Draft Statement – Item 10: Road Map to an integrated Budget / Cost Recovery

Allow me to make brief remarks on behalf of Australia, Finland, France, Germany, the Netherlands, Switzerland, the United Kingdom, the United States and my delegation Canada.

We would like to commend UNICEF for the joint document E/ICEF/2013/8, proposing a revised cost recovery framework, methodology and rates. We particularly welcome the remarkable level of collaboration among all agencies involved in this process, UNDP, UNFPA, UNW and UNICEF, and express our appreciation for the efforts demonstrated by all agencies to make the underlying analysis and figures clearer and comparable.

We appreciate that this joint document is aligned with the QCPR. We also appreciate that the harmonized methodology, and proposed harmonized rate are based on the common and non-ambiguous cost classification category approved by the 3 Boards. It provides encouragement to the UN family for more collaborative work on the ground, including for joint programming, and Delivering As One.

We believe that the framework of differentiated rates, lays the ground for incentivizing other significant resources that are aligned to strategic plans, like thematic and pooled funding, and other good practices that contribute to reducing fragmentation, fostering coherence and minimizing transaction costs.

We also appreciate the transitional arrangements for and careful monitoring of the implementation of the new methodology to allow UNICEF, together with the other F&Ps and the Executive Boards to adjust it, as we collectively learn from its benefits and unforeseen limitations. We therefore welcome the elements of the decision requesting a comprehensive assessment in the context of respective midterm reviews, with a view to maximising UNICEF’s efficiency and effectiveness, and reducing operational costs.

Taken together, those elements have enabled the four Boards to draft a robust decision last week, using an innovative and successful joint facilitation approach. This approach allowed for a genuine cross-the Boards thinking exercise. We have also enjoyed the constructive negotiation spirit and openness shown by delegations involved in its
drafting. We would like to thank the four facilitators who broke new ground with this first ever joint facilitation, and spared no effort to enable us to reach a decision.

We believe that this decision (under item 10), now before UNICEF Executive Board, takes us in the right direction of full cost recovery and proportionality. It also increases transparency and efficiency in the management of funding for operational activities.

We therefore look forward to the diligent adoption of the draft decision by UNICEF Executive Board. We will also work towards the same straightforward adoption by UN-Women Executive Board, to ensure that all agencies prepare their integrated budgets in a consistent and timely manner.

Thank you.