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I am pleased to present the Executive Director’s Report on FOCAL for the year 2006. The successes and challenges are chronicled by Mr. del Buey in his report. A high level of productivity is the result of bright, highly motivated and dedicated staff. The year presented challenges to all members, particularly unexpected difficulties in receiving funding from the Department of Foreign Affairs and International Trade, notwithstanding a signed agreement between FOCAL and DFAIT. Nevertheless, FOCAL increased its visibility and credibility over this year and maintained good relations with all principal stakeholders.

John W. Graham, Chair

Executive Director’s Report

Over this past year, FOCAL staff met a number of times to review our major thematic lines – the issues upon which FOCAL would focus and establish its expertise – as well as the way we would move ahead on the fundraising aspects of business development in a world with fewer resources available from government. FOCAL’s transition towards a more proactive client development model made rapid progress in 2006. I will leave FOCAL in February 2007 satisfied that we have managed to improve significantly our relationships with our main funders, have streamlined our costs to sustainable levels, and have introduced cutting edge management and financial practices that will enhance FOCAL’s ability to meet its and funders’ objectives in the short to medium term.

To meet our financial obligations, we restructured our staff and outsourced more administrative functions. We also hired a very capable and savvy Manager of Finance, who has revamped FOCAL’s financial reporting mechanisms, allowing us to produce reports to funders and for internal use that are far more precise and timely, yet less time consuming to produce for staff. The end result has been a better handle on our financial situation at all times, and more satisfied funders.

To ensure we meet government requirements for full accountability and value, FOCAL contracted an expert in Results Based Management (RBM) with the valued assistance of CIDA, to train FOCAL staff in this increasingly ubiquitous management technique. RBM allows us to monitor and gauge the impact, output and outcome of each of our activities, and provides funders with an excellent snapshot at any time of FOCAL’s added value to their own work, objectives, and activities.

To enhance our outreach ability, FOCAL worked closely with a media relations consultant to raise FOCAL’s profile through the effective use of and interaction with Canadian and international media. The result has been an increased number of high profile prime-time interviews on major news networks in Canada on issues with which FOCAL has expertise, a continued publication of op-ed pieces in major print media, and interviews from throughout the hemisphere on issues of bilateral and multilateral interest. We have continued to make FOCAL the “go to” place in Canada for views on hemispheric developments, increasing our profile with funders and target audiences.

On the funding side, CIDA commented positively on our improved management style and outreach to that organization, indicating it will continue to pursue its longstanding relationship with FOCAL. This is a positive development and speaks favourably to our concerted policy of engaging CIDA staff at all levels in our work,
consulting them on all issues of interest and keeping them fully informed about our progress on projects. This policy, together with the Results Based Management techniques adopted in 2005, has gone a long way towards enhancing our future relationship with that agency.

Our relationship with the Department of Foreign Affairs and International Trade (DFAIT) is in the process of transitioning from an annual contribution agreement with a set amount of funding to an ad hoc project-by-project regime. Earlier last year FOCAL signed a contract with DFAIT to extend the contribution agreement, which DFAIT was forced to abrogate due to bureaucratic difficulties. In its place FOCAL has negotiated a smaller agreement to host a conference on energy in the hemisphere and is in the process of negotiating additional agreements for specific projects with other divisions of DFAIT. Despite this year’s difficulties and setbacks, we look forward to continuing to work closely with DFAIT.

This year also saw the expansion of our media project and our Cuba project – the former funded by the Open Society Institute and CIDA, while the latter is funded by the Ford Foundation. Both projects continue with remarkable progress and provide FOCAL with a very interesting showcase for our abilities and expertise.

FOCAL has had remarkable success in leveraging in-kind resources and contributions to supplement funding from CIDA. We are on target to surpass our totals from last year in this area, which makes FOCAL a good example of aid effectiveness for the agency and other funders.

Finally, FOCAL staff met during the year to review our mission and our business development practices with a view towards reducing our dependency on government funding, and increasing our reach into the private and not-for-profit sector (foundations and the like).

In closing, I would like to thank our Chair, John Graham, for his tireless work on FOCAL’s behalf during the two years that I have served here. His energy and drive have made an excellent contribution to FOCAL at a critical time in its history, and he deserves our full recognition for his insights and support.

A new Executive Director will take office shortly, and I wish him or her well. This is an excellent organization; staffed with some of the finest minds I have had the pleasure of working with throughout the years. They are engaged fully in making FOCAL a cutting edge think tank on a global basis. I wish them well.

Eduardo del Buey, Executive Director
POLICY PAPERS

Title: A Managed Temporary Movement Program for Nurses from the Caribbean to Canada: The Short (but Interesting) Life of a Policy Advocacy Proposal
Author: Laura Ritchie Dawson
Series: FOCAL Policy Paper (FPP-06-08)
ISBN: 1-894992-45-8
Date Published: September 2006

Title: The Seasonal Agricultural Workers Program and Mexican Development
Author: Leigh Binford
Series: FOCAL Policy Paper (FPP-06-07)
Date Published: September 2006

Title: Survey of Remittance Recipients in Four Parishes in Jamaica: Analysis of Data
Author: Carlo Dade
Date Published: August 2006

Title: Afro-Latinos, Canada and Poverty in the Americas
Date published (website only): July 2006

Title: The Privatization of Foreign Development Assistance
Author: Carlo Dade
Series: FOCAL Policy Paper (FPP-06-05)
Date Published: July 2006
Title: The Impact of “Populism” on Social, Political, and Economic Development in the Hemisphere  
Author: Vladimir Torres  
Series: FOCAL Policy Paper (FPP-06-06)  
Date Published: July 2006

Title: Civil Society in the Promotion and Protection of Democracy in the Americas: A Vision for the Future  
Series: Special Report  

Title: Civil Society and the Promotion and Protection of Democracy in the Americas  
Author: Rodolfo Albán Guevara  
Series: FOCAL Policy Paper (FPP-06-03)  
Date Published: May 2006

Title: Sociedad Civil en la Promoción y Protección de la Democracia en las Américas  
Author: Rodolfo Albán Guevara  
Series: FOCAL Policy Paper (FPP-06-03)  
Date Published: May 2006

Title: Tender Puentes y Salir del Estancamiento: La Sociedad Civil en la Promoción y Protección de la Democracia en las Américas  
Author: Thomas Legler  
Series: FOCAL Policy Paper (FPP-06-02)  
Date Published: May 2006

Title: Bridging Divides, Breaking Impasses: Civil Society and the Promotion and Protection of Democracy in the Americas  
Series: FOCAL Policy Paper (FPP-06-02)  
Date Published: May 2006

Title: A Study on the Relationship between Canadian Aboriginal Peoples and the Canadian State  
Author: Julieta Uribe  
Series: FOCAL Policy Paper (FPP-06-04)  
Date Published: May 2006

Title: Strengthening of the Ibero-American Conference: Likely Impact on the Inter-American System and Canada's Influence in the Americas  
Date Published: April 2006
Title: The Ibero-American Conference: Prospects for Future Development  
Author: Joaquín Roy  
Date Published: April 2006

Title: Spanish Investment in Latin America  
Author: Pablo Toral  
Date Published: April 2006

Title: Spain’s Policy and Strategies Towards Latin America  
Author: Carlos Malamud  
Date Published: April 2006

Title: Gobernabilidad y Consulta Previa a los Pueblos Indígenas  
Author: Omaira Mindiola  
Series: Presentation at the seminar Indigenous Territory, Natural Resources and Governance: Challenges,  
Date Published: April 2006

Title: Indigenous Governance and Territory  
Author: Gladys Jimeno Santoyo  
Series: FOCAL Policy Paper (FPP-06-01)  
ISBN: 1-894992-35-0  
Date Published: March 2006

Title: Gobernabilidad Indígena y Territorio  
Author: Gladys Jimeno Santoyo  
Series: FOCAL Policy Paper (FPP-06-01)  
ISBN: 1-894992-33-4  
Date Published: March 2006

Title: Supporting Afro-Latino Communities, Is There A Role for Canada?  
Series: Report from the March 2nd 2006 Ottawa Roundtable

Title: Indígenas, democracia y gobernabilidad en la región centro-andina  
Author: Oscar del Alamo  
Date published: March 2006

Title: Report on Two Seminars Organized by the Indigenous Project  
Date published: Summer 2006

Title: Indigenous Women and Governance in Guatemala  
Author: Meeylyn Lorena Mejia Lopez  
Date published: March 2006

Title: Rol de la Mujer en la Gobernabilidad Indígena en Guatemala  
Author: Meeylyn Lorena Mejia Lopez  
Date published: March 2006
RESEARCH FORUM ON CUBA

Title: Governance and Social Justice in Cuba: The International Dimensions
Date published: June 2006

Title: Economic Illegalities and the Underground Economy in Cuba
Author: Archibald Ritter
Series: Background Briefings (RFC-06-01)
Date: March 2006

FOCALPoint

Vol. 5, No. 10 December 2006/January 2007
• Good Foreign Policy Equals Good Domestic Policy, by Rick Waugh
• The Benefit of the Doubt, by Sergio Ramírez
• Counterpoint: Argentina and Canada: Looking at the Future, by Victor Armony and Lila Kowalewski
• A New Era for Human Rights, by Omaira Mindiola
• Excellent Signals in the Canada-Mexico Relationship, by Olga Abizaid
• El Beneficio de la Duda, by Sergio Ramírez

Vol. 5, No. 9 November 2006
• Canada and Democratic Development Overseas, by John W. Graham
• General Elections in Brazil: When Lula Faces Corruption, by Sylvain F. Turcotte
• Extractive Industries and Sovereignty over Natural Resources in Peru: The Case of the Mining Sector, by José De Echave
• Bolivia: Difficult Conditions for Reaching Agreements in the Constituent Assembly, by José Blane

Vol. 5, No. 8 October 2006
• Haiti: Time for Haitians to Make Some Hard Choices, by Carlo Dade
• Not So Cooperative: Venezuela’s Proposed Law of International Cooperation, by Laurie Cole
• Cuba: The Role of the International Community, by Joaquín Roy
• “Chronicle of a Death Foretold:” The Presidential Election in Ecuador, by Pablo Andrade A.

Vol. 5, No. 7 September 2006
• A Lengthy Electoral Process, by Mauricio Merino
• Cuba’s International Development Assistance: A Model for the Non-Aligned Movement? by Katrín Hansig
• Looking for a Map? The 30th Meeting of the Mercosur Council, by Sean Burges
• The Democratic Charter and the Transition in Cuba, by Humberto De La Calle
• Un Largo Proceso Electoral, by Mauricio Merin

Vol. 5, No. 6 July/August 2006
• Fidel Castro Temporarily Hands Over Power to His Brother Raúl, by Ana Faya
• The Commission for Assistance to a Free Cuba: Oops, They Did It Again, by Dan Erikson
• The New Peruvian Scenario, by Aldo Panfichi (also featured in Spanish)
• Uribe’s Second Term: The Good, the Bad and the Ugly, by Ana María Bejarano
Vol. 5, No. 1 January/February 2006

- The Outsider as an Effect of the System: Peru’s Ollanta Humala, by Maxwell A. Cameron
- Cuba 2005: The “Alice in Wonderland” Economy, by Jorge Pérez López
- The Hong Kong WTO Ministerial and the FTAA, by Donald R. Mackay
- Venezuela: The Challenges of Electoral Disenchantment, by Francine Jácome
- The Importance of Monitoring the Impact of the CSME on Gender, by Sherril A. Thompson
- Indigenous Governance and Politics in the Americas, by Omaira Mindiola (also featured in Spanish)
- Fiscal Decentralization and Human Development in Bolivia, by Matthew Fuller
Board of Directors

EXECUTIVE

John Graham
Chair

Maureen Appel-Molot
Vice-Chair

Michael Bell
Secretary

Anthony M. P. Tattersfield
Treasurer

Eduardo del Buey
Executive Director
(ex-officio)

DIRECTORS

Mr. Charles Philip Bassett
(ex-officio)
Executive Director for Canada
Inter-American Development Bank

Right Honourable Joe Clark
Former Canadian Prime Minister

Winston Cox
Deputy Secretary-General
Development Co-operation
Commonwealth Secretariat

Jean Daudelin
Assistant Professor
NPSIA, Carleton University

H.E. Paul Durand
(ex-officio)
Ambassador & Permanent Representative
Permanent Mission of Canada to the OAS

Kenneth N. Frankel
Partner, Hodsgon Russ

Jennifer McCoy
Director
Latin America and Caribbean Program
Carter Center of Emory University

Beatrice E. Rangel
Senior Advisor to the Chairman
Cisneros Television Group

Elizabeth Spehar
Consultant

Brian Stevenson
Executive Secretary for Integral Development
Organization of American States (OAS)

Alan J. Stoga
President
Zemi Communications
Staff

Olga Abizaid, Policy Analyst
Samuel Bowers, Manager of Finance
Laurie Cole, Senior Policy Analyst
Carlo Dade, Deputy Director / Senior Policy Analyst
Eduardo del Buey, Executive Director
Ana Julia Faya, Policy Analyst
Florencia Jubany, Senior Policy Analyst
Diane Larabie, Office Manager
Caroline Lavoie, Project Associate
Omaira Mindiola, Project Coordinator
Cristina Warren, Program Director
## Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
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<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$287,520</td>
<td>$372,446</td>
</tr>
<tr>
<td>Investment</td>
<td>38,204</td>
<td>26,233</td>
</tr>
<tr>
<td>Amounts receivable</td>
<td>16,854</td>
<td>64,226</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>12,948</td>
<td>8,187</td>
</tr>
<tr>
<td></td>
<td>355,526</td>
<td>471,092</td>
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<tr>
<td><strong>CAPITAL ASSETS</strong></td>
<td>13,263</td>
<td>2,327</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>368,789</td>
<td>473,419</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$38,851</td>
<td>$141,348</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>234,390</td>
<td>243,141</td>
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<tr>
<td></td>
<td>273,241</td>
<td>384,489</td>
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<tr>
<td><strong>NET ASSETS</strong></td>
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<td></td>
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<tr>
<td>Invested in capital assets</td>
<td>13,263</td>
<td>2,327</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>82,285</td>
<td>86,603</td>
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<tr>
<td></td>
<td>95,548</td>
<td>88,930</td>
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<tr>
<td></td>
<td>$368,789</td>
<td>$473,419</td>
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</table>
Schedule of Expenses and Revenues
For the year ending December 31, 2006

<table>
<thead>
<tr>
<th>PROJECT REVENUES</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian International Development Agency</td>
<td>$660,410</td>
<td>$533,895</td>
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<tr>
<td>Ford Foundation</td>
<td>224,258</td>
<td>172,664</td>
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<tr>
<td>International Development Research Centre</td>
<td>139,675</td>
<td>107,947</td>
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<tr>
<td>National endowment for Democracy</td>
<td>97,869</td>
<td>7,205</td>
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<tr>
<td>Carter Center</td>
<td>65,565</td>
<td>94,641</td>
</tr>
<tr>
<td>Cuban Research Institute, Florida International University (In Kind)</td>
<td>40,000</td>
<td>-</td>
</tr>
<tr>
<td>Foreign Affairs Canada</td>
<td>33,101</td>
<td>214,842</td>
</tr>
<tr>
<td>Inter-American Development Bank</td>
<td>-</td>
<td>122,762</td>
</tr>
<tr>
<td>Inter-American Foundation</td>
<td>-</td>
<td>12,193</td>
</tr>
<tr>
<td>Participa</td>
<td>-</td>
<td>6,709</td>
</tr>
<tr>
<td></td>
<td><strong>$1,260,878</strong></td>
<td><strong>$1,272,858</strong></td>
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</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications</td>
<td>$30,532</td>
<td>$35,534</td>
</tr>
<tr>
<td>Meeting and seminar logistics</td>
<td>73,737</td>
<td>66,290</td>
</tr>
<tr>
<td>Office</td>
<td>562</td>
<td>3,605</td>
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<tr>
<td>Partnerships</td>
<td>-</td>
<td>99,191</td>
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<tr>
<td>Printing and publications</td>
<td>22,404</td>
<td>39,468</td>
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<tr>
<td>Project consulting</td>
<td>100,734</td>
<td>129,553</td>
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<tr>
<td>Salaries and benefits</td>
<td>673,721</td>
<td>580,879</td>
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<tr>
<td>Travel</td>
<td>212,624</td>
<td>169,339</td>
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<tr>
<td></td>
<td><strong>1,114,314</strong></td>
<td><strong>1,123,859</strong></td>
</tr>
<tr>
<td>Add: Allocation of operating expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>$1,263,588</strong></td>
<td><strong>$1,277,362</strong></td>
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</table>
## Schedule of Expenses and Revenues

**EXPENSES continued**

**Operating**

<table>
<thead>
<tr>
<th>Item</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization</td>
<td>$5,202</td>
<td>$616</td>
</tr>
<tr>
<td>Board and staff meetings</td>
<td>19,500</td>
<td>23,000</td>
</tr>
<tr>
<td>Communications</td>
<td>7,899</td>
<td>7,518</td>
</tr>
<tr>
<td>Insurance</td>
<td>4,403</td>
<td>4,371</td>
</tr>
<tr>
<td>Leases and maintenance</td>
<td>82,954</td>
<td>88,183</td>
</tr>
<tr>
<td>Office</td>
<td>8,780</td>
<td>10,554</td>
</tr>
<tr>
<td>Printing</td>
<td>750</td>
<td>1,008</td>
</tr>
<tr>
<td>Professional fees and consultants</td>
<td>25,408</td>
<td>22,343</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>9,359</td>
<td>74,762</td>
</tr>
<tr>
<td>Travel</td>
<td>1,870</td>
<td>5,638</td>
</tr>
</tbody>
</table>

**Total Operating Expenses**

166,125  
237,993

**Less: Allocated to projects**

(149,274)  (153,503)

**Net Operating Expenses**

$16,851  
$84,490