Item 9 of the provisional agenda: Fundraising Strategy for the International Fund for Cultural Diversity (IFCD)

At its second session (June 2009), the Conference of Parties mandated the Committee to devise a fundraising strategy for the IFCD focusing in particular on innovative financial mechanisms (Resolution 2.CP 7 paragraph 8). This document presents the action that the Committee has taken to implement the above resolution, as well as some considerations that the Conference of Parties may wish to use as a basis for its discussions.

Decision required: paragraph 16
1. The International Fund for Cultural Diversity (IFCD) is a multi-donor voluntary Fund established under Article 18 of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Its purpose is to promote sustainable development and poverty reduction in developing and least-developed countries that are Parties to the Convention. The IFCD entered into its operational phase with the first call for applications launched in March 2010.

2. On 5 March 2009, the Secretariat organized a meeting entitled “Fundraising: Challenges and Opportunities,” which took place in Paris at UNESCO Headquarters. The aim of this meeting was to exchange points of views and present successful experiences in the field of financing with a view to facilitating the work of the Committee in defining a possible fundraising strategy for the Fund.

3. At its second ordinary session (June 2009), the Conference of Parties mandated the Committee to “devise a fundraising strategy for the International Fund for Cultural Diversity (IFCD) and in this framework to continue its reflection on the elaboration and utilization of innovative financial mechanisms, and to report to it on the outcome of its work at its next session” (Resolution 2 CP 7).

4. At its third ordinary session (December 2009), the Committee requested the Director-General of UNESCO to launch an appeal for contributions to all Convention stakeholders (Decision 3.IGC 5 paragraph 12), which was done in March 2010. She called on the Parties to support the Convention’s goals by providing an annual voluntary contribution to the IFCD. The impact of this appeal for contributions and a follow-up communication from the Secretariat (in May 2010) can be measured by the increase in the rate of contributions to the Fund over the subsequent year (i.e., from March 2010 to March 2011). Thus, 17 Parties contributed to the IFCD within the twelve months following the Director-General’s appeal totaling approximately USD 1,345,126. By comparison, 19 Parties had contributed over the previous three years from 2007 through February 2010, totaling approximately USD 2,166,687.

5. At its fourth ordinary session (December 2010), the Committee had a substantial discussion on the fundraising strategy and mechanisms based on the considerations presented in the document CE/10/4.IGC/205/10B. In particular, the Committee discussed how to encourage different types of stakeholders (notably, Parties, non-profits and the private sector) both to engage in fundraising for the IFCD and to directly contribute to it.

6. As regards the Parties, several Committee members emphasized that every Party to the Convention, including developed and developing countries, should regularly contribute to the Fund as an important indicator of cooperation, which lies at the heart of the Convention. It had also been suggested that membership eligibility of the Committee should take into consideration whether or not a Party has contributed to the IFCD.

7. At its fourth session held in December 2010, the Committee adopted Decision 4.IGC 10B in which it a) requested Parties to inform the Secretariat of fundraising mechanisms, notably the innovative ones, implemented at the national level to raise resources for the Fund; b) requested the Secretariat to prepare an information document for the third ordinary session of the Conference of Parties that would succinctly outline the terms of reference for a future fundraising strategy for the Fund taking into account the debate of the Committee at this session; and c) requested the Director-General to allocate in the framework of the next C/5 increased resources for the operation and the implementation of the Convention.
8. In conformity with the decision adopted by the Committee at its fourth session, the Assistant Director-General for Culture sent a questionnaire on funding mechanisms to all Parties to the 2005 Convention in March 2011. The responses of the questionnaire are presented in information document CE/11/3.CP/209/INF.7.

9. An additional information document, CE/11/3.CP/209/INF.5, outlines the proposed terms of reference for a future fund-raising strategy for the IFCD, as requested and based on the debate of the fourth session of the Committee.

10. Finally, the same session of the Committee requested the Director-General of UNESCO to launch a second appeal for contributions for the purpose of strengthening the Fund for the implementation of the third year of the pilot phase as provided by the Guidelines on the use of the resources of the Fund (Decision 4.IGC 10A). This was done in March 2011.

Additional considerations for discussion by the Conference of Parties

11. The Conference of Parties and the Committee have emphasized that a future fundraising strategy should consider:

- innovative fundraising mechanisms that have been implemented on a national level that can generate financial contributions to the Fund;
- ways and means of attracting smaller donors;
- application of donor/actor principles ensuring transparency and traceability of donations;
- ensuring complementarity between national and international approaches and activities.

12. It was ultimately established that national strategies should be pursued at the discretion of each Party, within the context of its own unique political, legislative and economic circumstances. Parties could be invited to share their experiences on the creation and implementation of such mechanisms.

13. Contributions from the private sector were considered especially important in allowing the Fund to support micro, small and medium enterprises. According to the Guidelines on the use of the resources of the Fund, it can only support micro, small and medium enterprises of the private sector active in the cultural field of developing countries that are Parties to the Convention through funds from contributions provided by the private sector.

14. In addition, civil society can play a very important role in realizing the objectives of a future strategy and its implementation by, inter alia:

- communicating the messages of the Convention clearly and regularly to the public at large;
- mobilizing volunteers on the ground to spur action and financial contributions;
- drawing public and media attention to the projects financed by the Fund; and
- disseminating information about the Fund and cross-linking to the Convention’s website.

15. As regards individuals, the Secretariat has received information about only two contributions to the IFCD as at 17 March 2011, sent directly to the Fund. Individual contributions to the IFCD are a potentially important yet untapped resource that could be encouraged both at the national and international level. The terms of reference for the elaboration of the fundraising strategy outlined in document CE/11/3.CP/209/INF.5 envisage looking into this area in order to explore and develop its potential.
16. The Conference of Parties may wish to adopt the following resolution:

**DRAFT RESOLUTION 3.CP 9**

The Conference of Parties,


2. **Takes note** of the diversity of approaches and modalities that exist at the national and international level and of the issues to be addressed in targeting the stakeholders, identifying the resources and defining the objectives at the heart of a future fundraising strategy for the International Fund for Cultural Diversity (IFCD);

3. **Takes note** of the terms of reference for a future fundraising strategy for the IFCD outlined in the information document CE/11/3.CP/209/INF.5;

4. **Recognizes** that progress made in the Fund’s pilot phase as well as the implementation of activities to promote visibility and raise awareness of the Convention are crucial elements for the success of a future fundraising strategy;

5. **Requests** the Committee to continue its work on elaborating the fundraising strategy for the IFCD and to identify the resources to be used for this initiative, and invites the Committee to report on that matter to the next Conference of Parties. The fundraising strategy will be based on the terms of reference as outlined in document CE/11/3.CP/209/INF.5 and will take into account the results of the questionnaire-based survey on national funding mechanisms presented in document CE/11/3.CP/209/INF.7, as well as the debate of the Conference of Parties at this session.

6. **Requests** the Director-General to examine the scope for increased support for the operation and the implementation of the Convention.