

21 March 2025

**CONFERENCE OF THE PARTIES TO THE
INTER-AMERICAN INSTITUTE
FOR GLOBAL CHANGE RESEARCH
Thirty-third meeting
Asunción, Paraguay. Hybrid.
29-30 May 2025
Agenda item 4a**

Overview of the Financial Status for FY 2024-2025

1. This document has been prepared by the Chair of the Executive Council.

Introduction

This document presents the request for the core budget for fiscal year 2024-2025 and the status of contributions from Parties to 31 March 2025.

Background

2. The *Agreement establishing the Inter-American Institute for Global Change Research*, Article XIII, Financial Provisions, paragraph 1, states:

A budget of operational expenses for the Institute, consisting of salaries for the Directorate and basic support for the Directorate, Scientific Advisory Committee, and Executive Council shall be supported by the voluntary contributions pledged annually for a three-year period by the Parties in accordance with the interests of the Parties. Such pledges shall be in increments of US\$ 5,000. The adoption of the annual budget shall be by consensus of the Parties. The Parties recognize that regular contributions to the operational budget are essential to the success of the Institute and that such contributions shall take into account the research resources of the contributing parties.

3. The Conference of the Parties, at its 26th meeting (CoP-26, Antigua, 2018), adopted Decision XXVI/3, which urges Parties to:

...submit their contributions to the Core Budget in a timely manner and in accordance with the basic scale and encourages them to make extraordinary contributions above their regular contributions whenever possible and as appropriate.

4. CoP-26 also adopted Decision XXVI/4, which invites Parties to:

... to submit their contributions as far as possible during the year prior to the one to which they relate or, otherwise, by the beginning of the calendar year to which the contributions apply.

Financial status for fiscal year 2024-2025

Party Contributions

5. As of March 31, 2025, contributions received (cash income) represent the equivalent of 78% of approved contributions for the 2024-2025 fiscal year.
6. The IAI Directorate informs Parties that are in arrears in their contributions of and the urgency in the need to submit their voluntary contributions.
7. Parties are invited to strictly consider Decision XXVI/3, given that the delay or omission in the submission of their voluntary contributions has a significant impact on the operation of the Directorate, limiting its ability to fulfil its mandate and fully carry out its programmed activities.

Table I presents the status of the Party Contributions

	Fiscal Year 2025-2026	Fiscal Year 2026-2027	Fiscal Year 2027-2028
Argentina	82.800	86.940	91.287
Bolivia	6.000	6.300	6.615
Brazil	144.000	151.200	158.760
Canada	207.600	217.980	228.879
Chile	9.600	10.080	10.584
Colombia	15.600	16.380	17.199
Costa Rica	6.000	6.300	6.615
Cuba	6.000	6.300	6.615
Dominican Republic	6.000	6.300	6.615
Ecuador	6.000	6.300	6.615
Guatemala	6.000	6.300	6.615
Jamaica	6.000	6.300	6.615
Mexico	102.000	107.100	112.455
Panama	6.000	6.300	6.615
Paraguay	6.000	6.300	6.615
Peru	7.200	7.560	7.938
Uruguay	6.000	6.300	6.615
USA (*)	997.200	1.047.060	1.099.413
Venezuela	54.000	56.700	59.535
Totals	1.680.000	1.764.000	1.852.200

Delay in the payment	Number of countries
up-to- date	4
less than 3 years	6
more than 3 years	9

Table II presents de status of in-kind contributions.

In-kind contributions	Amount USD
EEUU	142.500
Panamá	80.000
Uruguay	12.500

8. The Directorate also refers to Parties in Decision XXV/25, which encourages the proactive participation of country representatives to ensure timely payment of contributions.

Status of the Core Budget and Expenses

Expenses

9. Table II shows accumulated expenses until March 31, 2025 (9 months since the beginning of the fiscal year).
10. Expenditures were -10% lower than anticipated in the core budget, representing a slight improvement in expenditures in contrast to prior fiscal years.

Table II

Budget Comparison - Current July 2024 - March 2025 Amounts in US\$

Category	Actuals 2024/2025	YTD Budget 2024/2025	Difference	%
Salaries & Benefits	913.567	942.104	(28.538)	-3%
Travel & Training	70.250	85.088	(14.838)	-17%
Equipment	4.079	4.500	(421)	-9%
Operational Costs	149.143	181.358	(32.216)	-18%
Dissemination & Outreach	3.240	6.450	(3.210)	-50%
Director's Fund	-	40.500	(40.500)	-100%
Total	1.140.278	1.260.000	(119.722)	-10%

Salaries and benefits

11. There is a slight reduction of 3% in salaries and benefits compared to what was budgeted for 2024-2025. However, the Directorate estimates that, at the end of the current fiscal year, disbursements will be fully adjusted to the amounts allocated in the annual budget.

Travel

12. Travel and training expenses were significantly lower than anticipated, i.e. 17.4%. Whenever appropriate, the Directorate managed external funding from the operational budget to cover the displacements. Part of the original allocation has also been set aside to meet outstanding commitments before the end of the financial period.
13. A policy of only travelling in economy class, with exceptions for health reasons, will continue to contribute to reducing travel costs once travel restrictions are lifted.

Equipment

14. Equipment and software costs were within the budgeted range.

Operational Costs:

15. Operational costs were also slightly lower, 18%. This performance is attributable to the rigorous oversight of general services and the use of resources, and the efficient management of resources. Likewise, there are still spending commitments that will materialize at the end of the current year.

Administration

Internal Control

16. Internal controls continue to be reviewed whenever opportunities for improvement are identified. At this time, there are no critical internal control issues pending with the FAC or the external auditors.
17. 16 The Directorate received the report of the external auditors for the past fiscal year (2023/2024).

Accounting & Information Management Software

18. The information management and accounting software, SAP, continues to contribute to more efficient administrative and financial controls for the budget and provides more manageable information used by the management of the Directorate.

Recommendation

19. The Conference of the Parties is invited to take note of this report.