

**United States Remarks for the
UNICEF Executive Board Annual Session
June 1-4, 2021**

Item 13: Update on the World Bank instrument

The United States acknowledges declining voluntary contributions to regular resources resulted in a reduction in the private fundraising budget. UNICEF addressed the budget shortfall by entering into a financial arrangement with the World Bank for a pilot project for a \$50 million loan to UNICEF, to be repaid over 5 years with funds raised from private donors. UNICEF projects raising an additional \$450 million over 5 years in private sector contributions using the funds from the World Bank. The U.S notes the Executive Board stipulated that no regular resources may be used to repay the loan. The U.S supported UNICEF's request and the agreement was executed in March 2021.

The Board requested specific information be provided relating to financial performance, attainment of goals, corresponding costs and capacities annually beginning with the Annual Session 2021. The information provided in the report is responsive to the EB's request.

We note the disclosed costs of \$112,000 in issuance related fees and \$4,772,500 in interest over 5 years are line with the projected costs. The U.S. notes the 1.909% interest rate is below comparable capital market rates.

We appreciate the inclusion of a thorough risk analysis in the report.

The United States looks forward to the next report at the Annual Session 2022. The report should include an update on the remaining loan balance and projected timeline for full repayment.