

TWENTY-FOURTH INTERNATIONAL RED CROSS CONFERENCE

Manila, November 1981

REPORT
OF THE COMMISSION FOR THE FINANCING OF THE ICRC
AND PROPOSALS FOR THE FUTURE

(Item 5 of the provisional agenda of Commission II)

Report submitted
by
the International Committee of the Red Cross

Geneva, July 1981

REPORT BY THE COMMISSION FOR THE FINANCING OF THE ICRC

The Commission for the Financing of the ICRC was founded at the XVIIIth International Red Cross Conference in Stockholm in 1948, in response to a proposal made by several National Societies concerned about the International Committee's grave financial situation, in order to "decide on steps to be taken to provide regular financial backing" for the ICRC.

This Commission, whose mandate has been renewed regularly by the subsequent International Conferences, is composed solely of National Societies, but is authorized to approach both the National Societies and the governments.

Since its foundation, the following Societies have been members :

1948 - 1957 : Belgium
(5 members) Canada
France
Norway
United States of America

1957 - 1969 : Czechoslovakia
(5 members) India
Mexico
Netherlands
United Kingdom

1969 - 1973 : Czechoslovakia
(7 members) France
Netherlands
Nicaragua
Pakistan
Poland
Senegal

since 1973 : Czechoslovakia
(9 members) Colombia
(present France
composition) Federal Republic of Germany
Japan
Nicaragua
Pakistan
Poland
Senegal

At its first meeting in Geneva in 1949, the Commission set up a scale for contributions by National Societies of 1.5 million Swiss francs to cover the annual deficit of the ICRC. Thereafter the Commission met once a year until 1977 (except for 1960), and even assembled four times in 1949 and six times in 1950.

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In 1956 the Commission decided to ask the National Societies for

"a regular and voluntary annual contribution".

This proposal was adopted at the XIXth International Conference in New Delhi in 1957 (Resolution IX (b)).

The representative of the British Red Cross suggested in Athens in 1959 that a contribution should be made of at least 50% of that paid by the National Societies to the League, according to the latter's scale. This proposal was adopted in place of the scales in operation since 1949.

Although opposed by some National Societies, this level of 50% was approved by a majority of the other participants.

The question of contributions in kind was broached for the first time in Geneva in 1963, and was raised again in 1964. It may be of interest to summarize the Commission's reasons for being unable to accept this proposal :

*"The Commission recognizes that contributions
"in kind cannot serve to finance the permanent
"activities of the ICRC, since the relief
"supplies that the National Societies could
"place at the disposal of the ICRC in lieu of
"cash payments are not always the supplies
"needed and they seldom arrive at the right
"time and at the right place".*

It should finally be noted that a proposal made by Mr. van Emden, Director General of the Netherlands Red Cross and Chairman of the Commission until 1973, recommending the enlistment of three prominent persons from outside the Red Cross world who were particularly competent in international financial affairs, was approved by the XXIst International Red Cross Conference in Istanbul in 1969. It was not possible, however, to follow up this proposal, and it was not revived in Tehran in 1973.

... No fewer than twelve resolutions concerning ICRC financing (both by National Societies and by governments) have been adopted by International Conferences since 1921. A summary of each of these resolutions is given in Annex I.

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Ever since its foundation 32 years ago the Commission has fully justified its existence by its work, in accordance with the mandate vested in it.

It has only declined in vitality since 1974. There are two main reasons for this decline :

1. The fact that its members no longer felt that it could play as important a part as when it was first founded, and were consequently less motivated than in 1948;
2. The restructuring of the ICRC and in particular the setting up of a Financing Division, which has largely taken over the duties previously assumed by the Commission.

... This explains why the Commission has only met twice since the last International Conference in Bucharest, namely in Geneva in April 1981 and again in Manila in November 1981. At its meeting last April the Commission recorded with satisfaction the increased contributions to the ICRC by National Societies and governments since 1970 (Annexes II and III).

It also took note of the results of an inquiry conducted by the ICRC among all National Societies at the beginning of the year concerning their participation in ICRC expenditure. This inquiry has shown that :

- virtually all National Societies (98%) are in favour of contributing to the financing of the ICRC regular budget;
- contributions to the ICRC should bear a relation to the League scale;
- contributions should neither depend on the resources of the National Societies, nor be fixed for long periods;
- a system of varying rates for contributions is advocated by the majority.

... A statistical summary of the replies received from the National Societies will be found in Annex IV of this report.

The Commission finally discussed the desirability of creating a broader basis for membership, which would enable it to include government representatives.

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In conclusion the Commission for the Financing of the ICRC, in view of the steadily increasing extent of ICRC activities in giving protection and assistance, urges all governments and National Societies to give more active and permanent financial support to the ICRC regular budget.

It recommends the adoption by the XXIVth Conference of two new resolutions which will be submitted to it in Manila.

SUMMARY OF RESOLUTIONS CONCERNING THE FINANCING OF THE
ICRC ADOPTED AT INTERNATIONAL RED CROSS CONFERENCES

The Tenth International Red Cross Conference (Geneva, 1921) expresses the wish that the International Red Cross Committee be granted the necessary subsidies to enable it to continue its work. The Conference advises the International Red Cross Committee to make an immediate application to the different National Red Cross Societies in order to ascertain to what extent they may be able to assist the Committee (proportionately to their importance and means) to meet its current expenditure and that of its different services. (Resolution XVI)

The Eleventh Conference (Geneva, 1923) expresses the wish that National Red Cross Societies should undertake to make regular and efficient contributions to the financing of the ICRC. It therefore proposes that each Society should send the ICRC, for this and subsequent years up to the following Conference, an annual contribution which could be either a fixed amount or a percentage established at about one per cent of the Society's regular annual income. (Resolution IV)

The Twelfth Conference (Geneva, 1925) considers it the duty of every National Society to give financial support to the International Committee within the means available to it and invites the National Societies to contribute to the inalienable funds of the ICRC, in order to ensure that it has the material independence which is indispensable for it. (Resolution XIII)

The Fourteenth International Red Cross Conference (Brussels, 1930) recommends that the National Societies should endeavour, so far as their means permit, to give such financial support to the international bodies as will permit of the continued development of their activities within the limits of their respective programmes, that the National Societies, in accordance with the Geneva Conventions and with Article XXV of the League of Nations Covenant, should approach their respective governments, should the occasion arise, in order to ensure adequate participation by each country in the international work of the Red Cross. (Resolution XXVII)

The Sixteenth International Red Cross Conference (London, 1938) declares that it is vitally necessary that National Societies meanwhile continue to give to both international organisations, and if possible to increase, all the support they can provide from their own funds, or from subventions furnished by Governments for the purpose. (Resolution VI)

The Seventeenth International Red Cross Conference (Stockholm, 1948) resolves to appoint a Commission composed of several members expert in financial matters for the purpose of deciding on the method to be adopted in order to provide the International Committee of the Red Cross with regular financial support, in view of the immediate necessity of providing for this effective financing of the International Committee of the Red Cross, authorizes the Commission to apply, for such purpose, to the Governments and to the National Societies, without awaiting the XVIIIth International Conference, any approach to Governments with a view to obtaining grants to be made through the Chairman of the Standing Commission of the International Red Cross Conference. (Resolution VIII)

The Eighteenth International Red Cross Conference (Toronto, 1952) having received the report of the Commission for the financing of the International Committee of the Red Cross, thanks the Commission for having submitted this report, requests the Commission to continue its work; having received the report of the International Committee of the Red Cross on its finances, thanks the International Committee for having submitted it. (Resolution VIII)

The Nineteenth International Conference of the Red Cross (New Delhi, 1957), whereas the Commission set up by the XVIIth International Conference of the Red Cross in its Resolution No. VIII has concluded its work and submitted its report, whereas, according to this report, a number of National Societies have made regular voluntary annual contributions to the International Committee, and whereas the continuation of this support and contributions from all National Societies are desirable, justified, and necessary, whereas, also, appeals are made by the International Committee to Governments which are members of the International Conference of the Red Cross in accordance with the Resolution of the Diplomatic Conference held in Geneva in 1949 and the par-

participation of National Societies in passing on and supporting these appeals varies of necessity from country to country according to national custom, decides : - that each National Red Cross Society accepts its obligation as a member of the International Red Cross to pay regular, voluntary, annual contributions to the International Committee, - that each National Red Cross Society will continue to take such steps as it considers advisable with regard to financial appeals made to Governments by the International Committee in accordance with the above Resolution of the 1949 Diplomatic Conference. (Resolution IX)

The Twentieth International Conference of the Red Cross (Vienna, 1965) having noted the constant lack of balance between the annual financial resources made available to the ICRC and the needs arising from the activities it is obliged to carry out in application of the Geneva Conventions, having noted further that it is in the first place incumbent on Governments parties to the Geneva Conventions to furnish the ICRC with the financial resources essential to it in the fulfilment of its obligations, makes an urgent appeal to all Governments of States parties to the Geneva Conventions that they include in their budgets a voluntary annual contribution to the ICRC. The amount of these contributions should be set or increased so as to represent a fair share of the total expenditure of the ICRC. (Resolution XIII)

The Twenty-first International Conference of the Red Cross, (Istanbul, 1969) having noted the report of the Commission for the Financing of the International Committee of the Red Cross, considering that the ICRC's constant state of preparedness, the new and difficult activities which it has continually to undertake, and the heavy responsibilities it has to assume in relief actions for the benefit of the victims of wars and internal conflicts, are of such importance for the defence, without let or hindrance, of man and civilization that it is essential for the ICRC to be provided with the effective and modern means which will enable it always to be equal to the work requested of it or assigned to it, appeals urgently to all Governments signatories to the Geneva Conventions to increase considerably their regular financial contributions to ICRC, encourages National Societies to continue their efforts and to increase their regular financial

aid to the ICRC in order to strengthen yet further the universality and solidarity of the Red Cross world, ask each Government and National Society which has so far not joined in this common effort to do so by contributing substantially from 1970 onwards, recommends urgently, in conclusion, that contributions be paid during the first quarter of each year in order to make it easier for the ICRC to meet its financial commitments. (Resolution VIII)

The Twenty-second International Conference of the Red Cross (Teheran, 1973) having taken note of the report submitted by the Commission for the Financing of the ICRC, recalling the very important task which is being performed by the ICRC and which, in view of the international situation, is constantly increasing, requests all National Red Cross Societies to support the permanent activities of the ICRC through regular contributions, urges all Governments signatories of the Geneva Conventions to support more systematically and substantially the regular financing of the ICRC. (Resolution II)

The Twenty-third International Conference of the Red Cross (Bucarest, 1977), noting with satisfaction the work done by the Commission for the financing of the ICRC, invites National Societies to continue and to increase their efforts to contribute, through their financial participation, to the discharge of the ever-increasing activities of the ICRC, reiterates its appeal to all governments signatories to the Geneva Conventions to give their systematic and more substantial support to the regular financing of the ICRC, express the hope that the governments and National Societies which have not yet contributed to the ICRC budget will from now on give it their financial support, even if they are only able to contribute by a token payment. (Resolution XIII)

Contributions of National Societies
to the ICRC regular budget

Year	Amount paid in Sw.fr.	As % of total expenditure
1970	737,610	4.85
1971	836,225	4.78
1972	858,285	4.45
1973	928,910	4.88
1974	1,123,960	5.65
1975	1,245,720	5.84
1976	1,482,425	7.08
1977	1,622,405	7.17
1978	1,812,925	7.37
1979	1,831,875	6.00
1980	2,195,915	6.06

Contributions of governments
to the ICRC regular budget

Year	Amount paid in Sw.fr.	As % of total expenditure
1970	11,174,923	73.55
1971	15,173,402	86.87
1972	16,206,352	84.17
1973	16,118,828	84.85
1974	15,636,360	78.63
1975	17,000,399	79.80
1976	17,379,086	83.08
1977	19,776,089	87.46
1978	19,259,279	78.36
1979	21,215,908	69.57
1980	24,392,862	67.41

FINANCING OF THE ICRC BY NATIONAL SOCIETIES

1. Geographical distribution of the survey and its results

	ARAB WORLD		AFRICA		ASIA OCEANIA		EUROPE N.AMERICA		LATIN AMERICA		TOTAL	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Questionnaires sent :	13	11	31	25	24	19	33	26	24	19	125	100
Questionnaires returned :	6		10		13		22		8		59	
Replies by letter :	1		2		-		5		-		8	
	7	* 54	12	* 39	13	* 54	27	* 82	8	* 33	67	54

* percentage of replies from each region.

2. General tendency of replies

Almost all the National Societies were in favour of financing the regular budget of the ICRC.

3. Participation of National Societies in the ICRC regular budget :

affirmative replies : 65
negative replies : 2

4. Relation between contributions to the ICRC and the League scale

	Relation with League scale		Equal to League contribution		Greater than League contribution		Less than League contribution		50% of League scale	
	rep.	%	rep.	%	rep.	%	rep.	%	rep.	%
yes	31	46	1	2	-	-	14	21	27	40
no reply	20	30	45	67	47	70	48	72	31	46
no	16	24	21	31	20	30	5	7	9	14

5. Fixed percentage related to the normal receipts of the National Societies

yes	6	9%
abstentions	42	63%
no	19	28%
	<u>67</u>	<u>100%</u>

6. Scale established for a period of 3 years

yes	7	10%
abstentions	44	66%
no	16	24%
	<u>67</u>	<u>100%</u>

7. Annual contributions variable according to circumstances

yes	24	36%
abstentions	36	54%
no	7	10%
	<u>67</u>	<u>100%</u>