

GS/OAS
Semiannual
Financial
Report
(SFR)

S1 - 2019

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

From January 1, 2019 to June 30, 2019

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	47.7%	●
Regular Fund:		
YTD level of expenditures	47.8%	●
% of YTD expenditures related to personnel costs	62.5%	
Fund for ICR:		
YTD level of expenditures	46.4%	●
% of YTD expenditures related to personnel costs	62.4%	
Specific Funds YTD expenditures	USD 28.5 m	

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 10.4 m	
Cash balance at the end of the semester	USD 9.6 m	●
Projected cash deficits (to be covered with the 2019 loan):		
Next month to show a cash deficit in 2019	None	●
Projected loan balance to Treasury Fund at the end of the year	USD 0 m	●

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	23	●
# of member states not current (without arrears)	7	●
# of member states not current (and with arrears)	4	●
Total balance due at the beginning of the year:	USD 96.6 m	
Due from arrears	USD 11.6 m	
Due from current assessment	USD 85.0 m	
Total balance due at the end of the semester:	USD 55.8 m	●
Due from arrears	USD 10.6 m	●
Due from current assessment	USD 45.2 m	●
Net quota payments received during the year	USD 40.8 m	●

Specific Funds

YTD overall contributions received from donors	USD 23.0 m	
YTD contributions - % change over same period last year	+ 53%	●
YTD contributions - % change over same period last year by donor:		
Member states	+ 68%	●
Permanent observers	+ 59%	●
Institutions and other donors	- 18%	●
YTD ICR collection on Specific Funds - % change over same period last year	+ 61%	●
Amount of new donor agreements starting execution this year	USD 8.8 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	
Amount of Awards already expired at the end of the semester	USD 1.2 m	●

GS/OAS Semiannual Financial Report (SFR)

This report is presented in compliance with the financial reporting requirements established under resolution AG/RES. 1 (LIII-E/18). 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

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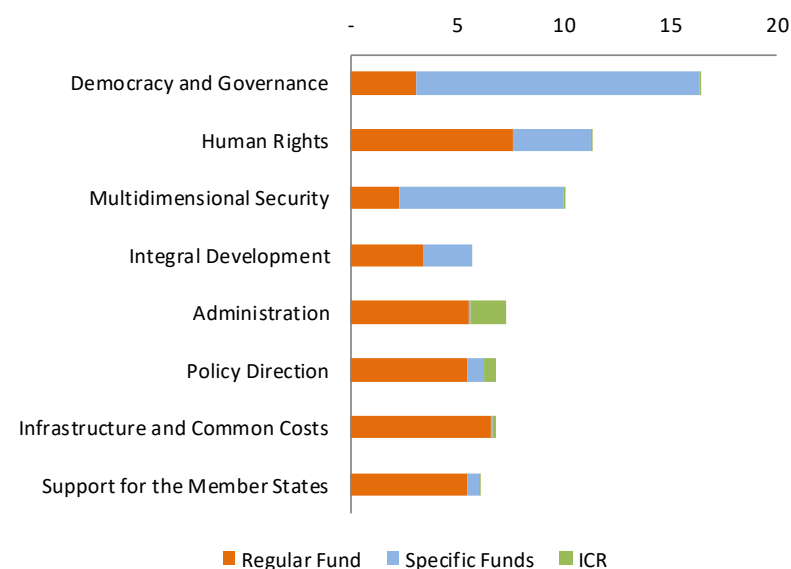
Introduction

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- Contributions from member states to OAS funds
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Financial highlights

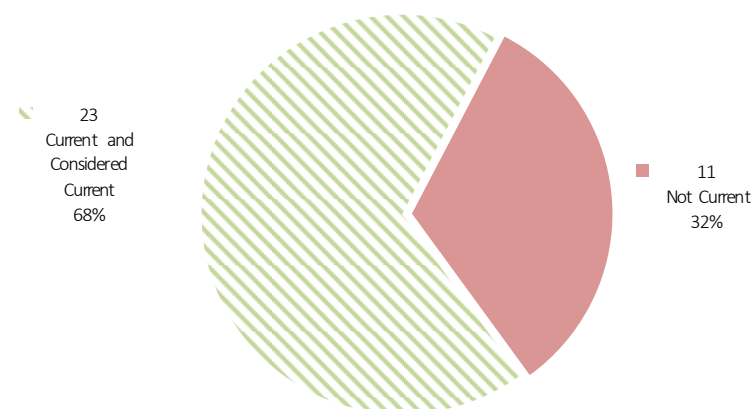
The year-to-date level of expenditures for the combined Regular Fund and Indirect Cost Recovery (ICR) Fund reached 47.7% of the USD 88.2 million 2019 Approved Program-Budget (Figure 1). Regular Fund reached 47.8% and ICR Fund 46.4% of their approved budgets. Specific Fund expenditures reached USD 28.5 million, higher when compared to the same period last year (USD 26.0 million).

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



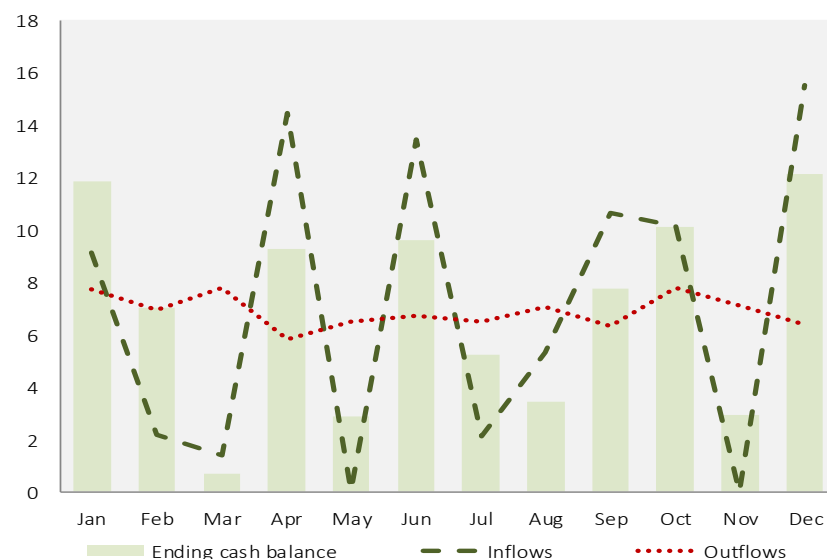
With respect to year-to-date Regular Fund quotas, out of 34 member states, 23 member states are current with their quota assessment and 11 member states are not current (Figure 2). The latter have not paid their quota assessment for the current year nor have they submitted a written payment plan to the General Secretariat. Four member states within the “not current group” have not paid their quota balance in arrears (amounts owed for 2018 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 10.4 million, fluctuating through the year, ending the first semester of 2019 in USD 9.6 million (Figure 3). During the first semester the GS/OAS did not have cash deficits. Although no deficits are projected through the end of 2019, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund.

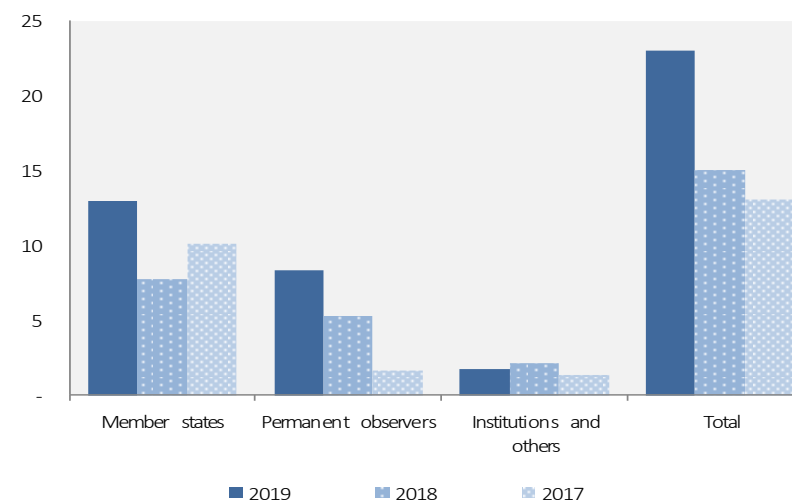
Figure 3: Regular Fund liquidity risk assessment (in millions of USD)



Contributions to Specific Funds reached USD 23.0 million, approximately 53% higher than in 2018 (USD 15.1 million) and also 75% higher than in 2017 (USD 13.1 million). While contributions from member states and permanent observers increased by 68% and 59% respectively, contributions from other institutions decreased by 18%. During the first semester of 2019 two large contributions were received as part of projects performed jointly with the Pan American Development Foundation. The increase in contributions from permanent observers was seen mainly in the Human Rights and on the Democracy and Governance pillars.

With respect to compliance and oversight issues, four financial audits have been coordinated by the GS/OAS during the first semester of 2019: OAS/MAPP “Basket Fund-2018”, OAS MACCIH “Basket Fund 2017-2018” and Respond fully to the joint crisis on migration on the island of Hispaniola. In addition, the GS/OAS has collaborated with one external audit contracted directly by Sweden for OAS MACCIH. All these audits reported a satisfactory result. Currently, there are three more audits already scheduled for the second semester of 2019. Potentially, up to 11 further audits may be requested by donors.

Figure 4: Contributions to Specific Funds by donor for the first semester (in millions of USD)



GS/OAS dependencies, through their Administrative Management Support (AMS) sections, must monitor overall unspent balances and must conduct systematic reviews to assure the return of unspent funds to donor within the timeframe established in the agreements, if so required. The Department of Financial Services (DFS) also monitors overall unspent balances as well and may initiate actions to resolve these balances if instructions from GS/OAS dependencies are not received in a timely manner. By the end of June 2019 there was approximately USD 1.2 million in expired funds.

Regular Fund 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. Table 1 presents budgetary execution for the Regular Fund. Detailed execution reports by subprogram are published in the [OAS website](#).

Explanations for year-end variances (+ or - 5%)

Chapter 3 - Principal and Specialized Organs – Personnel: In subprogram 34B, there are nine positions originally projected to be filled the full year are scheduled to be filled in July; in June two positions were transferred out of subprogram 34B: a P04 was transferred to subprogram 24B and a P02 was transferred to subprogram 54B;

and an incumbent of a P01 position is in Leave without pay for half of the year. In subprogram 34C, 2 P03s positions will be filled in July. For subprograms 34D, 34E and 34F, the actual average cost of the positions is lower than the approved budget. Non-personnel: In subprogram 34B, additional resources in the amount of \$531.5 thousand were authorized to support the CIDH's Central Management System which is in critical conditions. For subprogram 34C, extra funding was authorized to cover the cost of two CPRs. Subprogram 34F received additional resources to fund a consultant.

Chapter 6 - Secretariat for Strengthening Democracy – Personnel: A P03 was transferred from subprogram 64C to subprogram 64D. In subprogram 64D, a P05 was transferred from subprogram 64A where actual personnel cost is higher than budgeted. Non-personnel: Additional resources were authorized in subprogram 64A to cover the cost of a consultant.

Table 1: Regular Fund—budgetary execution by chapter (in thousands of USD)

	a	b	c	d=b+c	e	f	g=d+f	h=g-a	i=h/a
		Year-to-date Expenditures			% of Expenditures of budget *	Projected Jul-Dec execution	Total projected execution	Projected Variances from budget *	
Chapter	Approved budget	Personnel	Non personnel	Total				In USD	In %
1 - Office of the Secretary General	2,593.3	1,113.1	44.2	1,157.3	<div><div></div></div> 44.6%	1,343.2	2,500.5	(92.8)	-3.6%
2 - Office of the Assistant Secretary General	12,370.3	4,556.8	1,646.9	6,203.7	<div><div></div></div> 50.1%	6,420.0	12,623.7	253.4	2.0%
3 - Principal and Specialized Organs	19,057.4	3,524.2	4,749.2	8,273.4	<div><div></div></div> 43.4%	9,819.1	18,092.6	(964.8)	-5.1%
4 - Strategic Counsel for Organizational Development and Management for Results	2,659.2	1,111.8	322.0	1,433.8	<div><div></div></div> 53.9%	1,250.4	2,684.2	25.0	0.9%
5 - Secretariat for Access to Rights and Equity	1,731.4	764.8	116.5	881.2	<div><div></div></div> 50.9%	826.6	1,707.8	(23.6)	-1.4%
6 - Secretariat for Strengthening Democracy	3,727.7	1,863.8	131.9	1,995.7	<div><div></div></div> 53.5%	2,079.4	4,075.1	347.4	9.3%
7 - Executive Secretariat for Integral Development	8,322.4	2,213.1	696.3	2,909.3	<div><div></div></div> 35.0%	4,854.9	7,764.2	(558.2)	-6.7%
8 - Secretariat for Multidimensional Security	4,251.0	1,746.3	328.9	2,075.2	<div><div></div></div> 48.8%	2,306.8	4,382.0	131.0	3.1%
9 - Secretariat for Hemispheric Policies	2,392.3	1,093.3	117.9	1,211.2	<div><div></div></div> 50.6%	1,202.7	2,413.9	21.6	0.9%
10 - Secretariat for Legal Affairs	4,028.3	1,752.8	221.5	1,974.2	<div><div></div></div> 49.0%	1,978.1	3,952.4	(75.9)	-1.9%
11 - Secretariat for Administration and Finance	9,539.5	4,465.9	424.9	4,890.8	<div><div></div></div> 51.3%	4,847.6	9,738.4	198.9	2.1%
12 - Basic Infrastructure and Common Costs	10,653.5	7.9	5,825.6	5,833.5	<div><div></div></div> 54.8%	5,548.1	11,381.6	728.1	6.8%
13 - Compliance Oversight Management Bodies	1,373.7	499.6	176.4	676.1	<div><div></div></div> 49.2%	707.6	1,383.7	10.0	0.7%
Total	82,700.0	24,713.3	14,802.2	39,515.5	<div><div></div></div> 47.8%	43,184.5	82,700.0	(0.0)	0.0%

* Refers to approved budget.

Chapter 7 - The Executive Secretariat for Integral Development – Personnel: In subprogram 74A, a P04 position budgeted for the full year will be filled in October, another P04 position will be filled in July. A P02 was transferred to subprogram 74D. In subprogram 74C, a P02 fully budgeted will be filled in July. In subprogram 74D, 3 P01s and one P03 fully budgeted will be filled in July. Non-personnel: Additional resources were authorized for subprograms 74A and 74C to cover the cost of one CPR for each area.

Chapter 12 – Basic Infrastructure and Common Costs – Non-personnel: Additional resources were authorized to cover the following costs: OAS General Insurance Portfolio (subprogram 134E); recruitment costs, transfers of staff and language test (subprogram 124G); budgetary shortfall for the required cleaning, janitorial and gen-














eral services for building management and maintenance operations (subprogram 124U) and to cover the required annual operating budget for security contract services (subprogram 124V.)

ICR Fund budgetary execution by chapter

Table 2 presents budgetary execution for the ICR Fund. Detailed execution reports by subprogram are published in the [OAS website](#).

— End of section —

Table 2: Fund for ICR—budgetary execution by chapter (in thousands of USD)

Chapter	Approved budget	Year-to-date Expenditures			% of Expenditures of budget *	Projected Jul-Dec execution
		Personnel	Non personnel	Total		
1 - Office of the Secretary General	492.7	-	226.4	226.4	 46.0%	266.3
2 - Office of the Assistant Secretary General	89.7	-	28.2	28.2	 31.4%	58.1
3 - Principal and Specialized Organs	35.0	-	14.0	14.0	 40.0%	21.0
4 - Strategic Counsel for Organizational Development and Management for Results	1,076.9	264.6	324.2	588.8	 54.7%	470.1
5 - Secretariat for Access to Rights and Equity	115.7	67.9	-	67.9	 58.7%	74.5
6 - Secretariat for Strengthening Democracy	661.1	237.0	83.0	320.0	 48.4%	308.8
7 - Executive Secretariat for Integral Development	263.7	84.1	25.2	109.4	 41.5%	100.9
8 - Secretariat for Multidimensional Security	475.1	194.4	27.0	221.4	 46.6%	237.2
9 - Secretariat for Hemispheric Policies	127.1	91.7	-	91.7	 72.1%	111.5
10 - Secretariat for Legal Affairs	-	-	-	-	**	-
11 - Secretariat for Administration and Finance	1,498.0	648.3	117.0	765.3	 51.1%	719.9
12 - Basic Infrastructure and Common Costs	499.8	-	111.1	111.1	 22.2%	391.3
13 - Compliance Oversight Management Bodies	145.2	-	1.0	1.0	 0.7%	175.2
Total	5,480.0	1,588.0	957.3	2,545.3	 46.4%	2,934.7

* Refers to approved budget.

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)

		Service and Revolving Funds					
		Regular Fund	Development Cooperation Fund	Specific Funds	Fund for Indirect Cost Recovery (ICR)	Other accounts	Total (1)
INFLOWS							
Quota payments, pledges and contributions:							
Quarter 1		12,645	5	10,045	-	-	22,695
Quarter 2		27,930	66	12,956	-	-	40,952
Quarter 3		-	-	-	-	-	-
Quarter 4		-	-	-	-	-	-
Total quota payments, pledges and contributions		40,575	71	23,001	-	-	63,647
Interest income (2)		42	33	351	-	30	456
Rental income		-	-	-	-	168	168
Tax reimbursement		-	-	-	-	46	46
Transfers, other income and refunds		326	29	3	3,959	3,133	7,450
a	Total inflows	40,943	133	23,355	3,959	3,377	71,767
OUTFLOWS							
Execution:							
Expenditures:							
Quarter 1		21,176	69	14,330	1,241	2,952	39,768
Quarter 2		18,339	67	14,169	1,464	4,029	38,068
Quarter 3		-	-	-	-	-	-
Quarter 4		-	-	-	-	-	-
Total expenditures		39,515	136	28,499	2,705	6,981	77,836
Obligations		34,562	-	10,170	2,645	5,951	53,328
Prior year obligations (3)		-	-	(12,540)	(426)	(8,265)	(21,231)
Total execution (3)		74,077	136	26,129	4,924	4,667	109,933
FONDEM grants		-	-	-	-	-	-
Return to donors		-	-	-	-	-	-
Other decreases		-	-	390	-	-	390
b	Total outflows	74,077	136	26,519	4,924	4,667	110,323
c=a-b	NET INCREASE (DECREASE) DURING PERIOD	(33,134)	(3)	(3,164)	(965)	(1,290)	(38,556)
d	Fund balances, beginning of period	7,051	5,696	45,084	3,273	(252)	60,852
e=c+d	FUND BALANCES, END OF PERIOD	(26,083)	5,693	41,920	2,308	(1,542)	22,296

(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 provide medical benefits to OAS staff members and retirees. Fund activity is limited to paying covered employees' health claims. Claim adjudication is handled by an insurance provider.
- The Leo S. 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 Rowe Memorial Benefit Fund assets are held in trust to provide certain welfare benefits for OAS employees. Both funds were established from monies and in accordance with the will of Dr. Leo S. Rowe, a former Director General of the Pan-American Union.

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

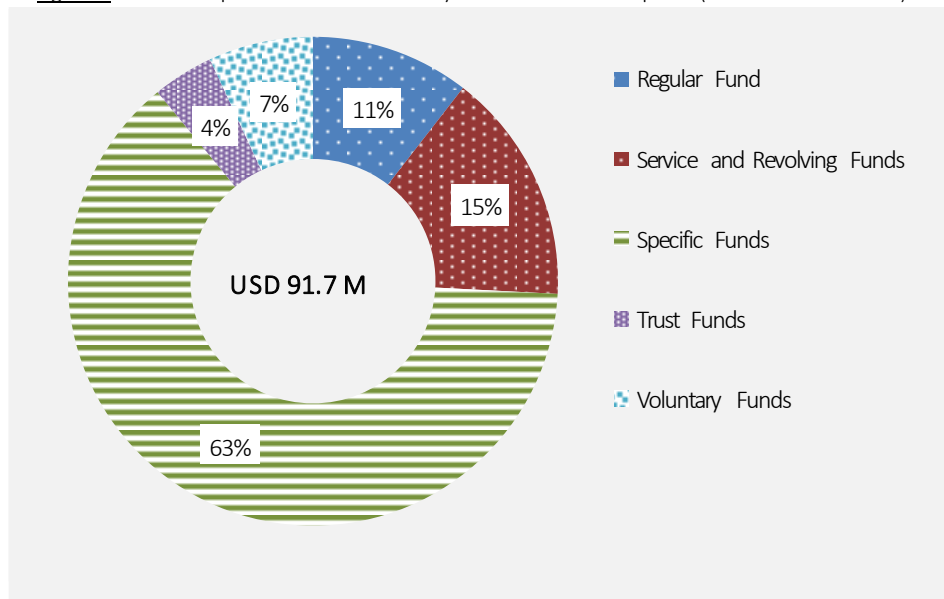
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning fund balance 01/01	1,838	49,671	17,797
Add inflows:			
Contributions and donations	2,340	6,348	-
Investment income *	14	7,204	1,891
Other Income	14	5	21
Less outflows:			
Expenses	1,993	7,917	222
Other outflows *	-	105	-
Ending fund balance 6/30	2,213	55,205	19,485

* Includes net realized and 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 semester the OAS Treasury Fund held USD 91.7 million in cash by the various OAS funds (Figure 5). Resolutions AG/RES. 1 (LIII-E/18) 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 if needed. There are no loans pending to be reimbursed to the Treasury Fund.

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 175.5 thousand was credited in prompt payment discounts as well as USD 21.4 thousand in payments in advance.

The GS/OAS had USD 96.6 million in quota receivable (i.e. balance due) at the beginning of the year, USD 85.0 million from current quota assessment and USD 11.6 million for quotas in arrears—columns **(a)** and **(e)** in Table 5, respectively. By the end of the first semester of 2019, the GS/OAS had received USD 39.7 million towards the current quota assessment (column **b** in Table 5) leaving a current period balance of USD 45.3 million. The amount does not reflect discounts credited for prompt payment.

At the same time, the GS/OAS received USD 1.0 million towards the prior year quota balance (column **f** in Table 5), still leaving a prior year balance of USD 10.6 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, 23 member states are current and/or considered current with their quota assessment and 11 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. Four member states within this group have not paid their quota balance in arrears (Tables 6 and 7).

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

	(a)	(b)	(c = a - b)	(d = b / a)	(e)	(f)	(g = e - f)	(h = f / e)	(i = [b + f]/[a + e])
Year	Assessed quotas	Collection on assessed quotas	Current Period collection balance	Current year collection progress	Prior year quotas balance	Collection on prior year quotas	Prior year collection balance	Prior year collection progress	Total collection progress
2015	82,440,400	42,399,048	40,041,352	51%	11,700,047	71,152	11,628,895	1%	45%
2016	82,440,400	43,805,703	38,634,697	53%	19,660,941	4,059,562	15,601,379	21%	47%
2017	84,969,900	51,055,826	33,914,074	60%	14,865,171	7,801,126	7,064,045	52%	59%
2018	84,958,900	42,203,815	42,755,085	50%	11,995,843	3,086,867	8,908,976	26%	47%
2019	84,958,900	39,700,858	45,258,042	47%	11,651,497	1,048,819	10,602,678	9%	42%

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 2019 (by quarter)				2019 net payments	2020 proj. advance payments
						Q1	Q2	Q3	Q4	Year-end balance due	
1. Current and/or considered current											
1.a. Paid in full											
Bahamas, Commonwealth of	40.1	-	40.1	-	40.1	39.3	0.8	-	-	40.1	-
Barbados	22.2	-	22.2	-	22.2	22.2	-	-	-	22.2	-
Bolivia	59.7	-	59.7	-	59.7	59.7	-	-	-	59.7	-
Canada	8,364.0	-	8,364.0	167.3	8,196.7	8,196.7	-	-	-	8,196.7	-
Chile	1,207.5	-	1,207.5	-	1,207.5	1,207.5	-	-	-	1,207.5	-
Colombia	1,397.8	1,048.8	2,446.6	-	2,446.6	2,446.6	-	-	-	2,446.6	-
Costa Rica	218.5	-	218.5	5.7	212.8	212.8	-	-	-	212.8	-
Dominica, Commonwealth of**	18.8	-	18.8	-	18.8	18.8	-	-	-	18.8	-
El Salvador	64.9	-	64.9	-	64.9	-	64.9	-	-	64.9	-
Guyana	18.8	-	18.8	0.2	18.6	18.6	-	-	-	18.6	-
Haiti	18.8	-	18.8	18.3	0.5	-	0.5	-	-	0.5	-
Honduras	36.7	-	36.7	0.4	36.3	36.3	0.0	-	-	36.3	-
Jamaica	45.2	-	45.2	1.4	43.8	43.8	-	-	-	43.8	-
Nicaragua	18.8	-	18.8	0.6	18.2	18.8	-	-	-	18.8	0.6
Paraguay	74.2	-	74.2	2.8	71.4	74.2	-	-	-	74.2	2.8
St. Lucia	18.8	-	18.8	-	18.8	18.8	-	-	-	18.8	-
Suriname	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	-	-	9.4	-
Argentina	2,560.2	-	2,560.2	-	2,560.2	-	100.0	-	-	100.0	-
Guatemala	145.9	-	145.9	0.2	145.7	-	124.3	-	-	124.3	-
Mexico	5,521.4	-	5,521.4	-	5,521.4	-	1,840.5	-	-	1,840.5	-
Panama	163.0	-	163.0	-	163.0	-	80.0	-	-	80.0	-
Peru	857.7	-	857.7	-	857.7	-	555.3	-	-	555.3	-
2. Not current (not paid in full and no payment plan)											
2.a. Without arrears											
Belize	18.8	-	18.8	-	18.8	-	-	-	-	-	18.8
Brazil	10,630.6	-	10,630.6	-	10,630.6	-	-	-	-	-	10,630.6
Dominican Republic	228.7	0.0	228.7	-	228.7	226.2	-	-	-	226.2	2.6
Ecuador	343.1	-	343.1	-	343.1	-	-	-	-	-	343.1
Trinidad and Tobago	110.1	-	110.1	-	110.1	-	-	-	-	-	110.1
United States	50,750.7	-	50,750.7	0.1	50,750.6	-	25,140.1	-	-	25,140.1	25,610.4
Uruguay	254.3	-	254.3	-	254.3	-	-	-	-	-	254.3
2.b. With arrears											
Grenada	18.8	147.4	166.2	-	166.2	-	-	-	-	-	166.2
St. Kitts and Nevis	18.8	18.8	37.6	-	37.6	-	-	-	-	-	37.6
St. Vincent and the Grenadines	18.8	16.4	35.2	-	35.2	-	-	-	-	-	35.2
Venezuela	1,655.6	10,420.0	12,075.6	-	12,075.6	-	-	-	-	-	12,075.6
TOTAL	84,958.9	11,651.5	96,610.4	196.8	96,413.5	12,645.0	27,930.0	-	-	40,575.0	3.4

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

** The Permanent Council on March 23, 2018, approved the request from the Permanent Mission of the Commonwealth of Dominica (CP/CAAP-3501/18) for a full waiver of its 2018 and 2019 yearly quota payments to the Regular Fund

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

	Net payments received in 2019												2019 Net	Net
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	payments	payments
													in %	in %
1. Current and/or considered current														
1.a. Paid in full														
Bahamas, Commonwealth of	-	39.3	-	-	0.8	-	-	-	-	-	-	-	40.1	0.1%
Barbados	-	-	22.2	-	-	-	-	-	-	-	-	-	22.2	0.1%
Bolivia	-	59.7	-	-	-	-	-	-	-	-	-	-	59.7	0.1%
Canada	8,196.7	-	-	-	-	-	-	-	-	-	-	-	8,196.7	20.2%
Chile	-	-	1,207.5	-	-	-	-	-	-	-	-	-	1,207.5	3.0%
Colombia	662.0	1,784.5	0.0	-	-	-	-	-	-	-	-	-	2,446.6	6.0%
Costa Rica	-	212.8	-	-	-	-	-	-	-	-	-	-	212.8	0.5%
Dominica, Commonwealth of**	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
El Salvador	-	-	-	-	-	64.9	-	-	-	-	-	-	64.9	0.2%
Guyana	-	-	18.6	-	-	-	-	-	-	-	-	-	18.6	0.0%
Haiti	-	-	-	0.5	-	-	-	-	-	-	-	-	0.5	0.0%
Honduras	-	-	36.3	-	0.0	-	-	-	-	-	-	-	36.3	0.1%
Jamaica	43.8	-	-	-	-	-	-	-	-	-	-	-	43.8	0.1%
Nicaragua	-	18.8	-	-	-	-	-	-	-	-	-	-	18.8	0.0%
Paraguay	-	-	74.2	-	-	-	-	-	-	-	-	-	74.2	0.2%
St. Lucia	-	-	18.8	-	-	-	-	-	-	-	-	-	18.8	0.0%
Suriname	-	-	-	-	-	18.8	-	-	-	-	-	-	18.8	0.0%
1.b. Not paid in full, with payment plan														
Antigua and Barbuda	-	-	4.7	4.7	-	-	-	-	-	-	-	-	9.4	0.0%
Argentina	-	-	-	-	-	100.0	-	-	-	-	-	-	100.0	0.2%
Guatemala	-	-	-	124.3	-	-	-	-	-	-	-	-	124.3	0.3%
Mexico	-	-	-	1,840.5	-	-	-	-	-	-	-	-	1,840.5	4.5%
Panama	-	-	-	-	80.0	-	-	-	-	-	-	-	80.0	0.2%
Peru	-	-	-	-	-	555.3	-	-	-	-	-	-	555.3	1.4%
2. Not current (not paid in full and no payment plan)														
2.a. Without arrears														
Belize	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Brazil	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Dominican Republic	226.2	-	18.8	-	-	-	-	-	-	-	-	-	245.0	0.6%
Ecuador	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Trinidad and Tobago	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
United States	-	-	-	12,465.1	-	12,675.1	-	-	-	-	-	-	25,140.1	62.0%
Uruguay	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
2.b. With arrears														
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
St. Kitts and Nevis	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
St. Vincent and the Grenadines	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TOTAL	9,128.8	2,115.1	1,401.1	14,435.1	80.9	13,414.1	-	-	-	-	-	-	40,575.0	100.00%
in %	22.5%	5.2%	3.5%	35.6%	0.2%	33.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

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

** The Permanent Council on March 23, 2018, approved the request from the Permanent Mission of the Commonwealth of Dominica (CP/CAAP-3501/18) for a full waiver of its 2018 and 2019 yearly quota payments to the Regular Fund

Regular Fund liquidity risk assessment

In terms of liquidity, the Regular Fund began the year with a cash balance of USD 10.4 million, fluctuating through the year, ending the first semester of 2019 in USD 9.6 million (Figure 3). During the first semester the GS/OAS did not had cash deficits. Although no deficits are projected through the end of 2019, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund.

Table 8: Regular Fund monthly cash flow 2019
(in millions of USD)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	10.41	11.83	7.05	0.69	9.29	2.89	9.62	5.23	3.46	7.76	10.10	2.97	10.41
Inflows													
Net quota payments	8.47	1.74	1.40	14.44	0.08	13.40	2.12	5.31	10.64	10.07	0.00	15.44	83.11
Other income	0.67	0.43	0.01	0.00	0.00	0.05	0.00	0.00	0.00	0.05	0.00	0.09	1.30
b Total inflows	9.14	2.17	1.41	14.44	0.08	13.45	2.12	5.31	10.64	10.12	0.00	15.53	84.41
Outflows													
2019 expenses	6.99	6.68	7.48	5.52	6.44	6.65	6.32	7.06	6.33	7.76	7.11	6.36	80.72
2018 expenses	0.73	0.27	0.29	0.32	0.04	0.07	0.19	0.02	0.01	0.02	0.02	0.02	2.00
c Total outflows	7.72	6.95	7.77	5.84	6.48	6.72	6.51	7.08	6.34	7.78	7.13	6.38	82.70
d=b-c Net cash flow	1.42	(4.78)	(6.36)	8.60	(6.40)	6.73	(4.39)	(1.77)	4.30	2.34	(7.13)	9.15	1.71
e From/to Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f=a+d+e Ending cash balance	11.83	7.05	0.69	9.29	2.89	9.62	5.23	3.46	7.76	10.10	2.97	12.12	12.12
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 2019. Amounts in this column include discounts for prompt payment and payments in advance so they may differ slightly from 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— First semester of 2019

	Regular Fund					Total	Specific Funds - Fund Balance
	Current Year Collection *	Prior Year Bal. Collection	Development Cooperation Fund	Specific Funds	Trust for the Americas		
Member state							
Antigua and Barbuda	9,400	-	-	-	-	10,400	9,400
Argentina	100,000	-	-	177,031	-	485,471	277,031
Bahamas, Commonwealth of	40,100	-	-	15,000	-	836	55,100
Barbados	22,200	-	-	5,000	-	42,326	27,200
Belize	-	-	-	7,045	-	6,045	7,045
Bolivia	59,700	-	-	238,902	-	70,695	298,602
Brazil	-	-	-	100,000	-	5,481,607	100,000
Canada	8,364,000	-	-	1,250,619	-	11,405,758	9,614,619
Chile	1,207,500	-	-	-	-	1,217,500	1,207,500
Colombia	1,397,800	1,048,774	-	386,243	-	490,717	2,832,817
Costa Rica	218,500	-	-	20,563	-	255,313	239,063
Dominica, Commonwealth of	-	-	5,100	-	-	-	5,100
Dominican Republic	226,134	45	-	83,310	-	412,823	309,488
Ecuador	-	-	-	-	-	-	-
El Salvador	64,900	-	-	28,800	-	125,800	93,700
Grenada	-	-	-	10,000	-	5,000	10,000
Guatemala	124,487	-	-	-	-	171,109	124,487
Guyana	18,800	-	6,681	2,619	-	97,037	28,100
Haiti	18,800	-	-	-	-	18,800	18,800
Honduras	36,700	-	-	262,208	-	187,905	298,908
Jamaica	45,200	-	-	-	-	60,125	45,200
Mexico	1,840,467	-	-	600,000	-	1,672,742	2,440,467
Nicaragua	18,800	-	-	-	-	18,800	18,800
Panama	80,000	-	-	132,647	-	222,309	212,647
Paraguay	74,200	-	-	50,000	-	129,133	124,200
Peru	555,317	-	58,911	34,118	-	918,960	648,346
St. Kitts and Nevis	-	-	-	-	-	5,000	-
St. Lucia	18,800	-	-	10,501	-	18,850	29,301
St. Vincent and the Grenadines	-	-	-	-	-	-	-
Suriname	18,800	-	-	-	-	-	18,800
Trinidad and Tobago	-	-	-	15,000	-	80,000	15,000
United States	25,140,253	-	-	9,497,401	208,379	29,949,159	34,846,032
Uruguay	-	-	-	5,000	-	47,500	5,000
Venezuela	-	-	-	-	-	-	-
Total	39,700,858	1,048,819	70,692	12,932,008	208,379	53,607,721	

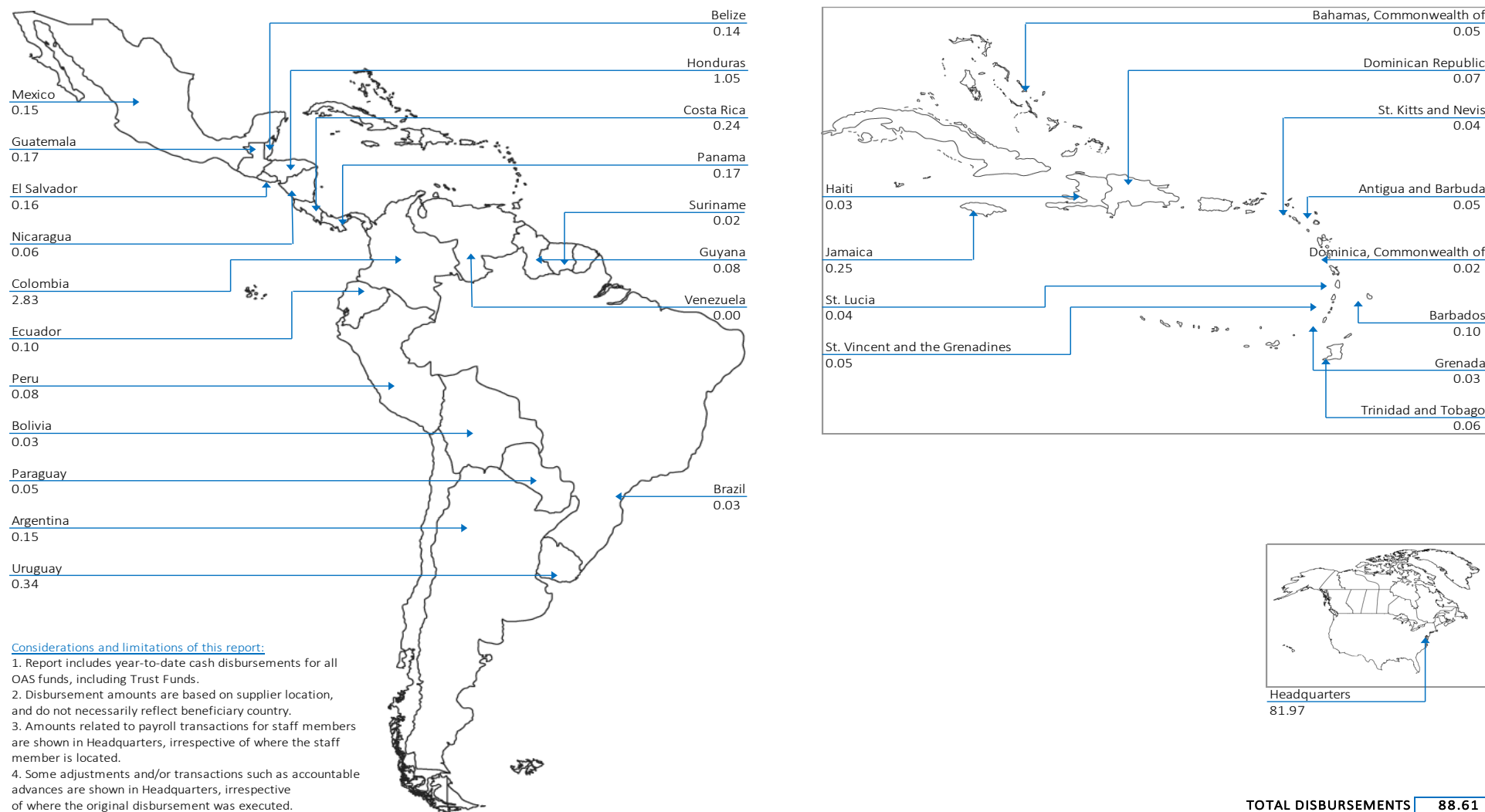
* Include prompt payment credits and/or payments in advance.

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-

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

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



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 5,778,992 from transfers of several sources bringing the appropriation to a total of USD 26,794,931. In addition, the fund has earned interest of USD 3,036,352 through March 31, 2019, which has been distributed to each of its activities, interest for the second quarter of 2019 are still pending to be recorded at the time of presentation of this report. Thus, the total funding to date provided to the fund is USD 29,831,285.

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
From Inception (January 7, 2003) to June 30, 2019

	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	-	(4,489,091)	318,813	29,722	-	29,722
Main and Administrative Building Technology Improvement	-	-	1,700,031	86,042	1,786,073	1,786,073	-
CP/CAAP-3022/09 - Use of Capital Building Fund	-	-	1,208,946	54,610	1,263,556	1,263,556	-
Subtotal	4,200,000	-	(1,580,114)	459,465	3,079,351	3,049,629	29,722
<u>Special Revenue Fund Technical Areas</u>							
UPD Conflict Resolution Initiatives	400,000	-	(13,913)	22,107	408,194	408,194	-
Fund for Peace	1,000,000	-	(527,519)	59,595	532,076	532,076	-
Fund for Peace Sub-fund	-	-	419,858	40,350	460,208	460,208	-
Cuenca Rio Negro Honduras / Nicaragua	-	-	97,140	4,742	101,882	101,882	-
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	-	(25,350)	155,011	2,529,661	2,529,661	-
Management Study	1,000,000	-	(259,542)	20,522	760,980	760,980	-
OAS Fellowships, Scholarships and Training Programs	5,000,000	415,941	6,476,592	1,786,772	13,679,305	9,972,097	3,707,208
Summit of Americas Mandates	4,000,000	-	(49,166)	447,823	4,398,657	4,207,172	191,485
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	5,778,992	3,036,352	29,831,285	25,902,870	3,928,415

* 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 assistant 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	26,042	-	-	-	420	23,078	1,984	4,107	29,588	55,630	1.9%
Argentina	-	-	-	-	649	36	3,163	27,523	31,371	31,371	1.1%
Bahamas, Commonwealth of	141,758	-	-	-	3,970	756	1,817	4,672	11,215	152,973	5.2%
Barbados	129,307	-	-	-	4,630	23,306	13,147	3,712	44,796	174,103	5.9%
Belize	133,550	-	-	-	3,963	959	605	8,355	13,881	147,431	5.0%
Bolivia	87,309	-	128	920	1,168	8,595	1,611	13,130	25,552	112,861	3.8%
Costa Rica	40,229	-	-	-	27,422	20,317	2,030	1,131	50,900	91,128	3.1%
Dominica, Commonwealth of	21,284	-	-	-	313	10,665	6,132	1,036	18,146	39,429	1.3%
Dominican Republic	85,381	-	861	-	5,247	22,037	-	11,411	39,556	124,937	4.2%
Ecuador	-	-	-	-	724	9,952	23,400	10,144	44,220	44,220	1.5%
El Salvador	105,960	-	-	-	2,834	18,689	6,296	1,769	29,588	135,548	4.6%
Grenada	34,884	-	-	-	2,696	15,003	-	2,281	19,981	54,865	1.9%
Guatemala	89,310	-	-	-	1,943	11,183	15,071	9,930	38,126	127,437	4.3%
Guyana	93,239	-	-	-	2,284	2,301	2,906	3,046	10,537	103,776	3.5%
Haiti	18,694	-	-	-	4,551	50,433	-	37,386	92,370	111,064	3.8%
Honduras	82,439	-	50	-	3,890	16,908	-	18,691	39,538	121,977	4.1%
Jamaica	107,078	-	50	-	842	12,960	7,241	828	21,921	128,999	4.4%
Mexico	139,619	-	-	-	4,053	309	-	2,347	6,709	146,328	5.0%
Nicaragua	28,669	-	-	-	1,025	8,397	-	4,422	13,845	42,514	1.4%
Panama	34,545	-	-	-	378	17,297	2,190	7,297	27,163	61,707	2.1%
Paraguay	113,211	-	-	-	5,562	18,278	2,655	14,170	40,664	153,875	5.2%
Peru	117,880	-	-	-	4,090	15,918	9,904	9,114	39,026	156,906	5.3%
St. Kitts and Nevis	21,697	-	-	-	397	11,426	4,022	3,811	19,655	41,353	1.4%
St. Lucia	19,352	-	-	-	368	15,551	7,678	2,523	26,120	45,472	1.5%
St. Vincent and the Grenadines	21,697	-	-	-	6,601	14,387	4,756	2,438	28,181	49,878	1.7%
Suriname	13,226	-	-	-	2,469	249	8,031	935	11,685	24,910	0.8%
Trinidad and Tobago	36,959	-	-	-	-	-	10,803	718	11,521	48,480	1.6%
Uruguay	134,125	-	-	104	3,092	13,786	9,235	1,290	27,507	161,633	5.5%
Venezuela	-	-	-	-	342	18,057	44,550	1,174	64,123	64,123	2.2%
HQ Support to the Offices	119,980	-	1,785	246	1,528	-	57,128	4,379	65,066	185,046	6.3%
	1,997,424	-	2,874	1,270	97,447	380,833	246,355	213,769	942,549	2,939,973	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. 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 Offices in Member States (3)	Service and Revolving Funds		Total
			Fund for Indirect Cost Recovery (ICR)	Other accounts (Fund 620)	
FUNDING					
Budget (1)					
Personnel budget	4,257,237	-	29,900	-	4,287,137
Non-personnel budget	1,297,574	-	56,400	-	1,353,974
Total budget (1)	5,554,811	-	86,300	-	5,641,111
Contributions and other income:					
Quarter 1	-	97,400	14,100	-	111,500
Quarter 2	-	160,094	14,100	-	174,194
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total contributions and other income	-	257,494	28,200	-	285,694
a Total funding available	5,554,811	257,494	114,500	-	5,926,805
DECREASES					
Execution:					
Expenditures:					
Quarter 1	1,357,863	112,313	14,100	1,879	1,486,154
Quarter 2	1,324,190	112,793	14,100	2,736	1,453,819
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total expenditures	2,682,052	225,106	28,200	4,615	2,939,973
Obligations	2,504,623	183,429	58,100	-	2,746,152
Total execution	5,186,675	408,535	86,300	4,615	5,686,125
Other decreases	-	-	-	-	-
b Total decreases	5,186,675	408,535	86,300	4,615	5,686,125
c=a-b					
d					
e=c+d					
NET INCREASE (DECREASE) DURING PERIOD	368,136	(151,040)	28,200	(4,615)	240,681
Funds available, beginning of period	73,900	490,621	-	44,766	609,286
FUNDS AVAILABLE, END OF PERIOD (2)	442,036	339,581	28,200	40,151	849,967

(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. In addition, Table 12 includes 2018 execution disbursed in 2019.

(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
- Expired and inactive Specific Funds

Key financial developments

Contributions to Specific Funds reached USD 23.0 million, approximately 53% higher than in 2018 (USD 15.1 million) and also 75% higher than in 2017 (USD 13.1 million). While contributions from member states and permanent observers increased by 68% and 59% respectively, contributions from other institutions decreased by 18%. During the first semester of 2019 two large contributions were received as part of projects performed jointly with the Pan American Development Foundation. The increase in contributions from permanent observers was seen mainly in the Human Rights and on the Democracy and Governance pillars.

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 66 thousand (based on 2018 data). Furthermore, almost 75% 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 issued 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 2019, 39 new agreements began execution for a total pledged amount of USD 8.7 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

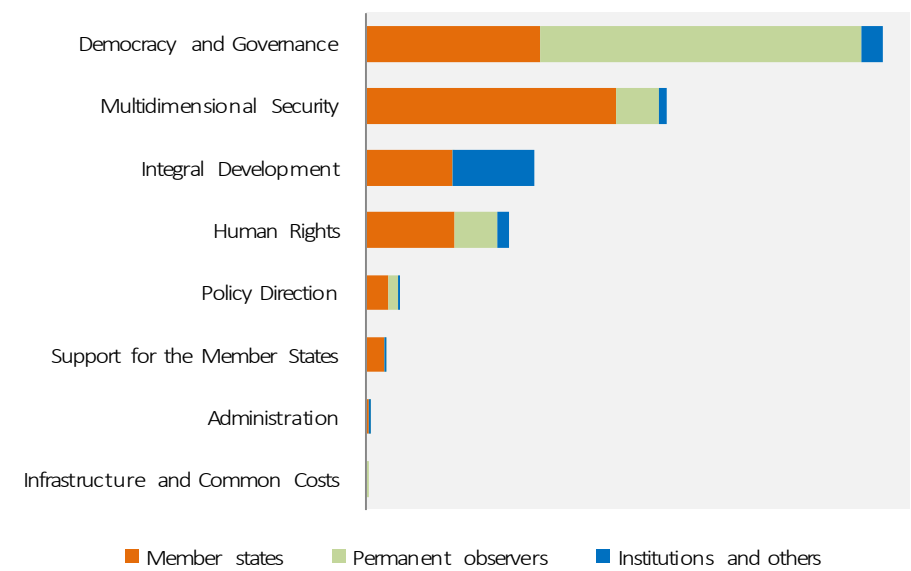
Table 13: New donor agreements starting execution this year

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	20	4,420.7	221.0	From 0 to 3 years
Permanent observers	5	3,278.3	655.7	From 0 to 3 years
Institutions and others	14	1,075.4	76.8	From 0 to 3 years
Total	39	8,774.4	225.0	

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 of 2019 the GS/OAS incurred a total of USD 28.5 million in Specific Fund expenditures. Almost 56% of that amount was financed with contributions from member states, 38% with contributions from permanent observers and 6% 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 Indirect Cost Recovery (ICR) Fund 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

With respect to compliance and oversight issues, four financial audits have been coordinated by the GS/OAS during the first semester of 2019: OAS/MAPP “Basket Fund-2018”, OAS MACCIH “Basket Fund 2017-2018” and Respond fully to the joint crisis on migration on the island of Hispaniola. In addition, the GS/OAS has collaborated with one external audit contracted directly by Sweden for OAS MACCIH. All these audits reported a satisfactory result. Currently, there are three more audits already scheduled for the second semester of 2019. Potentially, up to 11 further audits may be requested by donors. The results of these audits are expected in 2019. A detailed list of the status of financial audits is published in the [OAS website](#).

Expired and inactive Specific Funds

GS/OAS dependencies, through their Administrative Management Support (AMS) sections, must monitor overall unspent balances and must conduct systematic reviews to assure the return of unspent funds to donor within the timeframe established in the agreements, if so required. DFS also monitors overall unspent balances as well and may initiate actions to resolve these balances if instructions from GS/OAS dependencies are not received in a timely manner. By the end of the end of June 2019 there was approximately USD 1.2 million in expired funds, a detailed list of these funds is published in the [OAS website](#).

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

Chapter	a Cash balance 01/01/19	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 06/30/19	f Obligations as of 06/30/19	g=e-f Fund balance 06/30/19
Chapter 1 - Office of the Secretary General	(48,061)	85,425	25,380	147,994	(85,249)	8,432	(93,682)
Chapter 2 - Office of the Assistant Secretary General	320,431	598,076	21,666	506,630	433,543	214,026	219,516
Chapter 3 - Principal and Specialized Organs	2,405,899	4,182,170	303,975	3,753,840	3,138,204	1,773,838	1,364,366
Chapter 4 - Strategic Counsel for Organizational Development and Management for Results	531,199	72,230	138,957	247,684	494,702	65,221	429,481
Chapter 5 - The Secretariat for Access to Rights and Equity (SARE)	483,483	95,271	(108,661)	143,858	326,236	25,511	300,724
Chapter 6 - Secretariat for Strengthening Democracy (SSD)	9,548,244	8,281,574	1,334,372	12,628,703	6,535,486	2,610,574	3,924,912
Chapter 7 - The Executive Secretariat for Integral Development (SEDI)	15,958,857	738,912	(189,169)	2,279,347	14,229,252	1,367,161	12,862,091
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	14,817,539	6,539,656	305,561	7,714,540	13,948,216	3,570,180	10,378,035
Chapter 9 - The Secretariat for Hemispheric Affairs (SHA)	1,814,013	309,823	112,562	629,913	1,606,485	90,434	1,516,051
Chapter 10 - The Secretariat for Legal Affairs (SLA)	1,034,796	60,000	80,194	294,894	880,096	74,205	805,891
Chapter 11 - The Secretariat for Administration and Finance (SAF)	45,173	20,432	6,306	51,234	20,678	55,950	(35,271)
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	88,384	-	-	34,742	53,641	38,528	15,113
Chapter 13 - Compliance Oversight Management Bodies (COMB)	(545)	31,500	-	6,583	24,372	-	24,372
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	221,116	-	-	-	221,116	-	221,116
Interest to be reimbursed to USINL	25,626	-	(19,338)	-	6,289	-	6,289
Oliver Jackman Fund	160,114	-	828	-	160,942	-	160,942
Reconciliation / Write-Off	84,925	-	(4,066)	-	80,859	-	80,859
Resolution CP 831/2002	4,231,330	-	32,024	58,627	4,204,726	276,310	3,928,416
Unprogrammed Funds	5,896,481	1,986,000	(2,076,952)	-	5,805,528	-	5,805,528
Specific Funds Interest to ICR	-	-	-	-	-	-	-
Inter-American Emergency Aid Fund (FONDEM)	5,401	-	-	-	5,401	-	5,401
Total	57,624,405	23,001,070	(36,362)	28,498,590	52,090,523	10,170,372	41,920,151

* 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.