

Prospective Joint Annual Budget

September 2017

This document provides an overview and analysis of a joint annual budget for the proposed new Council. It is based on the anticipated joint income and expenditure of ISSC and ICSU in 2018, reflecting current membership fee structures and secured grants, as well as existing activities, including externally funded programmes. With regard to core expenditure on governance, human resources and administration, it reflects anticipated costs based on proposed new governance arrangements (as per the draft Statutes and Rules of Procedure) and a merged secretariat including existing ICSU and ISSC members of staff.

Prospective Joint Annual Budget

Income	
Membership Income	
National Members	€ 2,780,000.00
International Scientific Members	€ 190,000.00
Affiliate Members	€ 20,000.00
French contribution	€ 100,000.00
Interest (from bankaccount)	€ 10,000.00
Grants and external funding	
National Science Foundation (NSF) Grant	€ 415,000.00
International Centre of Excellence (Tapei) Grant for IRDR	€ 250,000.00
SIDA Grant for Transformations to Sustainability	€ 1,250,000.00
SIDA grant for LIRA 2030 Africa Programme	€ 1,530,000.00
IDRC Grant for INGSA, until 2019	€ 390,000.00
External funding*	€ 200,000.00
Total Income	€ 7,135,000.00
Expenditure	
International Programmes and Networks	
General	€ 550,000.00
Transformations to Sustainability	€ 950,000.00
Leadership in Research for Africa (LIRA 2030)	€ 1,185,000.00
INGSA	€ 360,000.00
Policy activities and publications	€ 250,000.00
Grants programme	€ 300,000.00
Governance meetings, including GA's and Policy Advisory	€ 290,000.00
Contributions to ICSU Regional Offices	€ 225,000.00
Outreach and communications	€ 190,000.00
Human resources	€ 2,600,000.00
Administration, including infrastructure and housing	€ 200,000.00
Total Expenditure	€ 7,100,000.00
Result	€ 35,000.00
*External funding needs to be raised on an annual basis and budgeted income is based on previous funding results	

Additional points to note include:

1. Income sources

The new Council's income will initially come primarily from two sources: a) membership fees, and b) earmarked funds from external sources. Additional support for implementing the Council's future agendas of priority projects and campaigns will require the development of an effective resource mobilization strategy, which should include feasible options (e.g. the establishment of an endowment fund) for securing additional core resources.

Share of Income Sources (totaling 7.1 million EUR per annum):

- 42% : Member fee income
Distribution between membership categories:
 - 39% : National Members
 - 2.6% : Scientific Members
 - 0.4% : Affiliate Members
- 1.5% : French subvention
- 56.5% : Grants and external funding

2. Present Grants and External Funding

In the overview below, the present grants and other external funding agreements have been listed for the new Council, also indicating the secured provided funds for the years to come and their end dates. In line with the high-level strategy the new Council will pursue renewal of certain of the listed agreements.

Funding Organisation	Grant	<i>Contract date</i>	2018	2019	2020	<i>End of Grant</i>
National Science Foundation (NSF; USA)	Support for ICSU global sustainability and environmental research activities	20/12/2013	415,000	415,000	415,000	1/9/2020
Academy of Science located in Taipei	Establishment of an Integrated Research on Disaster Risk Int. Centre of Excellence in Taipei	20/10/2014	250,000	250,000	250,000	1/11/2020
Swedish International Development Cooperation Agency (SIDA) (Phase 2 under negotiation, 2018-22)	Grant for Transformations to Sustainability	31/1/2014	1,250,000			30/9/2018
Swedish International Development Cooperation Agency (SIDA)	Grant for LIRA 2030 Africa Programme	10/3/2016	1,530,000	1,500,000	320,000	1/12/2020
International Development Research Centre (IDRC)	Grant for INGSAs for 'Effective science advice for governments in the developing world	4/10/2017	390,000	390,000		1/1/2020

3. Reoccurring income and expenditure

A part of the income and expenditure are reoccurring annually and are only partly or indirectly grant or programme related. The reoccurring income consists of membership fees and French host contribution. The reoccurring expenditures include salaries, governance expenditure, communications and administration costs and Regional Office contributions. Although a part of the grant and external funds are also used for these expenditures, it would be preferable to have the reoccurring expenditures covered by the reoccurring income.

- Reoccurring income:
 - Membership Dues (42% of total income)
 - French hosting contribution (1.5% of total income)

- Reoccurring expenditure:
 - Governance (4% of total expend.)
 - Contributions to Regional Offices (3% of total expend.)
 - Human Resources (37% of total expend.)
 - Outreach and Communications (3% of total expend.)
 - Administration (3% of total expend.)

There remains a need to secure external funding on an annual basis. Both organizations have shown the ability to successfully secure such funding for programmes and activities, including funding that contributes to the reoccurring expenditures.

4. The new council has an overreliance on two sources of external funding

The American and Swedish funders, National Science Foundation (NSF) and the Swedish International Development Cooperation Agency (SIDA), respectively, provide the bulk of the earmarked funds of the new organization. This leaves the new Council vulnerable if one of the organizations decides to cut or significantly reduce its funding. It is important for the new Council to diversification its external funding sources, not only from a financial risk standpoint, but also to show a broad consensus for its activities. It also reduces the chance that the funders have an undesired influence on the agenda setting of the new Council.

5. Hosting support and arrangements

In 2016 the French government reduced the hosting funding for ICSU from € 500,000 to € 100,000. Ongoing conversations are held between ICSU and the French Government to increase the amount, but it is uncertain whether that can be achieved. The rent-free use of the building at Rue Auguste Vacquerie in Paris represents a substantial contribution from France equaling the value of € 160,000 annually, and has been secured until the end of 2024.

6. Status of assets and reserves

The new Council will most likely have significant reserves when it starts. ICSU and ISSC together had a reserve total of € 3,852,393 at the beginning of 2017. A budgeted deficit over the year 2017 for ICSU will bring that total down, but a total combined reserve at the beginning of 2018 of significantly over € 3 million is still expected to remain.