



IFM-SEI Ethical Funding Policy

January 2019

Version 1

This policy is to be used by IFM-SEI Presidium to inform any decisions around new and existing donors, foundations, funders or organisations.

The purpose of this policy is to:

- Set out the criteria upon which IFM-SEI will accept or refuse funding from donors, foundations, funders or organisations
- Ensure IFM-SEI safeguards our reputation and works within our Aims and Principles in relation to funding and fundraising
- Maximise our funding opportunities in an ethical context

Whilst we recognise that funding from private or institutional donors, foundations, funders or organisations presents significant opportunities for IFM-SEI as an organisation, we need to ensure that any funding decisions are made on the right basis and that, where appropriate, safeguards are put in place to protect our reputation and integrity.

Our Aims and Principles

Our Aims and Principles are at the core of what we do. These must be considered when making any funding decisions. This includes anti-capitalism, therefore IFM-SEI should not support the perpetuation of the capitalist system that puts profit over people. Adherence to children's rights and human rights should be at the core of our partners' work. IFM-SEI must be accountable for funding decisions to its members and the children and young people we represent. When making funding decisions, they should be made on the basis of our Aims and Principles, ensuring that personal bias is not involved in the decision making process. This policy plays a key part in fulfilling these obligations.

Potential risks

It is important that we ensure that any potential conflict between our funders or partners and our Aims and Principles are identified before accepting any funding. However, we recognise that associations or practices may change over time, therefore a monitoring process is needed for existing funders and partners. There are three potential risk areas:

- Competing objectives - where our project or educational work is directly or indirectly in conflict with the objectives of the potential funder or partner



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- Loss of independence - where a potential funder or partner jeopardises the independence of IFM-SEI and seeks a level of influence over IFM-SEI which impacts on how we may otherwise choose to operate
- Reputational risk - where the public perception of a partnership can affect the reputation of IFM-SEI because of being associated publicly with a certain funder or partner

Types of funding

There are a number ways in which we can engage with new funders. This could amount to a simple unrestricted cash donation, or may be a multi-year partnership to deliver a specific programme. Restricted funding, donation of in-kind materials and sponsorship of a specific event are also possible sources of funding. Despite the type of funding, consideration is required to ascertain whether a potential funder or partner holds any of the risks as outlined above.

Conditions

The following conditions must be satisfied to establish or continue with funding or a partnership from a donor, foundation, funder or organisation:

- There are strong grounds for believing the outcomes will result in advantages to IFM-SEI beneficiaries and will promote our Aims and Principles
- The funding is in the best interests of the organisation
- The IFM-SEI Presidium is satisfied that the benefit that the funding and/or relationship significantly outweighs the risk of any adverse publicity
- That no attempt is made by any third party to link a donation or funding source with an attempt to influence the operations or policy of IFM-SEI either explicitly or implicitly
- That the independent status of IFM-SEI is not compromised in any way by funding or fundraising activities
- IFM-SEI has the right to challenge associations or practices with a funder before a partnership is made and during a partnership period
- A partnership will not result in the branding children or young people

Exclusion list

IFM-SEI will not accept any funding from any donors, foundations, funders or organisations that engage in activities listed on the exclusion list. These are donors, funders or organisations that:



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- Hold values that contradict with those of IFM-SEI
- Are associated with criminal resources or activity
- Use child labour or exploitative working conditions (e.g. sweatshops, discrimination, suppression of trade union activity, slavery)
- Are associated with the arms trade or are involved in the promotion of war and/or conflict
- Are involved in private security
- Manufacture or promote pharmaceutical products for commercial purposes
- Manufacture or promote tobacco and alcohol based products
- Conduct activities that cause significant environmental damage or environmental irresponsibility
- Are involved with the energy and extractives industries, including oil, gas and mining
- Are involved in or supporting the gambling industry
- Are involved in tax avoidance or tax evasion
- Are involved in fraud, bribery or corruption
- Work for the promotion of privatisation of services, e.g. education, health, housing
- Have activities, literature or policies that discriminate or promote prejudice against children and youth, or other marginalised groups
- Have practices that can be held to amount to a contravention of the UN Universal Declaration of Human Rights and the UN Convention on the Rights of Children

Safeguards

In order for IFM-SEI to establish whether a new or current funder is in line with this policy, the IFM-SEI Presidium must ensure:

- Due diligence and thorough information gathering for any donor, foundation, funder or organisation
- A contracting process at the start of each funding period outlining IFM-SEI's ethical considerations
- That IFM-SEI maintains independence from any donors, foundations, funders or organisations and that there is no possibility to influence decision-making structures of IFM-SEI
- That IFM-SEI pre-approves any press release or statement or any use of the IFM-SEI brand by another organisation
- Agreement to monitor or reassess a relationship at a future point in time
- The option to terminate a partnership in light of fresh information regarding a donor, funder or partner



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Monitoring

It is the responsibility of IFM-SEI Presidium to implement this policy and to use this policy as reference when taking decisions on potential new funders and partners, when sourcing or evaluating new funding strategies and reviewing partnerships with ongoing funders or partners.