Statement of Mr. Gérard Bocquenet  
Director, Private Fundraising and Partnerships Division  
2nd Regular Session of the UNICEF Executive Board  
10 September 2014

1. Mr. President, distinguished delegates, and colleagues, I am pleased to present the Private Fundraising and Partnerships Division’s Financial Report for the year ending 31 December 2013. The Board document reference number for this report is E/ICEF/2014/AB/L.6.

SLIDE: Presentation Outline

2. Following my remarks regarding the financial results of the Private Fundraising and Partnerships Division (PFP) for 2013, I will update the Executive Board on two key initiatives to improve results related to the private sector: first, the expansion of investment funds to grow regular resources in line with targets in the UNICEF 2014-2017 Private Fundraising and Partnerships Plan, and second, continued efforts to increase the efficiency and effectiveness of PFP operations.

SLIDE: UNICEF Private Sector Operations Network

3. As the Board is aware, revenue from individuals and corporations is generated through the fundraising and sales activities of UNICEF’s 36 National Committees and, in 2013, 50 country offices (25 country offices with structured private sector operations).

4. At the global level, the Division of Private Fundraising and Partnerships provides strategic guidance and support to National Committees and
country offices in all private sector fundraising and partnerships activities, in cooperation with regional offices and other headquarters divisions.

**SLIDE: Performance in 2013**

5. I am pleased to report that UNICEF surpassed its total private sector revenue target for 2013. Regular resources and other resources revenue amounted to $1.26 billion, representing the highest ever private sector revenue for UNICEF and $224 million more than in 2012.

6. Within this overall figure, total regular resources revenue in 2013 increased by $6 million to $588 million.

7. We saw an increase of 4 per cent to $514 million in private sector fundraising contributions to regular resources in 2013. This strong performance was primarily due to the return on investments made to expand regular monthly (pledge) giving over the past few years. Half a million new pledge donors were recruited, increasing the total number of UNICEF pledge donors by 14 per cent to 3.6 million by the end of 2013.

8. The gross proceeds from the cards and products business of $70 million was 14 per cent lower in 2013 than in 2012. This was due to the discontinuation of sales of UNICEF-sourced cards and products in 14 countries following the decision to phase out the in-house cards and products operations.

9. Other resources contributions rose by 47 per cent, from $459 million in 2012 to $677 million in 2013. Of this amount, other resources for regular programmes increased by 28 per cent to $482 million. Other resources for
emergencies reached $195 million, primarily due to the remarkable private
sector response to the Typhoon Haiyan emergency in the Philippines.

10. PFP continued to closely monitor expenditures during the year, in order to
identify opportunities for savings and the more efficient management of
resources entrusted to us. The measures taken in 2013 resulted in savings
of $8 million in PFP indirect expenses and $10 million in PFP sales direct
expenses. Some of the savings were reinvested in growing future income –
a total of $41.2 million was allocated to National Committees and country
offices through investment funds, which was $3.8 million more than
budgeted.

11. Mr. President, this concludes the 2013 financial report for the Private
Fundraising and Partnerships Division. I will now turn to updating the
Board on the two key initiatives that I mentioned earlier.

SLIDE: Private Fundraising and Partnerships Plan 2014-2017 Revenue targets –
on track

12. First, 2014 is the first year of implementation of the UNICEF Private
Fundraising and Partnerships Plan. The Plan has two goals: to maximize
contributions from the private sector for UNICEF programmes, and to
expand strategic engagement and advocacy with the private sector to
advance child rights.

13. Implementation of the key priorities of the Plan is on track, including the
continued investment in growing pledge giving as a key strategy for
increasing regular resources contributions from the private sector. UNICEF
is also actively expanding private sector engagement with a range of
stakeholders for child rights beyond fundraising, including corporations, governments and civil society.

SLIDE: Pledge contributions, 2009-2013

14. The strong performance in raising regular resources is largely due to investments in pledge fundraising and the development of new and innovative techniques to convert one-off donors to regular monthly or pledge givers, such as giving via SMS/text message. I am pleased to report that pledge contributions have grown by 61 per cent in the past five years despite challenging economic conditions in many countries. This is a clear indication of the effectiveness of pledge as a channel to raise regular resources revenue from the private sector.

15. At the same time, while the criteria for providing investment funds to National Committees are based on achieving a 3 to 1 return in three years, our analysis shows that investment fund returns are in fact higher. Let me give you some examples to illustrate the performance of investment funds. In 2013, $2.2 million invested in Spain to acquire pledge donors through SMS will deliver a return of $3.17 for every dollar invested. One million dollars invested in the United States to acquire pledge donors through digital fundraising is forecast to return $3.69 for each dollar invested. Similarly, $1.6 million invested in Brazil to acquire pledge donors through face to face fundraising is forecast to achieve a return of 3.0 to 1.

16. More information on this fundraising channel can be found in the first PFP Investment Funds Newsletter, which has been distributed on the PaperSmart portal for this Board session. We will continue to leverage the
robust performance of investment funds to deliver on the ambitious UNICEF Private Fundraising and Partnerships Plan targets.

SLIDE: Efficiency and Effectiveness

17. Mr. President, the second area I would like to highlight relates to continued efforts to increase efficiency and effectiveness. First, as the Executive Board is aware, PFP went through a comprehensive external review of the entire portfolio of PFP activities. In the past year, there has been a rigorous effort to align the Division’s structure and resources with the areas of highest return and in line with the 2014-2017 UNICEF Private Fundraising and Partnerships Plan. PFP moved to a more cost-efficient model for the cards and products business, a more integrated approach to private sector partnerships, and increased investments in pledge, digital, and country office fundraising as the most effective income channels. We continue to review all cost elements of our operations.

SLIDE: Thank you

18. Mr. President, this brings me to the end of the 2013 PFP Financial Report. In closing, I would like to express our sincere appreciation to all UNICEF National Committees and country offices and their individual donors worldwide, as well as our corporate and foundation partners, for their continued commitment and support for programmes to benefit the world’s most marginalized and disadvantaged children.

Thank you.