



# 1% for Development Fund

## Position Paper

### 1. The 1% for Development Fund after 40 years

The 1% for Development Fund was created in 1976 by a small group of United Nations staff members in Geneva, who decided to contribute 1% of their salaries to finance small-scale development projects. The movement was inspired by the 1970 UN Resolution 2626 (XXV) calling on developed countries to allocate 0.7% of their GNP for official development assistance. Seeing that this target was not being achieved by most countries, the founders of the 1% for Development Fund decided to make a personal commitment to development. Following the Geneva model, UN staff in New York, Rome and Vienna have created their own 1% for Development Funds.

Today, membership in the Fund is open to anyone who adheres to the Fund's aims, beyond purely UN staff members. The Fund is now officially registered as an Association by the Canton of Geneva. Procedures for the evaluation, selection and follow-up of projects have been streamlined in order to ensure maximum impact of funded projects. Promotion of the Fund has been expanded through various activities and means of communication.

### 2. Mission statement

The 1% for Development Fund encourages personal involvement to improve the living conditions, the well-being and the dignity of communities in developing countries. It seeks to build partnerships with associations that plan and implement projects in a perspective of sustainable development and self-empowerment. It offers an opportunity for its members to become involved in this effort through the contribution of 1% of their income for the funding of projects and through other activities in support of the Fund's goals.

### 3. Guiding principles

The 1% for Development Fund is guided by the following principles:

- i) **The Fund is member-based and member-driven:** The members of the Fund are its essence. Members govern the Fund, their generous contributions finance all the projects, and they decide which projects should be funded.
- ii) **The Fund supports small projects that have a significant impact:** The fund provides support to associations, cooperative and small NGOs that are

involved directly in the development of their own communities. The project beneficiaries define the objectives to be attained and the means to achieve them. The projects supported by the Fund have budgets of around CHF 10,000; the maximum financial support is limited to CHF 20,000. Experience has shown that the investment of relatively modest amounts, done in a targeted and strategic way, are sufficient to achieve a positive impact on the lives of the project beneficiaries.

- iii) **100% of members' contributions go directly to projects:** All of the Fund's revenues go to supporting projects. This is possible because the Fund incurs no administrative costs. It is managed by the members on a voluntary basis and is given access to a fully-equipped office generously provided free-of-charge by the ILO at its headquarters building in Geneva.
- iv) **The Fund works collaboratively with other co-financing organizations to maximize results:** The 1% Fund has partnered with several institutions (including the Canton and the City of Geneva) to collaboratively fund larger projects, leading to more sustainable results for the project beneficiaries. The Fund seeks to encourage partnerships and collaboration with other co-financing organizations.
- v) **Projects are rigorously assessed and closely monitored to ensure results:** Each project supported by the Fund undergoes a rigorous assessment to ensure its technical and financial feasibility, as well as the credibility and effectiveness of the beneficiary NGO. Each proposed project is reviewed and approved at the biannual General Assemblies of the Fund before any money is dispersed. During the implementation of the project, the 1% Fund closely monitors progress and the achievement of the project's objectives, but does not intervene directly in the implementation of the project.
- vi) **The Fund is managed in a transparent manner and is fully accountable to its members.** Information on the management structure of the Fund and the project evaluations is made available to members through its website and through regular communications and reports, in particular the report prepared for each biannual General Assembly. Members are encouraged at all times to become involved directly in decision-making. The annual financial report of the Fund prepared by the treasurer is audited by two independent Fund auditors.

#### **4. Ways to support the 1% for Development Fund**

Contributions to the mission and the activities of the Fund are made in several ways:

- i) **Members of the Fund contribute in principle 1% of their net salary** toward the financing of development projects. Some members contribute more, others less, depending on their financial situation and other commitments.
- ii) **Members can be directly involved in the management of the Fund** through participation in the General Assemblies and in the Fund Management Committee. Members' involvement includes the evaluation of projects submitted for funding and the follow-up of project implementation, as well as

other activities aimed at promoting the Fund's work and its goals. In addition, some Fund members enrich their professional or private travel by visiting projects and thus obtaining first-hand knowledge regarding the Fund's impact on the lives of project beneficiaries.

- iii) **“Friends of the 1% Fund” make occasional contributions** through donations, offers of expertise or other forms of assistance. “Friends” are regularly informed about 1% Fund events and are invited to its General Assemblies as non-voting observers.
- iv) **Staff Councils of UN agencies and other institutions can provide support** by helping to spread the Fund's message amongst their staff and/or by making financial contributions to the Fund.

## 5. Governance, management and operations of the 1% for Development Fund

The Fund's governance, management structure, operations and procedures are briefly outlined below. The Fund's Statutes can be consulted on its website.

- i) **The Fund is governed by the General Assembly** convened twice a year. Fund members decide on the projects to be financed and on all major issues. Every two years, the General Assembly elects the Management Committee, which then designates the President, Vice Presidents, Treasurer, Secretary and other officers, and delegates specific tasks to subcommittees.
- ii) **The mission of the 1% Fund is carried out through the funding of projects in developing countries.** The quality of the projects submitted by NGOs is the main criterion for deciding whether to finance a project or not, after having verified the reliability of the requesting NGO. Given the Fund's objectives, it does not finance humanitarian or emergency aid projects, for which other sources of funding are more appropriate. Similarly, the 1% Fund does not finance projects whose aim is to promote specific religious, ideological or political values.
- iii) **The Project Evaluation and Follow up Committee is responsible for identifying, assessing and selecting projects** to present to the General Assembly. It also carries out the follow-up of the projects approved for funding. Project are selected to maximize impact with limited resources through:
  - *Focusing on beneficiaries facing the most basic and pressing needs (as defined in their project submission), and for whom small-scale interventions are most likely to achieve the desired results.* Project proposals must define clearly what is to be achieved, and how. Particular attention is paid to addressing the needs of the most vulnerable members of the community, especially children and women.
  - *Concentrating on the Fund's primary areas of intervention.* These include: water and sanitation, agriculture, health, education and training, infrastructure development and support to micro-enterprises that enhance family income.

- *Assessing cost effectiveness.* This involves considering the project cost in relation to its expected outcomes and to the number and types of intended beneficiaries. The contribution of the 1% Fund is typically used to cover costs relating to the acquisition of equipment, tools, furniture, materials, supplies and skilled labor. The project budget must not exceed some specified limits regarding administrative costs, salaries or travel costs.
  - *Collaborative and inclusive approach.* Working with trustworthy and reliable NGOs maximizes the chances for successful project implementation. The Fund works with three types of NGOs: local NGOs made up of the direct project beneficiaries (e.g. groups, associations or cooperatives); national NGOs that implement projects on behalf of the direct beneficiaries; and small international NGOs based primarily in Switzerland and France that work directly with local NGOs in the beneficiary countries. A financial contribution or a contribution in kind by the NGO is expected, although this is not a formal requirement.
  - *Addressing the project's risks and adopting measures to ensure the project's sustainability.* During the evaluation of a submitted project, critical questions and requests for additional information are often addressed to the NGO and to the persons and institutions who have recommended the project in order to ensure effective implementation.
- iv) **The Promotion Committee makes the Fund known and attracts new members** through face-to-face presentations, printed and web-based media presence, craft sales and other activities.
- v) **Other members of the Management Committee ensure a smooth flow of funds and information** by managing accounts, providing translations and managing relations with Fund members and other organization.