

GS/OAS
Semiannual
Financial
Report
(SFR)

S1 - 2017

TABLE OF CONTENTS

Key financial data	2
Introduction	
• Financial highlights	4
• Budgetary execution and variances by chapter	6
• Combining Statement of Changes in Fund Balances	9
• Information on quotas	11
• Regular Fund liquidity risk assessment	14
• Contributions from member states to OAS funds	15
• Disbursements by location	16
• Supplementary Appropriation CP/RES. 831	17
OAS Country Offices	
• Expenditures by Country Office	18
• Statement of Funds Available	19
Specific Funds	
• Key financial developments	20
• Signed donor agreements	20
• Expenditures by donor and programmatic pillar	21
• Statement of Changes in Fund Balance	21
• External financial audits requested by Specific Fund donors	21

[General purpose financial reports of the GS/OAS \(external link\)](#)

From January 1, 2017 to June 30, 2017

Key financial data

Legend:

- this is a current management concern
- management is actively monitoring the situation
- management believes this is going above expectations
- YTD year-to-date

Budgetary execution

Overall program-budget - YTD level of Expenditures	49.2%	●
Regular Fund:		
YTD level of Expenditures	49.5%	●
% of YTD Expenditures related to personnel costs	64.4%	
Fund for ICR:		
YTD level of Expenditures	43.9%	●
% of YTD expenditures related to personnel costs	68.6%	
Specific Funds YTD Expenditures	USD 25.3 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and Gov.	

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	24	●
# of member states not current (without arrears)	7	●
# of member states not current (and with arrears)	3	●
Total balance due at the beginning of the year:		
Due from arrears	USD 14.9 m	
Due from current assessment	USD 85.0 m	
Total balance due at the end of the semester:		
Due from arrears	USD 7.1 m	●
Due from current assessment	USD 33.9 m	●
Net quota payments received so far this year	USD 58.4 m	●

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 0 m	
Cash balance at the end of the first semester	USD 14.5 m	●
Projected cashflows:		
Next month to show a cash deficit in 2017	N/A	●
Month with possible lowest level of cash in 2017	November	●
Amount of cash projected in November 2017	USD 2.1 m	●
Loan balance to Treasury Fund (2014) at the end of the year	USD 0 m	●
Loan balance to Treasury Fund (2015) at the end of the year	USD 0 m	●
Loan balance to Treasury Fund (2016) at the end of the year	USD 0 m	●

Specific Funds

YTD overall contributions received from donors	USD 13.1 m	
YTD contributions - % change over same period last year	7%	●
YTD contributions - % change over same period last year by donor:		
Member states	27%	●
Permanent observers	3%	●
Institutions and other donors	-48%	●
YTD ICR collection on Specific Funds - % change over same period last year	-5%	●
Amount of new donor agreements starting execution this year	USD 8.6 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	

GS/OAS Semiannual Financial Report (SFR)

This report is presented in compliance with the financial reporting requirements established under resolution AG/RES. 2 (LI-E/16). Any limitations of this report regarding financial compliance with that resolution are noted on the corresponding sections of this report.

Prepared by the General Secretariat of the Organization of American States (GS/OAS)

Department of Financial Services
Secretariat for Administration and Finance
1889 F Street, N.W., Washington, D.C. 20006, USA
www.oas.org

Original: English

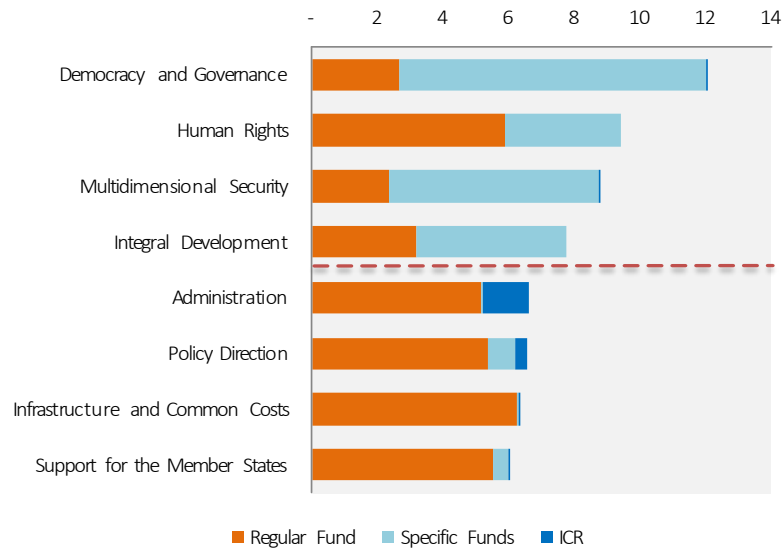
Introduction

- Financial highlights
- Budgetary execution and variances by chapter
- Combining Statement of Changes in Fund Balances
- Information on quotas
- Regular Fund liquidity risk assessment
- Contributions from member states to OAS funds
- Disbursements by location
- Supplementary Appropriation CP/RES. 831

Financial highlights

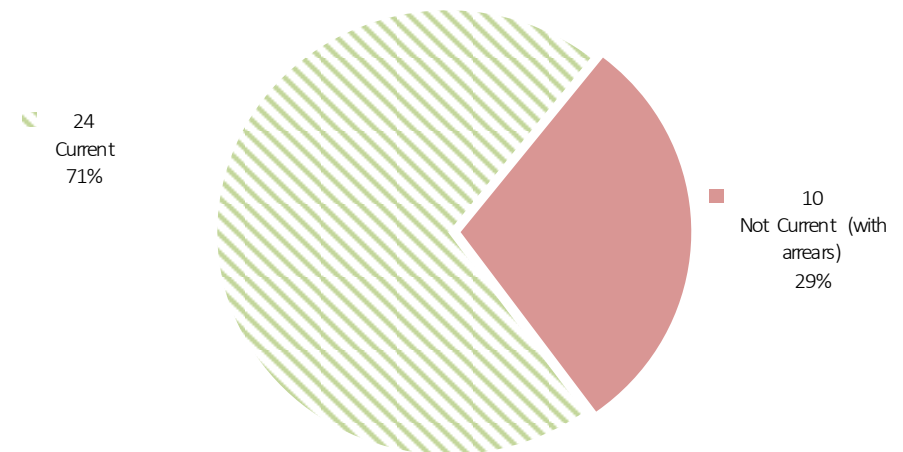
The year-to-date level of expenditures for the combined Regular Fund and Fund for Indirect Cost Recovery (ICR) reached 49.2% of the USD 78.0 million 2017 Approved Program-Budget (Figure 1). For the Regular Fund reached 49.5% and for the ICR 43.9% of their approved budgets, respectively. Specific Fund expenditures reached USD 25.3 million, slightly higher when compared to the same period last year (USD 24.5 million).

Figure 1: Expenditures by programmatic pillar and source of financing (in millions of USD)



With respect to year-to-date Regular Fund quotas, out of 34 member states, 24 member states are current with their quota assessment and 10 member states are not current (Figure 2). The latter have not paid their quota assessment for the current year nor have they submitted a written payment plan to the General Secretariat. Three member states within the “not current group” have not paid their quota balance in arrears (amounts owed for 2016 and prior years).

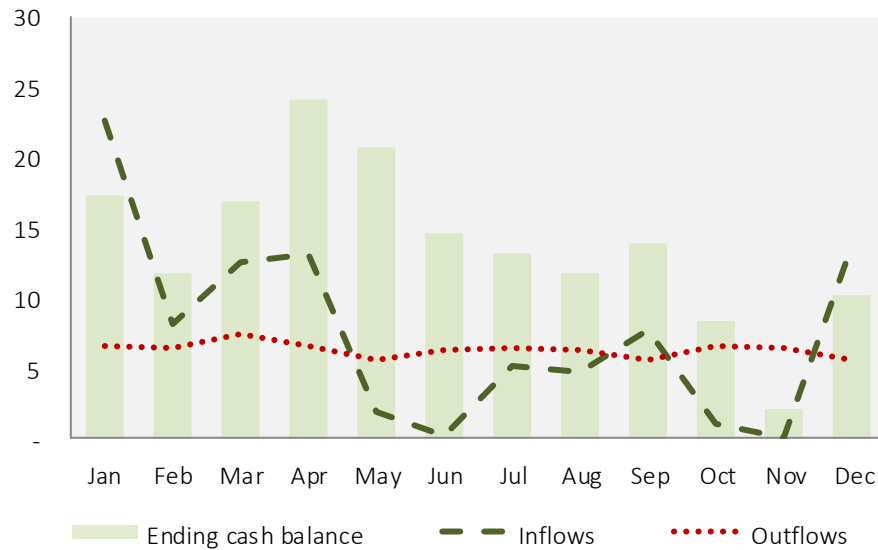
Figure 2: Share of member states’ compliance with quota payments to the Regular Fund (in %)



In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating through the year, ending the first semester in USD 14.5 millions (Figure 3). The GS/OAS projects a minimum level of cash USD 2.1 million by November of 2017 considering member states’ payment plans and payment history (excludes member states with balances in arrears). Although no deficits are projected

through the end of 2017, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund. At this time, the General Secretariat is monitoring both the cash disbursements of 2016 commitments and also the reception of 2017 assessed quotas in order to determine when a full repayment of the temporary loans from the Treasury Fund can take effect. By the end of the first semester, the 2015 and 2016 loans were reduced from USD 7.6 millions at the beginning of 2017 to USD 2.4 million, the reduction was the result of the reception of payments related to quotas in arrears from Brazil, Haiti, Honduras, Jamaica and Saint Vincent and the Grenadines.

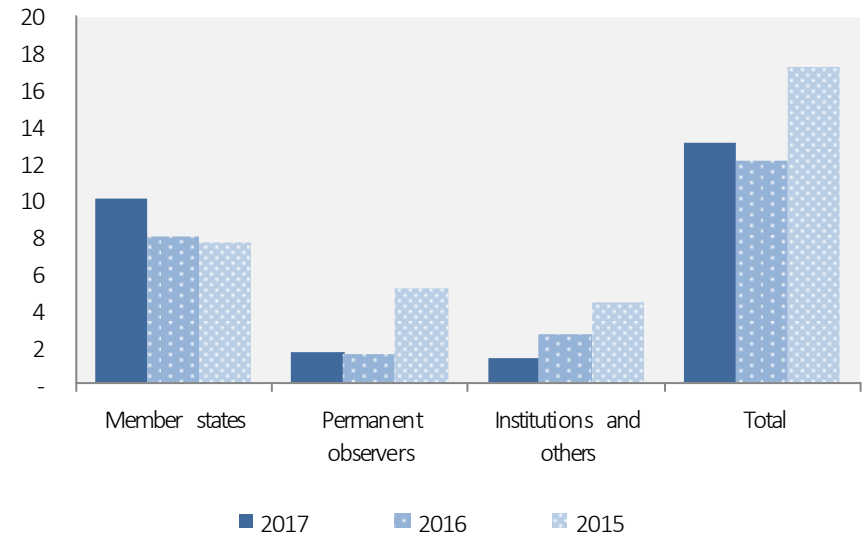
Figure 3: Regular Fund liquidity risk assessment (in millions of USD)



Contributions to Specific Funds reached USD 13.1 million, approximately 7% higher than in 2016 (USD 12.2 million), but 25% lower than in 2015 (USD 17.3 million). The contributions from member states have increased by 27% compared to the same period last year, while contributions from permanent observers slightly increased by 2.5%. However, contributions from other institutions significantly decreased by

48%. The increase of contributions from member states was enough to offset the overall decrease in contributions to Specific Funds from other donors. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Figure 4: Contributions as of June to Specific Funds by donor (in millions of USD)



With respect to compliance and oversight issues, six financial audits were performed during the first semester 2017: OAS/MAPP “Basket Fund”, Modernize Haiti’s Civil Registry, Programming of Formative Activities and Training of the GS/OAS, the Judicial Facilitators program, Freedom of Expression program, and, Support and Strengthening the Work of the Inter-American Human Rights System program; all with satisfactory results. Currently, there are three new audits under way and potentially, up to 11 additional audits may be requested by donors during the remaining months of 2017.

Budgetary execution and variances by chapter

As per OAS General Standards, the Secretary General has the authority to transfer Regular Fund resources from one Chapter of the program-budget to another for up to five percent. Transfers that exceed five percent or involve substantial alteration of any approved program within any fiscal period require prior approval of the Permanent Council. These conditions do not apply to the Fund for Indirect Cost Recovery (ICR), thus explanations are supplementary. Table 1 presents budgetary execution for the Regular Fund and corresponding explanations on budget variances at the chapter level. Table 2 presents the Fund for ICR in a similar manner. Detailed execution reports by subprogram for each fund are published in the [OAS website](#).

Regular Fund—explanations for year-end variances (+ or - 5%)

Chapter 5 - Secretariat for Access to Rights and Equity (SARE)— Personnel: Under this chapter, actual cost of positions are lower than budgeted average.

Chapter 7 - The Executive Secretariat for Integral Development (SEDI) – Personnel: A P04 was frozen in subprogram 74A and a P05 was transferred from subprogram 74I to subprogram 114F.

Chapter 8 - The Secretariat for Multidimensional Security (SMS) – No personnel: Reinforcement was given to subprogram 84A to cover the cost of 5 CPRs.

Chapter 13 - Compliance Oversight Management Bodies (COMB) – Personnel: Two unbudgeted positions were filled in subprogram 134B, a D01 and a P03 .

Fund for ICR—explanations for year-end variances (+ or -5%)

Chapter 2 - Office of the Assistant secretary General – Personnel: one P01 was frozen in subprogram 24C. Non-personnel: Additional funding was allocated to cover a CPR in the Coordinating Office in subprogram 24C.

Chapter 4 - Strategic Counsel for Organizational Development and Management for Results—Personnel: Two G06s were frozen, one in subprogram 44A and one in sub-

Table 1: Regular Fund—budgetary execution and variances (in thousands of USD)

Chapter	a	b	c=a+b	d e f=d+e			g	h	i=f+h	j=i-a k=i/a	
	Approved budget	Transfers	Modified budget	Year-to-date expenditures			% of expenditures of budget *	Projected Jul-Dec execution	Total projected execution	Variances from budget *	
				Personnel	Non personnel	Total				In USD	In %
1 - Office of the Secretary General	2,766.3	(65.5)	2,700.8	1,183.4	204.4	1,387.7	50.2%	1,313.1	2,700.8	(65.5)	-2.4%
2 - Office of the Assistant Secretary General	12,054.7	229.8	12,284.5	4,681.8	1,474.9	6,156.7	51.1%	6,127.8	12,284.5	229.8	1.9%
3 - Principal and Specialized Organs	12,492.9	(410.2)	12,082.7	3,002.2	3,721.7	6,723.9	53.8%	5,358.9	12,082.7	(410.2)	-3.3%
4 - Strategic Counsel for Organizational Development and Management for Results	2,713.4	(68.5)	2,644.9	1,043.5	310.3	1,353.7	49.9%	1,291.1	2,644.9	(68.5)	-2.5%
5 - Secretariat for Access to Rights and Equity	1,731.5	(133.7)	1,597.8	704.3	82.9	787.2	45.5%	810.7	1,597.8	(133.7)	-7.7%
6 - Secretariat for Strengthening Democracy	3,368.8	99.1	3,467.9	1,673.6	56.0	1,729.6	51.3%	1,738.2	3,467.9	99.1	2.9%
7 - Executive Secretariat for Integral Development	6,229.1	(323.5)	5,905.6	2,175.6	597.0	2,772.6	44.5%	3,133.0	5,905.6	(323.5)	-5.2%
8 - Secretariat for Multidimensional Security	3,633.4	216.3	3,849.7	1,602.4	346.3	1,948.8	53.6%	1,900.9	3,849.7	216.3	6.0%
9 - Secretariat for Hemispheric Policies	2,492.6	38.5	2,531.1	1,075.5	168.5	1,244.0	49.9%	1,287.1	2,531.1	38.5	1.5%
10 - Secretariat for Legal Affairs	3,597.5	(50.1)	3,547.4	1,657.9	81.3	1,739.2	48.3%	1,808.1	3,547.4	(50.1)	-1.4%
11 - Secretariat for Administration and Finance	8,376.3	332.5	8,708.8	4,202.1	206.7	4,408.8	52.6%	4,300.0	8,708.8	332.5	4.0%
12 - Basic Infrastructure and Common Costs	12,971.5	0.0	12,971.5	4.2	5,535.4	5,539.6	42.7%	7,431.9	12,971.5	0.0	0.0%
13 - Compliance Oversight Management Bodies	1,072.1	135.4	1,207.5	415.1	159.3	574.4	53.6%	633.1	1,207.5	135.4	12.6%
Total	73,500.1	-	73,500.1	23,421.5	12,944.7	36,366.2	49.5%	37,133.9	73,500.1	(0.0)	0.0%

* Refers to approved budget. As per OAS General Standards, variances over and under 5% of the Regular Fund approved budget are explained.

program 84B. Non-personnel: Reinforcements were authorized to cover the costs of CPRs in subprograms 44A (2) and 44B (1).

Chapter 8 - Secretariat for Multidimensional Security (SMS) — Personnel: A P01 was transferred from subprogram 84A to 94A and a P03 was transferred from subprogram 84A to 74A. The actual cost is lower than the budgeted average. Non-personnel: Additional funding was allocated in subprogram 84A to cover of a CPR.

Chapter 11 – Secretariat for Administration and Finances (SAF) – Personnel: Actual costs are lower than budgeted average in subprogram 114B. Four positions are partially filled in subprogram 114C. Non-personnel: Reinforcements have been approved to cover the costs of CPRs in subprograms 114B and 114C.

Chapter 13 - Compliance Oversight Management Bodies (COMB) – Non-personnel: A reinforcement was approved to cover the cost of a CPR in subprogram 133A .

_____ End of section _____

Table 2: Fund for ICR—budgetary execution and variances (in thousands of USD)

Chapter	a	b	c=a+b	d e f=d+e			g	h	i=f+h	j=i-a	k=i/a
	Approved budget	Transfers	Modified budget	Year-to-date expenditures			% of Execution of budget *	Projected Jul-Dec execution	Total projected execution	Variances from budget *	
				Personnel	Non personnel	Total				In USD	In %
1 - Office of the Secretary General	-	-	-	-	-	-	**	-	-	-	**
2 - Office of the Assistant Secretary General	98.3	(20.1)	78.2	-	28.3	28.3	28.8%	49.8	78.2	(20.1)	-20.5%
3 - Principal and Specialized Organs	35.0	-	35.0	-	17.5	17.5	50.0%	17.5	35.0	-	0.0%
4 - Strategic Counsel for Organizational Development and Management for Results	888.7	75.5	964.2	367.6	118.4	486.1	54.7%	478.1	964.2	75.5	8.5%
5 - Secretariat for Access to Rights and Equity	-	-	-	-	-	-	**	-	-	-	**
6 - Secretariat for Strengthening Democracy	568.6	5.6	574.2	204.9	67.2	272.1	47.9%	302.1	574.2	5.6	1.0%
7 - Executive Secretariat for Integral Development	212.2	4.6	216.8	58.9	20.8	79.7	37.6%	137.1	216.8	4.6	2.2%
8 - Secretariat for Multidimensional Security	745.5	(131.2)	614.3	180.9	18.5	199.4	26.7%	414.9	614.3	(131.2)	-17.6%
9 - Secretariat for Hemispheric Policies	-	131.8	131.8	47.7	5.5	53.2	**	78.6	131.8	131.8	**
10 - Secretariat for Legal Affairs	-	-	-	-	-	-	**	-	-	-	**
11 - Secretariat for Administration and Finance	1,806.5	(111.8)	1,694.7	496.0	298.7	794.7	44.0%	900.0	1,694.7	(111.8)	-6.2%
12 - Basic Infrastructure and Common Costs	-	32.1	32.1	-	6.0	6.0	**	26.1	32.1	32.1	**
13 - Compliance Oversight Management Bodies	145.2	13.5	158.7	-	39.7	39.7	27.3%	119.0	158.7	13.5	9.3%
Total	4,500.0	-	4,500.0	1,356.1	620.7	1,976.7	43.9%	2,523.3	4,500.0	0.0	0.0%

* Refers to approved budget. OAS General Standards do not require explanations on ICR variances; however, the GS/OAS provides them as supplementary information.

** A budget was not originally allocated for this Chapter.

Combining Statement of Changes in Fund Balances

Table 3 summarizes all sources of income, execution and fund balances for funds that comprise the main funds of the Organization (Regular Fund, Development Cooperation Fund, Specific Funds, and the Fund for Indirect Cost Recovery). **Other ac-**

counts under the grouping of Service and Revolving Funds are included in the table as they support the activities of the approved program-budget (e.g. rental income, tax reimbursement, parking fees, building maintenance, common costs). Trust Funds reported separately in Table 4.

Table 3: Combining Statement of Changes in Fund Balances, year-to-date (in thousands of USD)

	Regular Fund	Development Cooperation Fund	Specific Funds	Service and Revolving Funds		Total (1)
				Fund for Indirect Cost Recovery (ICR)	Other accounts	
INFLOWS						
Quota payments, pledges and contributions:						
Quarter 1	43,313	74	6,331	-	-	49,718
Quarter 2	15,100	48	6,723	-	-	21,871
Quarter 3	-	-	-	-	-	-
Quarter 4	-	-	-	-	-	-
Total quota payments, pledges and contributions	58,413	122	13,054	-	-	71,589
Interest income (2)	5	3	153	134	1	296
Rental income	-	-	-	-	1,742	1,742
Tax reimbursement	-	-	-	-	1,079	1,079
Transfers, other income and refunds	188	2	489	2,091	1,905	4,675
a Total inflows	58,606	127	13,696	2,225	4,727	79,381
OUTFLOWS						
Execution:						
Expenditures:						
Quarter 1	19,134	17	11,882	936	2,415	34,384
Quarter 2	17,233	87	13,413	1,045	3,465	35,243
Quarter 3	-	-	-	-	-	-
Quarter 4	-	-	-	-	-	-
Total expenditures	36,367	104	25,295	1,981	5,880	69,627
Obligations	29,796	262	12,590	1,990	2,550	47,188
Prior year obligations (3)	-	-	(12,014)	(8)	(3,068)	(15,090)
Total execution (3)	66,163	366	25,871	3,963	5,361	101,725
FONDEM grants	50	-	-	-	-	50
Return to donors	-	-	2,226	-	-	2,226
Other decreases	-	-	425	-	162	587
b Total outflows	66,213	366	28,522	3,963	5,523	104,588
c=a-b NET INCREASE (DECREASE) DURING PERIOD	(7,607)	(239)	(14,826)	(1,738)	(796)	(25,207)
d Fund balances, beginning of period	(11,233)	5,846	57,511	2,546	(2,996)	51,674
e=c+d FUND BALANCES, END OF PERIOD	(18,840)	5,607	42,685	808	(3,792)	26,467

(1) Does not include elimination of interfund transactions in both increases and decreases; however, this information is included in the general purpose financial reports section at the end of this report.

(2) Accumulated interest income is recorded quarterly in the accounting periods of April, July, October and December only.

(3) For comparability purposes, when funds that have carryforward balances are presented with those that do not, prior year obligations are deducted to obtain the net execution for the period.

Trust Funds

Trust funds are established by bequests or grants to finance purposes specified by the donor or legator, held in trust, and used in accordance with the pertinent provisions or instruments. The disposition of these funds are restricted by the instruments establishing them and the Board or Committee overseeing the resources. These funds are not part of the program-budget and address specific purposes such as:

- The Trust for the Americas is a not-for-profit organization that works to expand hemispheric cooperation and enhance economic development. Resources have been provided by contributions from corporate donors and U.S. federal grants.
- The Medical Benefits Trust Fund is established to provides medical benefits to OAS staff members. Fund activity is limited to paying covered employees’ health claims. Claim adjudication is handled by an insurance provider.
- The Rowe Pan American Fund is established to provide loans to students from Member States, other than residents and citizens of the United States, and to make loans to OAS employees for educational and emergency purposes.
- The assets of the Rowe Memorial Benefit Fund have been accumulated principally from contributions received from Dr. Leo S. Rowe, a former Director General of the Pan-American Union. These assets are held in trust to provide certain welfare benefits for OAS employees. This fund is combined with the Financial Statement of the Rowe Pan American Fund.

Table 4: Year-to-date inflows and outflows for the main Trust Funds (in thousands of USD)

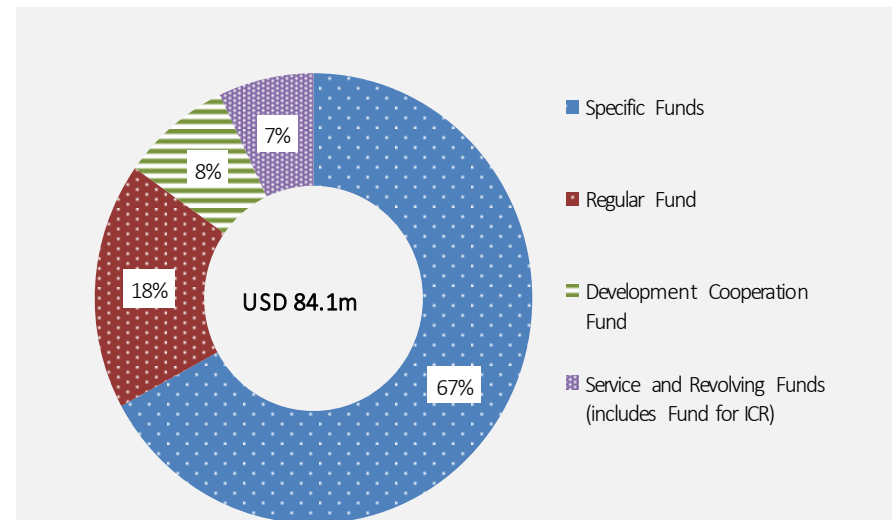
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning cash balance 01/01	2,483	47,540	17,140
Add inflows:			
Contributions and donations	357	6,218	-
Investment income *	-	3,873	1,056
Other Income	28	-	17
Less outflows:			
Expenses	1,889	6,605	242
Other outflows	-	-	-
Ending cash balance 06/30	979	51,026	17,971

* Includes unrealized gains.

Cash and Equity in OAS Treasury Fund

All U.S. dollars available for use in carrying out the activities of the various funds of the OAS are consolidated in the OAS Treasury Fund. Each fund administered by the GS/OAS maintains equity to the extent of its cash balance retained therein (Figure 5). The GS/OAS administers the OAS Treasury Fund, and amounts not immediately required for operations are invested. Income earned by the OAS Treasury Fund through investments is added to the equity of each fund in proportion to its balance. GS/OAS applies a conservative risk profile in the management of assets in the OAS Treasury Fund, and its investment guidelines place emphasis on capital preservation over income generation.

Figure 5: Balance composition of the OAS Treasury Fund at the end of this period (in millions of USD and %)



At the end of the first semester, the OAS Treasury Fund held USD 84.1 million in cash by the various OAS funds (Figure 5). Resolutions CP/RES. 1034 (1984/14), CP/RES. 1046 (2013/15) and CP/RES. 1059 (2060/16), instructed the GS/OAS, as a highly exceptional circumstance, to utilize the resources in the OAS Treasury Fund as an interest-free internal loan for the Regular Fund, as a temporary solution to cover cash shortages. At the end of June 2017, the Regular Fund has a total outstanding loan balance against the OAS Treasury Fund of USD 2.4 million, USD 1.5 million related to loans from 2015 and USD 0.9 million to loans from 2016.

Information on quotas

OAS General Standards require member states to pay their quota assessment in full on the first day of the corresponding fiscal year; otherwise, in order to be considered current they are required to negotiate a payment plan with the GS/OAS. Member states that pay their quota assessment by March of each year are entitled to the following discounts (applied to the following year's quota): 3% of the amount paid by January 31; 2% of the amount paid by the last day of February; and 1% of the amount paid by March 31. At the beginning of the year, USD 444.5 thousand was credited in prompt payment discounts as well as USD 10.5 thousand in payments in advance.

At the beginning of the year, the GS/OAS had USD 99.9 million in quota receivable (i.e. balance due), USD 85.0 million from current quota assessment and USD 14.9 million for quotas in arrears—columns (a) and (e) in Table 5, respectively. By the end of the first semester, the GS/OAS had received USD 51.1 million towards the current quota assessment (column b in Table 5) leaving a current period balance of USD 33.9 million. The amount does not reflect discounts credited for prompt payment.

At the same time, the GS/OAS had received USD 7.8 million towards the prior year quota balance (column f in Table 5), still leaving a prior year balance of USD 7.1 million.

Given the significant impact of quotas on the Regular Fund cash flow, the GS/OAS continuously monitors quota information and regularly updates its assumptions on quota collections based on member states' payment plans and payment history.

Out of 34 member states, 24 member states are current and/or considered current with their quota assessment and 10 member states are not current. The latter have not paid their quota assessment for the current year nor have they agreed to a written payment plan with the General Secretariat. Three member states within this group have not paid their quota balance in arrears and the GS/OAS cannot anticipate when payments will be received in 2017 (Tables 6 and 7).

Table 5: Year-to-date progress on quota collection by year (in USD and %)

Year	(a) Assessed quotas	(b) Collection on assessed quotas	(c = a - b) Current Period collection balance	(d = b / a) Current year collection progress	(e) Prior year quotas balance	(f) Collection on prior year quotas	(g = e - f) Prior year collection balance	(h = f / e) Prior year collection progress	(i = [b + f]/[a + e]) Total collection progress
S1 - 2005	73,727,100	63,995,000	9,732,100	87%	21,226,017	12,282,651	8,943,366	58%	80%
S1 - 2006	73,727,100	65,558,294	8,168,806	89%	18,675,466	14,296,781	4,378,685	77%	86%
S1 - 2007	77,277,200	70,422,008	6,855,192	91%	12,547,491	8,475,893	4,071,598	68%	88%
S1 - 2008	77,447,900	74,664,529	2,783,371	96%	10,926,790	10,547,463	379,327	97%	96%
S1 - 2009	78,593,000	77,985,159	607,841	99%	3,162,698	2,852,411	310,287	90%	99%
S1 - 2010	78,513,615	77,447,328	1,066,287	99%	918,128	701,756	216,372	76%	98%
S1 - 2011	80,950,800	79,141,697	1,809,103	98%	1,282,659	183,515	1,099,144	14%	96%
S1 - 2012	81,105,400	78,815,661	2,289,739	97%	2,908,247	348,371	2,559,876	12%	94%
S1 - 2013	81,105,400	79,229,276	1,876,124	98%	4,849,615	4,742,861	106,754	98%	98%
S1 - 2014	81,105,400	71,140,106	9,965,294	88%	1,982,878	248,125	1,734,753	13%	86%
S1 - 2015	82,440,400	70,303,500	12,136,900	85%	11,700,047	4,176,006	7,524,041	36%	79%
S1 - 2016	82,440,400	72,827,673	9,612,727	88%	19,660,941	14,408,496	5,252,445	73%	85%
S1 - 2017	84,969,900	51,055,826	33,914,074	60%	14,865,171	7,801,126	7,064,045	52%	59%

Table 6: Status of quota compliance, payments, and balance due (in thousands of USD)

	a	b	c=a+b	d	e=c-d	f=(Q1..Q4)				g=e-f	h	
	Current assessment	Quotas in arrears	Total quota receivable	Discounts and advances	Net quota receivable	Net payments received in 2017 (by quarter)				2017 net payments	Year-end balance due	2017 proj. advance payments
						Q1	Q2	Q3 Projected	Q4			
1. Current and/or considered current												
1.a. Paid in full												
Bahamas, Commonwealth of	41.8	-	41.8	0.8	41.0	41.0	-	-	-	41.0	-	-
Barbados	29.0	-	29.0	-	29.0	-	29.0	-	-	29.0	-	-
Belize	18.8	-	18.8	-	18.8	-	18.8	-	-	18.8	-	-
Bolivia	47.8	-	47.8	0.9	46.9	46.9	-	-	-	46.9	-	-
Brazil	10,605.0	7,786.6	18,391.6	-	18,391.6	18,391.6	-	-	-	18,391.6	-	-
Canada	9,031.4	-	9,031.4	262.9	8,768.5	8,768.5	-	-	-	8,768.5	-	-
Chile	1,149.5	-	1,149.5	-	1,149.5	1,149.5	-	-	-	1,149.5	-	-
Colombia	1,118.8	-	1,118.8	-	1,118.8	1,118.8	-	-	-	1,118.8	-	-
Costa Rica	196.3	-	196.3	12.5	183.8	186.3	-	-	-	186.3	-	2.5
Dominica, Commonwealth of	18.8	-	18.8	0.5	18.3	-	18.3	-	-	18.3	-	-
Ecuador	274.8	-	274.8	-	274.8	-	274.8	-	-	274.8	-	-
El Salvador	73.4	-	73.4	-	73.4	-	73.4	-	-	73.4	-	-
Guatemala	123.7	-	123.7	1.8	121.9	-	123.8	-	-	123.8	-	1.9
Guyana	18.8	-	18.8	0.4	18.4	18.4	-	-	-	18.4	-	-
Haiti	22.2	0.0	22.2	-	22.2	22.2	-	-	-	22.2	-	-
Honduras	35.8	0.0	35.8	-	35.8	35.8	-	-	-	35.8	-	-
Nicaragua	22.2	-	22.2	0.6	21.6	21.6	-	-	-	21.6	-	-
Panama	150.2	-	150.2	-	150.2	-	150.2	-	-	150.2	-	-
Paraguay	64.0	-	64.0	0.6	63.4	63.4	-	-	-	63.4	-	-
Peru	733.9	-	733.9	0.0	733.9	733.9	-	-	-	733.9	-	-
St. Lucia	18.8	-	18.8	-	18.8	-	18.8	-	-	18.8	-	-
1.b. Not paid in full, with payment plan												
Antigua and Barbuda	18.8	-	18.8	-	18.8	4.7	4.7	4.7	4.7	18.7	-	-
Jamaica	59.7	14.5	74.2	-	74.2	14.5	14.9	14.9	-	44.4	29.9	-
United States	50,750.7	-	50,750.7	-	50,750.7	12,687.7	12,687.7	12,687.7	12,687.7	50,750.7	-	-
2. Not current (not paid in full and no payment plan)												
2.a. Without arrears												
Argentina	2,048.1	-	2,048.1	-	2,048.1	-	-	2,048.1	-	2,048.1	-	-
Dominican Republic	270.5	-	270.5	5.3	265.3	-	-	265.3	-	265.3	-	-
Mexico	5,792.8	-	5,792.8	168.6	5,624.2	-	1,687.3	1,968.5	984.2	4,640.0	984.2	-
St. Kitts and Nevis	18.8	-	18.8	-	18.8	-	-	18.8	-	18.8	-	-
Suriname	22.2	-	22.2	-	22.2	-	-	22.2	-	22.2	-	-
Trinidad and Tobago	115.2	-	115.2	-	115.2	-	-	115.2	-	115.2	-	-
Uruguay	210.8	-	210.8	-	210.8	-	-	210.8	-	210.8	-	-
2.b. With arrears												
Grenada	18.8	109.8	128.6	-	128.6	-	-	38.0	-	38.0	90.6	-
St. Vincent and the Grenadines	18.8	19.5	38.3	-	38.3	-	-	8.1	-	8.1	30.2	-
Venezuela	1,829.7	6,934.7	8,764.4	-	8,764.4	-	-	-	-	-	8,764.4	-
TOTAL	84,969.9	14,865.2	99,835.1	455.0	99,380.1	43,304.7	15,101.6	17,402.3	13,676.6	89,485.1	9,899.3	4.4

* Some individual amounts showing "0.0" and totals may differ slightly due to rounding.

Table 7: Net payments received by month (in thousands of USD)

	Net payments received in 2017												2017 net payments	Net payments in %	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
1. Current and/or considered current															
1.a. Paid in full															
Bahamas, Commonwealth of	-	41.0	-	-	-	-	-	-	-	-	-	-	41.0	0.0%	
Barbados	-	-	-	-	-	29.0	-	-	-	-	-	-	29.0	0.0%	
Belize	-	-	-	-	-	18.8	-	-	-	-	-	-	18.8	0.0%	
Bolivia	-	46.9	-	-	-	-	-	-	-	-	-	-	46.9	0.1%	
Brazil	-	7,786.6	10,605.0	-	-	-	-	-	-	-	-	-	18,391.6	20.3%	
Canada	8,768.5	-	-	-	-	-	-	-	-	-	-	-	8,768.5	9.7%	
Chile	1,149.5	-	-	-	-	-	-	-	-	-	-	-	1,149.5	1.3%	
Colombia	-	-	1,118.8	-	-	-	-	-	-	-	-	-	1,118.8	1.2%	
Costa Rica	-	186.3	-	-	-	-	-	-	-	-	-	-	186.3	0.2%	
Dominica, Commonwealth of	-	-	-	-	18.3	-	-	-	-	-	-	-	18.3	0.0%	
Ecuador	-	-	-	274.8	-	-	-	-	-	-	-	-	274.8	0.3%	
El Salvador	-	-	-	-	-	73.4	-	-	-	-	-	-	73.4	0.1%	
Guatemala	-	-	-	-	123.8	-	-	-	-	-	-	-	123.8	0.1%	
Guyana	-	-	18.4	-	-	-	-	-	-	-	-	-	18.4	0.0%	
Haiti	-	22.2	-	-	-	-	-	-	-	-	-	-	22.2	0.0%	
Honduras	-	-	35.8	-	-	-	-	-	-	-	-	-	35.8	0.0%	
Nicaragua	-	21.6	-	-	-	-	-	-	-	-	-	-	21.6	0.0%	
Panama	-	-	-	150.2	-	-	-	-	-	-	-	-	150.2	0.2%	
Paraguay	-	-	63.4	-	-	-	-	-	-	-	-	-	63.4	0.1%	
Peru	-	-	733.9	-	-	-	-	-	-	-	-	-	733.9	0.8%	
St. Lucia	-	-	-	-	18.8	-	-	-	-	-	-	-	18.8	0.0%	
1.b. Not paid in full, with payment plan															
Antigua and Barbuda	4.7	-	-	4.7	-	-	-	-	4.7	-	-	4.7	18.8	0.0%	
Jamaica	-	14.5	-	-	14.9	-	-	14.9	-	-	14.9	-	59.3	0.1%	
United States	12,687.7	-	-	12,687.7	-	-	5,075.1	-	7,612.6	-	-	12,687.7	50,750.7	56.1%	
2. Not current (not paid in full and no payment plan)															
2.a. Without arrears															
Argentina	-	-	-	-	-	-	-	2,048.1	-	-	-	-	2,048.1	2.3%	
Dominican Republic	-	-	-	-	-	-	-	265.3	-	-	-	-	265.3	0.3%	
Mexico	-	-	-	-	1,687.3	-	-	1,968.5	-	984.2	-	984.2	5,624.2	6.2%	
St. Kitts and Nevis	-	-	-	-	-	-	-	18.8	-	-	-	-	18.8	0.0%	
Suriname	-	-	-	-	-	-	-	22.2	-	-	-	-	22.2	0.0%	
Trinidad and Tobago	-	-	-	-	-	-	-	115.2	-	-	-	-	115.2	0.1%	
Uruguay	-	-	-	-	-	-	-	210.8	-	-	-	-	210.8	0.2%	
2.b. With arrears															
Grenada	-	-	-	-	-	-	-	38.0	-	-	-	-	38.0	0.0%	
St. Vincent and the Grenadines	-	-	-	-	-	-	8.1	-	-	-	-	-	8.1	0.0%	
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
TOTAL	22,610.4	8,119.0	12,575.3	13,117.4	1,863.0	121.2	5,083.2	4,701.7	7,617.3	984.2	14.9	13,676.6	90,484.4	100.00%	
in %	25.0%	9.0%	13.9%	14.5%	2.1%	0.1%	5.6%	5.2%	8.4%	1.1%	0.0%	15.1%	100.0%		

* Some individual amounts showing "0.0" and totals may differ slightly due to rounding.

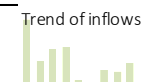
Regular Fund liquidity risk assessment

In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating through the year, ending the first semester in USD 14.5 millions (Figure 3). The GS/OAS projects a minimum level of cash USD 2.1 million by November of 2017 considering member states' payment plans and payment history (excludes member states with balances in arrears). Although no deficits are projected through the end of 2017, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund. At this

time, the General Secretariat is monitoring both the cash disbursements of 2016 commitments and also the reception of 2017 assessed quotas in order to determine when a full repayment of the temporary loans from the Treasury Fund can be done. By the end of the first semester, the loan was reduced from USD 7.6 millions at the beginning of 2017 to USD 2.4 million, the reduction was the result of the reception of payments related to quotas in arrears from Brazil, Haiti, Honduras, Jamaica and Saint Vincent and the Grenadines.

Table 8: Regular Fund monthly cash flow (in millions of USD) 2017

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	0.00	17.31	11.73	16.92	24.09	20.67	14.55	13.22	11.71	13.88	8.36	2.11	(15.89)
Inflows													
Net quota payments	22.61	8.12	12.58	13.12	1.86	0.12	5.08	4.70	7.62	0.98	0.01	13.68	90.48
Other income	0.00	0.01	0.00	0.01	0.00	0.00	0.02	0.00	0.00	0.00	0.05	0.00	0.09
b Total inflows	22.61	8.13	12.58	13.13	1.86	0.12	5.10	4.70	7.62	0.98	0.06	13.68	90.57
Outflows													
2017 expenses	5.30	6.16	7.13	5.96	5.28	6.24	6.39	6.21	5.45	6.50	6.32	5.56	72.50
2016 expenses	1.22	0.20	0.27	0.66	0.23	0.03	0.08	0.08	0.08	0.03	0.03	0.03	2.93
c Total outflows	6.52	6.35	7.40	6.62	5.51	6.27	6.47	6.29	5.53	6.53	6.35	5.60	75.45
d=b-c Net cash flow	16.09	1.77	5.17	6.51	(3.64)	(6.15)	(1.37)	(1.58)	2.09	(5.55)	(6.29)	8.08	15.12
e From/to Treasury Fund	1.22	(7.36)	0.02	0.66	0.23	0.03	0.03	0.08	0.08	0.03	0.03	0.03	7.60
f=a+d+e Ending cash balance	17.31	11.73	16.92	24.09	20.67	14.55	13.22	11.71	13.88	8.36	2.11	10.23	6.83



Trend of ending cash balance

Contributions from member states to OAS funds

Table 9 summarizes contributions from member states to OAS funds. In addition, the last column in the table shows the Specific Funds' fund balance of each member state at the end of this period. The column for current year collection under Regular

Fund refers to total quota payments for the current assessment made by each member state in 2017. Amounts in this column include discounts for prompt payment and payments in advance so they might differ slightly with the information presented in previous sections of this report (quotas and liquidity). A complete list of contributions from all donors is published in the [OAS website](#).

Table 9: Contributions from member states to OAS funds—2017

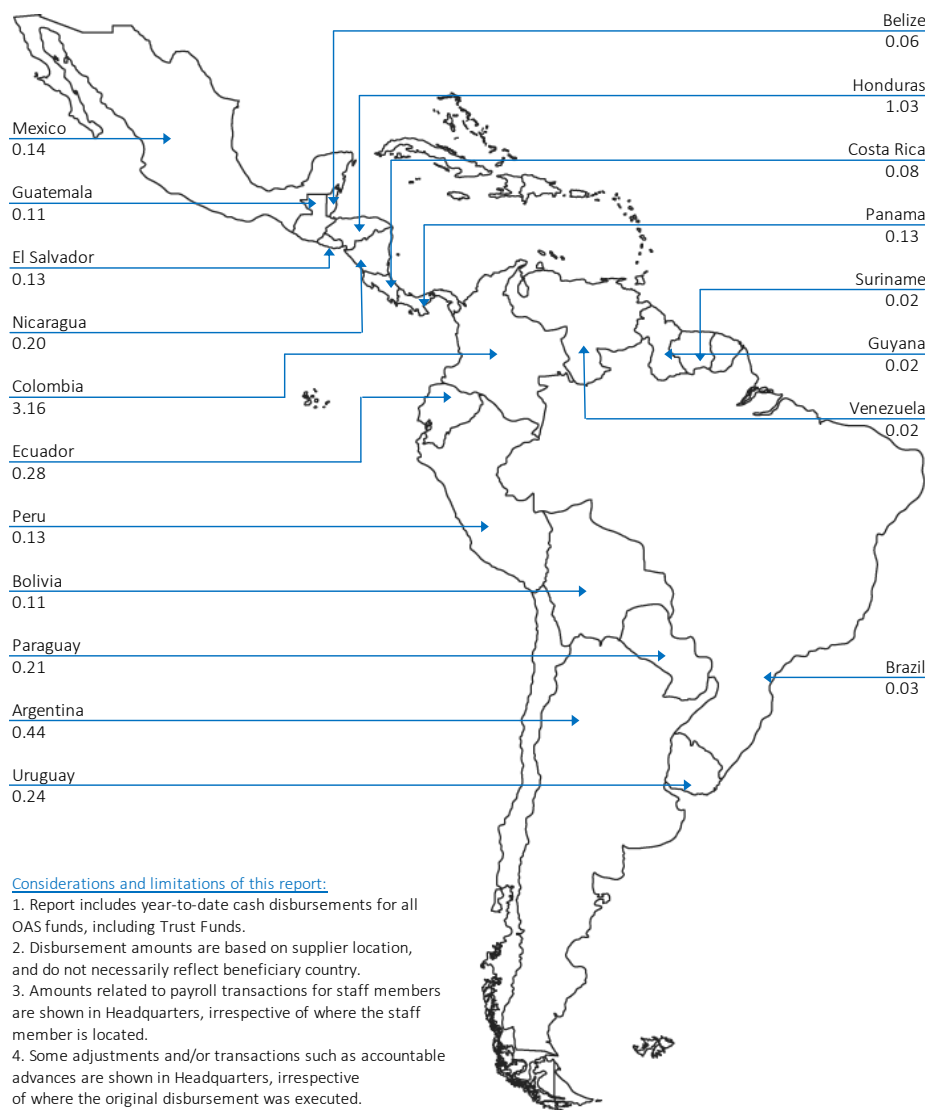
Member state	Regular Fund					Total	Specific Funds - Fund Balance
	Current Year Collection *	Prior Year Bal. Collection	Development Cooperation Fund	Specific Funds	Trust for the Americas		
Antigua and Barbuda	9,400	-	-	-	-	9,400	-
Argentina	-	-	-	227,500	-	227,500	697,669
Bahamas, Commonwealth of	41,800	-	15,000	6,000	-	62,800	50,148
Barbados	29,000	-	-	20,051	-	49,051	(5,226)
Belize	18,800	-	-	6,038	-	24,838	12,776
Bolivia	47,800	-	-	5,000	-	52,800	54,266
Brazil	10,605,000	7,786,576	-	-	-	18,391,576	614,617
Canada	9,031,400	-	-	4,364,820	-	13,396,220	3,128,265
Chile	1,149,500	-	-	198,366	-	1,347,866	293,514
Colombia	1,118,800	-	-	35,121	-	1,153,921	228,447
Costa Rica	196,300	-	-	42,928	-	239,228	57,012
Dominica, Commonwealth of	18,800	-	-	-	-	18,800	3,800
Dominican Republic	5,250	-	-	39,814	-	45,064	269,480
Ecuador	274,800	-	16,680	33,300	-	324,780	33,526
El Salvador	73,400	-	-	28,800	-	102,200	23,886
Grenada	-	-	-	-	-	-	5,000
Guatemala	123,700	-	-	-	-	123,700	153,624
Guyana	18,800	-	6,746	7,619	-	33,165	16,577
Haiti	22,200	20	-	50,000	-	72,220	19,071
Honduras	35,800	30	7,000	370,000	-	412,830	262,937
Jamaica	14,925	14,500	-	4,980	-	34,405	2,527
Mexico	1,855,866	-	-	516,342	-	2,372,208	4,745,853
Nicaragua	22,200	-	6,000	21,945	-	50,145	24,104
Panama	150,200	-	-	258,500	-	408,700	295,217
Paraguay	64,000	-	-	61,311	-	125,311	177,684
Peru	733,900	-	60,091	228,278	-	1,022,269	148,241
St. Kitts and Nevis	-	-	-	-	-	-	-
St. Lucia	18,800	-	-	15,743	-	34,543	30,294
St. Vincent and the Grenadines	-	-	10,200	-	-	10,200	30
Suriname	-	-	-	-	-	-	5,178
Trinidad and Tobago	-	-	-	10,000	-	10,000	114,222
United States	25,375,385	-	-	3,504,967	180,059	29,060,411	20,088,592
Uruguay	-	-	-	22,500	-	22,500	101,396
Venezuela	-	-	-	-	-	-	1,526
Total	51,055,826	7,801,126	121,717	10,079,921	180,059	69,238,649	

* Include prompt payment credits and/or payments in advance.

Disbursements by location

The OAS executes numerous activities throughout its member states, requiring payment for goods and services in their corresponding local currencies. The majority of disbursements occur in Headquarters, mostly due to payroll expenses and infrastruc-

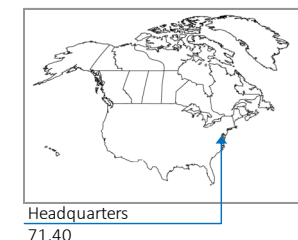
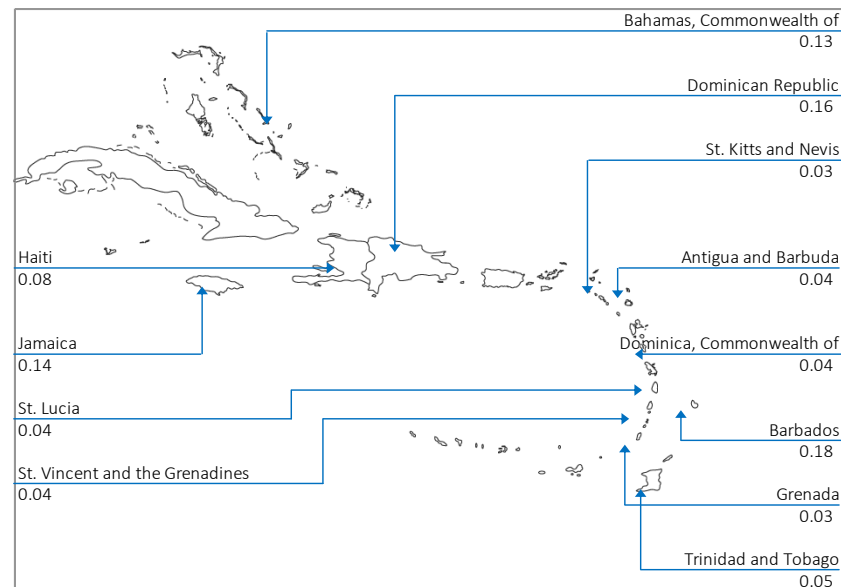
Figure 6: Disbursements by location (in millions of USD)



Considerations and limitations of this report:

1. Report includes year-to-date cash disbursements for all OAS funds, including Trust Funds.
2. Disbursement amounts are based on supplier location, and do not necessarily reflect beneficiary country.
3. Amounts related to payroll transactions for staff members are shown in Headquarters, irrespective of where the staff member is located.
4. Some adjustments and/or transactions such as accountable advances are shown in Headquarters, irrespective of where the original disbursement was executed.

ture costs. A large portion of disbursements are related to the Mission to Support the Peace Process in Colombia (MAPP), anti-corruption programs in Honduras and sustainable development projects in Argentina. Disbursements in a specific location do not necessarily reflect full project activity since a large portion of project activity is disbursed in Headquarters.



TOTAL DISBURSEMENTS 78.89

Supplementary Appropriation CP/RES. 831

In 2002, the Permanent Council, through CP/RES831 (1342/02), approved the "Use of Excess Resources of the Reserve Sub-fund for Capital Investment and to Meet OAS Mandates." These resources are reported as part of the Specific Funds.

The appropriated excess resources of the Reserve Sub-fund amounted to USD 20,600,000. In addition, pursuant to AG/RES. 1 (XXV-E/98), USD 415,941 of unobligated Regular Fund appropriations were allocated to OAS Scholarships and Training Programs.

Further to the appropriations, there were net additions of USD 4,065,220 from transfers of several sources bringing the appropriation to a total of USD 25,081,161. In addition, the fund has earned interest of USD 2,915,427 through March 31, 2017, which has been distributed to each of its activities, interest for the second quarter of 2017 are still pending to be recorded. Thus, the total funding to date provided to the fund is USD 27,996,588.

Table 10 summarizes the financial activity of this appropriation since inception to date. A more detailed financial statement with notes on net additions (transfers) is published in the [OAS website](#).

Table 10: Summarized financial statement of Supplementary Appropriation CP/RES. 831

	a	b	c	d	e=a+b+c+d	f	g=e-f
	Original appropriation	Supplementary appropriation	Net additions (transfers) *	Interest income	Total funding	Expenditures and obligations	Fund balance
<u>Main activity / sub-activity</u>							
Simon Bolivar Room Renovation	2,650,000	-	1,217,052	152,182	4,019,234	4,019,234	-
Multi-Purpose Room (Guerrero Room)	750,000	-	(480)	14,577	764,097	764,097	-
<u>Capital Building Fund</u>							
Capital Building Fund	4,200,000	-	(4,497,114)	318,373	21,259	-	21,259
Main and Administrative Building Technology Improvement	-	-	1,708,000	86,042	1,794,042	1,786,071	7,971
CP/CAAP-3022/09 - Use of Capital Building Fund	-	-	1,209,000	54,610	1,263,610	1,263,556	54
Subtotal	4,200,000	-	(1,580,114)	459,025	3,078,911	3,049,627	29,284
<u>Special Revenue Fund Technical Areas</u>							
UPD Conflict Resolution Initiatives	400,000	-	-	22,107	422,107	408,194	13,913
Fund for Peace	1,000,000	-	(527,519)	59,595	532,076	532,076	-
Fund for Peace Sub-fund	-	-	419,313	40,350	459,663	460,208	(545)
Cuenca Rio Negro Honduras / Nicaragua	-	-	100,000	4,742	104,742	101,882	2,860
I-A Commission on Human Rights	600,000	-	-	6,260	606,260	606,260	-
Columbus Memorial Library	300,000	-	-	20,010	320,010	320,010	-
Public Information / External Relations to pursue Outreach Activities	65,000	-	(902)	1,344	65,442	65,442	-
Office of External Relations	35,000	-	(14)	603	35,589	35,589	-
Subtotal	2,400,000	-	(9,122)	155,011	2,545,889	2,529,661	16,228
Management Study	1,000,000	-	(259,542)	20,522	760,980	760,980	-
OAS Fellowships, Scholarships and Training Programs	5,000,000	415,941	4,746,592	1,672,096	11,834,629	9,469,234	2,365,395
Summit of Americas Mandates	4,000,000	-	(49,166)	442,014	4,392,848	4,211,832	181,016
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	4,065,220	2,915,427	27,996,588	25,404,665	2,591,924

* Explained in detail in the financial statement published in the OAS website.

OAS Country Offices

- Expenditures by Country Office
- Statement of Funds Available for OAS Country Offices

Expenditures by Country Office

The majority of expenditures incurred by OAS Country Offices are related to personnel costs to finance, in most cases, the office representative and the secretary of

each country office, and in a few instances, a driver/messenger. Non-personnel costs between offices may differ because of several factors including cost of living and office activity. Table 11 breaks down total expenditures financed with Regular, Specific and Fund for ICR by office and object of expenditure.

Table 11: Year-to-date expenditures by Country Office and object of expenditure (all sources of financing)

OAS Country Office	Personnel	Non-personnel						Non-personnel total	Grand total	% of grand total	
	Non-recurring personnel	Travel	Publications and Documents	Equipment, supplies and maintenance	Building and maintenance	Performance contracts	Other				
Antigua and Barbuda	25,839				1,024	23,007	1,785	4,075	29,891	55,730	1.9%
Bahamas, Commonwealth of	37,922				2,249	248	1,817	3,091	7,405	45,327	1.5%
Barbados	137,780		50		3,256	24,113	12,969	2,150	42,538	180,318	6.1%
Belize	98,370				3,033	1,024	604	8,712	13,372	111,743	3.8%
Bolivia	82,772		367		2,491	8,042	1,834	8,166	20,901	103,673	3.5%
Costa Rica	39,938			45	2,083	12,352	1,955	620	17,055	56,993	1.9%
Dominica, Commonwealth of	21,185				670	10,109	6,101	965	17,845	39,031	1.3%
Dominican Republic	75,079			75	1,750	20,992	7,200	12,089	42,106	117,185	3.9%
Ecuador	99,442				461	11,062		9,635	21,158	120,601	4.1%
El Salvador	108,316				923	17,927	6,281	1,049	26,181	134,497	4.5%
Grenada	34,569			6	438	14,971		2,742	18,157	52,726	1.8%
Guatemala	110,780		346		1,943	9,513	2,380	8,165	22,349	133,128	4.5%
Guyana	91,322			15	1,716	1,782	2,736	2,587	8,835	100,157	3.4%
Haiti	15,666		100	141	3,998	60,247		28,543	93,028	108,695	3.7%
Honduras	77,705		719		7,773	19,526		21,302	49,319	127,024	4.3%
Jamaica	99,266				737	11,425	6,924	1,701	20,787	120,053	4.0%
Mexico	124,167				3,596	339		2,121	6,055	130,222	4.4%
Nicaragua	26,882				1,413	9,898		4,011	15,322	42,204	1.4%
Panama	110,203				801	15,287	1,800	6,767	24,655	134,858	4.5%
Paraguay	114,260				2,592	15,607	2,552	11,992	32,743	147,003	4.9%
Peru	38,101				2,347	14,817	9,733	5,010	31,907	70,007	2.4%
St. Kitts and Nevis	21,597				1,608	11,812	4,031	3,832	21,283	42,880	1.4%
St. Lucia	18,020				97	15,714	7,683	3,131	26,625	44,645	1.5%
St. Vincent and the Grenadines	95,607				1,534	847	5,160	2,462	10,004	105,611	3.5%
Suriname	67,156				1,877	264	7,764	1,439	11,344	78,499	2.6%
Trinidad and Tobago	32,226						10,828	1,716	12,545	44,770	1.5%
Uruguay	133,341			104	3,001	16,587	10,079	2,543	32,314	165,655	5.6%
Venezuela	107,529				2,363	19,002	12,529	161	34,055	141,584	4.8%
HQ Support to the Offices	101,495		901	1,145	58,565	1,398	37,000	19,810	118,819	220,313	7.4%
Grand total	2,146,533	-	2,484	1,530	114,340	367,913	161,748	180,584	828,598	2,975,131	100.0%
% of grand total	72.1%	0.00%	0.08%	0.1%	3.8%	12.4%	5.4%	6.1%	27.9%	100.0%	

Statement of Funds Available for OAS Country Offices

OAS Country Offices are financed by the Regular Fund, the Specific Fund for OAS Country Offices (Fund 118), the Fund for ICR and other relatively small service accounts. Table 12 summarizes funding and uses of funding (decreases) by source of

financing. The resulting funds available reported in this table is the balance at the end of this reporting period. This balance does not include year-end and therefore differs from the balance presented in Tables 1 and 2 for the Regular Fund and the Fund for ICR for Chapter 13. A detailed Statement of Changes in Fund Balance for the Specific Fund 118 by country is published in the [OAS website](#).

Table 12: Year-to-date Statement of Funds Available for OAS Country Offices

	Regular Fund	Specific Funds	Service and Revolving Funds		Total
		Offices in Member States (Fund 118)	Fund for Indirect Cost Recovery (ICR)	Other accounts (3)	
FUNDING					
Budget (1)					
Personnel budget	4,405,635	-	16,000	-	4,421,635
Non-personnel budget	1,099,566	-	56,531	-	1,156,097
Total budget (1)	5,505,201	-	72,531	-	5,577,732
Contributions and other income:					
Quarter 1	-	184,106	-	2,357	186,463
Quarter 2	-	102,918	-	6,400	109,318
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total contributions and other income	-	287,024	-	8,757	295,781
a Total funding available	5,505,201	287,024	72,531	8,757	5,873,513
DECREASES					
Execution:					
Expenditures:					
Quarter 1	1,436,719	88,239	15,419	2,530	1,542,907
Quarter 2	1,330,932	82,505	12,912	5,875	1,432,224
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total expenditures	2,767,651	170,744	28,331	8,405	2,975,131
Obligations	2,488,490	186,153	44,200	38,023	2,756,866
Total execution	5,256,141	356,897	72,531	46,428	5,731,997
Other decreases	-	-	-	-	-
b Total decreases	5,256,141	356,897	72,531	46,428	5,731,997
c=a-b NET INCREASE (DECREASE) DURING PERIOD	249,060	(69,873)	-	(37,671)	141,516
d Funds available, beginning of period	84,362	364,371	-	34,101	482,834
e=c+d FUNDS AVAILABLE, END OF PERIOD (2)	333,422	294,498	-	(3,570)	624,350

(1) Refers to modified budget, which is the original approved program-budget plus any transfers in and out between chapters.

(2) Funds available for the Regular Fund and Fund for ICR differ from Tables 1 and 2 presented in the section of budgetary execution and variances because this table is based on actual expenditures and obligations through the period, and does not include year-end as in Tables 1 and 2.

(3) Includes financial activity from cost-sharing agreements for office space.

Specific Funds

- Key developments
- Signed donor agreements
- Expenditures by donor and pillar
- Statement of Changes in Fund Balance
- External financial audits requested by Specific Fund donors

Key financial developments

Contributions to Specific Funds reached USD 13.1 million, approximately 7% higher than in 2016 (USD 12.2 million), but 25% lower than in 2015 (USD 17.3 million). The contributions from member states have increased by 27% compared to the same period last year, while contributions from permanent observers slightly increased by 2.5%. However, contributions from other institutions significantly decreased by 48%. The increase of contributions from member states was enough to offset the overall decrease in contributions to Specific Funds from other donors. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Signed donor agreements

A donor agreement is any accord, memorandum of understanding, letter of understanding, exchange of letters, comprehensive cooperation agreement, etc., that the GS/OAS concludes with another party or parties to execute a specific activity or project. Donor agreements for Specific Funds often impose conditions on the use of funds, which may include one or more of the following administrative requirements: specific purpose, allowable timeframe, detailed budgets, eligibility of costs, financial and narrative reporting, interest accreditation, external audit, etc. Some donors impose more requirements than others and, overall, the more requirements the more administrative cost that the GS/OAS incurs in executing donor agreements. For example, to comply with some of the diverse financial reporting requirements such as multi-currency reporting, the GS/OAS prepares manual spreadsheets because of the current limitations in the financial system.

The GS/OAS actively tracks and manages over 500 donor agreements every year in its financial system, each with its own set of administrative requirements. This volume is high considering that the average dollar amount expensed is only USD 67

thousand (based on 2016 data). Furthermore, over 80% of these agreements are below this average. Thus, management believes that an organizational wide effort is necessary to negotiate more framework agreements or “basket funds” with donors in order to reduce administrative costs, whereby one donor agreement finances several large projects or programs. The recommendations found in the *Strategic Plan for Management Modernization at the OAS* also encourage this effort. The GS/OAS has made progress on this with a few donors such as Canada and Spain, and a few programs such as OAS/MAPP Peace Process in Colombia, but a more systematic effort is required.

Through the first semester of 2017, 47 new agreements started execution for a total pledged amount of USD 8.6 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

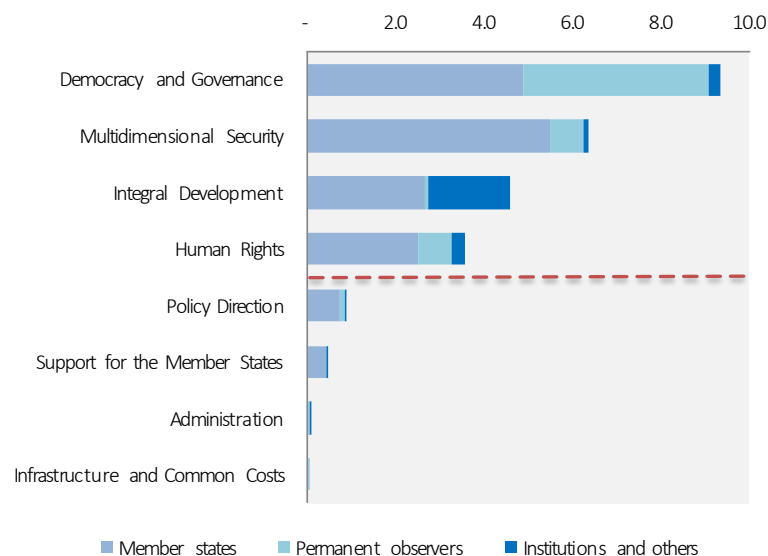
Table 13: New donor agreements starting execution this year

Donor	a Quantity	b Amount in thousands of USD	c=b/a Average amount in thousands of USD	d Range of execution periods
Member states	29	6,134.7	211.5	From 0 to 6 years
Permanent observers	10	1,460.7	146.1	From 0 to 6 years
Institutions and others	8	1,017.1	127.1	From 0 to 6 years
Total	47	8,612.5	183.2	

Expenditures by donor and pillar

Several donors contribute to Specific Funds by way of unprogrammed funds, where contributions are received by the GS/OAS for no specific project activity at first, and are then programmed for use to a specific project often at a later time and sometimes crossing fiscal periods. When these contributions are programmed to specific project activities and these are expensed, any remaining funds at the finalization of those activities return to the original unprogrammed account. In these cases, the net programming (original contribution minus unexpended funds) would be considered as the “contribution” to those activities. For the reasons explained above, looking at contributions alone might not provide a complete picture of where funds are being directed by donors and how funds are being used. Expenditures are a good indicator that help understand how donors and GS/OAS areas are programming Specific Funds over time. Expenditures show how funds are actually being used by specific project activities in the current period, irrespective if the contribution came from unprogrammed funds or if remaining funds were returned to the donor.

Figure 7: Expenditures by donor and pillar (in millions of USD)



During the first semester, the GS/OAS incurred a total of USD 25.3 million in Specific Fund expenditures. Almost 66% of that amount was financed with contributions from member states, 29% with contributions from permanent observers and 10% with contributions from institutions and other donors. Permanent observers tend to finance more activities within the programmatic pillar of democracy and governance while institutions and other donors such as the United Nations tend to finance activities within integral development (Figure 7).

Statement of Changes in Fund Balance

Specific Funds operate differently than the Regular Fund or the Fund for Indirect Cost Recovery (ICR) in terms of budgetary execution. Activities that fall under Specific Funds are executed by the GS/OAS in accordance to signed donor agreements, and therefore their budgetary execution is directly linked to donor-imposed restrictions. Several of these agreements are executed crossing fiscal periods so, in terms of presenting financial activity for the current period, a carryforward beginning balance from prior years is presented to show the complete picture (besides contributions) of how current expenditures are being financed. Table 14 summarizes this activity by Chapter. A much more detailed statement at the subprogram, donor and project level is published in the [OAS website](#).

External financial audits requested by Specific Fund donors

As part of donor-imposed conditions, the GS/OAS coordinates external financial audits for some of its projects and activities. The coordination of these audits typically lasts four months from beginning to end, and include activities such as the preparation of audit terms of reference, the bidding of external auditing firms, comprehensive financial data collection and review, management and legal letters, and the final audit report. Six financial audits were performed during the first semester 2017: OAS/MAPP “Basket Fund”, Modernize Haiti’s Civil Registry, Programming of Formative Activities and Training of the GS/OAS, the Judicial Facilitators program, Freedom of Expression program, and, Support and Strengthening the Work of the Inter-American Human Rights System program; all with satisfactory results. Currently, there are three new audits under way and potentially, up to 11 additional audits may be requested by donors during the remaining months of 2017 . A detailed list of the status of financial audits is published in the [OAS website](#).

Table 14: Specific Funds—Statement of Changes in Fund Balance (in USD)

Chapter	a Cash balance 01/01/17	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 06/30/17	f Obligations as of 06/30/17	g=e-f Fund balance 06/30/17
Chapter 1 - Office of the Secretary General	(106,345)	-	-	1,443	(107,788)	-	(107,788)
Chapter 2 - Office of the Assistant Secretary General	384,991	755,494	104	456,348	684,241	322,863	361,378
Chapter 3 - Principal and Specialized Organs	4,525,254	1,641,666	1,007,922	3,118,714	4,056,127	1,546,416	2,509,711
Chapter 4 - Strategic Counsel for Organizational Development and Management for Results	333,565	153,500	262,480	306,315	443,230	150,608	292,622
Chapter 5 - The Secretariat for Access to Rights and Equity (SARE)	926,130	195,664	208,553	594,523	735,824	112,569	623,255
Chapter 6 - Secretariat for Strengthening Democracy	8,957,481	2,443,713	1,805,777	8,520,374	4,686,597	3,104,675	1,581,922
Chapter 7 - The Executive Secretariat for Integral Development (SEDI)	24,056,878	854,252	(741,955)	3,562,832	20,606,343	1,577,004	19,029,339
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	11,289,743	6,344,963	384,195	6,355,634	11,663,266	4,476,203	7,187,063
Chapter 9 - The Secretariat for Hemispheric Policies (SHP)	2,473,623	427,404	371,513	886,317	2,386,223	362,748	2,023,476
Chapter 10 - The Secretariat for Legal Affairs (SLA)	1,408,528	151,430	(8,900)	408,678	1,142,380	226,481	915,899
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	141,943	-	-	57,200	84,743	-	84,743
Chapter 13 - Compliance Oversight Management Bodies (COMB)	(498)	12,025	-	14,000	(2,472)	-	(2,472)
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	1,597,241	-	(1,376,380)	-	220,861	-	220,861
Interest to be reimbursed to USINL	16,035	-	(13,664)	-	2,372	-	2,372
Oliver Jackman Fund	156,057	-	78	-	156,135	-	156,135
Reconciliation / Write-Off	(148,283)	-	257,416	-	109,134	-	109,134
Resolution CP 831/2002	4,308,419	-	6,738	1,012,156	3,303,002	711,078	2,591,923
Unprogrammed Funds	9,204,501	74,292	(4,173,182)	-	5,105,610	-	5,105,610
Total	69,525,263	13,054,403	(2,009,304)	25,294,535	55,275,828	12,590,644	42,685,183

* Includes contributions from Member States, Permanent Observers and other donors.

** Other net activity includes: net transfers in/out mainly related to unprogrammed accounts, refunds, and interest income.