic Plan: updated financial estimates.

83. Since 2012, summary financial reporting on the statement of comparison of budget and actual amounts in compliance with International Public Sector Accounting Standards has also been included in the UNICEF financial statements.

VIII. Draft decision

The Executive Board

1. *Welcomes* the UNICEF integrated budget, 2026–2029 as requested in decision 2009/20;

2. *Approves* the integrated resource plan as the financial framework for the UNICEF Strategic Plan, 2026–2029, based on projections of resources available, utilization and regular resource reserve;

3. *Also approves* for the Global and Regional Programme a budget from regular resources of $195.6 million, subject to the availability of resources, and other

resources of $900.0 million, subject to the receipt of contributions to other resources, for 2026–2029;

4. *Further approves* the preparation of programme expenditure submissions to the Executive Board of up to $697.0 million from regular resources in 2026, subject to the availability of resources and the continued validity of the planned financial estimates.

5. *Authorizes* the Executive Director to establish additional director-level positions, as required, to be funded from within the approved institutional budget, and to report such positions to the Executive Board in the Annual report of the Executive Director;

6. *Approves* an appropriation for the institutional budget, 2026–2029, of $2,501.3 million to cover the costs of development effectiveness, United Nations development coordination, management activities and, within special purpose activities, capital investments, and notes that the projected funding for the appropriation is $1,067.3 million from regular resources and $1,434.0 million from cost recovery from other resources;

7. *Notes,* within special purpose activities, the projected utilization of resources for private sector fundraising, for which budgets will be submitted for consideration and approval on an annual basis by the Executive Board at its first regular session;

8. *Requests the Executive Director to:*

(a) Continue to provide actual financial information in the format of the integrated resource plan and to assess performance against the integrated budget in the Annual report of the Executive Director;

(b) Continue to submit to the Executive Board at its second regular session, for annual approval, an updated integrated resource plan, following review of the financial projections on which it is based.