

**Inter-American Institute for Global Change Research
IAI
Start-Up Plan
1995**

1. Introduction

This paper presents some of the issues that will be faced by the Inter-American Institute for Global Change Research (IAI) as it moves through a transition period between the formation of the IAI formal organs established by the Conference of the Parties (CoP) at its first meeting in September 1994 and the establishment of the IAI Directorate and the election of the IAI Director, both scheduled to occur in 1995.

The suggestions contained in this paper for the consideration of the IAI CoP are the result of discussions at the First Meeting of the CoP and the First Meeting of the Executive Council (EC). These suggestions reflect the goal of the IAI Implementation Committee (IC), the CoP, and EC to ensure that the momentum of the initiative be carried forward in an efficient, logical, and responsive manner.

2. Functional Transition

Each of the formal bodies of the Institute defined by the Agreement and the Rules of Procedure have specific functions. It is critical that during the interim period from the First Meeting of the CoP to the establishment of the Directorate and election of the Director that these functions be smoothly and legally transferred from the current IAI bodies to an established Directorate and an elected Director.

2.1 Conference of the Parties

The CoP exists as a legal body *only while it is in session*. There are therefore no transition issues that directly affect the CoP. The CoP is however the principal policy-making organ of the IAI, and as such must make any decisions regarding the transitional issues that affect all other organs of the Institute.

2.2 Executive Council

The EC has existed as a legal entity since the election of its members at the First CoP. The EC seats are occupied by Parties rather than individuals. The following Parties were elected to the EC: Argentina; Brazil; Canada; United States; Panama; Costa Rica; Mexico; and Uruguay. Chile, as the ninth country to ratify the IAI Agreement, became the ninth member of the EC.

The EC will submit to the Second Meeting of the CoP suggestions regarding IAI policies for:

1. The Search and Selection Process for the IAI Director;
2. IAI Start-Up Planning Grants;
3. The IAI Annual Program;

4. IAI Staff and Financial Policy (a salary and benefits package recommended by Deloitte and Touche, please see section 4 for details);
5. IAI Budgetary Matters;
6. IAI Data Policy; and
7. Interim Responsibilities for the Director *pro tempore* and the Chair of the EC (Please see Section 4 for details).

2.3 The Director and the Directorate

The IAI Director is scheduled to be elected at the Second Meeting of the CoP. As such, the CoP at its first meeting in September 1994 asked the IC Chairman to serve as Director *pro tempore* until such time as a Director is elected and *installed*. The functions and duties of the Director *pro tempore* would be transferred to the Director as the Director is able to assume them.

According to the Agreement, the functions of the Secretary are to be performed by the Director. Until the time the Director is elected, the CoP has tasked the Director *pro tempore* with the functions of the Secretary. The Secretariat will continue to support the Director *pro tempore*, the EC, and the SAC until the Director can assume these duties.

When the Directorate is fully established and the IAI Director elected and installed, the IAI Secretariat based at the United States National Science Foundation, will be responsible for transferring the IAI institutional history to the Directorate and Director. This is necessary in order to guarantee a smooth transition from the interim period to a fully functioning Directorate. The Director *pro tempore* and the IAI Program Director are to work with the Director and his/her staff to ensure the proper transfer of IAI functions.

An additional function of the Director is to disseminate information about the Institute. This function is presently coordinated through the Office of the Executive Scientist (OES) at the United States National Oceanic and Atmospheric Administration Office of Global Programs and by Argentina in the form of the IAI Newsletter. In order to ensure uninterrupted availability of data and information, the CoP has asked the OES or the IAI Secretariat to continue this function until such time as the Director can assume the task. A further dissemination issue is that of "access and availability of" data and information. Electronic network and data policy will be addressed at the Second Meetings of the EC and the CoP.

The EC agreed at its first meeting in January 1995 to suggest that the CoP consider an addition to the staff of the Director. It may prove useful to hire an individual to serve as a liaison between the IAI Directorate and the Brazilian Government on a temporary basis as deemed necessary by the Director. This individual would report to the Chief Financial Officer of the IAI.

2.4 Scientific Advisory Committee

Seats on the Scientific Advisory Committee (SAC) are occupied by individuals and not Parties. At its first meeting, the CoP elected six members of the SAC. According to Article VII of the IAI Agreement, the SAC is responsible for nominating from six to twelve individuals for three additional SAC seats and to present these

nominations to the CoP for their election. Nominations will be presented to the CoP at its second meeting.

3. Financial Transition

In addition to functional issues, financial issues need to be addressed. Because the IAI will not have a formal budget until the Second Meeting of the CoP, the interim period activities must be covered by other funding mechanisms.

3.1 Core Funds

Contributions to the Core Funds will be pledged at the Second Meeting of the Conference of the Parties. Until such time, the IAI will have no Core Budget. The United States National Science Foundation has set up a trust account for the country contributions to the Core Budget. All funds in this account will be transferred to the IAI when a formal and independent IAI account exists. At the Fifth Meeting of the IC, the United States announced that it was willing to support the OES and the IAI Secretariat until the formal IAI organs can assume their respective functions. Travel costs for the CoP and EC meetings are borne by participating governments, while costs for the SAC meetings are nominally the responsibility of the IAI. The United States National Science Foundation has agreed to accept responsibility for the travel costs for the SAC members to SAC meetings until the Core budget has been approved.

3.2 Program and Project Funds

Contributions to the Program and Project Funds cannot be managed by the IAI until a formal mechanism exists for accepting and accounting for the contributions. Nations may wish to hold funds until such a formal mechanism exists or make in-kind contributions in order to maintain the scientific momentum of the Institute.

4. Interim Responsibilities of the IAI Director *pro tempore* and the EC Chair

4.1 IAI Staff and Financial Policy

The IAI Staff and Financial Policy is being prepared by Deloitte and Touche according to the recommendation of the IAI White Paper on Financial Issues. The IAI Agreement, Article V, The Conference of the Parties, Section 4c states,

“The Conference of the Parties shall consider and approve the financial policies, the annual budget, and the financial records of the Institute submitted by the Director.”

Therefore, it is suggested that the recommendations of Deloitte and Touche, upon completion, be submitted by the Director *pro tempore* to the EC for approval. It is recommended that the CoP give the EC authority to approve the IAI Staff and Financial Policy as the CoP is not scheduled to meet again until 1996. The EC can approve this document via mail so that bank accounts can be opened and the Director and staff can be hired so that the Directorate can be fully operational as soon as possible.

4.2 Director-elect Salary Negotiations

The *Director pro tempore* suggests that the Executive Council Selection Committee, upon their agreement, be responsible for salary negotiations with the Director-elect. The following are members of the EC Selection Committee:

Argentina
Brazil
Costa Rica
United States
Uruguay
Director *pro tempore*, Robert W. Corell
Chair of the SAC, Rubén Lara Lara

The Director-elect cannot be formally hired until the IAI and Financial Policy is in place. The Director-elect, upon assuming his/her position, will be responsible for the hiring of the Directorate staff.

4.3 IAI Signature Authority

The *Director pro tempore* suggests that a specific and necessary bank account be designated for funds for Directorate staff pay checks according to policy approved in the IAI White Paper on Financial Issues, Section II. Recommended "IAI Guidelines for Financial Management",

"At least two separate IAI U.S. dollar accounts shall be opened. A U.S. dollar account for the IAI Directorate will be opened in the nation hosting the Directorate. If local banking regulations prohibit this, a \$U.S. dollar account shall be opened in another Party's nation. A General IAI Account shall be opened for IAI program funds and other specific accounts as necessary."

In order to avoid a conflict of interest, the Director and Chief Financial Officer would have dual signature authority for this IAI bank account for the issuing of IAI Directorate Staff pay checks. The Director, alone, would sign the Chief Financial Officer's pay check, and the Chief Financial Officer, alone, would sign the Director's pay check. Additional bank accounts will be created as deemed necessary.

It is also suggested that the Director *pro tempore* be given signature authority to sign, on behalf of the IAI, the Host Country Agreement with the Government of Brazil. This is deemed necessary because the Director-elect will not have assumed his/her position at the time of the signing of the Host Country Agreement.

4.4 Transfer of the Responsibilities to the IAI Director-elect

The Director *pro tempore* suggests that the formal transfer of responsibilities of IAI Director occur at the time that the IAI Director assumes his/her position. The interim IAI Secretariat at the United States National Science Foundation and the IAI Office of the Executive Scientist at the United States National Oceanic and Atmospheric

Administration Office of Global Programs will continue to support the Director-elect until the time at which the Director-elect is able to assume their full responsibilities.

5. Proposed Schedule of Initial IAI Activities (6 Months)

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| •June/July 1995 | EC, via mail, to review and approve the IAI Staff and Financial Policy |
| •August 1995 | Regional Science Meeting |
| •September 1995 | Second Meeting of the SAC |
| •1996 | Third Meeting of the EC
Third Meeting of the CoP |

The above is a suggested schedule to aid the IAI in maintaining its momentum and in becoming fully operational by fall 1995. Upon approval of the EC, the implementation of this schedule is the responsibility of the IAI Director *pro tempore* and the Director-elect, with appropriate consultations with Chairs of the specific organs of the IAI.