



# *EXECUTIVE COMMITTEE*

Twenty-Third Regular Meeting  
23 - 24 July 2003

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**RESULTS OF THE MEETING OF THE  
QUOTA COLLECTION SUBCOMMITTEE**

**San José, Costa Rica  
24 de julio de 2003**

**Participants:****Executive Committee Delegates**

Ivan Wedekin, Secretary for Agricultural Policy, Brazil  
Manuel Chiriboga Vega, Vice Minister of Policy, Trade and Sectoral Information,  
Ecuador  
Dario Baumgarten, Minister of Agriculture and Livestock, Paraguay  
Mario Sandoval, Chargé d'Affairs, Paraguay  
Ricaurte Leonett, Vice Minister for Rural Development, Venezuela

**IICA**

Terry Vogt, Deputy Director General  
Karen Kleinheinz, Head, Finance Division

**Purpose of the meeting:** To review the quota payment situation of the member countries attending the Executive Committee meeting, and to determine the possibility of recovering quota arrearages

**Delegation of Ecuador:**

Vice Minister Chiriboga reported that his country was in arrears with its quotas and in 2001 established a payment plan, involving monthly payments of US\$6,000, given the situation in his country. Nonetheless, he believes that bi-annual payments would be better for payment schedules.

The plan covers payment of this year's quota and the arrearages. Three payments were made in 2002 and 2003, for a total of US\$201,568.00, and his country maintains its commitment to regularize its situation within the framework of a payment schedule.

**Delegation of Paraguay:**

Minister Dario Baumgarten reported that steps were being taken to increase the budget so as to be able to fulfill the quota obligations. This had already been approved by Congress and the Lower House, but the approval of the Senate was necessary before the Ministry of Agriculture and Livestock could include it in the monthly disbursement plan of the Ministry of Treasury. The Minister believes that this payment should be made before year end.

The budget increase would cover the following in 2003: the balance of the 1999 quota plus the 2000 quota and the 2001 quota, for a total of US\$118,738. The 2002 and 2003 quotas would be included in the overall budget for 2004.

Mr. Vogt requested that consideration be given to including the 2004 quota in that budget.

### **Remarks by Mario Sandoval, Chargé d'Affaires**

Mario Sandoval drew on his experience in the Foreign Office of his country, as former Director for International Organizations.

Mr. Sandoval indicated that first, it was necessary to lobby in Congress, as it, in the final analysis, must approve the payment. Next, the Ministries of Treasury and Foreign Relations must be lobbied for the payment of quotas. He indicated that this works very well when it is done with Foreign Relations in combination with the respective ministry.

He recommended that IICA request that its contribution be included in the budget of the Ministry of Foreign Relations, which deals with these matters directly with the Foreign Office.

Other suggestions include more vigorous action by the Representative to reiterate payment of quotas and that IICA present a cost/benefit study for the country of the actions conducted there and the amount of benefits it receives, for example, in terms of personnel.

### **Delegation of Brazil:**

The Delegate, Secretary Wedekin, reported that the budget situation was somewhat complicated in his country because the amount owed was high and because Brazil also owed more than US\$20 million to other organizations (including FAO).

As Brazil had already reported, the new government had included in the 2003 budget the amount of R\$4 million reals (equivalent to US\$1.3 million) for making 8 partial payments. Two have already been made, for a total of about US\$350,000.

He mentioned that it is possible to negotiate with the government, but that he thought that the Ministry of Agriculture wanted to negotiate that a percentage of the debt be re-invested in his country. He noted that 5% of projects carried out with IICA are with the Ministry of Agriculture, and that the remaining 95%, in other investments negotiated with the Ministers.

This government has three and a half more years in office and he thinks it is possible to negotiate payment of arrearages in that period, perhaps with the Ministry of Treasury.

Mr. Vogt said that the possibility would be considered, but that it would be difficult for IICA to invest the debt repayment in that country, as these funds are required for serving other countries.

Ms. Kleinheinz stated that the Institute earmarks a large part of its operating costs to that country. She asked whether it would be possible to increase the present budget to include the entire annual quota for 2003.

The Secretary indicated that it would not be possible for this year, but that in 2004, the complete quota would be included in the budget that closes in August.

**Delegation of Venezuela:**

Vice Minister Leonett confirmed the communication sent to the Director General which reports on the steps being taken by the Ministry of Finance, the Ministry of Agriculture and the Ministry of External Relations to pay the debt.

In addition, the Ministry of Foreign Relations sent a letter to the Ministry of Finance, and the Minister thinks that Venezuela will make an effort to pay its debt for 2002, 2001 and 2002 this year.

He requested that a letter be sent to the Minister of Water and Lands, reminding him of the debt, as a means of pressing for payment. He also noted that it would be useful to report on the benefits received by the country.

He requested clarification of how quotas were set.