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**CONFERENCE OF THE PARTIES TO THE  
INTER-AMERICAN INSTITUTE FOR GLOBAL  
CHANGE RESEARCH  
Twenty-seventh meeting  
Brasilia, Brazil, 5-6 June 2019  
Agenda item 21b**

**Fundraising**

**Report on implementation of the IAI long-term funding strategy**

1. This document has been prepared by the IAI Directorate.

Background

2. Article XIII, *Financial Provisions*, paragraph 3 of the *Agreement establishing the Inter-American Institute for Global Change Research* states:

*The Executive Council, with the assistance of the Director, will propose to the Conference of the Parties, for its approval, the establishment of an endowment fund which would generate income through an interest-bearing arrangement, as well as options to obtain resources through other means.*

3. The Conference of the Parties, at its 26th meeting (Antigua, 2018), adopted Decision XXVI/41 which states:

*The IAI Directorate is directed to adopt the IAI long-term funding strategy to guide efforts to secure alternate funding sources, particularly the establishment of an IAI endowment, in support of the IAI scientific agenda, capacity building program, provision of information to policy makers and stakeholders and other activities.*

## Implementation of Decision XXVI/41

4. The current report outlines the steps taken by the Directorate to establish an IAI endowment fund, per Article XIII of the *Agreement* and in accordance with the IAI long-term funding strategy<sup>1</sup>.
5. Further to the activities reported in the *Report on implementation of the IAI long-term communication strategy and plan*, document IAI/COP/27/20a, the IAI Directorate is searching for opportunities related to donor bequests and individual donations, including cultivation of individuals through preferred investment strategies designed to diversity the portfolio of the IAI endowment fund. Nurturing ongoing partnerships will be a key part of this process.
6. In order to facilitate efforts by the Directorate to seek and secure external funding from donors and foundations in the United States, the Directorate has retained the services of the New York City based law firm Halfon & Boehm to gain 501(c)(3) tax-exemption status for the IAI.
7. The IRS Form 1023 “Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code;” has been filed and, once incorporation is completed, the IAI will be eligible to receive tax-deductible contributions from individual donors and foundations.
8. Accordingly, the IAI Directorate has taken the necessary steps to create a not-for-profit corporation in order to obtain such tax-exempt status. This not-for-profit corporation will be formed exclusively for charitable purposes and will be managed by a Board of Directors. The Board of Directors will be composed of Directorate Senior staff members. Invitations for persons not directly associated with the IAI will be sent. Such persons will be chosen depending on their willingness to assist the IAI in establishing an endowment fund and on their expertise in seeking donations.
9. Halfon & Boehm has prepared the following documents to facilitate the creation of this not-for-profit organization: a Certificate of Incorporation, a Conflict of Interest policy, a Whistleblower Policy.
10. A potential funder may have greater understanding of the objectives of the IAI if Party support is strong. The IAI Directorate invites Parties to assist in efforts to reach out to foundations and individual donors and to establish the IAI endowment fund.

## Recommendation

11. The Conference of the Parties is invited to take note of this document.

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<sup>1</sup> See: CoP-26 document *Decision XXV/24: IAI long-term funding strategy, Annex I, IAI long-term funding strategy* (<http://www.iai.int/admin/site/sites/default/files/uploads/iai-cop-26-19a-e.pdf>)