

UNICEF Innovation Fund Backgrounder

The Innovation Fund allows UNICEF to quickly assess, fund and scale open-source solutions that have been developed by companies in new and emerging markets. The core motivation of the Innovation Fund is to identify "clusters" or portfolios of initiatives around emerging technology - so that UNICEF can both shape markets and also learn about and guide these technologies to benefit children.

How does the Innovation Fund bring results for children?

The Fund brings together models of financing and methodologies used by venture capital funds and the principles of UNICEF's award-winning Office of Innovation.

The Innovation Fund supports the generation of open source solutions that address the most pressing challenges facing children. We find these solutions clustered around \$100 billion industries in frontier technology spaces, such as: blockchain, UAVs, virtual and augmented reality, 3D printing, machine learning, quantum computing, genetic engineering, Internet of Things, artificial intelligence, nano-satellites and human dynamics.

What does the Fund invest in?

We are seeking open-source projects that have already been started - companies have been running the project for a while - it shows some positive indicators - but funding is needed to take the project to a level where it can really attract additional investment and funding by generating real data. The UNICEF Innovation Fund can help with investments between \$50,000 and \$90,000 to support the acceleration of the company's work.

By investing in multiple concurrent teams working on similar problems and technology stacks the Fund can accelerate both the production of products, as well as the building, iteration, and exit of the teams around the technologies. The Fund also invests in early-stage "knowledge products" - operations research that is published in the public domain and supports investment strategies and decisions.

Go to www.unicefinnovationfund.org to find more information about the companies and solutions the Fund has invested in to date.

Who can apply?

Applications are accepted on a rolling basis from start-ups in UNICEF's programme countries ([see list here](#)). Details of the application process are available on www.unicefinnovationfund.org. Applications are reviewed on a regular basis.

The Innovation Fund is also accepting internal applications from UNICEF Country Offices for co-funding from the Innovation Fund. Applications can be submitted on an ongoing basis (through bit.ly/applyinnovationfund) and funding decisions are made within two weeks.

How can we track progress of the Fund and learn more about individual investments?

The Fund provides reporting back on expenditures through its management dashboard, which shows investments' and projects' growth (or decline) in real time. Through dashboards that provide real-time information aggregated at the project, portfolio and Fund level, our partners are able to continually monitor progress and growth. Please visit www.unicefinnovationfund.org

How big is the Fund?

The first round of the Innovation Fund was closed at \$11 million with contributions from private and public investors and supporters.

You say it's a Venture Fund. What's the return?

Thanks for asking that important question. Investors get three specific types of returns:

1. **Growth.** You get to see projects and technologies become big, in a global ecosystem, and deliver results that help humanity – and children in particular. We measure by real time growth (or lack of growth) of user bases and interactions on an project or within a product family. We are unsure how to value this exactly.
2. **IP stack:** We invest exclusively in open source – but that doesn't mean that the IP is without value. For instance, we have produced (in U-Report) an enterprise-level, cloud-hosted, multi-tenancy solution for youth engagement. How much that system is worth to a partner in the Fund depends on that partner – but it is not without value. We will ask our partners, at annual review meetings, to assess the value of the technology created for their core business lines.
3. **Communities:** We are creating communities around the products we invest in. U-Report has more than 2.7M users in 34 countries. It also has more than 1,953 commits to GitHub and 302 stars. Having access to robust communities of developers and entrepreneurs is also of value to our partners – as it will allow them to either extend work that's been done through the Fund for their own purposes and also access a global change engine that can be used to build other solutions in the future.

So the Fund doesn't provide money back?

No. It provides value. Value that can be measured and counted in real time. In 2017, it's much less important (especially with a fund capped around \$11 million) to see direct (and individual) cash flow – and much more important to see communities of problem solvers creating products that can be repurposed, adapted, and scaled across a wide range of partners' needs.

For more information:

- General enquiries: venturefund@unicef.org
- www.unicefinnovationfund.org
- www.unicefstories.org
- Announcements and updates on: [@unicefinnovate](https://twitter.com/unicefinnovate)