

RESOLUTION No. 597

2016-2017 PROGRAM BUDGET

The EXECUTIVE COMMITTEE, at its Thirty-fifth Regular Meeting,

HAVING SEEN:

Document IICA/CE/DT-641 (15), “2016-2017 Program Budget Rev. 1,”

CONSIDERING:

That the Convention on the Inter-American Institute for Cooperation on Agriculture (IICA) establishes:

- i. In Article 8.b, that a function of the Inter-American Board of Agriculture (IABA) is “to approve the biennial Program Budget and to determine the annual quotas of the Member States”;
- ii. In Article 23, that “the Member States shall contribute to the maintenance of the Institute through annual quotas established by the Board, in accordance with the system for calculating quotas of the Organization of American States”;
- iii. In Article 14.b, that a function of the Executive Committee is “to examine the proposed biennial Program Budget that the Director General submits to the Board and to make such observations and recommendations as it deems appropriate”;

That the new model used for the Program Budget for the biennium 2016-2017 is fully consistent with the strategic framework established in the 2014-2018 MTP approved by the IABA, in order to achieve greater efficiency in the use of resources;

That the Director General submitted the proposed 2016-2017 Program Budget to the Regular Meeting of the Special Advisory Commission on Management Issues (SACMI), held in April 2015, in order to obtain proposals that would enable IICA to comply with the IABA’s mandate concerning the financial strengthening of IICA;

That the Director General submitted the proposed 2016-2017 Program Budget to the consideration of the Executive Committee at its Thirty-fifth Regular Meeting, in a format consistent with the structure and content established in the rules currently in effect, and incorporating the recommendations made by the SACMI;

That the Institute's Legal Advisor has explained that Article 23 of the Convention on IICA requires the IABA to apply the up-to-date quota scale used by the OAS in order to determine the mandatory quotas of the Member States for the financial sustainability of the Institute;

That pursuant to Article 60 of the Rules of Procedure of the Executive Committee, the "Friends of the Chair of the Executive Committee" was established to present proposals for the financing of the Institute; and,

That, in order to compensate for the irreversible depletion of the Miscellaneous Income Fund and maintain an operating level at least similar to that of 2015, the proposal considers the following:

- i. An increase of 6.57% in the quota budget, based on the new quota scale of the OAS;
- ii. Over-quota contributions agreed with the Member States.

RESOLVES:

1. To acknowledge that the new model of the Program Budget is clearly consistent with the institutional strategic framework established in the 2014-2018 MTP approved by the Executive Committee and the IABA.
2. Recommend that the IABA:
 - i. Consider a 6.57% increase in the quota budget that would make it possible to recover the USD3,600,000 in resources from the Miscellaneous Income Fund that will be lost over the biennium, as shown in Annex A.
 - ii. Express appreciation for the voluntary over-quota contributions pledged by the Member States to complete the amount required to maintain an operating level at least similar to that of 2015.
 - iii. Approve the 2016-2017 Expenditure Budget in accordance with the income estimated and the allocations established in Document IICA/CE/DT-641 (15) "2016-2017 Program Budget Rev.1" with adjustments as agreed, for each of the chapters indicated in Annex B.
 - iv. Authorize the Director General to effect transfers among chapters of the Program Budget, provided that the total transfers do not increase or reduce the chapters by more than 15% and do not significantly affect the priorities approved.
 - v. Authorize the Director General to make the necessary adjustments in the allocation of resources approved in this resolution, should the combined income for each of the fiscal years 2016 and 2017 fall below estimated

levels for the biennium in question and inform the Executive Committee and the IABA of the situation.

3. Request that the Director General convene a meeting of the “Friends of the Chair of the Executive Committee” before the next meeting of the IABA, in order to discuss, comprehensively and with a view to the long term, options for strengthening the strategic structure of IICA, including its finances, and to submit a report to the next regular meeting of the Executive Committee.

ANNEX A

Scale of Member State Quotas, Increase of 6.57%, Contributions of Over-quotas and Miscellaneous Income 2016-2017 (USD)

Based on the Quotas Scale of the OAS for 2015-2017 ¹⁾

MEMBER STATES	2015		2016				2017				VARIATIONS			
	IICA		IICA				IICA				2015-2016		2016-2017	
	OEA	QUOTA	OEA ¹	QUOTA	INCREASE 6.57%	TOTAL QUOTAS	OEA ¹	QUOTA	INCREASE 6.57%	TOTAL QUOTAS	USD	%	USD	%
Antigua and Barbuda	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Argentina	2,408	662.400	2,400	660.200	43.400	703.600	2,400	660.200	43.400	703.600	41.200	6,2%	0	0,0%
Bahamas	0,062	17.100	0,049	13.500	900	14.400	0,049	13.500	900	14.400	-2.700	-15,8%	0	0,0%
Barbados	0,045	12.400	0,034	9.400	600	10.000	0,034	9.400	600	10.000	-2.400	-19,4%	0	0,0%
Belize	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Bolivia	0,049	13.500	0,056	15.400	1.000	16.400	0,056	15.400	1.000	16.400	2.900	21,5%	0	0,0%
Brazil	9,941	2.734.600	12,427	3.418.600	224.600	3.643.200	12,427	3.418.600	224.600	3.643.200	908.600	33,2%	0	0,0%
Canada	11,972	3.293.300	10,583	2.911.300	191.300	3.102.600	10,583	2.911.300	191.300	3.102.600	-190.700	-5,8%	0	0,0%
Chile	1,189	327.100	1,347	370.600	24.300	394.900	1,347	370.600	24.300	394.900	67.800	20,7%	0	0,0%
Colombia	1,049	288.600	1,311	360.600	23.800	384.400	1,311	360.600	23.800	384.400	95.800	33,2%	0	0,0%
Costa Rica	0,221	60.800	0,230	63.300	4.100	67.400	0,230	63.300	4.100	67.400	6.600	10,9%	0	0,0%
Dominica	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Dominican Republic	0,257	70.700	0,317	87.200	5.700	92.900	0,317	87.200	5.700	92.900	22.200	31,4%	0	0,0%
Ecuador	0,258	71.000	0,322	88.600	5.800	94.400	0,322	88.600	5.800	94.400	23.400	33,0%	0	0,0%
El Salvador	0,114	31.400	0,086	23.700	1.500	25.200	0,086	23.700	1.500	25.200	-6.200	-19,7%	0	0,0%
Grenada	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Guatemala	0,168	46.200	0,145	39.900	2.600	42.500	0,145	39.900	2.600	42.500	-3.700	-8,0%	0	0,0%
Guyana	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Haiti	0,034	9.400	0,026	7.200	400	7.600	0,026	7.200	400	7.600	-1.800	-19,1%	0	0,0%
Honduras	0,051	14.000	0,042	11.600	700	12.300	0,042	11.600	700	12.300	-1.700	-12,1%	0	0,0%
Jamaica	0,093	25.600	0,070	19.300	1.200	20.500	0,070	19.300	1.200	20.500	-5.100	-19,9%	0	0,0%
Mexico	8,281	2.278.000	6,788	1.867.300	122.700	1.990.000	6,788	1.867.300	122.700	1.990.000	-288.000	-12,6%	0	0,0%
Nicaragua	0,034	9.400	0,026	7.200	400	7.600	0,026	7.200	400	7.600	-1.800	-19,1%	0	0,0%
Panama	0,158	43.500	0,176	48.400	3.200	51.600	0,176	48.400	3.200	51.600	8.100	18,6%	0	0,0%
Paraguay	0,093	25.600	0,075	20.600	1.400	22.000	0,075	20.600	1.400	22.000	-3.600	-14,1%	0	0,0%
Peru	0,688	189.300	0,860	236.600	15.500	252.100	0,860	236.600	15.500	252.100	62.800	33,2%	0	0,0%
Saint Kitts and Nevis	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Saint Lucia	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Saint Vincent and the Grenadines	0,022	6.100	0,022	6.100	400	6.500	0,022	6.100	400	6.500	400	6,6%	0	0,0%
Suriname	0,034	9.400	0,026	7.200	400	7.600	0,026	7.200	400	7.600	-1.800	-19,1%	0	0,0%
Trinidad and Tobago	0,180	49.500	0,135	37.100	2.500	39.600	0,135	37.100	2.500	39.600	-9.900	-20,0%	0	0,0%
United States of America	59,470	16.359.400	59,470	16.359.800	1.075.500	17.435.300	59,470	16.359.800	1.075.500	17.435.300	1.075.900	6,6%	0	0,0%
Uruguay	0,214	58.900	0,247	67.900	4.500	72.400	0,247	67.900	4.500	72.400	13.500	22,9%	0	0,0%
Venezuela	2,186	601.300	2,144	589.800	38.800	628.600	2,144	589.800	38.800	628.600	27.300	4,5%	0	0,0%
SUB TOTAL	99,425	27.351.200	99,568	27.391.100	1.800.000	29.191.100	99,568	27.391.100	1.800.000	29.191.100	1.839.900	6,7%	0	0,0%
Cuba	0,575	158.200	0,431	118.600	7.800	126.400	0,431	118.600	7.800	126.400	-31.800	-20,1%	0	0,0%
TOTAL QUOTAS	100,000	27.509.400	99,999	27.509.700		29.317.500	99,999	27.509.700		29.317.500	1.808.100	6,57%	0	0,0%
MISCELLANEOUS INCOME²⁾		6.100.000		4.300.000		4.300.000		4.300.000		4.300.000	-1.800.000	-29,5%	0	0,0%
TOTAL REGULAR FUND⁴⁾		33.451.200		31.691.100		33.491.100		31.691.100		33.491.100	39.900	0,1%	0	0,0%

Note: 1) The Kingdom of Spain contributes an annual quota of USD60,000 as an Associate Member, pursuant to the agreement adopted in the First Plenary Session of the Eleventh Regular Meeting of the Inter-American Board of Agriculture, held on November 26, 2001, in Bávaro, Dominican Republic.

1/ As per Resolution AG/RES. 2860 (XLIV-O/14) of the General Assembly of the OAS of June 5, 2014.

2/ Miscellaneous income in 2016 and 2017 is comprised of USD3,500,000 in estimated income and USD800,000 from the Miscellaneous Income Fund.

3/ In USD rounded out to the nearest hundred.

4/ The total of the Regular Fund does not include Cuba, nor over-quotas

ANNEX B

Allocation of the Regular Fund by Chapter 2016-2017

(USD)

CHAPTER	2016		2017	
	REGULAR FUND		REGULAR FUND	
	USD	%	USD	%
I: Direct Technical Cooperation Services	30.061.436	89,8%	30.121.762	89,9%
II: Management Costs	1.740.307	5,2%	1.778.981	5,3%
III: General Cost and Provisions	1.290.000	3,9%	1.290.000	3,9%
IV: Renewal of Infrastructure and Equipment	399.357	1,2%	300.357	0,9%
TOTAL	33.491.100	100,0%	33.491.100	100,0%