

Restoring Calm After the Storm

The Bridge Fund accelerated \$1 million to meet the urgent needs of vulnerable children and families in the wake of Hurricane Dorian.



This fall, when Hurricane Dorian raged over the Bahamas destroying homes, decimating island infrastructure and displacing thousands, UNICEF and partners responded swiftly. Just four days after UNICEF's global appeal was made, a \$1 million grant from the UNICEF USA Bridge Fund was deployed to the field, critical to delivering lifesaving supplies and services to survivors.

The money bridged the inevitable lag between the receipt of funds from UNICEF's \$4 million Hurricane Dorian global appeal and the immediate needs on the ground. Accelerating 25 percent of the funds required in the wake of a natural disaster exemplifies the Bridge Fund's crucial role enabling UNICEF to act with speed when children's lives are at risk. Relief workers could direct their attention to the safety and survival of more than 18,000 children and adolescents without wondering how to fund the efforts.

Hurricane Dorian, a Category 5 storm with sustained winds of 185 miles per hour, made landfall in the Bahamas on September 1, 2019, hovering over the islands of Grand Bahama and Abaco for 48 hours. The impact was unlike anything the Caribbean nation had ever experienced. The storm flattened houses, schools and hospitals and wiped out miles of roads.

In Dorian's aftermath, floodwater covered entire neighborhoods, creating perilous water, sanitation and hygiene (WASH) conditions that threatened the health of children and families. Within days after the hurricane subsided, UNICEF delivered nearly 1.5 tons of supplies to help provide access to safe water for more than 9,500 children and families in the ravaged islands. The shipment included more than 400,000 water purification tablets, several 5,000-liter water tanks — each containing enough safe water for at least 2,000 people — and 1,000 jerry cans. UNICEF also dispatched child protection and psychosocial experts to support the many children and adolescents traumatized by the loss of their family members and their homes.

"Without this rapid disbursement of funding, most of our work in the Bahamas would not have been possible," says Naqib Safi, the UNICEF senior emergency coordinator who directed the use of the \$1 million grant on the ground. "When I understood the funds were on the way, it certainly contributed to significantly shortening the planning and preparedness period of the response."

With damages from the storm estimated at \$7 billion, physical recovery in the Bahamas will take years, and Bahamians will

Without [the Bridge Fund's] rapid disbursement of funding, most of our work in the Bahamas would not have been possible.

— Naqib Safi, UNICEF Senior Emergency Coordinator

grapple with the emotion toll for decades. For children whose schools or communities were destroyed, continuing their education will be essential to rebuilding their lives and restoring their communities. Fifteen-year-old Brittany, who lost both her home and her school in Abaco, worries, "I'm a good student. I want to finish high school and go to college. I want to become a doctor and help my people."

Within two weeks of Dorian's onslaught, with the support of UNICEF, the Government of the Bahamas began registering 10,000 students displaced by the hurricane to place them in public schools unaffected by the storm. In addition to helping students fulfill their potential, the schools create a safe space for children to play, receive emotional support and access other vital services — including nutritional assistance, medical screening and counseling.

The Bridge Fund remains at the ready to accelerate funding when the next emergency strikes, to save children's lives and help them return to the job of being children as quickly as possible. ●



The first UNICEF shipment of nearly 1.5 tons of emergency supplies arrives at Nassau International Airport on September 7, 2019.

© UNICEF/UN0341916/NOORANI

Safe, Affordable and Accessible Vaccines for Children

The UNICEF USA Bridge Fund Expedites \$2.9 million to the Democratic Republic of Congo

In September, the UNICEF USA Bridge Fund accelerated \$2.9 million of funding from the World Bank to procure 15.2 million essential vaccines for children in the Democratic Republic of Congo (DRC). The timely bridge helped avert a stock-out in supplies that would impede the country's continuing efforts to immunize children against life-threatening tuberculosis, polio, measles and tetanus. The transaction illustrates the power of the Bridge Fund's impact investing strategy: providing ready capital to ensure an uninterrupted supply of life-saving commodities to the world's most vulnerable children.

With more than 85 million inhabitants, 56% of which are children, the DRC is the 16th most populous country in the world, the second largest country in Africa, and the 11th largest country by area. Though rich in natural resources, the DRC is one of the poorest countries in the world, due to conflict over water, minerals and resources as well as the prevalence of life-threatening diseases. As a result of its size, low population density and political instability, the DRC faces significant logistical and cultural challenges to public health and humanitarian efforts.

Yet, despite socioeconomic uncertainty, the DRC has made meaningful progress battling epidemics and improving access to basic social services over the past decade. In 2018 alone, the government of the DRC, with the support of UNICEF and other partners, responded to outbreaks of Ebola, cholera, measles and polio. It has also advanced crucial initiatives such as public health awareness campaigns, as well as early disease intervention efforts, to ensure greater chances of survival among children and adolescents. Vaccines that eliminate deadly diseases constitute an important component of this movement.

Between 2017 and 2018, the proportion of health districts with



© UNICEF/UN0270015/PRINSLOO

at least 80 per cent immunization coverage increased from 24 percent to 44 percent. There was no stock out of DTP, polio or TT vaccines in 2018. UNICEF Congo supported the DRC to mobilize alliances that prioritize resources from government and partners to ensure that stock-outs were minimal — of which pre-financing is a key strategy.

The Bridge Fund's prompt action will help target more than 11 million children with essential vaccines and ensure that the promising progress toward immunization coverage will not be reversed by an interruption in supply. For more information about UNICEF's work to support childhood immunization and Sustainable Development Goal 3: Good Health and Well-Being, please see box below. ●

SDG 3: The Bridge Fund Focuses on Good Health and Well-Being

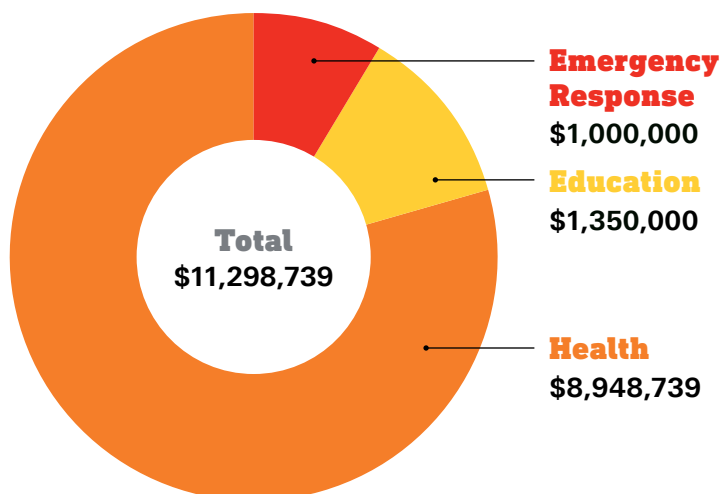
UN SDG 3 declares that ensuring the health and promoting the well-being of people at all ages is essential to sustainable development. No child should die from a preventable cause, and vaccines have proven to be one of the most medically efficacious interventions against deadly disease. Since 2011, the Bridge Fund has accelerated over \$300 million for UNICEF immunization campaigns, contributing to the continuing global reduction in child mortality and offering social impact investors the opportunity to help save children's lives.

The DRC plans to maintain its immunization momentum through its continued partnership with the UNICEF Supply Division which mobilizes funding sources — like the Bridge Fund — to prevent stock-outs, save lives, and strive toward achieving health and well-being for all. ●

Quarterly Program Activity: \$11,298,739

During the first quarter of Fiscal Year 2020 (FY 2020), we completed four new transactions and are reporting impact on the existing allocation to the UNICEF Supply Division VII totaling \$11,298,739.

Quarterly Activity by Sector



Quarterly Activity by Geographic Reach

Emergency Response	\$1,000,000
Latin America and the Caribbean	\$1,000,000
Education	\$1,350,000
Middle East and North Africa	\$1,350,000
Health	\$8,948,739
West and Central Africa	\$4,511,493
East Asia and the Pacific	\$1,966,380
Eastern and Southern Africa	\$1,450,841
South Asia	\$1,000,000
Central and Eastern Europe and the Commonwealth of Independent States	\$20,025
Total	\$11,298,739

Bridge Fund Pre-Financing of UNICEF Supply Division's Vaccine Procurement

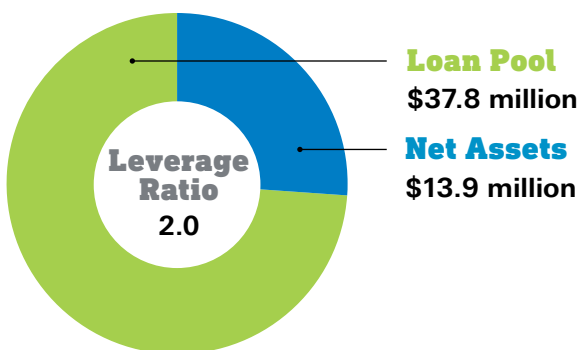
Vaccines purchased through the UNICEF VII program from January – June 2019 and additional Q1 Bridge Fund transactions

Disease Protected Against	Doses	Children Targeted
Polio	16,106,300	12,079,725
Tuberculosis	14,630,600	10,972,950
Measles and Rubella	8,597,900	6,448,425
Measles	2,936,400	2,202,300
Tetanus	6,944,760	5,208,570
Diphtheria, Tetanus, Pertussis, Hepatitis B, Hib	1,086,560	814,920
Meningococcal	397,000	297,750
Yellow Fever	227,250	170,437
Pneumococcal Pneumonia	168,800	126,600
Rotavirus	147,000	110,250
Totals	51,242,570	38,431,927

*To estimate the number of children that will benefit from vaccine procurements, vaccine wastage rates must be included (for both open and closed vials). Vaccine wastage rates vary by vaccine type, number of doses per vial, and local healthcare systems and social conditions. In addition, full immunization against some diseases may require more than one vaccination per child. Thus, there is not a one-to-one correspondence between vaccine doses procured and children reached. Taking into account these two contingencies, the pre-financed vaccine doses specified above might reach up to 38 million children.

Bridge Fund Current Capitalization

as of September 30, 2019





\$13.9 million in net assets provides a first-loss equity pool for investors, as \$37.8 million in capital is disbursed throughout the year. \$10 million of the capital pool is a Line of Credit. At the close of FY 2020 Q1, there was no funding drawn against the Line of Credit, resulting in Loans Payable of \$27.8 million and a leverage ratio of 2.0-to-1.

New Bridge Fund Loans

This quarter the Bridge Fund has secured two new loans from anonymous lenders totaling **\$2,050,000**

Bridge Fund's SDG Impact

This quarter, Bridge Fund activity spanned two goals — SDG 3: “Good Health and Well-Being” and SDG 4: “Education.” We have reported progress in the table below.

Sustainable Development Goal	SDG Targets	Bridge Fund Progress
3 GOOD HEALTH AND WELL-BEING  Goal 3 Ensure healthy lives and promote well-being for all at all ages	3.2 End preventable deaths of newborns and children under 5 years of age 3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, waterborne diseases and other communicable diseases 3.4 By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and well-being 3.8 Achieve universal health coverage, access to quality healthcare services, and access to safe, effective, quality and affordable essential medicines and vaccines for all	<ul style="list-style-type: none"> Approximately 38 million children vaccinated against disease 3.8 million women of reproductive age provided with rounds 1 & 2 of tetanus inoculation to ensure immunities are passed through to their children at birth Vaccination against the following communicable diseases: polio, tuberculosis, measles, rubella, diphtheria and whooping cough Vaccination against noncommunicable diseases: tetanus and yellow fever Promote access to safe, affordable vaccines for children globally
4 QUALITY EDUCATION  Goal 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities	4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes 4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	<ul style="list-style-type: none"> Out-of-school Syrian children provided with self-learning curriculum materials that are equitable, accessible, and consistent with progression between grade levels for children in school

Quarterly Program Impact

FY 2020 First Quarter Highlights

- **3.8 million women** of reproductive age received rounds 1 and 2 of tetanus vaccine
- **\$1 million** accelerated just 4 days after UNICEF's global appeal for Bahamas
- **51 million lifesaving vaccines** pre-financed to target 38 million children

Transactions	Inputs	Outputs	Outcomes
Maternal Neonatal Tetanus immunization acceleration \$1,000,000 Pakistan 3 months bridged	Maternal neo-natal vaccines and injection devices ¹	3,818,162 women of reproductive age will receive rounds 1 and 2 of tetanus toxoid (TT) supplemental immunization activities ²	<ul style="list-style-type: none"> ● Potentially, over 3.8 million newborns can be safely delivered and spared of developing tetanus ● A step closer to the elimination of tetanus in childbirth
Increased access to education \$1,350,000³ Syria 5 months bridged	Education programming and supplies that increase access to education for out-of-school Syrian children	<ul style="list-style-type: none"> ● 300 safe learning spaces created ● Delivery of self-learning materials, catch-up materials and school supplies ● Provision of psychosocial support 	<ul style="list-style-type: none"> ● No children affected by crisis denied their right to education ● Curriculum designed in partnership with Ministry of Education
Emergency relief following Hurricane Dorian \$1,000,000 Bahamas 1 month bridged	Disaster relief funds for families and children affected by Hurricane Dorian	<ul style="list-style-type: none"> ● Urgent needs of children for safe water, sanitation, and hygiene as well as nutrition and psychosocial support 	<ul style="list-style-type: none"> ● Protection of children and their families affected by the aftermath of Hurricane Dorian allowing families and communities to rebuild after immediate needs are met
Accelerated procurement of essential vaccines for DRC \$2,948,739 Democratic Republic of Congo 4 months bridged	Pre-financing for purchase of essential vaccines	Stockouts avoided for following vaccines with purchase amounts as following: <ul style="list-style-type: none"> ● 2.2 million doses of BCG vaccine for prevention of tuberculosis ● 6.6 million doses of bi-valent Oral Polio Vaccine ● 1.5 million doses of measles vaccine ● 5 million doses of Td vaccine for prevention of tetanus ● 50 thousand boxes of various syringes 	<ul style="list-style-type: none"> ● Over 11 million children vaccinated against tuberculosis, polio, measles and tetanus ● Ensure immunization coverage that has been maintained in DRC is not reversed by interruption in supply ● Promotion of access to safe, affordable vaccines for children in DRC
UNICEF Vaccine Independence Initiative (VII) \$5,000,000 Cape Verde, Chad, eSwatini, Kenya, Mali, Myanmar, Niger, Nigeria, PICs, Philippines, Sao Tome, Tajikistan, Uganda	Flexible financing for UNICEF Supply Division's VII, a pre-financing program that fast-tracks lifesaving commodities to children around the world	Outputs for January 2019 – June 2019 reporting period: 36.4 million lifesaving vaccine doses pre-financed	Outcomes for January 2019 – June 2019 reporting period: Reach approximately 27 million children faster with lifesaving vaccines, reducing child mortality and improving children's health and immunity

¹ Of a \$3.5 million budget including operational expenses; ² 3.8 million represents the women targeted for the complete budget of \$3.5 million;

³ The "Increase Access to Education" program commenced in July 2017 with a total project budget of \$21 million. The Bridge Fund has already accelerated \$6.5 million for this project. Outputs and outcomes reported represent total project goals.

Financial Information

UNICEF USA Impact Fund for Children Inc.
(formerly U.S. Fund for UNICEF In Kind Assistance Corporation)

Statement of Financial Position (unaudited)*

Assets

Cash and Investments	\$30,468,671
Contributions Receivable	\$11,751,120
Total Assets	\$42,219,791

Liabilities

Grants Payable	\$27,800,000
Accrued Interest Expense	\$456,048
Total Liabilities	\$28,256,048
Net Assets	\$13,963,743

Total Liabilities and Net Assets

\$42,219,791

*As of September 30, 2019

Covenant Calculation

Leverage Ratio	Loan Goal	Actual
Debt : Net Assets	Maximum 3.5 : 1	2.0 : 1

Statement of Activities (unaudited)*

Revenue

Contributions Revenue	\$6,298,739
Investment and Interest Income	\$340,279
Total Revenue	\$6,639,018

Expenses

Program Services	
Grants to UNICEF and other NGOs	\$6,298,739
Program Expenses	\$213,769
Total Expenses	\$6,512,508

Net Income	\$126,510
Net Assets – Beginning	\$13,837,233
Net Assets – Ending	\$13,963,743

*For the three months ended September 30, 2019

We certify that as of the quarter ending September 30, 2019, 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.



Brett Robinson, Chief Financial and Administrative Officer, UNICEF USA Dated: September 30, 2019

To learn more,
please visit our website at
unicefusa.org/bridgefund
or contact:

Brett Robinson
Chief Financial and Administrative Officer,
UNICEF USA
President, Impact Fund for Children
brobinson@unicefusa.org
917-720-1380

Erin Egan
Director,
Impact Fund for Children
eeegan@unicefusa.org
212-922-2571