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2016-2017 Program Budget

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FOREWORD

Today more than ever before, agriculture finds itself immersed in a world of enormous challenges and opportunities, which obliges us to work to build a highly productive agricultural sector in the Americas, to make it the essential source of the range of foodstuffs required for a constantly growing society. A competitive agricultural sector is also capable of generating income for countries and individuals, allowing them to take advantage of the opportunities afforded by international trade and traditional markets of foodstuffs and agricultural raw materials and newer kinds of products, such as clean energies. We must adapt to them as quickly as possible, and ensure the adequate use of soils and water as an imperative for sustainable development. Through organized work, we must also strive for a more prosperous, inclusive, productive and equitable agricultural sector.

We are convinced that agriculture in the Americas has enormous potential to provide the countries of the region with a productive base that will promote their development and ensure the food security of their inhabitants. We also have confidence in the commitment of IICA's member countries to finding joint solutions to our common problems, continuing to meet the challenges facing the agricultural sector and preparing for the years ahead.

The Executive Committee, authorized by the Inter-American Board of Agriculture (IABA), approved the 2014-2018 Medium-term Plan (MTP). This plan acknowledges that, in order to achieve the overarching objectives of agriculture, on which the Institute, as an international organization, has focused its efforts and capacities, the coordinated action of countless national, regional and hemispheric stakeholders is required.

At IICA, our philosophy is one of continuous improvement, and our commitment is to deliver results that will help our member countries and partners meet the challenges they face. For that reason, we have developed a cooperation model that ensures that the Institute's contributions have greater impact and social value.

The 2014-2018 MTP sets out to achieve four strategic objectives. In order to accomplish them, the Institute will focus its work on eleven contributions, through the implementation of the following instruments: a) flagship projects; b) rapid response actions; c) pre-investment initiatives (Technical Cooperation Fund - FonTC); and, d) externally funded projects consistent with the strategic planning model.

The Institute has reinforced its operations through the solid integration of its technical services and its administration. It has also strengthened the institutional culture by instituting a policy of austerity and managing resources in a responsible way, with the clear goal of achieving results, improving processes, implementing a monitoring and evaluation system, and promoting transparency and accountability.

Our goal for 2018, the year in which my administration concludes, is to deliver to the hemisphere an organization with enhanced technical and corporate capabilities.

The approval of the 2016-2017 Program Budget will enable the Institute to implement and consolidate the new technical cooperation model established in the MTP, design inclusive collaborative strategies in the 34 Member States, continue to provide support to the regional integration and cooperation mechanisms, develop cooperation agendas with new strategic partners, and operate more efficiently and effectively through the four technical cooperation instruments established in the MTP.

However, we have a duty to draw attention to the urgent need to strengthen the Institute's finances, so the organization can carry out its mandates more effectively. Strengthening IICA's financial position is a task that can be put off no longer, given that quota contributions have been frozen for the last 20 years, the depletion of the miscellaneous income fund is irreversible, and the costs of personnel, goods, and services are rising. This situation has resulted in a real decline in our resources and raised doubts our ability to maintain the level of technical capacity that we have had until this year.

I can assure you that every dollar invested in the Institute is a dollar that benefits the agricultural sector of your countries and that, as a cooperation organization, IICA contributes to the creation of public goods on which all our clients and partners can capitalize.

Our work is aimed at achieving the overarching transformations that the agricultural sector requires if it is to serve as a linchpin of development. Every resource that you entrust to us will be used in an efficient, effective and pertinent manner to deliver results because, I repeat, that is our commitment until the last day of my administration.

Víctor Manuel Villalobos
Director General

I. MAIN CRITERIA FOR THE 2016-2017 PROGRAM BUDGET

The present document contains the draft Program Budget of the Inter-American Institute for Cooperation on Agriculture (IICA) for the period 2016-2017, based on the mandate issued in Resolution IICA/CE/Res. 597 (XXXV-O/15) of the Thirty-fifth Regular Meeting of the Executive Committee on July 16, 2015. The following are the main criteria applied in drawing up this program budget:

1. Definition of the quotas of the Member States based on the scale approved by the OAS in Resolution AG/RES. 2860 (XLIV-O/14), applicable to IICA during the 2016-2017 biennium, an increase of 6.57%, and over-quotas.
2. The new structure for technical cooperation set forth in the 2014-2018 Medium-term Plan, geared to obtaining results and managed through four instruments: flagship projects, rapid response actions, initiatives of the Technical Cooperation Fund (FonTC), and externally funded projects.
3. Based on the strategic objectives, the budget is designed to promote the changes necessary to boost technical cooperation actions by using the proposed increase to contribute to each of the countries in the Americas.
4. With this Program Budget, the Member States are assured of the institutional commitment and capacity to help address their agricultural needs and to achieve sustainability, competitiveness, rural well-being and food security.
5. A budgetary approach that establishes a direct link between the projects and the proposed results, strengthening the processes of planning, programming, monitoring, evaluation and accountability.



6. A global budget aligned with the Institute's strategic planning and geared to projects that contribute more efficiently to meeting the needs of agriculture in the Member States.
7. An increase of 10.5% or more in the income budget based on Member State quotas for the 2016-2017 biennium, to prevent a further deterioration in operating levels, maintaining them at least the same as in 2015.
8. The 6.57% increase in quotas makes it possible to address the irreversible reduction in miscellaneous income. An additional percentage will cover part of the higher costs caused by inflation, exchange rates and the need to remain competitive in the labor market.
9. Combined effect of the 6.57% increase in the quota income budget and the over-quotas *versus* a 29.5% reduction in miscellaneous income translates into moderate nominal growth

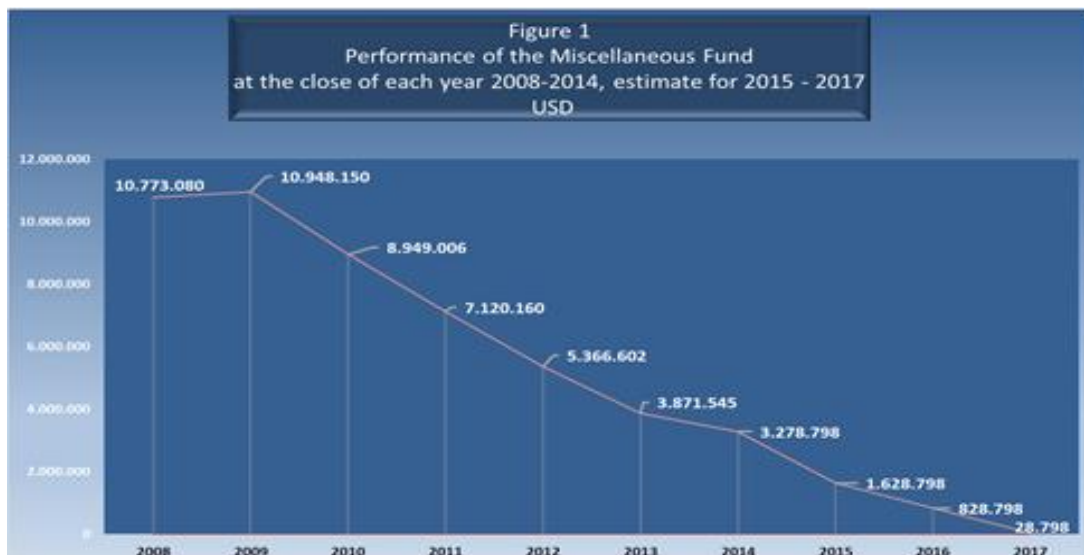
of the Regular Fund in relation to the 2014-2015 biennium. This would enable the Institute to:

- Mitigate the effects of the erosion of the knowledge and management structures operated by the Institute as elements of cooperation in the countries.
- Curb the fall in operating levels and reduce the loss of technical cooperation capabilities and infrastructure in the countries.
- Adjust the level of management of cooperation services to the size of the budget, and take advantage of the results and improvements achieved with lower operating costs.

10. There has been an irreversible decline in the Miscellaneous Income Fund, mainly due to changes in the policies adopted by countries and donors in recent years with respect to the resources used to finance their projects:

- Elimination of refunds on taxes paid during the management of projects with external resources.
- Restrictions on retaining the interest generated by the external funds administered by the Institute, and the stipulation that any yields obtained must be reimbursed to the projects themselves or to government treasuries.

The Miscellaneous Income Fund has been used to complement the Institute's quota budget. The following figure shows the trend in this fund, which will be exhausted completely by 2017 unless additional funds are channeled into it.



11. As well as the 6.57% increase in the quota budget, an additional increase of around 4% is needed to reach the percentage (10.5%) required to guarantee the Institute's "flotation line" (maintain the status quo). Failure to reach this percentage would result in the Regular Fund having a deficit, due to the incremental operating costs that will have to be met during the 2016-2017 biennium.

12. If IICA fails to achieve the proposed 10.5%, the budget deficit for the biennium may reach USD 2,162,000, due to the effect of inflation on costs, meaning that the measures to cut operating expenses will have to be increased, affecting the quantity, quality, and coverage of technical cooperation.

13. In addition to a decline in the services and results of technical cooperation, addressing the deficit will mean the loss of existing management structures in the countries, which would involve a reduction in activities due to the elimination some personnel positions and staff layoffs.

II. STRATEGIC OBJECTIVES AND THEIR ATTAINMENT IN THE BIENNIUM 2016-2017

The implementation of the 2014-2018 MTP will focus on the Institute's four strategic objectives, eleven contributions and four instruments for action, which are described below:

Strategic Objectives	Overall allocation of resources (%) 2016-2017
1. Improve the productivity and competitiveness of the agricultural sector	34.73
2. Strengthen agriculture's contribution to the development of rural areas and the well-being of the rural population	12.62
3. Improve agriculture's capacity to mitigate and adapt to climate change and make better use of natural resources	29.69
4. Improve agriculture's contribution to food security	22.96

Note: the percentages are estimates that take into account all institutional costs for each of the strategic objectives and could vary in the course of implementation.

The eleven contributions on which the Institute focuses its technical cooperation services:

1. Strengthen the capabilities of the Member States at the national, regional, multinational and hemispheric levels to establish public policies and institutional frameworks in order to make agriculture more productive and competitive, improve the management of rural territories, adapt to and mitigate the impact of climate change, and promote food and nutritional security.
2. Implement, through public and private institutions, technological, institutional and business innovation processes aimed at boosting the productivity and competitiveness of agriculture and the production of basic foodstuffs of high nutritional quality.
3. Increase the capabilities of the public and private sectors to ensure agricultural health and food safety and thereby improve productivity, competitiveness and food security.
4. Strengthen the business and associative capacities of the different stakeholders in the agricultural production chains.
5. Increase the capacity for area-based social management among stakeholders in rural areas, especially those involved in family agriculture, in order to improve food security and rural well-being.
6. Enhance the capabilities of different stakeholders of the agricultural chains and rural areas in the integrated management of water and sustainable use of soil for agriculture.
7. Increase the capacity of public and private institutions to promote and implement measures for adapting agriculture to climate change and mitigating its effects, as well as promoting integrated risk management in agriculture.
8. Improve the efficacy and efficiency of the food and nutritional security programs in the Member States.
9. Ensure that producers and consumers benefit from greater use of native species, promising crops and genetic resources with food potential.
10. Improve institutional capacity to reduce losses of food and raw materials throughout the agricultural chains.
11. Strengthen the Member States' capacity for consensus and participation in international forums and other mechanisms for the exchange of knowledge and mobilization of relevant resources for inter-American agriculture.

Technical cooperation instruments	
1. Flagship Projects	
2. Rapid Response Actions	
3. Pre-investment initiatives through the Technical Cooperation Fund (FonTC)	
4. Externally funded projects	

The overall purpose and relationship between the four objectives of the 2010–2020 Strategic Plan, the eleven contributions and the four technical cooperation instruments described in the 2014–2018 MTP, as well as the allocation of resources contemplated in the 2016–2017 Budget, are shown below:

The 2016 - 2017 Program Budget and its relationship with the 2014-2018 Medium Term Plan

Strategic Objectives	Contributions											INSTRUMENTS FOR TECHNICAL COOPERATION /1			External Resources (estimate) /2		
												Flagship Projects	Rapid Response Actions	FonTC	Flagship Project	Resources (thousands of USD)	
	1	2	3	4	5	6	7	8	9	10	11	Project	Resources (thousands of USD)				
Strategic Objectives	1. Improve the productivity and competitiveness of the agricultural sector	✓	✓	✓					✓	✓	✓	- Agricultural Chains - Family Agriculture	2016			- Agricultural Chains 66%	2016 USD 140,000
	2. Strengthen agriculture's contributions to the development of rural areas and the well-being of the rural population	✓		✓	✓				✓	✓		- Inclusion in Agriculture and Rural Territories	USD 12,917.8	USD 650	USD 670	- Inclusion in Agriculture and Rural Territories 1%	
	3. Improve agriculture's capacity to mitigate and adapt to climate change and make better use of natural resources	✓		✓			✓	✓		✓	✓	- Resilience and Comprehensive Risk Management		2017		- Resilience and Comprehensive Risk Management 16%	
	4. Improve agriculture's contribution to food security	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	- Agricultural Chains - Inclusion in Agriculture and Rural Territories - Resilience and Comprehensive Risk Management - Family Agriculture	USD 12,898.6	USD 650	USD 662	- Family Agriculture 17%	2017 USD 150,000
Basic Budget to support the Instruments of Technical Cooperation													Recovery of Proportional Indirect Costs REPIC				
Basic Cooperation Structures Member States		Other Technical Support Services and Activities				Management Units			Corporate Activities			Recovery of Proportional Indirect Costs - REPIC (estimate)					
2016 USD 12,062.9		2016 USD 5,250				2016 USD 1,741.4			2016 USD 1,585			2016 USD 10,280					
2017 USD 12,255.3		2017 USD 5,144				2017 USD 1,780.2			2017 USD 1,486			2017 USD 11,023					

Note: The recovery of proportional indirect costs is subject to the signing of agreements for projects and their execution.

The Institute's new technical cooperation model has been conceived as an integrating, flexible, practical, lean, and efficient system that enables IICA to advance more rapidly toward the achievement of the strategic objectives and contributions, bringing about transformations in the member countries with greater value and social returns. It is based on the following criteria and elements:

- A clear definition of the Institute's key functions, strengthening its institutional capabilities, the development of methodologies, processes and instruments, management and use of knowledge in projects, consensus building and linking of stakeholders, and comprehensive cooperation, in order to harness its intellectual, material and financial resources and experience more efficiently.

¹ The Agricultural Health and Food Safety (AHFS) projects are implemented through the four technical cooperation instruments established in the MTP, and financed with both resources from the Regular Fund and external resources.

² The amount of external resources generated depends on the legal instruments that IICA signs for the implementation of projects related to the strategic areas on which the MTP focuses, established based on the strategic objectives, the flagship projects, and the contributions. The amounts budgeted were determined based on estimates prepared by the Institute's Offices and technical management units

- An overarching approach to the provision of technical cooperation, linking efforts at the hemispheric, multinational and national levels, with IICA's differentiated country and regional strategies, respecting national priorities.
- Results-driven programmatic execution using projects as the instrument for coordinating technical cooperation.
- The issue of agricultural health and food safety (AHFS) is particularly important for the Institute and its Member States, since it is a key factor for the implementation of projects at the national, regional, hemispheric, and even, global levels.
- Efforts to address specific needs and emerging issues in the countries, through institutional rapid response actions.
- The use of the network of IICA Offices in the countries and its own technical and administrative staff as well as that of its partners and allies.
- The active and permanent participation of the functional and strategic corporate management and its operating and administrative-financial services, as an integral part of the technical cooperation services.
- Priority allocation and use of institutional resources to the flagship projects, the FonTC initiatives and the rapid response actions, based on the contributions expected and achieved.
- Development of an efficient model for the monitoring and evaluation of results designed to promote the continuous improvement of the organization and its contributions in a direct and permanent manner.

Some results

In an unprecedented action, the Institute began implementing the 2014-2018 MTP mid-year in 2014, with a new budget approach geared to "results-based management" to promote greater changes in the agricultural sector designed to contribute to sustainability, competitiveness, rural well-being and food security in the societies of the Americas. In addition, direct links were established between projects, actions and results, thereby facilitating planning, execution, monitoring and evaluation as elements of continuous improvement. The following are some examples of the results achieved during 2014 and in relation to which work continues in 2015:

- Improved capacity in 23 countries for the management of agrifood chains, business development, aggregation of value, associative management and marketing.
- Promotion and dissemination of technological innovations in 15 countries for production of renewable energies; also, for forest products, sugar, maize, beans, yucca, avocado, potato and tomato with resources of the United States, the European Union, Switzerland and Finland.
- Innovations in the production of quinoa, rice, cocoa, sweet potato, jatropha oil, greenhouse crops, livestock, bioinputs and biogas, etc.
- Improvements in the design and implementation of participatory social management and family agriculture models, helping to mobilize resources for area-based rural development. The conceptual design and implementation of these models demonstrated the viability of cooperation in at least 16 countries.
- Strengthening of agricultural health services in the member countries, providing timely information on food safety; support for the participation of 22 Member States in international Codex and phytosanitary protection meetings; creation of the virtual school for plant health inspectors and various prevention activities implemented in border areas.
- With financial and academic support from Mexico, 108 postgraduate scholarships were awarded to young agricultural professionals from different countries of the Americas.

- With funding from Mexico, a capacity building program in agriculture was established for 15 Caribbean countries, through which training was provided to 295 people.
- Both capacity-building activities were implemented at no cost to the Institute and with a high impact for the beneficiary countries, complementing the Institute's cooperation actions

Results of work already under way

In addition, some ongoing efforts could continue to achieve results with the approval of a strengthened 2016-2017 Program Budget that would make it possible to reach the figure of 10.5% instead of 6.57%, the point at which IICA's operations could be maintained at their current level. The following are some cases in point:

- Implementation of the "Performance-Vision-Strategy" (PVS) tools and other initiatives aimed at strengthening official AHFS services, namely: a) PVS for National Plant Protection Organizations in 17 countries; b) PVS for National Food Safety Systems in 14 countries; c) PVS for National Veterinary Services in 10 countries and; d) PVS for Sanitary and Phytosanitary Measures in 28 countries.
- In relation to sanitary and phytosanitary measures (SPS) and participation in international forums, specific strategic actions have been identified with the aim of strengthening capabilities in the LAC countries, based on the topics discussed in those forums. Example: strategic partnership with the International Plant Protection Convention (IPPC) to develop an online course in pest risk analysis and the organization of regional meetings to discuss draft proposals for plant protection regulations.
- Processes to strengthen agribusiness and associative capabilities in Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru and Paraguay. During the last two years, the agribusiness and associative capabilities of more than 300 public and private stakeholders were strengthened in those countries.
- Discussions and hemispheric seminars (in two languages) on policy reforms for agriculture in the USA, Brazil, Canada, Chile and the European Union, in preparation of the post-2015 development agenda, with the support of governments, universities and research centers of the respective countries and an average participation per seminar of 725 public and private stakeholders.
- A virtual (online) platform, accessible to all 34 member countries (project SiGET - FonTC), was developed with different modules for knowledge management and capacity-building for the development of rural areas and inclusive family agriculture.
- Technical information and knowledge linked to scientific and technological knowledge was developed specifically for family agriculture in the countries of the hemisphere.
- Capacity-building processes have been consolidated using formal and informal methods that capitalize on learning based on training-action and direct work in the field.
- Through direct cooperation, IICA publications and web site, to which the 34 member countries have access, information was disseminated on climate smart technologies and good agricultural practices that foster adaptation to climate change, mitigation of the impact of agriculture, and greater resilience of the agricultural sector.
- Efforts to combat pests and diseases of importance for socio-economic and animal and plant health reasons, such as actions to combat the fruit fly and the outbreak of coffee leaf rust in Mesoamerica, Peru and Jamaica.

The Institute has been financing its technical cooperation activities and operations, as mandated by its governing bodies, with resources from the Regular Fund, which is made up of Member State quotas, and miscellaneous income.

In addition, the Institute expands its cooperation actions by implementing externally funded projects under agreements signed with partners and counterparts.

Technical and administrative personnel are required to manage external resources for the implementation of projects (direct costs), which has an impact on indirect costs. Those indirect costs are recovered through what was formerly called the Institutional Net Rate (INR) that counterparts agree to pay IICA, and is now referred to as the Recovery of Proportional Indirect Costs (RePIC).

Income Budget of the Regular Fund

The income budget of resources from the Regular Fund is USD 34,877,100 for each year of the 2016-2017 biennium, made up of USD 30,577,100 from Member State quotas, including a 6.57% increase and some over-quotas, and USD 4,300,000 in miscellaneous income. **Table A** provides a breakdown of the income budget of resources from the Regular Fund.

The Kingdom of Spain contributes an annual quota of USD 60,000 as an Associate Member, under an agreement adopted at 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.

Income Budget Program Budgets 2015, 2016 & 2017 (Thousands of USD)			
SOURCE	2015	2016	2017
Member State Quotas	27,810.0	30,577.1	30,577.1
Miscellaneous Income	6,100.0	4,300.0	4,300.0
TOTAL REGULAR FUND	33,910.0	34,877.1	34,877.1

Table No. 1, attached to this document, shows the scale of Member State quotas according to the distribution approved by the OAS, including the additional 6.57%, and the contribution of over-quotas.

Table No. 2 summarizes the evolution of the Regular Fund budget since 1994 and the proposal for the 2016-2017 biennium, with the amounts indicated above.

Expenditure Budget of the Regular Fund

a. Allocation of resources to the technical cooperation instruments

The Institute provides its technical cooperation, performs its corporate functions and delivers its products, services and results through three instruments of action financed with Regular Fund resources: Flagship Projects, Rapid Response Actions and pre-investment initiatives of the Technical Cooperation Fund (FonTC), and a fourth instrument, technical cooperation projects financed with external resources.

The so-called Flagship Projects constitute the backbone of IICA's technical cooperation and are aimed at achieving the 11 institutional contributions proposed in MTP for the 2014-2018 period.

Rapid Response Actions are designed to address specific needs and opportunities for cooperation in a country, or a group of countries, in the face of political, social or economic changes, or in the event of environmental emergencies or other factors affecting the agricultural sector that require immediate attention and are related to the issues set forth in the MTP.

The pre-investment initiatives of the Technical Cooperation Fund (FonTC) focus on topics that are relevant to the projects and are used to secure additional funding and mobilize fresh resources to complement the Regular Fund and enhance the value of knowledge and its impact, through technical cooperation.

Similarly, the expenditure budget covers the costs of the basic office structures in the member countries, together with other services and technical support actions, such as cooperative programs, integration projects and technical support services, including the contributions to CATIE and CARDI, as well as the management units and corporate activities.

TABLE B Expenditure Budget of Resources from the Regular Fund by Programming Center - 2016-2017 (USD)						
PROGRAMMING CENTERS	2016			2017		
	PERSONNEL COSTS	OPERATING COSTS	TOTAL	PERSONNEL COSTS	OPERATING COSTS	TOTAL
Flagship Projects ^a	10,291,670	2,626,200	12,917,870	10,525,372	2,374,200	12,899,572
Rapid Response Actions	0	650,000	650,000	0	650,000	650,000
FonTC	0	670,000	670,000	0	662,000	662,000
Basic structures in Member States ^b	8,570,215	3,492,768	12,062,983	8,762,535	3,492,768	12,255,303
Other technical support services and actions ^c	2,569,799	2,679,954	5,249,753	2,628,078	2,515,978	5,144,056
Management Units ^d	1,610,122	131,373	1,741,495	1,648,796	131,373	1,780,169
Corporate Activities ^e	325,000	1,260,000	1,585,000	325,000	1,161,000	1,486,000
TOTAL	23,366,805	11,510,295	34,877,100	23,889,781	10,987,319	34,877,100

Notes:

- a. Includes the personnel costs directly related to the flagship projects assigned to the Offices in the Member States and Headquarters, as well as operating costs.
- b. The basic structures of the Offices in the Member States, including costs of the representative, administrative costs and technical personnel as well as operating costs.
- c. Other technical support services and actions include resources allocated to cooperative programs, integration projects and technical support services. This item includes contributions to CATIE for USD 1,000,000 and to CARDI for USD 200,000.
- d. The Management Units are comprised of the offices of the Director General, the Deputy Director General and the Secretariat of Corporate Services, which includes four divisions.
- e. Corporate activities include resources for the governing bodies and meetings; institutional insurance; pensions of former Directors General; contribution to the administration of the OAS Retirement and Pension Fund; contribution to the OAS Administrative Tribunal; External Audit; and the Emergency Assistance Fund for Institute Personnel.

Table No. 3 presents the Program Budget by Chapter of Expenditure.

b. Allocation by Major Object of Expenditure

Programming by Major Object of Expenditure (MOE) makes it easier to understand and estimate expenditures and facilitates follow-up and control.

The Institute has nine objects of major expenditure: 1. International Professional Personnel, 2. Local Professional and General Services Personnel, 3. Training and technical events, 4. Official travel, 5. Documents, materials and inputs, 6. Plant, equipment and furniture, 7. General services, 8. Performance contracts and transfers and; 9. Other costs.

Table C shows the distribution of the Regular Fund for the 2016-2017 biennium by Major Object of Expenditure (MOE) and shows the distribution approved in the 2015 Program Budget, for comparative purposes.

Table C Relative Weight and Evolution of the Major Objects of Expenditure of the Regular Fund 2015 and 2016 -2017 Program Budgets (USD x 000 and %)										
Major Object of Expenditure	2015		2016		2017		VARIATION 2016-2015		VARIATION 2017-2016	
	USD x 000	%	USD x 000	%	USD x 000	%	USD x 000	%	USD x 000	%
1 International Professional Personnel	11,142.3	32.9%	11,477.9	32.9%	11,784.9	33.8%	335.6	3.0%	307.0	2.7%
2 Local Professional and General Services Personnel	11,504.5	33.9%	11,888.9	34.1%	12,104.8	34.7%	384.4	3.3%	215.9	1.8%
SUBTOTAL PERSONNEL COSTS	22,646.8	66.8%	23,366.8	67.0%	23,889.8	68.5%	720.0	3.2%	523.0	2.2%
3 Training and Technical Events	1,911.3	5.6%	2,380.2	6.8%	2,180.2	6.3%	468.9	24.5%	-200.0	-8.4%
4 Official Travel	1,221.2	3.6%	1,156.8	3.3%	1,156.8	3.3%	-64.4	-5.3%	0.0	0.0%
5 Documents and Materials and Supplies	851.9	2.5%	709.3	2.0%	709.3	2.0%	-142.6	-16.7%	0.0	0.0%
6 Plant, Equipment and Furniture	317.8	0.9%	399.4	1.1%	300.4	0.9%	81.6	25.7%	-99.0	-24.8%
7 General Services	2,914.2	8.6%	2,737.1	7.8%	2,737.1	7.8%	-177.1	-6.1%	0.0	0.0%
8 Performance Contracts and Transfers	3,197.0	9.4%	3,250.3	9.3%	3,026.3	8.7%	53.3	1.7%	-224.0	-6.9%
9 Other Costs	849.8	2.5%	877.3	2.5%	877.3	2.5%	27.5	3.2%	0.0	0.0%
SUBTOTAL OPERATING COSTS	11,263.2	33.2%	11,510.3	33.0%	10,987.3	31.5%	247.1	2.2%	-523.0	-4.5%
GRAND TOTAL	33,910.0	100.0%	34,877.1	100.0%	34,877.1	100.0%	967.1	2.9%	0.0	0.0%

Table No. 4 (see annex) shows the personnel positions financed with resources from the Regular Fund between 1992 and 2017. The number of international professionals remains the same as in 2015, while there is 1 more local professional position, and 3 fewer general services positions.

The amount allocated to cover the costs of the International Professional Personnel (79 positions) includes adjustments in the percentages set aside for reserves, as well as a 3.5% annual increase in the Salary Scale. This gives a total increase of 3% in 2016 and 2.7% in 2017. The amount rises from USD 11,142,300 in 2015 to USD 11,477,900 in 2016, and USD 11,784,900 in 2017.

The cost of the Local Professional Personnel (150 positions) rises from USD 7,321,200 in 2015 to USD 7,783,900 in 2016, and USD 7,895,600 in 2017.

The cost of General Services Personnel (198 positions) rises from USD 4,183,300 in 2015 to USD 4,104,900 in 2016 and USD 4,209,100 in 2017.

For local personnel, a conservative salary increase is estimated that would comply with the regulations in each country, and is designed to prevent a further loss of IICA's competitiveness in labor markets.

Operating costs total USD 11,510,300 in 2016, an increase of 2.2% with respect to the 2015 Program Budget, giving priority to the items related directly to technical cooperation, such as training and technical events. The figure for 2017 is USD 10,987,300, a 4.5% decrease in operating costs from 2016, given that the Regular Fund budget remains unchanged with respect to 2016, and the increases in personnel costs have to be absorbed.

c. External Resources and Recovery of Proportional Indirect Costs - RePIC (INR)

The purpose of externally funded projects is to expand and complement IICA's technical cooperation services and the resources used to create value, promoting projects with greater geographic coverage (regional and hemispheric) and a clear impact on society. The tasks that IICA performs in these projects, whether of national, multinational, regional or hemispheric scope, are:

- Comprehensive project management: IICA assumes the technical and administrative responsibility for the project and, therefore, the attainment of results and their alignment with the 2014- 2018 MTP.
- Administrative management: assumes responsibility for providing administrative, financial and accounting services to the project to ensure that the necessary resources and information are provided for accountability and decision-making. It also ensures that expenditures are consistent with the project's objectives, outputs, activities, and results.
- Provision of specific technical cooperation: in accordance with the established terms of reference, where the Institute is responsible for providing total or partial cooperation for the agreed project.

External resources will reach an estimated USD 129.7 million in 2016, and USD 138.9 million in 2017 as direct costs, while the resources obtained through the recovery of proportional indirect costs will be approximately USD 10.3 million in 2016 and USD 11.1 million in 2017, achieving an estimated average RePIC of 7.9% in the biennium.

Note: Recovery of Proportional Indirect Costs – RePIC. This new term, which replaces the concept of the Institutional Net Rate – INR, is merely intended to provide a clearer understanding of its real meaning, without this implying any change in institutional policy.

The strategic objectives and external resources

Based on the proportion of the strategic objectives that externally funded projects will help achieve in 2015, and applying a similar proportion for 2016 and 2017, it is estimated that during the next biennium externally funded projects will help accomplish roughly the percentage of each objective shown below:

Strategic Objective	2016		2017	
	% amount	million USD	% amount	million USD
1. Improve the productivity and competitiveness of the agricultural sector	66%	USD 92.4	66%	USD 99.0
2. Strengthen agriculture's contribution to the development of rural areas and the well-being of the rural population	1%	USD 1.4	1%	USD 1.5
3. Improve agriculture's capacity to mitigate and adapt to climate change and make better use of natural resources	16%	USD 22.4	16%	USD 24.0
4. Improve agriculture's contribution to food security	17%	USD 23.8	17%	USD 25.5

Note: The linear presentation is for the purpose of demonstration only and based on the strategic objectives, contributions, and four instruments of the MTP (flagship projects, rapid response actions, FonTC and externally funded projects). It should be borne in mind that the amount of resources allocated to each project notwithstanding, the technical cooperation provide under any given project may contribute, to varying degrees, to one or more of the strategic objectives.

Projection of external resources and indirect costs

Table D shows the external resources for projects that IICA expects to secure during the biennium and the Recovery of Proportional Indirect Costs (RePIC) by unit/office. The recovery of the indirect costs incurred during implementation of externally funded projects means a reduction in the use of the Regular Fund.

The amount of indirect costs recovered is subject to the signing and effective execution of agreements for the implementation of externally funded projects.

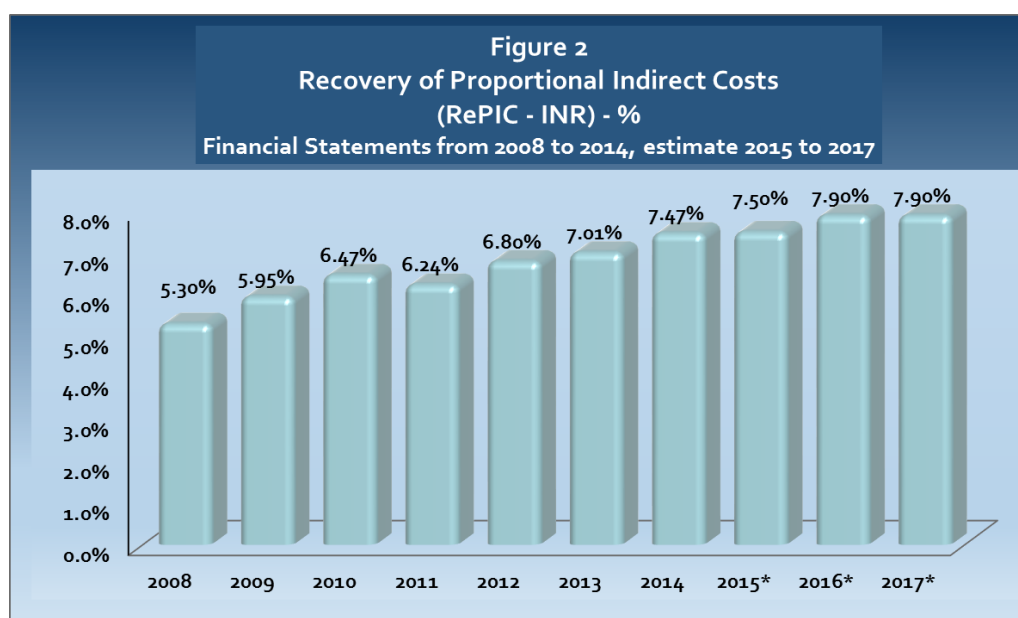
It is important to note that the recovery of proportional indirect costs enables IICA to preserve the financial base for the management of externally funded projects at the same levels.

Projection of External Resources and Recovery of Proportional Indirect Costs (RePIC - INR) 2016 - 2017 (USD and %)								
OFFICE	2016				2017			
	USD			%	USD			%
	DIRECT COSTS	RePIC	TOTAL EXTERNAL	RePIC	DIRECT COSTS	RePIC	TOTAL EXTERNAL	RePIC
Costa Rica	2,500,000	183,350	2,683,350	7.3%	870,000	69,600	939,600	8.0%
Guatemala	4,490,459	329,254	4,819,713	7.3%	2,380,959	193,544	2,574,503	8.1%
Honduras	6,594,902	534,187	7,129,089	8.1%	6,500,000	526,500	7,026,500	8.1%
Barbados	4,103,634	290,907	4,394,541	7.1%	3,738,318	261,682	4,000,000	7.0%
Haiti	6,969,222	807,034	7,776,256	11.6%	5,232,594	615,116	5,847,710	11.8%
Dominican Republic	364,708	28,242	392,950	7.7%	245,093	19,607	264,700	8.0%
Colombia	663,653	46,826	710,479	7.1%	0	0	0	0.0%
Ecuador	1,204,328	96,346	1,300,674	8.0%	1,134,328	90,746	1,225,074	8.0%
Peru	5,088,422	506,137	5,594,559	9.9%	200,585	17,865	218,450	8.9%
Venezuela	78,548	6,284	84,832	8.0%	0	0	0	0.0%
Argentina	10,948,413	837,005	11,785,418	7.6%	9,175,360	734,029	9,909,389	8.0%
Brazil	14,770,406	867,274	15,637,680	5.9%	14,558,000	844,240	15,402,240	5.8%
Paraguay	775,463	62,037	837,500	8.0%	775,463	62,037	837,500	8.0%
Uruguay	430,685	36,802	467,487	8.5%	517,758	48,586	566,344	9.4%
Mexico	42,161,180	3,372,894	45,534,074	8.0%	42,163,180	3,370,894	45,534,074	8.0%
Headquarters	6,552,981	513,412	7,066,393	7.8%	5,716,434	506,768	6,223,203	8.9%
SUB-TOTAL	107,697,003	8,517,992	116,214,995	7.9%	93,208,073	7,361,214	100,569,287	7.9%
Regional & other countries	22,023,153	1,761,852	23,785,005	8.0%	45,769,179	3,661,534	49,430,713	8.0%
TOTAL	129,720,156	10,279,844	140,000,000	7.9%	138,977,251	11,022,748	150,000,000	7.9%

Note: estimated information, subject to agreements being signed and projects executed.

Evolution of the Recovery of Proportional Indirect Costs (RePIC – INR)

Through the application of the policy introduced by this administration in 2010, the average RePIC (INR) rose from 5.30% in 2008 to 7.47% in 2014 (Figure 2). A rate of 7.5% is estimated for 2015, and a rate of 7.9% for 2016 and 2017.



Estimated rate for 2016 and 2017

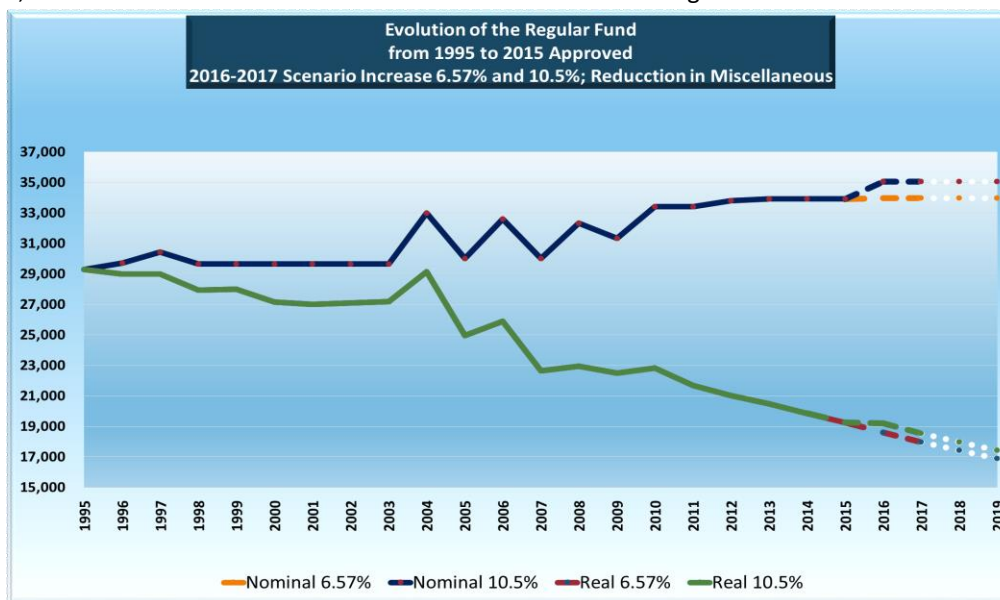
An increase of nearly three percentage points in the rate of recovery of indirect costs has been achieved thanks to the special efforts of certain countries with legal or political restrictions that have clearly demonstrated their readiness to support the Institute in this important task of covering indirect costs. The Institute will continue to promote efforts to recover indirect costs, as a strategic element of its finances.

In recent years, many changes have occurred in the agricultural sector that have created a challenging operating environment for IICA. The ever-growing demand for technical cooperation has also become more complex, requiring the Institute to respond more quickly and with increased capacity and the same or better standards of quality than in the recent past. In addition, IICA is required to include new topics in its work program, such as innovation, water, integrated risk management and the sustainable use of soil in agriculture, emerging issues that are a high priority for the countries, as established in the 2014-2018 Medium-term Plan and expressed at past meetings of the Executive Committee (EC) and the Inter-American Board of Agriculture (IABA).

The need to restore and endeavor to strengthen IICA’s finances arises from the freezing of country quotas and the declining variability in miscellaneous income in recent years, together with the effects of inflation in the countries and changes in their fiscal and financial policies.

Figure 3 shows the evolution of the Regular Fund (quotas and miscellaneous income) between 1995 and 2015, in accordance with the program budgets approved by the IABA. The dotted lines show the trends projected with the 6.57% increase and the proposed 10.5% increase designed to maintain the current level of operations (“flotation line”). This figure shows the dramatic decline in the real value of the resources, which has obliged the Institute to permanently adopt measures to cut operating and personnel costs.

The quota budget needs to be increased by 10.5% exclusively to maintain the Institute’s “flotation line” and accomplish the objectives established in the MTP, avoiding the loss of the cooperation structures already established in its member countries, and continuing to deliver high-value results to the agricultural sector; in other words, failure to obtain this increase would mean a “cut” in the budget.



With an increase of 6.57% in the quota budget, there would be a deficit of around USD 1.1 million per year, due to the incremental costs that will be incurred during the biennium. This means that the 6.57% increase will have to be complemented with another 4% in order to reach at least the 10.5% required to achieve the objectives set in the MTP, as presented in this proposed Program Budget.

The Institute has implemented a strict plan aimed at reengineering its processes in order to improve its operations, maintain stringent measures of rationality and austerity to mitigate the effects of price increases, take full advantage of its capabilities and achieve economies of scale, ensure its financial viability, and promote the multiplier effects of expenditure and technical cooperation in the target populations in the countries, and be an impactful, low-cost, efficient institution.

Although these strict measures to rationalize and ensure equity in the control of expenditure have been very successful and have enabled the Institute to mitigate the accumulated effects of the loss of real value of its income over the last 20 years (USD 50 million, due to the combined effect of loss of real income and inflation), they cannot be maintained indefinitely without risking the loss of more talent and possible operational atrophy.

All these factors must be taken into account to ensure the successful implementation of the 2014-2018 Medium-term Plan. This will require an injection of resources across the board that cannot be based on the aforementioned strategy and on the generation of miscellaneous income, which has been declining with no recovery in sight due to changes in the countries' fiscal and financial policies.

However, the Miscellaneous Income fund can be strengthened with special contributions from the countries, which would help complement the quota budget. It is important to emphasize that IICA's technical cooperation and institutional operations require financial certainty to ensure organizational stability, maintain its operational strategy and the robust quality and continuity of the projects implemented at the national, regional or hemispheric level. They must also be results-oriented and continue to generate greater value and positive returns on the investments of its Member States.

Effects of differential in the quota increase

For the Regular Fund, an increase in the quota budget of less than 10.5% would constitute a reduction in real terms, the impact of which would be reflected, among other aspects, in the following:

- A reduction in IICA's activities and contributions in the Member States, and the loss of the work already carried out by the Institute and its longstanding technical investments, whose recovery cost would have a substantial impact on results.
- Loss of the competitive advantage of mobilizing experts throughout the Americas and, consequently, a reduction in the intellectual support provided to technical cooperation projects.
- Reduction in the flexibility that allows the organization to provide an adequate response to the countries' needs, with the consequent negative impacts on different segments of the agricultural sector.
- Further adjustments to operating and personnel costs would not be viable, which could leave the Institute with a low response capacity because of staff reductions.
- The organization's operations would be subject to systematic pressure, due to the measures needed to redirect and reduce spending, making it increasingly difficult to bear rising personnel costs and cover the revaluation of local currencies and increases in the prices of services, equipment, furnishings, vehicles, consultants, travel, insurance, etc. This would lead to staff cuts, which would affect the organizational climate.

Some of the actions and results that would be affected by a reduction in the institutional budget are:

- Fewer countries and public and private agents would benefit from the development of agribusiness and associative capabilities among small and medium-scale producers. Comprehensive actions would be limited in at least three countries, affecting the support provided to four or five agricultural chains. There would be a 20%-30% reduction in the number of beneficiaries of capacity-building and consensus-building processes for stakeholders, and in projects designed to improve the competitiveness, inclusion, equity and sustainability of those chains in LAC.
- IICA's role as an Observer Member of the Committee on Sanitary and Phytosanitary Measures (2002) and the Agriculture Committee (2010) would be compromised, along with its capacity to support countries efforts to follow up on and fulfill their commitments to the WTO and related international standards, as well as other trade integration mechanisms.
- The scope and quality of information and knowledge management networks and services in the countries would be reduced (e.g., Infoagro/Infotec, which has 22,000 users).
- Cuts would jeopardize the progress achieved until now in nine countries that are implementing processes resulting in: a) public policies and institutional frameworks for the inclusive and equitable development of agriculture and rural areas and the energizing of local economies, b) the empowerment of local social stakeholders to ensure social and economic inclusion, and c) capacity-building, public goods and knowledge management to promote public policies, institutional actions and processes of inclusion with equity; and the incorporation of excluded populations such as Afro-descendant and indigenous communities, women and rural youth, etc., in regard to all the areas mentioned.

- Institutional support to the countries' efforts to strengthen their capabilities and institutional frameworks to promote the integrated management of water resources and soil and climatically sustainable agricultural practices.
- The Institute's capacity to design and implement early warning systems for pests and diseases exacerbated by climate change and climate variability, such as coffee rust, together with efforts to promote good practices in the management of sanitary and phytosanitary risks in the member countries.
- The application of PVS tools would be gradually reduced, at least in two countries per year. This would jeopardize the progress achieved so far and opportunities would be lost to identify strategic areas and topics in which countries need to strengthen their capacity. The impact would be greatest in the Andean and Southern regions. The affected countries would face constraints in their capacity to comply with international AHFS standards.

Other effects

The FonTC would scale back its role as a fund for seed capital that is used to attract funding from international financial institutions. The contribution it makes as a mechanism for linking the efforts of the ministries of agriculture, environment and health on climate change and agricultural health and food safety would also be affected. The following are some of the effects that would be felt if the financing of the fund's projects had to be reduced:

- Farmers in at least six countries of the Central Region would not implement good practices in the use of veterinary medications, reducing investment by private companies in the development of good practices in the use of these medicines.
- Nearly 4700 smallholders in the Central Region would not receive the training they require in order to access markets for the first time or consolidate their position in markets, thereby affecting their income-generating prospects, which could create pressure for them to migrate to the city or to other countries.
- Limited opportunities for roughly 90 producers in the Central and Andean regions to improve the management of their water resources and the quality of their products, and increase their incomes.
- No training for nearly 130 extension workers from public institutions in the Southern and Andean regions to enable them to provide technical assistance on the management of commercial processes in family agriculture, which would affect around 1000 farmers.
- The Southern Region countries and Bolivia would not have access to methodologies and tools for promoting good practices in fruit and vegetable production, which would affect their agricultural exports and increase the health risks from consumption of unsafe fruits.
- Around 80 trainers and nearly 240 young people from at least eight regions in four countries would not receive training in social management and organization, entrepreneurship and networking. This could mean a possible increase in migration from the countryside to the city and the loss of factors of production through lack of youth training schemes.

A new budget for a new MTP

The 2016-2017 Program Budget will be executed in strict adherence to the strategic management and thematic orientation model established in the 2014-2018 Medium-term Plan, which will enhance the organization's response capacity, flexibility and contributions to the member countries.

It will also address in a responsible manner the financial constraints, the constant rise in personnel and operating costs, and the gradual loss of competitiveness in labor markets, ensuring IICA's operational viability for the coming years.

Within the framework of the Regular Fund budget approved by the Member States, emphasis will be placed on the technical cooperation priorities, the results-driven approach, and criteria such as quality, effectiveness, rationality, equity, transparency and accountability, as part of a policy of continuous improvement for the benefit of agriculture in the Americas.

V. LIST OF ATTACHED TABLES

Table No. 1	Quota scale of the Member States, Over-Quota Contributions and Miscellaneous income 2016-2017 (USD)
Table No. 2	Evolution of the Regular Fund in Nominal Values. 1994-2015 and 2016-2017 (in thousands of USD)
Table No. 3	Allocation of Regular Fund by Chapter 2016–2017 (USD)
Table No. 4	Personnel Positions Financed with Resources from the Regular Fund. Program Budgets 1992 to 2016-2017

Table No. 1
Quota Scales of the Member States, Contributions of Over-quotas, and Miscellaneous Income for 2016-2017
(USD)

NEW OAS SCALE, 6.57% INCREASE IN QUOTAS FOR THE BIENNIUM AND OVER-QUOTAS

MEMBER STATES	2016 - 2017					
	IICA					
	% OAS	ASSESSED QUOTA ¹	INCREASE	QUOTA AND INCREASE	OVER - QUOTA	TOTAL QUOTAS
		USD ³	6.57%	USD ³	USD ³	USD ³
Antigua and Barbuda	0.022	6,100	400	6,500	1,100	7,600
Argentina	2.400	660,200	43,400	703,600	247,000	950,600
Bahamas	0.049	13,500	900	14,400	7,000	21,400
Barbados	0.034	9,400	600	10,000	5,500	15,500
Belize	0.022	6,100	400	6,500	1,100	7,600
Bolivia	0.056	15,400	1,000	16,400	600	17,000
Brazil	12.427	3,418,600	224,600	3,643,200	0	3,643,200
Canada	10.583	2,911,300	191,300	3,102,600	190,700	3,293,300
Chile	1.347	370,600	24,300	394,900	14,600	409,500
Colombia	1.311	360,600	23,800	384,400	14,200	398,600
Costa Rica	0.230	63,300	4,100	67,400	2,500	69,900
Dominica	0.022	6,100	400	6,500	1,100	7,600
Dominican Republic	0.317	87,200	5,700	92,900	3,500	96,400
Ecuador	0.322	88,600	5,800	94,400	3,500	97,900
El Salvador	0.086	23,700	1,500	25,200	12,500	37,700
Grenada	0.022	6,100	400	6,500	1,100	7,600
Guatemala	0.145	39,900	2,600	42,500	13,800	56,300
Guyana	0.022	6,100	400	6,500	1,700	8,200
Haiti	0.026	7,200	400	7,600	4,200	11,800
Honduras	0.042	11,600	700	12,300	3,200	15,500
Jamaica	0.070	19,300	1,200	20,500	11,500	32,000
Mexico	6.788	1,867,300	122,700	1,990,000	744,900	2,734,900
Nicaragua	0.026	7,200	400	7,600	2,800	10,400
Panama	0.176	48,400	3,200	51,600	6,000	57,600
Paraguay	0.075	20,600	1,400	22,000	8,800	30,800
Peru	0.860	236,600	15,500	252,100	9,400	261,500
Saint Kitts and Nevis	0.022	6,100	400	6,500	1,100	7,600
Saint Lucia	0.022	6,100	400	6,500	1,100	7,600
Saint Vincent and the Grenadines	0.022	6,100	400	6,500	1,100	7,600
Suriname	0.026	7,200	400	7,600	4,200	11,800
Trinidad and Tobago	0.135	37,100	2,500	39,600	22,300	61,900
United States of America	59.470	16,359,800	1,075,500	17,435,300	0	17,435,300
Uruguay	0.247	67,900	4,500	72,400	7,900	80,300
Venezuela	2.144	589,800	38,800	628,600	36,000	664,600
SUB TOTAL	99.568	27,391,100	1,800,000	29,191,100	1,386,000	30,577,100
Cuba	0.431	118,600	7,800	126,400	0	118,567
TOTAL QUOTAS	99.999	27,509,700	1,807,800	29,317,500	1,386,000	30,695,667
MISCELLANEOUS INCOME²		4,300,000		4,300,000		4,300,000
TOTAL REGULAR FUND⁴		31,691,100		33,491,100		34,877,100

Note: The Kingdom of Spain contributes an annual quota of USD 60,000 as an Associate State, as per an agreement reached in the First Plenary Session of the Eleventh Regular Meeting of the Inter-American Board of Agriculture, held on November 26, 2001, in Bãvaro, Dominican Republic.

1/ As per Resolution AG/RES. 286o (XLIV-O/14), of the OAS General Assembly of June 5th, 2014.

2/ In 2014 and 2015 miscellaneous income will comprise USD 3,500,000 to be generated and USD 800,000 from the Miscellaneous Income Fund.

3/ Rounded off to the nearest one hundred.

4/ The total of the Regular Fund does not include Cuba.

**Evolution of the Regular Fund in Nominal Values
1994 to 2017 (USD x 000)**

PERIOD	QUOTAS	MISCELLANEOUS	REGULAR FUND
1994	26,707.5	2,297.3	29,004.8
1995	27,508.7	2,127.5	29,636.2
1996	27,508.7	2,527.2	30,035.9
1997	27,508.7	3,258.1	30,766.8
1998	27,508.7	2,491.3	30,000.0
1999	27,508.7	2,491.3	30,000.0
2000	27,508.7	2,491.3	30,000.0
2001	27,508.7	2,491.3	30,000.0
2002	27,508.7	2,491.3	30,000.0
2003	27,167.6	2,832.4	30,000.0
2004	27,167.6	2,832.4	30,000.0
2005	27,167.6	2,832.4	30,000.0
2006	27,167.6	2,832.4	30,000.0
2007	27,167.6	2,832.4	30,000.0
2008	27,227.8	4,100.0	31,327.8
2009	27,227.8	4,100.0	31,327.8
2010	27,298.2	6,100.0	33,398.2
2011	27,298.2	6,100.0	33,398.2
2012	27,689.6	6,100.0	33,789.6
2013	27,810.0	6,100.0	33,910.0
2014	27,810.0	6,100.0	33,910.0
2015	27,810.0	6,100.0	33,910.0
2016	30,577.1	4,300.0	34,877.1
2017	30,577.1	4,300.0	34,877.1

Note: The Cuban quota was excluded from the quota resources as of 2003.

Table No. 3

2016 - 2017
Program Budget

Allocation of the Regular Fund by Chapter - 2015, 2016 and 2017

(USD)

CHAPTER	2016				2017			
	QUOTAS	MISC.	REGULAR FUND		QUOTAS	MISC.	REGULAR FUND	
			USD	%			USD	%
CHAPTER I: Direct Technical Cooperation Services	27,441,748	4,005,688	31,447,436	90.2%	27,437,053	4,070,709	31,507,762	90.3%
CHAPTER II: Management Costs	1,728,507	11,800	1,740,307	5.0%	1,767,181	11,800	1,778,981	5.1%
CHAPTER III: General Cost and Provisions	1,270,000	20,000	1,290,000	3.7%	1,270,000	20,000	1,290,000	3.7%
CHAPTER IV: Renewal of Infrastructure and Equipment	136,845	262,512	399,357	1.1%	102,866	197,491	300,357	0.9%
TOTAL	30,577,100	4,300,000	34,877,100	100.0%	30,577,100	4,300,000	34,877,100	100.0%

Notes:

The Institute's budget is divided into four Chapters:

CHAPTER I: DIRECT TECHNICAL COOPERATION SERVICES

This chapter includes the costs of the Institute's technical cooperation actions at the national, multinational, regional, and hemispheric levels required to achieve the objectives established in the Medium-term Plan. It includes IICA's contribution to the Tropical Agriculture Research and Higher Education Center (CATIE) and the Caribbean Agricultural Research and Development Institute (CARDI), and the financing of the flagship projects, rapid response actions, and initiatives of the Competitive Fund for Technical Cooperation, the Offices in the Member States, and the Technical Support Units.

CHAPTER II: MANAGEMENT COSTS

Management Costs include the resources of the units responsible for managing the Institute and providing support services. Those units, which are located at Headquarters, are the Office of the Director General, Deputy Director General and the Secretariat of Corporate Services.

CHAPTER III: GENERAL COSTS AND PROVISIONS

General costs and provisions are general commitments not directly related to the preceding chapters, or to a specific unit. They include funding for the governing bodies; institutional insurance; contribution to the administration of the OAS Administrative Tribunal and the OAS Retirement and Pension Fund; External Audit; pensions of former Directors General; and the Emergency Assistance Fund for Institute Personnel.

CHAPTER IV: RENEWAL OF INFRASTRUCTURE AND EQUIPMENT

The budget items included in this Chapter are the conservation and maintenance of IICA-owned buildings and properties, and the renewal of vehicles, equipment, and software licenses, both at Headquarters and in the 34 Offices in the Member States.

**Personnel Positions Financed with the Regular Fund
1992 to 2017 Program Budgets**

YEAR	IPP	LPP	GSP	TOTAL
1992	134	82	346	562
1993	134	79	344	557
1994	132	80	349	561
1995	132	81	312	525
1996	121	87	289	497
1997	117	95	285	497
1998	110	98	249	457
1999	103	101	247	451
2000	99	97	251	447
2001	99	97	251	447
2002	96	101	238	435
2003	93	120	221	434
2004	94	126	230	450
2005	94	126	230	450
2006	94	131	237	462
2007	94	131	227	452
2008	94	135	227	456
2009	94	135	227	456
2010	95	152	213	460
2011	93	157	213	463
2012	88	151	208	447
2013	88	151	208	447
2014	82	151	194	427
2015	79	149	201	429
2016	79	150	198	427
2017	79	150	198	427

Note: Does not include positions financed with external resources and INR resources

IPP: International Professional Personnel

LPP: Local Professional Personnel

GSP: General Services Personnel