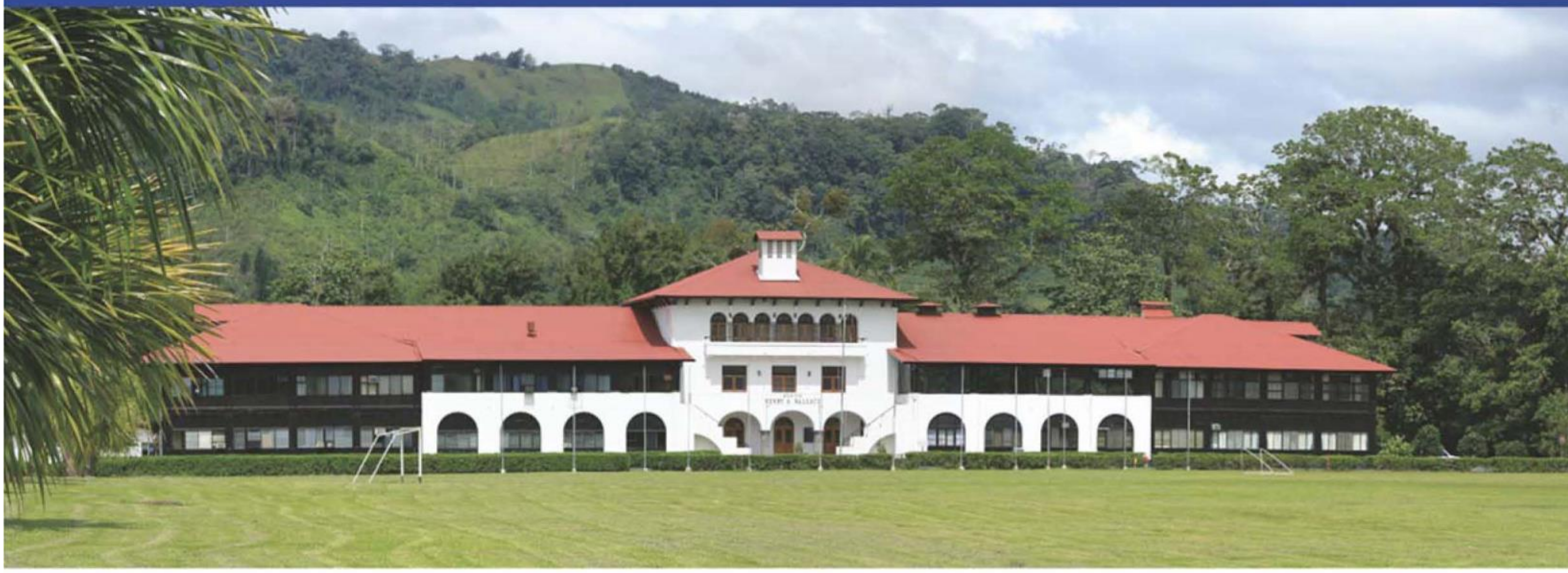
2023 Conference of Ministers of Agriculture of the Americas – Twenty-second Regular Meeting of the Inter-American Board of Agriculture (IABA)

Reports of the Tropical Agriculture Research and Higher Education Center (CATIE) presented to the Governing Council

San Jose, Costa Rica
3-5 October 2023

CATIE

Solutions for environment and development
Soluciones para el ambiente y desarrollo



Modification
Budget Program 2022
62º Meeting of the Board of Directors

May 04, 2022 – Turrialba, Costa Rica

Presented at Meeting #22 of the Council of Ministers.

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I. Introduction

This document contains the updated version of the income and expenditure budget program of the Tropical Agricultural Research and Higher Education Center (CATIE) for 2022. The review process that gave rise to the budget modification in question has been led by the office of the Director General and covered unrestricted accounting funds (regular basic and productive activities) and those of a restricted nature (agreements and custody), which are described in section II.

The review of the institutional budget program for 2022 had the objective of carrying out a comprehensive and realistic analysis of the financial resources that are expected to be obtained in the year, to adjust the projections of income from the different accounting funds and to make the respective budget allocations to the different divisions and areas of the Center. The foregoing, as part of the measures that the new General Directorate has been adopting to maintain a financial balance between the income and expenses of the institution.

In accordance with the provisions of CATIE's Financial Regulations, article 32, the Director General may approve modifications to increase or decrease the total amount of the approved institutional budget by up to 10%, provided they have the respective financial content and are make the corresponding modifications in the income and expense accounts, as appropriate, which must be reported to the board of directors at its next meeting. Those increases or decreases of the total amount of the institutional budget greater than 10% must be submitted for the approval of the Board of Directors.

Based on the previous rule, and given that the global amount of the modification to the income and expense budget program for 2022 amounts to US$2,230 (thousands), which corresponds to approximately 9% of the total budget approved for 2022 by US$24,129 (thousands), according to resolution 2-17/49 of the Executive and Finance Committee of the Board of Directors, dated September 11, 2017, the esteemed members of the Board of Directors are informed about the application, by CATIE's General Directorate, of the budget modification described in this document.

II. Budget structure and accounting funds

CATIE's income and expenses budget is made up of basic funds, productive and commercial activities, agreements, and custody. The segregation of the budget by funds is originated by the nature of the activities carried out, by the origin of the resources that finance them and by the existing restrictions in each one of them. Each fund is an independent financial unit with its own assets, liabilities, net assets, income and expenses.

The Financial Statements of the Center identify the restricted or unrestricted nature of the accounting funds that are described below.

Basic activities fund: these are classified as unrestricted funds, made up of resources from IICA contributions and quotas from CATIE member countries, income from teaching activities, surpluses from service activities and commercial farms, sums received for the recovery of indirect costs (RCI) and overhead (OH) of projects, donations and specific contributions from different agencies and governments, as well as administrative management, treasury management and trust returns.

Productive and commercial activities fund: cataloged as unrestricted funds, it includes the activities that take place in the sugar cane, coffee and fattening of beef cattle, dairy, forestry and the sale of forest seeds. It also includes institutional services, such as accommodation, hotels, transportation, laundry and sale of souvenirs, among others.

Agreement fund: its use is strictly restricted to the activities that the funder of the funds has previously indicated. These resources are not the property of CATIE. The Center is responsible for the execution of the funds in accordance with the terms and regulations established in the respective agreement, contract or letter of understanding.

Institutional fund: they are created for the control of income and expenses at the divisional level as a result of contracts and projects with specific purposes to be developed in a short term. These include consultancies and / or projects for amounts less than US $ 75 (thousands), educational scholarships for scientific and professional master's degrees, scholarships for training courses and technical communication services, among others, which are also part of this income. Background.

III Description of the process for modifying the 2022 budget program

During the first two months of 2022, the General Directorate in conjunction with the directions of the Center and the Budget Office, carried out a review process of the institutional budget program for this year. Said process made it possible to adjust the projections of income and expenses for the different accounting funds, based on realistic expectations of income, considering the changes that occurred in CATIE's portfolio of projects and the expected behavior of the productive and commercial activities carried out by the Center.

To make the indicated modification, the initial projections of income and expenses for 2022 were reviewed with those responsible for each of the divisions, programs and work areas, incorporating those adjustments that were necessary according to the new agreement negotiations, revisions of revenue goals, changes in cost structures and setting of institutional priorities by the General Directorate.

IV Modification to budgeted income for 2022

The total amount of the modified revenue budget for 2022 is estimated at about US$26.3 million, without taking into account those revenues related to gains for fair value of biological assets, sale and disposal of assets, donation of property and equipment, or the capitalization of new investments in biological assets.

The modifications made to the income lines that make up CATIE's budget program for 2022 are presented in detail below.

Table 1: Detail of modification to the income budget program for 2022
(Amount in Thousands - US$)

Fund / Direction / Unid	Budget 2022	Modification	Final Budget 2022	Percentage change
CORE BUDGET FUND	**4 739**	**1 087**	**5 826**	**23%**
IICA Contribution	1 000	0	1 000	**0%**
Member Fees	600	0	600	**0%**
Fundatropicos Trust	572	0	572	**0%**
Administration and Finance - Services-Commercial	838	102	940	**12%**
Technical Units	824	144	968	**17%**
Education	597	820	1 417	**137%**
Outrech	308	21	329	**7%**
COMMERCIAL FUND	**2 308**	**680**	**2 988**	**29%**
Administration and Finance - Services	1 231	680	1 911	**55%**
Administration and Finance - Commercial	1 077	0	1 077	**0%**
AGREEMENT FUND	**13 201**	**288**	**13 489**	**2%**
Technical Units	9 154	12	9 166	**0%**
Proyección Externa	4 047	276	4 323	**7%**
INSTITUTIONAL FUND	**3 881**	**175**	**4 056**	**5%**
Administración y Finanzas - Services-Commercial	750	25	775	**3%**
Estrategic Services	308	0	308	**0%**
Technical Units	574	110	684	**19%**
Education	2 166	40	2 206	**2%**
Proyección Externa	83	0	83	**0%**
TOTAL BUDGET	**24 129**	**2 230**	**26 359**	**9%**

The unrestricted core fund presents a total increase of US$1,087 (thousands) in its income budget for 2022, mainly due to the increase in the signing of new projects, the return of academic activities after the pandemic, and facility rentals.

V. The modification to budgeted expenses for 2022

As indicated in Table 2, for the period 2022 there is a total budget of balanced expenditures of about US$26.3 million, to finance the activities in charge of the different divisions of the Center.
The modified expense budget incorporates a new operating reserve for US$802 (thousands) to cover the impairment of accounts receivable in 2022 as a result of the application of IFRS, decreases in the value of biological assets and to address reductions in income or unforeseen events. The modified allocation of the Center's expense budget for 2022 is presented in detail below.

Table 2: Details of modifications to the 2022 expenditures budget program (Amount in Thousands - US$))

Fund/Direction/Unid	Budget 2022	Modification	Final Budget 2022	Percentage change
CORE BUDGET	**4 739**	**1 087**	**5 826**	**23%**
Governing Bodies	400	61	461	**15%**
Administration and Finance - Services	965	99	1 064	**10%**
Strategic Services	170	62	232	**36%**
Planning, Monitoring, Evaluation Office	130	18	148	**14%**
Global Partnerships and Resource Mobilization	80	37	117	**46%**
Technical Units	885	244	1 129	**28%**
Education	656	739	1 395	**113%**
External Projection	325	153	478	**47%**
Reserve / Operating Fund	1 128	-326	802	**-29%**
COMMERCIAL FUND	**2 308**	**680**	**2 988**	**29%**
Administration and Finance - Services	769	578	1 347	**75%**
Administration and Finance – Commercial	941	0	941	**0%**
Surplus Service Activities	462	102	564	**22%**
Surplus Commercial Activities	136	0	136	**0%**
AGREEMENT FUND	**13 201**	**288**	**13 489**	**2%**
Technical Units	9 154	12	9 166	**0%**
External Projection	4 047	276	4 323	**7%**
INSTITUCIONAL FUND	**3 881**	**175**	**4 056**	**5%**
Administration and Finance – Commercial	750	25	775	**3%**
Strategic Services	308	0	308	**0%**
Technical Units	574	110	684	**19%**
Education	2166	40	2 206	**2%**
External Projection	83	0	83	**0%**
TOTAL BUDGET	**24 129**	**2 230**	**26 359**	**9%**

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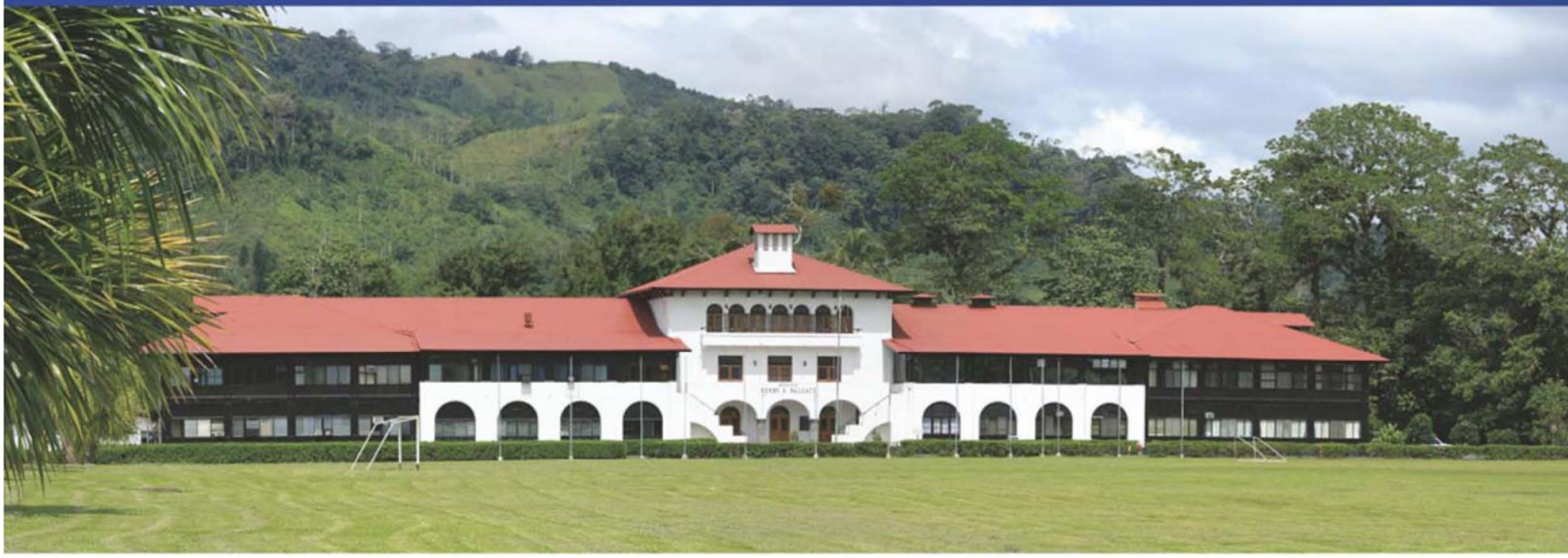

Proposed Budget 2023

63 st Meeting of the Board of Directors

Presented at Meeting #22 of the Council of Ministers.

September, 2022 – Turrialba, Costa Rica

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Presentation

13 de september, 2022

Sirs
Executive and Finance Committee
Board of Directors

Tropical Agricultural Research and Teaching Center (CATIE)

Dear Sirs:

In accordance with the provisions of Section c of Article 91 of CATIE's General Regulations, the projection of the 2023 budget is presented below.

The accumulated results contained in this report have been presented and reviewed with the Director General of CATIE and also discussed with the Executive Committee made up of the Director and Deputy Director General, Divisional Directors, as well as Program Leaders and the Office of Internal Audit, among others.

We hope that the results shown in the following tables and the synthesized analysis will facilitate their understanding and allow the Executive and Finance Committee of the Board of Directors to provide the necessary follow-up and recommendations to readjust CATIE's current and future budgetary and financial horizon.

It is important to mention that there is a group of proposals that are pending approval, once ratified they will be included in the next budget for the Board of Directors in the year 2023.

Francisco Jamienson Fonseca
Director de Administración y Finanzas, a. i.

C.c.: Muhammad Ibrahim, Director General
Walter Solis, Auditor Interno

I. Executive Summary

Dear members of the Executive and Finance Committee of CATIE's Board of Directors

What is proposed below for discussion and analysis is a summary of the budget for the year 2023, according to data analyzed up to the month of August 2022 and it is possible that the figures presented in this report may change in view of CATIE managing other projects with Donors.
CATIE's income and expenses budget is made up of the Core budget, Commercial, Cooperative Agreements and Institutional funds. The segregation of the budget by funds is originated by the nature of the activities carried out, by the origin of the resources that finance them and by the existing restrictions in each one of them.

The Financial Statements of the Center identify the restricted or unrestricted nature of the controlled funds in the following categories:

Core Budget: these are classified as unrestricted funds, consisting of resources from IICA contributions and quotas from CATIE member countries, income from teaching activities, surpluses from service activities and commercial farms, sums received for the recovery of indirect costs (RCI) and Overhead (OH) of projects, donations and specific contributions from different agencies and governments, as well as administrative management, treasury management and trust returns.

Service Activities Fund and Commercial Farm: cataloged as unrestricted funds, it includes the activities carried out in the sugar cane, coffee, breeding and fattening of beef cattle, dairy, forestry and the sale of forest seeds. It also includes institutional services, such as accommodation, hotels, transportation, laundry and sale of souvenirs, among others.

Agreement Fund (Projects): its use is strictly restricted to the activities that the entity that finances the agreement has previously indicated. These resources are not the property of CATIE. The
The Center is responsible for the execution of the resources in accordance with the terms and regulations established in the respective agreement, contract or letter of understanding.

Property, Plant and Equipment: it is made up of the fixed assets owned by the Center (land, buildings, machinery, equipment, vehicles, biological assets, intangible assets, etc.), as well as those assets that have been donated to the institution. They have no restrictions and are a necessary part of the resources available to CATIE to achieve its institutional goals.

Institutional Funds: they are created to control income and expenses at the divisional level as a result of small donations and projects with specific purposes and to be developed in a short term. Small consultancies and / or projects for amounts less than US $ 75 (thousands), educational scholarships for scientific and professional master's degrees, scholarships for training courses and technical communication services, among others, are also part of the income of this fund.

II. Global Income Budget 2023

For the estimation of the 2023 budget, a participatory process was carried out with the administrative and technical officials in order to validate the different project proposals, and the level of execution expected for the year 2023. Given the negative impacts of international and local phenomena related With Inflation and the exchange rate and the need to manage risk, three criteria were established to consider the probabilities of compliance of the projects, this exercise included signed agreements (green category) and projects with a high probability of being approved (yellow category), and low probability (red category); as presented in the following table:

WEIGHTING AGREEMENTS	
Component	**Probability**
3-SIGNED	100%
2-HIGHT PROBABILITY (OPTIMISTIC)	90%
1-LOW PROBABILITY (PESSIMISTIC)	50%

During the year 2023, CATIE will continue to periodically monitor financial risk, cash income, reducing costs and seeking new sources of financing. In addition, trying to maintain a cash reserve to ensure the payment of labor obligations that allows mitigating possible delays in the arrival of resources due to the different conditions in the execution of agreements and projects in the region.

Next, a preliminary budget is presented considering the projects and agreements that are being executed and new projects that are expected to be executed in 2023. It is worth mentioning that this budget may vary in the coming months depending on the approval of the proposals presented and the activities commercial, will be updated and presented to the Board.

Table 1. Comparative income budget 2022-2023 budget (information for year 2023 is up to September 2022)
Thousands US $

Fund / Direction / Unid	Budget 2022	Budget 2023	Absolute Variation	Percentage change
Core Budget	**5,826**	**5,600**	**-226**	**-4%**
IICA Contribution	1,000	1,000	0	**0%**
Member Countries	600	600	0	**0%**
Fundatropicos Trust	572	600	28	**5%**
Administration and Finance - Services-Commercial	940	698	-242	**-26%**
Technical Units	968	1,226	258	**27%**
Education	1417	1,240	-177	**-12%**
External projection	329	236	-93	**-28%**
Commercial Fund	**2,988**	**2,428**	**-560**	**-19%**
Administration and Finance - Services	1911	1,209	-702	**-37%**
Administration and Finance - Commercial	1077	1,219	142	**13%**
Agreement Fund	**13,489**	**13,395**	**-94**	**-1%**
Technical Units	9,166	10,385	1,219	**13%**
External projection	4,323	3,010	-1,313	**-30%**
Institutional Fund	**4,056**	**3,079**	**-977**	**-24%**
Administration and Finance - Commercial	775	440	-335	**-43%**
Strategic Service	308	260	-48	**-16%**
Technical Units	684	638	-46	**-7%**
Education	2206	1,660	-546	**-25%**
External projection	83	81	-2	**-2%**
Total Budget	**26,359**	**24,502**	**-1,857**	**-7%**

The budget may have increases once the proposals that are pending approval have been ratified. The Strategic Alliances office is coordinating with the different Research and Outreach units to achieve success in the preparation of proposals; There is an estimate of US$5.6 million in proposals for projects and commercial activities not included in this budget and that will be added as they are ratified by the donor and CATIE.

Among the most important proposals we can highlight the following:

Table 2. Main proposals

Unit	Donor	Project's name	AmountUS$
Livestock and Environmental Management	BMWK	Project Integrating climate-compatible livestock systems in the national commitments of Central America and the Caribbean (INTEGRA).	3.604.202
Agroforestry and genetic improvement of coffee and cocoa	CEPLAC	Evaluate the incidence of M. roreri in cocoa varieties generated by CEPLAC	126.000
Livestock and Environmental Management	GCF Task forcé Fondo verde para el clima	Manao Plan	578.000
Livestock and Environmental Management	USAID Agencia de los Estados Unidos para el desarrollo	Thriving and Resilient Landscapes	307.570
Panama National Office	Ministry of Health Panama	Awareness and Environmental Education of the Sanitation Program of Panama	227.346

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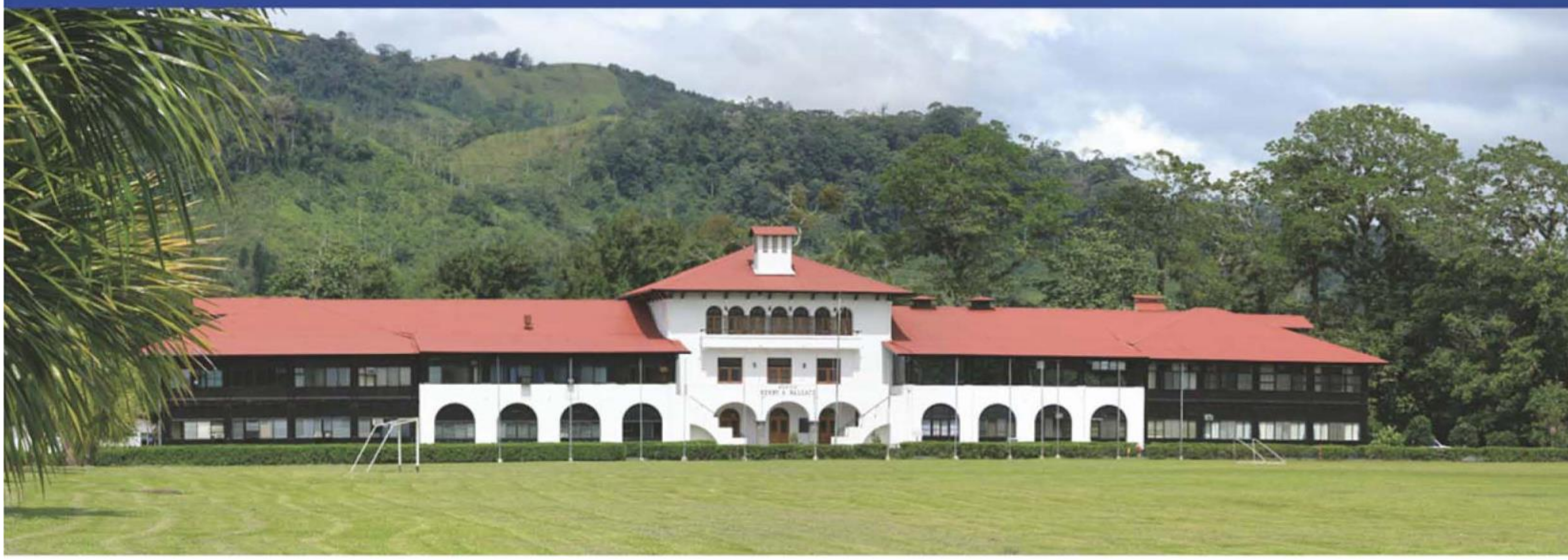

Financial results to December 2021

61st Ordinary Meeting of the Board of Directors

May 04, 2022 - Turrialba, Costa Rica

Presented at Meeting #22 of the Council of Ministers.

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Presentatión

May 04, 2022

Sirs
Executive and Finance Committee
Board of Directors

Tropical Agricultural Research and Teaching Center (CATIE)

Dear Sirs:

Pursuant to the provisions of Section c of Article 91 of CATIE's General Regulations, the financial report as of December 31, 2021 is presented below

The accumulated results contained in this report have been reviewed jointly with CATIE's Director General and presented to the Executive Committee made up of the Director and Deputy Director General, Divisional Directors, as well as Program Leaders and the Internal Audit Office, among others. .

We hope that the results shown in the following tables and the summarized analysis facilitate their understanding and allow the Executive and Finance Committee of the Board of Directors to follow up and make the necessary recommendations to readjust CATIE's current and future budget and financial horizon.

Sincerely,

Francisco Jamienson Fonseca
Director de Administración y Finanzas, a. i.

C.c.: Muhammad Ibrahim, Director General
Walter Solis, Auditor Interno

I. Financial results to December 2021

I.1 Report Financial statement

I.2 Budget and Income compliance
Thousands US$
Table 1

Fund / Direcction / Unid	Budget 2021	Compliance	Budget Balance	Percentage change
CORE BUDGET	**4 766**	**4 558**	**-208**	**-4%**
IICA Contribution	1 000	1 000	0	**0%**
Member Countries	600	600	0	**0%**
Fundatropicos Trust	635	936	301	**47%**
Administration and Finance - Services-Commercial	484	490	6	**1%**
Technical Units	1 054	651	-403	**-38%**
Education	550	517	-33	**-6%**
External projection	443	363	-80	**-18%**
COMMERCIAL FUND	**2 063**	**2 945**	**882**	**43%**
Administration and Finance - Services	832	1 751	919	**110%**
Administration and Finance - Commercial	1231	1 194	-37	**-3%**
AGREEMENT FUND	**16 053**	**11 102**	**-4 951**	**-31%**
Technical Units	9 795	6 215	-3 580	**-37%**
External projection	6 258	4 887	-1 371	**-22%**
INSTITUTIONAL FUND	**2 696**	**5 750**	**3 054**	**113%**
Administration and Finance - Commercial	245	306	61	**25%**
Strategic Service	73	198	125	**172%**
Technical Units	657	1 662	1 005	**153%**
Education	1641	2 958	1 317	**80%**
External projection	80	625	545	**681%**
TOTAL BUDGET	**25 578**	**24 355**	**-1 223**	**-5%**

At the level of results of the unrestricted funds, a fulfillment of 96% of the projected income was obtained, the basic income line that had the lowest result was that originated by overhead, related to the restrictions due to the Pandemic in some countries that influences the execution of projects in the fund agreements.

At the Administration and Finance level, contrary to the year 2020, it was agreed with the international and national professional staff a reduction of 75% of their working hours and therefore of their salaries, for the year 2021, 100% of their contracts were resumed given progress in the vaccination process and release of restrictions.

It is important to mention that due to a rebalancing of the Fundatropicos trust investments, carried out by the board of directors of Fundatropicos, CATIE was able to receive an additional net disbursement of $224.

Budget and Expenditure Execution
Thousands US$
Table 2

Fund / Direction / Unid	Budget	Execution	Budget Balance	Percentage change
CORE BUDGET	**4 766**	**4 420**	**346**	**7%**
Superior Guidelines	424	395	29	**7%**
Administration and Finance - Services	1 003	1001	2	**0%**
Strategic Services	181	174	7	**4%**
Planning, Monitoring, Evaluation Office	136	135	1	**1%**
Global Partnerships and Resource Mobilization	83	82	1	**1%**
Technical Units	916	774	142	**16%**
Education	685	713	-28	**-4%**
External projection	338	476	-138	**-41%**
Reserve / Operating Fund	1 000	670	330	**33%**
COMMERCIAL FUND	**2 063**	**2 623**	**-560**	**-27%**
Administration and Finance - Services	833	849	-16	**-2%**
Administration and Finance - Commercial	846	1 774	-928	**-110%**
Surplus Service Activities	204	0	204	**0%**
Surplus Commercial Activities	180	0	180	**0%**
AGREEMENT FUND	**16 053**	**11 557**	**4 496**	**28%**
Technical Units	9 795	6 628	3 167	**32%**
External projection	6 258	4 930	1 328	**21%**
INSTITUTIONAL FUND	**2 696**	**5 404**	**-2 708**	**-100%**
Administration and Finance – Services-Comercial	245	250	-5	**-2%**
Strategic Services	73	130	-57	**-78%**
Technical Units	657	1 774	-1117	**-170%**
Education	1 641	2 792	-1 151	**-70%**
External projection	80	457	-377	**-472%**
TOTAL BUDGET	**25 578**	**24 004**	**1 574**	**6%**

Con respecto a la ejecución de los fondos básicos se dieron algunos ahorros que permitieron, realizar inversiones preventivas; así mismo el control del gasto permitió mantener un flujo de caja estable según los ingresos recibidos. La subejecución en los fondos básico de 7%, permite compensar el 4% de los ingresos no percibidos para el periodo 2021.

I.3 Financial Statement of Activities
Thousands US$
Table 3

Statement of comprehensive income	Regular Unrestricted			Temporally Restricted Funds		
Por el periodo 31 de Diciembre 2021 (Expressed in thousands of US dollars)	Activities Core	Activities Comercial	Sub-total	Agreements	Institutional	Total
Total de income:	**4 237**	**2 945**	**7 182**	**12 336**	**5 404**	**24 922**
Total de expenditures:	**3 750**	**2 624**	**6 374**	**12 336**	**5 404**	**24 114**
(Deficit) Primary surplus	486	321	808			808
Transfer of the productive activities fund	321	-321	0			0
Increase (decrease) in unrestricted net assets	**808**	**0**	**808**	**0**	**0**	**808**
<u>Other non-current income:</u>						
Donation, sale of assets	328		328			328
Fair value of biological	132		132			132
Value Certificates of Contribution Milk	75		75			75
<u>Total non-current income:</u>	**535**	**0**	**535**	**0**	**0**	**535**
<u>Other non-current expenses:</u>						
Depreciation expense	543		543			543
Loss on disposal of Assets	87		87			87
Impairment Other accounts receivable	502		502			502
Impairment accounts receivable Countries	168		168			168
Total non-current expenses:	**1 299**	**0**	**1 299**	**0**	**0**	**1 299**
Increase (decrease) in unrestricted net assets after non-current items.	**43**	**0**	**43**	**0**	**0**	**43**

As mentioned above, when the salary payment was re-established at 100%, it implied a greater regular execution of expenses, likewise the projects have increased their activity in the region due to the release of restrictions in the different countries.

At a financial level, the net result of the basic funds has been positive $43 thousand, complying with all the accounting regulations derived from the application of the IFRS Full.

I.4 Balance Sheet

OF 31 DE DECEMBER DE 2021 Y 2020

(Expressed in Thousands of US Dollars)	**2021**	**2020**
ACTIVE		
CURRENT ASSETS:		
Cash and cash equivalents	6 508	5 676
Investments in Financial Instruments	600	497
Accounts receivable - net	1 936	2 013
inventories	542	407
Total current Assets	9 586	8 593
PROPERTY, PRODUCING PLANTS, FURNITURE AND EQUIPMENT NET	4 801	4 756
BIOLOGICAL ASSETS	398	504
FUNDS IN TRUST	1 536	1 584
OTHER ASSETS	695	1 085
TOTAL	**17 016**	**16 522**
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Outstanding portion of long-term debt	113	87
Current portion financial liability for right of use	188	67
Trade Payables	299	136
Employee benefits	447	313
Repatriation and recognition of years of service	67	431
Accrued expenses and other accounts payable	969	519
Total current liabilities	2 083	1 553
LONG- Term Debt	835	948
FINANCIAL LIABILITY FOR RIGHT OF USE	119	118
Total Liabilities	3 037	2 619
NET ASSETS:		
Unrestricted Funds:		
regular funds	2 032	1 989
plant background	5 926	5 926
Temporarily Restricted Funds:		
Agreement Funds	4 167	4 826
Funds in escrow	1 854	1 162
Total nets assets	13 979	13 903
TOTAL	**17 016**	**16 522**

One of the most important indicators is the one that reflects whether a company is capable of generating liquidity, that is, if it has the capacity to convert its assets into short-term liquidity; According to the situation statement for the period, the current ratio (current assets/current liabilities), gives us as a result 4.60 times that short-term debts can be covered by the current assets of the institution.

I.5 Status of member countries quotas

Table 4

During the year 2021, CATIE achieved a significant recovery of the membership of the countries for an amount of US$407,000, mainly as a result of the payment of the period quota of 6 countries and the cancellation to previous periods of Honduras, which made a payment of $163,000 , Nicaragua, which paid $14,000 and regular contributions from the rest of the partner countries for $230,000. It is important to mention that our partners in the Dominican Republic and Belize made the payment of their arrears in the amount of $100,000 and $300,000, respectively, in February 2022.

The Tropical Agricultural Research and Higher Education Center (CATIE

Status of member countries quotas

To December 21

Country	Accounts receivable at beginning of year	Year assessments	Contributions received in 2021			Net contributions receivable at the end of the year
			Prior Period	The Current period	Total received	
IICA CONTRIBUTION	0	1 000 000	0	1 000 000	1 000 000	**0**
BELICE	250 000	50 000			0	300 000
BOLIVIA	820 000	50 000			0	870 000
COLOMBIA	320 220	0		-6 000	-6 000	326 220
COSTA RICA	0	50 000		50 000	50 000	0
EL SALVADOR	50 000	50 000			0	100 000
GUATEMALA	0	50 000		50 000	50 000	0
HONDURAS	180 872	50 000	163 080	0	163 080	67 792
MÉXICO	0	50 000		50 000	50 000	0
NICARAGUA	28 010	50 000	14 000	36 000	50 000	28 010
PANAMÁ	0	50 000		50 000	50 000	0
PARAGUAY	850 000	50 000			0	900 000
REPÚBLICA DOMINICANA	50 000	50 000			0	100 000
VENEZUELA	550 000	50 000			0	600 000
TOTAL COUNTRIES	**3 099 103**	**600 000**	**177 080**	**230 000**	**407 080**	**3 292 023**

I.6 Investment in infrastructure and equipment

During the year 2021, CATIE has continued the process of renovating buildings and updating equipment in the administrative and educational area of the campus. Thanks to the contribution of ASHA (American Schools and Hospitals Abroad) funds from USAID and participation in the Verto Education (USA) program, the institution has been able to invest significantly in the renovation of student apartments and the modernization of equipment and networks connectivity for educational management.

Likewise, the activities in the commercial farms have improved their productive capacity, to better face the high international prices of agricultural inputs given the container transport crisis and fuel prices.

The areas intervened in this period are the following:

Remodeling of Administrative Buildings
- Offices
- computer computer

Accommodation
- Washers, dryers, cabins
- Room service

Graduate School
- Audiovisual equipment
- Tableware for classrooms

Cafeteria and shops
- Kitchen equipment
- computer computer

The amount invested in the period amounts to $700,000, and an infrastructure investment fund was created to give continuity to the improvement of the facilities.

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Tropical Agricultural Research
and Higher Education Center (CATIE)

Opinion

We have audited the accompanying financial statements of the Tropical Agricultural Research and Higher Education Center ("CATIE" or the "Entity"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the statements of activities, changes in net assets, and cash flows for the years then ended, and the notes to the financial statements, including a summary of the significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Tropical Agricultural Research and Higher Education Center ("CATIE" or the "Entity") as of December 31, 2021 and 2020, its financial performance and its cash flows for the years then ended, in accordance with the International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the Code of Professional Ethics of the Association of Certified Public Accountant of Costa Rica and the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Supplementary Information in Relation to the Financial Statements and the Auditor's Report

Management is responsible for the other information. The other information comprises the details included in Exhibits No.1 to 6, which is included for the benefit of the reader.

Our opinion on the financial statements does not cover the other information, and we do not express any form of opinion over the reasonable of this other additional information.
In relation to our audit of the financial statements, our responsibility is to read the other information and, by doing so, consider if that is materially consistent with the financial statements or with our knowledge we obtained during our audit, or otherwise if it seems to might contain material misstatements. If, based on the work that we have done, we are able to conclude that there is an important inaccuracy of this other information, we are obliged to report such matter to you. We do not have anything to report on it.

If based on the work we performed over this other additional information we concluded that a material misstatement exists in this information, it requires that we report that fact. We do not have any to report on it.

Deloitte.

Responsibilities of Management and Those Charged with the Entity's Governance with the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of financial statements, Management is responsible for assessing the Entity' ability to continue as a going concern, disclosing as it may be necessary, the matters related to the going concern principle and using such accounting basis, unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the Entity are responsible for overseeing the financial reporting process of the Tropical Agricultural Research and Higher Education Center (CATIE).

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing (ISA), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

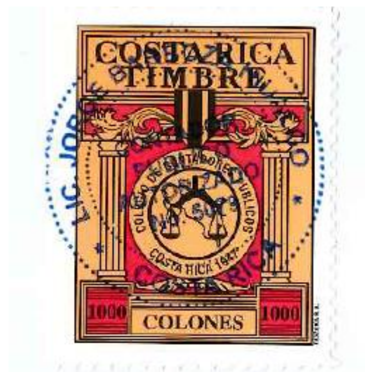
- Conclude on the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements in the context of the applicable financial reporting framework. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on information available at the date of the auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to communicate with those charged with governance at the Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Jorge Barboza Hidalgo - C.P.A. No.5079
Insurance Policy No.0116 FIG 7
Expires: September 30, 2022
Law No.6663 stamp for ¢1.000 adhered and paid

July 12, 2022



TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021 AND 2020
(Expressed in thousands of US dollars)

	Notes	2021	2020
ASSETS			
CURRENT ASSETS:			
Cash and banks	3d, 4	US$ 6,508	US$ 5,676
Investments in financial instruments	3h, 3g, 5	600	497
Accounts receivable - net	3*l*, 6	2,341	2,013
Inventories	3f, 7	542	407
Total current assets		9,991	8,593
PROPERTY, FURNITURE, BEARER PLANTS EQUIPMENT AND RIGHT TO USE ASSETS - Net	3j, 3k, 10	4,801	4,756
BIOLOGICAL ASSETS	3n, 8	398	504
TRUST ASSETS	9	1,535	1,584
OTHER ASSETS	3m, 11	696	1,085
TOTAL		US$17,421	US$16,522
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Current portion of long-term debt	13	US$ 113	US$ 87
Current portion of financial liabilities for right to use	3e, 16	45	67
Trade accounts payable		477	136
Employee benefits	14	299	313
Repatriation and recognition of years of service	3w	499	431
Accumulated expenses and other accounts payable	3p, 3t, 12	989	519
Total current liabilities		2,422	1,553
LONG - Term Debt	13	835	948
FINANCIAL LIABILITY FOR RIGHT OF USE	3e, 16	63	118
Total liabilities		3,320	2,619
NET ASSETS:			
Unrestricted funds:			
Regular funds	3b	2,108	1,989
Plant fund	3b	5,926	5,926
Temporarily restricted funds:			
Agreement fund	3b	4,213	4,826
Funds in custody	3b	1,854	1,162
Total net assets		14,101	13,903
TOTAL		US$17,421	US$16,522

The accompanying notes are an integral part of the financial statements.

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in Thousands of US Dollars)

	Notes	2021						2020					
		Unrestricted Regular Funds			Temporarily Restricted Funds			Unrestricted Regular Funds			Temporarily Restricted Funds		
		Basic Activities Fund	Productive Activities Fund	Sub-total	Agreements	Custody	Total	Basic Activities Fund	Productive Activities Fund	Sub-total	Agreements	Custody	Total
Income:													
IICA Contribution		US$1,000		US$1,000			US$ 1,000	US$ 853		US$ 853			US$ 853
Member country fees		600		600			600	600		600			600
Tuition of students		517		517			517	615		615			615
Administrative support and overhead		1,026		1,026			1,026	868		868			868
Miscellaneous		(2)		(2)			(2)	336		336			336
Funds released from restrictions			US$ 302	302	US$12,335	US$5,404	18,041		US$ 186	186	US$9,228	US$3,534	12,948
Management of goods and services			1,741	1,741			1,741		964	964			964
Agricultural activities			902	902			902		923	923			923
Trust contributions		1,095		1,095			1,095	603		603			603
Total income	3q	4,236	2,945	7,181	12,335	5,404	24,920	3,875	2,073	5,948	9,228	3,534	18,710
Expenses:													
Staff		2,998	1,005	4,003	7,484	2,419	13,906	2,933	772	3,705	6,080	1,887	11,672
Travel and per-diem		35	10	45	319	54	418	48	7	55	176	47	278
Communications and printouts		114	57	171	307	150	628	98	57	155	286	106	548
Building maintenance		66	275	341	93	96	530	41	170	211	87	31	328
General expenses		251	170	421	1,521	522	2,464	155	165	320	1,046	103	1,469
Training and scholarships		129	2	131	809	791	1,731	213		213	359	1,061	1,633
Investments (in assets)		16	234	250	371	393	1,014	40	21	61	228	20	309
Supplies and costs		57	870	927	449	576	1,952	77	522	599	207	49	856
Overhead costs					982	403	1,385				759	229	988
Total expenses		3,666	2,623	6,289	12,335	5,404	24,028	3,606	1,714	5,320	9,229	3,534	18,082
Primary (deficit) surplus		570	322	892			892	269	359	628			628
Transfer from the productive activities fund		322	(322)					359	(359)				
Increase in unrestricted net assets		892		892			892	628		628			628
Other non-current revenues:													
Donation and sale of assets		328		328			328	10		10			10
Gain in valuation of biological assets		132		132			132	50		50			77
Value of milk contribution certificates		75		75			75	77		77			50
Total non-current income		535		535			535	137		137			137
Other non-current expenses:													
Depreciation expense	10	543		543			543	587		587			587
Lease financial expense		8		8			8	7		7			7
Loss in valuation of biological assets		87		87			87	39		39			39
Impairment of accounts receivable - net of recoveries	6	168		168			168	11		11			11
Impairment of accounts receivable		502		502			502	19		19			19
Total non-current expenses		1,308		1,308			1,308	661		661			661
Increase (decrease) in unrestricted net assets after non-current items		US$ 119	US$	US$ 119	US$	US$	US$ 119	US$ 104	US$	US$ 104	US$	US$	US$ 104

The accompanying notes are an integral part of the financial statements.

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in Thousands of US Dollars)

	Net Assets				
	Unrestricted Funds		Temporarily Restricted Funds		
	Regular	Plant	Agreements	Custody	Total
BALANCE, AS OF DECEMBER 31, 2019	US$1,885	US$5,926	US$ 4,180	US$ 799	US$ 12,790
Restricted contributions received from donors			9,948	3,887	13,835
Disbursements from restricted funds			(9,228)	(3,534)	(12,762)
Recognition of balances receivable from donors			400	176	576
Release of restricted funds			(474)	(166)	(640)
Decrease in funds	104				104
BALANCE, AS OF DECEMBER 31, 2020	1,989	5,926	4,826	1,162	13,903
Restricted contributions received from donors			11,783	5,750	17,533
Disbursements from restricted funds			(12,335)	(5,404)	(17,739)
Recognition of balances receivable from donors			339	522	861
Release of restricted funds			(400)	(176)	(576)
Decrease in funds	119				119
BALANCE, AS OF DECEMBER 31, 2021	US$2,108	US$5,926	US$ 4,213	US$ 1,854	US$ 14,101

The accompanying notes are an integral part of the financial statements.

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in Thousands of US Dollars)

	Notes	2021	2020
OPERATING ACTIVITIES			
Increase in net assets		US$ 119	US$ 104
Adjustments to reconcile the change in net assets with net cash provided by (used in) operating activities:			
Depreciation	10	554	585
Impairment of accounts receivable - member countries	6	168	129
Recovery of estimated accounts			155
Changes from valuation of biological assets	8	224	39
Financial expenses on loans		202	135
Other movements of restricted funds		285	42
Impairment of notes payable			(64)
Changes in operating assets and liabilities:			
Accounts receivable		(496)	(501)
Inventories		(135)	(27)
Trade accounts payable		51	34
Employees' legal benefits		(14)	(25)
Repatriation and recognition of years of service		68	60
Accumulated expenses and other accounts payable		759	(283)
Cash provided by the operating activities		1,785	341
Interest paid		(201)	(3)
Net cash provided by the operating activities		1,584	338
INVESTMENT ACTIVITIES			
Short-term investments		(103)	(270)
Additions to property, furniture, equipment and right to use assets	10	(617)	(80)
Proceeds from the sale of property, furniture, equipment and right to use assets	10	18	26
Decrease of biological assets	8	(118)	(43)
Additions to the trust fund		49	(11)
Other financial assets		389	(207)
Net cash (used in) provided by the investment activities		(382)	(585)
FINANCING ACTIVITIES			
New loans			333
Amortization of debt		(87)	(72)
Amortization of leases		(77)	(70)
Temporarily-restricted contributions		17,533	13,835
Disbursements for the execution of temporarily-restricted funds		(17,739)	(12,772)
Net cash provided by the financing activities		(370)	1,254

(Continues)

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in Thousands of US Dollars)

	2021	2020
NET VARIATION IN CASH AND BANKS	US$ 832	US$ 1,007
CASH AND BANKS AT THE BEGINNING OF THE YEAR	5,676	4,669
CASH AND BANK AT THE END OF THE YEAR	US$ 6,508	US$ 5,676

TRANSACTIONS THAT DID NOT GENERATE ANY CASH MOVEMENT:

During 2020 and 201, donations of machinery, vehicles, furniture, and equipment for the sum of US$78 and US$10, respectively. Such donations come from the Custody Fund, for US$78 and US$10 for 2021 and 2020, respectively. The transactions mentioned above did not use or generate cash.

(Concluded)

The accompanying notes are an integral part of the financial statements.

1. ACTIVITIES

The Tropical Agricultural Research and Higher Education Center ("the Entity") is an international university at a postgraduate level that teaches and trains leaders in agriculture, natural resources and related fields, so that they are able to face challenges and take advantage of the opportunities of a changing world in Costa Rica. Its top-level holding company is International Group Holdings Limited. Therefore, CATIE has postgraduate programs recognized for their quality and track record, it teaches what it does with hundreds of members in many countries and shares the progress and levels of science and technology in different fields of interest and the demands and needs of today's world. Its headquarters are located in Turrialba, Costa Rica and is formed by thirteen member countries and the Inter-American Institute for Cooperation on Agriculture (IICA).

CATIE was established in 1973 through a ten-year agreement entered between the Costa Rican Government and the Inter-American Institute for Cooperation on Agriculture (IICA). In 1983, this agreement was amended and extended up to 2000. As indicated in Note 19, in 2000 the parties entered into a new agreement for a 20-year term, the term may be extended for periods equal and consecutive.

In addition, in 1993 CATIE created the Foundation for Education and Research in the Development and Conservation of Natural Resources of the American Tropics (FUNDATROPICOS), a Costa Rican foundation which main purpose is to achieve the financial sustainability of CATIE through management of donations and other funds received, in order to ensure a fixed income source for the continuance of its operations.

The financial statements are presented in *US Dollars ($)* and are rounded to the nearest thousandth.

2. ADOPTION OF REVISIONS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS AND NEW STANDARDS AND NEW INTERPRETATIONS

a. ***Application of New and Revised International Financing Reporting Standards ("IFRS" or "IAS") that are Mandatorily Effective for the Current Year*** - In the current year, the Company applied a number of new and amended IFRS and interpretations issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting year that begins on or after January 1, 2021. The conclusions related to their adoption are described as follows:

Impact of the Initial Application of COVID-19 - Related Rent Concessions beyond 30 June 2021 - Amendment to IFRS 16 - In the prior year, the Company early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In March 2021, the IASB issued COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) that extends the practical expedient to apply to reductions in lease payments originally due on or before 30 June 2022.

b. ***New and Revised IFRS Standards in Issue but not yet Effective*** - At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

- **IFRS 17 - (Including the June 2020 Amendments to IFRS 17)** - Insurance Contracts
- **Amendments to IFRS 10 and IAS 28** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- **Amendments to IAS 1** - Classification of Liabilities as Current or Non-current - Amendments to IFRS 3 - Reference to the Conceptual Framework
- **Amendments to IAS 16** - Property, Plant and Equipment - Proceeds before Intended Use
- **Amendments to IAS 37** - Onerous Contracts - Cost of Fulfilling a Contract
- **Annual Improvements to IFRS Standards 2018 - 2020 Cycle** - Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards - IFRS 9 - Financial Instruments, IFRS 16 - Leases, and IAS 41 - Agriculture
- **Amendments to IAS 1 and IFRS Practice Statement 2** - Disclosure of Accounting Policies
- **Amendments to IAS 8** - Definition of Accounting Estimates
- **Amendments to IAS 12** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future years, except as noted below:

- **Amendments to IAS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-current** - The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

  The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting year, specify that classification is unaffected by expectations about whether a Company will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting year, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

- **Amendments to IFRS 3 - Business Combinations - Reference to the Conceptual Framework** - The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

  Finally, the amendments add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

  The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if a Company also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

- **Amendments to IAS 16 - Property, Plant and Equipment - Proceeds before Intended Use** - The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

  Consequently, a Company recognizes such sales proceeds and related costs in profit or loss. The Company measures the cost of those items in accordance with IAS 2 Inventories.

  The amendments also clarify the meaning of “testing whether an asset is functioning properly”. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

  If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the company’s ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

  The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

The Company shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual years beginning on or after 1 January 2022, with early application permitted.

- **Amendments to IAS 37 - Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract** - The amendments specify that the "cost of fulfilling" a contract comprises the "costs that relate directly to the contract". Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

  The amendments apply to contracts for which the company has not yet fulfilled all its obligations at the beginning of the annual reporting year in which the company first applies the amendments. Comparatives are not restated. Instead, the company shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

  The amendments are effective for annual years beginning on or after 1 January 2022, with early application permitted.

- **Annual Improvements to IFRS Standards 2018-2020** - **Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 9 - Financial Instruments, IFRS 16 - Leases, and IAS 41 - Agriculture** - The Annual Improvements include amendments to four Standards.

  – *IFRS 1 - First-time Adoption of International Financial Reporting Standards* - The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual years beginning on or after 1 January 2022, with early application permitted.

- *IFRS 9 - Financial Instruments* - The amendment clarifies that in applying the "10 per cent" test to assess whether to derecognize a financial liability, a company includes only fees paid or received between the company (the borrower) and the lender, including fees paid or received by either the company or the lender on the other's behalf.

  The amendment is applied prospectively to modifications and exchanges that occur on or after the date the company first applies the amendment.

  The amendment is effective for annual years beginning on or after 1 January 2022, with early application permitted.

- *IFRS 16 - Leases* - The amendment removes the illustration of the reimbursement of leasehold improvements.

  As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

- **Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies** - The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendment replaces all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information

  included in a company's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

  The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

  The Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in IFRS Practice Statement 2.

  The amendments to IAS 1 are effective for annual years beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

- **Amendments to IAS 8 - Accounting Policies Changes in Accounting Estimates and Errors - Definition of Accounting Estimates** - The amendments replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

  The definition of a change in accounting estimates was deleted. However, the IASB retained the concept of changes in accounting estimates in the Standard with the following clarifications:

  - A change in accounting estimate that results from new information or new developments is not the correction of an error; and

  - The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior year errors.

  The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments.

  The amendments are effective for annual years beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that year, with earlier application permitted.

- **Amendments to IAS 12 - Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction** - The amendments introduce a further exception from the initial recognition exemption. Under the amendments, a company does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

  Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

  Following the amendments to IAS 12, a company is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

  The IASB also added an illustrative example to IAS 12 that explains how the amendments are applied.

  The amendments apply to transactions that occur on or after the beginning of the earliest comparative year presented. In addition, at the beginning of the earliest comparative year a company recognizes:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with:

- Right-of-use assets and lease liabilities

- Decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.

- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

The amendments are effective for annual reporting years beginning on or after 1 January 2023, with earlier application permitted.

3. SIGNIFICANT ACCOUNTING POLICIES

a. ***Basis of Presentation*** - CATIE's financial statements are prepared according to the International Financial Reporting Standards (IFRS), and in addition, certain guidelines of the Financial Accounting Standard FABS ASC No.958, issued by the American Institute of Certified Public Accountants of the United States of America, have been adopted (applicable to not-for-profit entities commencing December 1994) (Note 1r), since the IFRS do not include specific matters applicable to not-for-profit entities.

Historical Cost - Generally, historical cost is based on the fair value of the consideration granted in exchange of goods and services.

Fair Value - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Entity takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability on the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirely, which are described as follows:

- *Level 1* - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- *Level 2* - Inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- *Level 3* - Unobservable inputs for asset or liability.

b. ***Funds Managed by CATIE*** - Funds managed by CATIE are classified in the financial statements, according to their restrictions, as Unrestricted Funds, Plant Fund and Temporarily Restricted Funds. These funds are segregated into the following categories based on their source and purpose:

- **Unrestricted Regular Funds** -

  - *Basic Activities Fund* - It includes the basic activities of CATIE in promoting and developing the research and education in agriculture, forestry, livestock, and related fields, as established in its original articles of incorporation.

    Such activities are mainly financed through member countries fees, IICA's annual contributions, revenues from training activities, specific donations and contributions received for financing these activities, through interests generated on trusts of which CATIE is a beneficiary, and through the administrative and logistical support (overhead) charged to project agreements.

  - *Productive Activity Fund* - It comprises those activities developed by CATIE in the agriculture, livestock and management of goods and services fields, which generate an economic benefit. The main productive activities are: cultivation of sugarcane, coffee, and other minor agricultural products, as well as cattle farming, lodging services, and data processing services, among others.

  - *Plant Fund* - This Fund controls the real property, furniture and equipment acquired with resources from the Basic Activities Fund and funds donated by national or international organizations. The assets included in this Fund are part of CATIE's available resources to achieve its institutional goals. The balance of the Plant Fund is represented by the monetary value, net of depreciation, of real and personal property owned by CATIE. This Fund does not include fixed assets acquired with resources from the Agreements Fund, since capital expenditures are recognized as expenses of the respective project. Nevertheless, if such assets are donated, exchanged, or sold to CATIE upon termination of the contract, they will be included in this Fund. Physical control over fixed assets acquired with resources from the Agreements Fund is kept by CATIE, through a fixed assets database.

- **Temporarily Restricted Funds** -

  - *Funds in Custody* - Includes funds received from national and international organizations to finance training and education provided by CATIE to some scholarship students and technicians from those institutions, as well as for the execution of certain research projects, which negotiated amount is under US$75,000. For control purposes, income and expenses related to those funds are recorded separately until their specific purposes are fulfilled.

  - *Agreement Fund* - Correspond to funds received by CATIE for the execution of certain agreements and contracts subscribed with national and international organizations, and their use is specifically restricted to the agreed-upon activities of such agreements and contracts. For control purposes, separate accounting records are used for the income and expenses related to those funds. Some of these funds are administered in independent checking accounts, according to the contractual requirements established by the donor. In addition, CATIE has entered into agreements with national and international organizations on which CATIE has no participation or technical responsibility whatsoever. Thus, income and expenses of such funds are not shown as such in the Statement of Activities. The balance administered for this concept as of December 31, 2021 and 2020, amounts to US$230 (thousands). and US$372 (thousands) respectively.

c. ***Currency and Foreign Currency Transactions*** - The accounting records of CATIE are kept in United States of America dollars (US$), its functional currency, and the financial statements and its notes, are also expressed in such currency. Monetary assets and liabilities originated in currencies other than their functional currency are translated to US dollars at the exchange rates in effect in each country as of the date of the financial statements.

Transactions made in foreign currency are registered at the exchange rate in force as of the date of the transaction. Assets and liabilities in foreign currency at the end of each accounting period are adjusted at the exchange rate in force as of such date. Exchange rate differences originated from the liquidation of assets and obligations denominated in foreign currency and from the adjustment of balances as of closing date are recognized in the results of the period in which they occurred.

As of December 31, 2021 and 2020, exchange rates for US$1 at each of the countries where CATIE develops its activities were the following:

Country	Currency	Exchange Rate as of December 31, 2021	Exchange Rate as of December 31, 2020
Belize	Belize Dollar	1.969	1.973
Bolivia	Bolivianos	6.86	6.72
Costa Rica	Colones	639.06	610.53
Guatemala	Quetzales	7.53	7.79
Honduras	Lempiras	24.345	24.114
CEE	Euro	0.8813	0.8143
Nicaragua	Córdobas	35.085	34.825
Peru	Nuevo Sol	3.929	3.576
Dominican Republic	Dominican Pesos	56.613	57.546

d. ***Cash and Cash Equivalents*** - The cash accounts include restricted balances, held in separate bank accounts, to be used solely to cover disbursements of the agreements signed by CATIE with different donors, or to receive disbursements contributed by them. These restricted balances amount to a US$6,508 (thousands) and US$5,676 (thousands)as of December 31, 2021 and 2020, respectively. All investments with an original maturity of less than three months are considered cash equivalents.

e. ***Leases*** -

The Entity as a Lessor - The Entity enters into lease agreements as a lessor for some of the investment properties. The Entity also leases to retailers the equipment necessary for the presentation and development of activities and equipment manufactured by the Entity.

The leases in which the Entity is a lessor are classified as financial leases or operating leases. When the terms of the agreement significantly transfer all risks and benefits of ownership to the lessee, the agreement is classified as a financial lease. All other agreements are classified as operating agreements.

When the Entity is an intermediate lessor, it accounts the principal lease and sublease as two separate agreements. The sublease is classified as a lease or operating lease in reference to the right-of-use asset arising from the principal lease.

The income from operating leases is recognized on a straight-line basis during the term of the relevant lease. The direct initial costs incurred in the negotiation and arrangements of the operating lease are added to the carrying amount of the leased asset and are recognized on a straight-line basis during the term of the lease.

The outstanding amounts of the financial leases are recognized as leases receivable for the amount of the net investment in the leases. The financial lease income is allocated to the accounting periods as to show a constant rate of return on the net unpaid investment regarding the leases.

When an agreement includes leasing and non-leasing components, the Entity applies IFRS 15 to allocate the consideration for each component under the agreement.

The Entity as a Lessee - The Entity evaluates whether an agreement contains a lease at its source. The Entity recognizes a right-of-use asset and a corresponding lease liability for all lease agreements in which it is a lessee, excluding short-term leases (a term of 12 months or less) and low-value assets (such as tablets, personal computers, and small office furniture and phones). For these leases, the Entity recognizes rent payments as an operating on a straight-line basis during the term of the lease, unless another method is more representative of the pattern of time during which the economic benefits arise from the use of the leased assets.

The lease liability is initially measured at the present value of the rental payments that are not made on the start date, discounted by the rate implicit in the agreement. If this rate cannot be easily determined, the Entity uses incremental rates.

Rental payments included in the measurement of the lease liability consist of:

- Fixed rental payments (including fixed payments basically), less any lease incentive received;

- Variable rental payments that depend on an index or rate, initially measured using the index or rate on the start date;

- The expected amount payable by the lessee under residual value guarantees;

- The exercise price of call options, if the lessee is reasonably sure of exercising the options; and

- Payments for penalties resulting from the termination of the lease, if the lease term reflects the exercise of a lease termination option.

The lease liability is presented separately in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to show the interest accrued on the lease liability (using the effective interest method) and reducing the carrying amount to show the rental payments made.

The Entity carries out a revaluation of the lease liability (and makes the corresponding adjustment to the related right-of-use asset) provided that:

- The term of the lease is modified or there is a significant event or change in the circumstances of the lease resulting in a change in the evaluation of the exercise of the call option; therefore, the lease liability is measured by discounting the updated rental payments using an updated discount rate.

- The rental payments are modified as a result of changes to the index or rate or a change to the expected payment under a guaranteed residual value, in which case the lease liability is revalued by discounting the updated rental payments using the same discount rate (unless the change to the rental payments is caused by a change to a variable interest rate, in which case an updated discount rate is used).

- A lease agreement is modified and the modification of the lease is not accounted for as a separate lease, in which case the lease liability is revalued based on the term of the modified lease, by discounting the updated rental payments using a discount rate updated at the effective date of the modification.

The Entity did not make any of the adjustments mentioned in the periods presented.

The right-of-use assets consist of the initial measurement of the corresponding lease liability, the rental payments made on or before the start date less any lease incentives received and any initial costs. The subsequent valuation is the cost less the accumulated depreciation and impairment losses.

If the Entity incurs in an obligation to decommission and remove a leased asset, renovate the facilities where it is located, or restore the underlying asset to the condition required by the lease terms and conditions, a provision measured under IAS 37 must be recognized. To the extent that costs are related to a right-of-use asset, costs are included in the related right-of-use asset unless those costs are incurred to generate inventories.

The right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If a lease transfers the ownership of the underlying asset or the cost of the right-of-use asset shows that the Entity is planning to exercise a call option, the right-of-use asset will be depreciated over the useful life. Depreciation begins on the lease start date.

The right-of-use assets are presented separately in the statement of financial position.

The Entity applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any impairment losses identified as described in the "Property, plant, and equipment" policy.

As a practical expedient, IFRS 16 allows you not to separate non-lease components, but rather to account for any lease and its related non-lease components as a single agreement. The Entity has not used this practical expedient. For agreements containing lease components and one or more additional lease or non-lease components, the Entity allocates the consideration of the agreement to each lease component under the separate selling price method of the lease component and the relative added selling price for all non-lease components.

f. ***Inventories*** - Material and supplies inventories are valued at average cost, which does not exceed its net realizable value. The coffee mill inventory and forest seed bank are is valued at amounts that are approximate to its net fair value. The Entity follows the policy of directly including the value of the damaged or obsolete inventories in the operating results, according to the analyses performed on an annual basis.

g. ***Financial Assets*** - Every regular purchase or sale of financial assets are recognized and derecognized at a trading date. Regular purchases or sales are financial asset purchases or sales that require the delivery of assets within the term established by the regulations or the usual practice in the market.

All recognized financial assets are subsequently measured in full, either at amortized cost or fair value, according to the financial asset classification.

Financial Asset Classification - Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- If the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- The financial asset is held within a business model in which assets are managed to achieve a particular objective by both collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all the other financial assets are subsequently measured at fair value through profit or loss.

In spite of the above, the Entity may make the following irrevocable choice/designation since initial recognition of a financial asset:

- It may irrevocably choose to present subsequent changes in the fair value of an equity investment in other comprehensive income if the following certain are met (see (iii) below); and

- It may irrevocably designate a debt instrument that meets the amortized cost or fair value criteria through other comprehensive income if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

  (i) *Amortized Cost and Effective Interest Method* - The effective interest method is a method to calculate the amortized cost of a debt instrument and allocate interest income during the relevant period.

  For the financial assets that were not purchased or arisen from impaired credit financial assets (for example, impaired-credit financial assets since initial recognition), the effective interest rate is the rate that accurately discounts the future expected cash inflows (including all paid or received fees that are an integral part of the effective interest rate, the transaction costs and other premiums or discounts) excluding expected credit losses throughout the expected life cycle of a debt instrument or, if applicable, a shorter term at carrying amount, net of the debt instrument since initial recognition. For the purchased or originated impaired credit financial assets, a credit-adjusted effective interest rate is calculated by discounting the future estimated cash flows, including the expected credit losses, at the amortized cost of the debt instrument since initial recognition.

  The amortized cost of a financial asset is the amount at which the financial asset is measured since initial recognition less the reimbursements of the principal, plus the accrued amortization using the effective interest method of any difference between such initial amount and the amount at maturity, adjusted by any loss. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting any allowance for losses.

  The interest income is recognized on an effective interest basis for debt instruments subsequently measured at amortized cost and fair value through other comprehensive income. For the purchased or originated credit-impaired financial assets, the interest income is calculated based on the effective interest rate at the gross carrying amount of a financial asset, except for the financial assets that subsequently suffered credit impairment (see below). For the financial assets that subsequently suffered credit impairment, the interest income is recognized based on the effective interest rate at amortized cost of the financial asset. If in subsequent reporting periods the credit risk of the credit-impaired financial instrument improves, so that the financial asset is no longer credit impaired, the interest income is recognized based on the effective interest rate at the gross carrying amount of the financial asset.

For the purchased or originated credit impaired financial assets, the Entity recognizes the interest income based on the credit-adjusted effective interest rate at amortized cost of the financial asset since initial recognition. The calculation does not use a gross basis again, even if the credit risk of the financial asset subsequently improves, so that the financial assets are no longer credit impaired.

Interest income is recognized through profit or loss and is included in "Financial Income - Interest Income."

(ii) *Debt Instruments Classified at Fair Value Through Other Comprehensive Income* - Corporate bonds held by the Entity are classified at Fair Value through other comprehensive income. Corporate bonds are initially measured at fair value plus transaction costs. Therefore, changes in the carrying amount of these corporate bonds as a result of foreign exchange profits and losses (see below), profit or loss impairment (see below), and interest income calculated on an effective interest method basis (see (i) above) are recognized in the profit or loss. The amounts that are recognized as income are the same as the amounts that would have been recognized as income had they been measured at amortized cost. All other changes in the carrying amount are recognized at amortized cost. All other changes in the carrying amount of these corporate bonds are recognized in other comprehensive income or accrued under the heading of investment revaluation reserve. When these corporate bonds are derecognized, the accrued profit or loss previously recognized in other comprehensive income is reclassified as profit or loss.

(iii) *Equity Investments Designated as Fair Value Through Other Comprehensive Income* - At initial recognition, the Entity may make the irrevocable choice (instrument for instrument) to designate equity instrument investments at Fair Value through other comprehensive income. The designation at fair value through other comprehensive income is not allowed if the equity investment is held for trading or if it is a contingent consideration recognized by an acquirer in a business combination.

A financial asset is held for trading if:

- It has been obtained to be sold in the short run; or

- At initial recognition, it is part of an identified financial instrument portfolio that the Entity manages collectively and if there is evidence of a recent short-term profit-making pattern; or

- It is a derivative (except for derivatives that are contractual financial guarantees or an effective hedging instrument).

Equity instrument investments at fair value through other comprehensive income are initially recognized at fair value plus transaction costs. Then, they are measured at fair value with profit or loss arising from changes to the fair value recognized in other comprehensive income and accrued in the investment revaluation reserve. The accrued profit or loss cannot be reclassified as profit or loss in the item of equity investments, but it is rather transferred to retained earnings.

The dividends of these equity instrument investments are recognized in the profit or loss according to IFRS 9, unless the dividends clearly represent a recovery of part of the investment cost. The dividends are included in the item of financial income in the profit or loss of the fiscal year.

The Entity has designated all the equity instrument investments that are not held for trading as fair value through other comprehensive income in the initial application of IFRS 9.

(iv) *Financial Assets at Fair Value Through Profit or Loss* - The financial assets that do not meet the criteria to be measured at amortized cost or fair value through other comprehensive income (see (i) to (iii) above) are measured at fair value through profit or loss. Specifically:

- Equity instrument investments are classified at fair value through profit or loss, unless the Entity designates an equity investment that is not held for trading or contingent consideration resulting from a business combination at fair value through other comprehensive income at initial recognition (see (iii) above).

- Debt instruments that do not meet the conditions of amortized cost or fair value through other comprehensive income (see (i) and (ii) above), are classified at fair value through profit or loss. Moreover, the debt instruments that meet the conditions of amortized cost or fair value through other comprehensive income can be designated as fair value through profit or loss since initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency (denominated "accounting disparity") that would result from the measurement of assets or liabilities or the recognition of profit or loss on different bases. The Entity has not designated any debt instruments at fair value through profit or loss.

Financial assets at Fair Value through other comprehensive income are measured at fair value at the end of each reporting period, with any profit or loss of fair value recognized in profit or loss as long as it is not part of a designated hedging relationship (see hedging accounting policy). The net profit or loss recognized in the profit or loss includes any dividends or interest earned on the financial asset and included in "other profit or loss."

Foreign Exchange Profit or Loss - The carrying amount of financial assets denominated in a foreign currency is determined at that foreign currency and translated at the exchange rate at the end of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange rate differences are recognized in the profit or loss under "other profit or loss";

- For debt instruments measured at fair value through other comprehensive income that are not part of a designated hedging relationship, currency differences in the amortized cost of the debt instrument are recognized in the profit or loss under the heading of other profit or loss. Other exchange rate differences are recognized in another comprehensive outcome in the investment revaluation reserve;

- For financial assets measured at fair value through profit or loss that are not part of a designated hedging relationship, exchange rate differences are recognized in the profit or loss under the heading of other profit or loss; and

- For equity instruments measured at fair value through other comprehensive income, exchange rate differences are recognized in another comprehensive income in the investment revaluation reserve.

See the hedging accounting policy regarding foreign currency differences where the risk component of a foreign currency for a financial asset designated as a foreign currency risk hedging instrument.

Financial Asset Impairment - The Entity recognizes an allowance for expected credit losses on investments in debt instruments measured at amortized cost or at fair value through other comprehensive income, lease accounts receivable, trade accounts receivable and contractual assets, as well as financial guarantee contracts. The amount of the expected credit losses is updated on each reporting date to reflect changes to the credit risk since the initial recognition of the respective financial instrument.

The Entity recognizes expected lifetime expected credit losses on trade accounts receivable, contractual assets and lease accounts receivable. The expected credit losses on these financial assets are estimated using an allowance matrix based on the Entity's historical experience of credit losses, adjusted by factors that are specific to these debtors, the general economic conditions, and an assessment of both the current management and the forecast of conditions on the reporting date, including the time value of the money, where appropriate.

For all other financial instruments, the Entity recognizes a lifetime expected credit loss when there has been a significant increase in the credit risk since initial recognition. However, if the credit risk of a financial instrument has not significantly increased since initial recognition, the Entity measures the allowance for losses for such a financial instrument in an amount equal to the expected 12-month credit loss.

The lifetime expected credit loss represents the expected credit loss resulting from all events of noncompliance during the expected useful life of a financial instrument. In contrast, the expected 12-month credit loss represents the portion of the lifetime expected credit loss that will result from predetermined events on a financial instrument within 12 months of the reporting date.

(i) *Significant Increase in the Credit Risk* - In assessing whether the credit risk of a financial instrument has significantly increased since initial recognition, the Entity compares the risk of noncompliance of the financial instrument on the reporting date to the risk of noncompliance of the financial instrument on the start date. Recognition. In conducting this assessment, the Entity considers both quantitative and qualitative information as reasonable and well-founded, including the historical experience and available prospective information at no unnecessary cost or effort. The prospective information includes the future prospects of the industries in which the Entity's debtors operate, obtained from economic expert reports, financial analysts, governmental agencies, relevant expert groups and other similar organizations, as well as several external sources of actual information and foreseen economic information related to the Entity's key operations.

In particular, the following information is taken into account when assessing whether the credit risk has significantly increased since initial recognition:

– An existing or expected significant impairment of the external rating (if any) or internal rating of the financial instrument;

– A significant impairment of external market indicators of the credit risk for a specific financial instrument, for example, a significant increase of the credit spread, credit default swap for the debtor, or the term or the extent to which the fair value of a financial asset is less than its amortized cost;

– Existing or expected adverse changes in the economic, financial or business conditions that are likely to cause a significant decrease in the debtor's ability to meet a debt obligation;

– A significant current or expected impairment of the debtor's operating income;

– Significant increases of credit risk on other financial instruments of the same debtor;

– An existing or expected adverse change in the debtor's regulatory, economic or technological conditions resulting in a significant decrease in the debtor's ability to meet obligations.

Regardless of the outcome of the above assessment, the Entity assumes that the credit risk on a financial asset has significantly increased since initial recognition when the contractual payments are delinquent for more than 30 days, unless the Entity has reasonable and reliable information to prove otherwise.

In spite of the above, the Entity assumes that the credit risk on a financial instrument has not significantly increased since initial recognition if the financial instrument is considered to have a low credit risk on the reporting date. A financial instrument is considered to have a low credit risk if:

- The financial instrument has a low risk of noncompliance,

- The debtor has an outstanding ability to meet contractual cash flow obligations in the short term, and

- Adverse changes in the economic and business conditions in the long term may reduce the ability of the debtor to meet contractual cash obligations, but necessarily.

The Entity considers that a financial asset has low credit risk when the asset has an external credit rating of "investment grade" according to the globally accepted definition, or if no external rating is available, that the asset has an internal "achievable" rating. Achievable-for-sale means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date on which the Entity becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the impairment of the financial instrument. In assessing whether there has been a significant increase in credit risk since initial recognition of financial guarantee contracts, the Entity considers changes in the risk that the specified debtor will default on the contract.

The Entity regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in the credit risk and reviews them as appropriate to ensure that the criteria are able to identify a significant increase in the credit risk before the amount is past due.

(ii) *Definition of Noncompliance* - The Entity considers the following as a noncompliance event for internal credit risk management purposes, since the historical experience indicates that financial assets are not recoverable when they meet any of the following criteria:

- When the debtor fails to comply with financial agreements;

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Entity, in full (regardless of any guarantees held by the Entity).

Regardless of the above analysis, the Entity considers that noncompliance has occurred when a financial asset has more than 90 days due, unless the Entity has reasonable and reliable information to demonstrate that a later default criterion is more appropriate.

(iii) *Credit-Impaired Financial Assets* – A financial asset is credit-impaired when one or more events have a detrimental impact on the estimated future cash flows of such a financial asset. Evidence that a financial asset is credit-impaired includes observable data on the following events:

- Significant financial difficulty of the issuer or debtor;
- Breach of a contract, such as a default or expired event (see (ii) above);
- The debtor's lenders, for economic or contractual reasons related to the debtor's financial difficulty, grant the debtor a concession that the lenders would not otherwise consider;
- The debtor is more likely to go bankrupt or some other financial reorganization; or
- The dissolution of a functional market for the financial assets due to financial difficulties.

(iv) *Derecognition Policy* - The Entity derecognizes a financial asset when there is information indicating that the debtor is in serious financial difficulty and there is no realistic prospect of recovery, for example, when the debtor has been placed in liquidation or has filed a bankruptcy proceeding, or in the case of trade accounts receivable, when the amounts are due for more than two years, whichever is earlier. Written-off financial assets may still be subject to compliance activities under the Entity's recovery procedures, taking into account legal advice where appropriate. Any recovery performed is recognized in the profit or loss.

(v) *Measurement and Recognition of Expected Credit Losses* - Measuring expected credit losses is a function of the probability of noncompliance, the loss given the noncompliance (i.e. the magnitude of the loss if there is a default) and the exposure to noncompliance. The assessment of the probability of noncompliance and the loss resulting from a default is based on historical data adjusted by the prospective information as described above. As for noncompliance exposure, for financial assets, this is represented by the gross carrying amount of the assets on the reporting date; for financial guarantee contracts, the exposure includes the amount set on the reporting date, along with any additional amount expected to be obtained in the future by the noncompliance date determined based on historical trends, the Entity's understanding of the specific financial needs of the debtors, and other relevant future information.

For the financial assets, the expected credit loss is estimated as the difference between all contractual cash flows owed to the Entity in accordance with the contract and all cash flows that the Entity expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used to determine the expected credit losses are consistent with the cash flows used in measuring the lease receivable in accordance with IAS 17 Leases.

For a financial guarantee contract, where the Entity is required to make payments only in case of noncompliance by the debtor in accordance with the terms of the secured instrument, the allowance for expected losses is the expected payment to reimburse the holder for a credit loss less any amount the Entity expects to receive from the holder, the debtor or any other party.

If the Entity has measured the allowance for losses for a financial instrument in an amount equal to the expected lifetime credit loss in the previous reporting period, but it determines on the current presentation date that the conditions for the expected lifetime credit loss are no longer met, the Entity will estimate the loss margin in an amount equal to the expected credit loss of 12 months on the current reporting date, except for the assets for which the simplified approach was used.

The Entity acknowledges a loss or impairment loss in the profit or loss of all financial instruments with an adjustment corresponding to its carrying amount through an account of allowance for losses, except for investments in debt instruments measured at fair value through other comprehensive income, for which the allowance for losses in other comprehensive and accumulated income in the investment revaluation reserve is recognized, and it does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of Financial Assets - The Entity derecognizes a financial asset only if the contractual rights of the asset's cash flows expire, or when it transfers the financial asset and substantially all risks and benefits of ownership of the asset to another entity. If the Entity does not substantially transfer or withholds all the risks and benefits of ownership and continues to control the transferred asset, the Entity will recognize its withheld interests in the asset and a related liability for the amounts payable. If the Entity substantially withholds all the risks and benefits of ownership of a transferred financial asset, the Entity will continue to recognize the financial asset and will also recognize a secured loan for the income received.

When derecognizing a financial asset measured at amortized cost, the difference between the carrying amount of the asset and the amount of the consideration received and receivable is recognized in the profit or loss. In addition, when derecognizing an investment in a debt instrument classified as fair value through other comprehensive income, the previously accumulated profit or loss in the investment revaluation reserve is reclassified in the profit or loss. In contrast, in the derecognition of an investment in an equity instrument that the Entity chose in the initial recognition to measure at fair value through other comprehensive income, the previously accumulated profit or loss in the investment revaluation reserve is not reclassified in the profit or loss, but it is rather transferred to the accumulated profit (deficit).

h. ***Financial Liabilities and Equity*** -

Classified as Debt or Equity - Debt and equity instruments are classified as financial liabilities or as equity according to the contents of the contractual agreements and definitions of a financial liability and an equity instrument.

Equity Instruments - An equity instrument is any contract that shows a residual interest on an entity's assets after deducting all liabilities. The equity instruments issued by the Entity are recognized at the income received, net of direct issue costs.

The repurchase of the Entity's own equity instruments is recognized and deducted directly from the equity. No profit or loss is recognized in the profit or loss of the purchase, sale, issue or payment of the Entity's own equity instruments.

Compound Instruments - The components of convertible debt securities issued by the Entity are separately classified as financial liabilities and equity according to the contents of the contractual agreements and the definitions of a financial liability and an equity instrument. A conversion option to be settled by exchanging a fixed amount of cash or another financial asset for a fixed number equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until it is extinguished at conversion or maturity date of the instrument.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument in full. This is recognized and included in the net equity, net of the income tax effects, and is not subsequently remeasured.

Transaction costs related to the issue of convertible debt securities are allocated to the liabilities and equity components proportionally to the allocation of the gross income. The transaction costs related to the equity component are directly recognized in the equity. The transaction costs related to the liability component are included in the carrying amount of the liability component and amortized over the useful life of the convertible loan notes using the effective interest method.

Financial Liabilities - All financial liabilities are subsequently measured at amortized cost using the effective interest method or at fair value through profit or loss.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuous equity method is applied, and the financial guarantee contracts issued by the Entity are measured in accordance with the specific accounting policies detailed below.

Financial Liabilities at Fair Value through Profit or Loss - Financial liabilities are classified at fair value through profit or loss when the financial liability (i) is the contingent consideration of an acquirer in a business combination, (ii) is held for trading, or (iii) is designated as fair value through profit or loss.

A financial liability is classified as held for trading if:

- It has been acquired mainly to repurchase it in the short term; or
- At initial recognition, it is part of a portfolio of identified financial instruments that the Entity jointly manages and has a recent actual pattern of short-term profit-making; or
- It is a derivative, except that the derivative is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability not held for trading or the contingent consideration of an acquirer in a business combination may be designated as fair value through profit or loss at initial recognition if:

- Such designation significantly eliminates or reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial liability is part of a financial asset or financial liability or both, which is managed and its performance is assessed at fair value in accordance with the Entity's documented risk management or investment strategy, and the information on the combination is internally provided on that basis; or

- It is part of a contract containing one or more implied derivatives, and IFRS 9 allows the entire combined contract to be designated as fair value through profit or loss.

Financial liabilities at fair value through profit or loss are measured at fair value, and the profit or loss arising from changes in the fair value is recognized in the income to the extent that it is not part of a designated hedging relationship (see the hedging accounting policy). The net profit or loss recognized in the profit or loss includes any interest paid on the financial liability and is included in the heading of "other profit or loss" in the income.

However, for financial liabilities designated as fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income unless the recognition of the effects of changes in the credit risk of the liability in other comprehensive income would create or extend an accounting mismatch in the income. The remaining amount of the change in the fair value of the liability is recognized in the income. Changes in the fair value attributable to the credit risk of a financial liability recognized in other comprehensive income are not subsequently reclassified in the income. They are rather transferred to the accumulated profit once the financial liability is derecognized.

The profit or loss on financial guarantee contracts issued by the Entity and which are designated by the Entity as fair value through profit or loss is recognized in the income.

Financial Liabilities Subsequently Measured at Amortized Cost- Financial liabilities that are not (i) a contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as fair value through profit or loss, are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method for calculating the amortized cost of a financial liability and for allocating interest expenses during the relevant period. The effective interest rate is the rate that accurately deducts foreseen future cash payments (including all charges and points paid or received that are an integral part of the effective interest rate, transaction costs, and other premiums or discounts) over the expected useful life of the financial liability, or (if appropriate) a shorter term, at the amortized cost of a financial liability.

Financial Guarantee Contractual Liabilities - A financial guarantee contract is a contract that requires the issuer to make specific payments to reimburse the holder for a loss incurred because a specific debtor did not make the payments when due under the terms of a debt instrument.

Financial guarantee contractual liabilities are initially measured at fair value and, if not designated at fair value through other comprehensive income and do not arise from a transfer of an asset, they are subsequently measured at the greater of:

- The amount of the allowance for losses determined in accordance with IFRS 9 (see the financial assets above); and

- The amount initially recognized less, where applicable, the accumulated depreciation recognized in accordance with the revenue recognition policies set out above.

Foreign Exchange Profit or Loss – For the financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, foreign currency profit or loss is determined based on the amortized cost of the instruments. These foreign currency profit or loss is recognized under the heading "Other profit or loss" in the income for financial liabilities that are not part of a designated hedging relationship. For those designated as a hedging instrument for foreign currency risk hedging, foreign currency profit or loss is recognized in other comprehensive income and accrued into a separate component of the equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities measured at fair value through profit or loss, the foreign currency component is part of the profit or loss of fair value and is recognized in the profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of Financial Liabilities - The Entity derecognizes financial liabilities if, and only if, the Entity's obligations are fulfilled, paid or have expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in the income.

When the Entity exchanges a debt instrument in another with the existing lender on substantially different terms, such an exchange is accounted for as an extinction of the original financial liability and the new financial liability is recognized. Similarly, the Entity considers the substantial modification of the terms of an existing liability or a part therein as an extinction of the original financial liability and the new liability is recognized. The terms are supposedly substantially different if the present discounted value of cash flows under the new terms, including any net paid fee of any fee received and discounted using the original effective rate is at least 10% different from the current discounted value of the remaining cash flows of the original financial liability. If the change is not substantial, the difference between: (1) the carrying amount of liability prior to modification; and (2) the present value of cash flows after modification should be recognized in the income as profit or loss due to modification in other profit or loss.

i. ***Property, Furniture, Bearer Plants, Equipment* and right to use assets** - CATIE follows the policy of recording funds disbursed for the acquisition of property, furniture, bearer plants, equipment and and right to use assets as expenses, and it subsequently capitalizes those amounts in the Plant Fund whenever those assets are acquired with resources from the Basic Activities Fund. Therefore, such capitalization is performed based on the acquisition cost of the assets.

CATIE also registers as part of the Plant Fund property, plant and equipment acquired through Funds in Custody as part of the Plant Fund, except in those cases the entity where the person responsible for the fund communicates of the non institutional use of the asset upon termination of the contract or agreement.

j. ***Depreciation*** - Depreciation of property, furniture, bearer plants, equipment and right to use assets is made using the straight-line method over the estimated useful lives of the respective assets, as shown below:

Detail	Depreciation Rates
Buildings	2 to 10%
Machinery	6.67 to 20%
Vehicles	10 to 16.67%
Office and home furniture and equipment	10 to 100%
Laboratory equipment	10 to 33.33%
Computer equipment and licenses	10 to 33.33%
Software licenses	20 to 33.33%
Coffee plantations	6.67 a 10%
Sugar cane plantations	7.69 a 10%
Right to use assets	2 to 10%

Depreciation expense is recorded in the Plant Fund.

k. ***Allowance for Impairment of Accounts Receivable from Member Countries*** - As of 2011, CATIE calculates this impairment based on Article 8 of the "General Regulations of CATIE" which state that the Member State in arrears in the payment of their fees for more than 2 full years will have the right to vote in the Superior Council of Ministers. Based on this article, CATIE has recorded impairments for those member country fees that have been in arrears for two years or more.

When IFRS 9 became effective on January 1, 2018, the amount of the expected credit loss is updated on each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument. For 2021, the impairment sum was US$168 (thousands) and for 2020, it was US$11 (thousands).

CATIE recognizes an allowance for losses from foreseen credit losses in accounts receivable from member countries. The amount of credit losses is updated on each reporting date to reflect the changes in the credit risk since the initial recognition of the respective financial instrument.

CATIE recognizes lifetime expected credit losses on accounts receivable from member countries. The expected credit losses on these financial assets are estimated using an allowance matrix based on the historical experience of credit losses, adjusted by factors that are specific to these debtors, the general economic conditions, and an assessment of the current direction and the forecast of conditions on the reporting date, including the time value of money when appropriate.

For the remaining financial instruments, CATIE recognizes a lifetime credit loss when there has been a significant increase in the credit risk since initial recognition. Nevertheless, if the credit risk of a financial instrument has not significantly increased since initial recognition, CATIE measures the allowance for losses for such a financial instrument in an amount equal to the expected 12-month credit loss.

The lifetime expected credit loss represents the expected credit loss resulting from all the events of noncompliance during the expected useful life of a financial instrument. In contrast, the expected 12-month credit loss represents the portion of the lifetime expected credit loss that will result from predetermined events on a financial instrument within 12 months of the reporting date.

l. ***Valuation of Other Assets*** - CATIE registers the amounts disbursed for the purchase of certificates of contribution of Cooperativa de Productores de Leche Dos Pinos, R.L., at historical value. Every year an impairment valuation takes place, taking into consideration the reasonability of the balance.

With the implementation of IFRS commencing on January 1, 2018, the sum of the disbursements for acquiring certificates of investment held at their historical value are measured at fair value, taking the profit or loss in valuation to results.

m. ***Biological Assets*** - CATIE follows the practice of capitalizing the disbursements incurred for developing and breeding cattle for the dairy activity. At the end of each accounting period, dairy cattle is valuated at its fair value, recognizing a profit or loss from the increase of decrease of the herd.

Forest plantations are valued at fair value through a methodology that considers the different conditions of the plantations, according to their diameters, plantation management, density, topography, quality of sites, and on the basis of lots measured every year.

In order to determine fair value, biological assets are separated by age and type, calculating the expected present value of the net cash flows by biological asset, in their current condition and location.

n. ***Temporarily Restricted Net Assets*** - Funds contributed by national or international organizations to establish the Agreement Funds, Funds in Custody, and Administered Funds, for the execution of agreements, contracts, or specific activities are recorded as temporarily restricted net assets. As they are used in the activities defined in the agreements and contracts, CATIE simultaneously recognizes such amounts as income released from restrictions and as expenses of the Agreement Fund and Funds in Custody in the statement of activities.

When the expenses incurred by CATIE in the execution of an agreement, contract, or specific activity exceed the respective contributions, the excess is recorded as an account receivable from the respective donor.

o. ***Employees' Legal Benefits*** - According to the Costa Rican labor law, employees that are dismissed without just cause are entitled to severance pay, equivalent to 20 days of salary for each year of continuous service, with a limit of eight years. However, on December 23, 1998, CATIE, along with a Permanent Employee Committee, agreed that severance pay should be recognized as an actual right and not as an expectation by law. The main clauses of such agreement were the following:

- Since January 1999, CATIE monthly deposits 8.33% of salaries and benefits paid in the Fideicomiso de Cesantía del Personal Nacional del CATIE (Trust for Severance Pay of CATIE's Local Employees), which is administered by the investment fund administration company of Banco Popular y Desarrollo Comunal. As of March 2001, 3% of this provision is transferred to different pension funds selected by employees. Starting in February 2012, 5.33% of severance is deposited in Asociación Solidarista de Empleados (ASOCATIE) (CATIE's Employee Fund), in behalf of the associated employees.

- From September to December 2016, a massive employment termination process was applied for staff from Costa Rica. The objective was to reduce staff costs, and along with the Permanent Workers Committee, it was agreed to eliminate additional employee benefits to the 3% law of the Labor Compensation Fund (FOCOPEN), five-year bonuses, as well as annual payments for seniority.

- Funds corresponding to severance, plus the accumulated yield, will be returned to each employee only at the moment of leaving CATIE, regardless of the reason of their exit.

For employees working in countries where CATIE has offices, the policy of directly charging expenses and provisioning employees' legal benefits is followed.

p. ***Revenue Recognition*** - The Entity recognizes income from the following sources:

- Donations from member countries and from the Inter-American Institute for Cooperation on Agriculture ("I.I.C.A.").

- Research and projects carried out in different member countries regarding soil and climate studies.

- Income from tuition of students of post-graduate Master's programs provided by CATIE.

- Agricultural income from the sale of cane, coffee, seeds, and milk.

Donations - The Entity is composed of member countries that make a contribution of US$50,000 per year, and I.I.C.A, which contributes US$1,000,000 per year, and these donations are used as working capital.

This income is recognized during the period because, according to the contractual terms, each member must contribute such amounts per year.

Research and Projects - The Entity conducts various research projects on forest areas, river basins, climate change, among others. These projects account for income for CATIE, and it is recognized in accordance with the contractual terms of each, either according to progress made or delivery of final report.

Student Tuition Income - As part of its operations, the Entity has become one of the most important universities in Latin American. CATIE receives income from tuition from postgraduate and Master's programs on agricultural sciences, and it is recognized when students enrolled.

Agricultural Income - CATIE receives income from seed sales, cultivation of sugar cane and coffee and milk production. This income is recognized when the control and risks of each product are transferred, which usually takes place at the point of sale, i.e. at CATIE facilities.

q. ***Contributions to the International Professional Staff Retirement Fund*** - Pursuant to the provisions of the employment agreements of the international professional staff, CATIE and the professionals must jointly contribute to a retirement fund. According to Resolution No.9-94/VII ROJD of the VII Regular Meeting of CATIE's Board of Directors, the monthly contributions to cover expected disbursements of this Retirement Fund are transferred by CATIE to *Morgan Stanley Investment Funds* and to the OAS Retirement Fund. The management of such funds is the sole responsibility of the international professional staff.

r. ***Use of Estimates*** - In preparing the financial statements, Management has to make estimates that affect the reported amounts of certain assets and liabilities, as well as of other income and expenses shown in the financial statements. Actual results could vary from such estimates. Estimates made by management include estimates for impairment of other countries' fees, useful life of property, furniture, bearer plants, equipment and right to use assets, and labor liabilities.

s. ***Vacation*** - The Costa Rican laws establish that for each year of work, employees are entitled to certain number of vacation days. The Entity registers on a monthly basis a provision to cover future disbursements for this concept.

t. ***Applicable Regulations of the Financial Accounting Standards FABS ACS No.958, Issued by the American Institute of Certified Public Accountants of the United States of America*** - CATIE has adopted previously certain guidelines of the Financial Accounting Standard No.117. This principle establishes general standards for the presentation of the financial statements and the basic financial information of the not-for-profit organizations.

u. ***Intangible Assets*** - Intangible assets with defined useful life and separately acquired are registered at cost less the accumulated amortization and any accumulated impairment loss. Amortization is recognized using the straight-line method on their estimated useful life. The estimated useful life and depreciation method are reviewed at the end of each reporting period, and the effect of any change in the estimate is registered on a prospective basis. Intangible assets with an indefinite useful life that are acquired separately are registered at cost less any accumulated impairment loss.

v. ***Repatriation and Recognition of Years of Service*** - In accordance with its own regulations, CATIE covers the costs of transfers, travel to the home country and recognition of years of service of international professional staff when employees resign or are dismissed, and this is calculated according to the years of service and the number of dependents of each officer. In addition, the national staff could enjoy recognition of years of service when leaving CATIE, except in countries where local laws require the payment of fourteen or more salaries per year, or in which half or more of the monthly salary per year of service is required, in the event of resignation or termination of services.

In countries where CATIE has offices, the national staff could receive termination benefit payment under the applicable laws in each country. CATIE has implemented the policy of recording an allowance for legal benefits to cover future disbursements, considering the actuarial probabilities of future events, future salary increases and the time value of money. Actual payments for these items are charged to the allowance.

4. CASH AND BANKS

Cash and banks as of December 31 are detailed below:

	2021	2020
Petty cash	US$ 10	US$ 12
Cash due from banks	6,498	5,664
Total	US$6,508	US$5,676

As of December 31, 2021 and 2020, there is restricted cash totaling US$4,539 (thousands) and US$4,041 (thousands) , respectively, corresponding to donations made for specific projects, agreements and student scholarships.

5. INVESTMENTS IN FINANCIAL INSTRUMENTS

Financial investments at maturity as of December 31 are detailed below:

	2021	2020
Banco G&T Continental, certificates of time deposit, in quetzales, interest rate of 4% variable per annum, with maturity in August 2021		US$ 33
Banco G&T Continental, certificates of time deposit, in quetzales, interest rate of 5.25% variable per annum, with maturity in August 2021		31
Banco G&T Continental, certificates of time deposit, in quetzales, interest rate of 4.00% variable per annum, with maturity in August 2022	US$ 33	
Banco G&T Continental, certificates of time deposit, in quetzales, interest rate of 4.50% variable per annum, with maturity in August 2022	32	

(Continues)

	2021	2020
BCT Bank, certificates of time deposit in colones, 9.2% at annual fixed interest rate with maturity in March of the 2021		US$ 25
BCT Bank, certificates of time deposit in colones, 2.73% at annual fixed interest rate with maturity in February of the 2021		50
BCT Bank, certificates of time deposit in colones, 3.14% at annual fixed interest rate with maturity in July of the 2021		200
BCT Bank, certificates of time deposit in colones, 2.90% at annual fixed interest rate with maturity in July of the 2021		150
BCT Bank, certificates of time deposit in colones, 2.25% at annual fixed interest rate with maturity in March of the 2021		8
BCT Bank, certificates of time deposit in colones, 3.25% at annual fixed interest rate with maturity in January of the 2022	US$170	
BCT Bank, certificates of time deposit in colones, 2.71% at annual fixed interest rate with maturity in February of the 2022	65	
BCT Bank, certificates of time deposit in colones, 3.11% at annual fixed interest rate with maturity in February of the 2022	50	
BCT Bank, certificates of time deposit in colones, 2.31% at annual fixed interest rate with maturity in August of the 2022	250	
Total	US$600	US$497

6. ACCOUNTS RECEIVABLE

Accounts receivable as of December 31 are detailed below:

	2021	2020
Trade	US$ 613	US$ 592
Staff	42	56
Fundatrópicos interest	39	123
Advance payments for the development of projects	91	9
Member country fees	3,292	3,099
Third-party payments for the benefit of agreements	339	400
Third-party payments for the benefit of funds in custody	522	176
Others	28	15
Sub-total	4,966	4,470
Less: Allowance for impairment	(2,625)	(2,457)
Total	US$ 2,341	US$ 2,013

Accounts receivable from countries correspond to fees not paid to the Entity by member countries, which were established for the implementation of basic activities and are classified as unrestricted funds. Accounts receivable are recovered in the functional currency of the financial statements, are not subject to any discount, and do not bear interest.

A detail of the movement of the allowance for impairment is shown below:

	2021	2020
Balance at the beginning of the year	US$2,457	US$2,483
Recovery of estimated accounts		(155)
Increase in the allowance	168	129
Balance at the end of the year	US$2,625	US$2,457

The following table details the risk profile of accounts receivable under CATIE's allowance matrix:

	December 31, 2021			
	Less than One Year	One to Two Years	Over Two Years	Balance
Accounts receivable - countries	US$ 428	US$ 368	US$ 2,496	US$ 3,292
Allowance for accounts receivable countries	(342)	(293)	(1,990)	(2,625)
Total	US$ 86	US$ 75	US$ 506	US$ 667

	December 31, 2020			
	Less than One Year	One to Two Years	Over Two Years	Balance
Accounts receivable - countries	US$ 428	US$ 300	US$ 2,371	US$ 3,099
Allowance for accounts receivable countries	(217)	(200)	(2,040)	(2,457)
Total	US$ 211	US$ 100	US$ 331	US$ 642

7. INVENTORIES

Inventories as of December 31 are as follows:

	2021	2020
Coffee at coffee mill	US$ 28	US$ 26
Forest seed bank	270	275
Materials and supplies	87	84
Fattening cattle	145	
Others	12	22
Total	US$542	US$407

Due to the infrastructure and physical conditions where the inventories are stored and their non-perishable nature, Management considers that there will be a low risk and likelihood of incurring in losses due to the obsolescence or low turnover of the inventories; therefore, it is not appropriate to keep an allowance for obsolescence or slow turnover.

8. BIOLOGICAL ASSETS

Biological assets consist of dairy cattle, coffee plantations, sugarcane, and wood.

Biological assets are as follows:

	2021	2020
Wood	US$119	US$186
Cattle	279	318
Total	US$398	US$504

A summary of the movement of the account of biological assets is shown below:

	2021	2020
Balance at the beginning of the year	US$ 504	US$500
Additions	118	43
Adjustments from a change in the fair value	(224)	(39)
Balance at the end of the year	US$ 398	US$504

A detail of purchases and births, sales and deaths and valuation adjustments of cattle is as follows:

	Heads of Cattle	Cost
Balances as of December 31, 2019	US$ 366	US$300
Purchases and births	195	
Sales and deaths	(162)	
Adjustment for valuation		18
Balances as of December 31, 2020	399	318
Purchases and births	237	
Sales and deaths	(175)	
Adjustment for valuation		(39)
Balances as of December 31, 2021	US$ 461	US$279

As of December 31, 2021, CATIE had a milk herd of 167 milk-producing cows (of these there are 134 producing milk and 33 cows in the dry period). There are also 125 dairy replacements, 26 of them ready to give birth for the first time and 99 in the development stage, in addition to 2 bulls eventually used as padrotes. There are 81 replacements for the breeding herd of which 11 of which are pregnant and 43 cows that go from first to third calving with the purpose of producing a breeding herd for meat production using bellies of dairy cows crossed with semen of meat-producing breeds. Additionally, there are 4 fattening bulls in this activity. CATIE produced 746,230 kilos of milk in the year ended December 31, 2021, with a fair value less the estimated costs at the point of sale of (334.78 colones the gross sale value) for each kilogram of milk sold (amount determined at the time of delivery to the milk collection tanker of the Cooperativa Dos Pinos).

As of December 31, CATIE has the following wood plantations:

	Number of Hectares Planted	
	2021	2020
Balance at the beginning of the year	154	143
Additions	10	12
Outputs	(18)	(5)
Final Wood Balance	146	150

9. TRUST FUNDS

Trust funds as of December 31 are as follows:

	2021	2020
Contributions to the trust:		
COSUDE II/Fundatrópicos Funds	US$1,535	US$1,584

FUNDATROPICOS-CATIE-BCT/2014 Investment Fund Management Trust ("the Trust") was created on May 23, 2014 by the Foundation for Education and Research in the Development and Conservation of Natural Resources in the American Tropics (FUNDATROPICOS) and the Tropical Agricultural Research and Higher Education Center (CATIE) (Trustors), Banco BCT, S.A., (the Trustee) and the Tropical Agricultural Research and Higher Education Center (CATIE) (the Beneficiary). The trust is organized in accordance with the laws of Costa Rica for the management of money, securities, and loans.

The trust is the result of a merger of four trusts: COSUDE I Fundatrópicos Trust, COSUDE II Fundatrópicos Trust and Fundatrópicos Trust, all managed by Banco BCT, S.A, FUNDATROPICOS-CATIE-BCT/2014 Fund and Investment Management Trust, and the last one prevails, which objective is to fund the financial self-sustainability of CATIE, with the development and implementation of research activities, as well as education and other educational activities in the area of agricultural sciences, renewable resources, and other related activities.

Fundatrópicos' interest in the total balance of net assets in the Trust as of December 31, 2021 is for the sum of US$11,448 (thousands), (US$11,819 thousands in 2020), equivalent to 86.58% (86.60% in 2020),and CATIE's interest is for the sum of US$1,536 (thousands) (US$1,584 thousands in 2020) equivalent to 13.42% (13.40% in 2020).

Fundatrópicos through an agreement with the Administrative Board and CATIE might give joint instructions so that, from the net assets of the Trust but not from its returns, payments are made to third parties that have been related to the Trust's management.

The 8-14/XXVIII and 2-13/extraordinary meetings' resolutions by the Administrative Board of Fundatrópicos approved allocating to CATIE 85% of the yields generated by the Trust and capitalizing the remaining 15%. CATIE recognized income amounting to US$936 (thousands) and US$603 (thousands) in 2021 and 2020, respectively.

10. PROPERTY, FURNITURE, BEARER PLANTS, EQUIPMENT AND RIGHT TO USE ASSETS - NET

Property, furniture, bearer plants, equipment and right to use assets as of December 31, 2021, are as follows:

	2021				
	Note	2020	Additions	Disposals	2021
Historical cost:					
Lands		US$ 455			US$ 455
Buildings		7,033	US$ 78		7,111
Machinery		537	31		568
Vehicles		1,101	41	US$(19)	1,123
Office furniture and equipment		390	50	(3)	437
Residence furniture and equipment		145	148		293
Lab equipment		139	1		140
Computer equipment		598	163	(5)	756
Right to use building and facilities		313			313
Agriculture plantations	6	512	105	(12)	605
Sub-total		11,223	617	(39)	11,801
Accumulated depreciation:					
Buildings		(4,301)	(142)		(4,443)
Machinery		(311)	(50)		(361)
Vehicles		(566)	(107)	4	(669)
Office furniture and equipment		(272)	(37)	2	(307)
Residence furniture and equipment		(91)	(16)		(107)
Lab equipment		(78)	(14)		(92)
Computer equipment		(429)	(79)	4	(504)
Right to use building and facilities		(149)	(71)		(220)
Agriculture plantations		(270)	(38)	11	(297)
Sub-total		(6,467)	(554)	21	(7,000)
Total		US$ 4,756	US$ 632	US$(18)	US$ 4,801

Property, furniture, bearer plants, equipment and right to use assets as of December 31, 2020, are as follows:

	2020				
	Note	2019	Additions	Disposals	2020
Historical cost:					
Lands		US$ 455			US$ 455
Buildings		7,033			7,033
Machinery		531	US$ 6		537
Vehicles		1,126		US$(25)	1,101
Office furniture and equipment		392	3	(5)	390
Residence furniture and equipment		145	1	(1)	145
Lab equipment		139			139
Computer equipment		584	23	(9)	598
Right to use building and facilities		313			313
Agriculture plantations	6	465	57	(10)	512
Sub-total		11,183	90	(50)	11,223
Accumulated depreciation:					
Buildings		(4,159)	(142)		(4,301)
Machinery		(260)	(51)		(311)
Vehicles		(469)	(111)	14	(566)
Office furniture and equipment		(236)	(38)	2	(272)
Residence furniture and equipment		(79)	(13)	1	(91)
Lab equipment		(64)	(14)		(78)
Computer equipment		(362)	(74)	7	(429)
Right to use building and facilities		(78)	(71)		(149)
Agriculture plantations		(199)	(71)		(270)
Sub-total		(5,906)	(585)	24	(6,467)
Total		US$ 5,277	US$(495)	US$(26)	US$ 4,756

Donations corresponding to machinery, vehicles, furniture, and equipment were received, which amounted to the sum of US$78 (thousands) and US$10 (thousands) as of the years ended December 31, 2021 and 2020, respectively. Such donations come from the Agreement Fund, which amount to US$0 (thousands) for 2021, from the Custody Fund, for the sums of US$78 (thousands) and US$10 (thousands) for 2021 and 2020, respectively. The previously mentioned transactions did not use or generate any cash.

As of December 31, CATIE has the following plantations:

	Number of Planted Hectares	
	2021	2020
Sugarcane	119	135
Total	119	135

The value of coffee and sugarcane was transferred to property, furniture, and equipment since these correspond to bearing plants based on International Accounting Standard No. 16.

During 2021 and 2020, CATIE produced 153,675 coffee fanegas and 257 coffee fanegas were harvested from the different areas of cops in the experimental farm, for a price of US$208.52 and US$112.86 per fanegas respectively, once the estimated costs in points of sale are reduced (amount determined in the harvesting moment.)

Also, during 2021 and 2020, 7,802 and 6,801 tons of sugarcane were harvested at a selling price of US$31.28 and US$35.50 per ton respectively, they gave to Hacienda Juan Viñas, once the estimated costs in point of sale were reduced (amount determined at cutting time.)

As of December 31, 2021 and 2020, 119 hectares of sugarcane are of harvest age and 93 hectares of sugarcane are at short age respectively.

11. OTHER ASSETS

Other assets as of December 31 are as follows:

	2021	2020
Contribution certificates, Cooperativa de Productores de Leche, R.L. in colones	US$610	US$ 635
Performance bond deposits lease in Bolivia, Guatemala and Peru	11	15
Performance bond deposits in El Salvador, Panama, Costa Rica and Nicaragua	1	15
Others	74	421
Total	US$696	US$1,085

The performance bond deposits correspond to deposits given as guarantee of several projects. During the 2018 period the Entity adopted IFRS 9: Financial Instruments (Note 15), so the milk contribution certificates are valued at fair value with changes in results; the effect of that valuation as of December 31, 2021 and 2020 is US$25 (thousands) and US$30 (thousands), respectively.

12. ACCRUED EXPENSES AND OTHER ACCOUNTS PAYABLE

The accumulated expenses and other accounts payable as of December 31 are as follows:

	2021	2020
Miscellaneous projects	US$ 24	US$ 49
Withholdings	61	45
Accumulated expenses	96	74
Funds in custody	87	95
Interest payable	3	3
Security deposits - bids	17	18
Accounts payable OTN	45	47
Provision for audits		20
Payroll C.C.S.S	96	67
Institutional Funds	198	53
Teaching Funds	37	34
Others	325	14
Total	US$989	US$519

13. LONG-TERM DEBT

Long-term debt as of December 31 is as follows:

	2021	2020
FUNDATRÓPICOS, 3.00% interest per annum, Maturity in September 2033, in dollars, surety bonds, first 3 years only interest is paid	US$ 954	US$1,000
FUNDATRÓPICOS, annual interest of 6.50%, maturity in September 2023, in dollars surety bond	155	196
Sub-total	1,109	1,196
Less: Current portion of long-term debt	(113)	(87)
Estimate of profit from financial liability valuation	(161)	(161)
Net	US$ 835	US$ 948

A detail of the long-term debt maturities is as follows:

Year Ended:	2021	2020
Until one year	US$113	US$ 87
From one to five years	835	948
Total	US$948	US$1,035

To grant loans, FUNDATRÓPICOS used funds of the FUNDATROPICOS-CATIE-BCT/2014 trust.

14. EMPLOYEE BENEFITS

CATIE's employee benefits are defined in the staff regulations for professional international and national staff. These regulations govern not only employee's duties and rights, but also a series of benefits determined by the institutional authorities. Based on the framework about the benefits defined by CATIE, the costs of these benefits for CATIE are assessed.

14.1 RECOGNITION OF YEARS OF SERVICE

CATIE operates this benefit solely for its international staff and it is estimated based on the following weeks in terms of the years of service:

Years of Continuous Service	Weeks to be Paid
02	08
03	10
04	12
05	14
06	16
07	18
08	20
09	22
10	24
11	26
12	28
13	30
14	32
15 or more	34

The present value of the liability from the recognition of the years of service is calculated in terms of the last base salary of the participants. Therefore, an increase in the salary of participants of the plan will increase the plan's liability.

There is a subsidiary ledger with individual accounts by employee. The benefit is paid at the end of the employment relationship to employees with two years of continuous service at CATIE. Total expense recognized in the comprehensive statement of activities was US$69 (thousands) in 2021 and US$65 (thousands) in 2020. Moreover, CATIE recognized payments and adjustments for US$0 (thousands) in 2021 and US$56 (thousands) in 2020.

14.2 REPATRIATION AND TRAVEL TO HOME COUNTRY

CATIE covers the following expenses at the end of the employment agreements of international professional staff:

a. Travel expenses of the employee and dependent family members to their home country according to the airfare at the time of travel.

b. Moving expenses of household goods up to an amount of US$6,000.

c. A lump sum of US$2,750.

For this benefit, there is also a subsidiary ledger with individual accounts per employee. The benefit is paid at the end of the employment relationship to employees with two years of continuous service at CATIE. Total expense recognized in the comprehensive statement of activities was US$106 (thousands) in 2021 and US$101 (thousands) in 2020. Moreover, CATIE recognized payments and adjustments for US$8 (thousands) in 2021 and US$6 (thousands) in 2020.

14.3 Vacation for National Staff

From September to December 2016, CATIE dismissed and rehired the national staff at the main campus as part of a downsizing process thereby eliminating some employee benefits; as a result of this process, all the staff had to take the accumulated vacation days before the liquidation date, which resulted in the labor liability balance from vacations as of December 31, 2016 to be used entirely; the balance of this benefit became a debt as of December 31, 2017 because the collective vacation days were taken at the end of the year, thereby representing an account receivable from employees for US$0 and a labor liability for US$24 (thousands) in 2020. In 2021, this labor liability amounts to US$73 (thousands).

14.4 Severance Pay of National Staff

The severance pay of the national staff is paid in accordance with the laws in each country. For the Costa Rican employees who are not members of the Employees' Association, CATIE transfers 5.33% of the monthly severance pay to SAFI Banco Popular and the same percentage to ASOCATIE.

For the remaining countries, CATIE monthly charges the amount of the severance pay to expenses and they are provisioned. CATIE is legally liable for this employee benefit which is recognized for each country as follows.

Country	Calculation Method
Honduras and Guatemala	Salaries earned in the last six months, or a fraction of shorter time, including overtime, salary in kind, usual bonuses, or any other salary, if any. The result is multiplied times 14 months (including 50% of the 13th and 14th month) and then divided by 12 months to obtain the average salary for the compensation.
El Salvador	One salary is recognized per each year of service or a fraction of a shorter time, with a maximum of 4 minimum salaries per year for an estimated amount of US$251,70 in 2015, and the maximum annual compensation was US$1,006.80.
Nicaragua	Law No.185 was approved on September 5, 1996. One month of salary for each of the first 3 years of work, and 20 days of salary for each year of work, starting on the fourth year of work. Under no circumstance, compensation will be less than one month or more than five months. Fractions between years served will be liquidated on a proportional basis.
Panama	Severance pay or the seniority bonus is calculated based on one week of salary per each year of service (1/52).

The most recent actuarial assessment of the obligation from the aforementioned benefits was conducted on December 31, 2021 and 2020 by Luis Guillermo Fernández Valverde, Mathematician-Actuary, consultant, and founding member of the Costa Rican Association of Actuaries, member No.8963.

The present value of the obligation from the aforementioned benefits and the cost of the current service and past service were measured using the credit method of the foreseen Unit.

The fair value of the employee benefits according to the results of the actuarial study and the amounts of the employee benefits of CATIE as of December 31 are as follows:

2021						
Benefit	**Country**	**Local Currency (in Thousands)**	**Exchange Rate**	**Actuarial Value (in Thousands US$)**	**Total CATIE (in Thousands US$)**	**Difference (in Thousands US$)**
Staff's severance pay	Costa Rica	265,896	650	409		(409)
	Guatemala	706	8	88	12	(76)
	Honduras	617	24	26	27	1
	Nicaragua	273	1	273	114	(159)
	Panamá	28	1	28	8	(20)
	México		20		44	44
	El Salvador		1			
	Subtotal			**824**	**205**	**(619)**
Years of service and repatriation	Costa Rica	49	1	49	70	21
	Costa Rica	10	1	10	24	14
	Subtotal			**59**	**94**	**35**
	Severance Transferred to Asocatie and SAFI					**526**
	Total			**887**	**299**	**(62)**

2020						
Benefit	**Country**	**Local Currency (in Thousands)**	**Exchange Rate**	**Actuarial Value (in Thousands US$)**	**Total CATIE (in Thousands US$)**	**Difference (in Thousands US$)**
Staff's severance pay	Costa Rica	303.161	611	497		(497)
	Guatemala	63	8	8	76	68
	Honduras	621	24	26	11	(15)
	Nicaragua	167	1	167	97	(70)
	Panamá	33	1	33	7	(27)
	México		20		39	39
	El Salvador		1			
	Subtotal			**731**	**230**	**501**
Years of service and repatriation	Costa Rica	80	1	80	61	(20)
	Costa Rica	19	1	19	22	3
	Subtotal			**99**	**83**	**(17)**
	Severance Transferred to Asocatie and SAFI					**478**
	Total			**830**	**313**	**(39)**

Reconciliation of employee benefits at December 31 is as follows:

	Year 2021	**Year 2020**
Years of service and repatriation	US$ 94	US$ 83
Staff's severance pay	205	230
Subtotal	299	313

(Continues)

	Year 2021	Year 2020
Severance provision at foreign entities	US$526	US$478
Total	825	791
Balances as actuary:		
Years of service and repatriation	60	99
Staff's severance pay	828	731
Total	888	830
Net actuarial variation	US$ 63	US$ 39

15. FINANCIAL INSTRUMENTS

A summary of the main disclosures regarding CATIE's financial instruments is as follows:

15.1 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods approved, including the recognition criteria, the measurement basis, and the basis on which income and expenses are recognized for each type of financial asset, financial liability, and equity instrument are discussed in Note 1 to the financial statements.

15.2 FINANCIAL INSTRUMENT CATEGORY

The classification of financial instruments is as follows:

	2021	2020
Cash and banks and investments	US$ 7,108	US$6,173
Financial assets:		
Accounts receivable (at amortized cost)	2,341	2,013
Contribution certificates (at fair value)	610	635
Total	US$10,059	US$8,821
Financial liabilities at amortized cost:		
Accounts payable	US$ 477	US$ 136
Long - term debt	948	1,035
Financial liability for right of use	108	185
Total	US$ 1,533	US$1,356

Reconciliation of Liabilities Derived from Financing Activities - The table below details changes in liabilities arising from financing activities, including cash and non-cash changes:

		Cash		No - Cash	
	Balance at 31-Dec-2020	Flows Cash Financing (*)	Cash Flows Amortization Leases (*)	Transfers From Debt	Balance at 31-Dec-2021
Debt and financial liabilities	US$1,035	US$	US$(87)	US$	US$948
Financial liability	US$ 185	US$	US$(77)	US$	US$108

(*) It corresponds to the net cash flow generated in debt and other financial liabilities, correspond to new credit transactions received and depreciation made, in the period 2021.

According to the classification levels established by IFRS 7 concerning the degree to which fair values are observable in the market, cash flows are at Level 1, i.e. fair values derived from quoted (unadjusted) prices in the active market. As of December 31, 2021 and 2020, there were no assets or liabilities at fair value in Levels 2 and 3.

15.3 Leverage Risk Management

CATIE manages its net asset structure to maximize funds by optimizing the fund and debt balance. The capital structure used consists of debt, cash, and funds. The leverage ratio is as follows:

	2021	2020
Loans and notes payable	US$ 1,056	US$ 1,220
Cash and cash equivalents	(7,108)	(6,173)
Available net cash	US$ (6,052)	US$ (4,953)
Net assets	US$14,101	US$13,903
Debt ratio	43%	36%

At 31 December 2021 and 2020 the Bank is not exposed to the risk of leverage.

15.4 Exchange Rate Risk

CATIE performs transactions denominated in foreign currency, and therefore, it is exposed to the risk of exchange rate fluctuations in the quotes of these currencies regarding the US dollar, affecting its activities, financial position, and cash flows. CATIE does not have any spread agreements to mitigate such risk.

The balances of assets and liabilities denominated in foreign currencies in thousands are as follows:

	2021								
	Colones	Quetzales	Lempiras	Córdobas	Euros	US Dollar	Dominican Peso	Bolivian Peso	Peruvian Sol
Assets:									
Cash and cash equivalents	¢ 109.610	Q2,079	L1,011	C$649	€83	BZ$18	RD$14	BS$1	S/0
Financial investments	44.734	488							
Accounts receivable	30.448	74							
Other assets	249.715								
Total assets	434.507	2,641	1,011	649	83	18	14	1	S/0
Liabilities:									
Accounts payable and accrued expenses	(177.192)								
Net position (exposure) in thousands	¢ 257.315	Q2,641	L1,011	C$649	€83	BZ$18	RD$14	BS$1	S/0

	2020								
	Colones	Quetzales	Lempiras	Córdobas	Euros	US Dollar	Dominican Peso	Bolivian Peso	Peruvian Sol
Assets:									
Cash and cash equivalents	¢ 138.900	Q3,161	L166	C$ 737	€57	BZ$18	RD$2,390	BS$1	S/0
Financial investments		500							

(Continues)

	2020								
	Colones	Quetzales	Lempiras	Córdobas	Euros	US Dollar	Dominican Peso	Bolivian Peso	Peruvian Sol
Accounts receivable	¢ 9.792	Q 28							
Other assets	299.820								
Total assets	448.512	3,690	L 166	C$ 737	€57	BZ$18	RD$2,390	BS$1	
Liabilities:									
Accounts payable and accrued expenses	(117.897)	(235)	(539)	(4,831)					
Net position (exposure) in thousands	¢ 330.615	Q3,454	L(374)	C$(4,093)	€57	BZ$18	RD$2,390	BS$1	S/0

Foreign Exchange Sensitivity Analysis - The following itemization shows the sensitivity to a decrease or increase in the exchange rate, 5% is the sensitivity rate used by management and represents the best estimate of a variation in the exchange rate.

Sensitivity to an Increase / Decrease in the Exchange Rate -

	2021								
	Colones	Quetzales	Lempiras	Córdobas	Euros	Belize Dollar	Dominican Peso	Bolivian Peso	Peruvian Sol
Net position (exposure) in thousands	¢317.315	Q2,641	L1,011	C$649	€ 83	BZ$18	RD$14	Bs 1	S/
Closing exchange rate	639.06	7.53	24.35	35.09	0.88	1.97	56.61	6.86	3.93
Net position in thousands of dollars	¢ 497	Q 351	L 42	C$ 19	€ 94	BZ$ 9	RD$	Bs	S/
5% increase (loss) profit	US$ 24	US$ 17	US$ 2	US$ 1	US$ 4	US$	US$	US$	US$
Decrease of 5% profit (loss)	US$ (29)	US$(23)	US$ 1	US$ 6	US$(3)	US$	US$ (2)	US$	US$

	2020								
	Colones	Quetzales	Lempiras	Córdobas	Euros	Belize Dollar	Dominican Peso	Bolivian Peso	Peruvian Sol
Net position (exposure) in thousands	¢330.615	Q3,454	L (374)	C$(4,093)	€ 57	BZ$18	RD$2,390	BS$ 1	S/
Closing exchange rate	610.53	7.79	24.11	34.83	0.81	1.97	57.55	6.72	3.58
Net position in thousands of dollars	US$ 542	US$443	US$(16)	US$ (118)	US$70	US$ 9	US$ 42	US$	US$
5% increase (loss) profit	US$ 26	US$ 21	US$ (1)	US$ (6)	US$ 3	US$	US$ 2	US$	US$
Decrease of 5% profit (loss)	US$ (29)	US$ (23)	US$ 1	US$ 6	US$ (4)	US$	US$ (2)	US$	US$

15.5 CREDIT RISK

The financial instruments subject to the credit risk mainly include cash and cash equivalents, investments and accounts receivable.

Cash and cash equivalents and investments are held in strong financial institutions and pose a minimum risk. The credit risk in the accounts receivable is deemed high because payments of member country fees entail significant political factors. CATIE monitors past-due balances and performs a valuation and recording of the allowance for losses of its accounts receivable.

A description of aged fees is shown in Exhibit 2 of the supplementary information.

The credit risk refers to the risk that a counterparty fails to meet its contractual obligations, thus resulting in financial losses for CATIE. As of December 31, 2021 CATIE's maximum exposure to the credit risk without taking into account any guarantees held or other credit improvements, which would cause a financial loss due to noncompliance with an obligation by counterparties, and the financial guarantees provided arise from:

- The carrying amount of the respective financial assets recognized as indicated in the statement of financial position; and

- The maximum amount that CATIE would have to pay if the financial guarantee is requested, regardless of the probability that the guarantee will be exercised. The related allowance for losses is described in Note 6.

CATIE’s exposure is continuously monitored and the added value of concluded transactions is allocated between approved counterparties.

CATIE's current credit risk classification framework comprises the following categories:

Category	Description	Bases for the Recognition of Expected Credit Losses
Realizable	The counterparty has a low risk of non-compliance and has no amount overdue by 12 months.	12-month. Expected credit losses.
Doubtful account	The amount is overdue by more than 30 days or there has been a significant increase in the credit risk since initial recognition.	Expected lifetime credit loss - no credit impairment.
In default	The amount is overdue by more than 90 days or there is evidence that the asset has credit impairment.	Expected lifetime credit loss - credit impairment.
Derecognition	There is evidence that the debtor is in serious financial difficulties and that the Company has a realistic prospect of recovery.	The amount is derecognized.

For receivables, the Company has applied the simplified approach in IFRS 9 to measure the estimate for losses on the expected lifetime credit loss. The Company determines the expected credit losses on these items using a provision matrix, estimated based on historical credit loss experience based on the debtors' overdue status, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their expired status in terms of the provisioning matrix.

As of December 31, 2021 and 2020, the concentration of CATIE receivables is presented in the Member Country Contributions (see Annex 2), which represent approximately 70% and 71% of the total receivables, respectively.

In general, the concentration of credit risk is limited due to the low amount of living receivables. CATIE has a policy of providing credit to its commercial customers. Management constantly monitors receivables to reduce non-payment of these balances. CATIE constantly monitors the credit capacity of its customers, adjusting credit policies as needed. Also, CATIE maintains an estimate for bad accounts based on the expected recoverability of all of its receivables.

15.6 LIQUIDITY RISK

The management of CATIE manages the liquidity risk by keeping adequate cash reserves. Moreover, CATIE constantly monitors its cash flows and the matched maturity analysis, which pays a timely attention to the short-term and medium-term obligations. CATIE prepares an annual budget and gives a constant follow up to the cash balances.

The foreseen recovery of financial assets as of December 31, 2021 is as follows:

Financial Assets	Effective Rate	Less than 1 Month	From 1 to 3 Months	From 3 Months to 1 Year	More than 1 Year	Total
Interest-bearing instruments	Between 0.01% and 4%	US$6,508	US$102	US$ 498		US$ 7,108
Non interest-bearing instruments		116	586	2,249		2,951
Total		US$6,624	US$688	US$2,747	US$	US$10,059

The scheduled payments of the financial liabilities as of December 31, 2021 are as follows:

Financial Liabilities	Effective Rate	Less than 1 Month	From 1 to 3 Months	From 3 Months to 1 Year	More than 1 Year	Total
Interest-bearing obligations	Between 6% and 7.75%	US$ 10	US$ 29	US$119	US$898	US$1,056
Non interest-bearing obligations		145	152	180		477
Total		US$155	US$181	US$299	US$898	US$1,533

The foreseen recovery of financial assets as of December 31, 2020 is as follows:

Financial Assets	Effective Rate	Less than 1 Month	From 1 to 3 Months	From 3 Months to 1 Year	More than 1 Year	Total
Interest-bearing instruments	Between 0.01% and 4%	US$5,676	US$ 83	US$ 414		US$6,173
Non interest-bearing instruments		715	280	1,018	US$635	2,648
Total		US$6,391	US$363	US$1,432	US$635	US$8,821

The scheduled payments of the financial liabilities as of December 31, 2020 are as follows:

Financial Liabilities	Effective Rate	Less than 1 Month	From 1 to 3 Months	From 3 Months to 1 Year	More than 1 Year	Total
Interest-bearing obligations	Between 6% and 7.75%	US$13	US$ 38	US$103	US$1,066	US$1,220
Non interest-bearing obligations		11	125			136
Total		US$24	US$163	US$103	US$1,066	US$1,356

15.7 Interest Rate Risk

CATIE has loan obligations that generate fixed interest rates; therefore, it is not subject to fluctuating interest rates.

15.8 Fair Value of Financial Instruments

The estimates of the market fair value are carried out at a specific period of time and are based on relevant market information and information related to the financial instruments. These estimates do not reflect any premium or discount that might result from selling a financial instrument at a given period.

The fair value of financial instruments traded in active markets is estimated based on market price quotations on the dates of the financial statements.

The fair value of the financial instruments not traded in active markets is based on valuation techniques and assumptions based on the market conditions on the dates of the financial statements.

These estimates are subjective and, by nature, they entail uncertainty and a lot of judgment; therefore, they cannot be determined accurately. Any changes to the assumptions and criteria might affect these estimates.

The accounts receivable and payable are assets and liabilities that were not derived from determined or fixed payments and are not quoted in an active market. It is assumed that their carrying amount, less the allowance for impairment, if any, is close to their fair value.

The market value of short-term financial assets and liabilities is close to their carrying amount, mainly due to their maturity.

The methods and assumptions used by CATIE to determine the market fair value of the financial instruments are as follows:

a. ***Cash, Cash Equivalents and Temporary Investments*** - The carrying amount of these assets is close to their fair value due to their current nature.

b. ***Accounts Receivable and Payable*** - The carrying amount of the financial liabilities in less than one year is close to their fair value due to their short-term nature. CATIE carries out estimates for accounts receivable at their fair value.

c. ***Long-Term Debt*** - The estimated fair value of loans payable is estimated based on the discounted amount of the future estimated cash flows. The loan rates are set at market values; therefore, their carrying amount is close to their fair value.

16. LEASES

As of December 31, 2021 and 2020, CATIE has the following leases and the respective assets have been capitalized as lease equipment in accordance with IFRS 16:

Leases of buildings with Fundación Ciudad del Saber., Ministry of Agriculture and Livestock of Nicaragua and Inmobiliaria Megaterra, S.A. The main terms of these lease agreements are as follows:

a. Agreements have terms ranging from 48 to 108 months.

b. CATIE absorbs all risks and benefits related to the ownership and use of the properties.

c. The buildings are located in Panama, Nicaragua and Guatemala.

Leases are detailed below:

	2021	**2020**
In dollars, a rate of 8.50% per annum, maturity between December 2021 and September 2023	US$108	US$185
Subtotal	108	185
Current portion of financial leases	(45)	(67)
Long-term financial leases	US$ 63	US$118

A reconciliation of the future minimum payments associated with these agreements is shown below:

Year Ended on	**2021**	**2020**
December 31, 2020		
December 31, 2021		US$ 74
December 31, 2022	US$ 45	79
December 31, 2023	39	8
December 31, 2024	8	8
December 31, 2025	8	8
December 31, 2026	8	8
Total	US$108	US$185

17. OPERATING EXPENSES

According to their functional classification, as of December 31 expenses are detailed below:

	2021	**2020**
Higher Guidelines, Administrative and Finance and Strategic Services (Institutional Support)	US$ 2,167	US$ 1,872
Research Division (Research)	10,167	7,350
Education Division (Teaching)	3,463	2,409
Administrative and Finance Department - Commercial Component (Subsidiary Companies)	2,623	1,961
External Projection Division (Projection)	5,608	4,490
Total	US$24,028	US$18,082

18. DISBURSEMENTS SUBJECT TO APPROVAL

Some grant agreements entered into with international organizations, detailed in Exhibit 5 of the supplementary information, stipulate that disbursements for agreed-upon programs executed with grant funds are subject to approval or rejection by those organizations, depending on compliance with the terms of each agreement.

As of December 31, 2021 and 2020, CATIE's management is not aware of any amount of disbursements subject to reimbursement that have already been rejected by any donors.

19. CONTRACTUAL STATUS OF CATIE

On September 12, 2000, under Law No.8028, the Costa Rican Legislative Assembly ratified the articles of incorporation of CATIE entered into among the Government of Costa Rica, the Inter-American Institute for Cooperation on Agriculture (IICA) and CATIE. The most significant terms of this Law are as follows:

a. The Inter-American Board of Agriculture will be the highest governing body of CATIE.

b. CATIE's members may be regular or special. The regular members will be IICA, the Government of Costa Rica, and the Governments of the remaining member countries of IICA. Special members will include international governmental and non-governmental organizations, international centers, and private organizations with similar purposes as those of CATIE.

c. IICA will contribute up to a maximum of 5% of IICA fees budget to CATIE's basic budget. The contribution made by IICA in 2021 and 2020 was US$1,000 (thousands) and US$853 (thousands), respectively. Each member country of CATIE will annually contribute with no less than US$50 (thousands) to cover CATIE's expenses.

d. The agreement will be for a 20-year term as of the effective date and may be renewed for equal consecutive terms.

   CATIE's equity consists of: i) the usufruct for the entire term of the articles of incorporation, for the equity consisting of lands, buildings, equipment, and other real and personal property contributed by IICA, plus improvements thereof, ii) all assets CATIE has acquired or will acquire in the future.

e. Upon termination of the contract, all usufruct property as well as improvements thereof, will be returned to IICA. The remaining assets will be distributed between IICA, the Government of Costa Rica, and regular active members based on contributions made.

20. TAXES

Since CATIE is a not-for-profit international organization, it is exempted of any type of taxes, contributions, and national and municipal rates, whether present of future ones, as well as of any fees regarding customs, national licenses ("patentes"), and other.

21. RELEVANT AGREEMENTS AND LAWSUITS

As of December 31, 2021 and 2020, a complaint was filed against CATIE, which is based on the administrative decisions considered by CATIE as illegal, issued in the Administrative Penalizing Procedure for the Termination of Contract CENTA No.02/2014

"Consultancy Services on Social Forestry" from the public call for proposals CENTA-FANTEL No.03 /2014, in El Salvador, on the grounds of expiration, through which CATIE's administrative accountability was established, the execution of a performance bond for about US$16,000 (sixteen thousand dollars),legal currency of the United States of America, is ordered.

In addition, as a result of the complaint, CATIE is currently disqualified from participating in competitive biddings in that country for a term of five (05) years, starting on January 6, 2016 and ending on January 6, 2021.

As part of the lawsuit, a provisional remedy was requested to suspend such administrative decisions, which was denied, and currently CATIE's Special Agent filed a motion to reconsider such a decision, which is pending resolution.

22. COVID -19 EFFECT

In December 2019 the World Health Organization (WHO) announced the existence of the infectious disease COVID-19, caused by the SARS-CoV-2, following an outbreak in the Chinese city of Wuhan. As of March 29, 2020, the first case of infection was confirmed in Costa Rica.

CATIE in compliance with the measures decreed by the government in 2020, an Emergency Committee was created coordinated by the Deputy Director General of CATIE with the participation of those in charge of the different areas of work. This committee is responsible for the interpretation and compliance with the Health and Safety protocols recommended by the Government, among which the restriction of access of people to the campus of the institution was established., the decision was made to allow civil servants to opt for the option of teleworking, administratively the reduction of 25% of the working day was implemented and therefore the reduction of salaries for nine months.

At the level of Administration and Finance, an agreement signed with the international professional staff was reached for a reduction of 25% of their contract for a period of three from April, as a contribution to the institution to mitigate the financial crisis that the institution could present. Also in coordination with the body that represents the workers, which is the standing committee of workers (CPT), signed an agreement to reduce the working day by 25% for a period of three months, starting in May.

With regard to the execution of the agreements that CATIE has signed, no donor has so far expressed the possibility of reducing the budget for project execution during this pandemic and in accordance with the instructions issued to each of the project leaders and representatives in the countries, the projects are being executed on a regular basis changing field activities which would be carried out after the emergency passes, at the moment all those tasks of the project that do not require outputs are being executed.

As of 2021, the General Directorate of CATIE, in coordination with the Emergency Committee, analyzed the vaccination coverage in the population, as well as the reactivation of activities in the region and the decision was made to return to the payment of 100% of the salaries of the staff, with the condition that if the Pandemic situation worsened, the working day could be reduced to 75%.

23. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved by CATIE’s management, and their issue has been authorized for July 12, 2022.

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TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

AS OF DECEMBER 31, 2021

SUPPLEMENTAL FINANCIAL INFORMATION

EXHIBIT 1: Statement of fees of member countries and IICA.

EXHIBIT 2: Ageing analysis of pending fees from member countries and IICA.

EXHIBIT 3: Budget and execution of income by fund and source.

EXHIBIT 4: Budget and execution of expenses by fund and source.

EXHIBIT 5: Statement of financial position of agreement funds and funds in custody.

EXHIBIT 6: Execution of expenses by fund, division and expense purpose.

EXHIBIT No.1

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

STATEMENT OF FEES OF MEMBER COUNTRIES AND IICA
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

	Fees for Charge the Start of the Year	Quotas of the Year	Fees Collected During the Year			Uncollected Balances at the End of the Year		
			Of Periods Previous	Period Current	Total Received	Years Previous	Of the Year	Total
Inter-American Institute cooperation for the Agriculture (IICA)		US$1,000		US$1,000	US$1,000			
Regular members:								
Government of Bolivia	US$ 820	50				US$ 820	US$ 50	US$ 870
Government of Colombia	320			(6)	(6)	320	6	326
Government of Costa Rica		50		50	50			
Government of Guatemala		50		50	50			
Government of Honduras	187	50	US$169		169	18	50	68
Government of Panama		50		50	50			
Government of Nicaragua	28	50	14	36	50	14	14	28
Government of El Salvador	50	50				50	50	100
Government of the Republic Dominican	50	50				50	50	100
Government of Mexico		50		50	50			
Government of Paraguay	850	50				850	50	900
Government of Belize	250	50				250	50	300
Government of Venezuela	550	50				550	50	600
Total	US$3,105	US$1,600	US$183	US$1,230	US$1,413	US$2,922	US$370	US$3,292

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EXHIBIT No.2

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

AGEING ANALYSIS OF PENDING FEES FROM MEMBER COUNTRIES AND IICA
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

	Years 1979-2009	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Total
IICA														
Government of Bolivia	US$ 270	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 50	US$ 870
Government of Colombia	(74)	50	50	50	50	50	50	50	50					326
Government of Costa Rica	(57)	29	28											
Government of El Salvador	(350)			50	50	50	50	50	50	50		50	50	100
Government of Guatemala	(300)	50	50	50	50	50	50							
Government of Honduras	(432)			50	50	50	50	50	50	50	50	50	50	68
Government of Nicaragua	(140)	14	14	14	14	14	14	14	14	14	14	14	14	28
Government of the Republic Dominican	(400)	50	50	50	50	50	50	50	50			50	50	100
Government of Belize	(200)			50	50	50	50	50	50	50	50	50	50	300
Government of Venezuela		50	50	50	50	50	50	50	50	50	50	50	50	600
Government of Paraguay	300	50	50	50	50	50	50	50	50	50	50	50	50	900
Government of Mexico	(150)							50	50	50				
Total	US$(1,833)	US$293	US$292	US$414	US$414	US$414	US$414	US$414	US$414	US$314	US$214	US$314	US$314	US$3,292

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EXHIBIT No.3

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

BUDGET AND EXECUTION OF INCOME BY FUND AND SOURCE
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

Sources of Income	Basic Fund		
	Budget	Execution	Balance
Member Fees:			
IICA	US$1,000	US$1,000	
Member Countries	600	600	
Subtotal	1,600	1,600	
Trusts:			
Fundatropicos (SDC)	262	533	US$ 271
Fundatropicos (USAID)	373	403	30
Subtotal	635	936	301
Directorate of Administration and Finance:			
Administration Component			
Treasury	22	69	47
Tax Recovery	25		(25)
Work Orders (Maintenance)	25	10	(15)
General Services Recovery	5	39	34
Change Difference		(119)	(119)
Service Contribution	204		(204)
Overhead Funds in DAF Custody	4	1	(3)
Other income	14	159	145
Subtotal	299	159	(140)
Commercial Component:			
Overhead of Funds in Custody Commercial	6	11	5
Contribution of Commercial Farms	180		(180)
Subtotal	186	11	(175)
Subtotal	485	170	(315)
Technical Programs:			
Livestock and Environmental Management	97	74	(23)
Agroforestry and Genetic Improvement of coffee and cocoa	297	281	(16)
Forests and Biodiversity in landscapes Productive	99	111	12
AgroBiodiversity and safety Food	17		(17)
Climate Action	143	13	(130)
Watersheds water security and soils	91	14	(77)
Environmental economy and agribusiness Sustainable	268	130	(138)
Environment for Development (EFD)	41	42	1
Subtotal	1,053	665	(388)

(Continues)

Sources of Income	Basic Fund		
	Budget	Execution	Balance
Directorate of Education:			
Master's Degree Registrations	US$ 363	US$ 429	US$ 66
Doctoral Enrolments	24		(24)
Overhead Professional Masters	4		(4)
Enrolments Short Courses	50	28	(22)
Exchange Students	6		(6)
Biostatistics Unit	23	32	9
Orton Library	30	27	(3)
Graduation Rights	8		(8)
Virtual Education	43		(43)
Other Income			
Subtotal	551	516	(35)
External Projection Direction:			
Overhead National Technical Offices	443	349	(94)
Subtotal	443	349	(94)
TOTAL	US$4,767	US$4,236	US$(531)

Sources of Income	Commercial Fund		
	Budget	Execution	Balance
Division of Administration and Finance:			
Administration Component			
Transport	US$ 122	US$ 106	US$ (16)
Information Technology	240	67	34
Subtotal	362	380	18
Commercial Component:			
Seedbed Orchard	25	41	16
Seed Bank	200	286	86
Rooting of coffee stakes	15	54	39
Accommodation and Hospitality	446	851	405
Laundry	23	42	19
Institutional Cafeteria		410	410
Cafetín (Coffee Collections)		31	31
Souvenir Shop		38	38
Finca Café		25	25
Finca Caña	235	261	26
Dairy Farm	620	496	(124)
Finca Ganado de Engorde	130	15	(115)
Forest Farm	5	15	10
Subtotal	1,699	2,565	866
TOTAL	US$2,061	US$2,945	US$884

Sources of Income	Agreements Fund		
	Budget	Execution	Balance
Research Development Directorate			
Green and Inclusive:			
Livestock and Environmental Management	US$ 773	US$ 697	US$ (76)
Agroforestry and Breeding coffee and cocoa genetics	2,147	2,169	22

(Continues)

Sources of Income	Agreements Fund Budget	Execution	Balance
Forests and Biodiversity in landscapes Productive	US$ 1,165	US$ 1,587	US$ 422
AgroBiodiversity and safety Food	691	68	(622)
Climate Action	1,649	124	(1,525)
Watersheds water security and soils	250	166	(84)
Environmental economy and agribusiness Sustainable	2,621	961	(1,660)
Environment for Development (EFD)	500	550	50
Subtotal	9,796	6,322	(3,473)
External Projection Division:			
Guatemala National Office	1,786	1,440	(346)
Honduras National Office	177	136	(41)
National Office El Salvador		87	87
Nicaragua National Office	1,650	2,478	829
Panama National Office	833	156	(678)
Dominican National Office			
Peru National Office	739	45	(694)
Belize National Office			
Subtotal	6,258	4,825	(1,433)
Managed Projects			
Guatemala National Office		636	636
Subtotal		636	636
TOTAL	US$16,053	US$11,783	US$(4,270)

Sources of Income	Custody Fund Budget	Execution	Balance
Division of Administration and Finance:			
Administration Component			
Basic Services	US$ 6	US$ 6	
Human Development	3	5	US$ 2
Concessions	30	6	(24)
Infrastructure	80	103	23
International Fair	105		(105)
NRDC - Commercial Estate	20	19	(1)
DCO Investment Fund	1	13	12
Subtotal	245	152	(93)
Strategic Services:			
Management of Specific Funds	43	120	77
Communication and Advocacy Unit	30	78	48
Subtotal	73	198	125
Technical Programs:			
Livestock and Environmental Management	200	51	(149)
Agroforestry and Genetic Improvement of coffee and cocoa	222	787	565
Forests and Biodiversity in landscapes Productive		352	352

(Continues)

Sources of Income	Custody Fund		
	Budget	Execution	Balance
AgroBiodiversity and safety Food		US$ 14	US$ 14
Climate Action		128	128
Watersheds water security and soils		144	144
Environmental economy and agribusiness Sustainable	US$ 235	164	(71)
Environment for Development (EFD)		174	174
Subtotal	657	1,814	1,157
Education Division:			
Scholarship Funds	350	1,121	771
Loan Scholarship Fund			
Educational Services	200	71	(129)
Master of Sustainable Tourism	38	86	49
Practical Master's Degree for Development		55	55
Virtual Education	653	359	(294)
Training Unit	400	240	(160)
Orton Library		1,005	1,005
Biometrics Unit		22	22
Subtotal	1,641	2,959	1,319
External Projection Direction:			
External Projection Management		79	79
National Office - Mexico			
National Office - Guatemala	40	138	98
National Office - Honduras		6	6
National Office - El Salvador		19	19
National Office - Nicaragua		182	182
National Office - Panama	40	200	160
National Office - Dominican Republic			
National Office - Bolivia			
Subtotal	80	624	544
TOTAL	2,696	5,747	3,051
TOTAL BUDGET AND IMPLEMENTATION	US$25,577	US$24,711	US$ (866)

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EXHIBIT No.4

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

BUDGET AND EXECUTION OF EXPENSES BY FUND AND SOURCE
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

Sources of Discharge	Basic Fund Budget	Basic Fund Execution	Basic Fund Balance
Higher Guidelines:			
Directorate-General	US$ 309	US$ 292	US$ 17
Sub-Directorate-General			
Board	30	16	14
Superior Council	9	3	6
The Tropics Foundation		11	(11)
Internal Audit	77	72	5
Subtotal	425	394	31
Division of Administration and Finance:			
Administration Component			
Finance and Accounting	270	272	(2)
External Audit	38	18	20
Human Development	175	157	18
General Services and Production	64	41	23
Vigilance	206	210	(4)
Maintenance	181	250	(69)
Integrated waste management	2		2
Concierge	69	34	35
Subtotal	1,005	982	23
Strategic Services:			
Legal Advice	47	47	
Communication and Advocacy Unit	135	109	26
Office of Development and Promotion External	16	19	(3)
Strategic Alliances Office	83	82	1
Subtotal	281	257	24
Technical Programs:			
Livestock and Environmental Management	80	69	11
Agroforestry and Genetic Improvement of coffee and cocoa	243	211	32
Forests and Biodiversity in landscapes Productive	279	380	(101)
AgroBiodiversity and safety Food		1	(1)
Climate Action	137	45	92
Watersheds water security and soils	52	32	20
Environmental economy and agribusiness Sustainable	100	26	74
Environment for Development (EFD)	25	9	16
Subtotal	916	773	143

(Continues)

Sources of Discharge	Basic Fund		
	Budget	Execution	Balance
Education Division:			
Directorate of Education	US$ 317	US$ 250	US$ 67
Fundatrópicos Scholarships	45	64	(19)
Professors Technical Departments	272	217	55
Virtual Education		8	(8)
Orton Library	50	82	(32)
Biostatistics Unit	101	91	10
Subtotal	785	712	73
External Projection Division:			
External Projection Management	30	21	9
National Office - Belize	2		2
National Office - Mexico	23	24	(1)
National Office - Guatemala	1	1	
National Office - Honduras	55	55	
National Office - El Salvador	35	35	
National Office - Nicaragua	68	68	
National Office - Panama	21	14	7
National Office - Dominican Republic	41	44	(3)
National Office - Colombia	20	12	8
National Office - Peru	27	31	(4)
National Office - Paraguay			
National Office - USA	1		1
National Office - Ecuador	14	38	(24)
Subtotal	338	343	(5)
Other Budget Items:			
Deterioration Quota Countries			
Vacation Refund		(4)	4
Uncollectible			
Colombia Payment Agreement		71	(71)
Payment Agreement Dominican Republic			
Operational Reserve	900		900
Subtotal	900	67	833
TOTAL	US$4,650	US$3,528	US$1,122

Source of Expenditures	Commercial Fund		
	Budget	Execution	Balance
Division of Administration and Finance:			
Administration Component			
Information Technology	US$ 210	US$ 260	US$ (50)
Transport	104	77	27
Subtotal	314	337	(23)
Commercial Component:			
Accommodation and Hospitality	298	406	(108)
Laundry	20	56	(36)
Institutional Cafeteria		412	(412)
Cafetín (Coffee Collections)		38	(38)

(Continues)

Source of Expenditures	Commercial Fund		
	Budget	Execution	Balance
Finca Café		US$ 1	US$ (1)
Finca Caña	US$ 222	408	(186)
Forest Farm	31	23	8
Livestock Farm	5	19	(14)
General Dairy	470	538	(68)
Seed Bank	200	269	(69)
Seedbed Orchard	6	41	(35)
Rooting of Coffee Stakes	15	26	(11)
Souvenir Shop		51	(51)
Subtotal	1,267	2,288	(1,021)
TOTAL	US$1,581	US$2,625	US$(1,044)

Source of Expenditures	Agreements Fund		
	Budget	Execution	Balance
Technical Programs:			
Livestock and Environmental Management	US$ 773	US$ 792	US$ (19)
Agroforestry and Genetic Improvement of coffee and cocoa	2,147	2,785	(638)
Forests and Biodiversity in landscapes Productive	1,165	1,644	(479)
AgroBiodiversity and safety Food	691	13	678
Climate Action	1,649	276	1,373
Watersheds water security and soils	250	39	211
Environmental economy and agribusiness Sustainable	2,621	803	1,818
Environment for Development (EFD)	500	443	57
Subtotal	9,796	6,795	3,001
External Projection Division:			
Guatemala National Office	1,786	1,046	740
Honduras National Office	177	55	122
National Office El Salvador		62	(62)
Nicaragua National Office	1,650	2,401	(751)
Panama National Office	833	70	332
Dominican Republic National Office		42	(42)
Peru National Office	739	175	564
Belize National Office			
Other Offices	1,073	482	591
Subtotal	6,258	4,764	1,494
Managed Projects:			
Guatemala National Office		779	(779)
Subtotal		779	(779)
TOTAL	US$16,054	US$12,338	US$3,716

Source of Expenditures	Custody Fund		
	Budget	Execution	Balance
Administration and Finance:			
Administration Component			
Basic Services	US$ 6	US$ 15	US$ (9)

(Continues)

Source of Expenditures	Custody Fund		
	Budget	Execution	Balance
Human Development	US$ 3	US$ 1	US$ 2
Infrastructure	30		30
Infrastructure	80	43	37
Concessions	105	10	95
International Fair	20	9	11
Subtotal	244	78	166
Strategic Services:			
Management of Specific Funds	43	97	(54)
Communication and Advocacy Unit	30	34	(4)
Subtotal	73	131	(58)
Research Development Directorate			
Green and Inclusive:			
Livestock and Environmental Management	200	162	38
Agroforestry and Genetic Improvement of coffee and cocoa	222	628	(406)
Forests and Biodiversity in landscapes Productive		269	(269)
AgroBiodiversity and safety Food		36	(36)
Climate Action		212	(212)
Watersheds water security and soils		77	(77)
Environmental economy and agribusiness Sustainable	235	264	(29)
Environment for Development (EFD)		160	(160)
Subtotal	657	1,808	(1,151)
Education Division:			
Scholarship Funds	350	1,053	(703)
Loan Scholarship Fund		2	(2)
Educational Services	200	23	177
Master of Sustainable Tourism	38	66	(28)
Practical Master's Degree for Development		1	(1)
Virtual Education	653	315	338
Training Unit	400	194	206
Orton Library		1,026	(1,026)
Biostatistics Unit		68	(68)
Subtotal	1,641	2,748	(1,107)
External Projection Division:			
External Projection Management		99	(99)
National Office - Mexico		2	(2)
National Office - Guatemala	40	80	(40)
National Office - Honduras		7	(7)
National Office - El Salvador		25	(25)
National Office - Nicaragua		119	(119)
National Office - Panama	40	125	(85)
Subtotal	80	457	(377)
TOTAL	2,695	5,222	(2,527)
TOTAL BUDGET AND IMPLEMENTATION	US$24,980	US$23,713	US$ 1,267

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EXHIBIT No.5a

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

SUMMARY OF INCOME AND EXPENSES IN AGREEMENT FUNDS
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

							Balance at 31 December 2020		Adjustment to Periods Previous		Movements of the Year		Balances at 31 December 2021	
Bottom	Fountain	Covenant	Cost		Donor Name	Project Name	Debtor	Creditor	Debits	Credits	Revenue	Expense	Debtor	Creditor
2	006	020	DG84	1	The Swedish International Development Cooperation Agency	Scaling up Nature Based Solutions for Sinergies Between Adaptation and Mitigation to Climate Change and Resilient Livelihoods, Fact Finding Mission Cuba					US$ 55			US$ 55
2	010	003	DH92	2	National Institute of Agricultural Research (INIA) of Uruguay	Agreement for the Co-Execution of the Sustainable Intensification of dairy project Ref. FTG/RF-15940-RG		US$ 8			15	US$ 33	US$ 10	
2	011	008	DA50	3	The Center for International Forestry Research	Forest, Agroforestry Program (FTA)								
2	011	009	DA51	4	The Center for International Forestry Research	CGIAR Research Program: Forest Trees and Agroforestry (FTA)		234			314	582	35	1
2	013	039	DH93	5	Inter-American Development Bank	Latin American and Caribbean Platform for the Sustainable Intensification of Livestock Production:								
2	013	040	GQ03	6	Inter-American Development Bank	Contract with the Inter-American Development Bank (IDB)								
2	014	003	DG28	7	Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement	Agreement between the Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement (CIRAD) and the Centro Agronomico Tropical de Investigación y Enseñanza (CATIE)		31			34	29		36
2	014	005	DE33	8	Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement	Enhancing Adaptation and Resilience to Drought in Dry Tropical Social-Ecological Systems (Research and Collaborative Management)								
2	014	006	DF33	9	Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement	CIRAD- STRADIV Project		1				1		
2	014	007	DC30	10	Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement	CIRAD-Forest and Ecological Intensification		2						2
2	014	008	DI99	11	Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement	CIRAD-AFD Decarbonization Plan					25	1		24
2	019	007	GG14	12	Swiss Agency for Development and Cooperation	Adaptation of agriculture to climate change through water harvesting (Water Harvest)		1,277		US$ 2	2,250	2,188		1,341
2	024	014	GD30	13	Food and Agriculture Organization of the United Nations	Increasing the Climate Resilience of Rural Families through landscape and degraded land restoration in Guatemala								
2	024	015	GG15	14	Food and Agriculture Organization of the United Nations	Early action to prevent and lessen the impacts of drought in Nicaragua's dry corridor								
2	024	017	DM04	15	Centre de Cooperation Internationale en Recherche Agronomique pour le Developpement	Strengthening sustainable and inclusive agribusiness models for grassroots farmers' organizations in the Central American Dry Corridor. FAO/CATIE					39	2		37
2	028	005	DG65	16	Fundecooperation for Sustainable Development	Water harvesting and more efficient use in protected and diversified systems in the main horticultural area of CR: Promotion of pilot experiences with agroecological producers in the North of Cartago and other important areas for the GAM (CODE 060-14)								
2	029	003	DG47	17	Centre for Agricultural Bioscience International	CABI-PLANTWISE		2			36	38		
2	033	013	DC39	18	German Cooperation Agency	GIZ- Ecosystem-Based Adaptation Measures in the Americas								
2	033	014	DH97	19	German Development Cooperation	NAMA Facility Implementation Call VI - Transforming Honduras Livestock sector into a low -carbon economy	US$ 26				232	241	35	
2	033	015	DL02	20	German Development Cooperation	GIZ_81254809_Forests, Biodiversity and Ecosystems		21		(14)	6	44	4	(27)
2	033	016	DH98	21	German Development Cooperation	Transforma Transformative Low Carbon and Climate Resilient Pathways of Costa Rica					32	32		
2	033	017	DC46	22	German Development Cooperation	Scaling-Up Ecosystem based Adaptation (EbA) Measures in rural Latin America , Agreement N 81269239, Project Processing N 19,9023.3-002-00					574	278		296
2	041	001	DF03	23	Bioversity International	LOA 2013-04 (BIOVERSITY/CATIE Administrative Agreement for 2013) (LoA 2014/10 Addendum		3			100	99		4
2	041	009	DF34	24	Bioversity International	BIOVERSITY INT-Support collection Germplasm Cocoa Mocca		37			23	53		7
2	043	013	DE49	25	United Nations Environment Programme	Small-scale financing agreement SSFA/REDD-004/2016								
2	043	017	GD32	26	United Nations Development Programme	Project on Technical Assistance to Parties Eligible for the Preparation of the Sixth National Report of the CBD (6NR-LACII) of the United Nations Development Programme-UNDP								
2	043	019	GI18	27	United Nations Development Programme	PUND-Implementation of Rio Indio Monitoring and Conservation Actions		27				27		
2	043	020	DG72	28	The United Nations Industrial Development Organization	UNIDO-Integrated Forest Policy Development Belize		40			(40)			
2	043	021	DI93	29	United Nations Development Programme	UNDP - Development of a La Selle Management Plan								

Bottom	Fountain	Covenant	Cost		Donor Name	Project Name	Balance at 31 December 2020		Adjustment to Periods Previous		Movements of the Year		Balances at 31 December 2021	
							Debtor	Creditor	Debits	Credits	Revenue	Expense	Debtor	Creditor
2	043	22	DI96	30	United Nations Development Programme	Elaboration de plan de développement communal dans les communes des lot 1 : Pestel et lot 5 : Jérémie RFP/UNDP/HAI/20.12		US$ 1			US$ 94	US$ 67		US$ 28
2	043	024	DG78	31	United Nations Development Programme	Consulting Service to Design ECAS Dominican Republic	US$ 1				93	95	US$ 4	1
2	043	025	DC42	32	United Nations Development Programme	For the supply of technical services related to the systemic evaluation of vulneravility to the efects of climate change on the expanded dry corridor of Guatemala. UNIDO Contract No:3000084449					165	133		32
2	043	026	GT02	33	United Nations Development Programme	Design and implementation of a Training and Technical Assistance Program for the sustainable production of livestock in the provinces that make up the Amazon Special Territorial District (CTEA)	4				483	477		2
2	043	027	GQ04	34	United Nations Development Programme	00094356 Sustainable Productive Landscapes Project		218				175		43
2	043	029	DL03	35	United Nations Development Programme	UNEP-Public Incentive Programme SSFA-REED					18	48	30	
2	043	030	DD13	36	United Nations Development Programme	Consultation pour l'Évaluation de l'impact des changements climatiques (CC) sur les ressources en eau et l'appui au développement des solutions novatrices.					64	39		25
2	043	031	CC02	37	United Nations Development Programme	Adaptation to Climate Change in Planning Processes					5	8	3	
2	067	003	DF29	38	Institut de Recherche pour le Developpement	MACACC (Agreement No. AIRD-13-AGRO-0005-09)								
2	075	002	DG71	39	Lutheran World Relief	LWR-Second Collaborative Agreement					55	58	3	
2	075	003	DG75	40	Lutheran World Relief	Maximizing Opportunities in Coffee and Cacao in the Americas (MOCCA) / FCC-596-2018/005-00		21			58	80	1	
2	075	004	DG82	41	Lutheran World Relief	LWR-Latin American Scientific Cocoa Congress					4			4
2	082	010	GE15	42	European Union	Strengthened local capacities for Productive Development in Community Forestry and valuation of forest goods and services (DCI-ALA/2014/338-885)								
2	082	011	GA28	43	European Union	Grant Contract, External Actions of the European Union, FOOD/2017/386-542 National Nutrition Information Platform (PINN)	11					2	13	
2	082	012	GD28	44	European Union	Grant Contract, External Actions of the European Union, FOOD/2017/386-542 National Nutrition Information Platform (PINN)		290	US$ 7	US$ 7	304	594		
2	082	013	DG76	45	European Union	Sub-delegation agreement between IICA and CATIE to implement the Adapted Agroforestry Systems project for the Central American Dry Corridor (AGRO-INNOVA)	52				572	403		117
2	083	014	GD37	46	European Union	National Nutrition Information Platform - PINN - phase II in Guatemala FOOD/2021/426-251					1,001	234		767
2	084	017	DG57	47	United States Department of Agriculture	"Evaluation of Improved Cacao (Theobroma cacao) Materials for Agronomic Performance, Reaction to Diseases and Uptake of Cadmium."	44				48	5		(1)
2	084	018	DH80	48	United States Department of Agriculture	Low Emissions Cattle Farming /USDA Low Emission Livestock								
2	084	019	DG61	49	United States Department of Agriculture	Development of Clones of Theobroma cacao With Resistance to Frosty Pod and Black Pod Using Genomics-assisted Breeding Methodology AGREEMENT 58-6038-6-009-F		12				11		1
2	085	006	GA15	50	United States Agency for International Development	USAID Regional Climate Change Program RCCP No. 596-12-000001								
2	095	100	DG63	51	EARTHCORP of Costa Rica Foundation	Lease agreement for facilities and land on La Lola farm and Technical Cooperation between CATIE and EARTHCORP of Costa Rica Foundation		1						1
2	104	009	DC28	52	University of Gothenburg	Environment for Development Initiative in Central America Work Plan 2017 EfD . EEU ref 17002, AIDS No 61050043		2	7	5				
2	104	21p	DH91	53	University of Gothenburg	Develop Sustainable Futures for Food Production in The Tropics, Using the CR dairy sector: Optimising environmental and economic outcomes	1					1	2	
2	104	013	DC37	54	University of Gothenburg	EFD-World Plan 2019		43	5			1		37
2	104	014	DC40	55	The Environmental Economics Unit (EEU) - University of Gothenburg	Environment for Development Initiative in Central America Work Plan 2020		162	17			145		
2	104	016	DL05	56		UGOT-EFD WORK PLAN 2021					475	333		142
2	108	006	DE38	57	United Nations Environmente Programme	Joint UNEP-UNIDO Programme to host and Manage the Climate Technology Centre and Network (CTCN)		15			19			34
2	108	011	DC41	58	United Nations Environmente Programme	Technical assistance on enhancing Nationally Determined Contributions (NDCs), as part of the Paris Agreement´s NDC update process in Jamaica and Guatemala//Joint UNEP-UNIDO Programme to host and manage		63			80	95		48
2	111	008	DA42	59	Royal Norwegian Embassy	Mesoamerican Agroenvironmental Programme (MAP Norway) Second Phase	8					3	11	
2	112	001	DF10	60	The Regional Banana and Banana Research and Development Network for Latin America and the Caribbean	MUSALAC								
2	118	002	DG66	61	Ministry of Environment and Natural Resources (Dominican Republic)	Consulting Services Contract: Evaluation of Biomass and Carbon Content in Non-Forest Coverage in the Dominican Republic-CON-SCC-05-2017								
2	119	005	DH95	62	United States Fish and Wildlife Service	Conserving Neotropical Migrants by Managing Ecosystem Services on Coffee Farms (6749)	17				65	49		(1)
2	129	002	DG50	63	Nestle Ltd.	Genetic improvement of Cocoa varieties		74				82	8	

Bottom	Fountain	Covenant	Cost		Donor Name	Project Name	Balance at 31 December 2020		Adjustment to Periods Previous		Movements of the Year		Balances at 31 December 2021	
							Debtor	Creditor	Debits	Credits	Revenue	Expense	Debtor	Creditor
2	159	003	GD26	64	Foundation for Conservation in Guatemala	Territorial Co-management for the Conservation and sustainable management of the Acatenango-Fuego volcanic complex								
2	159	004	GD33	65	Foundation for the Conservation of Natural Resources and Environment in Guatemala	FCA-Conservation and sustainable management of the forest landscape		US$ 44			US$ 24	US$ 68		
2	182	003	GI16	66	Foundation for the Conservation of Natural Resources	Service contract between the Foundation for the Conservation of Natural Resources (Natura) and CATIE		9				9		
2	182	004	GI19	67	Foundation for the Conservation of Natural Resources	NATURA-Elaboration of the Detailed Diagnosis Rio Santa Maria		48	US$ 9		18	57		
2	182	005	GI20	68	Foundation for the Conservation of Natural Resources	NATURA-Forest Restoration Gallery Microcuenca Rio Gallito	US$ 20			US$10	10			
2	182	006	GI21	69	Foundation for the Conservation of Natural Resources	Contract signed between the Natura Foundation and CATIE		215			128	336		US$ 7
2	186	003	DI94	70	Conservation International Foundation	CI-Rehabilitation Puntarenas Wetland		129			210	327		12
2	187	002	DG81	71	Mars Wrigley Confectionery US, LLC	Mars-Wrigley Letter of Understanding					32	20		12
2	191	007	DI78	72	Costa Rica Forever	Development of ecological integrity indicators and their respective monitoring protocols at the local level for terrestrial and inland water areas in 32 protected wild areas of Costa Rica	26						US$ 26	
2	191	008	DL07	73	Costa Rica Forever	ASCRXS_FAPS-2021-Green 01_CATIE_SINAC_Infraestructura						9	9	
2	196	001	DI63	74	Korea Forest Research Institute	KFRI Collaboration Invest. Prog. BIOENERGY								
2	205	003	DG73	75	Heifer Project International	HEIFER - execution of the CHOCOLATE 4ALL project	45				137	116	24	
2	207	001	GA02	76	Quality Institut	Strengthening national capacities for the implementation of the International Treaty on Plant Genetic Resources for Food and Agriculture in Guatemala.								
2	208	002	DG55	77	Texas A&M Agrilife Reserach	Revitalization of the Coffee Sector in Central America (Subrecipient Agreement No. 06-S140670)		8				7		1
2	210	001	GF25	78	National Center for Agricultural and Forestry Technology	Strengthening Family Farming by Applying Sustainable Technologies in the Face of Climate Change in El Salvador								
2	215	002	DC38	79	Department of State United States of America	Accountable providers, technology, and citizen participation for improved water services in vulnerable communities of Costa Rica	12				105	96	3	
2	216	005	CC01	80	National System of Conservation Areas	Management Plan for the Rio Grande de Tárcoles Basin		53			102	159	4	
2	12P	001	DG58	81	Rural Development Administration	Rural Development Administration (GDR) of The Republic of Korea		30			30	53		7
2	12P	002	DG64	82	KoLFACI of the Rural Development Administration (GDR)	Enhancement of cacao production through the use of improved germplasm and selected climate smart agricultural practices		232				118		114
2	12P	003	DG77	83	Rural Development Administration	Korea-Latin America Food and Agriculture Cooperation Initiative (KoLFACI) of The Rural Development		90			101	40		151
2	227	004	GI14	84	Ministry of Environment Panama	A regional strategy for climate change adaptation and mitigation		73				73		
2	232	001	DG59	85	World Coffee Research	World Coffee Research 16203		12						12
2	233	002	DG62	86	Inter-American Institute for Cooperation on Agriculture	Sub-delegation contract for the execution of regional agricultural research and extension actions within the framework of the Integral Management Program of Coffee Rust		200	3		360	555		2
2	233	003	DC36	87	Inter-American Institute for Cooperation on Agriculture	Knowledge management for the adaptation of family farming to climate change (INNOVA-AF)		3						3
2	237	001	GJ03	88	Ministry of Higher Education, Science and Technology	Financial technological alternatives for the renovation, rehabilitation and promotion of coffee plantations in the Dominican Republic		42				42		
2	242	001	DI83	89	Foundation for the Conservation of the Chiquitano Forest (FCBC) Bolivia	Contro services 2018-10 between the Foundation for the Conservation of the Chiquitano Forest (FCBC) and the Tropical Agronomic Center for Research and Teaching (CATIE)								
2	244	001	DI84	90	Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety	Development of sustainable forestry models & links to private finance for secondary forests.	5				398	395	2	
2	244	002	DH85	91	Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety	International Climate Initiative (IKI)Scaling up Biodiversity Conservation through Climatesmart Agrosilvopastoral Practices in Landscapes dominated by Cattle-raising Systems in Three Regions of Mexico		52			328	406	27	1
2	244	003	DG68	92	International Center for Research in Agroforestry	Harnessing the potential of trees on farms for meeting national and global biodiversity targets. Subgrant Agreement between ICRAF and CATIE/TC 06/06/18: 1.1662	2				58	81	25	
2	248	001	DE50	93	Forest Technology Centre of Catalonia	Models and decision SUpport tools for integrated Forest policy development under global change and associated Risk and Uncertainty		33						33
2	249	001	DI91	94	Oxfam Intermon	Sustainable reduction of Food Insecurity in the municipalities of Alto Artibonite	23				24	1		
2	249	002	DM03	95	Oxfam Intermon	Project: "Kafe Makaya"					29	11		18
2	251	001	DC35	96	National Environment & Planning Agency	Design of Payment for Ecosystem Services Scheme in Yallahs and Hope River Watershed Management Units in Jamaica		62						62
2	254	001	DH96	97	Belize Livestock Producer Association	Developing a Climate-Smart and Green Cattle Sector in Belize through Technology Innovations and Strengthening Local Institutions	11				25	30	16	
2	255	001	DI92	98	The National Institute for Forest Science	Develop future landscape and ecosystem-level scenarios for forest and landscape restoration under high exposure to climate change		35				17		18
2	255	002	DC47	99	The National Institute for Forest Science	NIFOS_PES_Tackilng Forest Degradation2021_2026					52	9		43
2	256	001	DG70	100	Gaia Artisan Coffee	GAIA-Access and Distribution of Coffee Germplasm	3						3	

Bottom	Fountain	Covenant	Cost		Donor Name	Project Name	Balance at 31 December 2020		Adjustment to Periods Previous		Movements of the Year		Balances at 31 December 2021	
							Debtor	Creditor	Debits	Credits	Revenue	Expense	Debtor	Creditor
2	257	001	DA52	101	University of Greenwich	GREENWICH- Sustainability in Coffee Agroforestry in Central America		US$ 148			US$ 68	US$ 204		US$ 12
2	258	001	DG74	102	Global Nature Technology	GNT-Cooperation Agreement Production Hybrids F1 Coffee	US$ 2						US$ 2	
2	259	001	GE21	103	Territorial Inclusive Economic Development Program (Honduras)	Contribute to vulnerable and excluded families from the value chain of coastal ecotourism, cashew and sustainable livestock	85				127	46	4	
2	260	001	DI95	104	Caribbean Bioversity Fund	Mangroves for development - Securing livelihoods and climate resilience in the Caribbean. Grant No. EbA1#46		123				114		9
2	261	001	GE22	105	American Bird Conservancy	Conservation of Migratory Birds in Olancho, Honduras - WOTH NMBCA Contract ID 1817E					9	9		
2	16P	001	DI97	106	Development Banking System	Contract for the use of Recursp Capitañ Semilla of the National Development Fund		5			293	180		118
2	264	001	GD36	107	Foundation for Ecodevelopment and Conservation (Guatemala)	Ecodevelopment and Conservation (FUNDAECO) and CATIE		36			111	149	2	
2	265	001	GG16	108	Evaluation and Development Center (C4ED)	Evaluation and Development Center (C4ED) and CATIE		6			164	169		1
2	266	001	DC43	109	Ministry of Economic Development & Petroleum (Belize)	Contract Number: CO001/14/2020/2021 Conduct of Value Chain and Market Assessments for Resilient Rural Belize					13	9		4
2	266	002	DC44	110	Ministry of Economic Development & Petroleum (Belize)	Contract Number: CO002/14/2020/2021 The Ministry of Economic Development & Petroleum	1				24	46	23	
2	267	001	DG79	111	Agronomes et Vétérinaires sans Frontières	AVSF, Agronomes et Vétérinaires sans Frontières		25			31	52		4
2	268	001	DI98	112	Natural Resources Canada	Restoration Latin American Model Forest Network Costa Rica					542	542		
2	269	001	DE51	113	Conservation International Foundation	Blue carbon and Costa Rica's international mechanisms and national commitments to the UNFCCC					99	109	10	
2	270	001	GG17	114	Engineering for Human Development	Nature as a safeguard of the human right to water in the context of COVID 19 in Nicaragua" (Exp.2020/ACDE/000270)					65	43		22
2	272	001	GF26	115	World Food Programme	Social and environmental risk assessment, gender analysis and free, prior and informed consent in the Goascorán river basin					87	64		23
							US$ 399	US$4,298	US$48	US$10	US$11,102	US$11,557	US$339	US$3,745
3	024	009	GD21	1	Food and Agriculture Organization of the United Nations (FAO)	FAO - Institutional Strengthening		US$ 28			US$ 71	US$ 76		US$ 23
3	043	023	GD34	2	United Nations Environment Programme	Cooperation agreement for the medium-sized project "Strengthening and continuity of biosecurity capacities leading to a complete implementation of the Cartagena Protocol on Biosafety in Guatemala"		179				141		38
3	043	028	GI22	3	United Nations Environment Programme	GEF support to the national reporting process to UNCCD 2018 "		40			20	51		9
3	097	039	GD13	4	National Commission of Protected Areas	CONAP / Netherlands		2						2
3	097	058	GD16	5	Ministry of Agriculture and Livestock (MAGA)	MAGA Convention 89-2007		111			3	(1)		115
3	262	001	GD35	6	Fundación Ayuda en Acción Guatemala	The Ayuda en Acción Foundation to support the administration of financial resources of the Ayuda en Acción Foundation		13			542	511		44
						Total Projects in Administration	US$	US$ 373	US$	US$	US$ 636	US$ $778	US$	US$ 231

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EXHIBIT No.5b

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

SUMMARY OF INCOME AND EXPENSES IN FUNDS IN CUSTODY AND MANAGED PROJECTS
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

						Balances at 31 of December 2020		Adjustment to Periods Previous		Movements of the Year		Balances at 31 of December 2021	
Bottom	Fountain	Covenant	Cost		Cost Center Name	Debtor	Creditor	Debits	Credits	Revenue	Expense	Debtor	Creditor
8	085	010	EB59	1	USAID - PRCC SCHOLARSHIPS								
8	092	005	DH01	2	SILVOPASTORALS		US$ 42			US$ 51	US$ 162	US$ 69	
8	092	018	BE10	3	INFRASTRUCTURE								
8	092	025	DE01	4	GLOBAL CHANGE GROUP		23			64	113	27	US$ 1
8	092	026	DC11	5	RESEARCH IN ECONOMIC DEVELOPMENT AND ENVIRONMENT		71			95	94		72
8	092	029	BE11	6	CONSETIONS		27			6	10		23
8	092	030	DA05	7	UTA - INVESTMENTS AND IMPROVEMENTS IN LABORATORIES		14			26	28		12
8	092	035	GI02	8	OTN PANAMA		14	US$ 1		200	125		88
8	092	046	BD02	9	OCCUPATIONAL HEALTH					5	1		4
8	092	047	BE15	10	CATIE INTERNATIONAL FAIR		2						2
8	092	048	EB61	11	VERTO EDUCATION					1,005	1,026	22	1
8	093	004	EC01	12	TRAINING UNIT		34			240	194		80
8	093	006	EB29	13	TEXTS AND MATERIALS		11			62	20		53
8	093	007	EB32	14	STUDENT LIFE		2				4	2	
8	093	014	EB37	15	DAAD SCHOLARSHIPS	US$ 6				86	65		15
8	094	002	GF01	16	OTN EL SALVADOR	16				19	25	22	
8	094	042	DA15	17	RESEARCH AND DEVELOPMENT DIRECTORATE		33			6	3		36
8	094	046	GG01	18	OTN - NICARAGUA	30				182	119		33
8	094	054	DD10	19	WATERSHED MANAGEMENT GROUP		55			64	77		42
8	094	061	DB01	20	AGRIBUSINESS DEVELOPMENT UNIT		93			144	106		131
8	094	070	DG33	21	COCOA LATIN AMERICAN CULTURE		124			290	260		154
8	094	084	DG36	22	CAFE GROUP, PROFITABILITY AND DIVERSITY		88		US$ 7	79	54		120
8	094	092	DG38	23	COMMERCIAL COCOA		24			103	83		44
8	094	101	FI06	24	NRDC COMMERCIAL ESTATE		32			19	9		42
8	095	022	BB08	25	CATIE BASIC SERVICES		5			6	15	4	
8	095	033	GD02	26	NATIONAL TECHNICAL OFFICE - GUATEMALA		68			138	80		126
8	095	063	FH01	27	BOTANICAL GARDEN CATIE		5			37	34		8
8	095	075	GE02	28	OTN - HONDURAS	24				6	7	25	
8	095	082	DG35	29	COFFEE REHEARSAL - BONILLA II		18			25	20		23
8	095	086	CB01	30	COMMUNICATION		57			78	34		101
8	095	097	GA04	31	DIRECTION OF PROJECTION AND DEVELOPMENT	3						3	
8	095	101	CA03	32	MANAGEMENT OF SPECIFIC FUNDS OAE		12			120	97		35
8	096	001	EB08	33	SCHOLARSHIPS - CONACYT		11			35	28		18
8	096	003	EB34	34	OAS ORFA RODRIGUEZ SCHOLARSHIPS								
8	096	018	EB58	35	VIRTUAL EDUCATION		17			359	315		61

Bottom	Fountain	Covenant	Cost		Cost Center Name	Balances at 31 of December 2020 Debtor	Balances at 31 of December 2020 Creditor	Adjustment to Periods Previous Debits	Adjustment to Periods Previous Credits	Movements of the Year Revenue	Movements of the Year Expense	Balances at 31 of December 2021 Debtor	Balances at 31 of December 2021 Creditor
8	096	028	EE01	36	BIOMETRY UNIT		US$ 36			US$ 22	US$ 68	US$ 10	
8	096	032	EB48	37	IGERT SCHOLARSHIPS								
8	096	034	EB19	38	STUDENT FUND FOR MEDICAL EMERGENCIES		13						US$ 13
8	096	036	EB16	39	EXCHANGE STUDENTS					2			2
8	096	039	EB17	40	EDUCATIONAL FUND		2			8	2		8
8	096	044	EB14	41	DONATION SCHOLARSHIPS - MISCELLANEOUS		29	US$29					0
8	096	045	EB02	42	SCHOLARSHIPS - BELGIAN COOPERATION								
8	096	049	EB10	43	STUDENT SCHOLARSHIPS		39			739	533		245
8	096	050	EB04	44	SCHOLARSHIPS - SENACYT / FUNDACYT								
8	096	053	EB24	45	MASTER'S DEGREE IN AGRIBUSINESS CATIE-INCAE								
8	096	054	EB54	46	IICA - H. WALLACE ACADEMIC LEGACY		40		US$29	346	426	12	1
8	104	015	DL01	47	EFD-WORKING CAPITAL		126			174	160		140
8	136	001	FI10	48	DCO INVESTMENT FUND		45			13			58
8	137	001	BA02	49	DSC INVESTMENT FUND		14			103	43		74
8	145	001	EB42	50	MASTER'S DEGREE IN SUSTAINABLE TOURISM		4			55	66	7	
8	150	001	FI12	51	OPERATIONAL BIOTECH	US$ 96				28	48	115	(1)
8	154	001	GB03	52	NATIONAL TECHNICAL OFFICE - BELIZE								
8	155	001	GC03	53	OTN MEXICO		5				2		3
8	156	001	GA14	54	MANAGEMENT UNIT AND SERVICE OFFERING		25			79	99		5
8	162	001	DF24	55	AGROECOLOGY AND AGROBIODIVERSITY CHAIR								
8	165	001	FI15	56	PHYTOGENETIC COLLECTIONS		63			58	93		28
8	165	002	FI19	57	FINCA LA LOLA (COMMERCIAL)					31	7		24
8	168	001	BB11	58	CATIE-IICA INVESTMENT FUND						181	181	
8	171	001	EB47	59	MASTER'S DEGREE PRACTIVE FOR DEVELOPMENT						1	1	
8	174	001	GJ02	60	OTN-DOMINICAN REPUBLIC								
8	179	001	AA03	61	GENERATION OF FUNDS ALVARO UMANA		4			69	64		9
8	183	002	DA41	62	MFA - NORWAY MAP KEY TERRITORY TRIFINIO								
8	195	001	DE23	63	CHAIR OF ENVIRONMENTAL DECISIONS					104	98		6
8	201	001	EB52	64	SEED CAPITAL EDUCATIONAL FUND		1						1
8	221	001	DI76	65	WALLACE CONFERENCE		26						26
8	242	001	DI16	66	GLOBAL FOREST MANAGEMENT UNIT		377			352	269		460
8	271	001	DM02	67	AGROBIODIVERSITY AND FOOD SECURITY					14	36	21	(1)
					Total Funds in Custody	US$175	US$1,731	US$30	US$36	US$5,747	US$5,404	US$521	US$2,426

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EXHIBIT No.6

TROPICAL AGRICULTURAL RESEARCH AND HIGHER EDUCATION CENTER (CATIE)

EXECUTION OF EXPENDITURES BY FUND, DIVISION AND OBJECT OF EXPENDITURE
YEAR ENDED DECEMBER 31, 2021
(Expressed in Thousands of U.S. Dollars)

	Personnel	Travel and Travel	Communication e Printing	Maintenance of Equipment and Buildings	Expense General	Training and Scholarships	Investment in Team and Infrastructure	Inputs and Costs Specific	Support Institutional and Overhead	Total
Basic Activities Fund:										
Higher Guidelines	US$ 344	US$ 26	US$ 10		US$ 15					US$ 395
Directorate of Administration and Finance										
Administration Component	880		27	US$ 43	30	US$ 1	US$ 8	US$ 12		1,001
Strategic Services	327		11	1	18		4	29		390
Technical Programs	586	3	19	10	150	2	3	2		775
Directorate of Education	536	3	36	7	63	55	1	14		715
External Projection Management	240	4	12	5	61	71		(1)		392
Subtotal Basic Activities	2,913	36	115	66	337	129	16	56		3,668
Commercial Activities Fund:										
Directorate of Administration and Finance										
Services Component	462	6	35	192	126	1	222	256		1,300
Commercial Component	543	4	22	84	45	1	12	614		1,325
Subtotal Commercial Activities	1,005	10	57	276	171	2	234	870		2,625
Covenant Funds:										
Technical Programs	4,463	158	132	20	500	479	186	304	US$ 554	6,796
External Projection Management	2,496	135	146	54	940	307	168	143	371	4,760
Managed Projects	522	26	29	19	81	23	17	5	56	778
Total Agreements	7,481	319	307	93	1,521	809	371	452	981	12,334
Funds in Custody:										
Directorate of Administration and Finance										
Administration Component	15		2	73	5	2	112	40	1	250
Strategic Services	123		2		2	2	2			131
Technical Programs	1,396	22	71	26	40	43	20	65	134	1,817
Directorate of Education	574	15	55	(23)	416	738	249	469	257	2,750
External Projection Management	311	17	20	20	59	6	10	2	12	457
Total Funds in Custody	2,419	54	150	96	522	791	393	576	404	5,405
TOTAL	US$13,818	US$419	US$629	US$531	US$2,551	US$1,731	US$1,014	US$1,954	US$1,385	US$24,032

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