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# Agenda item for discussion Earmarked contributions to projects under the IPDC Special Account

#### INFORMATION NOTE

#### SUMMARY CONTENT OF DOCUMENT

Cultural Organization

This document presents a proposal to accept earmarked contributions to projects/activities under IPDC's Special Account and includes a decision to recommend to the IPDC Council to approve this new modality.

# Earmarked contributions to projects under the IPDC Special Account

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# 1. BACKGROUND

In accordance with the financial regulations of UNESCO, a Special Account was created for the International Programme for the Development of Communication (IPDC) when the Programme was created in 1980. The purpose of the account is to receive contributions destined for the implementation of the IPDC Programme.

The income of the Special Account shall consist of:

- (a) Voluntary contributions from States, international agencies and organizations, as well as other entities:
- (b) amounts provided from the regular budget of the Organization as might be determined by the General Conference:
- (c) Miscellaneous income, including any interest earned on the investments referred to in Article 7 below.

#### Article 7 – Investments

7.1 The Director-general may make short-term investments of sums standing to the credit of the Special Account.

The general conditions of the Special Account are as follows:

- Contributions are voluntary and may come from different donors, meaning that a Special Account is generally a multi-donor account.
- Funds are therefore "pooled," and expenditure is not linked to a specific donation, and as a result there is no individual donor reporting on contributions.
- Any balance remaining on the Special Account is not returned to donors but is carried forward to the
  next accounting period as part of the general reserve of the Special Account. Upon closure of the
  Special Account, remaining funds are usually transferred to the Special Account for Voluntary
  Contributions, as decided by the DG, in consultation with the relevant governing body involved in the
  management of the Fund when applicable.

## 2. PURPOSE

In parallel to its Special Account, IPDC has also channeled numerous contributions through the Funds-in Trust (FIT) modality. Although FIT contributions are not used to support the pool of projects submitted to IPDC Bureau on an annual basis, they can be used to support specific projects formulated and implemented by UNESCO, in collaboration with partners around the world.

In the past few years, several donor countries have been more inclined to choose the Funds-in-trust (FIT) modality to support UNESCO's work in the field of media. On many occasions, while supporting the concept and nature of Special Accounts, donors have expressed preference for other funding modalities that allow them to pick the subject, type of intervention and/or country/region to be supported with their contributions. Furthermore, the FIT modality allows them to receive specific reporting on their contributions.

Taking into account the declining contributions to the Special Account over the last few years, and the wish expressed by some Member States during the series of meetings held with IPDC Chair in early 2015, the IPDC Council may wish to decide to accept earmarked contributions to projects/activities approved by the Bureau under the IPDC Special Account, provided that the general conditions of the Special Account are respected. As it is the case for other Special Accounts in UNESCO, this would allow donors to contribute to the Special Account while expressing preference for a particular topic and/or geographical area.

In terms of administrative procedures, donors will be required to sign a contribution letter based on the standard model available in the UNESCO Administrative Manual.

The reporting will be done to the IPDC Governing Council. It is to be noted that internally, a specific budget code will be created as "Earmarked contributions to IPDC projects" and a WBS element structure reflecting projects/activities approved by the IPDC Governing Council will have to be established.

# 3. CONCLUSION

The declining contributions to the Special Account call for new strategies that allow IPDC to attract as many donors as possible, while preserving its niche and specificity. The proposed decision presents a way of preserving the Special Account nature and modalities while providing some more options to donors who may require more targeted interventions.

## 4. BUREAU ACTION

The Bureau, having discussed this document and any amendments, may wish to:

•	Recommend to the Council that earmarked contributions to projects/activities approved by Bureau are
	accepted under the IPDC Special Account provided that the general conditions of the Special Account are respected.