

ORGANIZATION OF AMERICAN STATES



INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION

cicad

THIRTY-EIGHTH REGULAR SESSION
December 6-9, 2005
Washington, D.C.

OEA/Ser.L/XIV.2.38
CICAD/doc.1453/05
5 December 2005
Original: english

CICAD'S FINANCES AND FUTURE:

2005 AND BEYOND

PRESENTATION

BY

Mr. James F. Mack
Executive Secretary of CICAD



CICAD's

Finances and Future:

2005 and Beyond

**James F. Mack
Executive Secretary, CICAD**

Organization of American States



Contributions 2005

	Forecasted	Received	To Be Received	TOTAL
Contributions	\$ 8,486,012	\$ 8,488,600	\$ 863,312	\$ 9,351,912
<i>OAS Regular Fund</i>	\$ 2,008,300	\$ 1,996,318		\$ 1,996,318
<i>United States</i>	\$ 4,529,041	\$ 5,382,221		\$ 5,382,221
<i>Canada</i>	\$ 1,572,746	\$ 790,938	\$ 572,918	\$ 1,363,856
<i>Spain</i>	\$ 260,000	\$ -	\$ 240,394	\$ 240,394
<i>Others</i>	\$ 115,925	\$ 304,967	\$ 50,000	\$ 354,967
<i>Interests</i>	\$ -	\$ 14,156		\$ 14,156

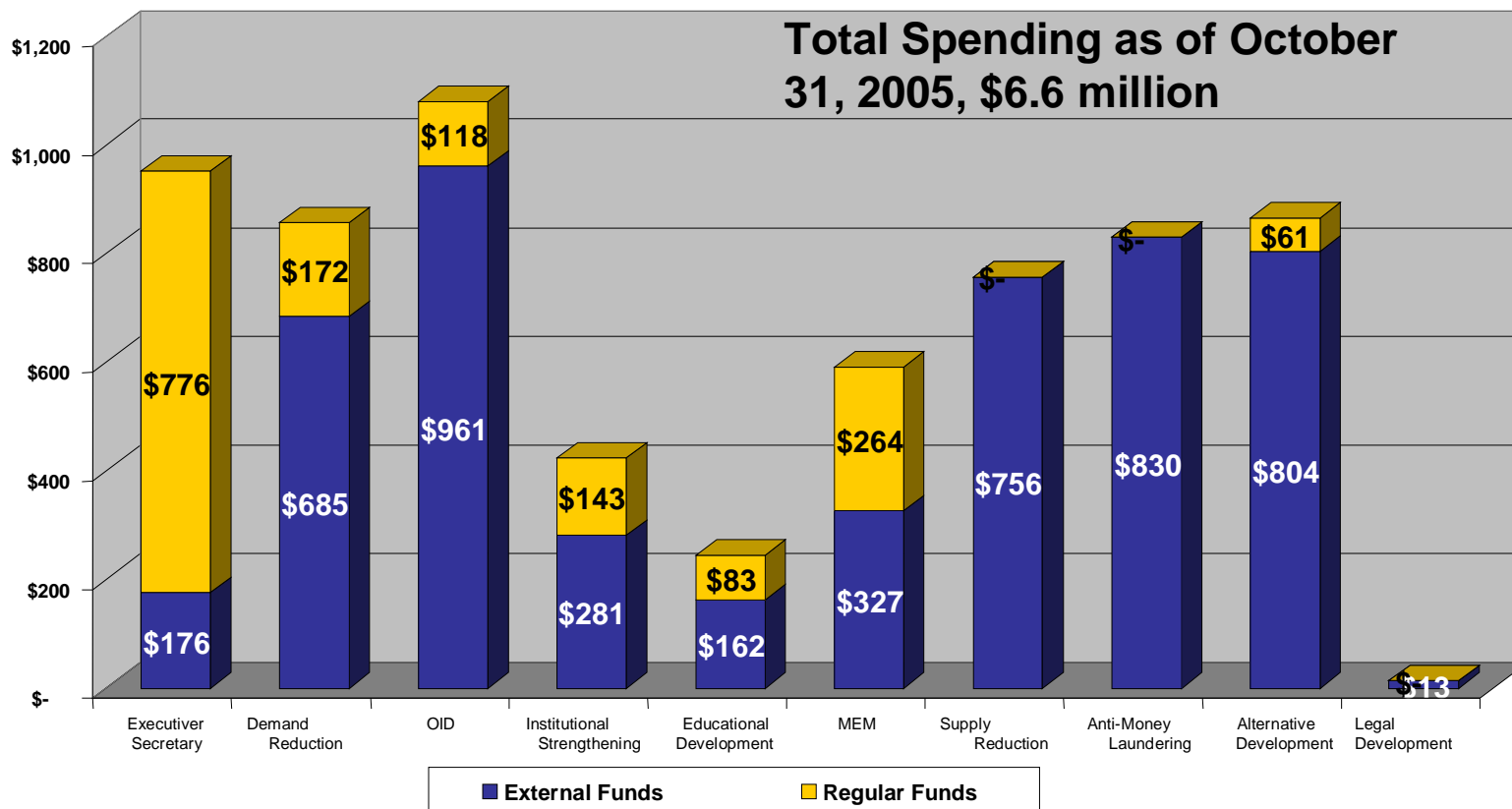
By end-2005, total cash contributions are expected to be about **\$9.3 million**.



Project Execution

PROGRAM SPENDING BY UNIT 2005

000 of dollars

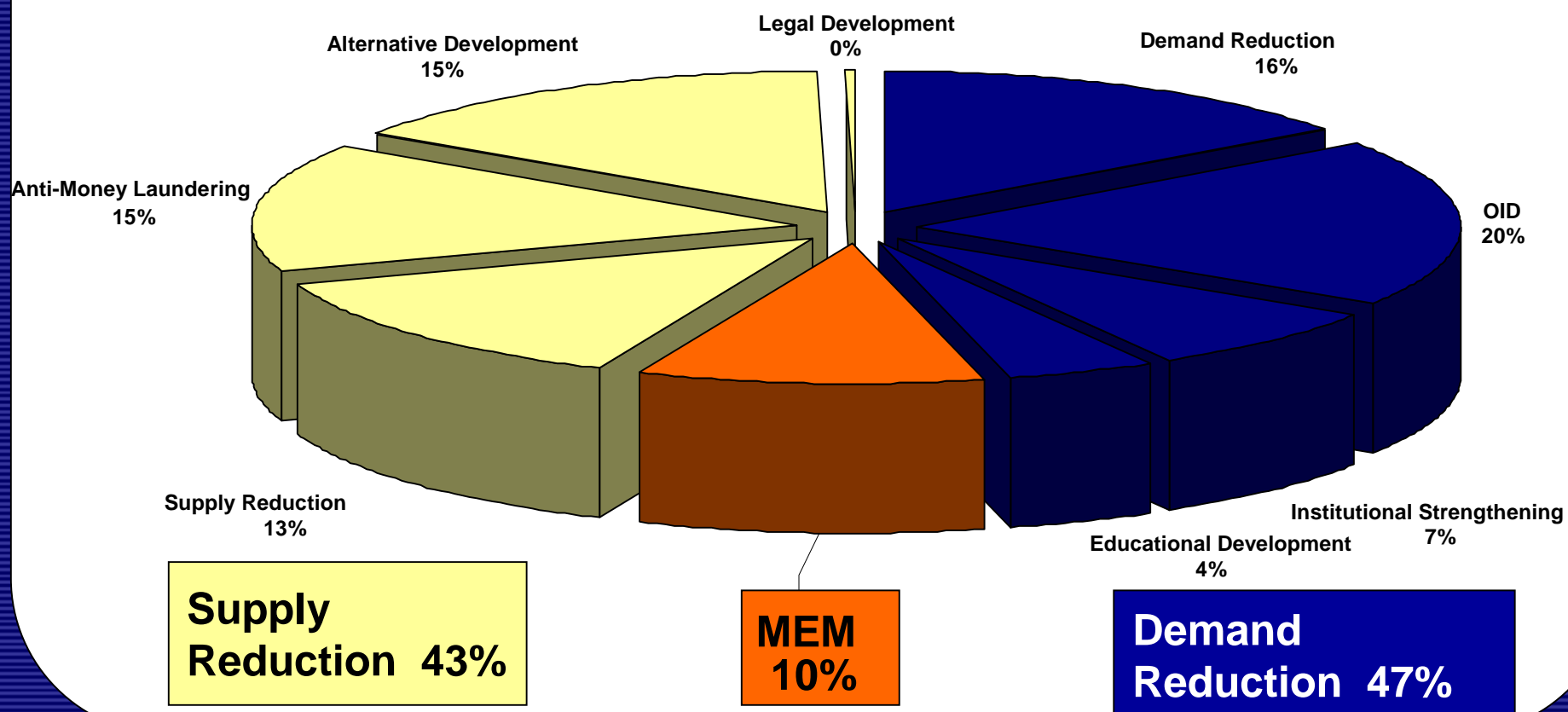


As of October 31, 2005, CICAD spent **\$6.6 million** (\$1.6 million from the Regular Fund and \$4.9 million from specific funds). Total expenditures for end-2005 are expected to be about **\$8.9 million**.



2005 Program Spending

Percentage of Program Spending by Area





Fund-raising strategy and results obtained

Year	2005	
	Initial Forecast April 2005	Adjusted
Contributions	\$ 8,486,012	\$ 9,351,912
<i>OAS Regular Fund</i>	\$ 2,008,300	\$ 1,996,318
<i>United States</i>	\$ 4,529,041	\$ 5,382,221
<i>Canada</i>	\$ 1,572,746	\$ 1,363,856 *
<i>Spain</i>	\$ 260,000	\$ 240,394 **
<i>Others</i>	\$ 115,925	\$ 354,967
<i>Interests</i>	\$ -	\$ 14,156
Expenditures	\$ 9,812,986	\$ 8,939,718
Fund Balance	\$ (1,326,974)	\$ 412,194
Fund balance at the start of the period	\$ 12,040,119	\$ 12,040,119
Fund balance at the end of the period	\$ 10,713,145	\$ 12,452,313
Personnel costs as % of contributions	39.97%	35.54%

- By end-2005, contributions will total **US\$9,351,912**, representing an increase of **10.2%** above the estimated 2005 contributions presented at the previous CICAD meeting (April 2005, Santo Domingo, Dominican Republic).

*The difference to be received in 2006

** Reduction due to variation of exchange rate



But it is not enough

- Our results up to now are not sufficient to reverse the trend of projected cash flow over next 3 years.
- For 2008, the estimated shortfall in funds would be about \$1.5 millions.

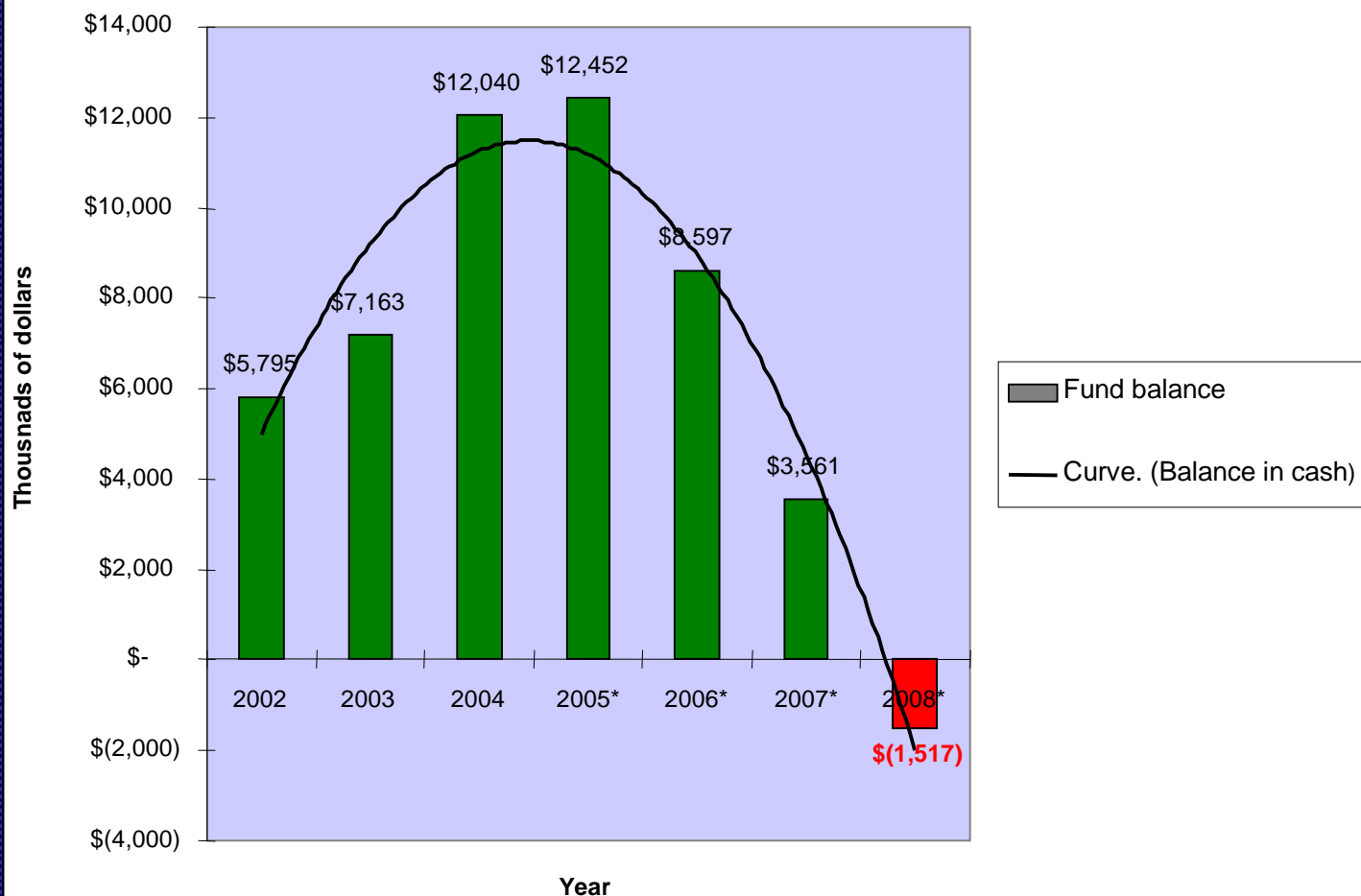
<u>YEAR</u>	<u>2005*</u>	<u>2006*</u>	<u>2007*</u>	<u>2008*</u>
Contribution	\$ 9,351,912	\$ 6,067,304	\$ 4,937,477	\$ 4,957,975
<i>OAS Regular Fund</i>	\$ 1,996,318	\$ 1,827,304	\$ 1,697,477	\$ 1,667,975
<i>United States</i>	\$ 5,382,221	\$ 3,000,000	\$ 2,000,000	\$ 2,000,000
<i>Canada</i>	\$ 1,363,856	\$ 900,000	\$ 900,000	\$ 900,000
<i>Spain</i>	\$ 240,394	\$ 240,000	\$ 240,000	\$ 240,000
<i>Others</i>	\$ 354,967	\$ 100,000	\$ 100,000	\$ 150,000
<i>Interests</i>	\$ 14,156			
Expenditures	\$ 8,939,718	\$ 9,922,314	\$ 9,973,541	\$ 10,046,192
Fund balance	\$ 412,194	\$ (3,855,011)	\$ (5,036,063)	\$ (5,078,216)
Fund balance at the start of period	\$ 12,040,119	\$ 12,452,313	\$ 8,597,302	\$ 3,561,239
Fund balance at the end of period	\$ 12,452,313	\$ 8,597,302	\$ 3,561,239	\$ (1,516,977)
Personnel cost as % of contributions	35.54%	58.70%	73.57%	74.58%

*Estimated



But it's not enough

Fund Balance at Year-End: 2002-2008



*Estimated



Building strategy from our strengths

- Quality services
- The Multilateral Evaluation Mechanism and Inter-American Observatory on Drugs as policy instruments
- International stature
- Use of technology and the Internet



What Next?

- The issue we face is not simply a problem of finding new *sources* of funding ...
- But how we *structure* our programs to deliver the assistance that our member states demand and need.



Financial Adjustments

- Contributions from member states
 - If not contributing, start – no matter how small
 - Increase matching funds in cash and in kind for projects and activities
 - Establish an annual budget contribution directly to CICAD to cover operating expenses
- Better coordination among all international and national agencies to avoid duplication and improve planning



Strategic Alliances

- Inter-American Development Bank
- United Nations Office on Drugs and Crime
- Lions Club International Foundation
- Country donors
 - Spain
 - France
 - United Kingdom
- Explore new partners and donors



Horizontal Cooperation

- Canada's approach to cooperation with CICAD and its member states
- CONACE-Chile: prevention training and follow-up evaluation of activities
- SENAD-Brazil: online education initiative and research over the next three years
- What new horizons in this cooperation?



Why innovate? Why fund?

Because the stakes are so high.





Inter-American Drug Abuse Control Commission

James F. Mack
Executive Secretary
jmack@oas.org
<http://www.cicad.oas.org>
Organization of American States
Washington, DC