

Annual Report 2015



GLOBAL
CENTRE FOR
PLURALISM CENTRE
MONDIAL DU
PLURALISME



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INTRODUCTION

Founded by His Highness the Aga Khan in partnership with the Government of Canada, the Global Centre for Pluralism is an international research and education centre located in Ottawa, Canada. Inspired by Canada's experience as a diverse and inclusive country, the Centre was created to advance positive responses to the challenge of living peacefully and productively together in diverse societies.

This annual report is submitted to the Minister of Canadian Heritage in fulfillment of reporting requirements under the 2006 Funding Agreement between the Centre and the Government of Canada. The report focusses on the ongoing results of the Centre's programs in 2015 and presents an update on the performance of the Centre's Endowment Fund, along with audited financial statements for the 2015 fiscal year.

199 Sussex Drive
Ottawa, Ontario, Canada
K1N 1K6

Tel: +1 613 241 2532
Fax: +1 613 241 2533

pluralism.ca

“What a wonderful, liberating thing it would be if more of us, more of the time, could see diversity not as a burden, but as a blessing; not as a threat, but as an opportunity.”

HIS HIGHNESS THE AGA KHAN

Mission

The Centre’s mission is to serve as a global platform for comparative analysis, education and dialogue about the choices and actions that advance and sustain pluralism.

Through research, education and knowledge exchange, the Centre’s programs:

- Initiate understanding about the sources of inclusion and exclusion in Canada and around the world
- Chart pathways to pluralism in specific places and cases
- Catalyze knowledge exchange and learning about the policies and practices that support pluralism



Governance

Composed of four international members and seven Canadians, the Centre’s Board of Directors is chaired by His Highness the Aga Khan. In May 2015, the Centre welcomed Dr. Marwan Muasher to its Board of Directors. Former Foreign Minister and Deputy Prime Minister of Jordan, Dr. Muasher is currently Vice President for Studies at the Carnegie Endowment for International Peace in Washington, D.C.

Board of Directors

From left to right, standing: Rudyard Griffiths, Dr. Azim Nanji, Dr. Huguette Labelle, Khalil Shariff, Dr. Margaret Ogilvie, Dr. Iain Benson.

Sitting: Dr. Eduardo Stein, the Rt. Hon. Adrienne Clarkson, His Highness the Aga Khan, Kofi Annan, Princess Zahra Aga Khan.

Not shown: Dr. Marwan Muasher

Pluralist societies are diverse societies that recognize and respect human differences through inclusionary institutions, policies and practices.



La Paz, Bolivia

In pluralist societies, people of diverse origins come together to create political communities that seek the betterment of all by enabling every person to realize his or her rights and obligations as a citizen.

And yet, this ideal remains elusive in many places. In developed and developing societies, accepting and accommodating the other is an ongoing challenge. New pressures, such as global migration, combine with historic enmities to perpetuate divisions and feed exclusion. Overcoming entrenched patterns of exclusion, and the habits of mind that perpetuate them, is one of the world's most pressing global needs.

Pluralism — defined simply as respect for diversity — is not just desirable; it is vital to securing the peace and prosperity of future generations. In societies where some people are less valued than others — because of differences of race, ethnicity, religion or gender — progress and potential are impeded. The opportunities and new possibilities that human differences can bring must overcome ignorance and prejudice. Helping the world see diversity as a benefit rather than as a risk is the work of the Global Centre for Pluralism.

What, then, makes some diverse societies cohere and others fracture?

In 2015, the Global Centre for Pluralism launched a program of global analysis to understand the factors that support greater inclusion in some societies and those that cause others to break down. Informed by our 'drivers of pluralism' framework and authored by researchers based on five continents, these retrospective 'change cases' focus on the governance of diversity in selected societies in Asia, Europe, Africa and the Americas. These cases are helping the Centre elaborate our drivers framework as a user-friendly practitioner tool we are calling the Pluralism Lens.

The Centre’s programs and resources also enhanced understanding about the choices and actions that can support pluralism. In Kenya, the Centre partnered with civil society organizations to understand the role of constitutions and the private sector as agents of pluralism. Our focus on education also intensified in 2015 with the piloting of an interactive pluralism workshop in Kyrgyzstan. The Centre’s two Forums applied a pluralism perspective to the field of early warning and to Tunisia’s fledgling democratic transition and the potential lessons it holds for other countries in the Middle East and North Africa and beyond.

Our fourth Annual Pluralism Lecture featured the Rt. Hon. Beverley McLachlin, Chief Justice of Canada. She reflected on Canada’s comparative success as a pluralist society, albeit one that still faces significant challenges — reconciliation with indigenous peoples being among them. Concluding on a personal note, the Chief Justice said, “Living together in the ethic of tolerance is not easy — but I for one believe it is worth the effort.”

The Centre shares this conviction, as do a growing number of partners who are working with us to shape the global effort to support and sustain respect for diversity and foster pluralist societies.

John McNee
Secretary General



Credit: Ann Steer

Tunisian rugs

New Headquarters

Rehabilitation of 330 Sussex Drive, the Centre's new international headquarters, continued on schedule:

- Asbestos abatement was completed in the spring and construction to rehabilitate the building began.
- Discussions with neighbourhood partners to revitalize the surrounding areas continued, with the aim of transforming accessibility and views of the river, as well as creating dynamic public spaces.
- As the Centre prepares to move its operations to the new building in 2017, the calendar of events for 330 Sussex Drive continued to take shape.

Global Analysis

TOWARD A PLURALISM LENS

- Building on the Centre's 'drivers of pluralism' framework, three major research initiatives were launched to elaborate the Pluralism Lens, a practitioner tool for assessing the sources of inclusion and exclusion in diverse societies.

ACCOUNTING FOR CHANGE IN DIVERSE SOCIETIES

- To examine further the conditions that enable inclusion and the factors that drive exclusion, 18 'change cases' spanning five regions were commissioned.

PATHWAYS TO PLURALISM

- To assist practitioners, the Centre commissioned a series of 'gap analyses.' These analyses consider how attention to pluralism can strengthen established fields of practice that address diversity, such as democracy promotion, human rights and peacebuilding, and in turn how these fields can promote pluralism.

MONITORING PLURALISM

- Preliminary research into the indicators of pluralism is yielding useful lessons for the development of an instrument for tracking global trends related to inclusion and exclusion.

'EARLY ACTION FOR PLURALISM'

- Scenario building – an analysis of a current situation to imagine possible alternative outcomes – was investigated by the Centre as a potential approach to 'early action for pluralism.'

Global Engagement

IN KENYA

- A roundtable in Nairobi was convened with participants from a range of civil society organizations to discuss opportunities to build pluralism and identify key capacity needs.
- Two new studies were launched with partners in Kenya. One study examines the role of constitutions and the other looks at the role of the private sector in building pluralism in Kenya and beyond.

IN KYRGYZSTAN

- Research commissioned by the Centre about the role of historical narratives as a driver of pluralism was disseminated to audiences in Kyrgyzstan and globally, generating significant interest.
- Two participatory workshops on pluralism helped to build capacity among staff from development and peace-building organizations in Kyrgyzstan. Feedback from the workshop will aid in further refining its structure and content.
- Engagement with the education sector afforded the Centre an opportunity to inform the government's review of history curricula and textbooks. The Centre will continue to facilitate access to expertise from historians and other academics.

IN TUNISIA AND THE MIDDLE EAST AND NORTH AFRICA REGION

- Several visits to the region were conducted to identify opportunities for the Centre to contribute to the work of local and international partners advancing pluralism in the region.
- A Pluralism Forum convened in Ottawa highlighted to Canadian and international audiences the importance of continued support for the Tunisian transition to a pluralist democracy.

Public Affairs

- Flagship events – the Annual Pluralism Lecture and Pluralism Forums – were well-received with an overall audience of 800 people in person and 2,300 tuning in online.

ANNUAL PLURALISM LECTURE

- The Rt. Hon. Beverley McLachlin, Chief Justice of Canada, delivered the Centre's fourth Annual Pluralism Lecture in May.
- The Chief Justice's remarks received considerable attention in the media, especially her discussion of the legacy of Canada's treatment of its Aboriginal peoples. Her remarks were referenced in over 2,000 media hits.

PLURALISM FORUM

- A Pluralism Forum in April featuring Professor Stefan Wolff (Institute for Conflict, Cooperation and Security, University of Birmingham) and Dr. Patrick Travers (United Nations Office on Genocide Prevention and the Responsibility to Protect) explored the field of early warning through a pluralism lens and concluded that 'early action for pluralism' is a more effective approach.
- The October Forum featured the former Prime Minister of Tunisia, H.E. Mehdi Jomaa, and Dr. Marwan Muasher (Carnegie Endowment for International Peace), with moderator Dr. Bessma Momani (University of Waterloo), discussing the prospects for pluralism post-Arab Spring and the lessons to be drawn from Tunisia's democratic transition.

- Media coverage included an op-ed by panellist Dr. Marwan Muasher in the *Globe and Mail* on the battle for pluralism in the Arab World and an interview with H.E. Mehdi Jomaa in *La Presse* on Tunisia's democratic transition.

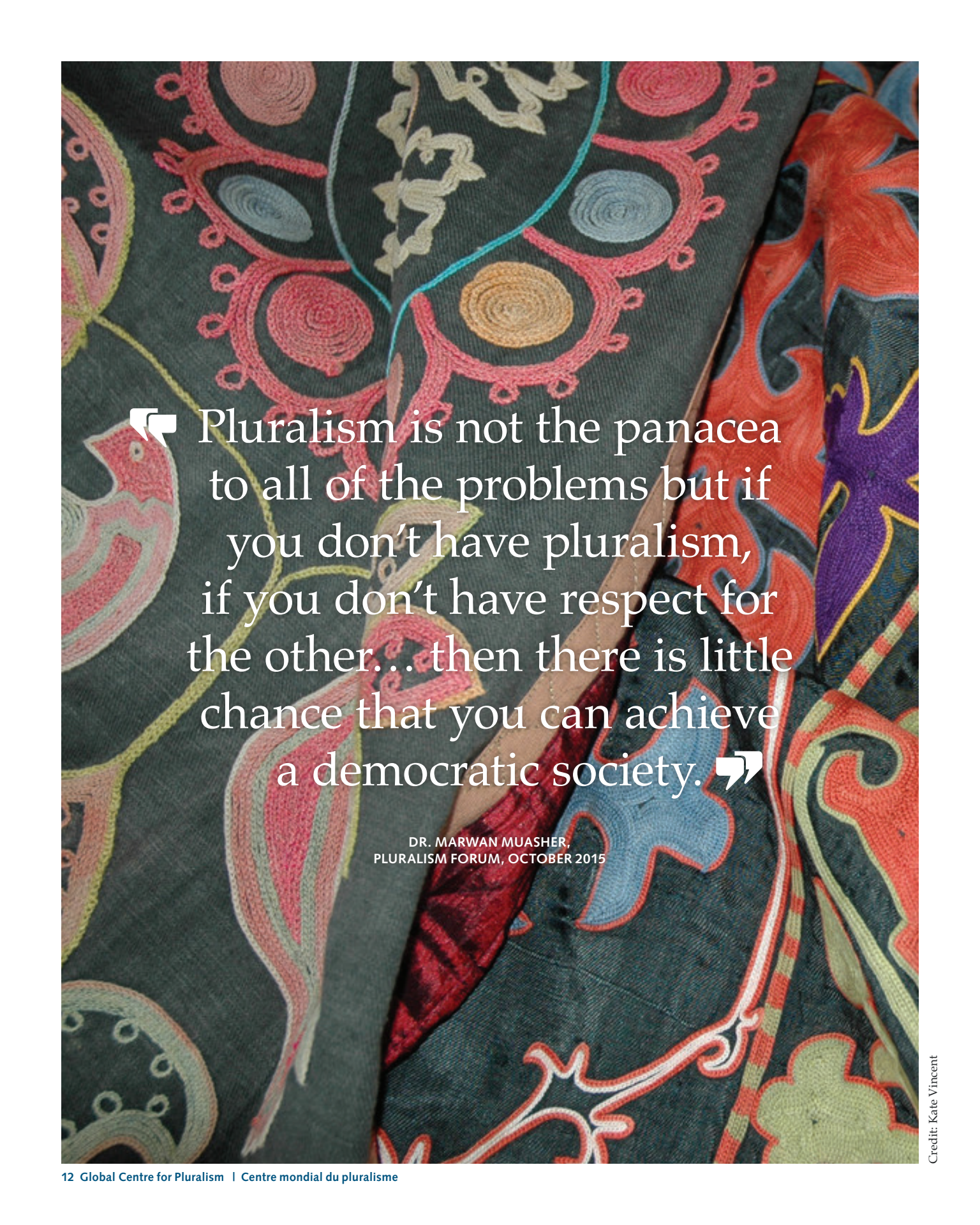
Pluralism Award

- The design of the Centre's new Global Pluralism Award was finalized. The Award recognizes individuals, organizations and institutions that are working to advance pluralism in action around the world.

Education

- Formal and informal education sector initiatives continued to develop, with plans advancing for future education programs.
- A global scan of online learning resources related to pluralism and a second scan of training organizations and e-learning platforms were completed. The findings will inform our education programming.





“ Pluralism is not the panacea to all of the problems but if you don't have pluralism, if you don't have respect for the other... then there is little chance that you can achieve a democratic society. ”

DR. MARWAN MUASHER,
PLURALISM FORUM, OCTOBER 2015

NEW GLOBAL HEADQUARTERS

330 Sussex Drive in Ottawa – a Canadian historical landmark – is being given new life as the international headquarters of the Global Centre for Pluralism. Construction began on the project in 2015. The work is proceeding on schedule and the Centre is expected to take occupancy in 2017. The building will serve as a global platform for the Centre’s work.

330 SUSSEX DRIVE

A destination for dialogue

The Centre prepares to open its new doors in 2017, in time to join Canada's 150th anniversary celebrations. The new building will serve as a platform to showcase the Centre's mission to different audiences in Canada and globally through a variety of public events, in conjunction with online resources. 330 Sussex Drive will become a global destination for dialogue about the pathways to pluralism.

Responsible stewardship of a Canadian landmark

Vacant since 2005, this landmark heritage structure is undergoing extensive rehabilitation. Initially built to house Canada's public archives, the rehabilitation designs by KPMB Architects aim to preserve the building's 20th century heritage elements, while transforming it into a modern 21st century institution. Both the National Capital Commission (NCC) and the Federal Heritage Buildings Review Office (FHBRO) confirmed their approval of the designs in 2015.

Building design and construction

Construction manager MP Lundy Construction was hired and began core work. Activities to the end of 2015 focussed on excavation and site servicing, building envelope restoration, structural and seismic upgrades and roof replacement.



Credit: Marc Fowler

Business planning

A business planning exercise, assisted by consultants Savira Cultural + Capital Projects, explored the various ways the building's outdoor and indoor spaces could drive community engagement and generate new partnerships. The learning from this process was incorporated into the building and landscape designs.

Plans for neighbourhood revitalization

The rehabilitation of 330 Sussex Drive is serving as a catalyst for revitalizing and transforming the broader area surrounding the building between the Ottawa River and Sussex Drive. The plans aspire to make the area more publicly accessible, enhance the view to and from the Ottawa River and create new outdoor recreational and programming spaces. Aspects of the Centre's proposals for redeveloping the area have been incorporated into the NCC's official plans, including improvements to make Nepean Point and Lady Grey Drive more accessible.



Credit: Marc Fowler



Source: KPMB Architects

Architectural rendering of an event space at 330 Sussex Drive



“ Diversity is not a
burden to be endured,
but an opportunity
to be welcomed. ”

HIS HIGHNESS THE AGA KHAN,
HARVARD UNIVERSITY, NOVEMBER 2015

PROGRAM HIGHLIGHTS

Global Analysis

The Centre works with researchers around the world — leading experts as well as emerging scholars and civil society analysts — to understand how societies, both past and present, build shared and inclusive societies.

Launched in 2015 with the assistance of an international advisory group, the Centre's ambitious research program spans a network of 33 researchers in 13 countries, with links to 23 universities and research centres. The holistic scope of the Centre's program facilitates comparative cases and global conversations that might otherwise not occur.

GLOBAL ANALYSIS

Accounting for change in diverse societies

What drives inclusion and exclusion in diverse societies? In 2015, we commissioned 18 ‘change cases’ focussed on five regions of the world. Each case considers a specific question related to pluralism, including the role of constitutions, responses to horizontal and other group-based inequalities, religion and secularism, democratization and decentralization, and post-colonial nation building. Each case outlines the factors that influenced movement toward greater inclusion or exclusion and the critical turning points.

Authors of the cases are based in universities and civil society organizations around the world. Members of the Centre’s research advisory group helped to frame the program, identify the case authors and provide peer review. The ‘change cases’ will be published in 2016 following the Centre’s first Global Pluralism Think Tank.

The core questions posed by the ‘change cases’ are summarized below:

LATIN AMERICA
COLOMBIA

Is recognition of indigenous minority rights a route to pluralism?

BOLIVIA

Is “indigenization” of the state and national identity a route to pluralism?

BRAZIL

Are the racialization of group identity and affirmative action routes to pluralism?

MIDDLE EAST & NORTH AFRICA
SYRIA

What does Syria’s breakdown tell us about pluralism and minority regimes?

LEBANON

What lessons does Lebanon hold for pluralism in the Middle East?

TURKEY

Have political Islam and “multiculturalism” changed Turkish secularism?

EUROPE
SPAIN

Was decentralization a necessary component of multi-ethnic Spain’s democratization?

FRANCE

Is a more pluralist conception of French republicanism possible?

GERMANY

What accounts for the illiberal responses of liberal democracies to diversity?

SUB-SAHARAN AFRICA
NIGERIA

Has federalism worked as a check on “winner takes all” politics in Nigeria?

GHANA

Why has democracy functioned as a relative agent of inclusion in Ghana?

CÔTE D’IVOIRE

What accounts for the politicization of ethnicity in some democratic transitions?

ASIA
INDIA

What factors account for India’s adoption of a pluralistic constitution in 1947?

SRI LANKA

What does the civil war tell us about pluralism and majority rule?

BURMA

Is decentralization a precondition for democracy in this Buddhist majority society?

MALAYSIA

Is majority affirmative action (economic, political) a route to pluralism?

SINGAPORE

What accounts for the “Singapore model” and why does it persist?

INDONESIA

How do gender and ethnicity intersect as drivers of minority exclusion?

THE DRIVERS OF PLURALISM

The Centre's 'drivers of pluralism' are summarized below. The drivers offer a holistic view of the sources of inclusion and exclusion in diverse societies and form the basis of the Centre's Pluralism Lens.

WHAT FACTORS "DRIVE" INCLUSION AND EXCLUSION IN DIVERSE SOCIETIES?

LIVELIHOODS AND WELLBEING

QUALITY OF LIFE

- Equality of outcomes for individuals and groups
- Equitable access to and benefit from resources

EDUCATION, RELIGION AND MEDIA

TRANSMISSION OF NORMS

- Intergenerational learning
- Intercultural exchange
- News, entertainment, the arts, social media

TRANSNATIONAL AND REGIONAL INFLUENCES

POTENTIAL IMPACTS OF EXTERNAL ACTORS

- Neighbourhood influences
- Historic border making

LAW, POLITICS AND RECOGNITION

HOW GOVERNMENTS ACT

- Defining and sustaining inclusive citizenship
- Institutional mechanisms
- Policies and investments

HISTORY AND MEMORY

THE PAST IN THE PRESENT

- Impact of past grievances
- Gaps between official and remembered past
- Inclusive remembering

CITIZENS, CIVIL SOCIETY AND IDENTITY

HOW CITIZENS ACT

- Inclusive citizenship practices
- Expression of multiple identities (civic, ethnic, gender, religious)
- Arena for redefining inclusion

PLACES AND SPACES

LANDSCAPES OF CULTURAL EXCHANGE

- Neighbourhoods and cities
- Rural areas and communities
- Public-private connections: families, cyberspace, work

Pathways to pluralism

Pluralism is not an alternative to multiculturalism, or any other approach to diversity. It is an umbrella concept that encompasses multiple approaches to living peacefully with difference.

Around the world, multiple actors already promote pluralism on some level, although they may not frame their work in this way. The Centre launched a series of 'gap analyses' to understand how our approach to pluralism fits into and strengthens existing fields of practice related to diversity.

Gap analyses in the following areas were commissioned and will be published in 2016.

- Democracy promotion
- Social cohesion
- Fragile states and peacebuilding
- Human rights, minority rights and anti-discrimination

Additional gap analyses will be commissioned in 2016.

Examples of pathways to pluralism

HUMAN RIGHTS

- Human rights are a baseline for pluralism
- Pluralism justifies and expands these minimum standards of equality and recognition
- Pluralism creates conditions for the realization of rights
- Advocates of pluralism can use human rights law

DEMOCRACY

- Liberal democracy can facilitate pluralism
- Elections without strong institutions often exacerbate divisions
- Effective institutions are needed but do not guarantee pluralism
- Policies must evolve to promote inclusion
- Pluralism is a route to good governance

PEACEBUILDING

- Dramatic expansion of inter-group conflicts in fragile states post-1990
- Economic and political competition for scarce resources
- Pluralism suggests an upstream focus on countries teetering between inclusion and exclusion *before* crisis
- 'Early action for pluralism' allows for exclusionary trends to be reversed

Monitoring pluralism

Is it possible to anticipate and pre-empt situations of pluralism breakdown? What capacities does the Centre need to develop an ‘early action for pluralism’ program?

Developing the capacity to monitor pluralism in diverse societies remains a goal of the Centre. In 2015, the Centre explored the viability of developing a global tool to track patterns of social, political and economic inclusion and exclusion using published data. The Centre asked if it would be possible to identify a small set of indicators for pluralism that would be reasonable to update and that offered global coverage.

Our research reveals that significant gaps exist: the kind of holistic approach to pluralism advanced by the Centre is not replicable using published data sources. Rather than view the lack of data as a barrier, in 2016, the Centre will develop a series of qualitative benchmarks for the governance of pluralism.



From left to right: Dr. Patrick Travers, John McNee and Professor Stefan Wolff, Pluralism Forum, April 2015



“ Pluralism is seeing the advantage of difference. ”

DR. BESSMA MOMANI,
PLURALISM FORUM, OCTOBER 2015

PROGRAM HIGHLIGHTS

Global Engagement

The Centre's global outreach focussed on strengthening local and international capacities to advance respect for diversity in various fields of practice through knowledge exchange, workshops and partnership-building.

KENYA

Opportunities for advancing pluralism

In early 2015, the Centre convened a roundtable with staff of the four Kenyan NGOs that received sponsorship to attend a pluralism summer school in South Africa in 2014. Participants discussed opportunities to advance pluralism in Kenya. These development and human rights practitioners also identified the critical capacities they need to be able to integrate a pluralism perspective into their work.

Launch of new studies

The Centre also launched two new studies with local partners in Kenya. The Centre finalized a new partnership with the Nairobi-based Katiba Institute to research the implementation of the Kenyan constitution. The study is expected to generate necessary and currently unavailable data focussed on the impact of the constitution on national identity and unity. The lessons from this research will inform practical approaches to pluralism through constitutional reform for application in Kenya and beyond.

“The summer school readings and discussions had a good influence [on my professional work]. Our equality and non-discrimination program has now taken a strong pluralism perspective and the next two years will be very heavy on addressing ethnic polarisation,” said one of the roundtable participants.

The Centre also launched a partnership with the Nairobi-based Institute of Economic Affairs (IEA) to undertake a study of the role and impact of the Kenyan private sector in fostering or hindering pluralism in the country. The key objectives of this project are to analyze the extent to which the private sector has embraced or resisted efforts towards pluralism, and to identify trends and drivers of pluralism in the private sector.



Pluralism Summer School participants in Bloemfontein, South Africa



Staff of the Institute of Economic Affairs in Kenya, Chripine Oduor and Veronica Nguti

Credit: IEA

TUNISIA

Supporting Tunisia's ongoing democratic transition

The Centre conducted two scoping visits to the region, meeting with key organizations and individuals in Beirut, Tunis and Cairo. The Centre developed a better understanding of work being done by these organizations and identified areas where the application of a 'pluralism lens' could help support Tunisia's ongoing democratic transition.

In October, the Centre presented a Pluralism Forum in Ottawa entitled, "Prospects for Pluralism Post-Arab Spring: Does Tunisia Suggest a Way Forward?" The event focussed on pluralism in the Middle East and North Africa, highlighting to Canadian and international audiences the importance of continued support for the Tunisian transition and lessons that can be drawn for the wider region.

What lessons can other countries learn from Tunisia's experience?

MEHDI JOMAA:

"It's fundamentally our sense of dialogue, compromise and consensus. We're always talking about Tunisians' openness to the world, their level of education, the power of civil society, the power of women's rights - which was a major player - especially in times of crisis. But we also have a certain distinctiveness. It is this tradition of moderation, dialogue and consensus that has allowed us, through the most difficult times in ancient and recent history, and particularly through this transition process, to succeed."

Credit: Matt Zambonin



Former Prime Minister of Tunisia His Excellency Mehdi Jomaa speaking at the Pluralism Forum in Ottawa

KYRGYZSTAN

Disseminating research findings

Earlier research commissioned by the Centre was disseminated to audiences in Kyrgyzstan and globally. The research examines how history and memory have evolved in Kyrgyzstan and how contested historical narratives continue to shape the prospects for pluralism. The research also aims to identify opportunities and entry points for supporting greater inclusion in the country.

The findings were presented and discussed at academic conferences and seminars, including the Association for the Study of Nationalities conference hosted by Columbia University, a seminar associated with the launch of the “Cities of the Dead” exhibition in Toronto and the OSCE Academy conference, “New Perspectives on Conflict, Security and Peace in Eurasia” in Bishkek, Kyrgyzstan. These presentations served to introduce the Centre’s approach to pluralism to academics from a wide range of disciplines.

Dr. Jeff Sahadeo at the Aga Khan Museum in Toronto presenting his paper, “History and Memory: Implications for Pluralism in Kyrgyzstan and the Ferghana Valley”



“Pluralist societies are not accidents of history. They are products of decisions and investments made in cultivating good governance, strong civic institutions and public policies that promote respect for diversity.”

**EXCERPT FROM THE CENTRE’S PUBLICATION,
“IN BRIEF: HISTORY AND MEMORY IN KYRGYZSTAN”**

Key findings of the commissioned research were also distilled into briefs (available in English, Kyrgyz, Uzbek and Russian languages) targeted at policy-makers and other practitioners. In June, the Centre convened a series of roundtables in Kyrgyzstan with policy-makers, representatives of the education sector and local and international civil society organizations. Participants in these roundtables were especially interested in the role of history in advancing pluralism in the country.

The Centre’s engagement with education sector representatives in Kyrgyzstan presented an opportunity to inform the government’s review of history curriculum and textbooks. The Centre will continue to facilitate access to expertise through its growing network of historians and other academics.

Workshop for practitioners

The Centre delivered an interactive workshop to peace-building and development practitioners in Bishkek and Osh as part of the Centre's contribution to the World Bank project, "Social Cohesion Through Community-Based Development Project in the Kyrgyz Republic." The workshop has been designed to be easily adapted to specific contexts and audiences, for use by the Centre and other training organizations and educators.

Using participatory learning methodologies, case studies and audio-visual materials, the workshop helped deconstruct the concept of pluralism. Participants discussed the progress that has already been made towards pluralism in Kyrgyzstan and identified opportunities to advance pluralism through their own work.

Analyses of case studies from France, Canada and Kenya evoked lively debates among the participants as they discussed the different sources of inclusion and exclusion in each country. The difficulties of inclusive language policies, the formation of civic identity, the exclusion of marginalized groups, women's roles in decision-making processes and the importance of engaging youth were some of the key issues raised.



"I went into this workshop thinking that pluralism was only about diversity of opinions, but I now realize it encompasses so much more," said one participant.



Workshop participants in Osh and Bishkek



GLOBAL PLURALISM AWARD

Recognizing pluralism in action

The Centre completed the design and development of the Global Pluralism Award for launch in early 2016. This new Award recognizes pluralism in action. It will be given every two years to individuals, organizations, governments and businesses from around the world that demonstrate exceptional and sustained achievement toward building more inclusive societies where human diversity is protected and valued. The Award comes with financial support of \$150,000, shared equally among three recipients, as well as global visibility and recognition. The Award will be presented for the first time in 2017 at the Centre's international headquarters in Ottawa, Canada.

**BUILDING INCLUSIVE SOCIETIES IS A COLLABORATIVE EFFORT.
AROUND THE WORLD, IN MANY WAYS, WE ALL PLAY A PART.**

LEGAL COMMUNITY
PEACE-BUILDERS
FILMMAKERS
CIVIL SOCIETY
ARTISTS
COMMUNITY ASSOCIATIONS
POLICYMAKERS
YOUTH
JOURNALISTS
ACADEMICS
GOVERNMENT AGENCIES
MEDIA
HUMAN RIGHTS ADVOCATES
AUTHORS
PRIVATE SECTOR
EDUCATORS
RESEARCHERS
RELIGIOUS LEADERS
POLITICIANS
STUDENTS
DEVELOPMENT PRACTITIONERS
PUBLIC SERVANTS
ACTIVISTS

**WHO ARE THE LEADERS OF CHANGE IN YOUR NETWORK?
NOMINATE THEM AT AWARD.PLURALISM.CA**

ANNUAL PLURALISM LECTURE

Reconciling Unity and Diversity in the Modern Era: Tolerance and Intolerance

The Rt. Hon. Beverley McLachlin, Chief Justice of Canada, delivered the Centre's Annual Lecture on May 28, 2015 at the Aga Khan Museum in Toronto. Speaking to an audience of 350 people and an online audience of 2,100, she called for diverse, multicultural societies to choose tolerance over intolerance, while also pointing out that tolerance must have limits.

Drawing from Canada's history of colonialism and the treatment of Aboriginal peoples, the Chief Justice outlined three lessons: "First, intolerance – the marginalization of difference – doesn't work. It may seem to provide a solution in the short term. But in the long run it will fail. Second, intolerance imposes inhumane and unacceptable costs in terms of human suffering, human dignity and lost human and economic potential. Third, the way forward is not to use intolerance to try in a vain attempt to eliminate difference, but to embrace tolerance in the spirit of reconciliation."

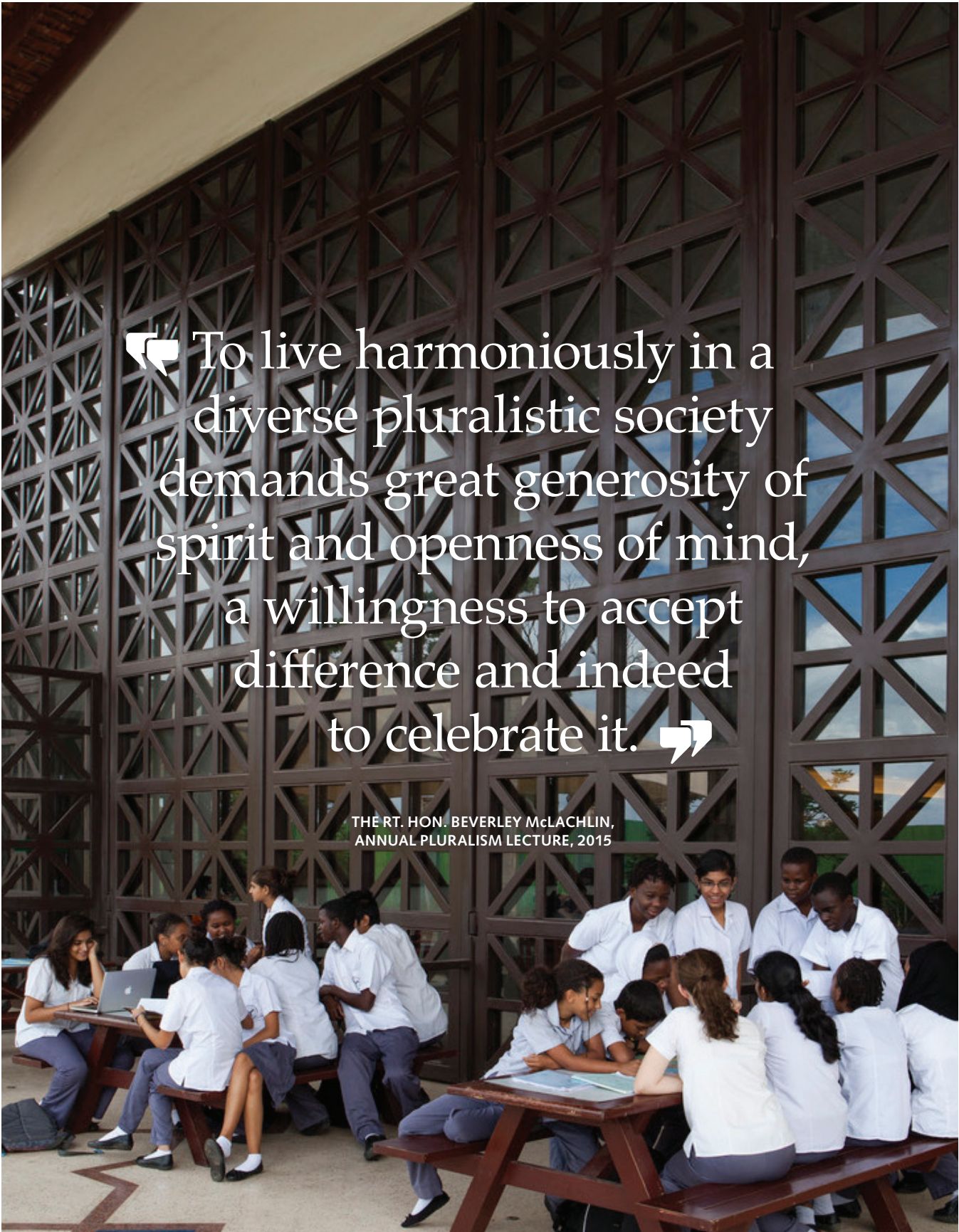
The Chief Justice was introduced by His Highness the Aga Khan, Chairman of the Centre's Board of Directors, who commended the Chief Justice for being a great champion of pluralism.

"Respect for difference is the essential glue that binds a society together and allows it to function and move forward in constructive harmony," said the Chief Justice.



Credit: Tom Sandler

The Rt. Hon. Beverley McLachlin, in conversation with David Walmsley, Editor-in-Chief of the *Globe and Mail*



☞ To live harmoniously in a diverse pluralistic society demands great generosity of spirit and openness of mind, a willingness to accept difference and indeed to celebrate it. ☞

THE RT. HON. BEVERLEY McLACHLIN,
ANNUAL PLURALISM LECTURE, 2015

FUND MANAGEMENT

The 2006 Funding Agreement between the Government of Canada and the Global Centre for Pluralism created a \$40 million Endowment Fund. Guided by the Investment Management Committee of the Board of Directors and assisted by its professional investment advisor, Proteus Performance, in November 2011 the Board adopted a Statement of Investment Policy (SIP) and a Statement of Spending Policy. In 2012, the Centre appointed a professional portfolio manager and custodian.

With these requisite conditions in place, in September 2012 the Fund was fully invested in the market in accordance with the principles articulated in the Funding Agreement of 2006 and affirmed by the Centre's SIP. Overall the Fund has performed well. At the end of 2015, the fund balance was \$53.2 million.

FINANCIAL STATEMENTS 2015

The Centre uses the calendar year as its fiscal year. In 2015, the Centre received another clean audit from Ernst & Young – the auditors appointed by the Members of the Corporation and supervised by the Audit Committee of the Board of Directors. These statements have been approved by the Board of Directors and duly received by the Members of the Corporation. The audited financial statements for 2015 are included in this report as Appendix A.

Financial Statements

Global Centre for Pluralism

December 31, 2015



Building a better
working world

Independent auditors' report

To the Board of Directors of the
Global Centre for Pluralism

We have audited the accompanying financial statements of the **Global Centre for Pluralism**, which comprise the balance sheet as at December 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **Global Centre for Pluralism** as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Ernst + Young LLP

Ottawa, Canada
May 20, 2016

Chartered Professional Accountants
Licensed Public Accountants

Global Centre for Pluralism

Balance sheet

As at December 31

	2015	2014
	\$	\$
Assets		
Current		
Cash and cash equivalents	2,695	107,667
Other receivables and prepaid expenses	149,936	43,325
Investments <i>[note 3]</i>	53,165,479	53,408,486
Furniture and equipment, net	134,126	83,914
	53,452,236	53,643,392
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	236,594	236,806
Net assets		
Endowment Fund <i>[note 2]</i>	40,000,000	40,000,000
Unrestricted Fund	13,215,642	13,406,586
Total net assets	53,215,642	53,406,586
	53,452,236	53,643,392

See accompanying notes

On behalf of the Board:

Director

Director

Global Centre for Pluralism

Statement of operations and changes in net assets

Year ended December 31

	2015	2014
	\$	\$
Revenue		
Investment income <i>[note 4]</i>	1,981,992	4,535,411
Grants	85,802	17,004
Donations	16,400	15,100
	<u>2,084,194</u>	<u>4,567,515</u>
Expenses <i>[note 7]</i>		
Programs and projects	2,001,444	1,348,622
Administration and other	273,694	290,156
	<u>2,275,138</u>	<u>1,638,778</u>
Excess (deficiency) of revenue over expenses for the year	(190,944)	2,928,737
Unrestricted fund, beginning of year	<u>13,406,586</u>	10,477,849
Unrestricted fund, end of year	<u>13,215,642</u>	13,406,586
Endowment funds	<u>40,000,000</u>	40,000,000
Net assets, end of year	<u>53,215,642</u>	<u>53,406,586</u>

See accompanying notes

Global Centre for Pluralism

Statement of cash flows

Year ended December 31

	2015	2014
	\$	\$
Operating activities		
Excess (deficiency) of revenue over expenses for the year	(190,944)	2,928,737
Add (deduct) items not involving cash		
Amortization of equipment	51,287	18,828
Unrealized loss (gain) in investment	1,314,724	(1,494,344)
Net change in non-cash working capital balances related to operations <i>[note 6]</i>	(106,823)	198,989
Cash provided by operating activities	1,068,244	1,652,210
Investing activities		
Net purchase of investments	(1,071,716)	(1,623,032)
Additions to furniture and equipment	(101,500)	(98,346)
Cash used in investing activities	(1,173,216)	(1,721,378)
Net decrease in cash and cash equivalents during the year	(104,972)	(69,168)
Cash and cash equivalents, beginning of year	107,667	176,835
Cash and cash equivalent, end of year	2,695	107,667

See accompanying notes

Global Centre for Pluralism

Notes to financial statements

December 31, 2015

1. The Centre

The Global Centre for Pluralism [the “Centre”], located in Ottawa, Canada, was created by letters patent on March 8, 2004. The Centre is an international initiative of His Highness the Aga Khan, 49th hereditary Imam of Ismaili Muslims, and the Aga Khan Development Network. Conceived as an international centre for the study, practice and teaching of pluralism, its core functions will include research, education, professional development, dialogue, governance reform and cultural exchange.

In 2006, the Government of Canada and His Highness the Aga Khan entered into a Funding Agreement to support the Centre. Pursuant to that agreement, the Centre took receipt of two major grants in 2007: a grant of \$30 million received from the Government of Canada and a donation of \$10 million received from His Highness the Aga Khan. His Highness the Aga Khan has also committed no less than \$20 million toward the rehabilitation of 330 Sussex Drive, Ottawa, a federal heritage structure which the Government of Canada has made available as the Centre’s global headquarters.

The Centre is mandated to undertake activities which will fulfill its role as a global repository and source for knowledge and know-how about fostering pluralistic values, policies and practices in a variety of settings.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared by the Centre in Canadian dollars and in accordance with Part III of the Chartered Professional Accountants of Canada [“CPA Canada”] Accounting Handbook – Accounting Standards for Not-For-Profit Organizations, which sets out generally accepted accounting principles for non-publicly accountable enterprises in Canada and includes the significant accounting policies hereafter.

Donations and contributions

The Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year during which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations are recorded when received.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments with a short maturity of approximately three months or less from the date of purchase unless they are held for investment rather than liquidity purposes, in which case they are classified as investments.

Investments and investment income

Investments are recorded at fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Global Centre for Pluralism

Notes to financial statements

December 31, 2015

Investment income, which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, is recorded in the statement of operations.

Program and project expenses

The Centre's expenses on programs and projects are recognized as incurred.

Furniture and equipment

Furniture and equipment are recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method over a period of three years.

Endowment Fund

The Endowment Fund [the "Fund"] has been established in accordance with the guidelines set out in the Funding Agreement with the Government of Canada. The agreement acknowledges that the contributions of both the Government of Canada and His Highness the Aga Khan must be capitalized in perpetuity, and only the revenue of the Fund is to be disbursed and used for the purposes of the Fund. Contributions to the Fund are recognized as a direct increase to net assets. Investment income related to the Fund is unrestricted and is recognized as revenue when earned.

3. Investments

As required by the Funding Agreement, the Board approved a Statement of Investment Policy and the appointment of an investment advisor in November 2011. The Board approved the appointment of a portfolio manager and a custodian in May 2012. The Fund was transferred to the custodian in July 2012 and the Fund was invested by the portfolio manager in accordance with the Statement of Investment Policy by September 2012.

Investments consist of the following:

	2015	2014
	\$	\$
Cash and cash equivalents	2,029,176	4,311,625
Other fixed income		
Investment in pooled fund	24,502,346	23,709,159
	26,531,522	28,020,784

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December 31, 2015

	2015	2014
	\$	\$
Equities		
Canadian	13,859,635	13,614,232
US	7,407,729	7,260,977
Other international	5,366,593	4,512,493
	26,633,957	25,387,702
	53,165,479	53,408,486

4. Investment income

Investment income earned on the Centre's investments consist of the following:

	2015	2014
	\$	\$
Interest	687,583	704,680
Dividends	1,077,446	1,036,420
Realized gains	1,531,687	1,299,967
Unrealized gain (loss)	(1,314,724)	1,494,344
	1,981,992	4,535,411

5. Spending policy

The Centre is funded primarily from the investment income on an Endowment Fund established at its founding. The Board approves an annual expenditure budget from the Unrestricted Fund based on an established Spending Policy, which management then uses to budget its expenditures for the year. The Spending Policy is designed to provide a stable and predictable disbursement from the Unrestricted Fund to support the Centre and allow for multi-year planning, as well as maintaining the capacity of the funds to support the Centre in perpetuity. Therefore, it is expected that in any given year, actual investment income as reported on the Statement of operations and changes in net assets may be greater or less than the Board-approved expenditure from the Endowment Fund that determines the year's expenses.

Global Centre for Pluralism

Notes to financial statements

December 31, 2015

6. Net change in non-cash working capital balances related to operations

The net change in non-cash working capital balances related to operations is comprised of the following:

	2015	2014
	\$	\$
Other receivables and prepaid expenses	(106,611)	96,579
Accounts payable and accrued liabilities	(212)	102,410
	(106,823)	198,989

7. Contributed property

In 2007, the Centre and the National Capital Commission entered into a 99-year lease agreement for 330 Sussex Drive, Ottawa, for a nominal amount of \$1. The lease specifies that all costs related to the building, including renovation costs, operating costs and taxes, are to be borne by the lessee. Given the unique nature of the property and the consequent difficulties in assessing its fair market value, the lease has been valued at a nominal amount of \$1.

Pursuant to a Funding Agreement signed between His Highness the Aga Khan and the Minister for Canadian Heritage in October 2006, His Highness the Aga Khan has committed to providing permanent institutional facilities for the Centre, and has agreed for that commitment to be realized through his support for the rehabilitation of the leased premises. The following table outlines the construction, operating and maintenance, precinct master plan and other related expenses incurred for the property at 330 Sussex Drive for the years ended December 31, 2015 and 2014, which have been funded separately through the Aga Khan Development Network.

	2015	2014
	\$	\$
Building construction, operating and maintenance, precinct master plan and other related expenses	7,921,706	3,464,893
Amount funded by the Aga Khan Development Network	(7,921,706)	(3,464,893)
	—	—

8. Financial instruments

The Centre is exposed to various financial risks through transactions in financial instruments. The Centre manages these risks through compliance with the Statement of Investment Policy approved by the Board. The Centre also monitors and mitigates its financial risks by reviewing periodically various financial and investment metrics.

Global Centre for Pluralism

Notes to financial statements

December 31, 2015

Foreign currency risk

The Centre is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of its pooled funds denominated in foreign currencies, because of fluctuations in the relative value of foreign currencies against the Canadian dollar.

Credit risk

The Centre is exposed to credit risk in connection with its short-term and fixed income investments because of the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Interest rate risk

The Centre is exposed to interest rate risk with respect to its investments in fixed income investments and a pooled fund which holds fixed income securities, the values of which will fluctuate with changes in market interest rates.

Other price risk

The Centre is exposed to other price risk through changes in market prices [other than changes arising from interest rate or currency risks] in connection with its investments in equity securities and pooled funds.

9. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

