

## **Item 15: Budget Proposal and National Subscription 2002-2003**

### **Budget Proposal and National Subscription 2002-2003**

As you have seen in the Treasurer's Review and the Report of the Finance Committee, the financial situation of IUPAC is still strong. However there are serious signs that the present conditions may not be sustainable. Changing our "modus operandi" from mostly commission work to project related activities in the Divisions and in addition, proposals to modify the calculations for the National Subscriptions are cause for concern. The following pages contain the proposed budget, the proposed Division and Standing Committee allocations, and the calculated National Subscriptions based on the proposed budget.

The format of the budget has been revised from that used in the past to emphasize the sources of the Union's funds and the uses of those funds. The categories used should be self-explanatory. Due to the moderate OECD inflation of <3% we are proposing an increase of only 1% per annum for the national subscriptions. The subscriptions of individual NAO's will depend on changes in the chemical turnover since the last Council. As in the past, the chemical turnover values have been taken from latest UNIDO figures. Depending on the accuracy of data and to fill gaps CEFIC figures were adopted as well. In some cases where the differences in the chemical turnover figures are large - we are proposing a stepwise increase. I will review the proposed budget in more detail at Brisbane.

We think that with the new way of operation IUPAC shows positive attitude to change. For sustainability of our operations, we are asking for your support, commitment and enthusiasm. IUPAC has the intention to give to all its members a great value for money. It is therefore important that we can count on your financial support and help.

### **Budget Allocations to Divisions and Standing Committees 2002-2003**

2002- 2003 will be a critical period for IUPAC finances because of a number of unanswered questions about the new mode of operations for IUPAC. For example, how will the change from commission-driven work to the project-drive process effects our expense pattern?

After extensive discussion, the Finance - and the Executive Committees have set the following ground-rules for the next budgeting period:

- The Divisional and the Standing Committee budgets are based on past expenses in the years 1998-1999.
- General Assembly funds are allocated only to those bodies that are required to meet at the General Assembly. (Division Committees and Standing Committees)
- The Divisions receive an additional 10 000 USD on top of the 1998-1999 allocations. Divisions and Standing Committees 1998-1999 are inflated by 10%.
- The Division Reserve can be drawn on by Divisions, and possibly Standing Committees, for projects that are within their normal purview but outside that of the Project Committee.

These guidelines were generally outlined in the Bureau meeting at Cobham. The proposed allocations are shown after the budget page.

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### 2002-3 Budget (Sources and Uses)

	Budget 2002-3	Est. Actual 2000-1	Change Increase/ (Decrease)
National Subscriptions	\$1,387.6	\$1,355.9	\$31.7
Dividends & Interest	\$240.0	\$248.7	(\$8.7)
Other Income	\$48.0	\$41.5	\$6.5
Publications	\$869.6	\$868.7	\$0.9
AMP and CI	(\$22.0)	(\$8.4)	\$13.6
Administrative	(\$870.0)	(\$813.9)	\$56.1
General	(\$271.0)	(\$256.6)	\$14.4
General Assembly	(\$228.5)	(\$503.2)	(\$274.7)
Advisory Standing Committees	(\$139.7)	(\$165.0)	(\$25.3)
<i>Ad Hoc</i> Committees		(\$102.7)	
Operating Standing Committees	(\$67.6)	(\$45.0)	\$22.6
Division Operations	(\$119.6)	(\$220.0)	(\$100.4)
Division Projects	(\$826.8)	(\$386.8)	\$440.0
Net	<u>\$0.0</u>	<u>\$13.1</u>	(\$13.1)

Amounts in thousands of USD

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### Budget Allocations 2002-2003

#### **Divisions**

I Physical	65.3
II Inorganic	51.2
III Organic	52.9
IV Macromolecular	47.5
V Analytical	56.6
VI Chemistry & the Environment	68.0
VII Chemistry & Human Health	69.8
VIII "Nomenclature" Proposed	67.0
Divisional Reserve	207.6
<b>Total Divisions</b>	<b><u>685.9</u></b>

#### **Standing Committees**

Executive	35.3
Bureau	40.5
CHEMRAWN	29.3
CPEP	16.4
CTC	18.3
COCI	20.0
FC	13.3
Evaluation Committee	4.0
IDCNS	17.1
JCBN	13.0
<b>Total Standing Committees</b>	<b><u>207.3</u></b>

Amounts in thousands of USD

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<b>NAO</b>	<b>2002</b>	<b>2003</b>
USA	113.0	114.1
Japan	69.4	70.1
Germany	47.2	47.6
China/Beijing	39.3	39.7
France	38.1	38.5
UK	28.9	29.2
Italy	28.3	28.5
India	20.9	21.1
Korea, Republic of	20.6	20.8
Belgium	20.1	20.3
Spain	19.8	20.0
Netherlands	19.3	19.5
Brazil	17.4	17.5
Switzerland	17.1	17.2
Canada	15.9	16.1
China/Taipei	15.5	15.6
Puerto Rico	15.4	15.5
Ireland	12.4	12.5
Russia	12.1	12.2
Australia	11.0	11.1
Turkey	9.4	9.5
Sweden	9.0	9.0
South Africa	7.7	7.7
Poland	6.9	7.0
Denmark	6.3	6.4
Israel	6.3	6.3
Finland	6.1	6.2
Austria	5.9	5.9
Portugal	5.2	5.2
Chile	5.1	5.2
Norway	5.1	5.1
New Zealand	5.1	5.1
Argentina	4.8	4.8
Czech Republic	4.3	4.3
Egypt	4.3	4.3
Greece	4.0	4.1
Hungary	3.7	3.7
Slovenia	3.4	3.5
Slovakia	2.2	2.2
Bulgaria	1.7	1.7
Yugoslavia	1.0	1.0
Croatia	1.0	1.0
Kuwait	1.0	1.0
Total	<u>691.2</u>	<u>697.3</u>

Amounts in thousands of USD