

Dear President, distinguished colleagues, ladies and gentlemen.

It is a great pleasure for me to welcome you to the 20<sup>th</sup> European Foundation Centre Annual General Assembly and Conference in a city that is considered to be one of the birthplaces of Western civilisation, as well as was the site for the signing of the EU's founding Treaty of Rome. From milestones such as these in the rich history of this city, it is clear that Rome is a place where ideas are transformed into action. I hope that the next three days will prove to be similarly fruitful for all who have gathered here to discuss how foundations can collectively and effectively fight poverty and create opportunities for the future.

Over one year ago it was agreed that the discussions at the 2009 Annual General Assembly and Conference should return to the basics of philanthropy by discussing poverty and its repercussions in all their diversity. At that point in time we knew that volatile financial markets, economic slowdown, and rising inflation would inevitably make our common path to address such issues more challenging. However, I think it is fair to say that we were not yet fully aware of the impact that the financial crisis would have, which has turned out to be the worst that many of us have known in our professional careers.

The harsh reality is that we have all been, and continue to be, affected by the economic downturn, which has proven what an ever more connected and interdependent world we live in. An EFC survey of its members launched in October 2008 revealed that although the majority of respondents would still be able to meet grantmaking programme commitments in 2009, nearly half expected their foundations' budget for

grantmaking and/or operating programmes to decrease over the next two years. Two-thirds reported that they were considering significant changes in their investment strategy and asset allocation in the near future.

This is just a small indication of the profound impact that the crisis has had on foundations active in Europe; but we cannot ignore that the consequences filter down and arguably distress the disadvantaged, vulnerable and impoverished most seriously. Additionally, new segments of the population are being driven into poverty and instability; a situation that would have been unimaginable just several years ago. The face of poverty and the way we understand this concept is changing, and now includes those who can no longer pay their bills, afford their mortgages, and are facing unemployment but can see no immediate prospects for alleviating this situation. Such developments speak to why the theme of this Annual General Assembly and Conference has become all the more relevant over the past year. It is now the role, some would argue the responsibility, of foundations to respond to this urgent call for action by considering the relationship between poverty and the creation of opportunities through education, training, empowerment, and the building of skills.

Is there a silver lining to this cloud? In my view, 'yes' is the simple answer to this question.

Undoubtedly, the financial crisis is still evolving, and there is uncertainty about its full scope, impact, and duration. However, this is first and foremost an auspicious moment for foundations to look at the challenges we face with fresh eyes. The world is being shaken out of its comfortable inertia, and there is now a small window of time for our sector to confront pressing issues with bold actions. A key attribute in confronting these challenges is resilience: the aptitude to take adversity in stride and to bounce back after the unexpected. Now is a time for us to reinvent ourselves and redefine our roles: to think about the long-term allocation of our resources and how this may help to build the resilience of the communities we serve. This may require us to ask some hard questions

about the way we work. Where does our responsibility lie? With the constituencies we serve, or in the preservation of our resources?

The current economic situation and set of global challenges may require exactly the kind of resources and characteristics that foundations possess. As we discussed at the 2008 EFC Annual General Assembly and Conference in Istanbul, foundations have a proven track record in creatively facilitating social, cultural, scientific, and technological change. So while there may be a tendency to yield to short-term bumps, we must resist this temptation and instead view our current situation as an opportunity to demonstrate the relevance of foundations' work.

Second, I believe that there is a determined consensus emerging that to unequivocally prove foundations' potential and capabilities in such a critical time, there is a need to increasingly pool resources. Such a change in rhetoric, with a more practical and coordinated focus, is considerably important for the quality of our grants and impact. We are in a unique position to encourage experimentation and risk-taking, particularly in the way we forge new partnerships with a variety of key actors. Fundação Calouste Gulbenkian is currently hosting an exhibition to mark the 200<sup>th</sup> birthday of Charles Darwin, and the 150<sup>th</sup> anniversary of the publication of 'The Origin of Species'. Darwin himself was once quoted as saying 'in the long history of humankind (and animal kind too), those who have learned to collaborate and improvise most effectively have prevailed'.

This quote seemed fitting to me, as now is a crucial time for us to be more in touch with each other, and to coordinate efforts. Such collaboration may take many shapes and forms, and is not just about pooling funds. For instance, there are also benefits for the way we share knowledge. I was encouraged yesterday to hear of the 'Partnership Exchange Session' which was organised by the Network of European Foundations for Innovative Cooperation (NEF). This pre-conference event brought together the Chairs of all the NEF initiatives, in order for representatives of the various groups to stay up to

date with what the other groups are doing, and to share their thinking on strategic development. I hope this Annual General Assembly and Conference provides further opportunities for such reflection, and also fertile ground for the development of new partnerships, initiatives and consortia.

Finally, should we be able to prove our resilience and collective power in this moment, I believe this will not only be beneficial for the communities we serve, but also for the health of our reputations. Over the past year, we have watched trust in financial markets and institutions shatter. Now is the time to return to basics: to become more efficient and effective using the variety of resources at our disposal, and regain the trust of those individuals who have slid, or are sliding, into poverty.

This is a trying time indeed, but all the more reason for European foundations to come together as a way to weather the storm. I would therefore like to take this opportunity to thank those individuals who have put such a tremendous effort into the preparation of this year's Annual General Assembly and Conference, which has provided us with this valuable opportunity to debate, discuss and move forward collectively. Emmanuele Francesco Maria Emanuele, Chairman of Fondazione Roma and Chair of the Host Committee, and Piero Gastaldo, Secretary General of Compagnia di San Paolo and Chair of the Programme Committee deserve our special thanks for all of their efforts.

Of course, none of the challenges that we will be discussing over the next three days, will be solved overnight. But as they say, 'Rome was not built in a day', and we must remember this as we embark on this next chapter with patience and perseverance.

Thank you.

Dr Emílio Rui Vilar

Chair, European Foundation Centre

President of the Board of Trustees, Fundação Calouste Gulbenkian