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great. More families are living below the poverty line and, in many cases, feeling the impact of a dramatic decline in social services. Although the World Bank predicts a modest annual growth of 3.5 to 4 per cent for the large oil producers in North Africa and the Middle East, the gap between oil-producing countries and the rest is likely to persist. On the positive side, the tentative contacts between Israel and its Arab neighbours offer the possibility of a brighter future for Palestinian children.

186. Children in the Middle East and North Africa region live in different development zones. Despite the overall image of wealth created by oil resources, infant, child and maternal mortality rates remain exceptionally high in several countries. The potential of women in the Arab States remains largely unrecognized. The male/female gaps are wider than in any other part of the world. Female literacy is 39 per cent compared to 66 per cent for men. Fertility rates in the region remain among the highest in the world. Poverty associated with urbanization in several of the region's largest countries has resulted in several million children leaving school to work. Military expenditure in the region is almost double what is spent on health and education. Such expenditure has continued unabated since the end of the situation between Iraq and Kuwait.

187. Despite those factors, countries have achieved considerable gains in mortality reduction, cutting IMR in half, for example, during the 1980s. Progress in achieving UCI goals was substantial in most countries, even among the poorest. Several countries that mounted national CDD programmes reduced mortality from dehydration considerably. ARI has replaced diarrhoeal diseases as the number one killer of young children in several countries. Middle Eastern countries witnessed impressive gains in putting basic knowledge about child care and protection into the hands of families. This was achieved through imaginative and wide-scale use of the mass media, especially television and radio. Progress in improving the situation of children in difficult circumstances, especially children in situations of armed conflict, was demonstrated by Operation Lifeline Sudan, days of tranquillity in Lebanon and the WHO/UNICEF mission to Iraq.

188. The political visibility of children increased considerably during the past decade, largely in response to the momentum of large-scale national health programmes for children, which elicited strong political commitment from the national leadership. Such regional groups as the League of Arab States (LAS), the Gulf Cooperation Council (GCC) and the Maghreb Union and, most recently, the Sixth Islamic Summit held in Dakar, Senegal, have strongly endorsed the World Summit Declaration and Plan of Action. Several countries have created national councils for children or have issued presidential declarations placing children's needs high on the political agenda. LAS endorsed key goals for Arab States in June 1990 in preparation for the World Summit which, in addition to several that were identical to those adopted by the Summit, included the following: (a) total elimination of polio in the Arab world by 1995; (b) universal use of ORT for the control of diarrhoea by the year 1995; (c) upgrading the status of Arab women; (d) inclusion of children of the expatriate labour force in the category of children in

especially difficult circumstances; and (e) extending social services to the needy and deprived groups in remote rural areas, as well as to city dwellers living below the poverty line.

189. Accelerated progress will require that UNICEF sharpen its focus on several broad lines of action during the plan period. The first line of action is the continued, vigorous promotion of ratification of the Convention on the Rights of the Child, endorsement and adaptation of the goals for children and development, and implementation of national programmes of action for children. The second is support to action by the above-mentioned regional groups to reduce the gap between rich and poor countries. This involves not only the transfer of resources to support projects benefiting children, but also exchanges of experience and technical cooperation. Djibouti, the Sudan and Yemen require special attention in this regard.

190. Support for disparity reduction within countries is also critical. Higher priority will be given to children in urban poverty. Within this context, a much sharper focus will be placed on capacity-building, including support to national institutes, government departments, NGOs and regional organizations to find regional solutions to child problems; and support for the development of new intraregional networks to deal with the concerns of children.

191. In the field of health, plans for the medium term emphasize the reduction of U5MRs and IMRs, with attention focused on sustaining the achievements of UCI. This goal includes the eradication of polio by the end of 1995 in countries that have already achieved high coverage. MMR reduction will also be a strategic concern as part of a larger safe-motherhood birth-spacing initiative. Putting knowledge about child care and protection into the hands of families through Facts for Life messages will be a thread running through the fabric of the health strategy. PHC, with its emphasis on comprehensive, low-cost approaches and community participation, will be the impetus to move the strategy forward.

192. Female education, especially for girls through adolescence, and literacy for older women who missed schooling, will be a central focus during the plan period. Education content will address the growing concern in many countries of the region for family planning, particularly birth spacing. The content will also include basic knowledge and life skills required for improved self-health, particularly during pregnancy; successful breast-feeding; and early stimulation and development of young children. The present emphasis on institutionalized day care will be balanced by actions to provide parents with the knowledge and skills to ensure optimum early childhood development in the home. Selected countries will take the lead in developing frameworks for the assessment of learning achievements, both in and out of school.

193. During the plan period, the needs of children in especially difficult circumstances will be placed high on the regional agenda for action. National ministries and NGOs in the region are increasing their efforts to address problems of children affected by armed conflict and natural disaster, working

children and the disabled. The highest priority will be accorded to children and families affected by war. Psychosocial rehabilitation and education for peace will be vital components of this thrust. Education for peace and development will be promoted between countries within the region and between the region and Europe, in particular.

194. Several countries in the region fall into the general category of higher-income developing countries, for which UNICEF resources are very limited. In these countries, UNICEF cooperation will focus on support to situation and policy analyses, experience exchange, mobilizing specialized technical advice and, on the whole, exploring effective ways to put knowledge and ideas to work for children. UNICEF will advocate for the reduction of poverty pockets. Stress will be placed on mobilizing private sector involvement and resources in support of community-based programmes in disadvantaged areas.

E. Industrialized countries

195. In accordance with its mandate, UNICEF resources are used primarily in support of programmes in developing countries. UNICEF advocacy, however, may encompass programme approaches and policy recommendations that are applicable in both industrialized and developing countries. Indeed, the increasing number of transnational problems, such as AIDS, armed conflict, migration, the decline in breast-feeding and the degradation of the environment, call for joint actions by industrialized and developing countries.

196. The development of global solidarity for children is at the core of the organization's role in industrialized countries. UNICEF is fortunate to have National Committees as its partners in this task. A major function of these Committees is to promote education for development, which seeks to highlight the interdependence of industrialized and developing countries.

197. As part of their commitment to the follow-up of the World Summit for Children, industrialized countries are also preparing national programmes of action. It is expected that they will deal with the well-being of children in industrialized countries, as well as support children and human development, as part of overall development cooperation. In this connection, the broad advocacy of UNICEF for the principle of a "first call for children" will emphasize adjustments in domestic budgets and aid requests of developing countries, as well as adjustments in favour of children in both domestic and international aid allocations of industrialized countries.

198. While developing countries have, and will continue to have, full and absolute priority for UNICEF, the international community often expects the organization to share its experience and expertise in dealing with emergency situations affecting children in all countries where national authorities are unable to cope with the situation. For example, as a result of the extraordinary events occurring in Central and Eastern Europe and the former Soviet Union, UNICEF has been called upon to respond to the plight of children resulting from the upheavals occurring there and has done so in conformity with Executive Board decisions 1990/5 (E/ICEF/1990/13) and 1991/20 (E/ICEF/1991/15). The tragic events in Yugoslavia have produced especially serious calls for a response by the United Nations, with UNICEF participation.

199. The International Child Development Centre at Florence, Italy, will continue to be a forum for analysing some of the issues affecting children in both developed and developing nations. Researchers and front-line workers from within and outside UNICEF will meet at the Centre in the coming years to reflect on ways to deal with problems of common interest. The aim is to facilitate a genuine two-way transfer of knowledge and the formation of highly participatory international networks that will exchange information on promising, innovative experiences from all parts of the world.

200. During the plan period it is likely that the United Nations will be re-examining the status of certain countries, including some Asian republics of the former Soviet Union. Some States formerly considered as developed may

well be classified in the future as developing countries. Under these circumstances, UNICEF must be prepared to play a role in some new countries in transition where the indicators of well-being of children are characteristic of developing countries.

IV. MANAGEMENT IMPLICATIONS FOR UNICEF

A. The Office of the Executive Director

201. The Office of the Executive Director is responsible for the general direction of UNICEF activities under the policy guidance of the UNICEF Executive Board. Assisted by three deputy executive directors, one each for operations, programmes and external relations, the Executive Director manages the organization within the framework of various committees (Budget Planning and Review Committee, Finance Advisory Committee, Internal Audit Committee, External Relations Committee, Information Resources Management Advisory Committee), regular meetings (of deputies, directors, executive staff and regional directors) and ad hoc task forces organized around specific issues.

202. The Planning and Coordination Office advises and assists the Executive Director and the deputy directors in strategic planning and the coordination of policy decisions and managerial oversight. Its planning functions include analyses of global social and economic trends, development of medium- and long-term plans, coordination of annual work planning and monitoring of progress in reaching organization goals, including follow-up to the World Summit for Children and its goals for children in the 1990s. Ensuring proper coordination with the rest of the United Nations system and supporting the Executive Board are other important functions directly affiliated with the Office of the Executive Director.

203. To implement the ambitious goals and strategies that the Executive Board has entrusted to UNICEF to pursue in the decade ahead, significant progress will have to be realized in the current plan period and a solid foundation will have to be laid for the second half of the decade. The Executive Office will endeavour to provide supportive guidance and leadership and to help to create a favourable environment for UNICEF field offices to work efficiently and effectively. It will also play its part to ensure that actions by UNICEF contribute significantly to broader United Nations initiatives in the domain of economic and social development.

204. As a voluntarily funded agency, UNICEF must continually earn the right to seek its share of development resources through the credibility, impact and sustainability of its actions. Maintaining the high degree of credibility which UNICEF enjoys for its action and advocacy, and making constant efforts to improve its management and accountability further, will receive the highest priority of UNICEF executive management in the medium-term plan period.

B. Evaluation

205. All units of the organization, both at headquarters and in the field, are responsible for making evaluation an integral part of their planning and activities. In order to guide and encourage evaluation throughout the organization and in UNICEF-assisted programmes, the Evaluation Office was established at headquarters in 1987 as an independent unit reporting directly to the Deputy Executive Director, Programmes. Regional offices have established monitoring and evaluation functions, as have all country offices, most of which have staff members designated as evaluation focal points.

206. During the plan period, the Evaluation Office will give priority to the systematization of the UNICEF institutional learning process. A system to review and register the analysis and use of evaluation reports is being developed to ensure maximum use and early application of lessons learned. The database in the Evaluation Office for monitoring UNICEF-supported evaluation activities will be expanded and improved for this purpose. Thus, regional offices will have a tool to provide more substantive back-stopping to country offices and to strengthen the lesson-learning process at the regional level. Mechanisms will also be created for the systematic review of evaluations and applied research relevant to UNICEF work done by other institutions and for the dissemination of lessons learned to all relevant sections of the organization. Specific evaluation reviews will be conducted on issues relating to policy development and thematic evaluations on such topics as education, children in especially difficult circumstances and other institution-related subjects. Developing and improving manuals, conducting and supporting training workshops, and producing a periodic newsletter will be continued. Further details concerning these plans are contained in the report on overall progress in the implementation of evaluation activities in UNICEF (E/ICEF/1992/L.9).

C. Programme management

207. In order to carry out satisfactorily the complex tasks of managing UNICEF country programme cooperation within the broader framework of national programmes of action for children, a high degree of competence and effectiveness is demanded of UNICEF managers. The organization's staff require improved capacity to analyse and synthesize the situation and experience gained, to share experience, to do still more effective advocacy, to work with partners and to be able to mobilize others. In addition to the staff training programmes mentioned in paragraph 249 below, UNICEF will encourage more on-the-job training for its managers, develop more effective experience exchange and information dissemination and introduce and use indicators for efficiency and effectiveness of its programme management. Country programme management plans, which systematically link programme objectives to the human and financial resources available to support their achievement, are already prepared in some country offices; this will become a general practice in UNICEF offices throughout the world during the plan period.

208. The country programming exercise, with its situation analysis, strategy, preview and review meetings and mid-term review, is constantly being reviewed within the organization. During the plan period, it will be further streamlined to assure that it is adapted to national circumstances and changing requirements. The situation analysis is becoming more of a working tool than a massive exercise to be completed once every five years. Annual reviews will incorporate updates of key data on the situation of children. Efforts will be made to render the process less paper-intensive without sacrificing the need for rigorous analysis and planning. Streamlining of meetings and documentation will be encouraged, especially in small country offices.

209. Programming in circumstances of political instability is increasingly a feature of UNICEF work. Political instability does not automatically compromise the country programme because government-level operations often remain constant despite changes in political leadership. Delays in policy decisions can, however, slow programme implementation. Where the situation of the target population is dramatically altered by political upheaval and disaster and it is not realistic to pursue a normal country programme exercise, it will be replaced with a short-term bridging programme. For countries that are chronically unstable, emergency contingencies will be built into the regular programme.

210. Headquarters and regional office support is provided more extensively during key stages of the country programme exercise and additionally according to the needs identified by the country office. Programme management issues are a regular feature on the agenda of representatives' meetings that are held twice a year at the regional level.

211. In addition to country programmes, UNICEF also manages certain global and regional programmes. The funds used for these programmes are the subject of a special report to the 1992 Executive Board (E/ICEF/1992/L.10). These funds are being consolidated within four categories: the Interregional Fund for Programme Preparation, Promotion and Evaluation; regional funds; Programme Funds for the 1990s Goals; and the Emergency Reserve Fund. Procedures for the preparation and review of global and regional programmes and the allocation of funds are being systematized and will be made more transparent in accordance with Executive Board decision 1991/17 (E/ICEF/1991/15).

212. Effective programme management requires efficient, reliable and coordinated flows of information within the organization. As a follow-up to work begun by a Programme Management Information Needs Task Force in 1989, a Programme Information Management Unit was established in the Programme Division in 1990 to strengthen information management. More recently, work has begun on the development of a programme manager system intended to improve information resource management at the country programme level; strengthen financial accountability; improve information exchange and coordination between headquarters and the field; reinforce existing systems for programme monitoring and evaluation; and upgrade accountability in staff performance. The system is expected to become operational in 1995.

D. External relations

213. In decision 1990/14 (E/ICEF/1990/13), the Executive Board requested that, beginning in 1992, the planning of external relations and advocacy be made an integral part of the medium-term planning process, specifying, inter alia, goals, objectives, activities, outputs, staffing and resource requirements and an evaluation plan. This extended section on external relations, along with relevant references included earlier under major fields of activity and basic strategy components, responds to that request.

214. Advocacy, information and mobilization of partners and allies for specific action, whether carried out at the global, regional or national level, together with fund-raising and education for development, are activities that fall under the general heading of external relations. At the country level, advocacy and social mobilization form an integral part of the country programme process and, as such, are discussed throughout the present plan. At headquarters, because of the global dimension of many activities and the specialized skills required, these functions are grouped in various divisions.

Goals and objectives of external relations

215. The broad goals of the external relations function are the same as those of UNICEF as a whole, which is to support the achievement of the decade goals for children and development and to promote child rights and the concept of a "first call for children". More specifically, UNICEF seeks through its external relations activities to create an international and national environment for the fulfilment of these objectives; to make use of all the tools of modern and traditional communications and enlist the support of the various information media in this effort; to obtain the commitment, support and action of opinion leaders and influential constituencies; and to mobilize the resources needed to achieve the goals, both directly through UNICEF and indirectly through the commitment of external assistance.

Activities and outputs

216. There are four organizational units at UNICEF headquarters, supported, in part by the UNICEF offices at Geneva, Tokyo and Sydney, that are primarily responsible for work related to external relations: the Division of Information; the Division of Public Affairs; the Programme Funding Office; and Greeting Card and related operations (GCO). These four divisions work with the National Committees for UNICEF in industrialized countries and with UNICEF field offices in developing countries. UNICEF field offices also carry out external relations activities in the context of their own country programmes.

217. The Division of Information focuses on the placement and dissemination of information through various media with a view to bringing children's issues further into the mainstream of international public concern. This is done directly with international media and through support for efforts of National Committees and field offices. The latter is done by providing information

materials, media support and specialized training to complement and support field office social mobilization efforts. Major activities during the plan period will include the following:

(a) The annual State of the World's Children report. As the flagship publication of UNICEF, it is the most far-reaching instrument for establishing the principle of a "first call for children";

(b) Beginning in 1993, it is proposed to issue a new annual publication that will review progress achieved by each country towards the year 2000 goals;

(c) First Call for Children is issued as a quarterly newsletter in English, French and Spanish. Its principal aim is to promote experience exchange involving UNICEF offices, National Committees and NGOs;

(d) New technologies such as expanded electronic information exchange, a photo data bank-merging system and an updated contact database distribution system will be used to improve existing information services in order to focus attention on human development, particularly children's issues;

(e) Networking among journalists in the developing world who are knowledgeable and interested in human development issues in general, and in children in particular, will be strengthened through joint projects with the media and with training programmes;

(f) Innovative, replicable, field-based programme and advocacy communications projects will be developed and funded through the Global Communications Support Fund, in close collaboration with the Programme Division;

(g) Efforts to increase young persons' understanding of development and global interdependence and the ways they can participate in the process of change will continue through education for development and child participation programmes. Emphasis will be given to developing appropriate strategies for teaching and communicating, organizing training workshops and providing guides, models, sample teaching units and other materials for local use by both National Committees and field offices. Groups of teachers and other education networks in both the industrialized and developing world will be encouraged to promote the objectives of education for development.

218. The major responsibility of the Division of Public Affairs is to seek and develop alliances with social, political and economic development interest groups and movements to build ever broader child support and protection networks. Its major allies in this effort are the National Committees for UNICEF. Other allies include international NGOs, intergovernmental organizations, international and regional gatherings of political leaders, political, religious and corporate leaders, parliamentarians and mayors, professional and service organizations, celebrities, children and youth. The Division will assist National Committees in their work as national-level advocates for children and their rights through policy guidance, collaboration

with work plans and financial monitoring, help in building stronger NGO cooperation, assistance in expanding volunteer network and increased training opportunities for National Committee staff. It will assist in the development of new National Committees and/or support entities for children, such as in the Baltic republics, the Republic of Korea, and possibly, the newly industrializing countries of South-East Asia. During the plan period, the Division will prepare a data bank on external partners with fund-raising, advocacy and programme delivery potential, as well as a cost and impact analysis of advocacy activities and events. While maintaining its primary focus on strengthening advocacy for the programme goals of UNICEF field offices, the Division will intensify efforts to expand collaboration with National Committees and other external allies in industrialized countries. The Division will play a key role during the plan period in the promotion of the Convention on the Rights of the Child and the "baby-friendly" hospital initiative at national and global levels.

219. The Programme Funding Office has responsibility for raising the necessary funds to reach the targets of the 1992-1995 financial plan. It also encourages resource mobilization by external partners and allies such as international financial institutions, bilateral donor agencies and NGOs in support of the goals for children and development in the 1990s. The Programme Funding Office has primary responsibility for policy guidance, policy coordination and conceptual support in all aspects of UNICEF fund-raising. It handles all funding from Governments and intergovernmental organizations, as well as specific project funding from the private sector. The Office develops and implements funding strategies for major government donors, with special priority given to those who are not making a financial contribution to UNICEF commensurate with their financial capacity. Strategies call for closer cooperation with National Committees in support of governmental fund-raising and for greater involvement of field offices in supplementary funding. The Programme Funding Office is also working on reviews of official development assistance (ODA). In several donor countries, a strategic planning exercise (the "country approach") will be developed with the National Committees and the UNICEF Office at Geneva. The country approach will involve all external relations divisions to achieve greater synergy among the various activities.

220. The Programme Funding Office will continue to coordinate the preparation of funding proposals to donors in cooperation with the Programme Division and field offices. These are summarized in the annual "salesbook". The Office will respond to emergencies as required. Debt relief for children and local fund-raising in developing countries will be further encouraged. UNICEF will continue to improve donor service. In particular, more attention will be given to the quality of funding proposals, as well as to the timeliness of progress reports and financial statements.

221. GCO is responsible for generating income from the private sector, including sales of greeting cards and other products, private sector fund-raising (mass and direct appeals to individuals, corporations and foundations) and special fund-raising events and new initiatives. The GCO medium-term plan encompasses four areas of action, three of which generate

income: (a) UNICEF product sales and licensing; (b) private sector fund-raising; (c) special fund-raising events and new initiatives; and (d) coordination of UNICEF exhibits and promotions. Product sales are to increase gradually to a target of 200 million cards and \$100 million per year in net proceeds by 1996. Profitability is to reach 50 per cent annually. Private sector fund-raising is planned on a year-by-year basis with due consideration for, and consultation with, National Committees for UNICEF and field offices. Special fund-raising events and new initiatives will continue to be planned on an annual basis, in close consultation with National Committees and field offices, until a pattern of regular major fund-raising events is established.

222. In the area of product sales, GCO will work to increase income from licensing agreements; develop new markets and sales networks such as those planned through the business-building plan for Central and Eastern Europe; maximize product quality and improve performance; increase joint planning with all sales partners in all countries on the basis of eight performance indicators; and fully implement the GCO marketing orientation, as well as cost and performance controls.

223. In private sector fund-raising, GCO will support the National Committees' objective of raising \$20 million per year from the private sector for child immunization; provide general support to National Committees and field offices in raising additional general resources funds from the private sector; develop direct appeal materials for use by all National Committees and field offices with direct mail programmes; and support mass appeals such as the "Change for Good" airline programme, public service announcements and radiothons and telethons. GCO will also provide research and documentation of UNICEF themes and projects for specific fund-raising campaigns. A fund-raising development programme was approved by the Executive Board in 1991 (E/ICEF/1991/15, decision 1991/35). It authorizes an investment of up to \$12 million over a three-year period (1991-1994) and will further enhance UNICEF support to National Committees and field offices by building UNICEF donor constituencies.

224. Support for special fund-raising events and new initiatives is the third major fund-raising activity of GCO. The main event is the annual Danny Kaye International Children's Award. Projects also include participation in the International Football Federation All-Star Soccer Match, the 1992 Summer Olympics in Barcelona, benefit concerts and a jazz radiothon. Proposals for special fund-raising events are closely reviewed for their potential benefit to UNICEF.

225. GCO medium-term plans and activities are described in greater detail in the GCO budget and work plan (E/ICEF/1992/AB/L.6) presented to the Executive Board each year.

External relations staffing and resource requirements

226. The present external relations field structure will be thoroughly reviewed during the plan period. The functions of external relations advisers and information and communications staff will be further clarified.

227. The Division of Information will devote more attention to training programme staff in communication and social mobilization skills, while helping information staff to increase their understanding of programme areas. Special attention will also be paid to assisting National Committee staff to become more knowledgeable about development issues and UNICEF programmes in the field. In 1992, UNICEF will have over 90 information and communication posts world wide. Particular attention will be devoted to strengthening networks among field staff and with headquarters and in providing more extensive experience exchange. Improved orientation and training in dealing with the media and in writing skills will also be a priority. A dual approach will be pursued in consultation with the Division of Personnel, which involves the systematic training and recruitment of high-calibre professionals. The Division of Information needs to strengthen its capacity in information exchange and radio and television. United Nations polls in various industrialized countries have shown that, in most countries, some 80 per cent of the population obtain their information on the United Nations and UNICEF through television.

228. To reach the goals for children by the year 2000, UNICEF will need to mobilize, more than ever before, the resources of external partners in support of activities for children in industrialized and developing countries. To do this, the Division of Public Affairs will strengthen both human and financial resources.

229. In order to improve UNICEF donor service, to develop and implement its fund-raising strategies and to develop new fund-raising initiatives, the Programme Funding Office must strengthen operational support of its senior programme funding officers. More resources are required for the training of field office staff and for interaction with National Committees.

230. GCO staffing requirements are reviewed annually by the Executive Board. No new posts or upgradings are required in 1992. Subsequent needs will be presented in the yearly work plans for Board approval. GCO has embarked on an internal management study to define priorities and strategies for the next 10 to 15 years. The progress of this review will be reported annually to the Executive Board.

231. The human and financial resources needed for external relations will have to be reviewed, taking into account the resource needs for all of UNICEF. Details will be included in the administrative and programme support budgets and global programme budgets for 1994-1995, to be presented for approval to the 1993 Executive Board.

Evaluation of external relations

232. Systematic monitoring and evaluation of UNICEF advocacy, mobilization and education efforts were requested by the Executive Board paper on UNICEF communication strategy in industrialized countries (E/ICEF/1987/L.4) and again in the external relations evaluation of 1989 (E/ICEF/1989/L.4).

233. In consultation with National Committees and other external relations divisions, research on the relevance of opinion polls for UNICEF is being carried out under the supervision of the Division of Information. This will result in recommendations for new policies and strategies enabling the Division to measure the impact of UNICEF information work in specific industrialized countries, as well as globally. An evaluation of audiovisual services provided by headquarters will be undertaken with a view to assessing the capacities, needs and utilization of services by field offices, National Committees and other partners. Media training activities are being reviewed in the light of a recently completed survey of existing media training programmes carried out under the supervision of the Division of Information. A survey of the Division's distribution systems is being carried out and will lead to recommendations for strengthening the distribution and pricing policy for the organization. Evaluation is a necessary component of all projects funded by the Global Communications Support Programme. The Children's Television Workshop Sesame Street project, under way in the Latin America and Caribbean region, has a substantial built-in evaluation component.

234. The Division of Public Affairs will evaluate the impact of its work with institutional partners by monitoring changes in attitude in key leadership. This will be measured, in part, by tracking the implementation of new policy initiatives by partner institutions. The Division will also monitor the impact of its public mobilization activities with targeted audiences.

235. The Programme Funding Office, together with the Division of Financial Management, will monitor financial targets on a monthly basis. Furthermore, the Office will conduct an annual evaluation of progress in the funding strategies for major UNICEF donors. This will be done in cooperation with concerned National Committees.

236. GCO continues to monitor country-specific results using eight performance indicators. Extensive surveys, feasibility studies and test campaigns are carried out to determine the most profitable areas and methods for increasing support to private sector fund-raising.

E. Operations

237. Six functions are included under the heading "operations" in UNICEF: human resources planning and personnel management; financial management; internal audit; information management; supplies; and administrative management. Each of them has both headquarters and field office components, all in support of programme activities at the country level.

Human resources planning and personnel management

238. As UNICEF moves forward in articulating various national and global plans of action to fulfil programme goals and strategies for the 1990s, it is crucial for the secretariat to strengthen its ability to forecast long-term staffing patterns to support those plans. Various measures are under way on that front.

239. In the coming plan period, UNICEF will continue to stress improvement of its planning mechanisms and capacity to (a) design, evaluate and, if necessary, restructure various work units; and (b) recruit, place, train and orient new and existing staff to equip those work units to meet the increased demands of the 1990s programme goals.

240. An immediate concern will be to strengthen the existing human resources management information system so that it can be used to forecast long-term needs throughout UNICEF, at both headquarters and field offices. The aim is to forecast not only the number of staff required but, more importantly, optimum staffing patterns in terms of post distribution by occupational function and geographic areas.

241. Initial efforts in this direction in the past few years produced substantial results that can serve as the foundation for an effective human resources planning mechanism. Examples include the compilation of Professional staff profiles and the development of generic job descriptions for numerous posts in UNICEF major occupational areas. Thus far, approximately one third of international Professional staff have been listed in the computerized skills inventory and 45 generic job descriptions, representing typical posts in 8 major occupational categories - programme management, external relations, administration/finance/personnel, water supply and sanitation, education and supply operations - have been developed and their levels classified.

242. The skills inventory establishes a relatively objective basis for administering forward-looking strategies in career development, training and rotation. The generic job descriptions define functions of existing and planned posts and will serve two other functions: as planning tools for the organization's recruitment and talent searches; and to assist individual staff members in planning and designing their career paths.

243. Table 3 below presents the personnel plan, including the number of approved core posts for all categories of staff for the 1992-1993 budget period and estimates for the 1994-1995 biennium. The table shows the total number of core posts at headquarters and in field offices. It indicates a net increase of six core posts over the plan period: six additional international Professional; seven additional National Professional and seven fewer General Service. This is in the context of a projected redeployment of 28 posts from headquarters to the field and a continued rationalization of the ratio of General Service to Professional posts throughout the organization.

Table 3. Personnel plan

	<u>Number of core posts</u>		
	<u>1992-1993</u> <u>approved a/</u>	<u>1992-1993</u> <u>revised</u>	<u>1994-1995</u> <u>proposed</u>
<u>Biennial budget</u>			
International Professional	470	470	476
National Professional	225	225	232
General Service	<u>1 404</u>	<u>1 404</u>	<u>1 397</u>
Subtotal	<u>2 099</u>	<u>2 099</u>	<u>2 105</u>
<u>GCO budget b/</u>			
International Professional	55	55	55
National Professional	6	6	6
General Service	<u>79</u>	<u>79</u>	<u>79</u>
Subtotal	<u>140</u>	<u>140</u>	<u>140</u>
Total established posts, all budgets	<u>2 239</u>	<u>2 239</u>	<u>2 245</u>

a/ As contained in the report of the 1991 Executive Board (E/ICEF/1991/15, table 1).

b/ As contained in the GCO work plan for 1992 (E/ICEF/1992/AB/L.6).

244. The distribution of core posts will be based on a thorough review of all existing UNICEF offices, taking into account the expected need for new offices in Cambodia, Eritrea and South Africa and the strengthening of other offices, within the context of the 1994-1995 budget exercise. Overall UNICEF posts, including project and government-sponsored posts, will be included in the budget document that will be presented to the 1993 session of the Executive Board.

245. In the past two years, UNICEF introduced several major adjustments to personnel administration procedures with a view to attracting and retaining the highest calibre of professionals for the organization. The mobility and hardship allowance scheme approved by the General Assembly in 1989 to provide more attractive incentives to compensate for service in hardship duty station has been implemented. Limits to the length of fixed-term appointments have been relaxed to provide non-core staff with longer-term career prospects. Under previous procedures, non-core staff were not eligible for contracts

/...

beyond a two-year term. They may now be offered contracts for up to five years, with conditions identical to those of permanent staff. Flexi-time and part-time work arrangements have been introduced to help staff members to accommodate extraordinary family needs (e.g., infant nursing and child care) and to pursue academic studies relevant to their work and/or career advancement.

246. A significant advance has been made in increasing the number of women in the Professional officer category over the last six years. The target of 33 per cent set for December 1990 by the Executive Director in 1985 was achieved. UNICEF is striving to further improve that ratio; it plans to intensify efforts to recruit and promote qualified women staff at senior levels where still relatively few women are represented. Furthermore, the Executive Director has now set new goals for a desirable mix of gender and nationality to be achieved progressively over the next few years. Accordingly, the number of Professional women should reach 40 per cent of all Professional staff by December 1994, while the ultimate goal of gender parity should be reached by the year 2000. As for the nationality mix, two thirds of Professional staff and one half of all international Professional staff should be represented by nationals of developing countries by the end of 1994.

247. Since its early years, UNICEF has maintained a field-oriented staff structure, with the great majority of staff posted in field offices rather than at headquarters. The percentage of all UNICEF posts in the field has increased from 80 per cent in 1980 to a current level of 84 per cent. This level will be maintained during the medium-term plan period.

248. Long-term strategies to achieve those targets are now being formulated as part of the human resources planning mechanism. The more immediate plans include: (a) instituting a system that more stringently monitors progress made in the recruitment, placement and promotion of women and nationals of developing countries in all parts of UNICEF; (b) identifying occupational areas and offices where future vacancies are likely to occur, then recruiting new staff in advance and preparing existing staff with long- and short-term training, with the view to placing them in those posts when they become available; and (c) establishing a staff consultative group with responsibility to monitor and advise both management and staff on gender-related issues that may adversely affect women staff's performance and career plans.

249. Staff training will continue to have high priority in human resources management during the plan period. It will seek to ensure that all staff have the highest possible level of knowledge of UNICEF policies and operational procedures, commensurate with particular job requirements. The main strategy for achieving that end will continue to be the production of user-friendly training materials and the maintenance and further strengthening of country office focal points for training. In addition, a variety of cost-effective learning methods will be widely promoted. They will include more systematic on-the-job training and self-learning sessions with audiovisual and reading materials. Special efforts will be made to raise the performance of

newly established country offices to UNICEF standards. Evaluations of training will be stressed, with the results being used to improve training strategies.

Financial management

250. The goals and strategies for the 1990s are placing challenging demands on the management of financial systems. In order to enhance capacity and to comply with Executive Board decisions, progress was made in 1991 in improving the central financial and accounting systems, the monitoring and reporting of non-supply assistance, the budget format presentation and the control of staff members' personal accounts. Those efforts will be continued and strengthened during the plan period.

251. Increased programme activity and corresponding growth in contributions have entailed greater financial responsibilities. In order to carry out those responsibilities, as well as to ensure financial accountability of the whole organization, an interdivisional working group was established in 1991 to review the existing framework of financial control and to make recommendations to improve financial accountability and achieve greater efficiency.

252. The preliminary conclusion of the review indicated that (a) external and internal accountability at the operational level need to be more clearly defined; (b) the concept of value for money or more effective use of UNICEF financial resources should be further emphasized; (c) lines of responsibility for financial authority and control should be redefined or clarified; and (d) relevant policies, regulations, instructions and procedures should be established or reviewed. UNICEF will take steps during the plan period to improve financial accountability further as an essential base for all of the organization's operations.

Internal audit

253. The projected increase in programme and financial activities, including local procurement and cash assistance, will have an impact on the workload of the Office of Internal Audit. Based on experience and on available information, UNICEF involvement in emergencies will continue to grow. These factors, as well as the increasing complexity of technical and management issues, require refined methods for assisting all levels of management to ensure that operations are carried out with economy, efficiency and effectiveness. It is expected that the increased workload can be met by a more effective use of the auditors that will result from the better use of internal audit functions and a reinforcement of the functions of the Internal Audit Committee.

254. The decentralized structure of UNICEF operations and the delegation of decision-making authority to the country offices require that the work plan of the Internal Audit Office give priority to country office audits. Audit coverage will continue on the basis of a three-year rolling plan. Audit

resources will be assigned, as a priority, to areas of higher risk and vulnerability and to those areas where the cost-benefit ratio is likely to be maximized. The internal audit work plans will be shared with the external auditors in an effort to avoid duplication of work.

Information management

255. Basic information systems are needed to support the processing of administrative transactions to increase efficiency, especially as the volume of work increases. The Office of Information Resources Management plans to consolidate and improve upon headquarters and country office computerized systems during the plan period. In particular, a second generation of the standard UNICEF country office computer system will be developed and implemented as part of this programme. In general, there will be constant need to enhance the systems or adjust them as procedures change.

256. The need to monitor progress towards the goals for 1990 will call for the use of effective information systems in operational decision-making, policy review and policy formulation. Such information systems will draw on both external and internal data. Internally this will require, for example, information on funding, programme implementation and operational processes in support of programmes. This information will be derived from different types of transaction processing systems in various locations to produce selective, summarized information. As the planning period proceeds, the Office will put increasing focus on these higher-level requirements.

257. In addition to meeting the organization's internal information system requirements, there is a growing demand from countries where information systems are a direct programme input. For example, UNICEF has assisted with computerized systems for monitoring immunization coverage and carrying out demographic surveys. This type of activity is directly related to programmes, and country offices are best placed to take the lead in these initiatives, with the Office of Information Resources Management playing a technical advisory role. During the plan period, information management activities at country, regional and headquarters levels will be coordinated so that effective models can be identified and widely shared.

258. The network of UNICEF offices and the decentralized organizational structure require good communications for management, decision-making and daily operations. Recent technological developments in computerization and telecommunications provide great potential for UNICEF to improve communications for internal management, programme activities and external relations. Where possible, UNICEF will use the telecommunication network being developed by the United Nations Secretariat and will collaborate with other United Nations agencies in this endeavour.

259. During the plan period, UNICEF will upgrade its office computerization infrastructure to accommodate increased office automation and to take advantage of improved cost-effective technology. In field offices, this will require a higher level of expertise to install and maintain the

infrastructure. As computerization becomes pervasive throughout the organization, increased attention will be given to ensure the necessary staff training and support to exploit the opportunities for increased productivity and thus leverage the investment in the development of information systems and technology infrastructure.

Supplies

260. In many countries, supplies continue to be the backbone of UNICEF cooperation with Governments. The proportion of supplies in country programmes varies between 20 and 80 per cent, depending on the specific needs of women and children in each country. The Supply Division is structured to facilitate the delivery of supplies and equipment to UNICEF-supported programmes and other customers on a timely basis and in the most cost-effective manner. This ability was especially important during 1991, when 400 emergency shipments, valued at approximately \$20 million, were made. Purchase of supplies in 1991 amounted to \$304 million, including \$87 million from developing countries.

261. The administrative processes involved in the procurement of supplies and equipment, both for direct shipment from suppliers to field locations and to restock the UNICEF Supply Division warehouse, are monitored on a continuing basis. This ensures that an appropriate level of service can be maintained, enabling UNICEF to respond effectively to requests based on national plans of operation. The Supply Division warehouse is modernizing its computer hardware and redesigning the supply systems that will enable UNICEF to meet the supply challenges of the 1990s. In addition, the Government of Denmark has completed its extension of the administrative building in Copenhagen.

262. The warehouse stock policy continues to be reviewed, in collaboration with the Programme Division, to ensure that the range of items stocked reflects the evolution in programmes during the plan period. The goals for children and development in the 1990s place heavy emphasis on health, nutrition, clean water supply, sanitation and education. The impact of increased activity in these areas has been felt and is being closely monitored in light of the current workload. A major emphasis will continue to be placed on the availability of vaccines and equipment for the cold chain in support of UCI. The importance of essential drugs programmes in efforts to strengthen PHC, including the Bamako Initiative, requires that specific attention be given to these commodities. An indication of the priority assigned to those areas is reflected in the expenditure on vaccines and essential drugs in 1991, which amounted to approximately \$85 million. The addition of support materials such as cold-chain equipment, syringes and needles brings the figure to about \$116 million, or approximately 40 per cent of total UNICEF purchases in 1991.

263. Procurement services continue to be an important component of the supply workload, providing an efficient, low-cost procurement channel to Governments, United Nations agencies and NGOs. Drugs and other supplies and equipment that complement UNICEF programmes are supplied through this mechanism.

Considerable progress has been made since the announcement by the Secretary-General in December 1990 that coordinated procurement activities for the United Nations would be introduced at Copenhagen. One of the early features of this effort is the location, as of the first quarter of 1992, of the UNDP Inter-Agency Procurement Service Office in the expanded facilities provided to UNICEF by the Government of Denmark.

264. Supply Division staff will participate in the country programme process to improve their knowledge of specific country conditions and to assist country offices in developing the supply component of new programme proposals. The Supply Division will continue to foster the development of new products that are adapted to the needs of developing countries and will work to increase the effectiveness of products supplies. Procurement in developing countries will continue to receive careful attention, as will the underutilization of major donors, and efforts will be made during the plan period to increase existing procurement levels. Quality and cost competitiveness, however, will continue to be important factors in procurement decisions.

Administrative management

265. Increased efficiency and economy will contribute to the ability of UNICEF to support country programmes and other corporate objectives. Following a streamlining of its organizational structure, the Office of Administrative Management expects to place increased emphasis on improving its planning process. This is becoming more important, especially in relation to facilities management, i.e., construction, acquisition, leasing of office premises and staff housing, in more than 100 locations world-wide. These tasks require substantial staff time and quite often involve large amounts of funding, including the Capital Asset Fund of \$23 million. More timely forecasting by field offices on these and other administrative tasks requiring direction or guidance of the Office of Administrative Management will improve work planning and help to ensure the economic use of human and monetary resources. The Office plans a further strengthening of its management services function in respect of establishing, maintaining and reviewing administrative systems and procedures throughout the organization.

266. The Office of Administrative Management will continue to explore and support joining UNICEF field offices in United Nations common premises wherever this is cost-effective and feasible. At headquarters, the Office of Administrative Management is reviewing office space needs in the medium and long terms and reporting on progress in document E/ICEF/1992/AB/L.9. A revised Standard Basic Cooperation Agreement is also presented in document E/ICEF/1992/L.2 and Corr.2, together with a report on the agreement as requested by the Executive Board (E/ICEF/1992/L.1 and Corr.1, and Add.1, Add.2 and Add.3). In the course of the medium-term plan period, UNICEF will endeavour to enter into the new standard agreement in countries where current basic agreements no longer reflect existing realities.

V. FINANCIAL STRATEGY AND PLANNING

A. Allocation of programme resources among countries

267. In accordance with principles established by the Executive Board at its 1970, 1971 and 1983 sessions, and reaffirmed in the Board's review of the 1990-1993 medium-term plan, UNICEF general resources are allocated among countries on the basis of three criteria: child population, gross national product (GNP) per capita and U5MR. These criteria are weighted in such a way that the allocation per child is highest in the country with the lowest GNP per capita and the highest U5MR and becomes less, on a sliding scale, as GNP per capita rises and U5MR decreases. In addition to this, there is a principle of flexibility established by the Board whereby "commitments proposed to the Board at any session should leave not less than 20 per cent of the following year's estimated resources available for new projects and unforeseen needs" (E/ICEF/612, para. 140). This principle of flexibility has made it possible, for example, to establish certain global and regional programmes (see the separate discussion on this subject in the report on the proposed format for future global funds programme budgets (E/ICEF/1992/AB/L.1)) and to use, under specific circumstances, general resources to support unfunded supplementary funding projects in accordance with financial regulation 8.3.

268. A review of these criteria requested by the Board in 1989 (E/ICEF/1989/12, decision 1989/23) and reported on in the medium-term plan for the period 1990-1993 (E/ICEF/1990/3 and Corr.1) concluded that the present system of allocating general resources among countries is fully responsive to the policies and priorities established by the Board, and that it allows sufficient margin for responding to special needs of countries facing exceptional difficulties. The system assures, among other things, priority for children in the least developed countries, which tend to have high U5MR and low GNP per capita. As part of its commitment to the Programme of Action for the Least Developed Countries for the 1990s, UNICEF will maintain these allocation criteria during the 1992-1995 plan period.

269. Since supplementary funding now accounts for nearly one half of all UNICEF programme expenditure, it is important that these principles be maintained as far as possible. The record up to the present shows that low-income, very high-U5MR countries as a group have received a proportion of supplementary funds similar to their general resources allocation. Certain regions or subregions, such as sub-Saharan Africa and Central America, have also been the focus of special supplementary funding support. Commitment has been maintained to the least developed countries for which, in recent years, combined per child programme expenditure of general resources and supplementary funding has been more than four times that of other developing countries. In seeking supplementary funds, the Programme Funding Office will continue to give higher priority to high-U5MR countries, to priority sectors such as education, water supply and sanitation, nutrition, along with sustaining PHC in general and UCI in particular, and to programmes in countries that are experiencing severe economic difficulties.

B. Allocation of programme resources by sector

270. Table 4 below presents the current and expected distribution of resources among the major programme sectors, taking into account projected income and estimated expenditure, as detailed below.

271. The 1990-1993 medium-term plan (E/ICEF/1990/3 and Corr.1) stated that, as a general guideline for the decade, approximately 80 per cent of programme expenditure was expected to be distributed among the four major programme clusters: health; nutrition; water supply and sanitation; and education. By the year 2000, the plan projected that UNICEF should be spending approximately 25 per cent of its resources on health, 10 per cent on nutrition, 20 per cent on water supply and sanitation and 25 per cent on education. It was also stated in the plan, and reaffirmed in discussions at the 1990 Executive Board, that there would be no absolute reduction from 1990 levels in expenditure on health. If income and programme expenditure failed to grow sufficiently to assure this, the proportion allocated to other sectors, particularly education, would not be increased as rapidly as planned.

272. The above percentages will be used to guide UNICEF long-term planning and fund-raising. However, it should be noted that, since UNICEF income depends on voluntary contributions and actual priorities for the allocation of resources derive from country programmes and are not predetermined globally by sector, these figures should be considered indicative of a desirable range that would best enable UNICEF to support efforts by developing countries to reach the goals for children and development in the 1990s as approved by the Executive Board. Support that developing countries receive from other donors in these sectors may significantly influence and alter the proportion of resources that UNICEF allocates for a given sector in a given country, and, therefore, global averages.

273. Assuming that levels of income growth foreseen in the present plan are achieved and maintained for the remainder of the decade, these general targets remain. The overall tendency since the previous medium-term plan, however, has not made their achievement any easier. Despite a slight increase in programme expenditure over 1990, both absolute and relative levels declined in 1991 for health, water supply and sanitation, and education, while expenditures in the emergency sector more than doubled 1990 levels. It is assumed here that this was a temporary phenomenon and that non-emergency expenditure will recover in 1992 and subsequent years to the levels presented in table 4 below. For this to be achieved, however, increased support from donors for regular programmes in nutrition, water supply and sanitation and education will be required.

274. These global allocation estimates are also dependent on individual country programmes that are, and will continue to be, distributed according to national needs and priorities as well as on the basis of the comparative advantage of UNICEF in relation to other potential sources of funding for a given sector. Especially in countries with smaller UNICEF programmes,

Table 4. Past and future distribution of resources (expenditures) by programme field

(In millions of United States dollars)

	Actual		1991		1992		1993		Projected					
	1989	1990	Amount	%	Amount	%	Amount	%	1994	1995				
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%				
Child health	203	40	251	43	202	34	240	34	241	33	254	33	262	33
Child nutrition and food	28	6	29	5	31	5	48	7	56	8	69	9	71	9
Water supply and sanitation	76	15	82	14	73	12	100	14	121	16	127	17	141	18
Education	37	7	57	10	48	8	85	12	100	14	122	16	142	18
Other programme areas a/	35	7	41	7	39	7	48	7	45	6	44	6	43	5
Planning/advocacy/ programme support b/	74	15	75	13	87	15	90	12	88	12	77	10	70	9
Emergency	48	10	49	8	111	19	100	14	80	11	68	9	64	8
Total programme expenditure	501	100	584	100	591	100	711	100	731	100	761	100	793	100

a/ Consists of community development and organization, children in especially difficult circumstances and women-centred programmes.

b/ Amounts refer to costs for planning, programme support, advocacy and monitoring, which cover more than one programme field.

programme planning is encouraged that concentrates available resources in ways that are likely to produce significant, demonstrable impact and that do not spread resources too thinly to achieve this. It is expected that the difference in sectoral emphasis from country to country will average out at the regional level, and regional offices will play a role in encouraging offices within the region to approximate collectively the broad distribution of expenditure outlined above.

C. The financial plan process

275. The financial plan is a framework of projections which, to satisfy the specific financial requirements of UNICEF, has four main purposes:

- (a) To estimate future general resources and supplementary funds income;
- (b) To plan affordable levels of general resources programme expenditures;
- (c) To plan the budgetary estimates necessary to support programme expenditures;
- (d) To maintain the liquidity requirement.

276. The financial plan projects income on the basis of the results of the annual Pledging Conference, recent trends in contributions, the Programme Funding Office's fund-raising targets and the GCO work plan. Expenditures are based on the outstanding amounts of approved programmes plus estimated expenditures on future programmes. Programme and budget plans, implementation experience and available resources provide the basis for the yearly phasing of expenditures.

277. The Executive Board approves expenditures for the budget and for programme cooperation for financing from general resources. UNICEF has a biennial budget cycle; the Executive Board reviews the proposed budget every two years. UNICEF prepares estimates of country programme cooperation to cover a longer period, usually four to five years, according to the national planning cycles of the countries involved.

278. General resources programmes prepared for approval by the Executive Board at any given session are such that the resulting expenditures, in combination with previously approved expenditures, permit the most effective use of the income estimated to be available in the following years.

279. Spending from supplementary funds, except in specific circumstances approved by the Executive Board, begins upon receipt of supplementary funds contributions for programmes previously approved by the Executive Board.

280. Actual amounts of income and expenditures can differ from the plan because:

- (a) Income depends upon voluntary contributions;
- (b) The rate of expenditures depends upon many factors, some of which are beyond UNICEF control;
- (c) Fluctuation of rates of exchange, etc., adds considerable uncertainty to income and expenditure projections.

281. UNICEF does not have temporary credit facilities to cover potential differences from planned income and expenditures. If general resources income is lower than estimated, the main regulators of expenditures are:

(a) The amounts of new programmes submitted to the Executive Board for approval;

(b) Reducing the existing administrative and programme support budget;

(c) Slowing down spending on already approved programmes.

282. Since these regulators take time to carry out, UNICEF must maintain a certain amount of cash as a liquidity provision. In addition to providing a cushion for planning errors, the liquidity provision covers cash flow imbalances that normally occur in the first part of the year when disbursements exceed receipts. To meet this requirement, UNICEF liquidity policy recommends a year-end general resources convertible cash balance equal to 10 per cent of projected general resources income.

283. To manage the financial plan against uncertainties, UNICEF has a financial monitoring system that, on a monthly basis, reviews progress against the plan, identifies deviations and prompts corrective action as necessary. Furthermore, UNICEF revises the financial plan each year on a rolling basis to reflect the latest income estimates. UNICEF uses the revised estimates to update the annual expenditure phasing and to determine the level of estimated programme cooperation to be prepared for the following years.

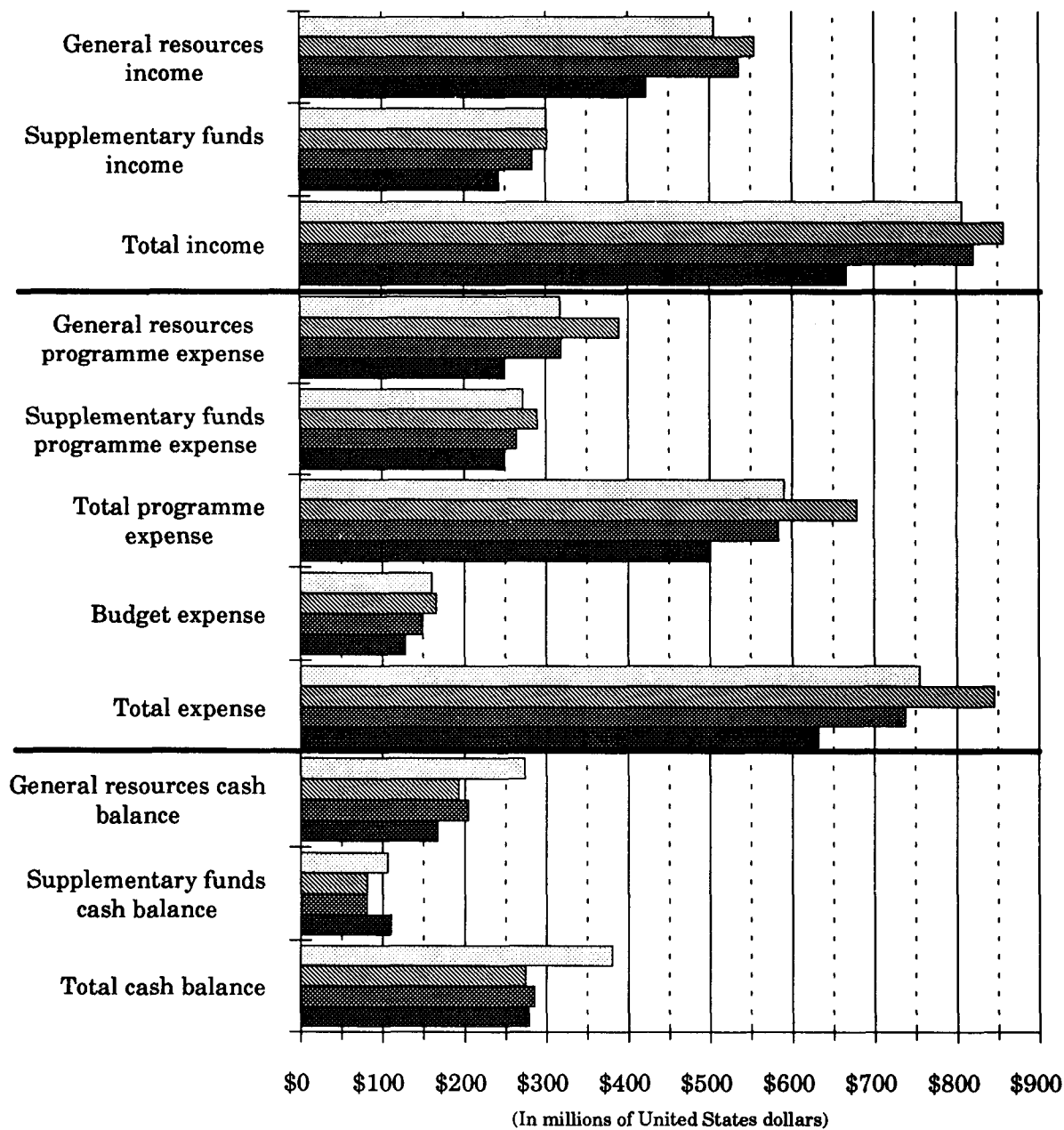
284. The major purpose of the plan is to enable the Executive Board to review the performance of the previous year's financial plan as well as UNICEF updated income projections. The plan provides the Executive Board with a basis for determining the total level of programme and budget submissions that UNICEF should prepare for the 1993 session.

D. 1991 performance compared with the financial plan

285. Figure I below provides a comparison between the actual 1991 results, the planned 1991 financial activities and the prior year's results. During most of 1991, the value of the United States dollar in relation to the national currencies of major UNICEF donors was higher than the exchange rates used in the 1991 financial medium-term plan. Since an increase in the value of the United States dollar reduces the value of pledges made in currencies other than United States dollars, income in 1991 was less than planned.

Figure I

Financial performance for 1991



1989 Actual
 1990 Actual
 1991 Planned
 1991 Actual

Income

286. Governments contributed more in their local currencies than forecast in the financial medium-term plan. However, when converted into United States dollars, contributions from Governments were less than planned. General resources income from Governments for 1991 was \$397 million. This was \$22 million less than the medium-term plan owing to the higher than expected contributions of \$12 million being offset by a decrease of \$34 million due to the increased value of the United States dollar. General resources income from non-government sources, including National Committees, was \$18 million, \$10 million less than the medium-term plan. GCO provided UNICEF with income of \$70 million, \$11 million less than the plan primarily as a result of an exchange rate adjustment.

287. Total general resources income was \$506 million, \$49 million less than the medium-term plan.

288. Total supplementary funds income for 1991 was \$301 million, slightly less than the medium-term plan estimate of \$303 million. However, there was a significant difference in the proportion of contributions for programmes and contributions for emergencies compared to the financial medium-term plan. Contributions to supplementary funded programmes were \$165 million, \$78 million less than the plan, while contributions for emergencies were \$136 million, \$76 million greater than the plan. Contributions to emergencies included \$48 million for the Persian Gulf appeal, \$30 million for the Sudan, \$11 million for Liberia, \$8 million for Ethiopia and \$7 million each for Angola, Bangladesh and Somalia.

289. The increase in the value of the United States dollar caused a \$21 million decrease in the value of assets on the UNICEF balance sheet. As a result, other income was less than planned.

290. Total UNICEF income for 1991 was \$807 million, \$51 million less than the medium-term plan level.

Expenditures

291. General resources programme expenditures were \$318 million, \$72 million less than the medium-term plan. A major part of this lower level of expenditures reflects a conscious effort to slow programme spending. At mid-year, the United States dollar reached its highest value. At that time, UNICEF took measures to slow spending when the revised estimates showed income to be substantially less than the financial medium-term plan. Since the plan results for 1991 were higher than the mid-year estimates, 1992 programme spending has now been accelerated.

292. Budget expenditures for 1991 were \$167 million. This represents savings of \$7 million compared to the financial medium-term plan. Budget expenditures for the 1990-1991 biennium are \$320 million, \$7 million less than the approved revised estimates.

293. Supplementary fund programme expenditures for the year were \$273 million. This was \$17 million less than the medium-term plan estimate.

294. Total expenditures in 1991 were \$755 million, \$91 million less than the medium-term plan amount.

Cash balances

295. In addition to income and expenditures, movements in non-cash assets and liabilities on the balance sheet also affect year-end cash balances. Increases in assets reduce cash balances; increases in liabilities increase cash balances.

296. Contributions receivable are the largest non-cash asset on the UNICEF balance sheet. General resources contributions receivable decreased by \$38 million in 1991. Supplementary funds contributions receivable increased by \$71 million.

297. Contributions for following years received in advance is the largest liability on the UNICEF balance sheet. For general resources, this account increased by \$4 million in 1991. For supplementary funds, the balance in this account increased by \$64 million.

298. The net effect on general resources cash balances of all changes in non-cash assets and liabilities was to increase cash by \$48 million. For supplementary funds, the net effect on cash balances of all changes in non-cash assets and liabilities was to decrease cash by \$5 million.

299. The ending 1991 general resources cash balance was \$274 million. This was \$81 million greater than the plan. The general resources cash balance consists of convertible currencies (\$249 million) and non-convertible currencies (\$25 million). The 1991 supplementary funds cash balance was \$107 million, \$25 million more than the medium-term plan. The total cash balance, excluding funds-in-trust, was \$381 million. This was \$106 million more than the level forecast in the medium-term plan.

300. Although at first glance the general resources convertible cash balance appears to exceed the current liquidity requirement by \$198 million, certain items should be noted. UNICEF is grateful that two major government donors paid their 1992 contributions to general resources before year-end 1991. Since these two contributions amounting to \$57 million dollars are for 1992, the cash cannot be considered surplus as of the end of 1991. Of the remaining cash balance, \$20 million has been earmarked for the purchase of office and staff accommodation in the field as part of the Executive Board-approved capital asset fund. Also, \$4 million of the cash balance represents UNICEF and staff contributions to the medical insurance fund. After all these items are taken into consideration, the available general resources convertible balance is \$168 million, \$117 million more than the minimum liquidity requirement of \$51 million.

E. Financial plan for 1992-1995

Income projections for 1992-1995

301. At the request of 1991 Executive Board (E/ICEF/1991/15, decision 1991/30), UNICEF has prepared a document describing the procedures used to arrive at the income projections shown in the financial medium-term plan. This information is contained in document E/ICEF/1992/AB/L.13.

302. Income projections from various sources are shown in table 5 below. These projections are set for planning purposes and do not imply a commitment on the part of individual donors as all contributions to UNICEF are voluntary. They are in United States dollars using the March 1992 United Nations rates of exchange.

303. Table 5 shows the yearly projections of income for the period 1993-1995 as a range. The lower end of the range represents a moderate income growth projection. UNICEF uses this projection for determining the programme and budget expenditure levels presented in the medium-term plan. The higher end of the range represents the target level for UNICEF fund-raising efforts. Should UNICEF achieve the higher levels of income, the programme spending levels contained in the medium-term plan would increase. Since the medium-term plan uses the lower end of the range to determine spending levels, these are the income projections that appear in all the remaining tables and text in the present document.

304. The financial plan forecasts total income for 1992 of \$830 million, 2.9 per cent more than in 1991. The plan forecasts that total income will exceed \$1 billion by 1995 using an average annual growth rate of 6 per cent over the medium-term plan period. UNICEF actual average annual growth for the five years preceding the plan was 13 per cent.

Table 5. UNICEF income projections
(In millions of United States dollars)

	Average % last 5 years	Actual		Plan						
		1990	1991	1992	1993		1994		1995	
					a/	b/	a/	b/	a/	b/
<u>General resources</u>										
Government		398	397	412	435 - 450	459 - 486	484 - 525			
Non-governmental sources		27	18	25	27 - 30	30 - 33	32 - 35			
GCO		90	70	83	95 - 102	100 - 108	106 - 114			
Interest income		28	20	20	15 - 16	14 - 15	14 - 15			
Other income		-12	1	-22	5 - 5	5 - 5	5 - 5			
Total, General resources		<u>531</u>	<u>506</u>	<u>518</u>	<u>577 - 603</u>	<u>608 - 647</u>	<u>641 - 694</u>			
Growth	12	<u>27%</u>	<u>-6%</u>	<u>2%</u>	<u>11% - 16%</u>	<u>5% - 7%</u>	<u>5% - 7%</u>			
<u>Supplementary funds</u>										
(a) Programmes										
Governments		160	87	127	163 - 163	185 - 189	208 - 220			
Non-government sources		61	82	90	95 - 97	100 - 102	105 - 107			
United Nations		4	3	5	5 - 6	5 - 6	5 - 6			
Other income		8	-7	0	0 - 0	0 - 0	0 - 0			
Subtotal		<u>233</u>	<u>165</u>	<u>232</u>	<u>263 - 266</u>	<u>290 - 297</u>	<u>318 - 333</u>			
Growth	10	<u>22%</u>	<u>-28%</u>	<u>4%</u>	<u>13% - 15%</u>	<u>10% - 12%</u>	<u>10% - 12%</u>			
(b) Emergencies										
Governments		40	95	60	51 - 54	47 - 53	44 - 49			
Non-government sources		11	33	15	14 - 15	13 - 14	12 - 13			
United Nations		6	8	5	5 - 6	5 - 6	4 - 5			
Subtotal		<u>57</u>	<u>136</u>	<u>80</u>	<u>70 - 75</u>	<u>65 - 73</u>	<u>60 - 67</u>			
Growth (%)	42	<u>22%</u>	<u>139%</u>	<u>-41%</u>	<u>-13% - -6%</u>	<u>-7% - -7%</u>	<u>-8% - -8%</u>			
Total, Supplementary funds		<u>290</u>	<u>301</u>	<u>312</u>	<u>333 - 341</u>	<u>355 - 370</u>	<u>378 - 400</u>			
Growth (%)	15	<u>17%</u>	<u>6%</u>	<u>4%</u>	<u>7% - 9%</u>	<u>7% - 9%</u>	<u>6% - 8%</u>			
Total income		<u>821</u>	<u>807</u>	<u>830</u>	<u>910 - 944</u>	<u>963 - 1 017</u>	<u>1 019 - 1 094</u>			
Growth (%)	13	<u>23%</u>	<u>-2%</u>	<u>3%</u>	<u>10% - 14%</u>	<u>6% - 8%</u>	<u>6% - 8%</u>			

a/ These moderate income projections are used as the basis for determining programme and budget expenditure levels in the medium-term plan.

b/ These higher income levels are presented here as a target for UNICEF fund-raising efforts. Should these levels of income be achieved, the programme expenditure levels contained in the medium-term plan would increase.

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General resources income

305. The financial plan forecasts total general resources income to be \$518 million in 1992, an increase of 2.4 per cent over 1991. For the period 1992-1995, total general resources income is forecast to increase at an average annual rate of 7.4 per cent, reaching \$641 million in 1995. The percentage increases are somewhat distorted by the extraordinary loss in other income that will occur in 1992 owing to the devaluation of the rouble. Excluding the effect of the devaluation, general resources income is forecast to increase to 4.8 per cent in 1992 and then to increase at an average annual growth rate of 5.6 per cent.

306. The various sources of general resources income are shown in table 5. The breakdown is as follows:

(a) Government contributions. Based on the results of the November 1991 Pledging Conference, additional pledges and latest expectations, the financial plan forecasts government contributions to be \$412 million in 1992. For the period 1993-1995, the financial plan forecasts an average annual growth of 5.5 per cent;

(b) Non-governmental contributions. The financial plan forecasts that non-governmental contributions will be \$25 million in 1992 and then increase by about \$2 million a year;

(c) GCO. The projections are a reflection of the current GCO work plan adjusted for the effects of the timing difference between GCO and UNICEF fiscal years. Details of the GCO work plan are given in document E/ICEF/1992/AB/L.6. Net GCO income includes income from the sale of GCO products, private sector fund-raising and special fund-raising events and new initiatives. The financial plan forecasts that UNICEF will record income from GCO of \$83 million in 1992 and that income from GCO will increase to \$106 million by 1995;

(d) Interest income. UNICEF will earn less interest as cash balances decrease. Therefore, the financial plan projects that interest income will be \$20 million in 1992 and then decline to \$14 million by 1995;

(e) Other income. Other income consists of gains/losses due to exchange rate movements and other miscellaneous items. The United Nations exchange rate for the rouble was devalued in March 1992. As a result, there will be a \$27 million charge to other income as cash holdings and contributions receivable in roubles are revalued at the lower rate. Although the devaluation of the rouble has an impact on UNICEF financial statements, the devaluation will have almost no effect on planned programme spending levels. Previous financial medium-term plans assumed that most expenditures would be made from UNICEF convertible cash resources. As a result of this assumption, the devaluation of the rouble will have a minimal effect on planned UNICEF operations. Other miscellaneous income items are forecast to be \$5 million a year throughout the plan period.

Supplementary funds income

307. UNICEF receives contributions for supplementary funds for programmes as well as for emergency relief. Table 5 shows forecasts of these contributions separately. As noted earlier, 1991 saw a large shift in contributions from supplementary-funded programmes to emergency relief. Recognizing 1991 as an extraordinary year for emergency appeals, the financial medium-term plan assumes a trend towards the more traditional balance between emergency and non-emergency contributions. As a result, the financial plan forecasts a decrease in contributions to emergencies with a corresponding increase in contributions to non-emergency programmes. The financial plan forecasts non-emergency contributions for 1992 of \$232 million. For the years 1993-1995, non-emergency contributions are projected to increase at an average annual rate of 11.1 per cent, reaching \$318 million in 1995. The financial plan assumes contributions for emergencies of \$80 million for 1992, declining to \$60 million by 1995. The rate of growth for total supplementary funds income from 1991-1995 is 5.9 per cent, about the same as forecast in last year's plan.

Liquidity

308. To meet liquidity requirements, UNICEF liquidity policy recommends that the general resources convertible cash balance should equal 10 per cent of projected general resources income. Last year's financial plan set planned programme expenditures at a level to reduce the general resources convertible cash balance to the 10 per cent level by the end of 1994. This year's financial plan sets planned general resources expenditures at an amount that will reduce the general resources convertible cash balance to 12 per cent of projected general resources income at the end of 1994 and to the required 10 per cent level at the end of 1995.

309. Supplementary funds cash balances are forecast to increase from the 1991 year-end balance of \$107 million to \$124 million by the end of 1994.

Projected programme expenditures

310. At the beginning of 1991 there was an unspent balance of approved general resources programme commitments of \$796 million planned for implementation from 1992 through 1995.

311. General resources programmes proposed to the 1992 Executive Board amount to \$418 million. These programme recommendations are summarized in the programme "round up" document (E/ICEF/1992/P/L.2 and Add.1).

312. The plan provides for the preparation of \$400 million of general resources programme proposals for the approval of the 1993 Executive Board. This is the amount that present income projections and liquidity requirements would make possible. If future information about projected income shows levels different from the plan, the scale of programme preparation will be adjusted accordingly.

313. The 1992-1995 level of planned expenditure is in line with the goal of maximizing programme expenditures while maintaining general resources liquidity. The estimated yearly phasing of expenditures on approved, new and future programme recommendations is shown in table 6 below.

314. Consistent with the strategy of reducing the general resources cash balance, the financial plan proposes a large increase in programme expenditures for 1992. The plan proposes general resources programme expenditures of \$414 million in 1992, 30.2 per cent higher than in 1991. Additional, but more modest, increases will bring general resources programme expenditures to \$415 million in 1993, \$424 million in 1994 and \$434 million in 1995. The average annual increase in general resources programme expenditures over the medium-term plan is 8.1 per cent.

315. Expenditures on a supplementary funds programme begin after a donor pledges its financial support to that programme. When UNICEF receives pledges or contributions for supplementary funds, normally the entire amount is immediately recognized as income, although actual spending on the programme may occur over several years. As a result, estimated supplementary funds expenditures for a year cannot be equated with supplementary funds income of that year. The unspent balance of programme cooperation from supplementary funds was \$450 million at the end of 1991. The financial plan uses projected implementation of the unspent balance and estimated future contributions as the basis to forecast expenditures for 1992-1995.

316. The financial plan forecasts supplementary funds programme expenditures to be \$297 million in 1992. A projected average annual increase of 6.5 per cent will bring supplementary funds programme expenditure to \$359 million by 1995.

317. Total programme spending from 1991 to 1995 is forecast to grow at an average 7.6 per cent annually, reaching \$793 million by 1995. However, actual spending will depend on achieving the levels of contributions expected in the present plan.

Table 6. General resources: yearly phasing of estimated expenditure

(In millions of United States dollars)

	1992	1993	1994	1995	Beyond 1995	Total recommendations
<u>Programme recommendations</u>						
1. Unspent balances approved in prior years	330	224	145	91	6	796
2. Submitted to 1992 Executive Board	<u>84</u>	<u>121</u>	<u>93</u>	<u>59</u>	<u>61</u>	<u>418</u>
3. Subtotal a/	<u>414</u>	<u>345</u>	<u>238</u>	<u>150</u>	<u>67</u>	<u>1 214</u>
4. To be prepared for 1993 Executive Board		35	120	120	125	400
5. To be prepared for 1994 and future Executive Board sessions			30	114		
6. For future allocation	<u>0</u>	<u>35</u>	<u>36</u>	<u>50</u>		
7. Planned programme expenditures	<u>414</u>	<u>415</u>	<u>424</u>	<u>434</u>		
<u>Budget recommendations</u>						
8. Approved at 1991 Executive Board	194	197				391
9. To be submitted to 1993 Executive Board	<u>-1</u>	<u>3</u>	<u>207</u>	<u>216</u>		425
10. Planned budget expenditures	<u>193</u>	<u>200</u>	<u>207</u>	<u>216</u>		
<u>Other items</u>						
11. Supply warehouse recovery	-8	-8	-8	-8		
12. Write-offs and miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
13. Total expenditures	<u>599</u>	<u>607</u>	<u>623</u>	<u>642</u>		

a/ For programme descriptions, see table 3 in document E/ICEF/1992/P/L.2/Add.1.

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Projected budget expenditures

318. The approved 1992-1993 budget will be maintained, with full utilization of the reserves for mandatory increases. However, a supplementary budget estimated at approximately \$2.5 million will be sought for one-time installation costs, which is dependent on the Executive Board decision on the headquarters office accommodation issue.

319. The proposed administrative and programme support budget for 1994-1995 is expected to maintain an expenditure level within a realistic income scenario of a 7.4 per cent growth (1992-1995) in general resources income from all sources, consisting mainly of a 5.5 per cent growth for the same period in general resources income from Governments.

320. Owing to the limited increase in general resources income, the proposed budget will be restricted mainly to mandatory increases, except for the planned establishment of offices in Eritrea and South Africa. The country office in Cambodia, currently financed from project funds, will be converted to the core budget through the redeployment of posts within existing offices in Asia. The other growth areas of the administrative and programme support budget will have to be either met by the redeployment of resources from other areas in the budget or restricted to mandatory increases.

321. The continuation of capacity-building in the field, the establishment of a core presence in the above-mentioned countries and the application of the proposed criteria of core versus project posts indicate the need for a net increase of six core posts. The net increase involves an additional 34 core posts for the field and a reduction of 28 posts at headquarters.

322. With regard to general operating costs for the 1994-1995 biennial budget, a global inflation rate of 4 per cent per annum is anticipated over the 1993 revised year. Other additional items may be considered; however, the full impact of additional items will have to be reviewed in detail by the Budget Planning and Review Committee during the budget preparation process. The budget estimates will take into account the impact of the proposal being submitted to the 1992 session of the Executive Board on applying the 6 per cent recovery to emergency programmes (see E/ICEF/1992/AB/L.8).

323. As in previous budget exercises, the objective is to balance programme and budgetary expenditure within a realistic income scenario to ensure adequate future liquidity provisions and an average annual growth rate for general resources programme expenditure that outpaces the growth of the administrative budget. Based on current calculations, the 1994-1995 projected biennial budget of approximately \$423 million reflects a slight increase of 7.5 per cent over the revised 1992-1993 biennial budget, subject to the in-depth review to be carried out in the latter part of 1992. For the period 1992-1995, the net administrative and programme support budget is estimated to have an average annual growth rate of 7.9 per cent compared to general resources programme expenditure that will have an average growth rate of approximately 8.7 per cent. Despite the projected increase in the 1994-1995 budget, the budget overhead ratio will be maintained.

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Assets and liabilities

324. As explained in paragraph 295 above, movements in non-cash assets and liabilities are also a factor in determining UNICEF year-end cash balance. Line 4 in tables 7, 8 and 9 shows the effect of these movements. The following paragraphs describe some of the movements forecasted in non-cash assets and liabilities included in these lines.

325. For the period 1992-1995, general resources and supplementary funds contributions receivable are forecast to increase as a result of the increased level of pledges.

326. Inventories consist of the Supply Division inventory and some GCO stock. The Supply Division uses inventory to meet the requirements for standard supply and equipment items for UNICEF programmes, as well as for procurement services, particularly essential drugs. In 1991, inventories totalled \$41 million. The financial medium-term plan assumes inventories will remain at about this level throughout the plan period.

327. At its 1990 regular session, the Executive Board approved a capital asset fund to be used for field office accommodation and staff housing (E/ICEF/1990/13, decision 1990/26). At the end of 1991, \$20 million remained to be spent from the fund. Planned expenditure from this fund is \$5 million in 1992, \$7 million in 1993, \$4 million in 1994 and \$2 million in 1995.

Table 7. UNICEF financial plans: summary (general resources and supplementary funds)

(In millions of United States dollars)

	Actual		Plan			
	1990	1991	1992	1993	1994	1995
1. Income	821	807	830	910	963	1 019
Growth (%)	23%	-2%	3%	10%	6%	6%
2. Expenditures						
(a) Country programmes <u>a/</u>	507	518	621	636	666	698
Global programmes - HQ	16	22	23	23	23	23
Global programmes - field	<u>62</u>	<u>51</u>	<u>67</u>	<u>72</u>	<u>72</u>	<u>72</u>
Total programmes	<u>585</u>	<u>591</u>	<u>711</u>	<u>731</u>	<u>761</u>	<u>793</u>
Growth (%)	17%	1%	20%	3%	4%	4%
(b) Budget expenditure	153	167	193	200	207	216
Supply warehouse recovery	<u>-4</u>	<u>-6</u>	<u>-8</u>	<u>-8</u>	<u>-8</u>	<u>-8</u>
Budget less recovery	<u>149</u>	<u>161</u>	<u>185</u>	<u>192</u>	<u>199</u>	<u>208</u>
Growth (%)	16%	8%	15%	4%	4%	5%
(c) Write-offs and miscellaneous	<u>5</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>739</u>	<u>755</u>	<u>896</u>	<u>923</u>	<u>960</u>	<u>1 001</u>
Growth (%)	17%	2%	19%	3%	4%	4%
3. Income less expenditures	82	52	-66	-13	3	18
4. Movements non-cash assets/liabilities	-75	43	-75	-19	-16	-15
5. Year-end cash balance						
(a) Convertible currencies	260	356	234	202	189	192
(b) Non-convertible currencies	<u>26</u>	<u>25</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total cash balance	<u>286</u>	<u>381</u>	<u>240</u>	<u>208</u>	<u>195</u>	<u>198</u>

a/ Includes regional and subregional programmes.

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Table 8. UNICEF financial plans: general resources

(In millions of United States dollars)

	<u>Actual</u>		<u>Plan</u>			
	1990	1991	1992	1993	1994	1995
1. Income	531	506	518	577	608	641
Growth (%)	26%	-5%	2%	11%	5%	5%
2. Expenditures						
(a) Country programmes	281	273	354	355	364	374
Global programmes - HQ	15	21	22	22	22	22
Global programmes - field	<u>24</u>	<u>24</u>	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>
Total programmes	<u>320</u>	<u>318</u>	<u>414</u>	<u>415</u>	<u>424</u>	<u>434</u>
Growth (%)	27%	-1%	30%	0%	2%	2%
(b) Budget expenditure	153	167	193	200	207	216
Supply warehouse recovery	<u>-4</u>	<u>-6</u>	<u>-8</u>	<u>-8</u>	<u>-8</u>	<u>-8</u>
Budget less recovery	<u>149</u>	<u>161</u>	<u>185</u>	<u>192</u>	<u>199</u>	<u>208</u>
Growth (%)	16%	8%	15%	4%	4%	5%
(c) Write-offs and miscellaneous	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>470</u>	<u>480</u>	<u>599</u>	<u>607</u>	<u>623</u>	<u>642</u>
Growth (%)	24%	2%	25%	1%	3%	3%
3. Income less expenditures	61	26	-81	-30	-15	-1
4. Movements non-cash assets/liabilities	-29	48	-53	-9	-6	-5
5. Year-end cash balance						
(a) Convertible currencies	174	249	134	95	74	68
(b) Non-convertible currencies	<u>26</u>	<u>25</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total cash balance	<u>200</u>	<u>274</u>	<u>140</u>	<u>101</u>	<u>80</u>	<u>74</u>
Liquidity requirement compared to year-end cash balance:						
(a) Minimum liquidity requirement	51	52	58	61	64	68
(b) Convertible currencies year-end cash balance	174	249	134	95	74	68

Table 9. UNICEF financial plans: supplementary funds

(In millions of United States dollars)

	<u>Actual</u>		<u>Plan</u>			
	1990	1991	1992	1993	1994	1995
1. Income	290	301	312	333	355	378
Growth (%)	19%	4%	4%	7%	7%	6%
2. Expenditures						
(a) Country programmes	226	245	267	281	302	324
Global programmes - HQ	1	1	1	1	1	1
Global programmes - Field	<u>38</u>	<u>27</u>	<u>29</u>	<u>34</u>	<u>34</u>	<u>34</u>
Total programmes	<u>265</u>	<u>273</u>	<u>297</u>	<u>316</u>	<u>337</u>	<u>359</u>
Growth (%)	6%	3%	9%	6%	7%	7%
(b) Write-offs and miscellaneous	<u>4</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>269</u>	<u>275</u>	<u>297</u>	<u>316</u>	<u>337</u>	<u>359</u>
Growth (%)	6%	2%	8%	6%	7%	7%
3. Income less expenditures	21	26	15	17	18	19
4. Movements non-cash assets/liabilities	-46	-5	-22	-10	-10	-10
5. Year-end cash balance						
(a) Convertible currencies	86	107	100	107	115	124
(b) Non-convertible currencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total cash balance	<u>86</u>	<u>107</u>	<u>100</u>	<u>107</u>	<u>115</u>	<u>124</u>

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328. Contributions for following years received in advance is the largest liability on the UNICEF balance sheet. For general resources, this account contained \$57 million at the end of 1991. Although UNICEF welcomes pledges paid in advance, the financial medium-term plan makes the conservative assumption that future pledges to general resources will not be paid in advance. To do otherwise could overestimate the forecast of the general resources year-end cash balance. As a result, the balance in this account is assumed to be zero at the end of 1992.

329. All the above items - income, expenditure and liquidity - are summarized in table 7, with a breakdown of general resources in table 8 and supplementary funds in table 9. Figures II to V show actual and forecasted financial information by source of fund and in total for the period 1986-1995. Figure VI shows the elements of UNICEF actual and planned expenditures for the same period.

Figure II

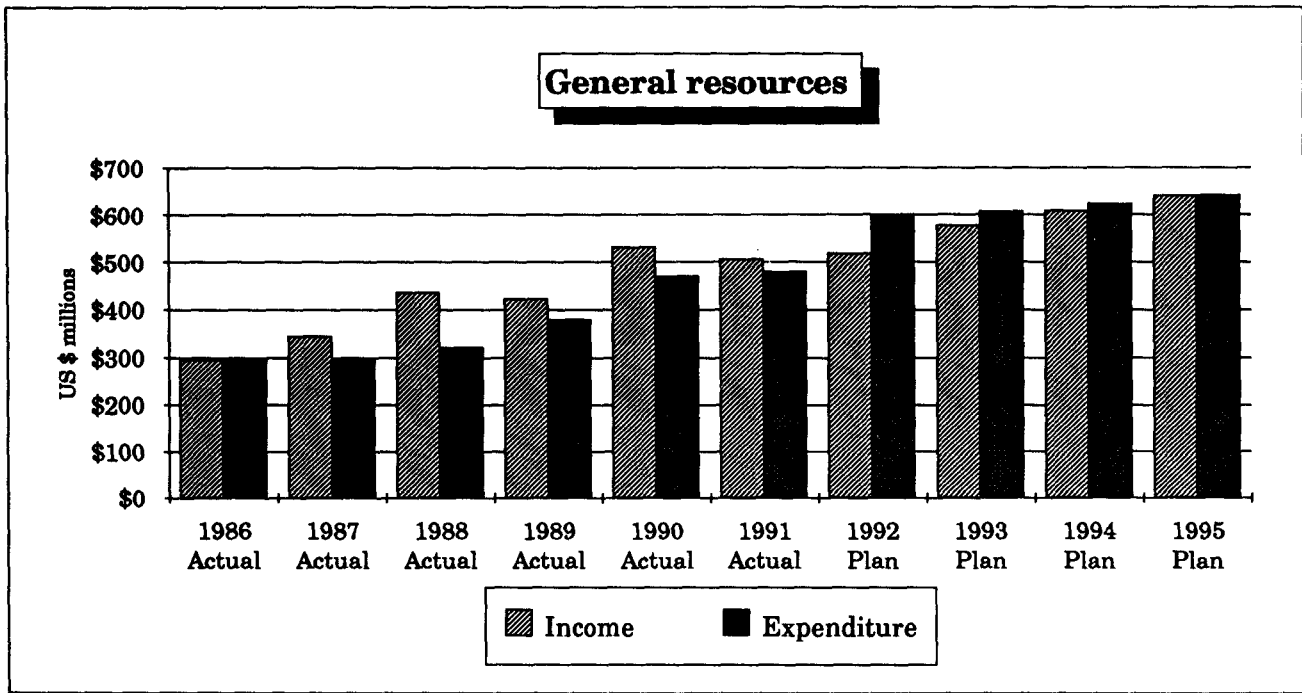


Figure III

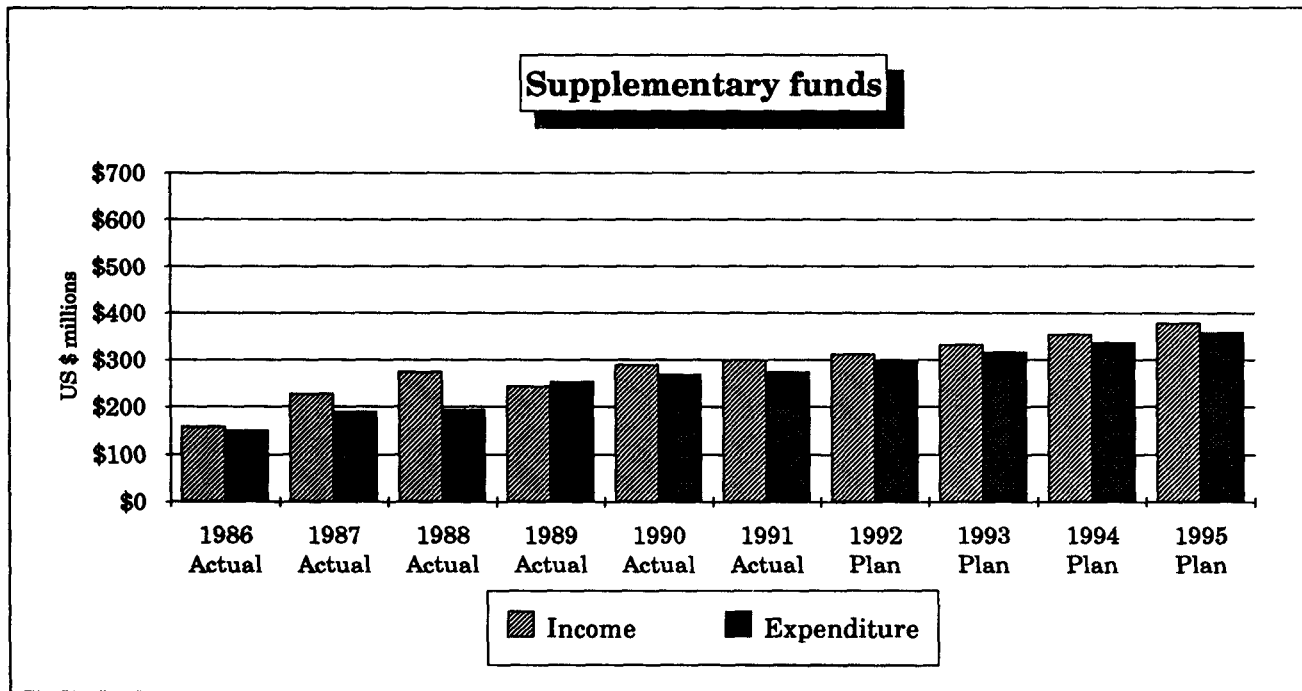


Figure IV

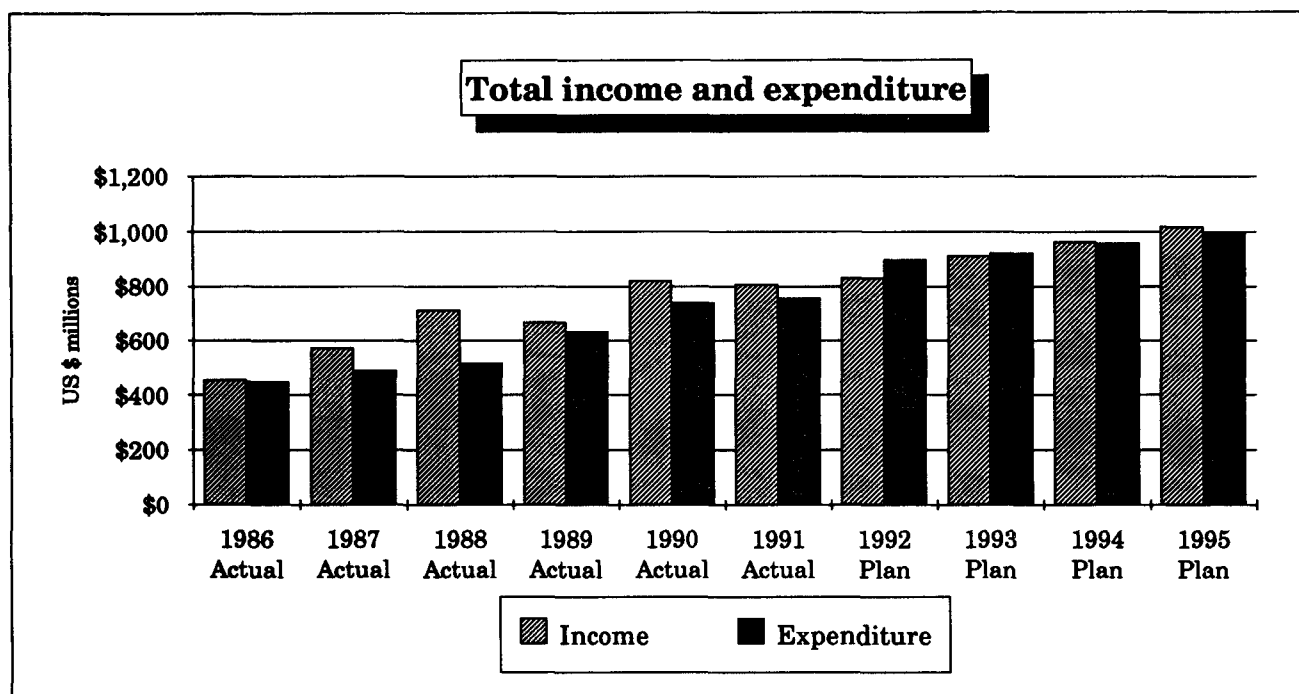


Figure V

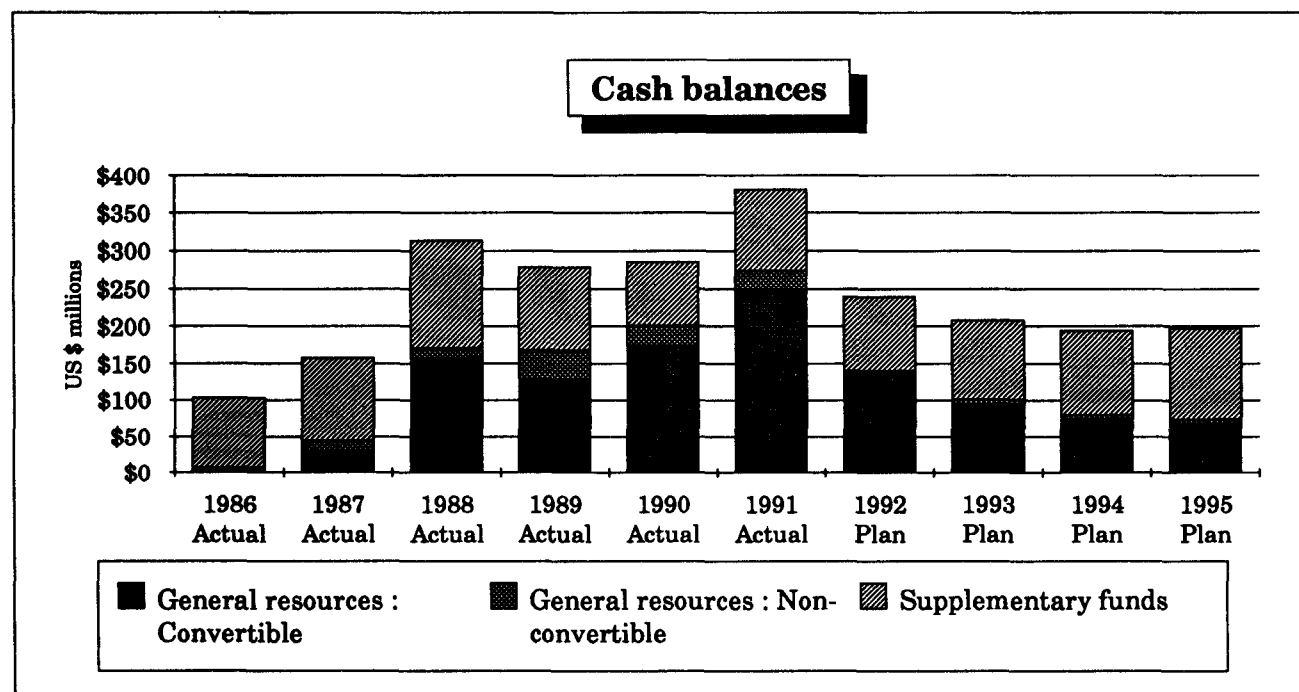
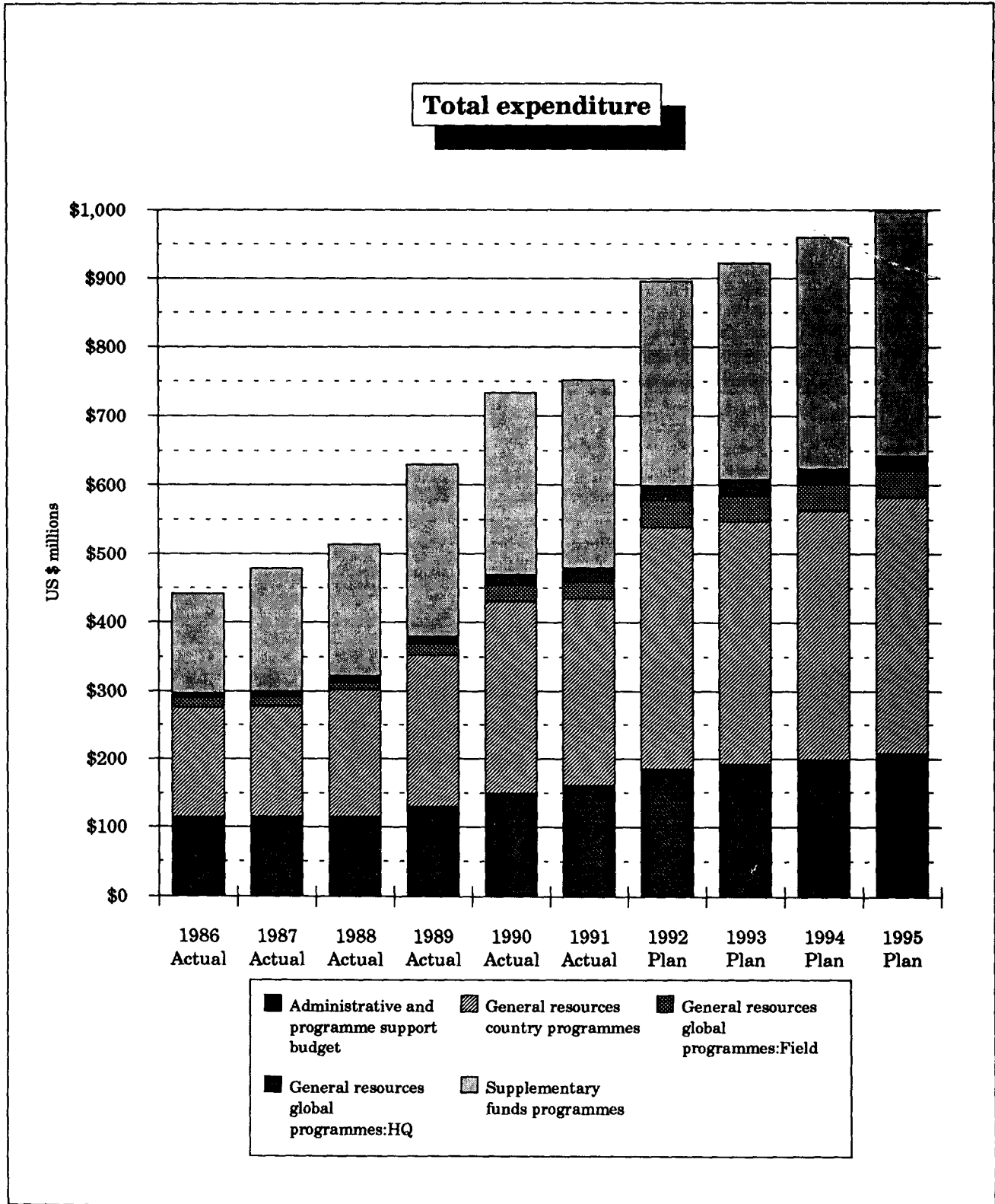


Figure VI



F. Recommendation

330. The Executive Director recommends that the Executive Board:

1. Endorse the programme objectives for the organization as described in the present document;

2. Approve the medium-term plan as a framework of projections for 1992-1995 (summarized in table 7), including the preparation of up to \$400 million in programme expenditures from general resources to be submitted to the 1993 Executive Board (shown in table 6, item 4). The amount is subject to the availability of resources and to the condition that estimates of income and expenditure made in the present plan continue to be valid.

Annex

GOALS FOR CHILDREN AND DEVELOPMENT IN THE 1990s

The following goals, endorsed by the World Summit for Children in 1990, were formulated through extensive consultation in various international forums attended by virtually all Governments, the relevant United Nations agencies including WHO, UNICEF, UNFPA, UNESCO, UNDP and the World Bank, and a large number of non-governmental organizations. These goals are recommended for implementation by all countries where they are applicable, with appropriate adaptation to the specific situation of each country in terms of phasing, standards, priorities and availability of resources, with respect for cultural, religious and social traditions. Additional goals that are particularly relevant to a country's specific situation should be added in its national plan of action. Achievement of these goals is essential to full implementation of the Convention on the Rights of the Child, which is the ultimate objective of programmes for children and development.

I. MAJOR GOALS FOR CHILD SURVIVAL, DEVELOPMENT AND PROTECTION

- Between 1990 and the year 2000, reduction of infant and under-5 child mortality rate by one third or to 50 and 70 per 1,000 live births respectively, whichever is less.
- Between 1990 and the year 2000, reduction of maternal mortality rate by half.
- Between 1990 and the year 2000, reduction of severe and moderate malnutrition among under-5 children by half.
- Universal access to safe drinking water and to sanitary means of excreta disposal.
- By the year 2000, universal access to basic education and completion of primary education by at least 80 per cent of primary-school-age children.
- Reduction of the adult illiteracy rate (the appropriate age group to be determined in each country) to at least half its 1990 level with emphasis on female literacy.
- Improved protection of children in especially difficult circumstances.

II. SUPPORTING/SECTORAL GOALS

1. Women's health and education

- Special attention to the health and nutrition of the female child, and pregnant and lactating women.

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- Access by all couples to information and services to prevent pregnancies which are too early, too closely spaced, too late or too many.
- Access by all pregnant women to prenatal care, trained attendants during childbirth and referral facilities for high-risk pregnancies and obstetric emergencies.
- Universal access to primary education with special emphasis for girls, and accelerated literacy programmes for women.

2. Nutrition

- Reduction in severe as well as moderate malnutrition among under-5 children by half of 1990 levels.
- Reduction of the rate of low birth weight (less than 2.5 kg) to less than 10 per cent.
- Reduction of iron deficiency anaemia in women by one third of 1990 levels.
- Virtual elimination of iodine deficiency disorders.
- Virtual elimination of vitamin A deficiency and its consequences, including blindness.
- Empowerment of all women to breast-feed their child for four to six months exclusively and to continue breast-feeding with complementary food well into the second year.
- Growth promotion and its regular monitoring to be institutionalized in all countries by the end of the 1990s.
- Dissemination of knowledge and supporting services to increase food production to ensure household food security.

3. Child health

- Global eradication of poliomyelitis by the year 2000.
- Elimination of neonatal tetanus by 1995.
- Reduction by 95 per cent in measles deaths and reduction by 90 per cent of measles cases compared to pre-immunization levels by 1995, as a major step to the global eradication of measles in the longer run.
- Maintenance of a high level of immunization coverage (at least 90 per cent of children under one year of age by the year 2000) against diphtheria, pertussis, tetanus, measles, poliomyelitis, tuberculosis and against tetanus for women of child-bearing age.

- Reduction by 50 per cent in the deaths due to diarrhoea in children under the age of five years; and 25 per cent reduction in the diarrhoea incidence rate.
- Reduction by one third in the deaths due to acute respiratory infections in children under five years.

4. Water and sanitation

- Universal access to safe drinking water.
- Universal access to sanitary means of excreta disposal.
- Elimination of guinea-worm disease (dracunculiasis) by the year 2000.

5. Basic education

- Expansion of early childhood development activities including appropriate low-cost family and community based interventions.
- Universal access to basic education, and achievement of primary education by at least 80 per cent of primary-school-age children through formal schooling or non-formal education of comparable learning standard, with emphasis on reducing the current disparities between boys and girls.
- Reduction of the adult illiteracy rate (the appropriate age group to be determined in each country) to at least half its 1990 level, with emphasis on female literacy.
- Increased acquisition by individuals and families of the knowledge, skills and values required for better living, made available through all educational channels, including the mass media, other forms of modern and traditional communication, and social action, with effectiveness measured in terms of behavioural change.

6. Children in difficult circumstances

- Provide improved protection of children in especially difficult circumstances and tackle the root causes leading to such situations.

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