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2016-2017 Program Budget – Rev 1

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FOREWORD

Today more than ever before, agriculture is immersed in a world of enormous challenges and opportunities, which requires us to work to build a highly productive agricultural sector in the hemisphere and turn it into the essential source for the comprehensive nourishment of a society in constant growth. 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 agricultural commodity, raw material markets as well as newer ones, such as clean energies. We must adapt to these as quickly as possible, and ensure the adequate use of water resources and soil 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 believe that IICA's member countries are committed to finding joint solutions to our common problems, continuing to meet the challenges facing the agricultural sector and preparing for the coming years.

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 great objectives of agriculture, on which 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, we have a philosophy of continuous improvement and a commitment to deliver results that contribute to meet the challenges faced by our member countries and our partners; for this 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 these, 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 - FonCT); and d) externally funded projects that are articulated with this strategic planning model.

The Institute has reinforced its operations through the solid integration of its technical services and its administration. The strengthening of the institutional culture is based on an austere and responsible management in the use of resources, with a clear focus on 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 ends, is to deliver to the hemisphere an organization strengthened in its technical and corporate capacity.

The approval of the 2016-2017 Program Budget will enable the Institute to implement and consolidate the new technical cooperation model described 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, it is our duty to insist on the urgent need to financially strengthen the Institute, so that it can better respond to the mandates received. This strengthening cannot be postponed, given the freezing of quota contributions during the last 20 years and the irreversible decline of resources from the miscellaneous income fund, combined with the rising costs of personnel, goods and services. This situation has produced a real decrease in our resources and has affected our possibility of maintaining 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 favors the agricultural sector of your countries and that, as a cooperation organization, IICA contributes to the creation of public goods that can be capitalized by all our clients and partners.

Our work is aimed at achieving the great transformations required by the agricultural sector as the axis 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 OF 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. 593 (XXXIV-O/14) of the Thirty-Fourth Regular Meeting of the Executive Committee on May 22, 2014. This program is based on the following main criteria:

1. Definition of the quotas of the Member States using the scale approved by the OAS, pursuant to Resolution AG/RES. 2860 (XLIV-O/14), applicable to IICA during the 2016-2017 biennium.
2. The new structure for technical cooperation set forth in the 2014-2018 Medium Term Plan, geared to attaining results and managed through four instruments: flagship projects, rapid response actions, initiatives of the Competitive Fund for Technical Cooperation (FonCT) and externally funded projects.
3. Based on the strategic objectives, it will promote the changes necessary to increase efficiency and efficacy, and the potential of technical cooperation actions, in order to contribute to each of the countries in the hemisphere.
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.



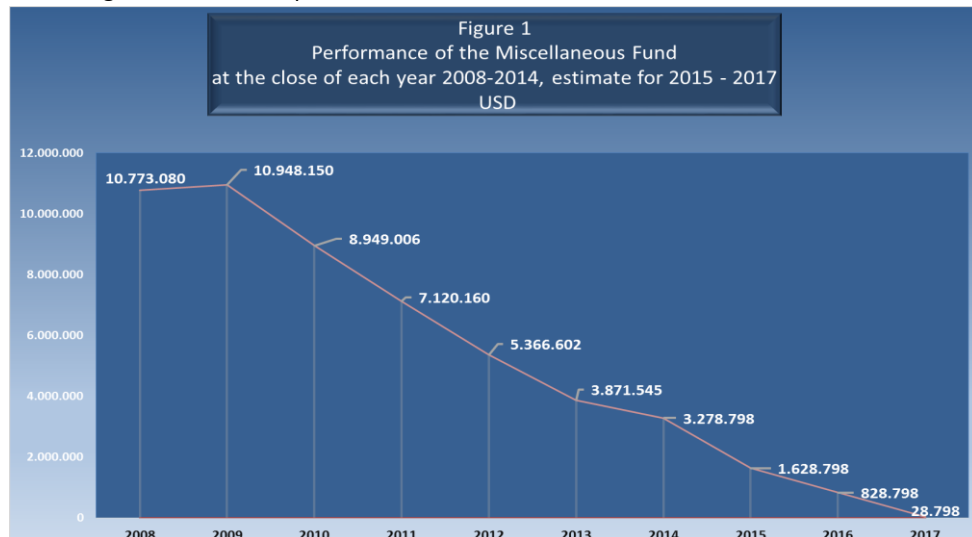
6. Global budget geared to specific projects that contribute more efficiently to agriculture in the Member States, aligned with institutional strategic planning.
7. An increase in the income budget based on Member State quotas for the 2016-2017 biennium, to maintain an operating level similar to that of 2015.
8. Assumes the increase of costs due to inflation, exchange rates and the irreversible decline of Miscellaneous Income.
9. Combined effect of the 10.5% increase in the income budget based on Member State quotas and a 29.5% reduction in miscellaneous income. This translates into a 3.3% net increase in the Regular Fund (quota and miscellaneous income), which corresponds to the variation in prices expressed in USD. This would enable the Institute to:

- Preserve current operating levels and prevent the loss of technical cooperation capacity and infrastructure in the countries.
- Maintain and strengthen the knowledge and management structures operated by the Institute as elements of cooperation in the countries.
- Capitalize on the results achieved and the improvements made in its areas of influence, to generate the greatest benefits with lower operating costs (economies of scale).

10. There has been a steady decline in the Institute’s miscellaneous income, which cannot be reversed, due mainly to changes in the policies adopted by countries and donors in recent years with respect to the funds used to finance its projects:

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

The Miscellaneous Income Fund has made it possible to complement the Institute’s quota budget, which has been frozen in recent years. The following Figure shows the performance of this fund, which is expected to be completely depleted by 2017 if additional funds are not secured. Figure 1 shows the performance of the Miscellaneous Income Fund.



11. The scenario of zero growth in the quota budget would be equivalent to a cut of nearly 10% cut to the Regular in the Regular Fund budget, which in real terms would represent a deficit of more than 13%. This would be accentuated by the accumulated inflationary effect and other factors with a negative impact, such as the decline in miscellaneous income.
12. The direct effect of this cut on technical cooperation services would be reflected in the quantity, quality, coverage and depth of institutional operations, with a budget deficit of USD 2,881,000 in 2016. For 2017, additional measures would be needed to reduce operating costs and cooperation activities by USD 523,000, which would mean significant reductions in the services and results of technical cooperation and loss of management structures in the countries.
13. In corporate terms, this negative adjustment to the quota budget would also imply a reduction in the Institute’s substantive and operational activities, due to the need to eliminate some positions and personnel to cover the budget cuts, given the zero increase in quotas.

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

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 (FonCT)
4.	Projects financed with external resources

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, is shown below: ¹²

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		
	1	2	3	4	5	6	7	8	9	10	11	Flagship Projects	Rapid Response Actions	FonTC	Flagship Project	Resources (thousands of USD)	
												Project	Resources (thousands of USD)				
1. Improve the productivity and competitiveness of the agricultural sector	✓	✓	✓						✓	✓	✓	- Agricultural Chains - Family Agriculture	2016			- Agricultural Chains 66%	2016 USD 140.000
	✓	✓		✓					✓	✓		- Inclusion in Agriculture and Rural Territories	USD 12.742	USD 650	USD 1.000	- Inclusion in Agriculture and Rural Territories 1%	
	✓	✓			✓	✓	✓	✓	✓	✓		- Resilience and Comprehensive Risk Management	2017			- Resilience and Comprehensive Risk Management 16%	
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	- Agricultural Chains - Inclusion in Agriculture and Rural Territories - Resilience and Comprehensive Risk Management - Family Agriculture	USD 12.975	USD 650	USD 740	- 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 12.063			2016 USD 5.250				2016 USD 1.741		2016 USD 1.585		2016 USD 10.280						
2017 USD 12.255			2017 USD 5.144				2017 USD 1.780		2017 USD 1.486		2017 USD 11.023						

Note: The recovery of 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, austere 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 (institutional strengthening, capacity building, methodologies, processes and instruments, use and management of knowledge in projects, consensus building and linking of stakeholders, and comprehensive cooperation) that will facilitate experience.

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, articulating 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 IICA's network of 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 corporate management and its strategic and operating services as an integral part of the technical cooperation services.
- Priority allocation of institutional resources to the flagship projects, the FonCT initiatives and the rapid response actions (RRA), based on the contributions expected and achieved.
- 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 implementation of the 2014-2018 MTP began mid-year in 2014, with a new "results-based management" approach to promote greater changes in the agricultural sector and contribute to sustainability, competitiveness, rural well-being and food security in the Latin American and Caribbean countries. In addition, direct links were established between projects, actions and results, thereby facilitating planning, execution, monitoring and evaluation as elements of continuous improvement. Some examples of the results achieved during 2014 include:

- 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, bio-inputs 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 Mexico's support, 108 scholarships were made available to young professionals in agriculture, from different countries of the hemisphere.
- 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, other efforts are currently under implementation and could continue to achieve results with the approval of the 2016-2017 program budget. By way of example, we mention the following:

- 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 2 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 - FonCT), 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 technologies and good agricultural practices that are “climate smart” and promote adaptation to climate change, mitigation of the impacts of agriculture and a greater resilience of the agricultural sector.
- Efforts to combat pests and diseases of socio-economic and zoo/phytosanitary importance, such as actions to combat the fruit fly and the outbreak of coffee leaf rust in Mesoamerica, Peru and Jamaica.

The Institute finances 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, essentially obtained from financial yields, tax recovery and the sale of assets and certain services.

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

For the Institute, the management of external resources implies additional technical and administrative personnel, which has an impact on its operating costs. These additional costs are recovered through the Institutional Net Rate (INR) that counterparts have agreed to pay IICA (Recovery of Proportional Indirect Costs – REPIC).

Income Budget of the Regular Fund

The income budget of resources from the Regular Fund is USD 35,030,900 for each year of the 2016-2017 biennium, made up of USD 30,730,900 from Member State quotas, considering a 10.5% increase for recovery, some over-quotas and USD 4,300,000 from 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.

SOURCE	2015	2016	2017
Member State Quotas	27.810,0	30.730,9	30.730,9
Miscellaneous Income	6.100,0	4.300,0	4.300,0
TOTAL REGULAR FUND	33.910,0	35.030,9	35.030,9

Table No. 1, attached to this document, shows the percentage scale of the Member States’ quota contributions according to the distribution approved by the OAS, considering the additional 10.5%, and the over-quota contributions of Argentina, El Salvador, Guatemala, Guyana, Mexico, Panama, Paraguay and Uruguay.

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 previously.

Expenditure Budget of the Regular Fund

a. Allocation of resources to 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-FonCT, 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 requests 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.

Pre-investment initiatives of the Technical Cooperation Fund (FonCT) 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, 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.

The Table below shows the Expenditure Budget of the Regular Fund by Programming Center:

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	2.450.000	12.741.670	10.525.372	2.450.000	12.975.372
Rapid Response Actions	0	650.000	650.000	0	650.000	650.000
FonCT	0	1.000.000	1.000.000	0	740.000	740.000
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	11.664.095	35.030.900	23.889.781	11.141.119	35.030.900

Notes:

- Considers the personnel costs directly related to the flagship projects assigned to the Offices in the Member States and Headquarters.
- 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.
- 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.
- 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.
- 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) allows for a better estimate of expenditures and facilitates the follow-up and monitoring of implementation.

The Institute has nine objects of major expenditure, namely: 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

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	32,8%	11.784,9	33,6%	335,6	3,0%	307,0
2 Local Professional and General Services Personnel	11.504,5	33,9%	11.888,9	33,9%	12.104,8	34,6%	384,4	3,3%	215,9	1,8%
SUBTOTAL PERSONNEL COSTS	22.646,8	66,8%	23.366,8	66,7%	23.889,8	68,2%	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	6,2%	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%	3.404,1	9,7%	3.180,1	9,1%	207,1	6,5%	-224,0	-6,6%
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%	11.664,1	33,3%	11.141,1	31,8%	400,9	3,6%	-523,0	-4,5%
GRAND TOTAL	33.910,0	100,0%	35.030,9	100,0%	35.030,9	100,0%	1.120,9	3,3%	0,0	0,0%

purposes.

Table No. 4 shows the personnel positions financed with resources from the Regular Fund between 1992 and 2017. The Institute plans to maintain the same number of international professional positions as in 2015, (79), increase local professionals from 149 to 150 positions, and eliminate 3 general services positions, which will fall from 201 in 2015 to 198 in the 2016-2017 biennium.

The amount allocated to cover the costs of International Professional Personnel (79 positions), will rise from USD 11,142,300 in 2015 to 11,477,900 in 2016 and USD 11,784,900 in 2017, due to the effect of a 3.5% annual increase in the Salary Scale and adjustments in the percentages set aside for reserves, including a 3% increase in this item in 2016 and a 2.7% increase in 2017.

Local Professional Personnel (150 positions) will be financed with USD 7,783,900 in 2016 and USD 7,895,700 in 2017.

General services personnel has a cost of USD 4,105,000 in 2016, which will increase to USD 4,209,200 in 2017.

For local personnel, an average salary increase of 3.9% is estimated in 2016 and an additional 1.7% in 2017, based on the estimated inflation rate and variations in the exchange rates of the US dollar with respect to local currencies. This, together with changes in the number of positions and some classifications, implies an increase in local personnel costs of 3.3% in 2016 and 1.8% in 2017, a conservative estimate aimed at preventing IICA's loss of competitiveness in the labor markets.

Operating costs total USD 11,664,100 in 2016, an increase of 3.6% 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 11,141,100, a 4.5% decrease in operating costs, 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)

Projects financed with external resources are aimed at expanding and complementing IICA's technical cooperation services and creating added value, by promoting projects with greater geographic coverage (regional and hemispheric) and a major 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 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 in line with the project objectives, results, outputs and activities.

- 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 140.0 million in 2016, and USD 150.0 million in 2017 while the resources obtained through the recovery of Proportional Indirect Costs would be approximately USD 10.3 million for 2016 and USD 11.1 million for 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.

Based on the proportion of the strategic objectives addressed by externally funded projects in 2015 and applying a similar proportion for 2016 and 2017, it is estimated that the projects financed with external resources during the next biennium would have an approximate contribution to each objective as shown below:

Strategic Objective	2016 % amount million USD		2017 % amount million USD	
	1. Improve the productivity and competitiveness of the agricultural sector	66%	USD 92.4	66%
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 assigned to each project notwithstanding, the technical cooperation provide under any given project may contribute to one or more of the strategic objectives.

Projection of external resources and indirect costs

Table D shows the projections for securing external resources for projects during the biennium and the Recovery of Proportional Indirect Costs – RePIC, for each implementing office. This recovery means retrieving the indirect costs generated during implementation of externally funded projects, which reduces the erosion of the Regular Fund.

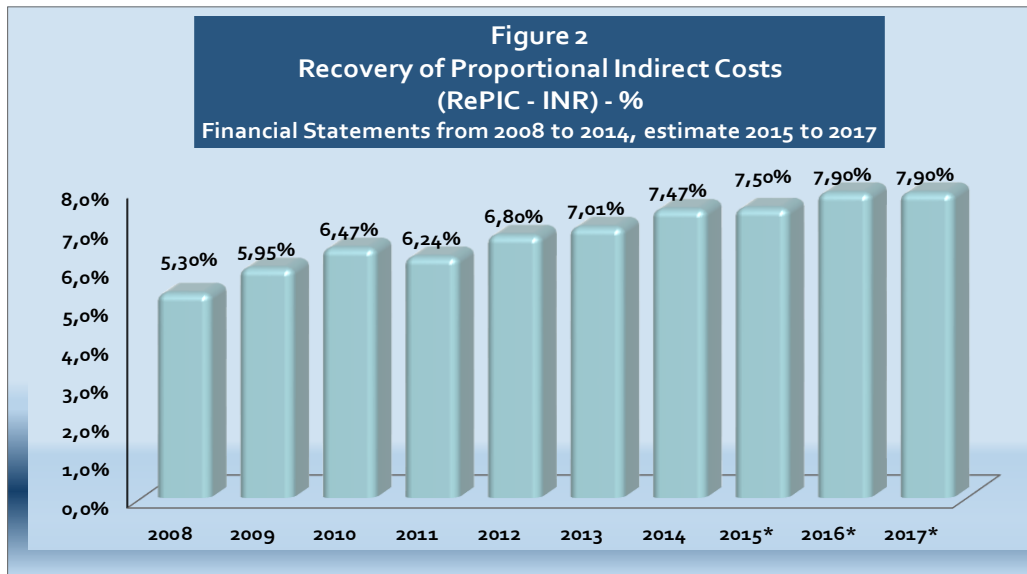
The amount of indirect costs recovered is subject to the signing and effective execution of agreements for the implementation of externally funded programs and projects.

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 and maintain its management levels.

Table D								
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%

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

Through the application of the policy established by this administration from 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.



An increase of nearly two percentage points in the rate of recovery of indirect costs has been achieved due 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.

Annex I lists the agreements formalized in 2014 for the implementation of externally funded projects. The agreements signed generated US\$129.8 million.

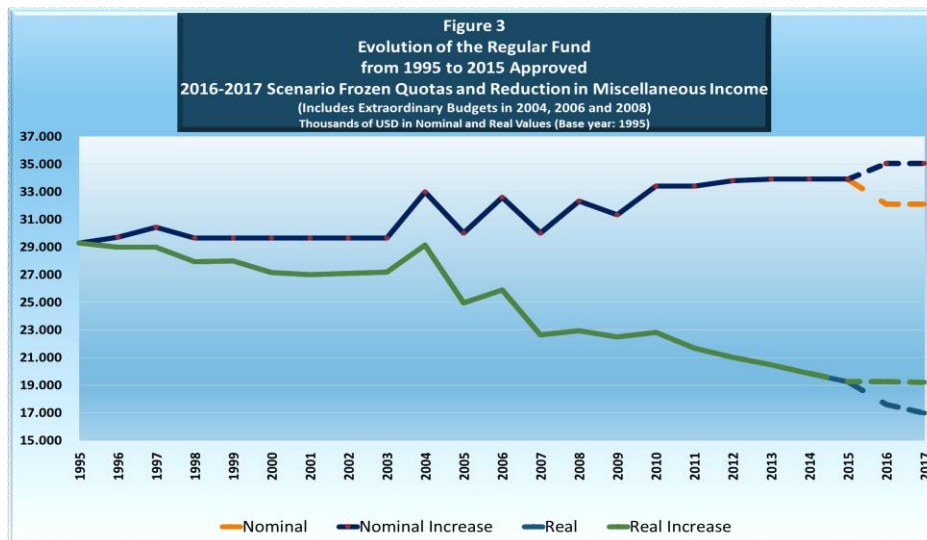
IV. FINANCIAL STRENGTHENING

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 agenda, such as innovation, water, comprehensive 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 at meetings of the Executive Committee (EC) and the Inter-American Board of Agriculture (IABA).

The need to strengthen IICA's finances arises from the freezing of country quotas and the decline 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 Regular Fund (quotas and miscellaneous) during the period 1995 to 2015, in accordance with the Program Budgets approved by the IABA. The dotted lines show the estimated trends that would occur with the proposed increase and without these financial strengthening measures. This Figure shows the strong decline in the real value of the resources, which has forced the Institute to permanently adopt measures to cut operating and personnel costs.

The need to increase the quota budget by 10.5 % exclusively refers to conserving the Institute's "flotation line", accomplishing the objectives established in the MTP, avoiding the loss of the cooperation structures already established in its member countries and continue delivering results of value to the agricultural sector; in other words, if this budget increase is not approved, it would mean a "cut" of more than 13%.



The Institute has implemented a strict plan to reengineer its processes and improve its operations, with measures of rationality and austerity to mitigate the effects of price increases, take full advantage of its capabilities and achieve economies of scale. The aim is to ensure the Institute's financial viability and promote the multiplier effects of expenditure and technical cooperation in the target populations in the countries.

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 (US\$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 and cannot be recovered 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 guarantees 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 must continue to generate greater value and positive returns on the investments of its Member States.

Budget cut

For the Regular Fund, the scenario of zero growth in the quotas would represent a reduction of more than 13% in real terms, the impact of which would be reflected, among other aspects, in the following:

- A reduction in IICA's activities and contributions to Member States and an incalculable loss of work carried out by the Institute and its longstanding technical investments, which would have a substantial impact on results in the member countries.
- Loss of the competitive advantage of mobilizing experts, throughout the hemisphere and consequently, a reduction in the intellectual support provided to technical cooperation projects.
- Loss of flexibility in the organization to respond to the needs of Member States, with the consequent negative impacts on different areas of the agricultural sector.
- Further adjustments to operating and personnel costs would not be viable, and would jeopardize the institutional capacity for response. A reduction of 8 International Personnel positions, 9 Local Professional Personnel and 10 general services positions is estimated.
- Systematically operate under pressure due to the measures to reallocate expenditure and reduce personnel, affecting organizational climate, making it increasingly difficult to cover rising personnel costs, the revaluation of local currencies and price increases in services, equipment, furniture, vehicles, consultants, travel, insurance, etc.

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 support to four or five agricultural chains. There would be a 20% to 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 in monitoring and fulfilment of their commitments before the WTO and related international regulations, 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 (example: Infoagro/Infotec with 22,000 users).
- Cuts would jeopardize the progress achieved until now in nine countries which 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) 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 e.g. Afrodescendant and indigenous communities, women and rural youth, etc., in all the topics mentioned.

- Institutional support to the countries would be affected in their 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, would be reduced, 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 FonCT would cease to operate as seed capital to secure funds from international financial organizations; it would no longer serve as a mechanism to link the ministries of Agriculture, Environment and Health, on issues of climate change and agricultural health and food safety. The following are some of the specific impacts that would occur in the event of not implementing projects financed by this fund:

- 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 4,700 small-scale farmers in the Central region would not receive training to access markets or consolidate their position in markets, thereby affecting their income-generating prospects, which could create pressures to migrate to cities or to other countries.
- Limited opportunities for approximately 90 producers in the Central and Andean regions for improving the management of their water resources, the quality of their products and increasing their incomes.
- No training for nearly 130 extension workers from public institutions in the Southern and Andean regions, who would provide technical assistance in managing business-trade processes in family agriculture, which would affect around 1,000 producers.
- The countries of the Southern region and Bolivia would not have access to methodologies and tools to promote good practices in fruit-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 proposed 2016-2017 Program Budget is primarily designed to be implemented in close coordination with the strategic management model and thematic orientation, with flexibility in the implementation of the 2014-2018 Medium Term Plan.

Similarly, it will responsibly address the financial constraints, the permanent increase in personnel and operating costs, and the gradual loss of competitiveness in labor markets, ensuring IICA's operational viability for the coming years.

In the context of a strengthened Regular Fund budget, this proposal will effectively address the technical cooperation priorities established in the Medium Term Plan, based on criteria such as quality, effectiveness, rationality, equity, transparency and accountability, as part of a policy of continuous improvement and delivery of results to benefit the Member States.

V. LIST OF TABLES ATTACHED

Table No. 1	Quota scale of the Member States, Contributions of Over-Quotas 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 the 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

2016-2017 Programa Budget

Quota Scales of the Member States, Contributions of Over-quotas, and Miscellaneous Income for 2016-2017 (USD)

10.5% INCREASE IN QUOTAS FOR THE BIENNIUM, NEW OAS SCALE, SAME AMOUNT OF OVER-QUOTAS, AND DECREASE IN MISCELLANEOUS INCOME DUE TO DEPLETION OF MISCELLANEOUS INCOME FUND

MEMBER STATES	2015	2015	2016				2017				VARIATIONS			
	IICA	OEA ¹	IICA				IICA				2016-2015		2017-2016	
	TOTAL QUOTAS	%	%	ASSESSED QUOTA	OVER-QUOTA	TOTAL QUOTAS	%	ASSESSED QUOTA	OVER-QUOTA	TOTAL QUOTAS	US\$	%	US\$	%
	USD			USD ²	USD ³	USD ³		USD ³	USD ³	USD ³				
Antigua and Barbuda	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Argentina	883.300	2,400	2,400	729.700	220.900	950.600	2,400	729.700	220.900	950.600	67.300	7,6%	0	0,0%
Bahamas	17.100	0,049	0,049	14.900	0	14.900	0,049	14.900	0	14.900	-2.200	-12,9%	0	0,0%
Barbados	12.400	0,034	0,034	10.300	0	10.300	0,034	10.300	0	10.300	-2.100	-16,9%	0	0,0%
Belize	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Bolivia	13.500	0,056	0,056	17.000	0	17.000	0,056	17.000	0	17.000	3.500	25,9%	0	0,0%
Brazil	2.734.600	12,427	12,427	3.778.200	0	3.778.200	12,427	3.778.200	0	3.778.200	1.043.600	38,2%	0	0,0%
Canada	3.293.300	10,583	10,583	3.217.600	0	3.217.600	10,583	3.217.600	0	3.217.600	-75.700	-2,3%	0	0,0%
Chile	327.100	1,347	1,347	409.500	0	409.500	1,347	409.500	0	409.500	82.400	25,2%	0	0,0%
Colombia	288.600	1,311	1,311	398.600	0	398.600	1,311	398.600	0	398.600	110.000	38,1%	0	0,0%
Costa Rica	60.800	0,230	0,230	69.900	0	69.900	0,230	69.900	0	69.900	9.100	15,0%	0	0,0%
Dominica	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Dominican Republic	70.700	0,317	0,317	96.400	0	96.400	0,317	96.400	0	96.400	25.700	36,4%	0	0,0%
Ecuador	71.000	0,322	0,322	97.900	0	97.900	0,322	97.900	0	97.900	26.900	37,9%	0	0,0%
El Salvador	34.400	0,086	0,086	26.100	3.000	29.100	0,086	26.100	3.000	29.100	-5.300	-15,4%	0	0,0%
Grenada	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Guatemala	51.400	0,145	0,145	44.100	5.200	49.300	0,145	44.100	5.200	49.300	-2.100	-4,1%	0	0,0%
Guyana	6.700	0,022	0,022	6.700	600	7.300	0,022	6.700	600	7.300	600	9,0%	0	0,0%
Haiti	9.400	0,026	0,026	7.900	0	7.900	0,026	7.900	0	7.900	-1.500	-16,0%	0	0,0%
Honduras	14.000	0,042	0,042	12.800	0	12.800	0,042	12.800	0	12.800	-1.200	-8,6%	0	0,0%
Jamaica	25.600	0,070	0,070	21.300	0	21.300	0,070	21.300	0	21.300	-4.300	-16,8%	0	0,0%
Mexico	2.495.300	6,788	6,788	2.063.800	217.300	2.281.100	6,788	2.063.800	217.300	2.281.100	-214.200	-8,6%	0	0,0%
Nicaragua	9.400	0,026	0,026	7.900	0	7.900	0,026	7.900	0	7.900	-1.500	-16,0%	0	0,0%
Panama	47.600	0,176	0,176	53.500	4.100	57.600	0,176	53.500	4.100	57.600	10.000	21,0%	0	0,0%
Paraguay	28.100	0,075	0,075	22.800	2.500	25.300	0,075	22.800	2.500	25.300	-2.800	-10,0%	0	0,0%
Peru	189.300	0,860	0,860	261.500	0	261.500	0,860	261.500	0	261.500	72.200	38,1%	0	0,0%
Saint Kitts and Nevis	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Saint Lucia	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Saint Vincent and the Grenadines	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Suriname	9.400	0,026	0,026	7.900	0	7.900	0,026	7.900	0	7.900	-1.500	-16,0%	0	0,0%
Trinidad and Tobago	49.500	0,135	0,135	41.000	0	41.000	0,135	41.000	0	41.000	-8.500	-17,2%	0	0,0%
United States of America	16.359.400	59,470	59,470	18.080.900	0	18.080.900	59,470	18.080.900	0	18.080.900	1.721.500	10,5%	0	0,0%
Uruguay	64.100	0,247	0,247	75.100	5.200	80.300	0,247	75.100	5.200	80.300	16.200	25,3%	0	0,0%
Venezuela	601.300	2,144	2,144	651.900	0	651.900	2,144	651.900	0	651.900	50.600	8,4%	0	0,0%
SUB TOTAL	27.810.000	99,568	99,568	30.272.100	458.800	30.730.900	99,568	30.272.100	458.800	30.730.900	2.920.900	10,5%	0	0,0%
Cuba	158.200	0,431	0,431	131.000	0	131.000	0,431	131.000	0	131.000	-27.200	-17,2%	0	0,0%
TOTAL QUOTAS	27.968.200	99,999	99,999	30.403.100	458.800	30.861.900	99,999	30.403.100	458.800	30.861.900	2.893.700	10,3%	0	0,0%
MISCELLANEOUS INCOME⁴	6.100.000					4.300.000				4.300.000	-1.800.000	-29,5%	0	0,0%
TOTAL REGULAR FUND⁴	33.910.000					35.030.900				35.030.900	1.120.900	3,3%	0	0,0%

Note: The Kingdom of Spain contributes and 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 Bávaro, Dominican Republic.

1/ As per Resolution AG/RES. 2860 (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	30.730,9	4.300,0	35.030,9
2017	30.730,9	4.300,0	35.030,9

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	27.595.548	4.005.688	31.601.236	90,2%	27.590.853	4.070.709	31.661.562	90,4%
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	30.730.900	4.300.000	35.030.900	100,0%	30.730.900	4.300.000	35.030.900	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**

<i>YEAR</i>	<i>IPP</i>	<i>LPP</i>	<i>GSP</i>	<i>TOTAL</i>
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

VI. ANNEXES

Annex I Agreements Signed by IICA in 2014

Annex II Institutional Net Rate (INR). Recovery of Proportional Indirect Costs (RePIC)

Annex III IICA Criteria and mechanisms for the approval of externally funded projects

Annex IV Financial Strengthening

ANNEX I

AGREEMENTS SIGNED BY IICA IN 2014

ANNEX 1

AGREEMENTS SIGNED BY IICA IN 2014

This Annex details the different types of agreements signed by the Institute in 2014 for the implementation of externally funded programs and projects.

The information provided includes the duty station from which each agreement signed will be executed (IICA Office in a Member State or Headquarters), the date on which each agreement was signed and the termination date, the title of the agreement, the IICA Flagship Project to which it relates, the IICA Contribution that it will help to achieve, the total value of the agreement in USD throughout the life of the program or project, the percentage of the Institutional Net Rate (INR) charged to cover indirect costs and the counterparts involved.

The following is a summary of the agreements by place of execution, showing the total amount involved and the average INR charged.

SUMMARY OF AGREEMENTS SIGNED IN 2014 BY LOCATION¹		
LOCATION	TOTAL USD	% INR
Costa Rica	2,170,194	8.0%
Guatemala	1,103,317	9.7%
Nicaragua	20,000	8.0%
Panama	25,000	9.2%
Barbados	22,067	8.7%
Dominican Republic	585,178	8.0%
Saint Vincent and the Grenadines	91,840	8.1%
Saint Lucia	284,173	5.5%
Ecuador	810,868	8.6%
Peru	160,854	10.6%
Venezuela	580,324	8.0%
Argentina	11,101,830	6.3%
Brazil	22,486,218	5.1%
Chile	17,086	8.6%
Paraguay	86,555	8.1%
Uruguay	394,515	7.9%
Canada	14,408	10.0%
Mexico	88,265,851	8.0%
Headquarters	1,605,681	10.5%
TOTAL	129,825,959	7.37

1/ Does not include quotas to ICOA or Operating Agreement with CIAT in Colombia".

AGREEMENTS SIGNED BY IICA IN 2014

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Costa Rica	04/30/14	10/30/14	Letter of understanding between IICA and the National Institute of Statistics and Census (INEC) for the Sixth National Agricultural Census	Agricultural chains	Public policies and institutional frameworks	103,704	9.0	National Institute of Statistics and Census of Costa Rica
Costa Rica	09/01/14	12/31/17	Letter of understanding between IICA and the Executive Secretariat of the Central American Agricultural Council (SECAC) for the implementation of the project "Support for the consolidation of the Regional Strategy for Rural Area-based Development- ECADERT"	Inclusion in agriculture	Integrated management of water and sustainable use of oil	2,066,490	8.0	Secretariat of the Central American Agricultural Council Spain-SICA Fund
Guatemala	01/24/14	03/31/14	Subrecipient agreement #06-S131623 between Texas A & M Agrilife Research and IICA on behalf of "Programa Cooperativo Regional para el Desarrollo Tecnológico y Modernización de la Caficultura" (PROMECAFE)	Resilience in agriculture	Technological, institutional and business innovation	110,000	10.0	Regional Cooperative Program for the Technological Development and Modernization of Coffee Production World Coffee Research Texas Agrilife Research
Guatemala	03/03/14	08/02/14	Letter of understanding between the World Food Programme (WFP) and IICA to implement a process for systematizing the experience acquired in executing the Purchase for Progress (P4P) initiative in Guatemala	Resilience in agriculture	Food and nutritional security	170,237	8.0	World Food Programme
Guatemala	07/31/14	07/31/17	Funding agreement for scientific research CFP agrobiosphere 2013 project modeling to accompany stakeholders towards adaptation of forestry and agroforestry systems to global changes (MACACC) agreement No. AIRD-13-AGRO-0005-09 between Institut de Recherche pour le Developpement (IRD) and IICA on behalf of PROMECAFE and the Consortium Agreement ANR Agrobiosphere –MACACC-	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	21,358	8.9	Development Research Institute
Guatemala	09/25/14	01/16/18	Subrecipient agreement No. 06-S140671 between Texas A&M Agrilife Research and IICA on behalf of PROMECAFE for the project entitled: revitalizing the Central American coffee sector after the rust crisis of 2012 through applied research and development	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	716,744	10.0	Texas Agrilife Research
	09/25/14	01/16/18	Subrecipient agreement No. 06-S140660 between Texas A&M Agrilife Research and IICA on behalf of PROMECAFE for the project entitled: revitalizing the Central American coffee sector after the rust crisis of 2012 through applied research and development	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	84,978	10.0	Texas Agrilife Research
Nicaragua	07/29/14	12/29/14	Letter of Agreement between VECO Mesoamérica (VECO MA) and IICA, for the Updating of the Protocol for Good Agricultural Practices (GAP) and the implementation of a workshop on traceability	Agricultural chains	Agricultural health and food safety	20,000	8.0	VECO Mesoamerica

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Panama	03/06/14	04/30/14	Contract No. CPN-14-02, between the Inter-American Development Bank (IDB) and IICA for consulting services related to the Assessment and Outlook for the Agricultural Sector	Agricultural chains	Public policies and institutional frameworks	15,000	8.0	Inter-American Development Bank
Panama	03/04/14	05/30/14	Letter of Agreement between the World Bank (WB) and the Inter-American Institute for Cooperation on Agriculture (IICA) for the organization of the "National Extension Forum of Panama"	Family agriculture	Agricultural health and food safety	10,000	11.1	World Bank
Barbados	07/22/14	11/30/14	Agreement No. 2014/15-06 between IICA and the Technical and Vocational Education and Training Council to develop the Youth Farm Training Programme to the IICA Youth Farm Summer Programme Course	Inclusion in agriculture	Capacity of skateholders in rural areas	22,067	8.7	Technical and Vocational Education and Training Council
Saint Lucia	01/29/14	01/29/15	CANROP Knowledge Platform: Supporting Women Entrepreneurs in agriculture in the Caribbean (CTA-2-1-23-300-3)	Inclusion in agriculture	Capacity of skateholders in rural areas	177,038	4.0	Technical Centre for Agricultural and Rural Cooperation - The Netherlands
Saint Lucia	05/07/14	05/07/15	Letter of agreement between the Food and Agriculture Organization of the United Nations (FAO) and IICA regional office for the OECS in St. Lucia for provision of Support clean-up and rehabilitation activities following the Christmas rain disaster in St. Lucia (Loa/01/2014 Code: OT.FLSTL.OTCP120014012.5575)	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	107,135	8.0	United Nations Food and Agriculture Organization
Dominican Republic	10/16/14	12/31/14	Regular contract OR-2014-1316 between the Ministry of Agriculture of the Dominican Republic and IICA for the training and strengthening of the territorial action groups (GAT-OLDET)	Inclusion in agriculture	Capacity of skateholders in rural areas	9,149	8.0	Ministry of Agriculture and Livestock of the Dominican Republic
Dominican Republic	08/20/14	08/20/15	Technical cooperation agreement between the Ministry of Agriculture of the Dominican Republic and IICA to implement projects with the surplus funds of the PRESAAC program (aquaculture, beekeeping, silvopastoral systems, chayote)	Resilience in agriculture	Technological, institutional and business innovation	530,575	8.0	Ministry of Agriculture and Livestock of the Dominican Republic
Dominican Republic	10/27/14	12/27/14	Contract for consulting services between the Ministry of Agriculture and IICA for the design of the strategic plan for the Azua and San Juan territories	Inclusion in agriculture	Public policies and institutional frameworks	22,727	8.0	Ministry of Agriculture and Livestock of the Dominican Republic
Dominican Republic	10/27/14	12/27/14	Contract for consulting services between the Ministry of Agriculture and IICA for the strengthening of the National Commission set up for the execution of Ecadert as part of the implementation of the national plan for rural area-based development (PNDRT)	Inclusion in agriculture	Capacity of skateholders in rural areas	22,727	8.0	Ministry of Agriculture and Livestock of the Dominican Republic
Saint Vincent and the Grenadines	03/11/14	10/31/14	Fixed Obligated Grant (FOG) 278.02.24.2014 between Pan American Development Foundation (PADF) and IICA for Natural Disaster Management	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	10,000	8.7	Pan American Development Foundation

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Saint Vincent and the Grenadines	05/07/14	03/30/15	Letter of agreement between the Food and Agriculture Organization of the United Nations (FAO) and IICA regional office for the OECS in St. Lucia for provision of Support clean-up and rehabilitation activities following the Christmas rain disaster in St. Vincent (Loa/01/2014 Code: OT.FLSTL.OTCP120014013.5575)	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	81,840	8.0	United Nations Food and Agriculture Organization
Ecuador	01/13/14	01/12/15	Technical Cooperation Agreement between the Decentralized Autonomous Government of the Municipality of Ambato (GADMA) and IICA to carry out the definitive Technical Studies that will permit the future construction of the Central de Transferencia Agroindustrial	Agricultural chains	Technological, institutional and business innovation	240,639	8.0	Decentralized Autonomous Government of the Municipality of Ambato
Ecuador	01/13/14	11/16/14	Agreement of Association involving a sub-consultancy/sub-contract between the Ecuador Branch of the Compañía Gas Natural FENOSA Engineering, S.L.U. and IICA, for the Promotion of Productive Uses of Electrical Power and Community Development	Inclusion in agriculture	Capacity of skateholders in rural areas	231,840	10.0	Ministry of Renewable Electricity and Energy Compañía Gas Natural FENOSA Engineering, S.L.U.
Ecuador	02/05/14	02/04/15	Technical Cooperation Agreement between the National Autonomous Institute for Agricultural Research (INIAP) and IICA	Agricultural chains	Technological, institutional and business innovation	69,200	8.0	National Autonomous Institute for Agricultural Research
Ecuador	03/25/14	09/24/14	Specific Technical Cooperation Agreement between IICA and the Empresa Pública Estratégica Hidroeléctrica Coca Codo Sinclair - COCASINCLAIR EP- for integrated natural resource management in the sub-watersheds of the Quijos and Salado rivers (upper reaches of the River Coca)	Resilience in agriculture	Integrated management of water and sustainable use of oil	118,537	8.0	Empresa Pública Estratégica Hidroeléctrica Coca Codo Sinclair
Ecuador	06/23/14	11/15/14	Specific Technical Cooperation Agreement between the Ministry of the Environment of Ecuador (MAE) and IICA, for Capacity Building in Biotechnology and Biosafety	Family agriculture	Public policies and institutional frameworks	100,000	8.0	Ministry of the Environment
Ecuador	08/27/14	08/26/15	Technical Cooperation Agreement between the Decentralized Autonomous Government of the Province of Esmeraldas and IICA for the "Strengthening of Livestock Production and Area-based Productive Inclusion"	Agricultural chains	Business and associative capability of skateholders in agricultural chains	50,652	8.0	Decentralized Autonomous Government of the Province of Esmeraldas
Peru	04/22/14	04/21/16	Letter of understanding between the International Center for Tropical Agriculture (CIAT) and IICA	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	90,854	11.0	International Center for Tropical Agriculture
Peru	07/09/14	01/08/15	IDB-IICA Contract "The Market and Production of Quinoa in the Andean Region" (RG-T2238)	Resilience in agriculture	Native species, promising crops and native genetic resources	70,000	10.0	Inter-American Development Bank

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Venezuela	04/22/14	10/21/14	Technical cooperation agreement between the National Foundation for Biotechnology Development -NADBIO - and IICA for implementation of the project, "Systematization of the Experience of the Comprehensive Dairy Development Program (PIDEL)"	Family agriculture	Capacity of skateholders in rural areas	31,574	8.0	National Foundation for Biotechnology Development
Venezuela	05/23/14	05/22/15	Technical cooperation agreement between Empresa Nestlé de Venezuela and IICA for implementation of the project, "Strengthening of local water management capabilities among women in communities in the Empresa Nestlé service area"	Resilience in agriculture	Capacity of skateholders in rural areas	338,600	8.0	Nestlé
Venezuela	09/18/14	03/17/15	Technical cooperation agreement between Empresa Nestlé de Venezuela and IICA for implementation of the project, "Program of Comprehensive Training for Dairy Producers"	Family agriculture	Agricultural health and food safety	53,053	8.0	Nestlé
Venezuela	07/04/14	07/04/16	Technical cooperation agreement between Empresa Nestlé de Venezuela and IICA for implementation of the project, "Capacity Building in Food Assurance and Safety Programs"	Family agriculture	Agricultural health and food safety	157,097	8.0	Nestlé
Argentina	02/10/14	12/31/16	Technical Cooperation Agreement between the Ministry of Agriculture, Livestock, and Fisheries and IICA, for implementation of the project "Comprehensive Assistance for Value Added in Agri-food Products" (PROCAL III)	Inclusion in agriculture	Capacity of skateholders in rural areas	6,184,208	6.0	Inter-American Development Bank Provincial Agricultural Services Program Ministry of Agriculture, Livestock, and Fisheries of Argentina
Argentina	02/10/14	12/31/16	Technical cooperation agreement between the Ministry of Agriculture, Livestock, and Fisheries and IICA for the inclusive and sustainable development of Argentina's agrifood and rural sector	Inclusion in agriculture	Capacity of skateholders in rural areas	3,205,128	6.0	Ministry of Agriculture, Livestock, and Fisheries of Argentina
Argentina	04/11/14	12/31/15	Technical cooperation agreement between IICA and General Department of Irrigation (DGI) of the Province of Mendoza, for implementation of the technical assistance to producers and institution building components of the project, Modernization of the Tertiary Network of the Lower Stretch of the River Mendoza-Fifth Zone, financed by the Inter-American Development Bank through the PROSAP	Resilience in agriculture	Integrated management of water and sustainable use of oil	1,563,942	8.0	Provincial Agricultural Services Program Provincial Agricultural Services Program General Department of Irrigation General Department of Irrigation
Argentina	06/04/14	12/04/14	Specific Technical Cooperation Project between the Unit for Rural Change (UCAR) and IICA for the Development of Graphic and Audiovisual Communication Pieces that contribute to the dissemination of the role of family agriculture in development and food security, enhancing the visibility of the productive environment of family farming and the UCAR's actions that have been designed to promote it	Inclusion in agriculture	Public policies and institutional frameworks	148,552	6.0	Unit for Rural Change

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Brasil	04/30/14	12/31/16	Executive program related to the basic agreement on privileges and immunities and institutional relations between IICA and the Federal Government of Brazil for implementation of the technical cooperation project (TCP), "Improve the Implementation of the Integrated Management of Water Resources and their Many Uses in Brazil"	Resilience in agriculture	Integrated management of water and sustainable use of oil	3,153,295	5.0	Brazilian Cooperation Agency Secretariat of Water Resources of the Ministry of the Environment
Brasil	05/15/14	05/14/18	Executive program related to the basic agreement on privileges and immunities and institutional relations between IICA and the Federal Government of Brazil to strengthen land governance instruments aimed at rural poverty reduction, social and productive inclusion, and environmentally sustainable economic development	Family agriculture	Capacity of skateholders in rural areas	18,932,923	5.0	Brazilian Cooperation Agency Ministry of Agricultural Development Ministry of Foreign Affairs
Chile	08/13/14	12/31/14	Contract for the Delivery of Services between the Under-secretariat of the Ministry of Agriculture and IICA –Bioinputs Policy	Family agriculture	Public policies and institutional frameworks	17,086	8.6	Under-secretariat of Agriculture of Chile
Paraguay	07/30/14	09/30/15	Letter of understanding between the National Animal Quality and Health Service (SENACSA) and IICA for implementation of the Project to Strengthen the Technical Capabilities of SENACSA	Agricultural chains	Agricultural health and food safety	58,022	8.0	National Animal Health Service
Paraguay	10/10/14	11/20/14	IICA-IDB Contract C0199-14	Agricultural chains	Agricultural health and food safety	16,027	8.6	Inter-American Development Bank National Plant and Seed Quality and Health Service
Uruguay	08/18/14	10/30/14	Agreement between the National Research and Innovation Agency (ANII) and IICA	Inclusion in agriculture	Capacity of skateholders in rural areas	8,000	8.0	National Research and Innovation Agency
Uruguay	07/17/14	07/17/17	Agreement between IICA/PROCISUR and IDB/FONTAGRO for implementation of the project, "Productive Linkages and Short Circuits: Innovations in Production and Marketing Methods for Family Agriculture"	Family agriculture	Business and associative capability of skateholders in agricultural chains	371,515	7.8	Inter-American Development Bank
Canada	02/21/14	03/31/14	Contract between IICA and Trade Facilitation Office Canada – Bureau de promotion du commerce Canada (TFO Canada)	Agricultural chains	Business and associative capability of skateholders in agricultural chains	14,408	10.0	Trade Facilitation Office Canada
Mexico	01/01/14	12/31/14	Operating Program for Technical-Administrative Support to Prevent the Entry and Spread of, or to Combat, Exotic Pests and Diseases in Mexico, under the general technical cooperation and project management agreement between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food, hereinafter "SAGARPA", through the decentralized administrative entity known as the National Service for Agrifood Health Safety and Quality, hereinafter "SENASICA," and IICA	Family agriculture	Agricultural health and food safety	11,772,593	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Mexico	01/01/14	12/31/14	Moscafrut Operating Program under the general technical cooperation and project management agreement between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food, hereinafter "SAGARPA" through the decentralized administrative entity known as the National Service for Agrifood Health Safety and Quality, hereinafter "SENASICA," and IICA	Family agriculture	Agricultural health and food safety	10,915,385	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico
Mexico	01/01/14	12/31/14	Moscamed Operating Program under the general technical cooperation and project management agreement between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food, hereinafter "SAGARPA" through the decentralized administrative entity known as the National Service for Agrifood Health Safety and Quality, hereinafter "SENASICA," and IICA	Family agriculture	Agricultural health and food safety	11,538,462	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico
Mexico	01/01/14	12/31/14	Operating program to Strengthen the Capacity to Diagnose and Deal with Sanitary Emergencies of the National Service for Agrifood Health, Safety, and Quality, under the general technical cooperation and project management agreement between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food, hereinafter "SAGARPA," through the decentralized administrative entity known as the National Service for Agrifood Health Safety and Quality, hereinafter "SENASICA," and IICA	Agricultural chains	Agricultural health and food safety	13,193,375	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico National Service for Agrifood Health, Safety and Quality
Mexico	12/16/13	04/30/14	Technical cooperation agreement between the State Plant Health Committee of Yucatán and IICA for Implementation of the Assessment of the Economic Impact of Huanglongbing on Mexico's Citrus Fruit Chain through 2012	Family agriculture	Agricultural health and food safety	180,288	8.0	State Plant Health Committee of Yucatán
Mexico	01/16/14	01/31/15	Research Agreement between Lallemand Inc, and IICA	Family agriculture	Agricultural health and food safety	14,185		Lallemand Inc.
Mexico	01/01/14	12/31/14	Operating program under the general technical cooperation and project management agreement between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food (SAGARPA) of Mexico, through the Agrifood and Fisheries Information Service (SIAP), and the Inter-American Institute for Cooperation on Agriculture (IICA), within the framework of the National System of Information for Sustainable Rural Development (SNIDRUS)	Family agriculture	Capacity of skateholders in rural areas	14,722,944	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico Agrifood and Fisheries Information Service
Mexico	04/29/14	04/29/16	Collaboration Agreement between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food (SAGARPA) of Mexico and IICA, related to the Capacity Building Program to Promote Rural Development in the Caribbean.	Inclusion in agriculture	Capacity of skateholders in rural areas	1,155,909	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Mexico	06/26/14	12/31/14	Operating Program for Technical Cooperation between the Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico (SAGARPA) and IICA for the Design of a Project for the Reform of the Countryside	Family agriculture	Public policies and institutional frameworks	250,225	8.0	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food of Mexico
Mexico	10/01/14	12/31/14	Technical cooperation agreement between the State Plant Health Committee of Chiapas and IICA for the Implementation of the Evaluation of the Activities of the Campaign to Combat HLB, 2013	Family agriculture	Agricultural health and food safety	1,859,999	8.0	State Plant Health Committee of Chiapas
Mexico	09/29/14	12/30/14	First Technical Annex to the Cooperation Agreement between the National Institute for Capacity Building in the Rural Sector A.C., hereinafter INCA RURAL, and IICA, for Training and the Conducting of Studies	Family agriculture	Capacity of skateholders in rural areas	999,999	8.0	National Institute for Capacity Building in the Rural Sector
Mexico	09/29/14	11/23/14	Second Technical Annex to the Cooperation Agreement between the National Institute for Capacity Building in the Rural Sector A.C., hereinafter INCA RURAL, and IICA, for Training and the Conducting of Studies	Family agriculture	Capacity of skateholders in rural areas	3,999,999	8.0	National Institute for Capacity Building in the Rural Sector
Mexico	09/29/14	12/30/14	Third Technical Annex to the Cooperation Agreement between the National Institute for Capacity Building in the Rural Sector A.C., hereinafter INCA RURAL, and IICA, for Training and Conducting of Studies	Family agriculture	Capacity of skateholders in rural areas	5,662,488	8.0	National Institute for Capacity Building in the Rural Sector
Mexico	12/17/14	12/31/15	Operating Program for Technical Cooperation between the National Institute for Forestry, Agricultural, and Livestock Research of Mexico and the Inter-American Institute for Cooperation on Agriculture	Family agriculture	Technological, institutional and business innovation	12,000,000	8.0	National Institute for Forestry, Agricultural and Livestock Research
Headquarters	12/20/13	12/19/14	Obligating work plan between the IICA and the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) Plant Protection and Quarantine (PPQ) for the Greater Caribbean Safeguarding Initiative (GCSI) for mutual collaboration to Strengthen Offshore Safeguarding Efforts in the Greater Caribbean (14-8100-1632A-CA)	Agricultural chains	Agricultural health and food safety	349,800	10.0	United States Department of Agriculture / Animal and Plant Health Inspection Service
Headquarters	03/10/14	12/31/14	Note received from Agriculture and Agri-Food Canada to support the participation of countries in Codex Alimentarius	Agricultural chains	Agricultural health and food safety	67,604	10.0	Minister of Agriculture and Agri-Food
Headquarters	04/01/14	03/31/15	Agreement # 59-3148-4-005 IICA/USDA-FAS/FSMA	Agricultural chains	Agricultural health and food safety	104,500	10.0	United States Department of Agriculture Foreign Agricultural Service
Headquarters	04/03/14	12/31/14	Carta DU PONT PIONEER for "Preparatory meeting on Cartagena protocol on Biosafety"	Resilience in agriculture	Agricultural health and food safety	11,493	8.7	Pioneer
Headquarters	08/01/14	12/31/14	IICA-USDA/FAS Agreement #58-3148-4-036 "Western Hemisphere MOP7 Activities"	Resilience in agriculture	Agricultural health and food safety	75,000	10.0	United States Department of Agriculture / Foreign Agricultural Service

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Headquarters	07/21/14	09/30/15	Agreement # 58-3148-4-033 IICA/USDA-FAS IICA Codex Outreach	Agricultural chains	Agricultural health and food safety	270,617	10.0	United States Department of Agriculture Foreign Agricultural Service
Headquarters	08/22/14	12/31/14	Letter of Agreement between the United Nations Food and Agriculture Organization (FAO) and IICA, for the delivery of the organization of IPPC regional workshops in 2014 – PO310909	Agricultural chains	Capacity for consensus and participation in international forums and other mechanisms	40,000	10.0	United Nations Food and Agriculture Organization
Headquarters	08/29/14	02/28/15	Letter of Understanding IICA and the Global Food Protection Institute, through its International Food Protection Training Institute (IFPTI) for the meeting "Food Safety Capacity Building in Latin America"	Agricultural chains	Capacity for consensus and participation in international forums and other mechanisms	53,295	10.0	Canada Fund for Local Initiatives International Food Protection Training Institute
Headquarters	07/08/14	08/15/14	Contract between Switzerland, represented by the Federal Department of Foreign Affairs (DFAE), acting through the Swiss Agency for Development and Cooperation C. 13 de Obrajés No. 455, La Paz, Bolivia, and IICA. Contract No. 041/PIC-OPD/2014	Resilience in agriculture	Native species, promising crops and native genetic resources	10,208	43.4	Swiss Agency for Development and Cooperation
Headquarters	09/01/14	12/31/15	Agreement # 59-3148-4-059 IICA/USDA-FAS/FSMA – Targeted Training to Build Capacity for Compliance with U.S. Food Export Requirement and Food Safety Modernization Act (FSMA) Components in Latin America and the Caribbean	Agricultural chains	Agricultural health and food safety	275,712	10.0	United States Department of Agriculture Foreign Agricultural Service
Headquarters	09/29/14	09/29/15	Statement of Work USDA-APHIS/IICA – Implementing a Pest List Seminar for Central American Agricultural Officials	Agricultural chains	Agricultural health and food safety	9,000	10.0	United States Department of Agriculture / Animal and Plant Health Inspection Service
Headquarters	09/29/14	09/29/15	Obligating work plan # 14-5000-2012-CA between the IICA and the United States Department of Agriculture (USDA) and the Animal and Plant Health Inspection Service (APHIS) International Services (IS) for Plant and Animal Health Capacity Building] – Plant and Animal Health Capacity Building	Agricultural chains	Agricultural health and food safety	338,452	10.0	United States Department of Agriculture / Animal and Plant Health Inspection Service
Uruguay	11/11/14	11/10/16	Technical cooperation agreement between the Ministry of Livestock, Agriculture, Fisheries, and IICA, for the Strengthening of the General Directorate of Rural Development	Family agriculture	Public policies and institutional frameworks	15,000	8.0	Ministry of Livestock, Agriculture and Fisheries
Paraguay	09/15/14	03/31/15	Contract for the Delivery of Professional Training Services between the Ministry of Agriculture and Livestock (MAG) and IICA	Agricultural chains	Public policies and institutional frameworks	12,506	8.0	Ministry of Agriculture and Livestock of Paraguay
Brasil	11/06/14	11/05/15	Letter of Agreement between The Food and Agriculture Organization of the United Nations (FAO) and the IICA	Resilience in agriculture	Adapting agriculture to climate change and mitigating its effects and integrated risk management	400,000	8.0	United Nations Food and Agriculture Organization
SUB-TOTAL						129,825,959	7.4	

Location	Begin date	End date	Name	Flagship Project	Contribution	Total USD	INR %	Counterpart Name
Headquarters	03/28/14	03/27/18	Agreement between the Inter-American Commission for Organic Agriculture (ICOA) and IICA to provide Technical and Administrative Cooperation for the Strengthening of Organic Agriculture in the Americas	Resilience in agriculture	Capacity for consensus and participation in international forums and other mechanisms	110,756	0.0	ICOA Member States
Colombia	05/02/14	05/01/17	Specific Technical Cooperation Agreement and Joint Operation in Colombia No. 001 of 2014 CIAT - IICA	Agricultural chains	Capacity for consensus and participation in international forums and other mechanisms	22,600	0.0	International Center for Tropical Agriculture
AGREEMENT TOTAL						129,959,315	7.4	

ANNEX II
INSTITUTIONAL NET RATE (INR)
RECOVERY OF PROPORTIONAL INDIRECT
COSTS (RePIC)

ANNEX 2

THE INSTITUTIONAL NET RATE (INR) RECOVERY OF PROPORTIONAL INDIRECT COSTS (RePIC)

A. INSTITUTIONAL NET RATE – INR

The Institutional Net Rate is the percentage that the Institute applies to the sum of the direct costs of externally funded projects, and reflects the proportion required to recoup the indirect costs generated by the cooperation instruments concerned.

Externally funded projects must cover all their direct costs as well as a proportional and fair share (a net neutral share) of the indirect costs.

Under this approach, INR resources do not constitute a “surplus” or “profit” for IICA, since they only represent the proportion of the indirect costs of externally funded projects that the Institute is entitled to recover.

The Executive Committee, by means of Resolution IICA/CE/Res. 556 (XXXII-O/12) of October 10, 2012, adopted at its Thirty-second Regular Meeting, decided to instruct the Director General, in determining the INR to be applied in agreements or contracts entered into by IICA for the implementation of externally funded projects and activities, to adopt the methodology and criteria defined in Document IICA/CE/Doc. 604 (12), “Study on the Recovery of Costs Incurred by the Administration of Externally Funded Projects,” for establishing the minimum INR applicable to projects and other externally funded cooperation activities, with due regard for the exceptions established in that document.

B. THE FINANCING OF IICA’S INDIRECT COSTS

According to a study conducted by an external consultant hired at the request of the governing bodies, IICA’s indirect costs had been equivalent to 8.1% of its direct costs. In order to recover the correct proportion, the INR needed to be increased to an average of 8.1% of the direct costs of externally funded projects.

INR income depends on the amount of external resources entrusted to IICA for execution and the INR percentage charged. The amount of external resources administered has fallen since 2008, the year in which the figure peaked. Following an upturn in 2011 and 2012, the figure was down again in 2013 and remained stable in 2014.

The INR as a percentage of the direct costs of externally funded projects rose from 5.3% in 2008 to 7.47% in 2014, following a change of strategy instituted by the administration in 2010.

INR resources have been used to cover the Institute’s indirect costs in the Offices in the countries and at Headquarters.

Despite rising personnel and operating costs, due to inflation and other variables, the Institute’s indirect costs have tended to decline, from USD 14.4 million in 2011 to USD 14.2 million in 2014, thanks to improvements in productivity and the measures adopted in light of the fall in external resources allocated to technical cooperation projects. External resources are down from an average

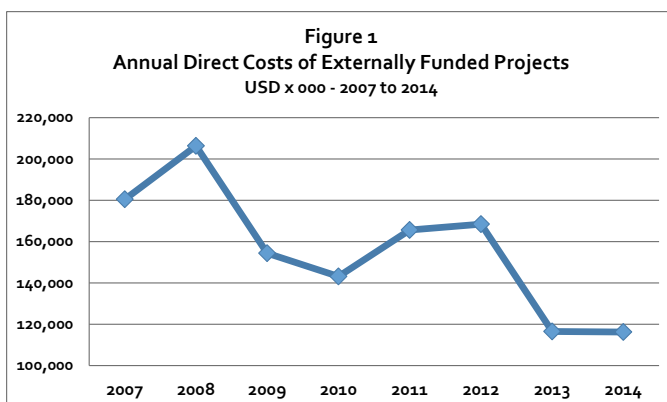
of USD 167 million per year in the period 2011-2012 to USD 116 million per year in the period 2013-2014.

Despite the fact that the rate charged to recoup the indirect costs incurred in administering external funds has improved, and costs have been reduced across the board by means of more efficient institutional management, the INR continues to be an unstable means of recovering costs due to the unpredictability of the amount of external resources executed by the Institute. Although an increasing amount of Regular Fund resources have been freed up by generating more INR resources through the rise in the average percentage charged, it has not resolved the issue of the loss of value of the Regular Fund.

C. INR INCOME

INR income depends basically on two variables: the amount of external resources entrusted to and executed by IICA, and the percentage of the INR charged.

External Resources

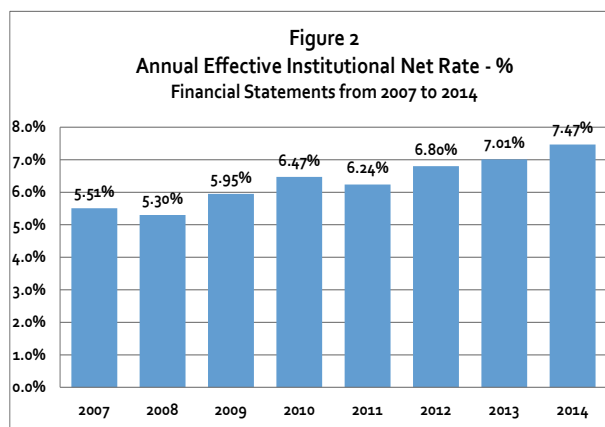


The amount of funds involved in the externally funded projects executed each year has varied sharply and significantly since the Member States and funding agencies altered their policies, as can be observed in **Figure 1**. The drop in the totals for 2009 and 2010 was due basically to the “Colombia effect” (the decision of that country’s Government to suspend implementation of the AIS project). In 2008, the Office in Colombia executed nearly USD 80 million in total, including the

AIS project, but the figure fell to USD 38 million in 2010 and USD 1.2 million in 2012. The reduction of external resources executed in 2013 is the result of the completion of projects in El Salvador (reduction of USD 33.6 million with respect to 2012) and less activity in Mexico due to the change of government (reduction of USD 24.5 million). The trend in 2014 was the same as in 2013, although there were significant variations among the countries. A drop in external resources in Honduras, El Salvador, Haiti, Ecuador, and Argentina contrasted with increases in Brazil, Paraguay, and especially, Mexico.

Institutional Net Rate

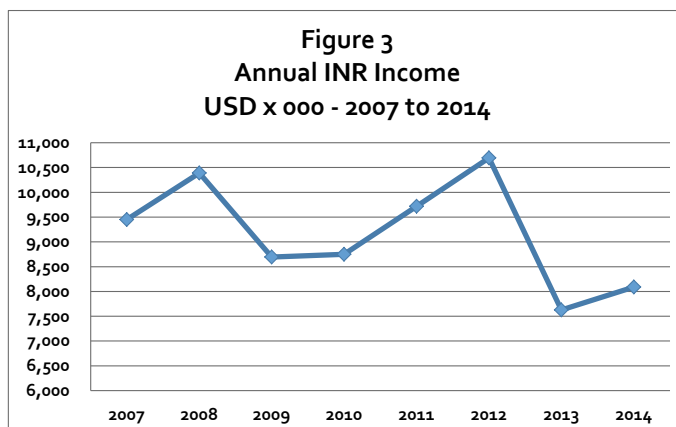
Following implementation of the policy established by the new administration in 2010, the average INR rose from 5.30% in 2008 to 7.47% in 2014 (see **Figure 2**). The combination of the two variables (the amount of external resources administered and the INR charged) led to an increase in the amount of indirect costs recouped in 2011 and 2012. Despite the higher rate charged, the amount of resources recouped



through the INR fell in 2013, due to the drop in external resources executed. In 2014, INR income increased thanks to the higher rate charged (up from 7.01% in 2013 to 7.41% in 2014), while the amount of external resources administered remained more or less the same (see **Figure 3**).

The General Directorate intends to continue the ongoing negotiations with the international funding agencies and countries whose internal policies or regulations establish lower percentages of indirect costs for the projects they finance than the figure charged by IICA.

The support of the Member States and the governing bodies is key to achieving progress in this area.



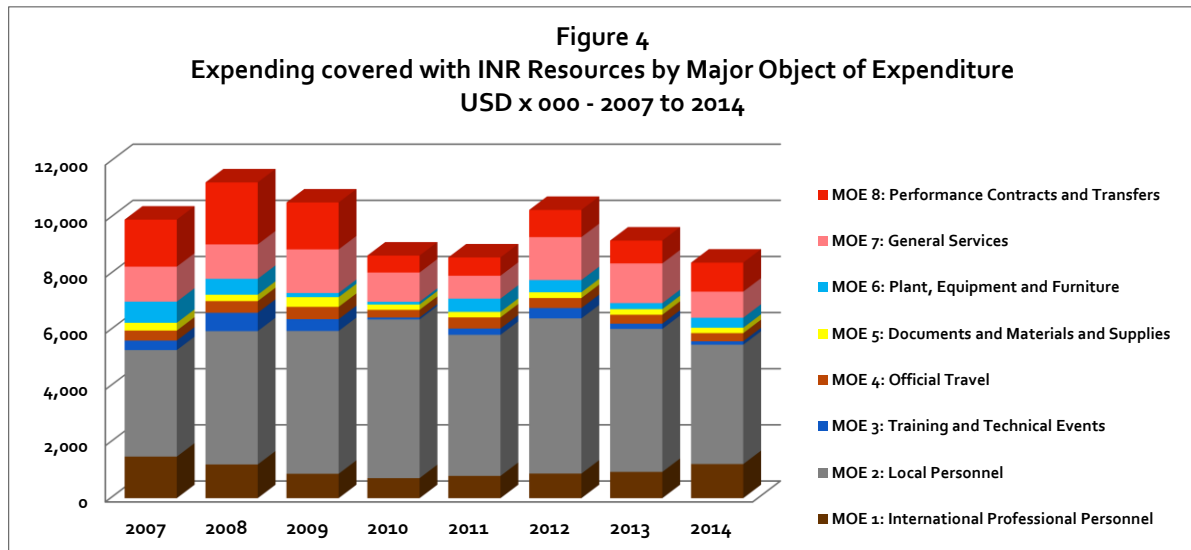
D. USE TO WHICH INR RESOURCES ARE PUT

According to the established policy, as INR income is received it is allocated to cover the indirect costs incurred in implementing externally funded projects. The main indirect costs are:

- The technical supervision provided by Specialists at Headquarters and in the Offices in the Member States.
- The administrative, support, advisory and supervisory services furnished by personnel at Headquarters and in the Offices, such as financial, accounting, human resources, programming, budgeting, auditing, external relations, and other services.
- The costs of operating, maintaining, and updating the physical and technological infrastructure and information systems, both at Headquarters and in the Offices in the Member States.
- The pre-investment costs required to ensure the mobilization of external resources, such as sessions for negotiating, reaching agreement on and coordinating IICA's services, the preparation of proposals, the establishment of partnerships, informational material, the preparation of legal and technical instruments, approval processes and preparations for the start-up of projects, temporary resources allocated for the implementation of projects, the strengthening of Offices with specialized personnel, etc.

Figure 4 shows the expenditures incurred from 2007 to 2014 by Major Object of Expenditure.

Total annual expenditure in 2010 and 2011 reflects the drop in external funds, while expenditure rose in 2012 due to increases in salaries and supplies to prevent further loss of institutional competitiveness, and to support the execution of external resources. Expenditure continued to fall in 2013 and 2014, due to the smaller amount of external funds executed, which had effects on indirect costs that were felt more strongly in 2014, given the almost fixed nature of those costs.



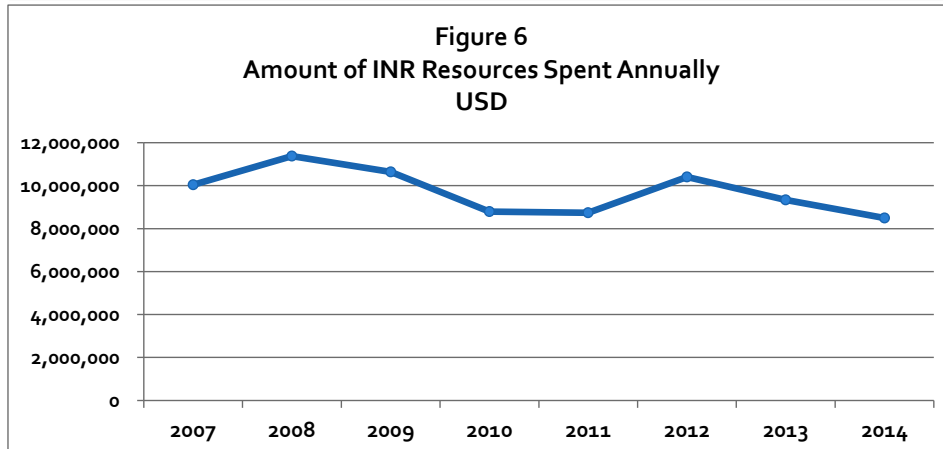
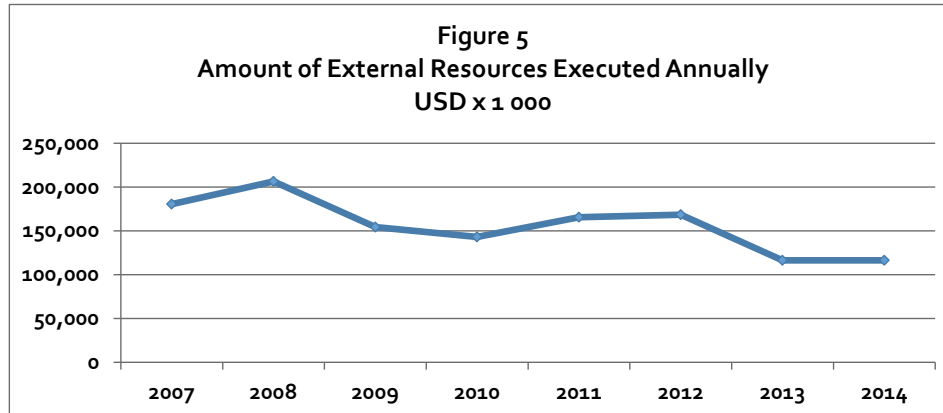
An analysis of expenditures covered with INR resources by Major Object of Expenditure (MOE) shows that:

- The main item financed with INR resources is local personnel (MOE 2). In 2014, it accounted for 50.1% of expenditure.
- Second in importance, accounting for 14.3% of expenses covered with INR resources in 2013, are International Professional Personnel costs. There are four IPP positions in units that constitute indirect costs covered with funds from this source, plus the cost of the housing subsidy of the Institute's international personnel.
- In third place, accounting for 12.2% of expenditure covered with INR resources in 2014, is Performance Contracts (MOE 8). The funds are used to cover the indirect costs of consulting services and technical supervision not available in house.
- Spending on General Services (MOE 7) is fourth in relative importance, as such services account for a high percentage of the Institute's indirect costs. In 2014, the figure was 11% of expenditures covered with INR resources. The breakdown of spending under this major object of expenditure, in descending order as a percentage of total costs, is as follows: repairs and maintenance of offices and equipment; office rental; public utilities; telecommunications; security, janitorial, and gardening services; fuel; parking and toll fees; correspondence and courier services; and repair of equipment, furniture, and vehicles. The unit costs of these items rose between 2007 and 2014 due to inflationary effects in USD and the need to halt the deterioration of the Institute's physical capabilities.
- The other major objects of expenditure accounted for a smaller percentage of spending in 2014: Purchase of Equipment and Furniture, 4.2%; Official Travel, 3.4%; Documents and Materials, and Supplies, 2.2%; Training and Technical Events, 1.4%; and Other Costs, 1.1%.

The trend in expenses covered with INR resources by cost center was as follows:

- There has been a proportional increase in INR resources used to finance the Institute's overall indirect costs at Headquarters and corporate items, which rose from 48.8% in 2011 to 69.7% in 2014. By contrast, the INR resources allocated to the country Offices fell from 51.2% in 2011 to 30.3% in 2014.

- The amount of INR resources available varies considerably.
- The amount of indirect costs financed with INR resources is closely related to the amount of external resources executed, as can be appreciated in **Figures 5 and 6**.



E. INR: RECOVERY OF INDIRECT COSTS

The Executive Committee resolution adopted in 2012 clearly established the concept of the INR as the percentage required to recoup the indirect costs of externally funded projects. In this regard, it is vital that the Institute’s counterparts and the organization itself understand the importance of recovering the costs incurred in administering external resources to ensure IICA’s financial balance. The Institute is then able to use the Regular Fund to finance its own technical cooperation instruments and cover the corresponding indirect costs; in no way does INR income constitute a profit or a surplus.

It has been observed that, while useful in the past, the term “Institutional Net Rate (INR)” does not adequately reflect the true meaning of the concept. It is felt that another term could be used to better convey the true meaning, purpose, and importance of the concept, such as the self-explanatory “Recovery of Proportional Indirect Costs” (**RePIC**).

ANNEX III
IICA CRITERIA AND MECHANISMS FOR
THE APPROVAL OF EXTERNALLY FUNDED
PROJECTS

ANNEX III

IICA CRITERIA AND MECHANISMS FOR THE APPROVAL OF EXTERNALLY FUNDED PROJECTS

Background

In its Resolution No. 593 (IICA/CE/Res. 593 (XXXIV-O/14)), the Executive Committee asked the Director General of IICA to submit a report for observations and suggestions by the SACMI on the criteria established by the General Directorate for evaluation and acceptance of externally funded technical cooperation projects, and to present said report for the consideration of the next meeting of the Executive Committee. The criteria were to closely link the projects to the strategic objectives and results established in the 2014-2018 Medium-Term Plan (MTP).

Introduction

The 2014-2018 MTP establishes the project-based approach as the linchpin for the Institute's work, inasmuch as it is used to: i) organize IICA's actions and activities, with a focus on results, ii) make the best possible use of its human and financial resources, iii) mobilize more efficiently the capabilities and financial resources of its partners and Member States, and iv) respond more efficiently to the needs of the countries, the region, and the hemisphere.

The Institute operates and promotes externally funded technical cooperation projects, applying the following criteria and using the following mechanisms for their approval.

General and Specific Criteria

General Criteria

Participation of the countries: It is very important for IICA to promote and support its member countries as an active partner through externally funded projects. Any Institute Member State may ask IICA to implement externally funded projects to strengthen its internal capabilities, obtain the benefits of the proposed results, and complement the other technical cooperation that IICA provides.

Strategic alignment: The 2014-2018 MTP establishes that all projects must be aligned with at least one flagship project and comply with the established strategic objectives, promoting one or more of the related contributions in order to generate value.

IICA's role: IICA participates in externally funded projects in various ways, ensuring that the obligations and tasks are clearly agreed.

The tasks that IICA performs under externally funded projects, be they national, multinational, regional or hemispheric, are:

- Comprehensive project management, assuming technical and administrative responsibility and, therefore, responsibility for achieving results;
- Delivery of specific technical cooperation, according to the terms of reference defined by the project, in which case the Institute can be in charge of providing technical cooperation totally or partially;

- Administrative management: IICA assumes responsibility for delivering efficient administrative, financial and accounting services for each project, ensuring that it has the necessary human, technological and material resources, in a timely manner and according to the project's requirements, as well as accounting and financial information for decision-making and accountability purposes, and ensures that expenditures are consistent with the project's objectives, results, outputs and activities; and,
- A combination of administrative management and the delivery of technical cooperation related to specific parts of projects or programs.

Under externally funded projects, IICA does not do the following:

- Assume functions that correspond to bodies or institutions of the Member States;
- Make decisions on the provision of subsidies, financing or any other types of contributions to producers, rural dwellers or direct beneficiaries of the projects;
- Provide cooperation in areas that are not within its areas of competence;
- Contract regular personnel for government institutions; or,
- Administer operational resources of public or private institutions not associated with technical cooperation projects.

Technical consistency: Every effort must be made to ensure that in the projects: i) the technical inputs are adequate and sufficient to achieve the proposed outputs and results; and ii) IICA's technical contributions are consistent with the guiding principles established in the MTP in the form of policies and standards.

Respect for the Member States' policies and priorities: Technical cooperation projects must be aligned with the IICA country strategy. IICA works in tandem with the Member States to determine the areas of action and priorities that should be established in technical cooperation projects.

Results-based management: Externally funded projects must be geared to the achievement of verifiable and measurable results.

Partnerships: IICA works with different member countries, partners and financial institutions or forges strategic partnerships that enable it to complement the contributions of the member countries, participating under different types of working arrangements, such as consortia for tendering and bidding processes, the sale of services, public calls for proposals, etc.

The sources of financing for technical cooperation projects are:

- Central, state (provincial, departmental), regional or municipal governments.
- Bilateral or multilateral cooperation agencies, research and financial organizations.
- Institutions of non-governmental sectors, such as producers' associations, non-governmental organizations (NGOs), associations, foundations, universities and research centers.
- The private sector, in any of its forms.

Financing: The funding source must guarantee payment of all the direct costs of the project. All externally funded projects must make provision for a budget that is sufficient to cover the cost of the activities planned (management, supervision, technical support services, monitoring, auditing and evaluation, requirements, reports and, in some cases, contingencies, in case it becomes necessary to strengthen the components during implementation of the project).

INR Policy: IICA applies the Institutional Net Rate (INR) based on the methodology and criteria defined in the study carried out for that purpose. The rate must be applied to all externally funded projects and cooperation activities, taking into account the criteria of competitiveness and proportionality and the net neutral approach in order to identify a rate that is fair and representative of the actual costs.

When changes are made to the terms originally agreed for a project, such as the timeframe, scope or amount of resources involved, IICA must negotiate additional direct and indirect costs.

External resources are used in accordance with the institutional criteria of rationality, austerity, discipline, transparency and accountability.

Specific Criteria

Thematic alignment with the flagship projects: The objectives of projects are linked to one or more of the areas of focus of the flagship projects, which are as follows:

- Competitiveness and sustainability of agricultural chains for food security and economic development
- Inclusion in agriculture and rural areas
- Resilience and comprehensive risk management in agriculture
- Productivity and sustainability of family agriculture for food security and the rural economy

Alignment with IICA's contributions: The project's expected results must contribute to one or more of the contributions defined in the 2014-2018 MTP:

- Strengthening of the capabilities of the Member States at the national, regional, multinational and hemispheric levels for establishing public policies and institutional frameworks designed to make agriculture more productive and competitive, improve management of rural territories, adapt to and mitigate the impact of climate change, and promote food and nutritional security.
- Implementation, through public and private institutions, of technological, institutional and business innovations aimed at boosting the productivity and competitiveness of agriculture and the production of basic foodstuffs of high nutritional quality.
- Increased capabilities of the public and private sectors to ensure agricultural health and food safety and thereby improve productivity, competitiveness and food security.
- Strengthening of the business and associative capabilities of the different stakeholders in agricultural production chains.
- Increased 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.
- Enhanced capabilities of different stakeholders of the agricultural chains and rural areas for the integrated management of water and sustainable use of soil for agriculture.
- Increased capacity of public and private institutions to promote and implement measures for climate change adaptation and mitigation in agriculture, and promote integrated risk management in agriculture.
- Improved efficacy and efficiency of food and nutritional security programs in the Member States.
- Producers and consumers benefiting from greater use of native species, promising crops and native genetic resources with food potential.

- Improved institutional capacity to reduce losses of food and raw materials throughout agricultural chains.
- Strengthening of 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.

Special Cases: According to the policy on the Institutional Net Rate (INR) approved by the governmental bodies, the Director General may lower, or, where appropriate, waive the payment of the INR. To that end, IICA subjects each case to a scrupulous analysis process conducted by the programming support groups (specialists from various technical and administrative areas of IICA) and by the Programming Committee (made up of the Directors of Technical Cooperation and of Management and Regional Integration, as well as the Secretary of Corporate Services).

Both decision-making bodies carry out the technical/financial and situational analysis in order to recommend any INR exceptions to the Director General. The following are some possible cases that would require a special analysis: i) mobilization of resources from the Member States in response to emergencies or natural disasters; ii) special, specific contributions from the Member States and from funding or cooperation agencies to shore up the Institute's core budget and support improvements to the institutional infrastructure; and iii) quotas that the Member States pay to fund cooperative or integration programs and projects, such as the PROCIs, or regional agricultural integration entities¹ like the regional agricultural councils. In other cases, the Director General may approve a special INR for a given project or funding source only when it is in the Institute's interest.

For those projects with situations beyond the control of IICA due to local laws, government policies or regulations of funding agencies or other cases, IICA will seek to minimize the impact of the differentials in INR through financial mechanisms to reduce INR assigned to the offices responsible; likewise, it will continue working to bring about changes in policy, rules or legal provisions in the countries or organizations where it is necessary, in order to permit the Institute to recover the appropriate INR.

Mechanisms for the analysis and approval of externally funded projects

The approval of externally funded projects entails a rigorous process of technical and administrative analysis and review by the Process Support Groups (GAPs) and/or the Programming Committee (PC), to ensure that, before the Director General approves them, projects comply with the institutional framework and its rules and policies.

Programming Committee

The Programming Committee was created with the goal of promoting and ensuring compliance with the institutional framework as well as institutional rules and policies, in order to improve the quality of the technical cooperation instruments the Institute has created and executed, and to expedite approval and decision-making processes at the management level.

The objective of the process of formulation and approval of legal instruments for technical cooperation is to allow the Programming Committee, based on its procedures, to analyze proposals for externally funded projects that are in their final versions, from their initial stage, through their

¹ CAC, ICOA, PROMECAFE, PROCITROPICOS, PROCISUR, COSAVE, CVP, PROCINORTE

negotiation, and on to the final recommendation for approval, modification, or cancelation. In this way, the committee ensures that the standards of quality and pertinence exist to justify making a recommendation to the Director General for a final decision with respect to three crucial aspects:

- i) Technical and innovation-related aspects, ensuring they are aligned thematically with the Institute's priorities and role as a technical cooperation organization specializing in the areas established in its Medium-term Plan.
- ii) Strategic-political issues, ensuring that the project/instrument complies with the technical cooperation priorities and helps strengthen the Member States' institutional capabilities, reducing the risks for IICA and respecting its privileges and immunities.
- iii) Economic-financial, operational and regulatory institutional matters, ensuring strict compliance with them.

Process Support Groups (GAPs)

The GAPs are working groups tasked with supporting the Offices and Units and/or advising them on the drafting of externally funded legal and technical cooperation instruments. The permanent members are representatives of the technical cooperation and human resources areas, depending on the subject to be addressed, as well as management and regional integration, legal advisory services, finance, programming and internal audit.

Application of the criteria for externally funded projects

Externally funded projects by nature are presented in accordance with the interests of the entity financing the technical cooperation. Projects are reviewed to determine their alignment with at least one of the flagship projects and with one or more of the contributions defined in the MTP. If an analysis of a project determines content, strategies and results are not consistent with the MTP, it may be declined.

In short, the processes for determining the viability of externally funded projects include assessment and analysis by technical and administrative specialists of the Institute in order to reduce risks and maintain the conditions required for projects to be successful and achieve the results set. Externally funded projects broaden the technical cooperation provided by the Institute, thereby strengthening and complementing its contributions to the member countries.

ANNEX IV
FINANCIAL STRENGTHENING

ANNEX IV FINANCIAL STRENGTHENING

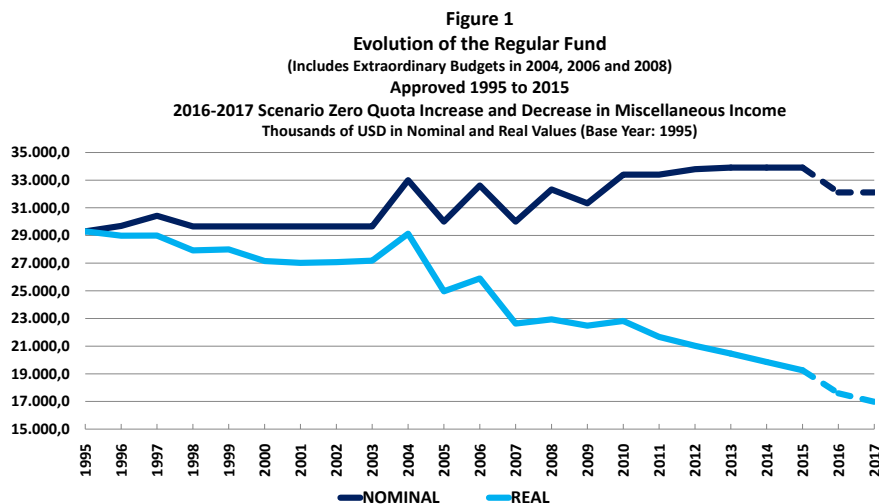
I. INTRODUCTION

The present document contains an analysis of scenarios for the financial strengthening of the Institute, based on the Executive Committee's decision adopted at its Thirty-fourth Regular Meeting and set forth in Resolution IICA/CE/Res. 593 (XXXIV-O/14) of May 22, 2014: "5. To ask the Director General, working with the SACMI, to draft options for the financial strengthening of the Institute and present them for consideration by the next Regular Meeting of the Executive Committee, with a view to submitting them to the next meeting of the IABA."

IICA's financial situation needs to be strengthened because in recent years miscellaneous income has fallen and is increasingly difficult to predict, and the U.S. dollar (USD), the official currency of IICA, has lost value due to inflation in the countries and variations in the exchange rates of other national currencies against it. These developments have not been offset by an increase in Member State quotas, frozen since 1995.

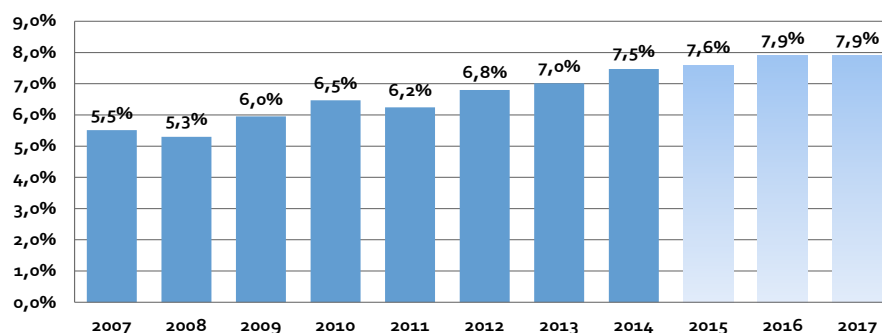
In recent years, many changes have occurred in the agricultural sector, and have created a challenging operating environment for IICA. The burgeoning demand for technical cooperation has also become more complex, obliging the Institute to respond more quickly and with increased capacity and the same or better standards of quality than in the recent past. In addition, IICA is required to address new topics 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 indicated in the 2014-2018 Medium-term Plan and manifested in the meetings of the Executive Committee (EC) and the Inter-American Board of Agriculture (IABA).

Figure 1 shows the evolution of the Regular Fund (quota resources and miscellaneous income) during the period 1995 to 2015, according to the Program Budgets approved by the IABA. The dotted lines show what will happen if the measures needed to strengthen IICA's finances are not taken. The figure shows clearly the sharp drop in the real value of resources, which has obliged the Institute to continually take steps to reduce personnel and operating costs.



Furthermore, the Regular Fund has had to assume a bigger proportion than it should of IICA's indirect costs, estimated to be 8.1% of its direct costs, as externally funded projects are still not contributing the required percentage due to restrictions imposed by some countries and international cooperation and funding agencies. Thanks to the Institute's efforts, the figure has been rising, from 5.5% in 2007 to 7.5% in 2014, easing the pressure on the Regular Fund. **Figure 2** shows the positive upward trend in the INR.

Figure 2
Annual Effective Institutional Net Rate - %
Financial Statements from 2007 to 2014 and Estimation for 2015 to 2017



IICA has implemented a rigorous plan of institutional reengineering designed to improve operations and soften the impact of price increases, harness its capabilities to the full, and achieve economies of scale. As a result, it is using its resources more efficiently and productivity has risen.

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

The above factors must be borne in mind if the 2014-2018 Medium-term Plan is to be implemented successfully (that plan is the frame of reference for the management of the Institute). The situation calls for an overall strengthening that cannot be based on the generation of miscellaneous income, which has been falling. Technical cooperation and institutional operations require financial certainty to ensure organizational stability and the robustness of the quality and continuity of the projects carried out at the national, regional, and hemispheric levels, clearly geared to results and with a steady increase in their value and in the positive return for the Member States.

According to the conclusions reached at the meetings of the governing bodies, the options for strengthening IICA's financial situation are as follows:

1. Achieve the goal of recovering an average of 8.1% of the indirect costs of externally funded projects. This calls for decisive support from the Member States to remove the obstacles that exist in some countries and international financial institutions.
2. Increase the quota budget of the Member States to offset the drop of USD 1.8 million in miscellaneous income beginning in 2016, and partially compensate for the fall in the real value of the Regular Fund, estimated to be 3.3% per year, in such a way as to be able to maintain at least current institutional operating levels.
3. Strengthen the Institute's technical capabilities to enable it to implement the mandates of the Medium-term Plan effectively through the various types of cooperation instruments

employed (flagship projects, rapid response actions and initiatives of the Competitive Fund for Technical Cooperation).

Two viable alternatives for the financial strengthening of the Institute are presented below.

II. OPTION A: MAINTAIN CAPABILITIES AT CURRENT LEVELS

To maintain its current operating level, the Institute will have to:

1. Assume the higher costs of international and local personnel, estimated to be a cumulative 5.5% for the biennium.
2. Partially cover increases in operating costs due to variations in prices in USD.
3. Offset the reduction of USD 1.8 million in miscellaneous income beginning in 2016.

Table A

2016-2017 Budget of the Regular Fund – Maintaining the Operating Capacity at 2015 Levels (USD)

Major Object of Expenditure	2015		2016		2017		VARIATIONS			
	USD X 1000	%	USD X 1000	%	USD X 1000	%	2016-2015		2017-2015	
							USD X 1000	%	USD X 1000	%
PERSONNEL COSTS	22.646,8	66,8%	23.366,8	66,7%	23.889,8	68,2%	720,0	3,2%	1.243,0	5,5%
OPERATING COSTS	11.263,2	33,2%	11.664,1	33,3%	11.141,1	31,8%	400,9	3,6%	-122,1	-1,1%
TOTAL	33.910,0	100,0%	35.030,9	100,0%	35.030,9	100,0%	1.120,9	3,3%	1.120,9	3,3%

This calls for the adoption of the following financial measures:

1. An increase of **10.5%** in income from the quota contributions of the Member States in 2016, to make it possible to increase the Regular Fund by 3.3% (see **Table 1** attached). This would offset the fall of USD 1.8 million in miscellaneous income and higher costs in USD caused by inflation.
2. A reduction in operating costs in 2017 to cover higher personnel costs without modifying the number of posts, to avoid subjecting the countries to a further increase in quotas.

Table B

OPTION: 10.5% INCREASE IN QUOTAS FOR THE BIENNIUM, NEW OAS SCALE, SAME AMOUNT OF OVER-QUOTAS, AND DECREASE IN MISCELLANEOUS INCOME DUE TO DEPLETION OF MISCELLANEOUS INCOME FUND							
BUDGET FOR INCOME FROM REGULAR FUND	2015	2016	2017	VARIATION			
				2016 - 2015		2017 - 2016	
				USD	%	USD	%
TOTAL QUOTAS	27.810.000	30.730.900	30.730.900	2.920.900	10,5%	0	0,0%
MISCELLANEOUS INCOME	6.100.000	4.300.000	4.300.000	-1.800.000	-29,5%	0	0,0%
TOTAL REGULAR FUND	33.910.000	35.030.900	35.030.900	1.120.900	3,3%	0	0,0%

If no measures were to be taken to maintain the budget of the Regular Fund at the operating level of 2015, there would be a deficit of USD 2.9 million, due to the drop of USD 1.8 million in miscellaneous income and

the effects of higher costs caused by inflation (USD 1.1 million). As a result, the following reductions would have to be made:

1. 8 international professional personnel positions financed with the Regular Fund (total savings of USD 1,131,400).
2. 9 local professional positions (total savings of USD 469,600)
3. 10 general services personnel posts (total savings of USD 205,800)
4. Operating costs of cooperation activities (total savings of USD 1,074,200)

The reductions in personnel would affect certain vacant positions, but it would mostly be a question of redundancies.

III. OPTION B: STRENGTHEN TECHNICAL CAPABILITIES

As well as making it possible to maintain the Institute's operating capacity, option B would afford IICA a means to strengthen the limited availability of the specialized professionals needed to address the core technical aspects of the flagship projects, and meet specific requests from the Member States in the form of rapid response actions.

This option would enable IICA to:

1. Cover the increases in the estimated costs and number of international and local personnel for the biennium (a cumulative 9.3%).
2. Cover its higher operating costs, caused by variations in prices in USD, and replace important inputs for technical cooperation, estimated to be a cumulative 2.5% for the biennium.
3. Offset the reduction of USD 1.8 million in miscellaneous income beginning in 2016.
4. Recover and boost its technical capabilities, strengthening the flagship projects by hiring international and local specialists for the areas of water, risk, and innovation, among others. The specific numbers would be:
 - o Four international specialists, costing USD 565,700.
 - o Five local specialists to strengthen the Offices in the Member States, costing USD 260,900.
 - o Two general services positions for support duties, costing USD 41,200 per year.
 - o Extras funds to cover the operating costs of the flagship projects and rapid response actions (USD 200,000 per year each).

Table C
2016-2017 Budget of the Regular Fund – Strengthening Technical Capabilities for the 2016-2017 Biennium (USD)

Major Object of Expenditure	2015		2016		2017		VARIATION 2016-2015		VARIATION 2017-2015	
	USD X 1000	%	USD X 1000	%	USD X 1000	%	USD X 1000	%	USD X 1000	%
	PERSONNEL COSTS	22.646,8	66,8%	24.234,5	66,8%	24.757,5	68,2%	720,0	3,2%	2.110,7
OPERATING COSTS	11.263,2	33,2%	12.071,4	33,2%	11.548,5	31,8%	400,9	3,6%	285,3	2,5%
TOTAL	33.910,0	100,0%	36.306,0	100,0%	36.306,0	100,0%	2.396,0	7,1%	2.396,0	7,1%

This calls for the adoption of the following financial measures:

1. A **15%** increase in the quota budget financed by the Member States in 2016, which would make it possible to increase the Regular Fund by 7% (see **Table 2** attached). This is due to the need to cover the USD 1.8 million reduction in miscellaneous income and higher costs in USD because of inflation, and to recover technical capabilities in order to strengthen the flagship projects and rapid response actions.
2. Reduce operating costs in 2017 to cover the higher personnel costs in that year, without modifying the number of posts, to avoid subjecting the countries to a further increase in quota contributions.

Table D

OPTION: 15% INCREASE IN QUOTAS FOR THE BIENNIUM, NEW OAS SCALE, SAME AMOUNT OF OVER-QUOTAS, AND DECREASE IN MISCELLANEOUS INCOME DUE TO DEPLETION OF MISCELLANEOUS INCOME FUND							
BUDGET FOR INCOME FROM REGULAR FUND	2015	2016	2017	VARIATIONS			
				2016 - 2015		2017 - 2016	
				USD	%	USD	%
TOTAL QUOTAS	27.810.000	31.991.300	31.991.300	4.181.300	15,0%	0	0,0%
MISCELLANEOUS INCOME	6.100.000	4.300.000	4.300.000	-1.800.000	-29,5%	0	0,0%
TOTAL REGULAR FUND	33.910.000	36.291.300	36.291.300	2.381.300	7,0%	0	0,0%

IV. CONCLUSIONS

Restoring the Institute's financial capacity to 2015 levels is a matter of urgency. The aim is not to recover the entire value of the Regular Fund but to halt the decline and strengthen the Fund by adopting measures related to austerity, efficiency, thematic concentration, and the incorporation of modern operating and communication practices.

IICA has lost a considerable amount of its technical and cooperation capabilities. These gradually need to be recovered by means of innovative partnerships with centers of excellence and strong support from the Member States, which could update their current quotas, contribute extra-quota resources, and earmark specific allocations for projects of mutual interest, and for specialized personnel.

As instructed by the Executive Committee, the General Directorate is presenting these options so that the SACMI can study them and make the pertinent recommendations.

V. LIST OF ATTACHED TABLES

Table No. 1 Option A: Quota Scale of the Member States, Extra-quota Contributions and Miscellaneous Income 2016-2017 (USD) – increase 10.5%

Table No. 2 Option B: Quota Scale of the Member States, Extra-quota Contributions and Miscellaneous Income 2016-2017 (USD) – increase 15%

Table No. 1

Quota Scales of Member States, Contributions of Over-quotas, and Miscellaneous income for 2016-2017 (USD)

OPTION A: 10.5% INCREASE IN QUOTAS FOR THE BIENNIUM, NEW OAS SCALE, SAME AMOUNT OF OVER-QUOTAS, AND DECREASE IN MISCELLANEOUS INCOME DUE TO DEPLETION OF MISCELLANEOUS INCOME FUND														
MEMBER STATES	2015	2015	2016				2017				VARIATIONS			
	IICA	OAS ¹	IICA				IICA				(2016) - (2015) USD	(2016) - (2015) %	(2017) - (2016) USD	(2017) - (2016) %
	TOTAL QUOTAS	%	%	ASSESSED QUOTA	OVER-QUOTA	TOTAL QUOTAS	%	ASSESSED QUOTA	OVER-QUOTA	TOTAL QUOTAS				
	USD			USD ³	USD ³	USD ³		USD ³	USD ³	USD ³				
Antigua and Barbuda	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Argentina	883.300	2,400	2,400	729.700	220.900	950.600	2,400	729.700	220.900	950.600	67.300	7,6%	0	0,0%
Bahamas	17.100	0,049	0,049	14.900	0	14.900	0,049	14.900	0	14.900	-2.200	-12,9%	0	0,0%
Barbados	12.400	0,034	0,034	10.300	0	10.300	0,034	10.300	0	10.300	-2.100	-16,9%	0	0,0%
Belize	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Bolivia	13.500	0,056	0,056	17.000	0	17.000	0,056	17.000	0	17.000	3.500	25,9%	0	0,0%
Brazil	2.734.600	12,427	12,427	3.778.200	0	3.778.200	12,427	3.778.200	0	3.778.200	1.043.600	38,2%	0	0,0%
Canada	3.293.300	10,583	10,583	3.217.600	0	3.217.600	10,583	3.217.600	0	3.217.600	-75.700	-2,3%	0	0,0%
Chile	327.100	1,347	1,347	409.500	0	409.500	1,347	409.500	0	409.500	82.400	25,2%	0	0,0%
Colombia	288.600	1,311	1,311	398.600	0	398.600	1,311	398.600	0	398.600	110.000	38,1%	0	0,0%
Costa Rica	60.800	0,230	0,230	69.900	0	69.900	0,230	69.900	0	69.900	9.100	15,0%	0	0,0%
Dominica	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Dominican Republic	70.700	0,317	0,317	96.400	0	96.400	0,317	96.400	0	96.400	25.700	36,4%	0	0,0%
Ecuador	71.000	0,322	0,322	97.900	0	97.900	0,322	97.900	0	97.900	26.900	37,9%	0	0,0%
El Salvador	34.400	0,086	0,086	26.100	3.000	29.100	0,086	26.100	3.000	29.100	-5.300	-15,4%	0	0,0%
Grenada	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Guatemala	51.400	0,145	0,145	44.100	5.200	49.300	0,145	44.100	5.200	49.300	-2.100	-4,1%	0	0,0%
Guyana	6.700	0,022	0,022	6.700	600	7.300	0,022	6.700	600	7.300	600	9,0%	0	0,0%
Haiti	9.400	0,026	0,026	7.900	0	7.900	0,026	7.900	0	7.900	-1.500	-16,0%	0	0,0%
Honduras	14.000	0,042	0,042	12.800	0	12.800	0,042	12.800	0	12.800	-1.200	-8,6%	0	0,0%
Jamaica	25.600	0,070	0,070	21.300	0	21.300	0,070	21.300	0	21.300	-4.300	-16,8%	0	0,0%
Mexico	2.495.300	6,788	6,788	2.063.800	217.300	2.281.100	6,788	2.063.800	217.300	2.281.100	-214.200	-8,6%	0	0,0%
Nicaragua	9.400	0,026	0,026	7.900	0	7.900	0,026	7.900	0	7.900	-1.500	-16,0%	0	0,0%
Panama	47.600	0,176	0,176	53.500	4.100	57.600	0,176	53.500	4.100	57.600	10.000	21,0%	0	0,0%
Paraguay	28.100	0,075	0,075	22.800	2.500	25.300	0,075	22.800	2.500	25.300	-2.800	-10,0%	0	0,0%
Peru	189.300	0,860	0,860	261.500	0	261.500	0,860	261.500	0	261.500	72.200	38,1%	0	0,0%
Saint Kitts and Nevis	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Saint Lucia	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Saint Vincent and the Grenadines	6.100	0,022	0,022	6.700	0	6.700	0,022	6.700	0	6.700	600	9,8%	0	0,0%
Suriname	9.400	0,026	0,026	7.900	0	7.900	0,026	7.900	0	7.900	-1.500	-16,0%	0	0,0%
Trinidad and Tobago	49.500	0,135	0,135	41.000	0	41.000	0,135	41.000	0	41.000	-8.500	-17,2%	0	0,0%
United States of America	16.359.400	59,470	59,470	18.080.900	0	18.080.900	59,470	18.080.900	0	18.080.900	1.721.500	10,5%	0	0,0%
Uruguay	64.100	0,247	0,247	75.100	5.200	80.300	0,247	75.100	5.200	80.300	16.200	25,3%	0	0,0%
Venezuela	601.300	2,144	2,144	651.900	0	651.900	2,144	651.900	0	651.900	50.600	8,4%	0	0,0%
SUB TOTAL	27.810.000	99,568	99,568	30.272.100	458.800	30.730.900	99,568	30.272.100	458.800	30.730.900	2.920.900	10,5%	0	0,0%
Cuba	158.200	0,431	0,431	131.000	0,000	131.000	0,431	131.000	0	131.000	-27.200	-17,2%	0	0,0%
TOTAL QUOTAS	27.968.200	99,999	99,999	30.403.100	458.800	30.861.900	99,999	30.403.100	458.800	30.861.900	2.893.700	10,3%	0	0,0%
MISCELLANEOUS INCOME	6.100.000					4.300.000				4.300.000	-1.800.000	-29,5%	0	0,0%
TOTAL REGULAR FUND	33.910.000					35.030.900				35.030.900	1.120.900	3,3%	0	0,0%

Table No. 2

Quota Scales of Member States, Contributions of Over-quotas, and Miscellaneous income for 2016-2017 (USD)

OPTION B: 15% INCREASE IN QUOTAS FOR THE BIENNIUM, NEW OAS SCALE, SAME AMOUNT OF OVER-QUOTAS, AND DECREASE IN MISCELLANEOUS INCOME DUE TO DEPLETION OF MISCELLANEOUS INCOME FUND														
MEMBER STATES	2015	2015	2016				2017				VARIATIONS			
	IICA	OAS ¹	IICA				IICA				(2016) - (2015) USD	(2016) - (2015) %	(2017) - (2016) USD	(2017) - (2016) %
	TOTAL QUOTAS	%	%	ASSESSED QUOTA	OVER-QUOTA	TOTAL QUOTAS	%	ASSESSED QUOTA	OVER-QUOTA	TOTAL QUOTAS				
	USD			USD ³	USD ³	USD ³		USD ³	USD ³	USD ³				
Antigua and Barbuda	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Argentina	883.300	2,400	2,400	760.100	220.900	981.000	2,400	760.100	220.900	981.000	97.700	11,1%	0	0,0%
Bahamas	17.100	0,049	0,049	15.500	0	15.500	0,049	15.500	0	15.500	-1.600	-9,4%	0	0,0%
Barbados	12.400	0,034	0,034	10.800	0	10.800	0,034	10.800	0	10.800	-1.600	-12,9%	0	0,0%
Belize	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Bolivia	13.500	0,056	0,056	17.700	0	17.700	0,056	17.700	0	17.700	4.200	31,1%	0	0,0%
Brazil	2.734.600	12,427	12,427	3.935.500	0	3.935.500	12,427	3.935.500	0	3.935.500	1.200.900	43,9%	0	0,0%
Canada	3.293.300	10,583	10,583	3.351.500	0	3.351.500	10,583	3.351.500	0	3.351.500	58.200	1,8%	0	0,0%
Chile	327.100	1,347	1,347	426.600	0	426.600	1,347	426.600	0	426.600	99.500	30,4%	0	0,0%
Colombia	288.600	1,311	1,311	415.200	0	415.200	1,311	415.200	0	415.200	126.600	43,9%	0	0,0%
Costa Rica	60.800	0,230	0,230	72.800	0	72.800	0,230	72.800	0	72.800	12.000	19,7%	0	0,0%
Dominica	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Dominican Republic	70.700	0,317	0,317	100.400	0	100.400	0,317	100.400	0	100.400	29.700	42,0%	0	0,0%
Ecuador	71.000	0,322	0,322	102.000	0	102.000	0,322	102.000	0	102.000	31.000	43,7%	0	0,0%
El Salvador	34.400	0,086	0,086	27.200	3.000	30.200	0,086	27.200	3.000	30.200	-4.200	-12,2%	0	0,0%
Grenada	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Guatemala	51.400	0,145	0,145	45.900	5.200	51.100	0,145	45.900	5.200	51.100	-300	-0,6%	0	0,0%
Guyana	6.700	0,022	0,022	7.000	600	7.600	0,022	7.000	600	7.600	900	13,4%	0	0,0%
Haiti	9.400	0,026	0,026	8.200	0	8.200	0,026	8.200	0	8.200	-1.200	-12,8%	0	0,0%
Honduras	14.000	0,042	0,042	13.300	0	13.300	0,042	13.300	0	13.300	-700	-5,0%	0	0,0%
Jamaica	25.600	0,070	0,070	22.200	0	22.200	0,070	22.200	0	22.200	-3.400	-13,3%	0	0,0%
Mexico	2.495.300	6,788	6,788	2.149.700	217.300	2.367.000	6,788	2.149.700	217.300	2.367.000	-128.300	-5,1%	0	0,0%
Nicaragua	9.400	0,026	0,026	8.200	0	8.200	0,026	8.200	0	8.200	-1.200	-12,8%	0	0,0%
Panama	47.600	0,176	0,176	55.700	4.100	59.800	0,176	55.700	4.100	59.800	12.200	25,6%	0	0,0%
Paraguay	28.100	0,075	0,075	23.800	2.500	26.300	0,075	23.800	2.500	26.300	-1.800	-6,4%	0	0,0%
Peru	189.300	0,860	0,860	272.400	0	272.400	0,860	272.400	0	272.400	83.100	43,9%	0	0,0%
Saint Kitts and Nevis	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Saint Lucia	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Saint Vincent and the Grenadines	6.100	0,022	0,022	7.000	0	7.000	0,022	7.000	0	7.000	900	14,8%	0	0,0%
Suriname	9.400	0,026	0,026	8.200	0	8.200	0,026	8.200	0	8.200	-1.200	-12,8%	0	0,0%
Trinidad and Tobago	49.500	0,135	0,135	42.800	0	42.800	0,135	42.800	0	42.800	-6.700	-13,5%	0	0,0%
United States of America	16.359.400	59,470	59,470	18.833.600	0	18.833.600	59,470	18.833.600	0	18.833.600	2.474.200	15,1%	0	0,0%
Uruguay	64.100	0,247	0,247	78.200	5.200	83.400	0,247	78.200	5.200	83.400	19.300	30,1%	0	0,0%
Venezuela	601.300	2,144	2,144	679.000	0	679.000	2,144	679.000	0	679.000	77.700	12,9%	0	0,0%
SUB TOTAL	27.810.000	99,568	99,568	31.532.500	458.800	31.991.300	99,568	31.532.500	458.800	31.991.300	4.181.300	15,0%	0	0,0%
Cuba	158.200	0,431	0,431	136.500	0	136.500	0,431	136.500	0	136.500	-21.700	-13,7%	0	0,0%
TOTAL QUOTAS	27.968.200	99,999	99,999	31.669.000	458.800	32.127.800	99,999	31.669.000	458.800	32.127.800	4.159.600	14,9%	0	0,0%
MISCELLANEOUS INCOME	6.100.000					4.300.000				4.300.000	-1.800.000	-29,5%	0	0,0%
TOTAL REGULAR FUND	33.910.000					36.291.300				36.291.300	2.381.300	7,0%	0	0,0%