UNICEF VENTURE FUND ANNUAL REPORT

2023

2024

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Introduction

After a decade of intentional growth and technological advancements, we can now usefully reflect on the progress and achievements of UNICEF's Venture Fund.

Since its inception in 2014, UNICEF's Venture Fund has been a pioneer in exploring and demonstrating how technological advances can be tapped to benefit children worldwide. Established with the support of foundational partners such as the governments of Denmark and Finland, alongside Disney, and grounded in the knowledge wealth of UNICEF country offices, the Venture Fund has explored, tested and shaped new technologies that could accelerate results for children. Focussing on solutions from, and for, emerging markets, this innovative approach has enabled UNICEF to influence the emerging tech sector and take calculated risks, ensuring a successful overall portfolio, while learning from individual investment failures.

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A Decade of Impact – The Venture Fund in Retrospect

The Venture Fund also played a key role in forming the Digital Public Goods Alliance, promoting Open Source technologies for achieving the Sustainable Development Goals (SDGs). In 2020 the COVID-19 pandemic accelerated the Venture Fund's adaptability, boosting investments in remote learning and connectivity solutions. The development of Juniper, a toolset for managing cryptocurrency transactions, further enhanced transparency and operational efficiency.

Early Growth and Strategic Expansion: In 2016, the Venture Fund launched its first call for applications from private sector startups, focusing on frontier technologies like Interactive Voice Response (IVR), blockchain and connectivity solutions. The Venture Fund also implemented real-time reporting for startups, emphasizing transparency and accountability. While 2017 marked investments in areas like augmentative communication and drone testing for emergency response, in 2018 the scope was broadened to include data science, artificial intelligence (AI), blockchain, and virtual reality (VR), moving to targeted calls for specific tech areas. This strategic shift resulted in more focused sourcing efforts and cohesive cohorts, enhancing collaboration among startups and streamlining portfolio management.

Intentional Diversity and Open Source Solutions: To establish diverse representation amongst its portfolio of startups, in 2019 the Venture Fund launched its Smart Investing Initiative with an ambitious target of achieving 50 per cent female-led investments. Efforts yielded results, with targeted calls and capacity-building programmes increasing the number of female-led investments to 43 per cent at the time of writing. The graduation of the first startup cohort in early 2018, was marked by notable milestones and insights, especially the need to offer technical assistance, alongside funding. Consequently, a technical mentorship programme was established. Emphasizing the importance of Open Source models, this programme is now fundamental to the Venture Fund's success, as portfolio companies benefit from various technical and business mentorship areas of support.

Innovations in Funding and Expanding Reach: The launch of the UNICEF CryptoFund in 2019 marked a significant milestone, enabling the Venture Fund to receive, hold, and disburse cryptocurrency. This innovative approach attracted contributions from partners like the Ethereum Foundation and facilitated quick, low-cost global transfers. Had the Venture Fund not taken the chance to invest in what was a very frontier tech area for UNICEF at that time, it could not have many of the vital financial inclusion and efficiency solutions would not be underway today.

The introduction of growth investments became a focus in 2021, established to overcoming the challenges experienced by early-stage innovators in accessing private capital. Selected portfolio alumni companies were awarded a second funding opportunity, complemented by an extensive mentorship programme. This new tier of funding enabled startups to co-create solutions with UNICEF country offices, demonstrating the value of integration for growth and scalability.

A decade on, the Venture Fund has cultivated a diverse and robust portfolio, benefiting millions of people around the world - especially children - while also attracting significant follow-on funding.

Introduction

On the current trajectory, the world is not on target to achieving the Sustainable Development Goals (SDGs)– with a fourfold acceleration of efforts needed to close the attainment gap by 2030. In this time of rapid technological advancement, it has been calculated that digital solutions could help accelerate work towards achieving 70 per cent of the SDGs.

Against this backdrop, the Venture Fund continues to play a critical role in identifying and validating the solutions that offer the greatest positive impact for children, while strengthening systems to ensure that the innovations and benefits generated are led, owned and captured by local markets. A key objective of the Venture Fund is to continually demonstrate how technological innovation can be open, equitable, and inclusive, and to shift current power and economic imbalances in the process.

With US$41.7 million, eight bitcoin and 2,792 Ether raised to date, the Venture Fund portfolio solutions collectively reach over 128 million people (directly and indirectly), including 42 million children. A large proportion of the portfolio companies are building enabling technologies, whose impact is assessed based on their ability to improve the effectiveness, efficiency or reach of UNICEF programmes. To date 149 Open Source technology solutions developed by startups and UNICEF offices have been supported, across 87 emerging market countries, with a recent focus on fragile and conflict-affected states (FCS). The majority of our investments focus on essential digital infrastructure for multisectoral applications like financial inclusion, followed closely by solutions for the education and learning sector. The portfolio now has 25 startup and UNICEF country office solutions that have been recognized as Digital Public Goods (DPGs), up from 19 last year. Additionally, five country office solutions are built on existing DPGs, bringing the total count of DPGs and DPG-based initiatives to 30.

Over the past two years, the growth funding strategy has significantly increased the reach and impact of startups, benefiting 17 million people, a tenfold increase since early 2022. Eight companies expanded into new markets, resulting in 53 deployments across 40 countries with UNICEF collaboration. The Venture Fund continues to play a catalytic role in attracting and directing additional resources towards innovations for children - portfolio companies have on average raised funding **almost four time the value of the initial investment.**

The Fund continues to explore new solutions.

Future Vision

With a decade of Venture Fund results, and five years remaining to achieve the SDGs, UNICEF is launching the Venture Fund 2.0 in 2024, building on our experience of what works and what doesn't, to amplify and diversify investments that can accelerate progress towards the 2030 SDG targets. This transformative phase involves, but is not limited to:

Smart Investing 2.0: To bring our 'smart' investment concept to the next level, the Venture Fund will further maximise diversity, equity, and inclusion (DEI) across all aspects of the Fund's investment value chain, from founders to products and end users. Collaborating with DEI experts and industry leaders, we will develop and share practical market tools and standards to ensure inclusive design and growth - improving gender balance, while including more young people and people living with disabilities. This includes a dedicated focus on empowering women through FemTech and gender-responsive innovation, as well as accelerating solutions that overcome access barriers to information and content.

- Empowering Women and Girls through FemTech Ventures: Focus on FemTech ventures to address women and girls' diverse health and wellbeing needs in emerging markets. We aim to strengthen the pipeline of FemTech solutions. Initiatives include the recently launched African Gender-Responsive Innovation Challenge where six companies from Kenya, Nigeria, South Africa, Tanzania, and Uganda were selected to receive technical assistance to develop their innovations, increasing their chances of success in the FemTech cohort call for applications, planned for later in 2024.

- Equitable Tech Future: Continue to lead UNICEF's engagement in global policy platforms such as the Global Digital Compact, including through the Digital Public Goods Alliance, to advocate for the role of local tech ecosystems and young entrepreneurs, and the need for more equitable financing distribution across markets.

- Financial Sustainability of the Fund: Refine the Venture Fund's strategy to capture financial returns from investments. While exploring equity models, in 2024 a regenerative funding model was initiated with 27 of alumni startup companies pledging to 'give forward', through voluntary financial and in-kind returns to the Venture Fund. The Venture Fund will position itself as a source of investable opportunities, enabling investment partners to receive financial returns from supported companies. The Venture Fund provides a vetted and de-risked pipeline, as well as support to help companies accelerate growth. A model whereby partners, recognizing the value of this approach, can contribute to the Venture Fund for these services or reinvest a percentage of future returns, will also be explored.

About this report

This annual report provides an update on the Venture Fund's results in 2023 until mid-2024. This year's report - unlike previous years - does not aim to present a comprehensive overview of all areas of activity supported by the Venture Fund. With the portfolio growing in size and complexity, this year's report captures key highlights, using weblinks to direct the reader to more detailed information.

The report starts with an overview of performance against the KPIs of the Venture Fund's Impact Framework in section 1. This is followed by results generated at the Venture Fund level through its modes of engagement, focussed on the different funding windows, diversity and ability to respond to, and shape, emerging trends. Section 3 summarizes results in a few, select areas where emerging technologies meet UNICEF programmatic results, illustrating how solutions generated by startups, support to country-level pilots led by UNICEF country offices and global development of platforms, come together to deliver results. Finally, Section 4 presents the Venture Fund's priorities moving forward.

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The UNICEF Venture Fund continues to invest in disruptive, early-stage Open Source solutions in underserved markets, focusing this year on AI, machine learning, and blockchain to validate, test, and shape technologies that may significantly improve children's lives in areas typically excluded from such advancements. Below we share the progress made towards impact goals across five key dimensions of the Fund's Results Framework.

Beneficiary counts provided in this section are cumulative figures of total direct and indirect beneficiaries at project level, sourced from quarterly reporting by active startups and from country office investees and graduate startups reporting on a biannual basis.

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Section 1

Results Snapshot in Numbers

Market Shaping

This year, increased catalytic funding has resulted in a five per cent growth in the portfolio, from 142 to 149 investments across 87 countries. This excludes companies pending onboarding for this year's new health cohort and six woman-led companies from the FemTech challenge. Most investments focus on essential digital infrastructure for multisectoral applications, followed closely by solutions for education and learning. Investments in fragile and conflict-affected states (FCS) increased by 36 per cent this year, from 11 to 15. UNICEF country office investments have also expanded to Yemen and Slovakia.

149

Total Investments

↑ 7 from last year

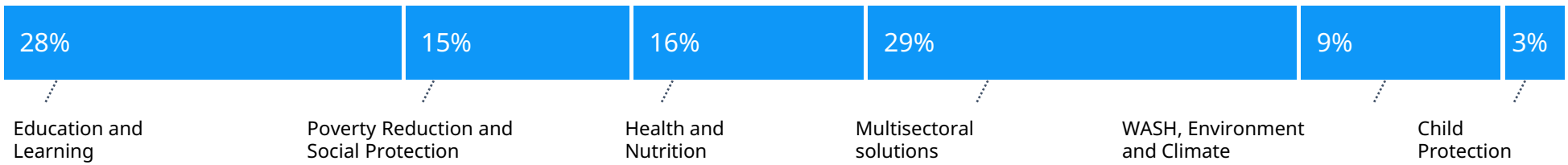
81 Startup Investments

06 of which are in Fragile and Conflict Affected States

68 Country Office Investments

09 of which are in Fragile and Conflict Affected States

Investments by Thematic Sectors:



48% Growth in Collective Revenue

43% ↑ 5%
Startups are Profit-generating

70% ↑ 6%
Startups are Revenue-generating

9.3M
In follow-on raised by Country Offices

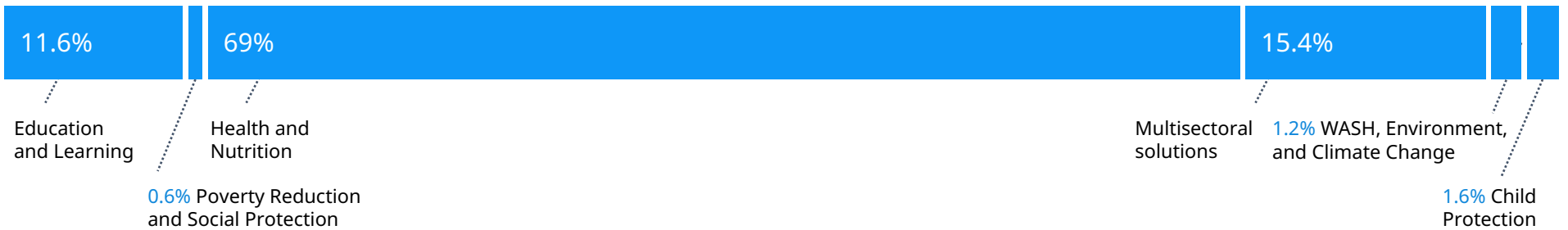
36.1M ↑ 30%
In follow-on raised by Startups

Impactful Business

Through funding and tailored mentorships, the Venture Fund empowers Open Source businesses to innovate in sectors critical to children's lives, as well as ensuring market viability and sustainability.

The reach of Venture Fund supported solutions has expanded from 41.5 million direct and indirect beneficiaries, to over 128 million— a majority of these are individuals receiving healthcare services through AI and data science-driven solutions, designed for traditionally underserved populations. The solutions have also reached over 42 million children, mostly through essential healthcare services and customized learning platforms for improved academic performance. Indicators across the portfolio demonstrate continued improvement in the financial performance of investees. The Venture Fund is proof that investments in early-stage inclusive, decentralised, and locally driven innovations are both valuable and financially sustainable. The Venture Fund continues to play a catalytic role, attracting third party funding of almost four times the value of the initial investment.

Beneficiaries by Thematic Sector:

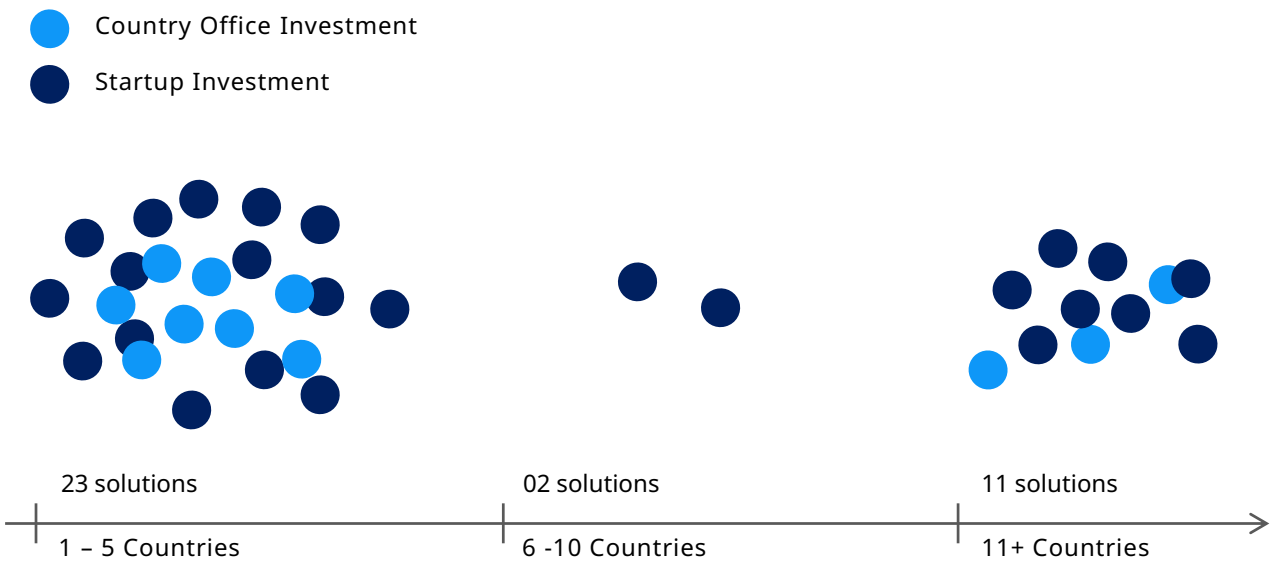


24 ↑8
Startup collaborations with Country Offices

16
Startups on Long-term Agreements after investment period

Scalable Solutions

A 38 per cent increase in solutions expanding to 11 or more countries beyond their country of origin or initial implementation, was observed. Against a wider backdrop of 44 per cent of the portfolio entering new markets, this highlights efforts to scale impactful technologies across UNICEF country offices and programme countries. Currently, 24 startups have country office collaborations (some with multiple country office deployments). 16 startups are on long-term agreements, with virtual networking events and demos held to better socialize them within the UNICEF global network. Examples include the recent AI and Blockchain Expo and a webinar on UNICEF Nepal's blockchain pilot for cash transfer, with more knowledge exchange events in the pipeline.



25 Digital Public Goods in Venture Fund Portfolio

244,653
Open Source Commits
(last year: 13,913)

Over a period of 5 years, 244,653 commits signifies a robust and active development process, with some projects seeing consistent contribution even after the funding period ended.

599
Contributors - Unique Id

6,106
Maintainers - Unique Ids

Openly Accessible Solutions

In fostering local innovation ecosystems that support Open Source Intellectual Property (IP) and scalable DPGs, the Venture Fund portfolio now has 25 startup and country office solutions recognized as DPGs, up from 19 last year. Additionally, five country office solutions are built on existing DPGs, bringing the total count of DPGs and DPG-based initiatives to 30. Over 60 per cent of solutions that expanded to 11 or more countries are DPGs. There has also been a notable increase this year in sustained Open Source activity and Open Source contributions to projects beyond the initial investment.

Commits are records of changes made by different developers to the source code of an Open Source project. A strong Open Source community relies on active participation from both external contributors and maintainers. Contributors submit code changes, documentation, bug reports, feature requests, or other improvements, and can be anyone from the community, including software users. Maintainers review and approve changes submitted by contributors, ensure the quality and coherence of the codebase, and make decisions about the project's roadmap and features.

The high number of unique maintainers and contributors across various projects signifies collaboration. While, the ratio is heavily skewed towards maintainers, 599 contributors is a success, considering most projects are in early phases of development, often engaging communities only after the funding period

Evidence Generation

While early-stage investees often require additional technical and financial support to generate fit-for-purpose studies and research products, evidence was accrued from collaborations between portfolio companies and country offices. Three reports this year presented findings that demonstrate the relevance of Open Source tech solutions and DPGs to the delivery of UNICEF priorities.

1. UNICEF Nepal carried out a third-party evaluation of Rumsan's Rahat blockchain platform piloted for humanitarian cash transfers in the municipality of Jaleshwor and reaching 1,900 households. The evaluation included a comparative analysis between blockchain and traditional cash transfer systems:

Aspect	Block-chain based system	Traditional digital CVA
Security	Enhanced security due to blockchain's tamper proof data storage and encryption mechanism	Security reliant on traditional digital security measures.
Transparency	High level of transparency and immutability	Limited transparency, potentially leading to disputes and questions
Real-time monitoring	Provides real-time tracking of funds and disbursements, reducing the need for manual data entry	Real time monitoring might be limited or absent altogether, leading to delay in detection of errors.
Inclusivity	Inclusive approach that caters to both banked and unbanked beneficiaries.	Beneficiaries needs to have account or specific technologies.
Reconciliation	Real time fund reconciliation	Necessitates direct beneficiary confirmation due to intermediary involvement.

UNICEF Nepal also ran a webinar to share their findings and learnings with Jaleshwor local authorities, the Venture Fund and Rumsan.

2. UNICEF Mexico conducted a randomized control trial (RCT) of MatematIA, an Open Source gamified math skills platform, co-created with Venture Fund startup Pixframe in 2022-2023, after it had been launched nationally in 2021-2022 (30,000 students reached). The RCT was conducted in one state with around 5,000 students. While the RCT's design did not allow for a robust impact assessment on learning outcomes, it did point to promising results. MatematIA is used in the classroom and the RCT did indicate reduced dropout rates, especially for male students, at the time of year and grade level when dropout rates in Mexico are typically highest, suggesting more student motivation to attend school. Based on the RCT findings, UNICEF Mexico is considering further platform improvements, including the alignment of content with the school curriculum, gamification improvements based on user feedback and may develop offline versions for schools without connectivity. To build on MatematIA's demonstrated potential, UNICEF Mexico is exploring funding options to support this next phase. A longer implementation period will allow for an RCT to assess impact on learning outcomes.

3. During piloting, UNICEF Kenya conducted a study to measure the effectiveness of edtech platform, Angaza Elimu, in improving student performance. Over the course of the pilot period (2022-2023), Angaza Elimu had an estimated 65,000 active students using the platform across 243 schools. Pilot results found an average increase of 32 per cent in overall academic performance. Across almost all schools, male students had higher levels of engagement and performance compared to their female peers. A core interpretation is that lower female performance is likely linked to lower levels of engagement and potentially hampered by accessibility barriers facing female students. Angaza Elimu have used these pilot findings to ensure that further development of the platform incorporates gender-sensitive design to avoid exacerbating digital literacy gender inequity.

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The Venture Fund has established several strategic focus areas and approaches to bolster its investment thesis and support its ambition to play a catalytic role play in the development of technology that betters the lives of children around the world. Beyond the direct value of financial and technical assistance, the Venture Fund aims to target more funding to innovations that are open, locally owned and inclusive. Through its practice and people, the Venture Fund strives to shape frontier technologies and their uses.

To achieve these goals, the Venture Fund builds capacity within local entrepreneurial ecosystems, ensures opportunities for often under-represented regions, leads product inclusivity and diversity efforts and explores new mechanisms to attract and redirect funding flows for DPGs.

Section 2

UNICEF Venture Fund Strategic Approaches

Growth Funding as a New Window to Unlock Potential: Accelerating results for the most promising solutions

In December 2021 the Venture Fund launched a new strategy to provide growth funding via two tiers of up to US$400,000 in equity-free funding in fiat and/or cryptocurrency. The aim was to accelerate the 'more promising' solutions that aligned with the UNICEF Office of Innovation (OOI) priority portfolio areas and the newly established thematic Innovation Hubs, while positioning portfolio companies for sustainable investment.

This approach was based on the observation that early-stage innovators continue to face challenges in accessing follow-on investment to grow their results and expand their footprint.

Constraints typically include:

i. Less venture capital funding being available for entrepreneurs in emerging and developing markets, often considered higher risk. Only 10 per cent of private capital investment goes into emerging markets and as of 2024, the African venture capital ecosystem represents less than two per cent of the global venture capital market.

ii. Industry trends and data on the phenomenon of the 'missing middle' - financing for the mid-to-late growth stage of innovation - is well documented. This presents a crucial gap at the very time when viable ideas often become profit-making businesses, yet businesses yet are characterized by marginally lower rates of financial return.

iii. Early-stage Venture Fund graduate companies generating revenue but without the track record and volume of income to position themselves for equity funding.

iv. The time and commitment required to grow and sustain an Open Source business and community. Open Source projects require ongoing investment in maintenance, feature development, documentation, and community management. Without securing sufficient, reliable funding, these initiatives would struggle to maintain momentum and relevance.

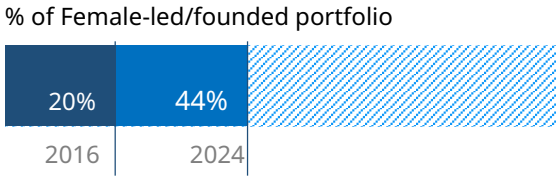
12 startups have so far been chosen to receive this growth funding; receiving more intensive technical assistance to strengthen the quality of their Open Source solutions, evidence the acceleration of results, gain access to innovators and ecosystems in new markets (especially through increased collaboration with UNICEF country offices), and validate product-market fit as a basis for scaling within UNICEF.

In the past two years, several results point to the success of the growth funding strategy:

- Increasing reach: Startups witnessed a significant growth in the number of beneficiaries, collectively reaching 17 million - a tenfold increase since early 2022. This includes over 1.6M children (mostly in Guatemala) using Pixframe's tailored math upskilling solution, over 1.4 million people with speech disabilities able to communicate better with AI-augmented solution , and 693,000 people from resource-constrained communities receiving critical alerts during emergencies or cash transfer assistance via Somleng.
- New market entry and added value to UNICEF programmes: The growth in beneficiary reach was coupled with eight companies unlocking new markets. Overall, 53 deployments across 40 countries were implemented in collaboration with UNICEF country and regional offices.
- Improvement in financial results and product/ market fit: Companies saw a 3.5 times increase in revenue, cumulatively generating US$39.1 million, while raising US$3.4 million in follow-on funding. Two companies were acquired during the investment period (blockchain-based Atix Labs was acquired by Globant to expand its services globally; Dymaxion Labs was acquired by GDM for its specialization in geospatial data analysis).
- Demonstrating value of diverse teams: Of the 12 startups, five are woman-led/-founded; accounting for 62 per cent of the revenue generated, 39 per cent of follow-on funding raised, 90 per cent of beneficiaries (14.7 million), and 92 per cent of children reached.

Learn more about the graduates of our earliest growth cohorts.

Increasing Diversity in Technology through Smart Investing



50%
Female-led/founded investments across regions of LAC, ECA and MENA

67%
Applicants identify as Female-led/founded in the latest Health, Mental Health and Nutrition call

46%
Female-led/founded investments in the Asia Pacific Region

44%
Follow-on funding raised by Female-led/founded companies

22%
Of Venture Fund portfolio is youth-led/founded (under 30)

50%
Of youth-led/founded companies are Female-led/founded

In 2019, the Venture Fund launched its Smart Investing Initiative to build a diverse portfolio of startups, with an ambitious target of 50 per cent female-led investments. The Venture Fund's trajectory remains on target to meet that commitment despite a backdrop of persistent, stark inequity in access to funding for female entrepreneurs. In 2023, women-founded companies received very low percentages of capital invested - 5 per cent in Eastern Europe and Central Asia, less than 5% in the Middle East and North Africa (MENA), 2% or slightly less in Europe and the U.S., 1.5% in Africa and 1.4% in Latin America and the Caribbean.

While the Fund's portfolio remains steady at 43 per cent women-founded and -led companies, in three regions and among young entrepreneurs, the ambitious 50 per cent target of gender-balanced investments has been achieved. The Venture Fund portfolio from Africa has the largest remaining gap: with only 24 per cent of investments being female-founded or female-led. This is where efforts will be targeted to better understand and close this gap.

Experience and data indicate that the notion of there being a scarcity of women-led tech companies is a misconception. To encourage applications, the Venture Fund made its language more inclusive, checked for unconscious bias, made application forms more accessible, offered reasonable accommodations and bias-informed the selection process. These efforts have yielded results with the share of female-led startup applications increasing significantly from 30 per cent in 2019 to 67 per cent in June 2024.

Investing in women-led companies is not just about promoting equity; it's also a smart business decision. Research consistently shows that female founders generate higher returns, with companies led by women achieving, on average, a 35 per cent higher ROI and 12 per cent higher revenues compared to those led by men.

The Venture Fund's own data reinforces this as women-led companies comprise 43 per cent of investments but account for 44 per cent of total follow-on funding raised. Additionally, our women founders have reached 20 million beneficiaries, including over two million children, demonstrating their remarkable capacity for significant social impact, alongside financial success.

Investing in New Frontiers and Explorations

The Venture Fund serves as a structured and systematic mechanism to identify, select, validate and invest in solutions that drive progress on critical issues affecting children. In 2023-2024, the Venture Fund continued to expand its ability to tap into new and emerging innovation trends, scoping the market to forecast tech development, and identifying areas for prudent investment.

First Climate Action Cohort

In September 2023, the Venture Fund invested in its first climate action cohort: Eight companies developing solutions focused on early warning systems, waste management, community engagement, and clean energy. The final selection was made from 400 companies in 72 countries, expanding the Venture Fund's startup reach to Albania, Cameroon, Mali, Uganda, Trinidad and Tobago, and Timor-Leste. By November 2023, these startups jumpstarted their journey with an in-person workshop at the UNICEF Office of Innovation in Stockholm. Over four days, they engaged in intensive technical mentorship sessions, mapped out strategies for the coming year, and connected with Venture Fund donors and ecosystem partners.

At the time of writing, the cohort is mid-way through the investment and over the next six months will test their solutions (receiving feedback from end-users), measure impact and reach, and build relevant partnerships and coalitions.

Read about their mid-investment update here.

Upcoming Health Cohort

While the COVID-19 pandemic reversed many global gains in health indicators, it also created opportunities to accelerate the use of innovation in health programmes and solutions. But inequities among, and within, countries persist, especially in low- and middle-income countries, as millions of children lack access to quality health care services. The most important factor to determines a child's chances of survival and opportunities to thrive, is where the child is born; gender and household socio-economic status are other important determinants. Health facilities and services can be too far or expensive to reach, lack the medical supplies or trained personnel necessary or be mistrusted by the community. There is an urgent need to upskill and improve the capacity of frontline workforces to deliver much needed immunization, nutrition, mental health and psychosocial wellbeing interventions, especially for vulnerable populations in FCS.

For this latest call for applications, the Venture Fund received more than 500 submissions from over 71 countries that leverage frontier tech to strengthen health systems and services, and to reach the most vulnerable populations.

A mapping of applications suggests that most tech development focuses on:

- Advancing predictive analysis and enhancing diagnostic accuracy, to enable more proactive health measures
- Developing diagnostic models that can help detect health problems earlier, allowing for more timely and effective interventions
- Providing health insights that inform better clinical decision making

In August 2024, the Venture Fund will onboard this new cohort of companies that are striving to provide equitable access to health, mental health and nutrition, reaching remote and low or no connectivity areas; improving access to data, skills and services; and empowering and actively engage young people for better health outcomes.

Engaging and Building Capacity in 'Neglected' Contexts to Increase Reach

New and protracted conflicts coincide with other devastating crises, including disasters and public health emergencies, while climate change continues to wreak havoc on young lives, causing severe droughts, heatwaves, and more intense storms. In 2023 alone, many of the more than 450 million children living in or fleeing from conflict zones endured unimaginable suffering.

More than 65 per cent of UNICEF's efforts are in emergencies, providing essential services such as health care, nutrition, water, sanitation, and protection in fragile and conflict-affected settings, as well as ensuring long-term support and resilience for affected communities.

It is crucial to note that digitalization has been identified as one of the key factors for the growing inequality between fragile states and the rest of the world, intensified by infrastructural limitations and socio-economic disparities. Yet, frontier technologies hold the potential to foster economic growth and enhance market dynamics through increased transparency and improved delivery of services.

Traditional funding sources and investment models often overlook or deprioritize fragile contexts, due to the associated risks and challenges. As a result, these states receive funding primarily for crisis response, and so continue to lack the resources to drive long-term progress and growth.

To address this funding gap, the Venture Fund has been expanding its focus and reach in FCS. Fostering innovation in fragile contexts requires significant engagement to strengthen local capacity prior to exploring investment opportunities, The Venture Fund is uniquely positioned to deliver this, tailoring engagement informed by UNICEF's existing programmes to build fit-for-purpose ecosystems and create a pool of de-risked investments.

Since 2022, the Venture Fund has made investments that drive resources towards the humanitarian-development nexus, by supporting innovation work on two fronts:

- Scoping and understanding the landscape, priorities, and needs on the ground. The Venture Fund has supported local innovation ecosystems and landscape mapping in six FCS countries through country office investments and DPG pathfinding. In UNICEF Sudan, in collaboration with the health ministry, ecosystem mapping specifically for primary health care, identified 1,851 potential innovations. After rigorous impact and feasibility assessments, this was reduced to 10 key innovations to guide future investments and fundraising efforts, by government, development actors, and other stakeholders.

- Field-testing solutions through country office-led pilots. Current pilots include using AI for cash transfer anomaly detection in Yemen; deploying the African Drone and Data Academy (ADDA) platform in Ethiopia, Niger and Malawi; Speech-to-Text technology for youth poll participation in Burkina Faso; blockchain for financial inclusion of youth in Burundi, language translation tech for humanitarian training materials in the DRC and drone use to restore connectivity post-disaster in Mozambique.

Investing in startups and entrepreneurs in fragile states is a pathway to build local capacities for the future. DPG incubators in Lebanon, for example, are upskilling 1,100 youths in AI and DPG development. ADDA now has over 3,400 graduates with skills certificates and licenses for drone piloting, construction and data management. This initiative empowers young people with the tools and knowledge to innovate and thrive in the tech industry.

To date, the Venture Fund has investments in nine country offices and five DPG projects in FCS. Below are some insights and lessons learned from introducing frontier tech in these fragile contexts.

1. Prioritize critical and recurring systemic issues and address multidimensional problems to warrant testing and validation in sensitive contexts. UNICEF country offices in FCS continuously respond to humanitarian crises. To effectively aid this response, frontier technology must directly address critical and recurring issues impacting millions or incurring substantial costs. In Yemen, ongoing investigations are assessing how AI can enhance anomaly detection in cash transfer transactions affecting nine million people. Likewise, the proposal to use autonomous airships for emergency connectivity in Mozambique, gained significance following extensive damage caused by cyclones and floods in early 2023, leading to approval of a pilot, co-funded by the World Food Programme (WFP).

   In the Democratic Republic of Congo (DRC), large language models are being tested to translate training materials for frontline workers into Kiswahili. Beyond offering quick fixes, these models can be customized to address specific needs to process diverse content types in other underrepresented languages.

2. Navigate local political and socioeconomic ecosystems with care. In Yemen, the choice between testing AI or blockchain for cash transfers, involved weighing up immediate cost savings against security concerns linked to cryptocurrencies, leading to the selection of AI.

In Burundi, clarifying the differences between blockchain ledgers and digital assets was essential due to government hesitancy. Establishing innovation 'sandboxes', such as humanitarian drone testing corridors, facilitates rapid learning from failures in controlled environments. Innovating in volatile settings requires thorough risk assessments of the technology and flexible project management to anticipate and mitigate potential harm.

3. Embrace uncertainty and anticipate disruptions. Agile development is indispensable in emergency contexts, where disruptions are common. In Sudan, adjustments were made to the timeline for a digital health initiative due to the conflict, while a coup in Niger prompted plans for the African Drone and Data Academy to pivot to Ethiopia, where the Venture Fund already had a presence. Iterative implementation and open communication between UNICEF country offices and the Venture Fund enable teams to swiftly adapt and co-create solutions that meet shifting needs.

4. Forging partnerships. Partnerships in fragile states necessitate strategic selection, particularly in regions marked by high corruption and low trust levels. UNICEF Ethiopia transitioned from an untested business entity to a more established national university as its partner to launch the African Drone and Data Academy. In Mozambique, leveraging WFP's extensive drone programme facilitated quicker government buy-in for using autonomous drones - the proximity of Cloudline, a South African-based drone company, further instilled confidence in the initiative. The adoption of Open Source models provides greater flexibility, reducing dependence on a single technology partner.

5. "High tech" is only as good as its practicality – prioritize usability. In low-resource settings, challenges such as limited electricity and internet connectivity, coupled with low smartphone penetration, underscore prioritizing accessibility and usability for diverse groups. In Burkina Faso, a text-to-speech (TTS) solution is being developed to deliver life-saving information in Mooré to Burkinabé youth with low literacy levels. Exploration of robust offline speech recognition for low-end devices is also underway. Effectively using innovation to provide frontline colleagues with the support they need is as much about tech solutions for the most marginalized, as it is about shaping policies for their ethical design and use. By aligning local challenges with customizable, scalable technologies and committing to continuous collaboration and learning, UNICEF country offices are developing adaptable solutions with potential far beyond fragile contexts.

Learn more about the Fund's FCS investments here.

Catalyzing Greater Investments in Sustainable Innovations for Children

The Venture Fund aims to create a pipeline of new solutions that are Open Source and built on sustainable business models. Open Source businesses are no longer perceived to be unviable - in fact, the Venture Fund portfolio is proof that investments in early-stage inclusive, decentralized and locally driven innovations, are both valuable and financially sustainable. 70 per cent of the portfolio is generating revenue, with 44 per cent having reached profitability. Our 81 portfolio companies have, on average, raised 3.9 times the initial investment provided by the Fund (US$36.1 million) – a 30 per cent increase from 2023.

This measure of third-party funding confirms the ability of the Venture Fund to attract and direct funding towards innovations for children that originate in emerging markets. It also confirms the Venture Fund's selection process, its success in accelerating Open Source tech, and its role as a catalytic mechanism that identifies and de-risks investment opportunities.

The Venture Fund also continues to pilot and catalyze new financing technologies for the benefit of DPGs, aiming to increase 'the size of the funding pie', while continuously exploring ways to increase transparency and decentralisation, within funding mechanisms and decisions.

Following successful pilots of quadratic funding and staking with support from UNICEF's CryptoFund, the Venture Fund continues to explore innovative financing mechanisms to increase resource flows to Open Source innovations and DPGs. This has included improving the level of community engagement and decentralization in funding DPGs. In traditional models, when a donor provides funding, core product development teams often dominate the roadmap for that DPG, side-lining feedback from wider stakeholders (e.g. end users etc.). This results in solutions that may not fully align with the needs and priorities of implementation partners and/or beneficiaries.

A decentralized autonomous organization (DAO) aims to democratize decision-making and foster a more open and collaborative approach to funding and developing DPGs, ultimately ensuring that they genuinely serve intended beneficiaries.

The Venture Fund initiated the DAO Project in late 2022, to test the voting processes and logistics involved in setting up a DAO. In 2023, a DAO was implemented with www.primero.org, with support from XCapit, a Venture Fund portfolio company.

With a treasury of 5.4 ETH (approximately US$10,000 at the time of creation), the Venture Fund is testing whether such a mechanism can address issues typically faced by DPGs (e.g. achieving financial resilience, attracting technical talent from the Open Source community, democratizing the roadmap creation process). The Venture Fund completed one full transaction (proposal, discussion, proposal voting, work completed, work certified, payment made) in February 2024 - proving the viability of the technical data flow and community workflow.

At the time of writing, the Venture Fund has four active product-enhancement proposals under review and is preparing to onboard a full-time community manager. This work underscores the potential for the treasury to accept donations and for the development of an open, decentralized marketplace to support DPGs. Further investment in this area is planned for 2024-2025.

Portfolio Companies Pledge to 'Give Forward' through the Venture Fund

In a show of support for the shared values of tech justice, equity, and inclusion, 27 companies have made voluntary commitments to give forward by signing a 'Pledge' - a non-binding intent to offer financial or in-kind support to the Venture Fund's mission. This is a significant step towards improving the Venture Fund's sustainability by allowing portfolio companies, and investee alumni, to donate a proportion of their financial success. In addition, and where financial contributions are not feasible, non-financial support such as mentoring startups, knowledge sharing, becoming 'venture champions' and advocating on behalf of UNICEF, also generate welcome value.

Section 3

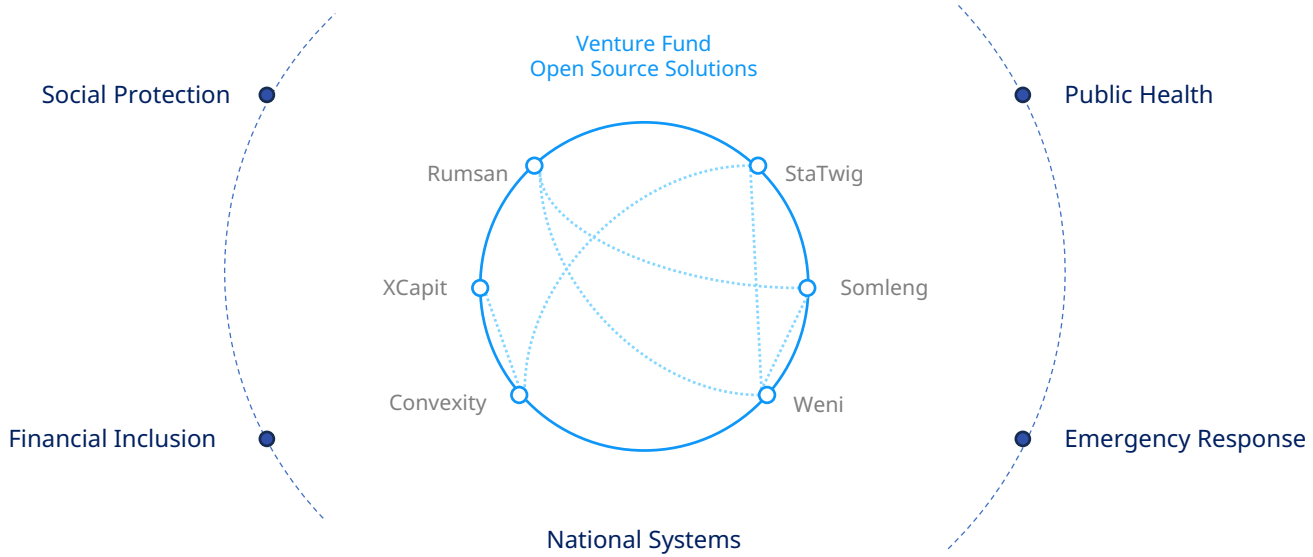
Accelerating Results for Children

Impact Area:

Blockchain for Efficiencies in Humanitarian Aid and Service Delivery

Innovations that get critical services and assistance to the most marginalized, increase transparency and stakeholder collaborations, while making efficiency gains and reducing costs, are priorities. These can help accelerate results across UNICEF's strategic priority areas, as well as UNICEF's significant role in providing cash and other assistance in emergencies, and as part of ongoing social protection programmes. Blockchain and its specific application to support digital assets, has been identified as a technology with significant potential to boost operational efficiency, decrease transaction costs, increase transparency and coordination, as well as promote financial inclusion. The Venture Fund's investment cohorts in blockchain for efficiency, financial inclusion, capacity building alongside the CryptoFund have been generating Open Source IP, important lessons and insights.

The Venture Fund has been building a suite of blockchain solutions that can be integrated into digital, and other platforms, in use at country level. This portfolio (drawn from across startup cohorts at different stages of investment and VF-supported Country Office pilots, as well as globally-led explorations between UNICEF Office of Innovation and DFAM) is coming together as a collection of Open Source IP and solutions that can be integrated into national systems and connected to each other.



Blockchain added value particularly by reaching unbanked beneficiaries who receive their assistance in cash, including those with limited access to the relevant mobile technology. In Nepal 17 per cent of beneficiaries lacked access to a phone. All mobile users without bank access reported receiving OTP for cash redemption. One time passcodes, SMS, QR codes, and local language Interactive Voice Response (IVR) simplified beneficiaries' interaction with the technology. Venture Fund portfolio company, Somleng, provided text and voice call communications through a platform that bypassed protracted telecommunication company negotiations, offering its services at five per cent of the cost of other market solutions.

System-wide efficiencies:

Across a series of solutions and pilots, the Venture Fund has built an Open Source system that allows for greater transparency and accountability in the supply and disbursement of cash, and voucher assistance. Three solutions – the Rahat platform, Statwig and Convexity (see box for details) - have generated the following results:

- Decrease in Costs — As part of the Giga Blockchain for Digital Inclusion cohort, Convexity developed 'CHATS', a digital cash and voucher platform using blockchain and smart contracts. In three pilot projects, CHATS reduced donor overhead costs by 20 per cent.

- Decrease in the disbursement time — In pilot deployments, the solution reduced the time required for aid disbursement to beneficiaries, from one to two days to under five minutes (Nepal Rumsan). While operational benefits were observed, the pilot also highlighted limitations particularly in digitizing physical records. This poses a 'last mile' trust issue, often requiring human intermediaries to bridge the gap between offline records and their digital counterparts. Achieving cost efficiency is feasible at scale but less so in new or more limited contexts, due to high technological development costs and the need for digital and in-person reconciliation.

- Real-time reconciliation and full transparency of each transaction step for all stakeholders, which prevented delays in identifying errors.

- Positive Feedback from Beneficiaries - Almost 97 per cent reported 'no problems' with accessing their assistance. Increased control over financial management and decision making was also viewed as leading to increased empowerment, with 71 per cent of women reporting increased feelings of empowerment, after receiving assistance through Rahat in Nepal.

Pilot Details

Rumsan (Nepal) and UNICEF Nepal

With seed funding, Rumsan developed the Rahat platform, a blockchain-based cash and voucher Assistance (CVA) system enhancing transparency and accountability in humanitarian aid through real-time fund tracking. In 2023 Rumsan conducted a pilot with UNICEF Nepal, supported by the Venture Fund country office funding window, in using blockchain for cash transfers, that reached 1,900 households; the majority either landless, headed by daily wagers, or with children under age five or family members with disabilities. A third-party evaluation by Progress Inc. documented promising findings.

Convexity (Nigeria)

As part of the Giga Blockchain for Digital Inclusion cohort, Convexity developed CHATS, a digital cash and voucher platform using blockchain and smart contracts, reaching 13,613 unique beneficiaries (11 per cent children and 30 per cent women) through three humanitarian projects. CHATS makes it possible for all recipients to have a digital wallet account attached to an identifiable and verified individual. Beneficiaries can claim their aid using USSD, SMS vouchers, QR code paper vouchers and 'near-field communication' (NFC) cards, for beneficiaries without access to smartphones or the internet. The team continues to improve CHATS, integrating a custom 'Zero Knowledge' identity system that keeps personal data private, while streamlining aid distribution. However, the platform needs a more versatile architecture to accommodate diverse organizational requirements and user types, while also complementing existing systems without the need to build a new digital infrastructure.

Statwig (India)

With seed and growth funding, Statwig used blockchain to advance VaccineLedger, preventing wastage, fraud, theft and black-marketeering of vaccines by monitoring the entire supply chain. Statwig's solutions have been deployed in three regions, where they have tracked 13.5 million doses of vaccines, three million recycled bottles and 22.5 million kilograms of rice. Since VaccineLedger became a DPG, the company expanded their technology to the pharmaceutical industry in Costa Rica, reaching 1,200 pharmacies and gaining 65 per cent market visibility in the country. The company has been selected by UNICEF Bangladesh to help deliver a national vaccination project that could impact three million children through the co-development of Vaxin, a modular end-to-end supply chain platform based on, but surpassing, the original VaccineLedger. As an DPG, Vaxin is poised to be adaptable and interoperable, enabling other countries to develop, customize and implement it, completely or partially.

Individual / community level inclusion – reaching the 'hard to reach' and providing additional services to increase the value of assistance provided:

Blockchain has the potential to increase financial inclusion by giving more beneficiaries access to basic banking functions, alongside a diverse set of financial services that could maximize financial opportunities.

The Venture Fund's financial inclusion cohort achieved promising results in its initial stages, demonstrating blockchain's value to the underbanked and unbanked populations in opening up financial services otherwise unavailable to them via conventional financial institutions. These results were further complemented by investments in blockchain for capacity building. With a round of Venture Fund growth funding, XCapit is enhancing its Open Source product offering by creating a new type of phone wallet (Web3), to expand the reach of digital assets to the most vulnerable. This wallet will allow UNICEF and other stakeholders to provide cash assistance to the most marginalized that have access to feature phones. This would not only increase the reach of cash assistance, allowing beneficiaries to pay for basic goods and services, but also expand their access to other financial services, as well as enable the creation of digital identities and credit histories that could unlock traditional financial services.

With previous seed funding, Xcapit developed its first GPD web3 crypto wallet to increase financial inclusion in Latin America. Targeting unbanked populations, it offered features like financial planning and gamified savings, and allowed people without a credit history to get their first credit card from local banks, by providing crypto-based collateral for a few months. During a pilot with one of Argentina's largest credit card issuers, Xcapit's 'escrow' infrastructure helped lower the industry's rejection rate of 92 per cent. Beneficiaries, particularly those traditionally underserved by conventional financial institutions, received credit in the local currency while saving in a stable currency (US digital dollars), improving their credit scores and entering the traditional financial market. A pilot supported by the Venture Fund in Burundi, leveraging BX Smart Labs' blockchain-based savings circles BLOINX, formalizes and digitizes the savings circles of unemployed adolescents. The goal is to facilitate youth access to microfinance institutions, improving their livelihoods. Prototyping this in a FCS has meant prioritizing human centered design approaches to serve the unique context of Burundi.

The Venture Fund's climate cohort portfolio company eSusFarm (Uganda) is developing a blockchain platform for smallholder farmers which enables parametric insurance - insuring against the occurrence of a specific event by paying a set amount, based on the event's magnitude. Blockchain enables automated pay-outs in the event of a significant event.

Next steps: Building on these promising results for system-wide tools, the Venture Fund will be:

- Explore blockchain for broader social protection programmes and anticipatory action, such as using blockchain to gather reliable data for predicting climatic events, then automatically transfer cash to help people prepare.
- Expand integration of blockchain-based voucher systems to provide end-to-end visibility through data integration with existing UNICEF tools, such as HOPE for beneficiary management and with external payment service provider APIs.
- Explore the use of digital assets to transfer cash assistance to beneficiaries. UNICEF Office of Innovation in close collaboration with its DFAM, alongside select country and regional offices, is exploring the circumstances and parameters in which such digital assets would be valuable. The CryptoFund will build its experience with stablecoin-denominated operations and transactions, as well as develop a clear decision-making matrix to identify relevant contexts for these pilots. Contexts with high currency volatility, favourable regulatory environments and existing use of digital financial transaction tools by beneficiary, are likely to be the most fruitful. Initial surveys among potential beneficiaries in the Europe and Central Asia region have indicated a strong interest and willingness to receive cash assistance through crypto-based platforms, with off-ramping (cashing out) into fiat.

With growth funding from the Venture Fund, Rumsan is also expanding its Rahat platform to receive, hold and disburse digital assets to beneficiaries. UNICEF has been exploring its potential role in using digital assets to improve the efficiency of UNICEF-led cash assistance. Digital assets are recorded on blockchain ledgers, making them secure and transparent. Moreover, they are not tied to any national system, making them particularly useful for vulnerable refugees on the move. Pilots are being explored to assess the feasibility of public blockchain technology, wallet infrastructure, and off-ramping mechanisms to deliver humanitarian cash transfers. By adopting digital assets, the initiative could reduce transaction fees and disbursement time while ensuring the protection of personal information.

Impact Area:

AI for Accessibility

Across different programmatic areas, there are significant challenges in widely disseminating information and content for purposes like training and learning and emergency response, as well as on an ongoing basis to support decision making and access to services. Barriers to access can include: literacy, digital literacy, language barriers and limiting individual disabilities. While AI is already improving accessibility and engagement with content, many developments are limited to mainstream or majority languages, higher-resource environments and unique use cases.

Major tech solutions for translation and natural language processing often fail to adequately support the less common languages spoken in 'last mile' communities. Further, many commercial accessibility technologies are often not widely adopted because of factors like cost and limited integration with existing infrastructure and services in underdeveloped regions.

The Venture Fund has therefore been developing and testing Open Source algorithms that fill this gap in meeting the needs of underserved communities, where improved information efficiency and reach would greatly contribute to emergency response, learning, health provision and other humanitarian efforts.

Breaking down language barriers

Humanitarian training, predominantly available in English, leaves local responders who speak less common languages, underserved. UNICEF is leveraging the NLLB-200 model (No Language Left Behind) so training modules can be translated and localised, ultimately improving first responders' capacity to achieve full operational readiness for emergencies.

A pilot using NLLB in the DRC is prototyping AI-based machine translation tools to deliver critical information and training content to over 20 implementing partners. Starting with the translation of materials into Kiswahili using machine learning, the pilot is expected to boost the efficiency and cost-effectiveness of local-level humanitarian response capacity, potentially serving as a scalable model for other humanitarian settings.

Machine translation has huge potential for scaling across both UNICEF's programmatic and operational activities. As the work in the DRC indicates there is demand for reliable and rapid translation services for lower resourced languages, supporting programmes ranging from virtual safe spaces for women and girls, to child online protection services. By using an open approach to building the technology, UNICEF Office of Innovation has also enabled translation of massive amounts of content from UNICEF's internal training platform, Agora, to languages beyond the official UN languages.

Speech-to-text (STT) and text-to-speech (TTS) - overcoming disability and literacy access barriers: The Venture Fund is supporting the development and testing of STT and TTS solutions for underrepresented languages. Om3ga, from Serbia, is developing Daktilograf, a highly accurate solution for Slavic languages - spoken by over 350 million people - that provides fast and precise transcription through an online platform, mobile app and on-premises devices. It features the first, and largest, open public TTS and STT dataset for machine learning in the region and introduces automated content creation for various industries. In West Africa, UNICEF's reach to young people through UReport is limited by their literacy rate (65 per cent) and use of the local language, Mooré. By integrating AI-powered TTS capabilities in French and Mooré, non-literate youth can access the app by listening to U-Stories in Mooré and access U-Protect/Children's Rights content in Mooré, as well as giving voice responses to surveys, audio/video opinions and reporting abuse, in either French or Mooré, via U-Protect/Chatbot.

Improving learning outcomes for children with disabilities with UNICEF Education and Disabilities Programme Divisions and UNICEF's Global Learning Innovation Hub: Accessible Digital Textbooks (ADTs) developed by UNICEF, in collaboration with Ministries of Education and global partners, provide accessible digital learning content, allowing children, with and without disabilities, to learn in the same classroom. Implemented in 10 countries — Colombia, the Dominican Republic, Jamaica, Kenya, Nicaragua, Paraguay, Rwanda, Tajikistan, Uganda and Uruguay — ADT helps the approximately 240 million children with disabilities worldwide get an education. The Venture Fund has supported early explorations that have informed the design of this solution, including the investment eKitabu and support to UNICEF Kenya in piloting accessible textbooks . As the platform has not systematically leveraged AI, UNICEF Ventures developed a prototype based on Open Large Language Models (LLMs) (such as LLAMA, NLLB-200). Building an ADT AI tool using Open Source technologies will enable others to better understand the behaviour of the existing models to transparently modify and expand them. In the next phase of the programme, UNICEF is working with assistive technology and AI experts to fast-track further development of ADTs. Visit the ADT portal here.

Providing a voice to children with disabilities: CBoard is providing children across over 11 countries with an AI-powered assistant for augmentative and alternative communication (AAC), to help those with speech impairments express themselves effectively. The platform developed by OTTAA (another Venture Fund startup and DPG), is active in five UNICEF country offices, including a recent Microsoft and UNICEF pilot collaboration in Timor-Leste. (Read pilot results here) The technology is proving promising for improving the communication of non-verbal individuals with conditions like autism and cerebral palsy - benefiting speech therapists, special-needs schools, health insurers, local authorities and governments.

Impact Area:
AI for Health

AI systems can greatly benefit health programme design and delivery by identifying vulnerable populations, optimizing resource allocation and streamlining operations, ensuring that limited resources reach those most in need. AI-driven diagnostics can improve the speed, reliability and cost-effectiveness of medical assessments, helping national healthcare systems use their skilled workforce more effectively. AI algorithms can also help anticipate future needs through risk modelling that predicts disease.

Over the years, the Venture Fund had made several health-related investments. Solutions leveraging AI for health were already part of earlier cohorts: Kimetrica (Kenya) in 2017 worked on facial recognition tech to detect severe malnutrition from a single photo; Avyantra (India) in 2018 used AI and ML for neonatal sepsis risk scoring; Inspired Ideas in 2020 developed an AI-powered paediatric health assistant tool. But in 2022 the Venture Fund sharpened its focus by onboarding its AI and Data Science for Health and Education cohort. Based on the results of these investments, trends in the technology and mapping of external developments, the following AI applications have been identified as holding immediate potential for healthcare:

- Using machine learning to improve data availability – such as for population estimates.
- Improving vaccine supply chains through demand prediction and optimised routing.
- Anticipating future needs through models that predict events, trends and risks, such as the spread of diseases or climate-related events.
    - UNICEF leveraged AI and big data to predict the spread of Ebola, Zika and other mosquito-borne diseases and most recently COVID. This also included analyses to inform the implementation of social distancing measures and their impact on pandemic progression. Country office-led initiatives used dig data and AI for vector-borne disease forecasting and management in Colombia, the Philippines, and Brazil.
- Data analysis to identify vulnerable populations and optimize resource allocation, such as drawing insights from large volumes of health system data to inform local, sub-national and national planning and decision making.

- Portal Telemedicina (Brazil): As part of the 2022 Data Science and AI cohort, Portal Telemedicina developed the 'Smart Child Development Platform' that includes teleconsultation, health management and diagnosis tools. This platform integrates medical records and devices, allowing doctors to remotely consult and diagnose patients. It also sends important health notifications to parents and caregivers, with a focus on ensuring children receive routine vaccinations. The platform is particularly valuable in areas where access to specialized paediatric care is limited. By analyzing data real-time, it can detect developmental delays and identify trends in child development, across different demographics and regions. This helps healthcare professionals implement targeted interventions for better health outcomes. Through a successful pilot in Tarumã, São Paulo, involving 3,876 children, the platform generated 3,544 alerts related to vaccinations under the Previne Brazil programme, resulting in a three per cent increase in vaccine coverage during the pilot period, with an annual growth potential of 8.4 per cent. This is pivotal in areas where timely vaccinations face logistical challenges and lack of awareness about their importance. Following this success, Tarumã achieved 100 per cent vaccination coverage.

- Using AI to support learning and ongoing professional development of health care workforces, including community health workers.

    - While the Venture Fund has not supported the application of this technology specifically in this area, ongoing projects developing functionalities like automated translation, STT and TTS and easyread in local languages, provide solutions applicable to health systems. Later in 2024, the Venture Fund expects to be supporting the adaptation and testing of these solutions in this context.

An emerging area of exploration for the Venture Fund has been the exploration of AI-driven diagnostics to improve reliability, speed and cost effectiveness. These applications bring significant complexities and challenges, especially related to data management and compliance with regulations before market entry is possible. Two portfolio companies – Neural Labs and Eyebou – are active in this space. While their early-stage solutions were able to successfully start clinical trials and/or pilots to test their solution and gather data; the volume of data needed to ensure their AI-powered solutions can compete with industry standards will require additional time, resources, and partnerships.

Neural Labs (Kenya)

2022 Data Science and AI cohort graduate Neural Labs screens medical images for radiologists and hospitals in real-time to identify common indicators of respiratory diseases. During the investment period, they expanded pathology detection from 13 to 29 types based on trial findings. Accepted into the Vilgro Africa incubator for emerging healthcare businesses, Neural Labs has used AI to accelerate the detection of respiratory diseases for 2,000 children within a year. They developed the Open Source solution as part of their main product.

Eyebou (UAE)

Another 2022 Data Science and AI cohort graduate, Eyebou, makes eye care accessible for children through mobile app vision screening technology, operational in low-connectivity areas. Registered optometrists review results, and children needing corrective measures receive referrals to local opticians or the proper interventions. Piloted in Colombia, Eyebou screened over 2,000 children with SOS Children's Villages, 23 per cent of whom had never seen an optometrist, identifying vision problems in nearly 33 per cent of the children. So far, Eyebou has screened a total of 5,000 children and has received high ease-of-use ratings. It is now working with Vision Action to fund a pilot with Zambia's Ministry of Health and Education.

The Venture Fund’s portfolio of explorations AI-assisted health solutions will further grow with the onboarding of the next cohort planned for later in 2024.

Impact Area:

AI for Learning

AI can be harnessed to support UNICEF's efforts to address the ongoing learning crisis by advancing priorities such as reaching every child, assessing learning levels and prioritizing teaching fundamentals. Beyond the formal education system, AI offers opportunities to support early learning, lifelong education and learning for out-of-school children in humanitarian and emergency settings. Importantly, rather than replacing teachers, AI can be utilized to increase educators' reach and capacity.

Possible applications include using generative AI to expand the pool of educational content available to teachers and learners; using AI predictions to craft personalized learning journeys with tailored feedback, adaptive tutoring and content recommendations; using AI language models to translate educational resources and incorporate audio and speech features; and using AI to facilitate remote learning, through low-tech or offline platforms to reach out-of-school children and children in humanitarian settings.

The Global Education Evidence Advisory Panel (GEEAP) recently issued its recommendations for cost effective approaches to improve global learning. While using software that personalizes learning and adapts to the learning level of the child, has been identified in studies as highly effective, evidence of cost-effectiveness or implementation at scale remains scant. As the Venture Fund portfolio investments in this area offer results related to effectiveness and scale, it can contribute to knowledge about the approach.

These investments were made as part of the Skills and Learning cohort with UNICEF's Generation Unlimited, and first and third growth funding windows. The Venture Fund's investment strategy focused on building Open Source algorithms easily adaptable for use across different learning management systems, addressing needs in languages and contexts under-represented in similar solutions developed by large corporates.

Results across these pilots have been very promising and demonstrated value added, increasing test scores and reading proficiency, while improving engagement and retention and decreasing student drop-out rates.

Afrilearn

Accessible, adaptive, and affordable learning through web, app, and data-free Dongle subscription services. The Fund supported the development of an AI-powered recommender system and gamification features.

66% increase in user engagement, 70% of users improved their test scores by 150% within a week of continuous usage.

Bookbot

Gamified app to improve children's reading and writing in Indonesia, expanded its library to include over 2,000 phonics-levelled books in Bahasa Indonesia and 1,000 English books aligned with the government curriculum.

Doubled reading proficiency within a year and increased average reading time.

Pixframe

Developed Towi and MatematIA, game-based learning platforms improve children's cognitive and math skills.

Reduced dropout rates, especially for male students.

Angaza Elimu

Digital learning platform offering personalized, mastery-based experiences and adaptive assessments

32% increase in student performance with 35 minutes of daily use and a 15% reduction in teacher administrative time.

Tilli

Gamified socio-emotional learning, with customizable tools adaptable to low-connectivity or electricity-limited scenarios – building out SEL Assessment Suite and Generative AI tool to create personalized classroom interventions based on learning outcomes data.

95% of learners recorded full engagement, 96% say they've applied learnings to real life.

Impact Area:

Data and AI for Insights – Big-picture Policy and Local Level Planning

Across the spectrum from early-stage pilots to solutions going to scale, the Venture Fund has been supporting solutions that leverage AI and big data to gain better, more granular insights that reflect current / real-time situations. This has helped inform programmes and policies implemented by UNICEF and its government partners. AI can be used to map relative wealth, identify vulnerable populations, detect disparities and model the most effective interventions to address these populations through poverty reduction efforts, humanitarian response, climate adaptation plans, and infrastructure development. It can also help UNICEF and partners reach vulnerable groups, including children missed by UNICEF programming.

Gaining insights on children and their communities across Southeast Asia through Thinking Machines' platforms: Thinking Machines (Philippines) joined the Venture Fund portfolio in 2018, as part of its first AI Cohort. The focus of the seed-stage investment was to develop a poverty mapping model using wealth estimates to support governments in decision-making. After graduation, the company worked closely with the Venture Fund team on various projects, such as analyzing mobility data to measure the impact of social distancing, and subsequently measuring the secondary impact of responses to COVID-19. A new pathway was created to enable Thinking Machines to continue its collaboration with UNICEF, by launching the Long-Term Agreement (LTA) strategy for Open Source frontier technologies.

In December 2021, Thinking Machines became the first and only portfolio company so far, to receive acceleration funding (up to US$400,000) to support nine UNICEF country offices. This led to the creation of the Artificial Intelligence for Development Research Bank (AI4D) in collaboration with the East Asia Pacific Region Office (EAPRO). AI4D aims to make technical data and AI resources more accessible and to promote discussions about integrating machine learning into development policies, especially in areas where traditional data collection and analysis are limited.

Thinking Machines' successful investment journey, from seed to growth, resulted from a few key factors:

Time. The growth and development of AI modelling and algorithms to provide accurate and valuable insights takes time. The Venture Fund worked with the company to iterate their solution, adapt to new techniques and incorporate data and stakeholder requirements to refine the product.

Resources: Over the past six years, the Venture Fund provided the company with financial and technical investment, alongside help with building partnerships and leveraging UNICEF networks.

The team gained significant experience working with multiple country offices – learning from their field knowledge – as well as governments and private sector partners.

Data. A key success metric for an AI model is the quality and quantity of training data. UNICEF played a critical role in providing the company with exposure to over 10 countries and multiple contexts. The frontier tech team identified appropriate use cases for Thinking Machines to pilot their solution. The company was also selected to co-design and build various internal projects, enabling their solution to deliver results across various sectors.

AI4D consists of three main components:
(1) The air quality estimation model predicts Particulate Matter (PM) 2.5 levels in Thailand using open remote sensing data. It has shown significant accuracy with an R^2 score of 0.8672 and a mean absolute error (MAE) of 4.0167 µg/m3. Future efforts will focus on making the model more applicable across different contexts and conducting validation experiments over time, including collaborating with UNICEF Laos.

(2) GeoWrangler streamlines and speeds up workflows for geospatial data, making tasks like estimating school internet connectivity and assessing climate impacts more efficient. This has shortened project timelines significantly and supported initiatives such as mapping poverty for sustainable aquaculture in the Philippines.

(3) The relative wealth mapping models use open datasets and surveys to predict wealth based on features like night-time lights, internet access, and points of interest. In collaboration with UNDP Philippines, Thinking Machines is using these data sets to analyse the relationship between relative poverty and disaster risk exposure and help identify vulnerable areas where targeted interventions are needed.

Looking forward, AI4D aims to refine its models, expand collaborations, and enhance tools like the air quality model and GeoWrangler. These advancements endeavour to improve decision-making and outcomes for vulnerable populations, demonstrating the potential of AI in driving development impact.

In the recently onboarded climate action cohort, the Venture Fund is supporting community-generated data to inform AI-based systems that can help predict natural disaster events, while identifying vulnerable communities to help plan the most appropriate emergency response: Complementing these efforts, the Venture Fund has invested in solutions that engage communities in collecting and reporting real-time data, enabling more granular contextual analyses and events prediction. Three companies from the 2023 Climate Cohort are integrating AI and machine learning with community intelligence and local data sources, to improve disaster risk reduction, environmental monitoring and response capabilities in vulnerable regions.

1. Equinoct monitors climate hazards in real-time by setting up rain gauges in the Periyar and Chalakudy river basins, where 100 community members gather data during the monsoon season - information that will improve AI-driven flood prediction models, making early warnings more accurate.

2. Communities are using Map Action, a smartphone app by Kaicedra, to report environmental issues. AI sorts through these reports and creates digital maps to locate where action is needed most, helping local authorities to respond quickly and effectively. Kaicedra is planning to soon test their app with over 20 government and NGO partners.

3. Map & Rank is using drones and machine learning to create detailed maps of climate risks in northern Cameroon, analysing big data to better understand flood and drought risks and using local community feedback for product improvement.

Recognising the potential for data science and machine learning to accelerate UNICEF's climate, environment and disaster risk reduction work, the Venture Fund will invest in improving Open Source air quality machine learning models. Increasing the available data and subsequent modelling will benefit policies and actions to improve air quality. Initially focused on Southeast Asia, the work will have potential to be scaled around the world.

Impact Area:
Drones

The Venture Fund has been a leader in sourcing and supporting the deployment of various drone-based projects and investments for programming in public health, emergency response and climate change since 2017. Some solid results have shown that drone technology can be seen as a multisectoral and multi-use tool or platform for areas such as transport efficiency, supply chain management, emergency response and medical deliveries.

Given technical considerations and market maturity, the Venture Fund is focusing its engagement on increasing uptake of promising solutions for UNICEF and its partners. This year, the UNICEF Office of Innovation has been focused on a pathway to sustainably integrate drone technology. Ultimately, this will be achieved by scaling drone-based solutions themselves, ongoing servicing of LTAs for Services and the implementation of methodologies developed by the Venture Fund.

While there are multiple use cases for drones to support efforts at country level, the Venture Fund is focussed on the opportunities for disaster preparedness and disaster response including direct support to affected populations and responders. Work has begun with the Emergency Team within UNICEF's Information and Communication Technology Division (ICTD) and the Emergency Advisors across UNICEF's regions to enable them to lead, or request technical assistance, for the deployment of drone tools. The Humanitarian Drone Bootcamp (HDB) concept has been developed as an educational platform for building technical skills, enhancing operational knowledge, and fostering local expertise in drone technology and its applications. The bootcamp is currently being co-designed with other UNICEF Divisions to allow for a transition in leadership of this effort and mainstreaming in the organisation.

Promising solutions from the Venture Fund portfolio applying drone technology to support emergency preparedness and response include:

- Humanitarian Drone Response Toolkit (UNICEF Malawi) was successfully deployed in a flood-affected district of central Malawi, where over 10,000 people were displaced. The collected drone imagery and data enabled the inter-cluster coordination group to conduct faster and more efficient assessments than traditional methods. Local teams were trained on using the toolkit's Open Source geospatial data catalogue, drones, and related equipment. Following the flood response, the project team was able to raise US$75,000 in follow-on funding by demonstrating the toolkit's utility. Partnerships were also established with the Malawi University of Science and Technology and the Department of Disaster Management Affairs to institutionalize its use.

- Venture Fund investee Cloudline conducted flight tests with an airship and an Ericsson Wi-Fi device, to test connectivity distribution from the airship. Provision of communication channels to emergency responders and affected populations is an area of growing focus for emergency actors around the world.

- Dronfies Labs (Uruguay) solution supporting regulatory compliance, enables real-time data sharing for airspace management and coordinating multiple drone operations, especially during emergencies. It is compatible with various consumer drones, and the Uruguayan Civil Aviation Authority is using this Open Source solution through 2025. With growth funding, Dronfies expanded their Unmanned Aircraft Traffic Management (UTM) system to include drone delivery, successfully piloting a project with the Central Hospital of Tacuarembó, Uruguay. They reduced medical supply delivery times by 50 per cent, benefiting over 300 people. This success led to further funding from the Uruguayan National Innovation and Investigation Agency to expand drone delivery corridors in rural areas, establishing Uruguay's first drone delivery network and pioneering a medical drone delivery programme in Latin America.

With a decade of impactful results and five years remaining to achieve the SDGs, the Venture Fund 2.0, to be launched in 2024, will amplify diversified and inclusive investments that accelerate progress towards the 2030 targets. Building on our successes and insights, the Venture Fund 2.0 aims to rapidly explore new solutions, keeping up with the pace of technological developments to expand its footprint and impact.

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Section 4

Fund 2.0

Shaping an Equitable Tech Future

There remains a significant funding imbalance across geographies and genders, limiting the kind of solutions, innovations and technologies that are generated and available - resulting in technology that continues to widen existing inequity gaps rather than close them. The Venture Fund has shown that it can act as a vehicle to de-risk investment opportunities and identify solutions for additional capital. We aim to increase our role in redirecting more investment directly to innovations and technology solutions that are public goods, and that are built by and for those who are often underrepresented in traditional investment trends. The Venture Fund team, as co-facilitators in the development of the Global Digital Compact, call for greater investment in solutions originating from emerging markets, specifically of digital public goods that support universal access to SDG-orientated solutions. As of this writing, the draft Global Digital Compact highlights the need for increased funding flows to emerging markets.

The Venture Fund uses platforms like these to advocate for, and align with, diverse partners to support the growth of local tech ecosystems and young entrepreneurs from emerging markets. The aim is to dispel myths and misconceptions that underpin inequitable distribution of financing in emerging markets, ensuring that local entrepreneurs are the architects, owners, and maintainers of an equitable and inclusive digital future.

Scaling the Fund Model through Improved Sustainability

I) Capturing value return: The track record of the Venture Fund's investment strategy and portfolio shows that its approach generates a financial return on investment that it is currently not set up to capture. In the longer term the Venture Fund is exploring models that would allow it to take equity and generate a financial return from individual investments. In the interim, the Venture Fund's Alumni Pledge, signed by 27 portfolio companies already, will allow some technical and financial value to be captured through reinvestment into the Venture Fund, leveraging companies' successes.

II) Diverse models of partnership engagement: We plan to position the Venture Fund as a source of investable opportunities, enabling partners to make investments into, and get a financial return, from companies. The Venture Fund plays a critical role in providing a vetted, and de-risked pipeline, and acceleration support to grow investee companies. Partners provide the Venture Fund with a contribution for these services (building on the model with ETC Labs). Alternatively, a percentage of future return could be reinvested into the Venture Fund from external investors that see the value in this co-investment. Work is currently underway with the UNICEF International Council and UNICEF National Committees, to explore increased engagement with equity and other investors.

This engagement also includes building a network of supporters from emerging and developing markets. With its focus on empowering local entrepreneurs and capturing value from digital innovation for local economies, the model of the Venture Fund speaks particularly to tech entrepreneurs and philanthropists from the investee countries. An extensive prospect mapping exercise will generate a network of potential supporters and partners to contribute to the Venture Fund. These networks and their technical expertise will also benefit the Venture Fund's portfolio companies within the regions.

III) Leveraging web3 to increase funding for DPGs through the DPG marketplace: Through the UNICEF CryptoFund, the Venture Fund demonstrated the transparency, efficiency and partnership opportunities that Web3 can bring to innovation. Building on various prototypes and pilots that leverage web3 to increase resources for DPGs (such as previous pilots in quadratic funding, staking, and bounties) and to democratize and decentralize decision making (such as through the ongoing DAO pilot), the Venture Fund will launch its DPG marketplace. This will add value to DPGs and aspiring DPGs. Using decentralized finance tools, the marketplace will complement financing provided directly by the Venture Fund, to grow resources available for DPGs, while building a community of

technical and financial support around them. The platform is being built with direct engagement of the web3 community, leveraging the pre-existing communities of developers, financers, and product owners to ensure the vibrancy of the marketplace.

IV) Enhancing the CryptoFund model to increase its impact: Following the institutionalization of the CryptoFund in 2022, we have been working closely with other UNICEF Divisions to implement several recommendations to enhance the CryptoFund's model. One of these focused on expanding the range of approved cryptocurrencies to include stablecoins (cryptocurrencies that have their value pegged to a reference asset), based on the following anticipated benefits:

- Stablecoins offer increased transparency and efficiency, while reducing the issues of value volatility that currently need to be considered for the CryptoFund. Currently, the volatility of ETH and BTC significantly limits the amount of cryptocurrencies that UNICEF can accept at any time, given the time restrictions placed on UNICEF being in possession of cryptocurrency.
- Institutional knowledge about stablecoins, and how UNICEF can operate in a digitally financed future will help prepare UNICEF to collaborate with governments that are initiating internal explorations with blockchain and cryptocurrencies.
- Taps into a new and ever-growing donor pool to support UNICEF's work. UNICEF has had several opportunities from potential donors to contribute to the CryptoFund in stablecoins. Donation trends show that the top three most donated cryptocurrencies were ETH, BTC and USDC, accounting for 85 per cent of all cryptocurrencies donated. Stablecoins, such as USDC and DAI, are amongst cryptocurrencies with the highest donation volume.
- Stablecoins would introduce more predictability for UNICEF, donors, and any startups and others receiving cryptocurrency. Stablecoins could be accepted by UNICEF National Committees and by UNICEF directly, without the need for significant changes in technical infrastructure.
- Using stablecoins would reduce the need to adjust deliverables in contracts because of volatility in price.

The CryptoFund is expected to accept and operate in USDC by the end of 2024, generating important learnings for UNICEF as it may expand the use of digital assets in future programming.

Diversity and product inclusivity: Smart Investing 2.0

This year, the Venture Fund is launching Smart Investing 2.0, adopting a more holistic approach to diversity, equity, and inclusion (DEI) that goes beyond gender, to also focus on young people and children with disabilities. This will help maximise DEI across the value chain of investments, from founders to products and end users. Collaborations with DEI experts and industry leaders, will build on the Venture Fund's first decade of impact, to develop practical market tools and standards that ensure inclusive design and growth. Portfolio companies will be encouraged to integrate DEI considerations within their teams, design processes, tech development and product testing to promote inclusion and equity for historically underserved groups.

In addition to the investments and results outlined in sections 2 and 3, the Venture Fund has already initiated the following activities:

- Broadening the definition of 'women-led companies' to address systemic barriers women face in frontier tech in emerging markets.
- Investing in and mentoring women leaders in portfolio companies, providing opportunities for connection and peer coaching.
- Supporting portfolio companies to embed DEI values in their composition, practices, and processes, using locally translated global DEI best practices.
- Encouraging companies to pledge responsible and sustainable business practices aligned with the SDGs and the UN Global Compact's Ten Principles.

For 2024 and beyond, the Venture Fund's Smart Investing 2.0 will shape a frontier tech ecosystem by mainstreaming an inclusive investment approach, from company selection to product development. We will strengthen our systems to consider inclusivity at every stage of product development, including ideation, design, prototyping and market launch. This includes creating new frameworks and checklists to serve as starting points for considering inclusivity in Open Source frontier tech solutions. We will create products that cater to diverse user experiences and needs, ensuring that no group is unintentionally excluded. These tools will be tested with Venture Fund portfolio solutions and used as a platform to build a coalition of partners and allies that seek to hold themselves and others to a high standard of inclusivity within their technology solutions.

Venture Fund Future Frontier Tech Exploration

Complementing the innovation portfolio management strategy, the UNICEF Venture Fund is one of the key vehicles for the UNICEF Office of Innovation to explore emerging solutions, while responding to the complex and interconnected demands of evolving technologies and their implementation contexts. The core motivation of the Venture Fund remains identification of clusters or portfolios of initiatives around emerging technology - so that UNICEF can both shape markets, while learning about and guiding these technologies.

The Venture Fund continues to actively track the latest developments and assess emerging trends, aiming to capitalize on these and to shape new solutions to accelerate results for children. For 2024 and beyond, we will strengthen the pipeline of solutions and conduct rapid pilots, accelerating promising platforms through the Innovation portfolios and Hubs.

I. The FemTech Initiative

In recent years, the FemTech industry has seen impressive growth - the industry encompasses technologies aimed at enhancing women's health and well-being, leveraging a wide array of products, services and solutions. However, its rapid growth is unequally distributed, with 75 per cent of companies situated in northern markets. Further, they face challenges in raising capital and scaling their solutions to meet the demand in developed countries, leaving the needs of those in other markets, as well as those of youth, unmet.

The Venture Fund will focus on empowering women through FemTech and gender-responsive innovation - to strengthen the pipeline of FemTech solutions contextually and culturally.

The Venture Fund will invest in its first FemTech cohort of investments. To help the sourcing for this cohort, a series of regional challenges is being launched, (first the African Gender-Responsive Innovation Challenge in collaboration with GITEX Africa), building on the recognized need and opportunity for more focused outreach with women-founded and -led companies from African countries. We received 150 applications from 26 countries, selecting six companies from Kenya, Nigeria, South Africa, Tanzania, and Uganda, for tailored technical assistance to help them grow their solution, increasing their chances of a successful application to the FemTech cohort call, later in 2024.

More broadly, the Venture Fund will identify, co-create, and eventually support the scaling of innovative FemTech solutions to ensure equitable and inclusive access to health and Sexual and Reproductive Health and Rights (SRHR) information and services, for young women and girls in emerging market countries. This will be undertaken in several steps:

i. Market mapping of the gender innovation landscape and opportunities across emerging markets with the goal of launching an investment strategy. This will be backed by an evidence brief defining the investment rationale, key partners, and opportunities for success.

ii. Pipeline and ecosystem building — given the nascent nature of the FemTech industry in emerging markets, the Venture Fund will initially focus on capacity and ecosystem building to support community strengthening in those markets, ultimately creating a pipeline of Open-Source women's health solutions as potential investees.

iii. Round table discussions and advocacy with partners, governments, private sector experts to learn from each other, identify common challenges and call for action, including media attention.

II. Data, Trust and Misinformation

There is extensive research that documents the 'Hype Cycle of Emerging Technologies,' and the Venture Fund's role is to make informed investments in solutions that will deliver value in the medium to long term. As data and trust are integral elements of digitalization and adoption of frontier technologies, the Venture Fund monitors trends related to:

i) connectivity and the growing digital divide;
ii) the role of data that drives technology but if unchecked could be malicious;
iii) social media as a platform to facilitate exchange of opinions, but also as a source of misinformation and disinformation.

As digital access increases, child online safety remains a focus for the Venture Fund. We will launch a new call for applications to explore the disruptive potential of technologies, using algorithmic learning, AI and big data analytics to generate, inform and validate tools and platforms to tackle misinformation, benefiting from robust 'proof of humanity' systems. We seek to test blockchain use cases that can help mitigate risk, reduce the role of intermediaries and enhance trust. The Venture Fund also aims to invest in 'learn to earn' solutions that could help identify and verify misinformation, and behavioral interventions to educate youth.

III. Emerging themes for 2025

In the coming year, the Venture Fund will strengthen coordination of existing systems and capacity building. This includes investment in:

- Tools for anticipatory action: Including mobility forecasting, data management systems and mapping models for informed decision making. Key investment areas include: geospatial data science and AI systems, supply chain tracking and reporting, analytical platforms for feedback and post-distribution monitoring, and improved search and information delivery tools.
- Translation and accessibility: Including language assistants, such as augmentative and alternative communication (AAC) services, automated speech recognition (ASR), chatbots, and translation services in low-resourced languages.
- Upskilling and reskilling: Including expanded researcher training, upgrade of existing systems and development of new applications for risk mitigation, for example to tackle climate change impacts.
- Tech for financing impact: Including exploring the role of new tech developments and their applicability to UNICEF, such as funding impact with hypercerts, testing new model of tokenizing real-world assets, and exploring Regulatory Technology (RegTech), esp. KYC/AML and other asset or jurisdiction compliance rules, enabling cryptocurrency project fundraising at scale.

Expression of Thanks

As new technologies expand their reach into, and influence over, children's lives, the Venture Fund's team remains humbled by the commitment of its partners to shape technology that empowers often under-represented communities and problem solvers from emerging markets, towards universal access to digital solutions as digital public goods.

The Venture Fund would like to take this opportunity to express its sincere appreciation to our current partners, the governments of Denmark and Finland, AVENIR Foundation, the Ethereum Foundation, GSR Foundation, and Takeda Pharmaceutical Company Ltd. for their generous contributions.

As the Government of Denmark concludes its time with us as a founding partner, we gratefully acknowledge the pivotal role it has played in the Venture Fund's trajectory to date. Denmark's support and leadership has been instrumental in providing strategic direction that has expanded the Venture Fund's reach, while presenting new opportunities for growth and innovation.

We are excited to welcome to the network of Venture Fund partners, the GSR Foundation. The GSR Foundation brings a shared interest and commitment to exploring digital currencies in support of frontier tech in emerging markets, and to invest in blockchain for social good. It has been a privilege to extend the collaboration with the Ethereum Foundation on the UNICEF CryptoFund, further enhancing our efforts to mainstream engagement in the digital economy.

Note on Financial Contributions

Contributions and expenditures made in cryptocurrency are not reflected in the financial report but can be viewed in real-time at https://cryptofund.unicef.io/

Please note that the financial figures provided through UNICEF's certified financial reports to the investors in the pooled fund, only reflect the contributions made into this pooled fund cycle (2023-2025). One of the earlier investors - the Page Family Fund Foundation - provided its contribution of US$4.32 million at the end of 2015 to the Venture Fund, prior to the establishment of the pooled fund. Takeda Pharmaceuticals' multi-year contribution was also received as a separate grant - contributions and expenditures against it are not reflected in the certified financial accounts for the Venture Fund's pooled fund for 2024. The expenditure against these two grants, alongside any new income, provided into the previous fund cycle, are therefore not reflected in the certified financial accounts of the Venture Fund's pooled fund for 2024. It is also important to note that ongoing investment contracts with startups and agreements with UNICEF country offices are marked as 'commitments' in financial reports and only 'expended' once the respective contracts are closed, at the end of the investment period. The funding committed to these is nonetheless not available for other expenditures and as such, counts as, 'used'.