

GTAP Finances: Current Performance and Future Funding

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Executive Summary

- **Running a deficit of \$49K**
- **Data Base Sales increasing, key segment is government/private sector**
- **Funding of one new staff member at cost \$70K is required to achieve new objectives:**
 - **Increase the scope of the GTAP Data Base, e.g., incorporating taxes and services.**
 - **Additional processing of data for improving quality.**
 - **Other goals set out in 2004 Strategic plan, e.g., multiple years.**
- **Potential Sources of Additional Funding**
 - **Increased consortium fees (\$US60K)**
 - **Selling special releases**

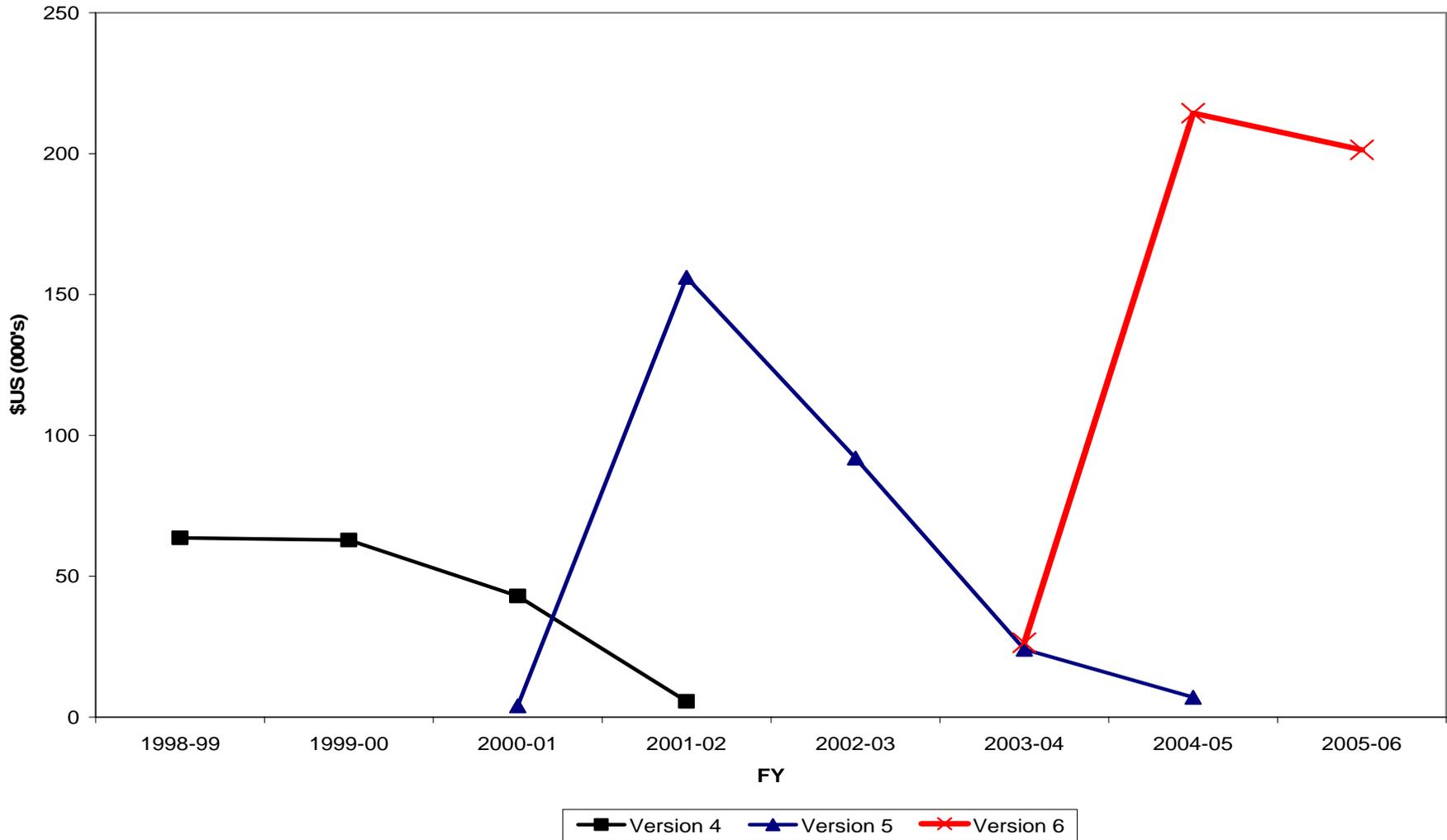
Overview

- **2005 Performance Review**
- **The Future of GTAP**
- **Support Needed from Consortium**

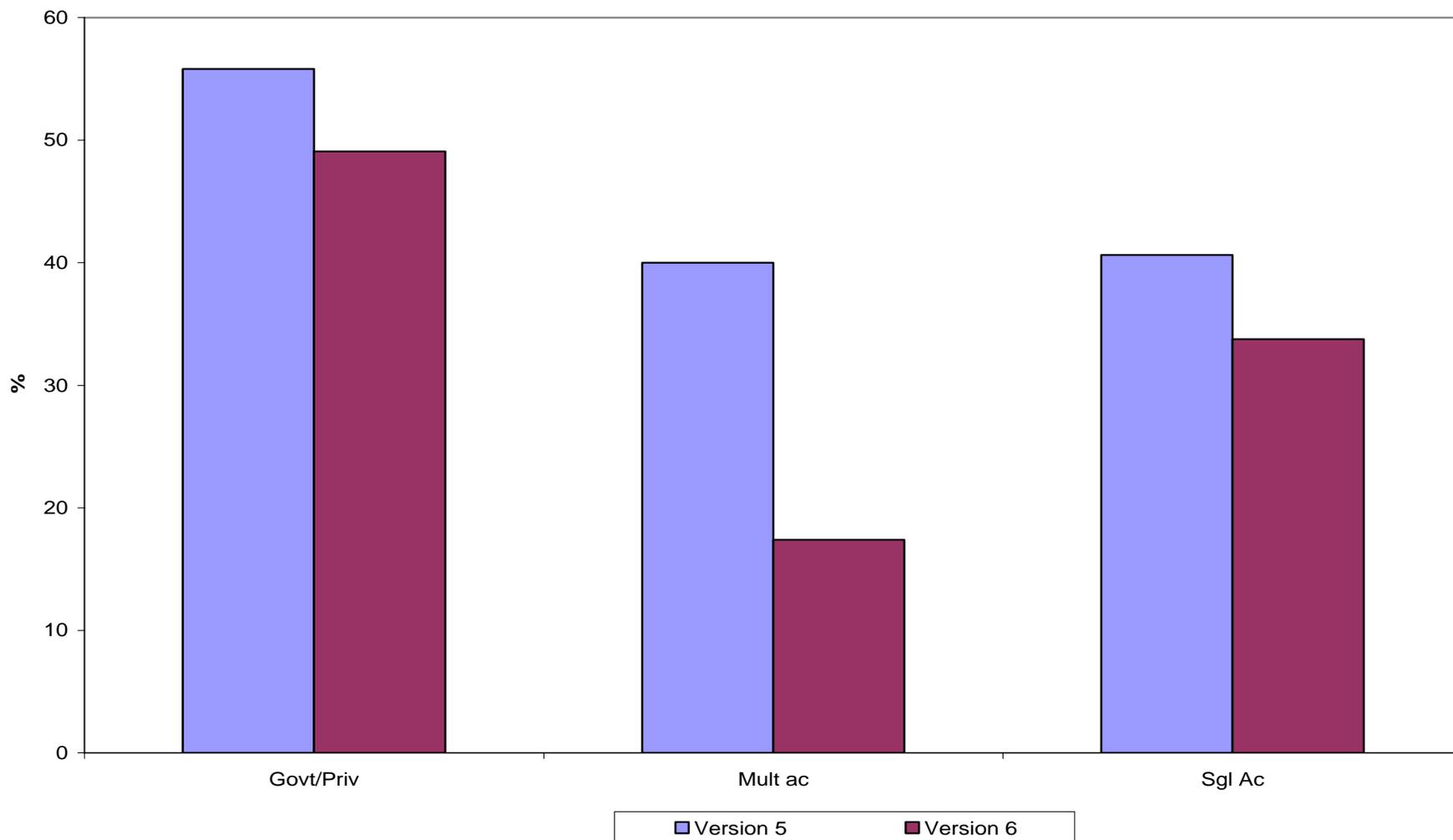
CGTA ran a \$49 K deficit in FY2006

| | 2005-06 Budget | 2005-06 Actual |
|---------------------------|---------------------------|---------------------------|
| Consortium fee: | | |
| Revenue | | |
| Consortium memberst | \$402,500 | \$375,465 |
| Data base sales | \$140,000 | \$183,253 |
| Short-course revenue | \$105,000 | \$209,190 |
| Total revenue | \$647,500 | \$767,908 |
| Expenses | | |
| Core staff | \$495,000 | \$547,661 |
| Travel | \$20,000 | \$22,629 |
| Short-course | \$105,000 | \$203,706 |
| Other Expenses | \$25,000 | \$42,667 |
| Of which: | | |
| Conferences - postage | | \$4,473 |
| Computers | | \$15,892 |
| Printing | | \$5,762 |
| Postage | | \$6,356 |
| Other office expenses | | \$10,185 |
| Total expenses | \$645,000 | \$816,663 |
| Surplus or deficit | \$2,500 | -\$48,756 |

Revenues by Version tend to peak in second year (by shipping date)



Upgrades as a % of previous version sales have declined – greatest with Multiple Academic

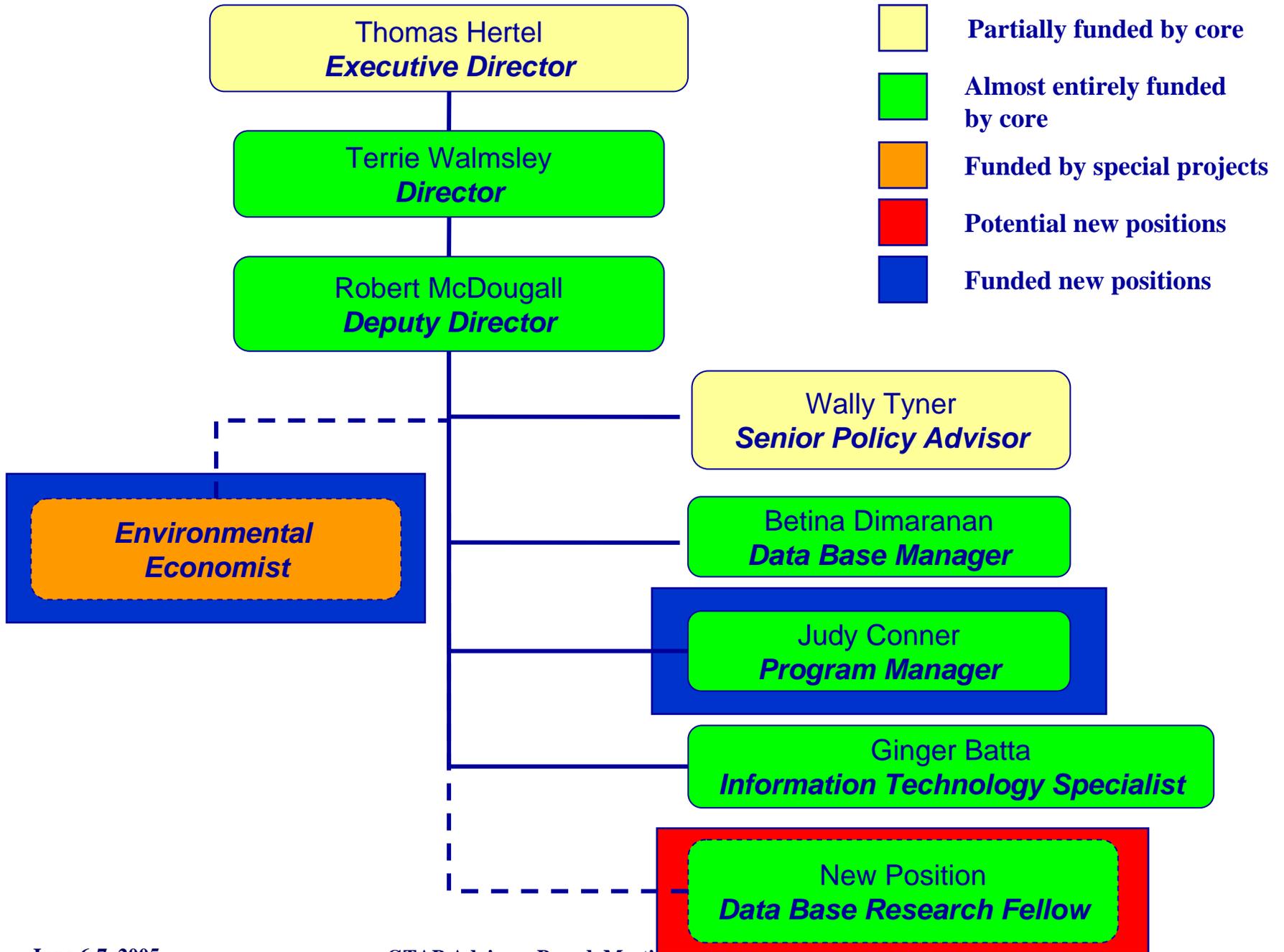


Sales to Low Income countries have increased with more recent versions

| | Total sales | Low Income | % |
|--------------------------|--------------------|-------------------|------------|
| Version 4 | 150 | 2 | 1.3 |
| Version 5 | 183 | 5 | 2.7 |
| Version 6 | 262 | 13 | 5.0 |
| Of which: | | | |
| Low-middle income | | 11 | |
| Low income | | 2 | |

Future of GTAP

- **Demand for more and better data is going to continue.**
 - increased scope e.g., taxes and services;
 - more countries;
 - additional processing of data for improving quality; and
 - other goals set out in 2004 Strategic plan, e.g., multiple years.
- **As a result:**
 - **More pre-processing is being required in-house:**
 - as more new data sets are gathered to expand the scope of the GTAP Data Base; and
 - with the emphasis on quality more checks are undertaken on incoming data.
 - **More scope means building more modules to combine alternative data sources and fill in missing numbers.**
 - **More low-quality countries means more potential for problems in the construction process.**
- **Overall the skills required to do the job have increased: Graduate students are less prepared.**



New Appointments: Environmental Economist

- **Description of role**
 - This person will assist with current EPA projects and build their own research agenda in Environmental Economics using the GTAP framework.
 - Funds secured from special projects
- **Current Status**
 - March-May 2006, Interviewed 3 candidates for Research Faculty Position
 - Short term: Hiring a post-doc to focus on immediate needs.
 - Future: Research Faculty Position not ruled out.

New Appointments: Program Manager

- **Description of role**
 - **This person will manage the GTAP Programs, oversee the GTAP finances, communicate with board and network members and oversee marketing efforts.**
 - **Funded from core data**
- **Current Status**
 - **Advertising position**
 - **New person required mid- to end- of July**

Potential New Appointment: Data Base Research Fellow

- **Description of role**
 - Will assist with the production of the GTAP Data Base, including special topics to extend the data base (e.g., Taxes), and with special releases.
 - Looking for some with a Masters degree plus experience with large datasets.
- **Current Status**
 - Funding required

Even without hiring an extra person to achieve goals, CGTA will run a deficit at current consortium levels

| | 2005-06 Actual | 2006-07 Budget |
|---------------------------|---------------------------|---------------------------|
| Consortium fee: | | \$17,500 |
| Revenue | | |
| Consortium membership | \$375,465 | \$420,000 |
| Data base sales | \$183,253 | \$140,410 |
| Short-course revenue | \$209,190 | \$132,190 |
| Total revenue | \$767,908 | \$692,600 |
| Expenses | | |
| Core staff | \$547,661 | \$539,715 |
| Travel | \$22,629 | \$28,000 |
| Short-course | \$203,706 | \$132,190 |
| Other Expenses | \$42,667 | \$25,000 |
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| Postage | \$6,356 | \$5,000 |
| Other office expenses | \$10,185 | \$10,000 |
| Total expenses | \$816,663 | \$724,905 |
| Surplus or deficit | -\$48,756 | -\$32,305 |

In order to fund one extra staff member and breakeven \$102K is required

- **\$US102K is required to fund new staff member (\$US70K) and breakeven (\$US32K).**
- **This can be obtained from a variety of sources:**
 - **Consortium (\$US60K)**
 - **Increase to \$20K (Last increased 1999)**
 - **Alternative sources**
 - **Special releases**
 - **More Special Projects**
 - **More consortium members**

Increased consortium fees contribute \$30K towards new staff member.

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