

BRIDGE FUND

QUARTERLY ACTIVITY REPORT • JUNE 30, 2015



Vaccinator Nyakir Chol and health and nutrition specialist Paula Nuer give Akuol Akol Madeng her vaccine during the maternal and neonatal tetanus immunization campaign in South Sudan.

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Maternal and Neonatal Tetanus

Unnecessary deaths for mothers and babies

Since UNICEF launched its campaign to eliminate maternal and neonatal tetanus (MNT), significant progress has been made to ensure that women and children are protected against this painful and fatal disease. Yet the simple truth remains: thousands are still dying from MNT, which is easily preventable by a simple vaccine. The disease is caused by bacteria that live in soil, which leaves newborns vulnerable to infection as a result of unhygienic birth practices. Known as the “silent killer,” MNT occurs mostly in underserved areas with limited or no health infrastructure, among populations with low socioeconomic status and limited education level. There are currently 70 million women and their babies at risk from the disease in 22 countries in the developing world, many of whom live in Africa and Southern and East Asia.

Kiwanis International has partnered with UNICEF in The Eliminate Project, designed to eliminate MNT globally. It is estimated that tetanus steals the lives of nearly 49,000 innocent babies and a significant number of women each year. The Eliminate Project seeks to immunize more than 100 million women of reproductive age and their future babies against tetanus. The Bridge Fund has embarked upon a new relationship with Kiwanis to accelerate the funds committed to UNICEF for the project. The first Bridge Fund transaction with Kiwanis provided \$2.5 million to UNICEF so that more than 760,000 women in South Sudan and 1.6 million women in Chad could continue the series of three inoculations that will protect them and, potentially, their estimated 2.4 million babies from contracting this fatal disease. ■

Devastation in Numbers

Lives Lost

8,897 (30% children)

Vitally impacted

2.1 million/

1.1 million children

Financial damages and losses

\$7.06 billion = 36% GDP

Homes damaged

887,356

Classrooms destroyed

32,145

Health facilities damaged

765

UNICEF prepositioned supplies

31 metric tons (\$380K)

UNICEF supplies distributed and ordered

\$13 million

Children in UNICEF learning centers

106,100

Cholera prevention

400,000

Safe water recipients

655,910

Malnutrition prevention

310,000

UNICEF funds raised

\$78.8 million

UNICEF funds needed through 2015

\$120 million

The U.S. Fund for UNICEF Bridge Fund is an innovative financial tool created by the U.S. Fund for UNICEF to speed lifesaving assistance to children in need. The Bridge Fund provides UNICEF with flexible capital to react immediately when supplies are needed, reducing or eliminating timing gaps between the start of a crisis and the moment funding becomes available.



These children are happy to finally be back at school in temporary learning facilities built with UNICEF support. The earthquake heavily damaged their school.

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Nepal Earthquake

After the devastation, UNICEF provided lifesaving supplies and kept children in school

When, on April 25, 2015, disaster struck Nepal in the form of an earthquake with a magnitude of 7.8 on the Richter scale, UNICEF immediately went into action to provide humanitarian relief throughout the most affected regions centering around Nepal's two largest cities – greater Kathmandu and Pokhara. Not only were the 200 UNICEF employees in the region immediately dispatched in the relief effort, more than 31 metric tons of prepositioned commodities were distributed to address the immediate needs of children and others in the region. This was possible because of the UNICEF Country Office's preparedness activities, having updated its Business Continuity and Contingency Plans just two months before the earthquake struck. The stockpiled commodities included essential drugs, medical and surgical equipment for trauma, and tents for emergency hospitals.

While response plans were being prepared

under the leadership of the government of Nepal, UNICEF and its partners made appeals for emergency funding. The U.S. Fund for UNICEF, through the Mercury Fund and the Bridge Fund, provided an immediate grant of \$1 million. This funding was used to address the most pressing needs after the earthquake and included food, access to safe drinking water and sanitation, shelter, and health and nutritional services.

Now, more than three months later, the overall humanitarian situation has improved. The government of Nepal has declared an end to the emergency phase, and recovery and reconstruction efforts are now underway. However, more than 1.1 million children are still in need of vital support, including medical care, sanitation and hygiene, education services, protection services, and psychosocial assistance. UNICEF is continuing its efforts to help the people of Nepal in their recovery by raising \$120 million. ■



Mariner Investment Group Expands Its Commitment to UNICEF

Last year, Mariner announced its intention to donate 5% of certain asset management fees to the Bridge Fund and donated a \$100,000 grant in fulfillment of this pledge. Mariner has expanded its support for UNICEF by signing on as a sponsor of the 2015 Snowflake Ball, an annual fundraising event held in New York City. ■

Quarterly Program Activity

In the final quarter of our fiscal year 2015, the Bridge Fund completed four transactions totaling nearly \$19 million, with a total of \$46 million for the entire year. The fourth quarter's transactions and their impact are listed below.

BRIDGE AND PURPOSE	AMOUNT	IMPACT
Kiwanis International – for maternal and neonatal tetanus in The Eliminate Project.	\$2,500,000	<ul style="list-style-type: none"> ■ More than 2.4 million women of reproductive age will be immunized for tetanus at a very low cost of \$0.60 per dose ■ Potentially, 2.4 million newborns spared of developing tetanus ■ Lower mortality rates of newborns and their mothers ■ A step closer to global elimination of tetanus
Nepal earthquake – emergency aid	\$500,000	Please see story on adjacent page.
World Health Organization – procurement of and special pricing for Monovalent Oral Poliovirus Type 2 (mOPV2)	\$6,000,000	<ul style="list-style-type: none"> ■ 50 million mOPV2 doses manufactured ■ Stockpiles created to ensure the a) rapid access of vaccines for countries experiencing epidemics; and b) rapid response capacity for emergency vaccination against any type 2 polio outbreak
Rotary Foundation – for Global Polio Eradication Initiative	\$9,829,713	<ul style="list-style-type: none"> ■ Polio vaccines delivery, social mobilization, training of healthcare workers, and surveillance activities ■ Continued progress towards global polio eradication
Total	\$18,829,713	

CAPITALIZATION

Loans \$34.2 million **Grants** \$12.5 million

Cumulative Program Activity (Since 2012) \$97 million

IMPACT METRICS

We use IRIS (Impact Reporting and Investment Standards) to reflect the social and environmental impact of the Bridge Fund's work. Please visit our web page at unicefusa.org/unicef-bridge-fund to see the latest IRIS metrics.

FINANCIAL INFORMATION U.S. Fund for UNICEF In-Kind Assistance Corporation

USF-IKAC operates for the benefit of and to perform specific functions of the U. S. Fund for charitable and educational purposes.

Bridge Fund Program (Segment) Statement of Financial Position (unaudited)*

ASSETS

Cash and Investments	\$ 30,768,426
Contributions Receivable	26,225,456
Total Assets	56,993,882

LIABILITIES

Grant to UNICEF	9,829,713
Loans Payable	34,200,000
Accrued Interest Expense	439,814
Total Liabilities	44,469,527

Net Assets	12,524,355
Total Liabilities & Net Assets	56,993,882

*as of June 30, 2015

Covenant Calculation

LEVERAGE RATIO

Debt : Net Assets

LOAN GOAL

Maximum 3.5 : 1

ACTUAL

2.7 : 1

Bridge Fund Program (Segment) Statement of Activities (unaudited)*

REVENUE

Contributions Revenue	\$ 51,455,253
Investment & Interest Income	244,170
Total Revenue	51,699,423

EXPENSES

Grants to UNICEF	46,324,703
Interest Expense	801,306
Other Expenses	365,200
Total Expense	47,491,209

Net Income	4,208,214
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Net Assets – Beginning	8,316,141
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Net Assets – Ending	12,524,355
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*for the twelve months ending June 30, 2015

We certify that as of the quarter ending June 30, 2015, there exists no default or Event of Default (as such term is defined in the Loan Agreement), and we are in compliance with the covenants set forth in Sections 4.1 and 4.4 and in Article V of the Loan Agreement, including without limitation and as demonstrated in the above computations the financial covenants set forth in Sections 5.2 and 5.5 of the Loan Agreement.

FOR MORE INFORMATION ABOUT THE U.S. FUND FOR UNICEF BRIDGE FUND PLEASE CONTACT:

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 Dated: 8/15/15
Edward G. Lloyd
Chief Operating Officer and Chief Financial Officer