Note on Funding Arrangements

**Designated grants** IISD receives funding from a variety of public and private sources to finance specific projects relating to its strategic objectives. Projects may carry on over more than one year. The related designated grants are recorded when the funding commitment is made and recognized in revenue as the projects progress. A comparative summary of designated grant funding committed during the year is as follows:

<table>
<thead>
<tr>
<th>Governments and agencies</th>
<th>2008 ($000's)</th>
<th>2007 ($000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>2,795</td>
<td>2,115</td>
</tr>
<tr>
<td>International</td>
<td>5,840</td>
<td>4,514</td>
</tr>
<tr>
<td></td>
<td>8,635</td>
<td>6,629</td>
</tr>
<tr>
<td>United Nations agencies</td>
<td>715</td>
<td>667</td>
</tr>
<tr>
<td>International organizations</td>
<td>509</td>
<td>445</td>
</tr>
<tr>
<td>Philanthropic foundations</td>
<td>237</td>
<td>1,249</td>
</tr>
<tr>
<td>Private sector and other</td>
<td>1,073</td>
<td>489</td>
</tr>
<tr>
<td></td>
<td>11,169</td>
<td>9,479</td>
</tr>
</tbody>
</table>

Designated grants and other revenue which includes publication sales, cost recoveries and, in the case of Administration, Fund Development and Outreach the unrealized foreign exchange gain recognized at March 31 in the amount of $22 thousand (2007 – $201 thousand gain), are summarized by activity area as follows:

<table>
<thead>
<tr>
<th>Activity Area</th>
<th>Other Revenue ($000's)</th>
<th>Innovation Funds ($000's)</th>
<th>Designated Grants ($000's)</th>
<th>Total ($000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and Investment</td>
<td>1</td>
<td>–</td>
<td>4,521</td>
<td>4,522</td>
</tr>
<tr>
<td>Reporting Services</td>
<td>–</td>
<td>–</td>
<td>2,837</td>
<td>2,837</td>
</tr>
<tr>
<td>Climate Change and Energy</td>
<td>96</td>
<td>–</td>
<td>1,334</td>
<td>1,430</td>
</tr>
<tr>
<td>Sustainable Natural Resources Management</td>
<td>15</td>
<td>–</td>
<td>1,343</td>
<td>1,358</td>
</tr>
<tr>
<td>Measurement and Assessment</td>
<td>13</td>
<td>–</td>
<td>824</td>
<td>837</td>
</tr>
<tr>
<td>Knowledge Communications</td>
<td>7</td>
<td>–</td>
<td>821</td>
<td>828</td>
</tr>
<tr>
<td>Economic Policy</td>
<td>3</td>
<td>–</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Administration, Fund Development and Outreach</td>
<td>144</td>
<td>–</td>
<td>126</td>
<td>270</td>
</tr>
<tr>
<td></td>
<td>279</td>
<td>–</td>
<td>11,837</td>
<td>12,116</td>
</tr>
<tr>
<td>Innovation Fund</td>
<td>–</td>
<td>107</td>
<td>–</td>
<td>107</td>
</tr>
<tr>
<td></td>
<td>279</td>
<td>107</td>
<td>11,837</td>
<td>12,223</td>
</tr>
</tbody>
</table>

**Operating grants** IISD has entered into renewed funding arrangements with the Government of Canada (Environment Canada and the Canadian International Development Agency (CIDA)) for a three year period from April 1, 2005 to March 31, 2008. The arrangement with CIDA provides operating grants. The arrangement with Environment Canada provides a blend of operating grants and contributions in support of research that is consistent with the interests and priorities of Canada. IISD has also renewed its funding agreements with the Government of Manitoba and the International Development Research Centre (IDRC) for five and six year periods ending March 31, 2011 and June 30, 2012 respectively. Both of these arrangements also provide for a blend of operating grants and contributions in support of research that is consistent with the interests and priorities of the funders.

A summary of the operating grant funding is as follows:

<table>
<thead>
<tr>
<th>Funding Commitment ($000's)</th>
<th>Funding Recorded 2008 ($000's)</th>
<th>Funding Recorded Prior years ($000's)</th>
<th>Funding Commitment Remaining ($000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of Canada</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment Canada</td>
<td>1,375</td>
<td>375</td>
<td>1,000</td>
</tr>
<tr>
<td>Canadian International Development Agency</td>
<td>4,280</td>
<td>1,520</td>
<td>2,760</td>
</tr>
<tr>
<td>Government of Manitoba</td>
<td>4,186</td>
<td>837</td>
<td>837</td>
</tr>
<tr>
<td>International Development Research Centre</td>
<td>1,907</td>
<td>282</td>
<td>1,625</td>
</tr>
<tr>
<td>Operating grant revenue</td>
<td>11,748</td>
<td>3,014</td>
<td>4,597</td>
</tr>
</tbody>
</table>
## Schedule of Operations By Activity Area ($000's)

### For the Year Ended March 31, 2008

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
<th>2007-2008 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$4,522</td>
<td>$2,837</td>
<td>$12,223</td>
</tr>
<tr>
<td>Personnel</td>
<td>$2,203</td>
<td>$934</td>
<td>$7,170</td>
</tr>
<tr>
<td>Collaborators</td>
<td>$1,321</td>
<td>$816</td>
<td>$6,123</td>
</tr>
<tr>
<td>Travel</td>
<td>$641</td>
<td>$1,016</td>
<td>$1,851</td>
</tr>
<tr>
<td>Rent</td>
<td>$128</td>
<td>$115</td>
<td>$263</td>
</tr>
<tr>
<td>Supplies and other</td>
<td>$131</td>
<td>$58</td>
<td>$289</td>
</tr>
<tr>
<td>Publishing</td>
<td>$131</td>
<td>$28</td>
<td>$299</td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>$55</td>
<td>$57</td>
<td>$232</td>
</tr>
<tr>
<td>Meetings</td>
<td>$171</td>
<td>$160</td>
<td>$290</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>$44</td>
<td>$35</td>
<td>$252</td>
</tr>
<tr>
<td>Board</td>
<td></td>
<td>$19</td>
<td>$119</td>
</tr>
<tr>
<td>Research materials</td>
<td>$21</td>
<td>$4</td>
<td>$58</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$4,846</td>
<td>$3,067</td>
<td>$14,856,589</td>
</tr>
<tr>
<td><strong>Excess of (expenses over designated grants and other revenue)</strong></td>
<td>$324</td>
<td>$(250)</td>
<td>$(2,634)</td>
</tr>
</tbody>
</table>

### Excess of expenses over designated grants funded by:

- Operating grants: $3,014
- Interest: $363

### Excess of revenue over expenses:

$743
## Schedule of Designated Grants Committed ($000's)

For the Year Ended March 31, 2008

### Government of Canada (and Agencies)
- International Development Research Centre (IDRC) $876
- Agriculture and Agri-Food Canada 429
- National Resources Canada 300
- Canadian International Development Agency (CIDA) 273
- Department of Foreign Affairs and International Trade 135
- International Fund for Agriculture Development (IFAD) 108
- Wildlife Conservation Society (WCS) 72
- Federal Office for Agriculture 16
- Industry Canada 10
- Indian and Northern Affairs Canada (INAC) 10
- National Round Table on Environment and Economy 9

**Total:** 2,222

### Governments of provinces
- Manitoba 477
- Alberta 53
- British Columbia 16
- Ontario 17
- Nova Scotia 5
- Quebec 5

**Total:** 573

### Governments of other nations
- Norway
  - Norwegian Agency for Development Cooperation (NORAD) 1,243
  - Ministry of Foreign Affairs 122
  - Ministry of the Environment 34
- Switzerland
  - State Secretariat for Economic Affairs (SECO) 999
  - Swiss Agency for Development and Cooperation (SDC) 106
  - Federal Office for the Environment (FOEN) 104
  - Royal Danish Ministry of Foreign Affairs 744
- Germany
  - Federal Ministry for the Environment 568
- Netherlands
  - Ministry of Foreign Affairs 427
  - Environmental Assessment Agency 28
- United Kingdom
  - Department for International Development 284
- Finland
  - Finnish Ministry of Foreign Affairs 195
- European Commission 154
- Italy
  - Italian Ministry for the Environment, Land and Sea 146
- Spain
  - Spanish Ministry of the Environment 131
- Japan
  - Institute for Global Environmental Strategies (IGES) 71
  - Global Industrial and Social Progress Research Institute (GISPRI) 28
- Austria
  - Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management 97
- Sweden
  - Ministry of the Environment of Sweden 96
- Australia
  - Australian Agency for International Development 94
- France
  - Institut de l’Energie et de l’Environnement de la Francophonie 70
- New Zealand
  - Ministry of Foreign Affairs and Trade 40

### United Nations agencies
- United Nations Environment Programme (UNEP) 547
- United Nations Framework Convention on Climate Change 67
- United Nations Industrial Development Organization (UNIDO) 31
- United Nations Food and Agriculture Organization (FAO) 19
- United Nations Development Programme (UNDP) 18
- Others (under $10,000) 33

**Total:** 715

### International organizations
- Common Fund for Commodities (CFC) 121
- The World Conservation Union (IUCN) 68
- CIFAR / IMOSEB Sec. 58
- World Resources Institute (WRI) 50
- Solidaridad (GDF) 42
- Lake Balaton Development Coordination Agency 41
- CORRAID 28
- International Centre for Environment Technology Transfer (ICETT) 18
- International Gorilla Conservation Programme (WWF) 18
- International Fund for Agricultural Development (IFAD) 16
- Organisation for Economic Co-operation and Development (OECD) 13
- International Centre for Trade and Sustainable Development (ICTSD) 12
- International Institute for Environment and Development (IIE) 10
- Others (under $10,000) 14

**Total:** 509

### Philanthropic foundations
- CitiGroup Foundation 107
- Atkinson Foundation 103
- PEW Charitable Trusts 27

**Total:** 237

### Private sector and other
- Oxfam - Quebec 253
- Manitoba Hydro 106
- Cadbury Schweppes Plc. 87
- ÉcoRessources 81
- Praire Agricultural Machinery Institute (PAMI) 50
- Alcan Inc. 45
- Bayer Crop Science A.G 35
- Transcanada Corporation 33
- Intermediate Technology Development Group (TSCTD) 32
- Shell Canada 30
- Assembly of Manitoba Chiefs 29
- PNG Forest Authority ITC 42
- Serecon Management Consulting Inc. 28
- INFRAS Consulting Group for Policy Analysis and Implementation 24
- Suncor Energy Inc. 20
- Directorate for Nature Management 20
- Holiday Travel 15
- HIVOS 15
- Conoco Phillips Canada 14
- Stratos Inc. 13
- Icelandic Soil Conservation Service 12
- Others (under $10,000) 44

**Total:** 1,073

**Subtotal:** $11,169