



Diversity of cultural expressions

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Cultural Organization

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la science et la culture

Organización
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la Ciencia y la Cultura

Организация
Объединенных Наций по
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науки и культуры

منظمة الأمم المتحدة
للتربية والعلم والثقافة

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INTERGOVERNMENTAL COMMITTEE FOR THE PROTECTION AND PROMOTION OF THE DIVERSITY OF CULTURAL EXPRESSIONS

Fifth Ordinary Session
Paris, UNESCO Headquarters
5 - 9 December 2011

Item 6 of the provisional agenda: Use of the resources of the International Fund for Cultural Diversity (IFCD)

In accordance with Decision 4.IGC 10A, this document presents the report of the Secretariat on the use of the resources of the IFCD in 2010 - 2011 and a provisional draft budget for 2012.

Decision required: paragraph 13

1. The International Fund for Cultural Diversity (hereinafter “the IFCD”) is a multi-donor voluntary Fund established in 2007 under Article 18 of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions (hereinafter “the Convention”). Its purpose is to promote sustainable development and poverty reduction in developing countries that are Parties to the Convention.

2. At its fourth ordinary session (December 2010), the Intergovernmental Committee for the Protection and Promotion of the Diversity of Cultural Expressions (hereinafter “the Committee”) adopted Decision 4.IGC 10A, by which it approved the first set of projects to receive funding from the IFCD, adopted the budget for 2011, and envisaged to ‘revise at its fifth ordinary session, if necessary, the budget of the pilot phase in light of the contributions to the Fund and the number of requests for assistance.’

3. The Committee decided that 70% of the amount available in the IFCD as of 30 June 2011 would be allocated to the budget for the 2011 cycle. The Committee also requested the Director-General to launch a second appeal for contributions to the Parties of the Convention.

4. To this end, on 6 April 2011 the Director-General sent a letter to the Permanent Delegations of Parties to the Convention asking them to contribute the equivalent of 1% of their overall annual contribution to UNESCO to the IFCD. Following this second appeal (by 30 June 2011), eight Parties made contributions to the IFCD totalling US\$367,771.

5. At this session the Committee is to examine:

- i. the Secretariat’s report on the use of the resources of the IFCD;
- ii. the financial statements of income and expenditure for 2007 - 2010 and the period 1 January to 30 June 2011; and
- iii. the draft budget for 2012 and consider its adoption.

(i) Secretariat’s report on the use of the resources of the IFCD (2007-2011)

6. Financial statements of income and actual expenditure prepared by the UNESCO Bureau of Financial Management for the IFCD covering the period of 1 January 2007 to 30 June 2011 are presented in Annex I.

7. As of 30 June 2011, contributions credited to the IFCD totalled **US\$4,160,093** including interest, and US\$1,837,220 was allocated for spending. The financial statements presented in Annex I demonstrate that no expenditures were made prior to 2010. Annex II shows the trend in the IFCD resources available for funding requests over the period 31 December 2007 to 30 June 2011.

8. The amount of US\$1,837,220 was **allocated** in the following manner:

- a) US\$1,702,470, which includes US\$1,547,700 for funding the programmes/projects approved by the Committee at its fourth session in December 2010¹ (see document CE/11/5.IGC/213/5 for a detailed report on the implementation of the IFCD) and US\$154,770 in support costs²;

¹ The actual expenditure for funding programmes/projects as of 30 June 2011 was US\$1,244,807. This did not include the following amounts that were engaged on four contracts signed after 30 June 2011: US\$35,000 (Kenya); US\$29,892 (Côte d’Ivoire), US\$100,000 (Argentina), US\$100,000 (Kenya), US\$38,000 (Bangladesh). Thus, a total of US\$302,892 was earmarked but not yet disbursed as of 30 June 2011.

² Support costs represent 10% of US\$1,547,700 in compliance with UNESCO’s Financial Regulations.

b) US\$107,250³ for contracts with the experts appointed by the Committee to conduct the evaluation of applications submitted to the IFCD in 2010 and 2011⁴;

c) US\$27,500⁵ for participation costs to the fourth and fifth ordinary sessions of the Committee and the third ordinary session of the Conference of Parties of a government expert from a least developed country (LDC) that is a member of the Committee⁶.

9. Staff costs related to the management of the IFCD are covered through the Regular Programme Budget. They correspond to a P3 post (80% of whose time is dedicated to the IFCD), a P5 post (20% of whose time is dedicated to the IFCD) and a G-4 post (80% of whose time is dedicated to the IFCD). In 2011, the work of the above-mentioned staff involved follow-up to results of the first call for proposals including contract administration, monitoring the implementation of approved projects, promotional activities, launching the second call for proposals, registration and technical examination of newly submitted projects and preparation of the pilot phase evaluation.

10. Other related costs, such as the development of a database to manage the processing of the applications submitted to the IFCD and engaging a supernumerary assistant to help the Secretariat register the IFCD applications upon their reception were also funded from the Regular Programme Budget of the Section for the Diversity of Cultural Expressions.

(ii) Draft budget for 2012

11. Paragraph 8 of the Guidelines on the use of the resources of the IFCD (hereinafter “the Guidelines”) provides that the Committee, at each session, approve the budget in accordance with the resources available in the IFCD. At its fourth session (December 2010), the Committee decided that the Panel of Experts could ‘adapt the amount of funds attributed to programmes/projects from the Fund, so that the requested budget is not systematically the budget allocated by the Fund’ (cf. paragraph 13.b of Decision 4.IGC 10A), thus enabling them to recommend projects whose total cost is equivalent to the funds available.

12. A draft budget for 2012 is presented in Annex III in accordance with the guidelines adopted by the Committee in its Decision 3.IGC 5, paragraph 10. It is broken down into two main sections: (a) fixed costs, amounting to US\$135,000 and (b) funding requests, amounting to US\$1,316,328. The support costs (10%) amount to US\$147,819.

a) Fixed costs

These include the budget reserved for the evaluation of funding requests by the expert panel; the participation costs of government experts from two LDCs that are members of the Committee; participation costs of public or private organizations or individuals invited by the Committee to participate in its meetings for consultation on specific issues in accordance with Article 23.7 of the Convention and paragraph 6.4.1 of the Guidelines; operating costs and promotional materials, and the cost of the evaluation of the pilot phase as outlined in paragraphs 5 and 17 of the Guidelines (see document CE/11/5.IGC/213/7 for draft terms of reference).

³ Includes support costs.

⁴ As of 30 June 2011 US\$35,594 was actually spent on consultant contracts for the six members of the Expert Panel: US\$33,986 including support costs in 2010 and US\$1,608 including support costs between 1 January and 30 June 2011.

⁵ Includes support costs.

⁶ As of 30 June 2011, US\$9,772 was actually spent for Lao People's Democratic Republic's participation in statutory meetings: US\$5,071 including support costs in 2010 for the fourth session of the Committee and US\$4,701 including support costs in 2011 for the third Conference of Parties.

b) *Funding requests*

This budget represents at least 70% of the funds available on 30 June 2011, excluding the fixed costs described above and the support costs (10% in compliance with UNESCO's Financial Regulations), in accordance with paragraph 10 of Decision 4.IGC 10A. It is broken down as follows: 60% minimum for funding programmes/projects, 20% maximum for preparatory assistance and 2% is reserved for programmes/projects relating to special situations as outlined in Articles 8 and 17 of the Convention.

13. The Committee may wish to adopt the following decision:

DRAFT DECISION 5.IGC 6

The Committee,

1. Having examined document CE/11/5.IGC/213/6 and its Annexes;
2. Recalls its Decisions 3.IGC 5 and 4.IGC 10A;
3. Takes note of the financial statements of the International Fund for Cultural Diversity for the period 1 January 2007 to 30 June 2011 as set out in Annex I of document CE/11/5.IGC/213/6;
4. Having examined the draft budget for 2012 set out in Annex III of document CE/11/5.IGC/213/6;
5. Adopts the budget for 2012 as set out in Annex III of document CE/11/5.IGC/213/6;
6. Decides to issue a new appeal for project applications in 2012 and dedicate 70% of funds available on 30 June 2012 for the third year of the pilot phase (2012);
7. Requests the Director-General to launch a new appeal for contributions in 2012 to all of the Convention stakeholders.

Annex I

UNESCO	
INTERNATIONAL FUND FOR CULTURAL DIVERSITY	
STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES	
FOR THE PERIOD 1 JANUARY 2007 TO 31 DECEMBER 2007	
(EXPRESSED IN US DOLLARS)	
INCOME	
Voluntary Contributions	
Andorra	13,513.50
Other income:	
Interest	-
TOTAL INCOME	<u>13,513.50</u>
Cash Disbursements	-
Increase in balance of unliquidated obligations	-
TOTAL EXPENDITURE	<u>-</u>
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	<u>13,513.50</u>
Reserves and fund balances, beginning of the period	<u>-</u>
RESERVES AND FUND BALANCES, END OF THE PERIOD	<u>13,513.50</u>

UNESCO

INTERNATIONAL FUND FOR CULTURAL DIVERSITY

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
FOR THE PERIOD 1 JANUARY 2008 TO 31 DECEMBER 2008

(EXPRESSED IN US DOLLARS)

INCOME

Voluntary Contributions

Andorra	12,953.40	
Brazil	50,000.00	
Canada	494,559.84	
Canada - Québec	98,348.70	
Finland	30,257.20	
France	229,376.00	
Greece	18,900.00	
India	13,628.59	
Monaco	14,949.80	
Saint Lucia	2,000.00	964,973.53

Other income:

Interest		13,179.00
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TOTAL INCOME

978,152.53

Cash Disbursements

Increase in balance of unliquidated obligations		-
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TOTAL EXPENDITURE

-

EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE

978,152.53

Reserves and fund balances, beginning of the period

13,513.50

RESERVES AND FUND BALANCES, END OF THE PERIOD

991,666.03



UNESCO

INTERNATIONAL FUND FOR CULTURAL DIVERSITY

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
FOR THE PERIOD 1 JANUARY 2008 TO 31 DECEMBER 2009

(EXPRESSED IN US DOLLARS)

INCOME

Voluntary Contributions

Albania	6,802.70	
Andorra	12,953.40	
Austria	25,575.40	
Belgium	197,547.00	
Brazil	50,000.00	
Canada	494,559.84	
Canada - Québec	98,348.70	
Denmark	40,464.29	
Estonia	4,347.74	
Finland	352,362.00	
France	597,269.50	
Greece	47,969.80	
India	27,826.59	
The Former Yugoslav Republic of Macedonia	702.78	
Mexico	71,208.00	
Monaco	14,949.80	
Saint Lucia	2,000.00	
Slovenia	6,419.43	
South Africa	11,909.89	
Spain	259,068.00	
Other contributions	264.96	2,322,549.82

Other income:

Interest		36,073.00
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TOTAL INCOME

2,358,622.82

Cash Disbursements

Increase in balance of unliquidated obligations		-
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TOTAL EXPENDITURE

-

EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE

2,358,622.82

Reserves and fund balances, beginning of the period

13,513.50

RESERVES AND FUND BALANCES, END OF THE PERIOD

2,372,136.32



UNESCO

INTERNATIONAL FUND FOR CULTURAL DIVERSITY

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
FOR THE PERIOD 1 JANUARY 2010 TO 31 DECEMBER 2010

(EXPRESSED IN US DOLLARS)

INCOME

Voluntary Contributions

Andorra	14,005.60	
Azerbaijan	570.00	
Bosnia Herzegovina	3,350.55	
Chile	4,994.00	
China	20,000.00	
Croatia	10,000.00	
Finland	26,990.60	
France	69,444.50	
Iceland	1,127.00	
India	17,434.99	
Mexico	71,208.00	
Monaco	40,955.20	
Norway	664,473.22	
Portugal	67,295.00	
Spain	295,858.00	
Zimbabwe	275.00	
other receipts	50.00	1,308,031.66

Other income:

Interest		9,415.00
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TOTAL INCOME 1,317,446.66

Cash Disbursements

Evaluation of funding requests by the expert panel	33,986.30	
Cost of participation in statutory meetings by experts from LDCs that are members of the Committee	5,071.00	39,057.30

Unliquidated Obligations

Evaluation of funding requests by the expert panel	1,606.56	
Cost of participation in statutory meetings by experts from LDCs that are members of the Committee	-	1,606.56

TOTAL EXPENDITURE 40,663.86

EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE 1,276,782.80

Reserves and fund balances, beginning of the period 2,372,136.32

RESERVES AND FUND BALANCES, END OF THE PERIOD 3,648,919.12



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INTERNATIONAL FUND FOR CULTURAL DIVERSITY

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
FOR THE PERIOD 1 JANUARY 2011 TO 30 JUNE 2011

(EXPRESSED IN US DOLLARS)

INCOME

Voluntary Contributions - Schedule 1.1	460,873.58
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Other income:

Interest	9,636.00
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TOTAL INCOME

470,509.58

EXPENDITURE

Cash Disbursements - Schedule 1.2	720,378.08
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Increase in balance of unliquidated obligations	653,611.65
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TOTAL EXPENDITURE

1,373,989.73

EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE

(903,480.15)

Reserves and fund balances, beginning of the period

3,648,919.12

RESERVES AND FUND BALANCES, END OF THE PERIOD

2,745,438.97



UNESCO

INTERNATIONAL FUND FOR CULTURAL DIVERSITY

SCHEDULE OF INCOME
FOR THE PERIOD 1 JANUARY 2011 TO 30 JUNE 2011

(EXPRESSED IN US DOLLARS)

Funds received		
Andorra	14,306.20	
Armenia	854.70	
Australia	83,483.46	
Cameroun	4,368.45	
China	50,000.00	
Cyprus	2,043.60	
Finland	26,281.20	
France	142,450.00	
Macedonia	1,100.00	
Mexico	71,208.00	
Monaco	27,472.60	
Sweden	37,255.37	
other receipts	<u>50.00</u>	460,873.58
Interest		9,636.00
TOTAL		<u><u>470,509.58</u></u>

Schedule 1.2



UNESCO

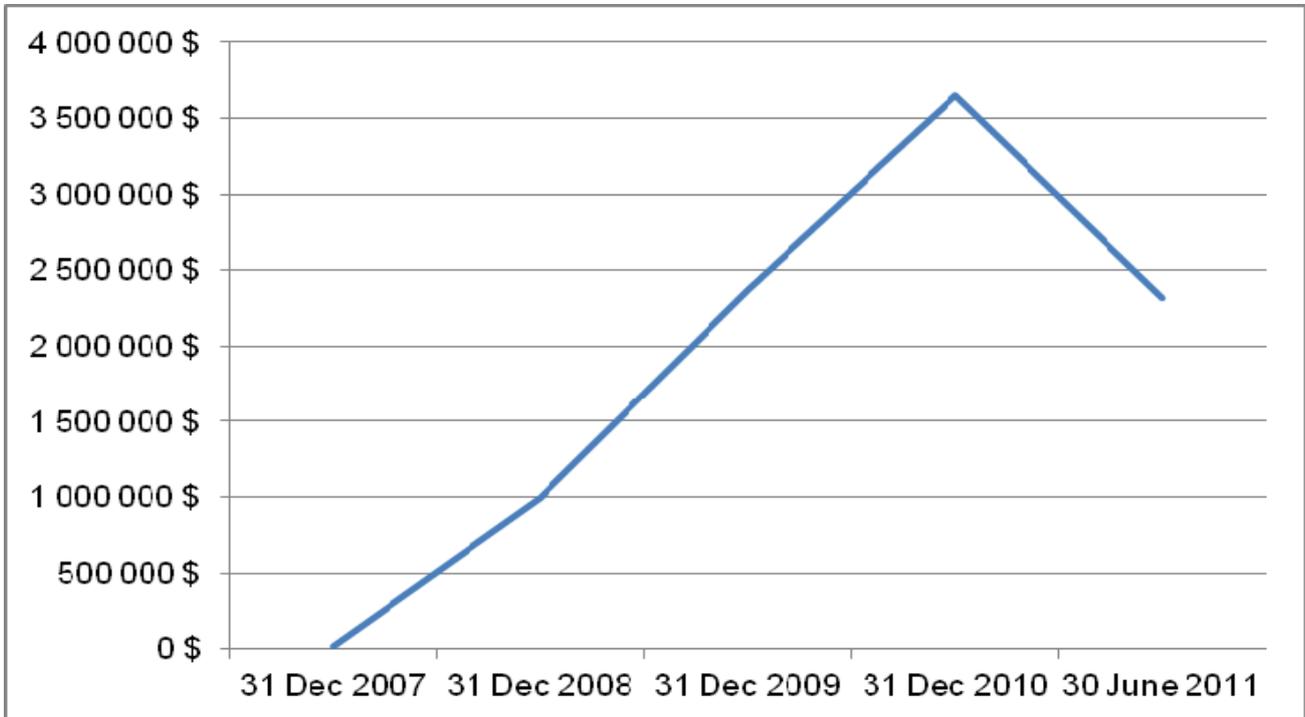
INTERNATIONAL FUND FOR CULTURAL DIVERSITY

SCHEDULE OF EXPENDITURE FOR THE PERIOD 1 JANUARY 2011 TO 30 JUNE 2011

	Disbursements	Unliquidated Obligations	Total
Evaluation of funding requests by the expert panel	1,461.58	-	1,461.58
Cost of participation in statutory meetings by experts from LDCs that are members of the Committee	2,347.58	1,925.92	4,273.50
Programmes/projects approved for funding from IFCD by the Committee of 2005 Convention	651,080.00	593,727.00	1,244,807.00
SUB-TOTAL	654,889.16	595,652.92	1,250,542.08
PROGRAMME SUPPORT COSTS 10%	65,488.92	59,565.29	125,054.21
TOTAL	720,378.08	655,218.21	1,375,596.29
Unliquidated Obligations 1 January 2011	-	(1,606.56)	(1,606.56)
TOTAL EXPENDITURE	720,378.08	653,611.65	1,373,989.73

Annex II

Resources available for funding requests: December 2007 – June 2011



	31 Dec 2007	31 Dec 2008	31 Dec 2009	31 Dec 2010	30 Jun 2011
Cumulative contributions and interest (in US\$) as of	13,514	991,666	2,372,136	3,689,583	4,160,093
Funds allocated (in US\$) as of	0	0	0	40,664	1,837,220
Cumulative contributions & interest minus Funds allocated (in US\$) as of	13,514	991,666	2,372,136	3,648,919	2,322,873

Annex III
IFCD – PROVISIONAL DRAFT BUDGET FOR 2012

	DESCRIPTION	AMOUNT (US\$)
Fixed costs	Evaluation of funding requests by the expert panel (consultancy contracts)	65,000
	Operating costs (tele-conferencing, courier fees, postage and other) and promotional materials	20,000
	2012 Cost of participation in statutory meetings of experts from LDCs that are members of the Committee (§6.4.2 of the Guidelines*)	15,000
	Cost of participation of public or private organizations (Article 23.7 of the Convention, § 6.4.1 of the Guidelines)	0
	Evaluation of the pilot phase	35,000
Subtotal		135,000
Funding requests**	Funding of programmes/projects	1,316,328
	Preparatory assistance	
	Reserve	26,864
Subtotal		1,343,192
Subtotal (fixed costs + funding requests)		1,478,192
Support costs***		147,819
TOTAL		1,626,011
	Total available as of 30 June 2011	2,322,873
	Unassigned funds	696,862
Total contribution to the IFCD as of 30 June 2011: US\$4,160,093		
Total funds allocated for the period 1 January 2007 to 30 June 2011: US\$1,837,220		
Total available as of 30 June 2011: US\$2,322,873		
Total available for 2012 (70% of total available as of 30 June 2011, ref. Decision 4.IGC 10A para 10): US\$1,626,011		

* Guidelines on the use of the resources of the IFCD.

** Based on the Committee's Decision 3.IGC 5, paragraph 10, 60% minimum of the available funds is to be allocated for funding programmes/projects, 20% maximum for preparatory assistance and 2% is reserved for programmes/projects relating to special situations as outlined in Articles 8 and 17 of the Convention (i.e., a minimum of 82% of available funds is to be allocated to funding requests). In this case 91% of available funds not including support costs (US\$1,478,192) was allocated to funding requests since fixed costs only made up 9% of this sum.

*** In compliance with UNESCO's Financial Regulations, 10% of support costs are applicable to the Special Account.