



**ORIGINAL: ENGLISH**

**16 May 2023**

**CONFERENCE OF THE PARTIES TO THE  
INTER-AMERICAN INSTITUTE FOR GLOBAL  
CHANGE RESEARCH  
Thirty-first meeting  
Panama City and Videoconference  
21-22 June 2023  
Agenda item 6(b)**

### **Financial and Budgetary Matters**

#### **Core Budget and Country Contributions for FY 2023-2024 and Preliminary request 2024-2026**

1. This document has been prepared by the IAI Directorate.
2. This document presents the request for the Core Budget and country contributions for the fiscal year 2022-2023 and the preliminary request for the fiscal years of 2024-2026.
3. Increases to the Core Budget is not requested under this proposal

#### Overview of the IAI Directorate

##### Posts, consultancies and internships

4. Administration of the IAI Directorate during the intersessional period 2023-2024 continues to undergo changes in an effort to reduce costs. These changes reflect efforts to streamline processes, implement a more coherent approach to staff responsibilities and tasks and, most importantly, reduce expenses.
5. Use of consultancies continues reflecting the need for temporary specialized services and the need to reduce full time staff costs.
6. The IAI Directorate notes the valuable contribution of interns to the completion of many activities and projects during the 2022-2023 intersessional period. The IAI Directorate notes the contribution by the Republic of Korea to provide internships for a period of six months. This internship program has contributed greatly to the registration of data in the

Database of scientific articles generated by IAI sponsored projects and activities<sup>1</sup> and to the implementation of the Science, Technology, Policy (STeP) Fellowship Program.

#### Information and communication technologies

7. Work related to information and communication technologies, including the IAI Directorate network, hardware and telephony continues to be centralized through a contracting firm based in Montevideo, Uruguay. There has been no increase in costs for these services during the 2023-2024 intersessional period.
8. Several new sections on the IAI website were developed to increase outreach and to better inform the Parties. These new sections include STeP information, a section with information on internships and new sections related to the IAI Transdisciplinary Academy and the IAI-Pages Mobility Fellowships

#### Internal Controls

9. Internal controls are monitored and updated as necessary and as appropriate. At the time of writing, there are no critical internal control Issues outstanding either from the Financial Administrative Committee or the External Auditors.
10. Information on the 2022-2021 Auditors Report is provided in document IAI/COP/31/6c/ANNEX/3, Auditors Report. The Auditors' report was received without qualifications.
11. The Financial and Administrative Office of IAI continues to streamline everyday activities, financial reporting, project monitoring, while maintaining internal controls, and satisfactory external audit results.

#### Budget Request for Fiscal Year 2023-2024: Overview

12. The Core budget comparison for 2023/2024 – 2022/2023 is presented in Table I below.
13. The Core budget preliminary request for fiscal years 2024-2026 is presented in Table II below

Core budget comparison

**Table I: Budget Comparison 2023/2024 – 2023/2022**  
**Summary by major category**

<b>Amounts in US\$</b>	<b>Fiscal Year 2023-2024</b>	<b>Fiscal Year 2022-2023</b>	<b>Difference</b>
<b>Salaries &amp; Benefits</b>	1.029.931	1.012.398	17.533
<b>Travel</b>	78.580	74.480	4.100
<b>Equipment</b>	6.000	6.000	-
<b>Operational Costs</b>	225.389	234.122	(8.733)
<b>Dissemination &amp; Outreach</b>	6.100	19.000	(12.900)
<b>Director's Fund</b>	54.000	54.000	-
<b>Total</b>	<b>1.400.000</b>	<b>1.400.000</b>	<b>(0)</b>

Preliminary request for 2024-2026

Core budget preliminary request for fiscal years 2024-2026

**Table II: Budget by Year 2023/2024 - 2024/2025 – 2025/2026**  
**Summary by major category**

<b>Amounts in US\$</b>	<b>Fiscal Year 2023-2024</b>	<b>Fiscal Year 2024-2025</b>	<b>Fiscal Year 2025-2026</b>
<b>Salaries &amp; Benefits</b>	1.029.931	1.068.140	1.158.806
<b>Travel</b>	78.580	81.309	83.721
<b>Equipment</b>	6.000	6.000	6.000
<b>Operational Costs</b>	225.389	252.539	244.507
<b>Dissemination &amp; Outreach</b>	6.100	32.500	32.500
<b>Director's Fund</b>	54.000	60.000	60.000
<b>Total</b>	<b>1.400.000</b>	<b>1.500.488</b>	<b>1.585.534</b>

### Salaries and Benefits

14. Under this category the cost of 5 internationally recruited positions, 2 locally hired staff and one part-time staff in Uruguay are budgeted.
15. Two staff members are provided by the Technical Laboratory of Uruguay in accordance with the host country agreement with the IAI.
16. The current details by employee status are provided in Table III below

Employees by Type	Quantity
International Staff	5
Locally Hired (IAI)	1
Provided by LATU	2

### Travel

17. The travel budget for the 2023/2024 includes attendance to key meetings for the IAI strategy
18. The IAI Directorate notes that by 2023-2024 travel returned to normal with face-to-face meetings. The increase in this item is due to the increase in the current value of the tickets and not due to an increase in the number of trips.

### Operational costs

19. This budget category mainly includes support for the following: staff training, professional services (external audits, legal advice, IT services, translations, accounting services, office supplies and communications costs, as well as support for meetings of the Scientific Advisory Committee - SAC and the Advisory Committee on Science and Policy - SPAC).

### Dissemination and Outreach

20. The costs of the IAI extension activities have decreased compared to last year as the Directorate completed the development of the Database of scientific articles generated by IAI sponsored projects and activities and new sections of the website.

### Director Special Fund

21. The Director's Special Funds remains unchanged from the previous fiscal year for a total of USD 54,000.

#### Party Contributions to the Core Budget

22. In this proposal, country contributions remain unchanged from 2021-2022. The IAI Executive Directorate is sensitive to the economic challenges faced by Parties due to COVID-19 and the slow recovery of the economy. However, it is noted that, with the exception of the Parties that acceded to Decision XXII/10, the amounts of the majority contributions remain unchanged since the entry into force of the Agreement in 1992.
23. Given the lateness in submitting or the non-submission of contributions by some Parties, the capacity of the IAI Directorate to meet its operational responsibilities is under strain.
24. While for fiscal year 2023-2024, the Directorate proposes not to increase the level of contributions from the previous fiscal year, Parties are invited, particularly those whose contributions have not increased since 1992, to consider voluntary increases in their contributions to the operational budget.

#### Recommendation

25. The Conference of the Parties is invited to consider adopting the draft decisions contained in the Annex to the present document.

## **Draft decisions of the Conference of the Parties**

### **Core Budget**

Directed to the Conference of the Parties

XXVIII/xx. The Conference of the Parties accepts and approves the Core Budget for fiscal year 2023-2024 and the preliminary request for fiscal years 2024-2026