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## RE-DESIGN OF THE UNESCO-ASCHBERG BURSARIES FOR ARTISTS

### SUMMARY

In the context of the review of programmes requested by Member States in the preparation of document 37 C/5, the Secretariat has re-designed the UNESCO-Aschberg Bursaries for Artists.

In accordance with Articles 6.5 and 6.6 of UNESCO's Financial Regulations, the Director-General informs the Executive Board of the Financial Regulations governing the operations of the new Special Account mentioned in the document.

Action expected of the Executive Board: Proposed decision in paragraph 11.

1. The UNESCO-Aschberg Bursaries for Artists programme was established in 1994 to promote the training of artists by awarding scholarships for the travel and studies of artists-in-residence. These artists' residencies were funded with the interest generated on the sale of a property in Essonne donated to UNESCO in 1956 by Mr and Mrs Aschberg, Swedish patrons.<sup>1</sup> The programme was attached to the International Fund for the Promotion of Culture (IFPC) in 2003 by the General Conference, pursuant to 32 C/Resolution 37 which approved the amended Statutes of IFPC, according to which IFPC "shall also administer the fund created by the sale of property constituting the Aschberg donation, which fund is managed separately by the Secretariat of the Fund, in consultation with an International Artistic Committee, for the purpose of financing the UNESCO-Aschberg Bursaries for Artists" (Article 4.2 of the IFPC Statutes).
2. At its 187th session, the Executive Board examined and adopted new proposed amendments to the IFPC Statutes, in compliance with 35 C/Resolution 48 adopted by the General Conference at its 35th session, and delegating this responsibility to the Executive Board. Article 4.2 of the IFPC Statutes thus provides that "(t)he Fund shall also administer the UNESCO-Aschberg

<sup>1</sup> Headquarters Committee decision, 3 October 1988 (UNESCO/98 HQ/4); 136 EX/Decision 8.8 of June 1991; 27 C/Resolution 3.18 of November 1993 (in view of the report in document 27 C/104); and Financial Regulations adopted in November 1993 (142 EX/Decision 5.5.4).

Bursaries for Artists Programme created by the sale of the property constituting the Aschberg donation. The Bursaries will be managed separately by the Secretariat and regulated by their own Financial Regulations”.

3. In the context of the review of all programmes, as requested by the Member States during the preparation of document 37 C/5, the Secretariat reviewed this programme and concluded that its impact could be enhanced by aligning it on the priorities of the Organization and the donors' wishes. Thus, in August 2014, and after consultation with the services concerned, the Secretariat sent a letter to each of the artists' residences with which the Organization had a Memorandum of Understanding (MoU) to inform them of the suspension of the programme as at 31 December 2014.

4. The programmes and activities that promote creativity, as indicated in document 37 C/5, particularly those under expected result 7 of Major Programme IV, aim to create an environment conducive to the diversity of cultural expressions through implementation of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions and to strengthen international cooperation in hubs of cultural innovation, creativity and expression, particularly through the Creative Cities Network.

5. Accordingly, and in order to strengthen the Organization's action in support of creativity, a re-design of the programme is proposed, based on supporting the mobility of artists and the key role of urban centres of cultural creativity and expression, in particular the members of the Creative Cities Network.

6. Articles 6, 7, 10 and 16 of the 2005 Convention recognize the important contribution of artists and the need for measures aimed at encouraging and supporting them, which is also recognized by the 1980 Recommendation concerning the Status of the Artist. In recent years, the governing bodies of the 2005 Convention have requested the Secretariat, in the context of the implementation of Article 16 – Preferential treatment for developing countries, to propose a new approach to international cooperation, including cultural policies, in order to promote cultural industries, the national and international exchange of cultural goods and services, and artists. This would be included in the overall strategy for capacity building through the development of training modules.

7. Cultural and creative activities are omnipresent in creative cities. The Creative Cities Network is a valuable reservoir of ideas for the redefinition of urban spaces. Artists play a leading role in these places, which are laboratories of creativity and innovation. They reinvest the space, propose solutions to address current challenges in the fields of transport, the environment and urbanism. Creative cities invest in activities strengthening social cohesion, promoting greater participation of the inhabitants alongside artists in order to rethink cities.

8. So as to give artists better socio-economic conditions and promote their mobility, as well as to honour the memory of Mr and Mrs Aschberg, the Director-General proposes using the funds to develop a North-South and South-South cooperation programme to support artists, the mobility of artists and cultural professionals of the South. The programme would be aimed at strengthening capacities through the development of training modules relating to Article 16 of the 2005 Convention and supporting creativity and cultural development in the cities of the South through support for exchanges between artists of creative cities, particularly via the Creative Cities Network. The programme would be funded by the unused balance of the Special Account UNESCO-Aschberg Bursaries for Artists created by the sale of the property constituting the Aschberg donation, in the amount of US \$3.6 million, which includes the proceeds from the sale of the Château du Bois du Rocher (\$2.97 million). Two thirds of the available funds would be allocated to the 2005 Convention to strengthen its action in favour of the mobility of artists and one third would be allocated to the Creative Cities Network.

9. Consequently, the Special Account, established under 142 EX/Decision 5.5.4, will be closed. In accordance with Article 6.6 of the Financial Regulations of UNESCO, the Director-General submits to the Executive Board hereafter the Financial Regulations governing the new Special Account relating to the new UNESCO-Aschberg programme for the mobility of artists and cultural professionals. The amount available on the old Special Account for the UNESCO-Aschberg Bursaries for Artists will be transferred to the new Special Account.

10. In 161 EX/Decision 7.10, the Executive Board approved a standard model text for the financial regulations of special accounts that are not related to institutes or similar bodies and requested that the Director-General apply the standard model text in the future, which is the one used for this new Special Account.

### **Proposed decision**

11. In the light of the foregoing, the Executive Board may wish to adopt the following decision:

The Executive Board,

1. Recalling Articles 6.5 and 6.6 of UNESCO's Financial Regulations,
2. Having examined document 197 EX/11,
3. Supports the Director-General's proposal concerning the re-design of the UNESCO-Aschberg Bursaries for Artists with a view to increasing their impact, in accordance with the priorities defined and approved by Member States in document 37 C/5;
4. Takes note of the closure of the Special Account for the UNESCO-Aschberg Bursaries for Artists;
5. Also takes note of the Director-General's decision to create a Special Account to fund the new programme for artists and cultural professionals;
6. Further takes note of the transfer of the balance available on closure of the Special Account for the UNESCO-Aschberg Bursaries for Artists to the newly-established Special Account, and its Financial Regulations;
7. Invites the General Conference to approve the amendment of the International Fund for the Promotion of Culture (IFPC) Statutes by deleting Article 4.2, as proposed in the annex to document 197 EX/11.

## ANNEX

### FINANCIAL REGULATIONS FOR THE SPECIAL ACCOUNT FOR THE UNESCO-ASCHBERG PROGRAMME FOR ARTISTS AND CULTURAL PROFESSIONALS

#### Article 1 – Creation of a Special Account of UNESCO

1.1 In accordance with Article 6, paragraphs 5 and 6, of the Financial Regulations of UNESCO, there is hereby created a Special Account for the *UNESCO-Aschberg Programme for the Mobility of Artists and Cultural Professionals*, hereinafter referred to as the Special Account.

1.2 The following regulations shall govern the operation of the Special Account.

#### Article 2 – Financial period

The financial period shall correspond to that of UNESCO.

#### Article 3 – Purpose

*The Special Account is created to implement the UNESCO-Aschberg Programme for the North-South and South-South Mobility of Artists and Cultural Professionals. The Programme will support the work of the Secretariat of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions in support of artists and the action of the Creative Cities Network for a greater participation of cities of the South and in support of exchanges between artists of creative cities.*

#### Article 4 – Income

The income of the Special Account shall consist of:

- (a) the balance available upon closure of the Special Account for UNESCO-Aschberg Bursaries for Artists;
- (b) voluntary contributions from States, international agencies and organizations, as well as other entities;
- (c) such subventions, endowments, gifts and bequests as are allocated to it for purposes consistent with the object of the Special Account;
- (d) miscellaneous income, including any interest earned on the investments referred to in Article 7 below.

#### Article 5 – Expenditure

The Special Account shall be debited with the expenditure relating to its purpose as described in Article 3 above, including administrative expenses specifically relating to it and the programme support cost applicable to Special Accounts.

#### Article 6 – Accounts

- 6.1 The Chief Financial Officer shall maintain such accounting records as are necessary.
- 6.2 Any unused balance at the end of a financial period shall be carried forward to the following financial period.

- 6.3 The accounts of the Special Account shall be presented for audit to the External Auditor of UNESCO, together with the other accounts of the Organization.
- 6.4 Contributions in kind shall be recorded outside the Special Account.

**Article 7 – Investments**

- 7.1 The Director-General may make short-term investments of sums standing to the credit of the Special Account.
- 7.2 Interest earned on these investments shall be credited to the Special Account.

**Article 8 – Closure of the Special Account**

The Director-General shall decide upon the closure of the Special Account at such time as he deems that its operation is no longer necessary and shall inform the Executive Board accordingly.

**Article 9 – General provision**

Unless otherwise provided in these Regulations, the Special Account shall be administered in accordance with the Financial Regulations of UNESCO.

## **STATUTES OF THE INTERNATIONAL FUND FOR THE PROMOTION OF CULTURE (IFPC)\***

### **Article 1. Constitution of the fund**

An “International Fund for the Promotion of Culture” (hereinafter termed “the Fund”) is hereby constituted within the framework of the United Nations Educational, Scientific and Cultural Organization.

### **Article 2. Aims**

1. The resources of the Fund are intended to promote:
  - (a) cultures as sources of knowledge, meanings, values and identity;
  - (b) the role of culture for sustainable development;
  - (c) artistic creativity in all its forms, while respecting freedom of expression;
  - (d) international and regional cultural cooperation.
2. To achieve these aims, the Fund’s resources will be used to support:
  - (a) the cultural and artistic projects of creators in developing countries;
  - (b) culture and development strategies and programmes;
  - (c) the reinforcement of national mechanisms, structures and facilities whose purpose is to support cultural activities and artistic creators in developing countries;
  - (d) the organization of exchanges to foster international cooperation.

### **Article 3. Operations**

1. The Fund’s operations shall be undertaken in synergy with other UNESCO Funds, particularly those established within the framework of UNESCO’s standard setting instruments in the field of culture.
2. The IFPC shall provide:
  - (a) technical assistance;
  - (b) financial aid in the form of grants or project co-financing.
3. Support given by the IFPC, in whichever form, will be provided on the basis of an open and transparent application procedure.
4. Operational guidelines shall be introduced that clearly present qualitative and results-based impact indicators to evaluate and systematically monitor all activities or forms of assistance supported through the IFPC.
5. The beneficiaries of the Fund shall be:

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\* Adopted by UNESCO’s Executive Board at its 187th session.

- (a) public bodies with specific responsibility for the promotion of culture and artistic creation;
- (b) non-governmental organizations (NGOs) and non-profit private bodies whose objectives are in conformity with those of the Fund and whose activities contribute to the promotion of culture and artistic creation;
- (c) individuals, particularly artists and creators;

6. Funding shall not be provided to projects of public or non-profit private bodies or individuals that are already in receipt of funding provided by other UNESCO Funds or programmes.

#### **Article 4. Resources**

1. The Fund's resources shall consist of:

- (a) voluntary contributions made by governments, international or national agencies or organizations and other public or private entities or individuals;
- (b) donations, endowments, gifts and bequests allocated for purposes consistent with the Fund;
- (c) interest accruing from the Fund's resources including any interest earned on investments;
- (d) any other resources authorized by the Financial Regulations of UNESCO or by resolutions of the General Conference.

2. The Fund shall also administer the UNESCO-Aschberg Bursaries for Artists Programme created by the sale of the property constituting the Aschberg donation. The Bursaries will be managed separately by the Secretariat and regulated by their own Financial Regulations.

3. Resources allocated to the Fund shall be paid into a Special Account set up by the Director-General of UNESCO in accordance with the relevant provisions of the Organization's Financial Regulations. This Special Account shall be operated in accordance with the provisions of the said Regulations.

4. Donations to the Fund shall be made free from conditions or restrictions.

5. The operating expenses of the Administrative Council shall be met from the Fund's resources including capital and interest.

6. The capital and the interest accrued on the capital of the IFPC shall also be used to finance the programmes, projects or activities, as approved by the Administrative Council (as foreseen in Article 5).

#### **Article 5. Administrative Council**

##### **A. Membership**

1. The Fund shall be administered by an Administrative Council consisting of eight members designated by the Director-General, on the basis of equitable geographical distribution. The members designated shall be eminent and independent persons whose competence and achievement in the fields of the arts and culture are recognized internationally. Two members of the Administrative Council shall be from the donor countries. Members of the Administrative Council shall sit in a personal capacity. A President of the Administrative Council shall be elected

from among the six independent persons who do not represent the donor countries and shall not have the right to vote.

2. Members of the Administrative Council shall be appointed for a period of four years. When the Council is first established, three members shall be designated for a period of two years. Members shall be immediately re-eligible for a second term of four years of office. Following this second term, members shall no longer be eligible to be appointed to the Council thereafter.

3. In the event of the death or resignation or absence of a member from three consecutive sessions of the Administrative Council, the member shall be replaced by the Director-General for the remainder of the term and his/her replacement shall have the right to be reappointed for only one term, in accordance with the provisions set out in paragraph 2 above.

4. The Director-General, or his/her representative, shall take part, without the right to vote, in all meetings of the Administrative Council.

5. The Administrative Council may invite representatives of intergovernmental and non-governmental organizations to attend its meetings as observers.

## **B. Functions**

6. The Administrative Council shall enjoy wide intellectual and operational autonomy within UNESCO, under the conditions set forth in these Statutes.

7. The Administrative Council shall lay down the principles governing the Fund's activities, with due regard to the general aims of UNESCO and of the United Nations and in the framework of the rules applied within UNESCO.

8. In accordance with the financial regulations of the Fund, the Administrative Council shall decide on the use of the resources of the Fund and shall approve its budget. It shall analyse and approve requests for funding. The draft budget shall be prepared by the Secretariat of the Fund. The Secretariat shall screen requests in accordance with the Administrative Council's established criteria and indicators to evaluate the impact and sustainability of all activities.

9. The Administrative Council shall endeavour to promote the voluntary contribution of funds or of any other form of resources. To that end, it shall devise and adopt a fundraising strategy conducted in accordance with UNESCO's rules and policies.

10. Whenever he/she considers it necessary, the Director-General may refer to the Executive Board or the General Conference any matter arising from the operation of the Fund. In such a case and if the Director-General so requests, the Administrative Council shall refrain from any final action until the matter has been considered by the organ concerned.

## **C. Procedure**

11. The Administrative Council shall meet in ordinary session once a year. It may meet in extraordinary session electronically when convened by the Director-General or at the written request of a simple majority of its members.

12. The Director-General shall provide Secretariat services to the Administrative Council.

13. The Administrative Council shall adopt its own Rules of Procedure, which shall be in accordance with the current Statutes.



#### **Article 6. Management and operation**

1. The Director-General of UNESCO, after consultation with the Administrative Council, will designate an Executive Officer of the IFPC recruited through UNESCO's external recruitment process who will ensure the intellectual and operational autonomy of the Fund and will be responsible for the day-to-day management of the Secretariat of the Fund, in accordance with the decisions of the Administrative Council. That staff member shall be recruited in accordance with the relevant provisions of the UNESCO Staff Regulations and Staff Rules approved by the General Conference.

2. The staff support costs of the Secretariat of the Fund and operating/management costs of the Fund, including all costs relating to promotional activities, shall be fully covered by the Fund.

#### **Article 7. Reports**

The Director-General shall submit a report on the Fund's activities to the General Conference of UNESCO, at each of its ordinary sessions. The report shall also be submitted to donors of the Fund.

#### **Article 8. Transitional provisions**

1. The Director-General shall designate the members of the Administrative Council of IFPC following the adoption of the statutes by the Executive Board of UNESCO at its 187th session. The first meeting of the Administrative Council shall be convened by the Director-General.