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Private Fundraising: 2012 workplan and proposed budget

Summary

The Private Fundraising and Partnerships (PFP) workplan and proposed budget for 2012 is presented to the Executive Board for approval. In 2012, PFP will generate a projected $880.2 million in net consolidated income, of which $406.2 million will be for regular resources and $474 million for other resources. This will be achieved with expenditures of $130.4 million. The Executive Board is requested to adopt the draft decisions relating to the budget proposal contained in Section VII.

* E/ICEF/2012/1.

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Contents

I. Introduction

1. The Private Fundraising and Partnerships (PFP) division coordinates all private fundraising and sales activities of UNICEF, manages strategic relationships with the National Committees for UNICEF, provides guidance for child rights advocacy activities in industrialized countries, and supports corporate partnership and engagement of the organization.

2. The present workplan and budget document addresses the core PFP functions: (a) private-sector income maximization; (b) management of the strategic relationship with the National Committees; (c) child rights advocacy and education for development; and (d) corporate engagement. The inclusion of child rights advocacy and corporate engagement into the PFP Offset Budget is a result of the global 2011 programme budget review (PBR) of the UNICEF Institutional Budget. By moving these functions from the 2012-2013 Institutional Budget to the Offset Budget, all private-sector and National Committees support functions of PFP will be fully aligned within one integrated budget.

3. One PFP function — coordinating the implementation of the Strategic Partnerships Framework across the organization, which is financed by the 2012-2013 Institutional Budget (E/ICEF/2011/AB/L.2) — is not addressed in this document.

4. As a result of the 2011 Institutional Budget global PBR discussions regarding cost-saving measures and in response to overall global trends regarding reductions in contributions towards regular resources, PFP has taken a cautious approach to income forecasting in budgeting for 2012. The planning assumptions for the 2012 Offset Budget are conservative and a low projection of total net proceeds of $1 billion has been used as the planning scenario for the PFP budget, including for the calculation of the expense/proceeds ratios (*see table 1*). This projection remains approximately at the same level as the 2011 approved budget. In previous years, the medium projection had been used as the planning scenario to determine expenditure levels.

5. At the same time, significant efforts have been taken to reduce operating costs by applying principles for cost savings and by proposing only essential changes in the staffing structure. The total projected PFP expenditure in 2012 is $130.4 million, a $23.5 million, or 15 per cent, decrease, compared to the 2011 approved budget.

6. The rationalization of the cards and products business and the transition to the new business model has been fully implemented in 2011, involving outsourcing of warehousing and logistics as well as design and printing of UNICEF greeting cards and promotional material. The process for outsourcing of the design and development of products is moving forward as planned. It is expected that National Committees and PFP, by moving to the new business model, will realize total cost savings of more than $22.3 million during the period 2010-2012. Some of these savings, a total of $9.6 million, were already realized in 2010 and 2011. A Cards and Products growth strategy has also been developed, prioritizing product sales over declining card sales and the development of new channels, including retail and e-commerce, as well as licensing as main sources of future growth.

II. Latest results for 2011

7. The total expected net consolidated income for 2011 is expected to surpass the 2011 approved budget by $48.9 million, or 6 per cent. The 2011 latest estimate of net consolidated income is $903.5 million, compared to $854.6 million in the approved budget. The increase is primarily due to the income received in response to the emergency in the Horn of Africa.

8. The projected net income from regular resources is $399.5 million, which is 1 per cent, or $5.1 million, lower than the approved budget. This shortfall is the result of a decrease in the net proceeds from private fundraising, due to the impact of the earthquake and tsunami in Japan. This income raised by the Japanese National Committee also represents a shortening of the Committee's fiscal year to nine months, starting in 2011, in order to align with the UNICEF calendar financial year.

9. The projected other resources income is $504 million, 12 per cent higher than the approved amount, largely a result of fundraising for the Horn of Africa emergency.

10. The latest estimated direct expenses are 7 per cent, or $3.8 million, lower than the 2011 approved budget. This is due to a reduction in the operations and support expenses in the following areas: (a) concentration of the recruitment for the new Cards and Products organizational structure in the second half of the year; and (b) lower country office expenses for Cards and Products sales, due to faster-than-anticipated closure of in-house operations and adoption of the new business model.

11. Indirect expenses, at $55.7 million, are $2.2 million lower than the approved 2011 budget of $57.9 million, mostly related to the recruitment for the new Cards and Products organizational structure completed in the second half of the year.

TABLE 1: Statement of income and expenditure

2010 actual results, 2011 approved budget, 2011 latest estimates and 2012 proposed budget

(in millions of United States Dollars)

	2010 actual					2011 approved					2011 latest estimates					2012 proposed					Variance	
	Cards and Products Sales	*Private FR - RR*	*Total RR*	*Private FR - OR*	*Grand total 2010 actual*	*Cards and Products Sales*	*Private FR - RR*	*Total RR*	*Private FR - OR*	*Grand total 2011 appr*	*Cards and Products Sales*	*Private FR - RR*	*Total RR*	*Private FR - OR*	*Grand total 2011 LE*	*Cards and Products Sales*	*Private FR - RR*	*Total RR*	*Private FR - OR*	*Grand total 2012*	2012 vs 2011 approved	
																					Amount	%
Operating revenues																						
Gross proceeds	111.1					109.1					103.3					95.0						
National Committees expenses	33.7					35.1					31.3					27.0						
Net proceeds	77.4	393.7	471.1	689.1	1,160.2	74.0	475.3	549.3	450.0	999.3	72.0	454.0	526.0	504.0	1,030.0	68.0	460.0	528.0	474.0	1,002.0	2.7	0.3
Direct expenses																						
Cost of goods and inventory overhead	16.6	-	16.6		16.6	15.2		15.2		15.2	15.8		15.8		15.8	12.3		12.3		12.3	(2.9)	(18.8)
Operations and support	11.9	-	11.9		11.9	25.9	0.1	26.0		26.0	23.2	0.1	23.2		23.2	14.1	0.5	14.6		14.6	(11.4)	(43.7)
Promotional materials	3.4	-	3.4		3.4	3.7		3.7		3.7	4.2		4.2		4.2	4.9		4.9		4.9	1.2	33.4
Country office expenses	5.3	2.8	8.1		8.1	5.7	3.4	9.1		9.1	3.4	3.5	6.9		6.9	1.7	2.8	4.5		4.5	(4.6)	(50.6)
Total direct expenses	37.2	2.8	40.0	-	40.0	50.5	3.5	54.0	-	54.0	46.7	3.6	50.2	-	50.2	33.1	3.3	36.4	-	36.4	(17.6)	(32.6)
Investment funds	1.1	24.5	25.6		25.6	2.0	40.0	42.0		42.0	2.0	40.0	42.0		42.0	1.4	37.6	39.0		39.0	(3.0)	(7.1)
Direct contribution from operations	**39.1**	**366.4**	**405.5**	**689.1**	**1,094.6**	**21.5**	**431.8**	**453.3**	**450.0**	**903.3**	**23.3**	**410.4**	**433.8**	**504.0**	**937.8**	**33.5**	**419.1**	**452.6**	**474.0**	**926.6**	**23.3**	**2.6**
Indirect expenses																						
Director's office,Communication, Corporate Social Responsibility	0.9	2.1	3.0		3.0	0.5	4.6	5.1		5.1	0.5	4.1	4.5		4.5	0.4	4.9	5.4		5.4	0.3	5.6
Finance and administration	8.8	6.8	15.6		15.6	7.9	9.3	17.2		17.2	8.0	9.4	17.4		17.4	8.3	9.0	17.3		17.3	0.1	0.8
Marketing and Fundraising	6.2	10.5	16.7		16.7	9.4	15.8	25.2		25.2	8.1	15.2	23.3		23.3	7.7	14.1	21.8		21.8	(3.4)	(13.4)
National Committee relations, Child Rights Advocacy and Education	1.2	3.7	4.9		4.9	1.5	5.4	6.9		6.9	1.6	5.5	7.1		7.1	1.8	5.6	7.4		7.4	0.5	7.9
Regional support centres	0.5	1.2	1.7		1.7	0.6	1.9	2.5		2.5	0.6	1.9	2.4		2.4	0.5	2.0	2.5		2.5	0.0	1.6
Bad debts expense	1.4	7.4	8.8		8.8	0.5	0.5	1.0		1.0	0.5	0.5	1.0		1.0	0.5	-	0.5		0.5	(0.5)	(50.0)
Total indirect expenses	19.0	31.7	50.7	-	50.7	20.4	37.5	57.9	-	57.9	19.2	36.5	55.7	-	55.7	19.3	35.7	55.0	-	55.0	(2.9)	(4.9)
Income before non-operating items	20.1	334.7	354.8	689.1	1,043.9	1.1	394.3	395.4	450.0	845.4	4.1	373.9	378.0	504.0	882.0	14.2	383.4	397.6	474.0	871.6	26.2	3.1
Non-operating items																						
Other income	1.2	6.9	8.1		8.1	1.3	7.9	9.2		9.2	0.7	4.3	5.0		5.0	1.1	7.5	8.6		8.6	(0.6)	(6.5)
Foreign exchange gains (losses)	(4.5)	(24.3)	(28.8)		(28.8)						2.3	14.2	16.5		16.5							
Net income for the period	**16.8**	**317.3**	**334.1**	**689.1**	**1,023.2**	**2.4**	**402.2**	**404.6**	**450.0**	**854.6**	**7.1**	**392.4**	**399.5**	**504.0**	**903.5**	**15.3**	**390.9**	**406.2**	**474.0**	**880.2**	**25.6**	**3.0**
Expenses/proceeds ratio (excluding investment funds)					**7.8%**					**11.2%**					**10.3%**					**9.1%**		

III. Key expected results 2012 and required resources in the Offset Budget

A. Introduction

12. The present workplan and budget document addresses the core PFP functions: (a) private-sector income maximization; (b) management of the strategic relationship with the National Committees; (c) child rights advocacy and education for development; and (d) corporate engagement. The inclusion of child rights advocacy and corporate engagement into the PFP Offset Budget reflects the agreement of the global 2011 Institutional Budget PBR with the PFP proposal to move these functions from the 2012-2013 Institutional Budget to the Offset Budget. This will fully align all PFP support functions for the private sector and National Committees under one integrated budget.

13. Income from individuals and corporations is generated through the fundraising and sales activities of 36 National Committees in industrialized countries as well as 66 UNICEF country offices. Together, these contributions provide approximately one-third of UNICEF income. Regular income from private donors potentially represents the most predictable and sustainable income to UNICEF in support of organizational priorities. Furthermore, additional private support and resources for children can be leveraged through non-financial partnerships.

14. Externally, private fundraising has become increasingly competitive globally. The environment is rapidly evolving, with an increase in the number and types of professional not-for-profit organizations, and new media channels for advocacy, marketing and fundraising. Private donors and supporters face a vast range of options and they increasingly scrutinize the organizations to which they contribute.

15. Within this context, it is critical for UNICEF to increase its public support. In addition to ensuring the best use of resources, there is a need to develop new and innovative channels for resource mobilization, including digital and new media, and continue investment in acquiring pledge donors. A key challenge is to expand strategic partnerships beyond fundraising: to engage supporters to advocate and the business community to promote change in business practices to advance child rights. Internal challenges include the need to drive synergy and alignment in all areas — fundraising, cards and products, advocacy, communication and corporate engagement.

B. Key expected results

16. Within the framework of the PFP Strategic Plan 2011-2013, the Division will aim to achieve the following strategic and management objectives:

(a) Increase the amount and quality of net private-sector resources for UNICEF;

(b) Enhance capacity for advocacy in industrialized countries and corporate social responsibility;

(c) Ensure effective and efficient management and operations support.

17. In relation to the first objective, the aim is to deliver a total net consolidated income of $880.2 million in 2012, while at the same time maximizing the quality of income that National Committees and country offices raise. During 2012, focus will be on:

(a) Increasing net private-sector fundraising regular resources to $406.2 million and other resources to $474 million. PFP will develop a fully integrated private-sector income-generation strategy that brings together individual private-sector fundraising at global and country levels, corporate and private foundation fundraising, and cards and products sales within a common strategic approach. Maximizing regular resources will be the focus for all income streams. The challenge of expanding pledge income and transforming its private-sector income-generation to a digital model will also be addressed. Pathways to pledge will be maximized through the systematic conversion of other individual supporters, particularly those starting as supporters during emergencies. National Committees, country offices and PFP will work together to transform the other resources private fundraising landscape, especially in highly competitive markets where donors require customized country-level proposals and reports.

(b) Increasing regular resources from the sales of cards and products to $15.3 million. The implementation of the new cards and products business partnership model will aim at increasing the volume of sales by leveraging strategic corporate partnerships and licensing to enter new markets and channels. Savings made by National Committees, country offices and PFP as a result of the rationalization and outsourcing of functions currently undertaken in-house will be fully realized in 2012, while the net income ratio from sales is projected to increase.

(c) Supporting National Committees and country offices to implement strategic private-sector income-generation plans to achieve results. National Committees and country offices will be supported to conduct integrated strategic planning for private-sector income-generation, including through specialist expertise and targeted investment funds. Moreover, engagement with National Committees will be strengthened by the new Cooperation Agreement and through Joint Strategic Plans (JSPs) that will be aligned with the PFP Strategic Plan 2011-2013. JSPs will be developed and signed with each National Committee. National Committees will continue to be supported in improving performance and governance structures and related mechanisms. Private-sector investments in country offices will increasingly focus on raising regular resources and investment and technical support from PFP will focus on key markets.

(d) Strengthening brand equity. Focus will continue to be on supporting both the short-term communication work of National Committees and long-term targets in brand positioning. Within the framework of the Global Communication and Public Advocacy Strategy, led by the Division of Communication, PFP will support implementation of a strategic framework for external communication and brand positioning in National Committee countries. The strategic framework will address the wider aspect of National Committee positioning of the brand. The UNICEF Brand Toolkit provides clear guidance on the use of the UNICEF brand and will be complemented by practical support and guidance to National Committees on the development and management of brand equity.

18. To achieve the second result, PFP will:

(a) Enhance UNICEF capacity for advocacy in industrialized countries. Recommendations from the framework developed for advocacy in countries with a National Committee presence will be translated into operational practice, both by seeking clarification of support accountabilities and cooperation modalities among concerned UNICEF divisions, and by developing service-level oversight and guidance mechanisms for National Committee advocacy. PFP will further strengthen its support for National Committees to implement results-based and rights-based approaches for advocacy and education for development, with the roll-out of the global Advocacy Toolkit and the development of an Education for Development toolkit and training programme. Finally, targeted technical support will be provided for advocacy on the Millennium Development Goals, the HIV/AIDS campaign, poverty and social exclusion, children on the move, and overall for the implementation of the Convention on the Rights of the Child.

(b) Support development and roll-out of the corporate social responsibility (CSR) approach to promote child rights as a core topic with the business and human rights agenda. Focus will be on capacity-building efforts in UNICEF to engage strategically with business by embedding an understanding and expertise of CSR within the organization and by positioning UNICEF with key external partners and in business and human rights forums. PFP will support the development of issue expertise and leadership in thematic priorities to inform business on various child rights-related topics in accordance with the MTSPs, as well as initiate pilot partnerships that demonstrate positive results for children from CSR. In close collaboration with headquarters divisions, including the Programme Division, the Division of Policy and Practice and regional and country offices, an overall CSR framework will be developed and rolled out, including accountability structures, partner selection and management processes, as well as monitoring and evaluation frameworks for CSR partnerships.

19. The overall management objective is to provide efficient support to PFP activities for the implementation of strategies and achievement of results, as set out in the PFP Strategic Plan 2011-2013. This will be achieved through:

(a) Effective and efficient governance and systems. Representation and provision of strategic direction will be provided by PFP for private-sector fundraising and partnerships, as well as maintaining effective relationships with National Committees and corporate partners. Work plan coordination and management of PFP activities will be strengthened to maximize the positive impact of available resources. Risk management processes will continue to be maintained to ensure control and corrective actions as required, including in response to audit recommendations. Business continuity and crisis preparedness will be reinforced through regular testing and updates of the Geneva Business Continuity Plan as well as the PFP Risk and Control Library.

(b) Effective and efficient management and stewardship of financial resources. Sufficient and reliable oversight of financial reporting of private-income generation as well as prudent financial management of the PFP budget will be ensured. Essential contractual services and goods will be procured in line with the existing regulations in support of the implementation of PFP workplans.

(c) Effective and efficient management of human capacity. Support to human resources will ensure the timely recruitment and retention of high-calibre staff as well as minimizing the length of time that vacancies are open. To promote staff performance within PFP, there will be a focus on performance assessment and development. Learning will be actively promoted by supporting staff in undertaking structured learning programmes and external initiatives, as well as encouraging staff members to become familiar with the work of the different sections of PFP and more broadly across the organization. The latter will primarily be supported through stretch assignments, participation in working groups for a wider range of staff members and promoting a culture of information sharing.

IV. Income and expenditure projections for 2012

A. Introduction

20. As indicated in Table 1, PFP net consolidated income for 2012 is projected at $880.2 million, which is $25.6 million, or 3 per cent, higher than the 2011 approved budget. A total of $1.6 million of this increase will be derived from regular resources and the remaining $24 million from other resources.

21. As a result of the 2011 Institutional Budget global PBR discussions regarding cost-saving measures that the organization needs to implement, and the overall global trends that indicate concern regarding a reduction in contributions to regular resources, PFP has taken a cautious approach to income forecasting for the purposes of budgeting for 2012. The planning assumptions for the 2012 Offset Budget are, therefore, conservative and the low projection of total net proceeds of $1 billion has been used as the planning scenario for the PFP budget, including for budgeting expenditure in the year 2012 and for the calculation of the expense/proceeds ratios. This projection is approximately at the same level as the 2011 approved budget. In previous years, the medium projection had been used as the planning scenario to determine expenditure levels.

22. Excluding investment funds, the operational expense/proceeds ratio will be reduced from 11.2 per cent in 2011 to 9.1 per cent in 2012.

23. Results to be achieved, as outlined in Section III B above, form the basis of allocating resources (results-based budgeting). Table 4 summarizes the allocation of the PFP expenditure budget between the three programme component results (PCRs).

B. Income

24. The net consolidated income from private fundraising regular resources is projected at $390.9 million in 2012, compared to $402.2 million in the 2011 approved budget. As shown in Table 1, the reduction is mainly due to the projected reduction in net proceeds, from $475.3 million in the 2011 approved budget to $460 million in the 2012 proposed budget. As explained in paragraph 21 above, this is based on conservative planning assumptions for 2012, designed to ensure that expenditure levels are kept to a minimum at a time when the trend shows a reduction in regular resources income. In addition, the conservative planning

assumptions take into account the potential impact from the change in revenue-recognition policies required to bring reporting in line with IPSAS, which will be implemented in 2012.

25. The gross proceeds for 2012 from the sale of cards and products are projected at $95 million, a decrease of $14.1 million, which results from discontinuation of sales of PFP-sourced products in several countries that are adopting licensing as a business model.

26. National Committee expenses for cards and products sales are projected at $27 million, which is 28 per cent of gross proceeds, compared to 32 per cent of gross proceeds in the 2011 approved budget. These expenses have decreased under the new operating model for cards and products, as PFP will be absorbing an estimated $7.5 million in logistics and distribution costs from 14 National Committees moving to the direct delivery model.

27. The net consolidated income from cards and products sales is projected at $15.3 million, compared to $2.4 million in the 2011 approved budget, showing a recovery following business rationalization. The increase in net income is largely due to a reduction in the total direct expenses to gross proceeds ratio, down from 46 per cent in the 2011 approved budget to 35 per cent in the 2012 proposed budget. The ratio of direct contribution from operations to gross proceeds has increased from 20 per cent in the 2011 approved budget to 35 per cent in the 2012 proposed budget. This is as shown in Table 1.

28. Other income of $8.6 million has decreased by $0.6 million, or 6.5 per cent, compared to the 2011 approved budget.

C. Expenditure

29. The total projected PFP expenditure in 2012 is $130.4 million, a $23.5 million, or 15 per cent, decrease in comparison to the $153.9 million in the 2011 approved budget. The total Offset Budget comprises PFP operational costs of $91 million that have been reduced by 18 per cent in comparison with the 2011 approved budget of $112 million, and an investment fund allocation of $39 million that is reduced by 7 per cent in comparison with the 2011 approved budget. The decrease in the operational budget has been achieved notwithstanding the additional $2.1 million cost associated with the transfer of the child rights advocacy and CSR units along with eight posts from the PFP Institutional Budget to the Offset Budget.

30. The direct expenses of $36.4 million in 2012 proposed budget have decreased by $17.6 million, or 33 per cent, compared to the 2011 approved budget. This is mainly due to a decrease in the one-off costs planned during 2011 for the rationalization of the cards and products sales operation and a decrease in the projected expenses subsequent to rationalization. As shown in Table 1, they include the following:

(a) The cost of goods and the inventory overhead budget is projected at $12.3 million, or 13 per cent, of gross proceeds, compared to 14 per cent of gross proceeds in the 2011 approved budget. The reduction of $2.9 million in 2012 is a result of a decrease in projected gross proceeds from sales, together with a decrease in the ratio of expenses to proceeds.

(b) The operations and support budget is projected at $14.6 million, compared to $26.0 million approved for 2011. The decrease of $11.4 million is mainly due to the reduction in the budget of posts, consultants, other staff costs and operating expenses, which were taken as one-off costs for the rationalization of Cards and Products sales section for the 2011 budget.

(c) The country offices budget of $4.5 million for 2012 has decreased by $4.6 million, compared to the 2011 approved budget. This is mainly due to the following: (a) rationalization of the cards and products business, resulting in discontinuation of sales of PFP-sourced products in several country offices and the adoption of a business model based on licensing, increasing efficiency and reducing expenses for cards and products sales by $4 million; and (b) transfer of the regular resources budget, to be paid by other resources gross proceeds generated by the country, reducing the fundraising budget by $0.6 million.

31. The projected indirect expenses of $55 million in 2012 have decreased by $2.9 million, or 5 per cent, compared to the 2011 approved budget. This has been achieved through the reduction of the budget allocations for travel, short-term staff, consultancies and operating expenses, and a reduction in the one-off expenses taken for the rationalization of the cards and products business during 2011. This is as shown in tables 1 and 2, and includes the following:

(a) The proposed budget for 2012 for the Director’s Office, Communication and Corporate Social Responsibility is $5.4 million, an increase of $0.3 million over the 2011 approved budget. This incorporates the additional cost of over $1 million resulting from the transfer of the CSR budget from the Institutional Budget to the Offset Budget. The budget for the Director’s Office and the Communication section has decreased, compared to the 2011 approved budget, through the reduction of costs for temporary assistance, consultancy and operating expenses.

(b) The projected 2012 budget of $17.3 million for Finance and Operations has increased by $0.1 million, compared to the 2011 approved budget, mainly a result of one-off expenses to cover enhancements required in VISION after implementation. As can be seen in Table 2, the increase is offset by a reduction in the budget for other staff costs, operating expenses and consultancies.

(c) The proposed 2012 budget of $21.8 million for Marketing and Fundraising has decreased by $3.4 million, or 13 per cent, compared to the 2011 approved amount. The proposed budget of $7.7 million for marketing has decreased by $1.7 million, compared to that approved for 2011. This is largely because the 2011 approved budget incorporated one-off costs for posts and consultants associated with business rationalization, which will no longer be incurred. The proposed budget of $14.1 million for fundraising has decreased by $1.7 million compared to the 2011 approved budget, mainly due to cost-saving initiatives and a reduction in the budgets for consultancy, travel and research and development.

(d) The projected budget for the National Committee Relations section of $7.4 million represents an increase of $0.5 million, compared to the 2011 approved budget. This is due to the transfer of the Child Rights and Education for Development section and its four posts from the Institutional Budget to the Offset Budget. Without this transfer, savings of over $0.5 million would have been realized.

(e) The projected expenses for Regional Support Centres of $2.5 million remain the same as in the 2011 approved budget.

TABLE 2: Summary of expenditure by section

2010 actual results, 2011 approved budget, 2011 latest estimates, 2012 proposed budget

(in millions of United States Dollars)

Expenditure type	2010 actual							2011 approved							2011 latest estimates							2012 proposed						
	Posts (IP and Local)	Other Staff Costs*	Consultants	Travel	Operating Expenses**	Research and Development	**Total**	Posts (IP+Local)	Other Staff Costs*	Consultants	Travel	Operating Expenses**	Research and Development	**Total**	Posts (IP+Local)	Other Staff Costs*	Consultants	Travel	Operating Expenses**	Research and Development	**Total**	Posts (IP and Local)	Other Staff Costs*	Consultants	Travel	Operating Expenses**	Research and Development	**Total**
Direct expenses																												
Operations and support	5.1	1.5	4.4	0.2	0.6	-	**11.9**	8.4	0.7	6.0	0.3	10.7	-	**26.0**	6.2	1.1	7.0	0.3	8.7	-	**23.2**	5.3	0.1	0.4	0.2	8.6	-	**14.6**
Country office expenses**	2.4	1.3	0.5	0.2	2.7	1.0	**8.1**	3.8	0.3	0.2	0.2	2.3	2.2	**9.1**	3.6	0.3	0.2	0.2	2.0	0.7	**6.9**	2.9	0.1	0.0	0.1	1.0	0.4	**4.5**
Indirect expenses																												
Director's office, Communication, Corporate and Social Responsibility	1.6	0.9	0.1	0.3	0.1	-	**3.0**	3.7	0.4	0.5	0.1	0.4	-	**5.1**	2.8	0.7	0.4	0.3	0.3	-	**4.5**	4.6	0.1	0.1	0.2	0.3	-	**5.4**
Finance and administration	3.1	0.4	0.3	0.2	11.6	0.0	**15.6**	4.3	0.4	0.4	0.1	11.9	0.1	**17.2**	4.2	0.4	0.6	0.2	11.9	0.1	**17.4**	4.4	0.1	0.3	0.1	11.7	0.8	**17.3**
Marketing and Fundraising	8.4	2.7	1.5	0.8	0.3	2.8	**16.7**	15.8	0.4	1.9	0.8	1.1	5.2	**25.2**	12.6	1.5	2.3	0.9	0.9	5.2	**23.3**	15.7	0.4	0.8	0.7	0.9	3.3	**21.8**
National Committee Relations, Child Rights Advocacy and Education	3.8	0.1	0.4	0.6	0.1	-	**4.9**	5.4	0.2	0.4	0.6	0.4	-	**6.9**	5.4	0.3	0.5	0.6	0.4	-	**7.1**	6.4	0.2	0.1	0.5	0.1	-	**7.4**
Regional Support Centres	1.3	0.2	-	0.2	0.1	-	**1.7**	1.8	0.3	-	0.3	0.1	-	**2.5**	1.9	0.2	-	0.2	0.1	-	**2.4**	1.8	0.2	-	0.2	0.1	0.2	**2.5**
Total	**25.8**	**7.0**	**7.3**	**2.4**	**15.5**	**3.8**	**61.9**	**43.2**	**2.7**	**9.4**	**2.3**	**27.0**	**7.5**	**91.9**	**36.6**	**4.5**	**10.9**	**2.6**	**24.3**	**5.9**	**84.9**	**41.2**	**1.2**	**1.8**	**2.0**	**22.8**	**4.7**	**73.6**

* Other staff costs includes staff training
** Operating expenses of country offices include commissions

V. Investment funds

32. The investment fund allocation has been reduced by 7 per cent, from $42 million in 2011 to $39 million in 2012.

33. In 2012, $37.6 million will be allocated to the Fundraising Development Programme (FDP) and $1.4 million to the Marketing Development Programme (MDP). FDP is an investment grant supporting fundraising campaigns by National Committees, country offices and PFP. Its prime focus is on the roll-out of proven initiatives in support of the fundraising strategy, with emphasis on predictable, reliable and sustainable income through campaigns with potential to attract the highest flexible revenue growth. The MDP is an investment grant supporting marketing and sales of cards and products by National Committees, country offices and PFP, with focus on the roll-out of proven initiatives to deliver predictable and reliable income.

34. FDP supports investments and fundraising campaigns by National Committees and country offices that deliver a return of at least $3 in 36 months for every dollar invested, with priority to markets and activities generating a high proportion of regular resources revenue, in particular from pledge. Results for FDP in 2010 were better than forecast, showing that for every dollar invested $3.57 will be generated in gross revenue over three years. For every $1 invested $2.66 is generated in net revenue and $2.18 in net regular resources over the same period.

35. In 2011, $40 million of FDP investment is expected to generate $3.51 for every dollar invested, returning $146.2 million in gross revenue over three years. Of that, $108.9 million will be net revenue and $89.3 million will be net regular resources over three years.

36. The new allocation and monitoring system will be fully operational in 2012, strengthening decisions regarding allocation of funds and providing more rigorous oversight of the FDP success. Robust allocation criteria introduced in 2011 will be further improved, with a streamlined allocation process in 2012 to improve returns and generate net regular resources. A new system for monitoring investment funds introduced in 2011 will be fully implemented on the 2012 FDP allocations.

37. The 7 per cent reduction in the FDP allocation will affect disproportionately markets that currently have lower regular resources ratios. This will be the case for country offices as well as National Committees that have lower regular resources ratios and require time to achieve results. The best performing National Committees will be protected, to ensure the continued delivery of results against investments.

VI. Human resources — post changes

38. The total number of proposed posts for 2012 is 220, compared to 225 for the 2011 approved budget, 177 of which will be in PFP headquarters and 43 in country offices. This represents an overall net increase of 3 posts in PFP headquarters and a reduction of 8 posts funded by the PFP budget in country offices (see Annex I).

39. In PFP headquarters, it is proposed that 15 existing posts are abolished, 9 new posts are established, 8 posts are moved from the Support Budget to the Offset Budget and one post is moved from country offices to headquarters. Established posts include 8 posts for the Child Rights Advocacy and Education for Development

unit and the Corporate Social Responsibility unit that will be moved from the Support Budget to the Offset Budget.

40. There are no changes in the structure of the Director's Office, Cards and Products and Communication sections or the Offset Budget-supported human resources function. In 2011, a major restructuring of the Cards and Products section as well as strengthening of the capacity of Communication and Central Fundraising took place in order to align the expertise in those sections in order to achieve the results detailed in the PFP Strategic Plan 2011-2013. Hence, no changes are proposed in these sections in 2012.

41. The changes in the Finance and Operations and Central Fundraising sections are minor. They include abolishment of two posts in the Finance and Operations section related to the changes in the cards and products operating model and establishment of one post in Central Fundraising to support fundraising in country offices.

42. A functional review of the National Committee Relations section assessed the effectiveness of the current structure in overseeing all aspects of relationships with National Committees as well as the effectiveness of services provided to the Committees and PFP specialists. In light of this review, a streamlined structure of the section is proposed, including a reduction in the number of the Relationship Teams from five to four. These changes are in line with feedback received from National Committees through surveys of the Standing Group of National Committees for UNICEF and the Executive Directors in May 2011. The total number of posts in the National Committee Relations section remains unchanged at 26; this includes the integration of four child rights advocacy and education for development posts that will be transferred from the Institutional Budget.

43. The total number of country office posts funded by the Offset Budget has decreased by eight, down from 51 in 2011 to 43 in 2012. This includes moving one post from the country offices to headquarters, a net abolishment of four posts and the transfer of three posts from the PFP Offset Budget, to be covered from the gross proceeds generated by country offices.

TABLE 3: Range of budgeted income and expenditure
1 January-31 December 2012
(*in millions of United States dollars*)

	I *low projection*	*II* *medium projection*	*III* *high projection*
Net proceeds from operating revenues			
Sale of UNICEF Cards and Products	68.0	74.1	80.9
Private Fundraising - regular resources	460.0	501.4	547.4
Private Fundraising - other resources	474.0	488.2	511.0
Net proceeds	1,002.0	1,063.7	1,139.3
Direct expenses			
Cost of goods and inventory overhead	12.3	12.6	12.7
Operations and support	14.6	14.9	15.1
Promotional materials	4.9	5.0	5.1
Country office expenses	4.5	4.6	4.6
Total direct expenses	36.4	37.1	37.5
Investment fund expenditures	39.0	39.0	39.0
Direct contribution from operations	**926.6**	**987.6**	**1,062.8**
Indirect expenses			
Director's office, Communications, Corporate Social Responsibility	5.4	5.5	5.5
Finance and administration	17.3	17.7	17.9
Marketing and fundraising	21.8	22.3	22.5
National Committee relations, Child Rights Advocacy and Education	7.4	7.6	7.7
Regional support centres	2.5	2.6	2.6
Bad debts expense	0.5	0.5	0.5
Total indirect expenses	55.0	56.1	56.7
Income before non-operating items	871.6	931.5	1,006.1
Non-operating items			
Other income	8.6	8.6	8.6
Foreign exchange gains (losses)			
Net income for the period	**880.2**	**940.1**	**1,014.7**

TABLE 4: Proposed budget by results

1 January - 31 December 2012

(in millions of United States Dollars)

Expected results (2012-2013)	Resource requirements for 2012
DEVELOPMENT EFFECTIVENESS	**2.1**
PCR 1: Advocacy in industrialized countries, corporate social responsibility and strategic partnerships capacity is enhanced	**2.1**
IR 1.1: National Committees are recognized as leading advocates for the realization of the rights of the most disadvantaged children, globally and domestically	1.0
IR 1.2: UNICEF and National Committees are engaging effectively with the business community to advance child rights	1.0
MANAGEMENT	**128.4**
PCR 2: Increase in amount and quality of net private sector resources for UNICEF	**109.4**
IR 2.1: National Committees and country offices grow net private-sector fundraising RR to $576 million and OR to $484 million by the end of 2013	57.1
IR 2.2: National Committees and country offices grow RR from sales of cards and products to $35 million by the end of 2013	41.8
IR 2.3: Strengthened brand equity with UNICEF supporters through strategic external communication and brand positioning in National Committee countries	3.1
IR 2.4: National Committees and country offices implement integrated strategic direction and have operational support and tools to deliver PFP Strategic Plan results	7.5
PCR 3: Effective and efficient management and operations support	**18.9**
IR 3.1: Effective and efficient governance and systems	1.1
IR 3.3: Effective and efficient management and stewardship of financial resources	17.6
IR 3.5: Effective and efficient management of human capacity (human resource management and learning)	0.2
TOTAL PROPOSED BUDGET FOR ACHIEVING THE RESULTS	**130.4**

PCR = Programme component results.
IR = Intermediate results.

TABLE 5: Strategic Plan financial projections

2010 actual results, 2011 approved budget, 2011 latest estimates, 2012 proposed budget and 2013-2014

(in millions of United States Dollars)

	2010 actual results	*2011 approved budget*	*2011 latest estimates*	*2012 proposed budget*	*2013 projection*	*2014 projection*
Net proceeds from operating revenues						
Sale of UNICEF cards and products	77.4	74.0	72.0	68.0	68.7	71.9
Private fundraising - regular resources	393.7	475.3	454.0	460.0	463.6	482.1
Private fundraising - other resources	689.1	450.0	504.0	474.0	517.0	529.0
Net proceeds	1,160.2	999.3	1,030.0	1,002.0	1,049.3	1,083.1
Direct expenses						
Cost of goods and inventory overhead	16.6	15.2	15.8	12.3	12.5	12.8
Operations and support	11.9	26.0	23.2	14.6	14.8	15.2
Promotional materials	3.4	3.7	4.2	4.9	5.0	5.1
Country office expenses	8.1	9.1	6.9	4.5	4.5	4.7
Total direct expenses	40.0	54.0	50.2	36.4	36.8	37.7
Investment funds	25.6	42.0	42.0	39.0	39.0	41.0
Direct contribution from operations	**1,094.6**	**903.3**	**937.8**	**926.6**	**973.5**	**1,004.3**
Indirect expenses						
Director's Office, Communication, Corporate Social Responsibility	3.0	5.1	4.5	5.4	5.5	5.6
Finance and admininistration	15.6	17.2	17.4	17.3	17.7	18.1
Marketing and Fundraising	16.7	25.2	23.3	21.8	22.3	22.8
National Committee relations, Child Rights Advocacy and Education	4.9	6.9	7.1	7.4	7.6	7.8
Regional support centres	1.7	2.5	2.4	2.5	2.6	2.7
Bad debts expense	8.8	1.0	1.0	0.5	0.5	0.5
Total indirect expenses	50.7	57.9	55.7	55.0	56.1	57.6
Income before non-operating items	1,043.9	845.4	882.0	871.6	917.4	946.7
Non-operating items						
Other income	8.1	9.2	5.0	8.6		
Foreign exchange gains (losses)	(28.8)	-	16.5	-		
Net income for the period	**1,023.2**	**854.6**	**903.5**	**880.2**	**917.4**	**946.7**

VII. Draft decisions

44. The draft decisions relating to the Private Fundraising and Partnerships budget for 2012 are presented below for Executive Board approval.

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 in 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 of document E/ICEF/2012/AB/L.1;

3. *Approves* an interim one-month allocation for January 2012 of $13.04 million, to be absorbed in the annual Private Fundraising and Partnerships budget for 2012.

Annex I

Summary of post changes proposed for 2012

Summary of post changes proposed for 2012

Detail	Post levels D2	D1	P5	P4	P3	P2	P1	Total IP	NO	GS	Grand total
Base PAT 2011 approved	**1**	**4**	**16**	**39**	**50**	**10**	**0**	**120**	**0**	**54**	**174**
PFP headquarters											
Approved 2011	1	4	16	39	50	10	0	120	0	54	174
Establish, abolish and upgrade in 2012								0			0
National Committee Relations			-1		-1			-2		-2	-4
Corporate Social Responsibility**			1	2				3		1	4
Child Rights Advocacy and Education**			1	2				3		1	4
Operations and Finance			2	-2	-1			-1		-1	-2
Fundraising			1					1			1
Proposed 2012	1	4	20	41	48	10	0	124	0	53	177
Change vs. 2011 approved	0	0	4	2	-2	0	0	4	0	-1	3
RSCs and UNICEF country offices											
Approved 2011	0	0	3	6	1	0	0	10	21	20	51
Establish and abolish in 2012	0	0	0	1	1	0	0	2	-6	-4	-8
*Proposed 2012	0	0	3	7	2	0	0	12	15	16	43
Change vs. 2011 approved	0	0	0	1	1	0	0	2	-6	-4	-8
TOTAL PFP											
Approved 2011	1	4	19	45	51	10	0	130	21	74	225
Proposed 2012	**1**	**4**	**23**	**48**	**50**	**10**	**0**	**136**	**15**	**69**	**220**
Change vs. 2011 approved	0	0	4	3	-1	0	0	6	-6	-5	-5

IP = International Professional; NO = National Officer; GS = General Service;
PAT = Post authorization table; RSCs = Regional support centres.
* The table does not include fundraising posts charged to Other Resources Budget of Country Offices.
**Post transferred from Support Budget to Offset Budget.

Annex II

Executive summary of the PFP Strategic Plan 2011-2013

Introduction

1. The Executive Board, in decision 2002/6, requested the Private Sector Division to submit, as part of its workplan and budget proposal for 2003, a comprehensive business plan to be updated annually, detailing the division's contribution to the UNICEF medium-term strategic plan (MTSP).

2. The Private Fundraising and Partnerships Division (PFP) has developed a three-year strategic plan for 2011-2013 in consultation with key stakeholders, including National Committees, country offices and headquarters divisions. The plan, developed during the period October 2009 to November 2010, also addresses the recent Executive Board request that the Division provide a longer-term perspective to income generation from private-sector donors, including National Committees and corporate partners. The present document outlines the PFP business plan, and is a summary of the Strategic Plan for 2011-2013.

I. Challenges

3. Externally, private fundraising has become increasingly competitive globally. The environment is rapidly evolving, with an increase in the number and type of professional not-for-profit organizations and new media channels for advocacy, marketing and fundraising. Private donors and supporters are faced with a large range of options and, at the same time, they increasingly scrutinize the organizations to which they contribute.

4. Within this context, it is critical for UNICEF to increase its public support. In addition to ensuring the best use of resources, there is a need to develop new and innovative channels for resource mobilization, including digital and new media, and continue investment in acquiring pledge donors.

5. Internal challenges include the need to drive synergy and alignment in all areas — fundraising, cards and products, advocacy, communication and corporate engagement. PFP, National Committees and country offices will need to work in close alignment when formulating target groups and channels in annual resource mobilization plans, campaigns and emergency efforts.

II. Functions, expected results and strategies

6. The PFP Strategic Plan 2011-2013 sets the strategic direction for mobilization of private-sector support for the implementation of the MTSP priorities until the end of 2013. The aim is also to consolidate current strategies and approaches at the global level in order to contribute to creating a common vision and a framework for private-sector resource mobilization and leveraging at all levels of UNICEF. This includes working closely with the Public Sector Alliances and Resource Mobilization Office on a 'one country' approach to partnering and working with donor countries that have a UNICEF National Committee presence, as well as with

the Division of Communication on external communication and brand positioning in National Committee countries.

7. Underpinning the PFP Strategic Plan 2011-2013 is the recognition that PFP adds greatest value to National Committees and country offices by advancing a number of transformational priorities consistently and proactively across all countries. The Strategic Plan lays out the strategic choices made for the next three years: (a) growing income in line with MTSP funding targets; (b) focusing on strategic communication and brand positioning; (c) expanding use of digital culture and knowledge management as cross-cutting priorities; (d) ensuring strategic guidance and support; and (e) balancing choice and integration.

A. Growing income in line with the MTSP funding targets

8. The major objective will be to maximize the quality of private-sector income raised by National Committees, PFP and country offices. The focus will be on unrestricted regular resources and on better quality and less restricted other resources. PFP will also work to expand pledge income and transform its private-sector income generation to a digital model.

9. For the first time, PFP will develop a fully integrated income-generation strategy that brings together individual private-sector fundraising at global and country levels, corporate and private foundation fundraising and cards and products sales within a common strategic approach. The new sales and marketing model for cards and products and the strategic framework for fundraising in country offices will be integral parts of the strategy.

10. Maximizing regular resources will be the focus for all income streams. There will be four elements to this strategy:

(a) Become a global leader in pledge fundraising;

(b) Increase regular resources from other key income streams already contributing significant levels of regular resources;

(c) Increase the proportion of regular resources from donors generally focused on other resources;

(d) Maximize the use of pathways to pledge through the systematic conversion of other individual supporters, particularly those initiating support during emergencies.

11. PFP will work together with National Committees and country offices to transform the fundraising landscape for other resources, especially in highly competitive markets where donors require customized country-level proposals and reports that provide them with tangible, downstream activities but incur high transaction costs at headquarters and field levels.

B. Focusing on strategic communication and brand positioning

12. To strengthen brand equity with UNICEF supporters, PFP will continue to support both the short-term communication work of National Committees and the long-term targets in brand positioning.

13. Within the framework of the global communication strategy that the Division of Communication will finalize in 2011, PFP will develop and implement a strategic framework for external communication and brand positioning in National Committee countries. The strategic framework will address the wider aspect of National Committee positioning of the brand.

14. The UNICEF brand book that provides clear guidance on the use of the UNICEF brand needs to be accompanied by practical support and guidance to National Committees on the development and management of brand equity. Specifically, PFP has identified the need to implement a standard UNICEF brand equity template comprising the following elements:

(a) A standard UNICEF brand-equity scorecard;

(b) An on-going equity study adding to the current 'barometer' studies;

(c) An annual equity review by country;

(d) A PFP team that serves as an advisory group to help National Committee countries use equity tools and techniques to build a stronger UNICEF brand.

C. Expanding use of digital culture and knowledge management

15. Two major new initiatives will commence during the 2011-2013 period:

(a) PFP will support transformation and use of a digital culture for private-sector engagement, enabling UNICEF to build the capacity of National Committees and country offices to expand interaction with private supporters, further build brand equity and grow income;

(b) PFP will support establishment of a structured knowledge management system to proactively share best practices and learning between countries generating private-sector income. An important outcome will be a much closer alignment with National Committees and country offices through shared strategic frameworks, a global approach to the development of country support plans, digitization and expanded knowledge management practices.

D. Ensuring strategic guidance and support

16. PFP will provide support to National Committees and country offices to conduct integrated strategic planning for private-sector income generation, child rights advocacy and education, communication and governance. Support includes provision of technical specialist expertise and targeted investment funds. Moreover, engagement with National Committees will be strengthened by the new Cooperation Agreement and through joint strategic plans that will be aligned with the PFP Strategic Plan 2011-2013. Joint Strategic Plans will be developed and signed with each National Committee.

17. PFP will continue to support National Committees in improving performance and governance structures and related mechanisms, with a focus on the following aspects:

(a) Fostering an open relationship based on mutual respect and trust with National Committees and country offices, acting as a preferred and trusted source of guidance and advice on private-sector partnerships and income generation;

(b) Supporting and being available to advise the boards and senior staff of National Committees on UNICEF policies and priorities as well as in identifying and addressing constraints to effective fundraising, good governance and brand positioning;

(c) Facilitating and supporting effective governance structures in National Committee countries to enable delivery of planned outcomes and commitments in the Joint Strategic Plans.

18. Assessments will be made in all countries of opportunities to deliver joint strategic priorities and of the capacity of National Committees and country offices to deliver on the planned results. PFP will develop integrated country support plans and additional resources and investment funds will be allocated based on country assessments.

19. The implementation of a strategic framework for private fundraising by country offices will define the future direction of private-sector fundraising by country offices and has the long-term intent of increasing the share of regular resources. To this end, private-sector investments in country offices will be increasingly focused on raising regular resources and investments, and technical support from PFP will be increasingly focused on key markets.

20. PFP will also work to support a globally integrated approach by developing and encouraging linkages between National Committees and country offices in areas of common interest within advocacy and education for development, external communication and brand positioning strategies.

E. Balancing ‘choice’ and ‘integration’

21. While National Committees and country offices have many opportunities, PFP has limited resources to support their delivery. Choices will need to be made to ensure optimal use of available private-sector resources to deliver the 2011-2013 priorities.

22. A major driver of integration will be prioritization of PFP actions and deployment of private-sector resources against an integrated country support plan for each country that takes into account the full range of needs, opportunities and risks. From 2011 onwards, every National Committee and every country office will continue to receive an assured support package for each relevant area of PFP responsibility, as well as the strategic targeting of additional staff resources and investment funds towards major market opportunities that deliver the priorities outlined in the Strategic Plan 2011-2013.

23. The new approach, prioritizing support actions, is expected to result in the reduction of transaction costs, increased efficiency gains and additional cost savings. It is also expected to have a positive impact on the way PFP will work to provide support to countries. This combination of focus and choice will enable the Division, working with National Committees, country offices and wider UNICEF

community, to ensure more consistent and strategic direction in the areas under its purview.

F. Management and operations

24. In order to implement the strategic plan, PFP will develop a detailed workplan, to be reviewed and updated annually, that will set priorities, define key results, related actions and timelines for delivery. Roles and responsibilities will be clearly identified.

25. The PFP workplan will be complemented by an annual management plan — an internal divisional management tool that will detail the management strategy and performance indicators, management and coordination mechanisms, as well as staff accountabilities to support implementation of the workplan. Management will focus on the following priorities:

(a) Continue to improve organizational effectiveness and performance management in order to support implementation of the above strategies and achievement of planned results;

(b) Implement relevant changes to the United Nations accounting standards to comply with International Public Sector Accounting Standards and changes driven by the Virtual Integrated System of Information — One Enterprise Resource Planning;

(c) Strengthen internal communication by further developing systems and mechanisms for coordination and internal communication within PFP, including through the PFP intranet portal;

(d) Promote staff learning and career development through PFP participation in the Leadership Development Initiative and other key learning and development investments in support of staff. Special support will be provided to Cards and Products staff during the implementation of the business rationalization process.

26. A number of information technology improvements are also planned, including the application of the Cognos Enterprise Planning software in the areas of joint strategic plans, budgeting and electronic investment fund processing and reporting. Information technology support and services will continue to be provided to PFP through UNICEF Common Services.