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REPORT ON IICA-CATIE JOINT
CORPORATE ACTIVITIES



IICA SECRETARIAT OF
CORPORATE SERVICES



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Background:

The Program for Joint Action between the Inter-American Institute for Cooperation on Agriculture (IICA) and the Tropical Agriculture Research and Higher Education Center (CATIE) for the period 2011-2014 began with the signing of the General Bilateral Agreement for Inter-institutional Cooperation between IICA and CATIE on July 13, 2011. This instrument specified the conditions, individual responsibilities, costs and financing of the services that the institutions were to provide each other.

The agreement was signed pursuant to Clause 25 of Law No. 8028 of the Republic of Costa Rica, which states that:

IICA and CATIE have an obligation to collaborate with and support one another in order to maximize their respective resources and undertake special efforts to capture external resources of a financial or other nature, for the basic purpose of supporting the Member countries. All such cooperation actions shall be carried out under specific agreements and joint projects involving countries or regions.¹

Acting on this commitment, IICA's Secretariat of Corporate Services (SSC) and Legal Unit (UJ) worked together to achieve the signing, on August 7, 2013, of the first IICA-CATIE Letter of Understanding for Administrative Support with the Implementation of the Regional Climate Change Program, through the Center's National Technical Office (OTN) in El Salvador.

This was followed by the signing of a further two letters of understanding—one for the execution of the project, "Strengthening of Agriculture and Rural Development through Education for Leadership," and another for the coordination of "Administrative-Technical Support with the Implementation of CATIE Activities in El Salvador."

The SSC promotes the need to continue drafting and signing letters of understanding involving the offices of the two institutions in the countries, with a view to ensuring that the Center's

¹ Legislative Assembly of the Republic of Costa Rica. 2000. Ley No. 8028. Reforma Integral al Contrato Gobierno de C.R. y el IICA sobre constitución del CATIE (online). San Jose, SCIJ. Consulted on June 18, 2015. Available at http://196.40.56.11/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=44465&nValor3=46890&strTipM=TC

presence and operation are formalized in each Institute Member State where it needs to take advantage of IICA's legal status.

According to the coordination mechanisms established in the IICA-CATIE Program for Joint Action for the period 2011-2014, the coordination of matters relating to administration and corporate management between the two institutions is designed to facilitate and strengthen their technical collaboration, and responsibility for the work involved lies with the Institute's SSC and its counterpart at the Center. The respective heads of unit therefore meet periodically to provide follow-up to and underpin the administrative work.

To that end, IICA, through the SSC, proposes mechanisms and forms of work that make it possible to complement the capabilities and resources of the two institutions effectively, for which IICA-CATIE inter-institutional meetings are coordinated periodically. A wide range of issues have been discussed and addressed by multidisciplinary teams, yielding highly satisfactory results for the parties that include those described below.

Resolution of legal problems related to the sites occupied by CATIE

Towards the end of 2012, the Center drew IICA's attention to the critical legal situation it faced with respect to its farm, "Finca La Lola," for which a new cadastral map needed to be prepared and registered, and then used to resolve a legal dispute with a neighbor. Given the seriousness of the case, the Institute, in its capacity as a founding associate, supported CATIE by hiring criminal defense attorneys and a topographer to conduct the corresponding cadastral surveys.

A legal solution was achieved with the signing of a Private Agreement Declaring Right of Way for Private Ingress and Egress by IICA, CATIE and Mr. Jorge Cardona Montoya (the neighbor). The Center also withdrew the criminal lawsuit it had brought against Mr. Cardona for the alleged crime of usurpation and requested that the case be set aside. The topographer measured the property and drew a new plan that was authenticated and deposited with the National Public Registry of Costa Rica.

Based on the experts' recommendations, the Center improved aspects of the Finca La Lola such as the delineation and demarcation of boundaries, the placing of signs and the installation of gates. A fence was built and a road that had been public is now a road within the property. The infrastructure of the classrooms on the farm has also been improved to allow CATIE to make better use of them.

At the end of 2012, the Center also informed the Institute that it was having problems with the site it occupies in Turrialba. It was discovered that the cadastral plan of the property (which dates back to 1977) had never been registered, which meant that anyone could register a part of the property that the Costa Rican State had given to IICA in their own name and assume ownership of it unfairly.

As in the case of Finca La Lola, the Institute worked closely with CATIE to resolve the situation, hiring the topographer again and providing legal advice to ensure that the entire property was measured properly and new, up-to-date plans were drawn up. However, before registering the land with the National Public Registry, intensive work was undertaken to resolve other legal

problems, as it was discovered that some parts of the property had supposedly been sold a long time previously. It is still not clear how this occurred or who was responsible, so technical and legal action had to be taken.

Thanks to the successful handling of the topographical and legal work, copies of both new plans were deposited with the National Public Registry of Costa Rica. It should be noted that two plans (A and B) had to be prepared and registered, since the land in Turrialba is divided by a public thoroughfare.

Another satisfactory result associated with the land on which CATIE operates in Turrialba was the holding of an event on July 5, 2013 for the “Handover of the two ICE farms to IICA/CATIE.” This involved the Director of the “Transmission Lines Project in the Caribbean Region of the Costa Rican Electricity Institute (ICE)” handing over plans C-1360077-2009 (surface area of 231,370 square meters, Folio Real 16-0584-000), under the terms of a 90-year renewable lease and plans C-1360078-2009 (surface area of 200,000 square meters, Folio Real 219599-000), in the form of a symbolic sale to the Institute. The two farms border the land occupied by the Center, effectively placing a further 431,370 square meters at the disposal of the two institutions. During the ceremony, the legal representatives of IICA and CATIE received the cadastral and topographical documentation of the farms and formalized the handover.

Joint work on financial and administrative issues and matters related to human talent

According to Chapter VI of Law No. 8028, “Financial administration and control,” “The external auditors of IICA shall be the external auditors of CATIE.”² Therefore, the Institute’s SCS coordinates the actions required to hire auditing firms to scrutinize the financial statements of both institutions. Ernst & Young was hired for the 2012-2013 biennium and, following a process of negotiation, the company agreed to lower the annual cost of the external audit of the Center by USD 2800. IICA recently implemented the bidding process for the selection of the external auditors for the 2014-2015 biennium, and again invited CATIE to take part and make a presentation to the firms involved. Further savings were achieved and the institutions will be presenting the external auditors’ opinion of their financial situation to the governing bodies as required.

One important way in which the Institute has supported the Center financially is by transferring contributions in a timely manner, and providing the information and assistance required to reconcile the associated accounting balances and insurance payments. IICA also explained to the Center the methodology used to calculate the contributions. The table below shows that for the period 2010-2014 they totaled USD 4,832,963.

² Legislative Assembly of the Republic of Costa Rica. 2000. Ley No. 8028. Reforma Integral al Contrato Gobierno de C.R. y el IICA sobre constitución del CATIE (online). San Jose, SCIJ. Consulted on June 18, 2015. Available at http://196.40.56.11/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=44465&nValor3=46890&strTipM=TC

Period	Percentage Collected (Quotas Received/Quota Resolution Adopted by IABA)	Contribution to CATIE in USD
2010	100%	1,000,000
2011	97,63%	976,300
2012	98,86%	988,600
2013	100,00%	1,000,000
2014	86,81%	868,063

IICA has afforded CATIE legal and institutional assistance, designating Associate International Professional Personnel (IPP) in IICA Offices to implement projects under the Center’s responsibility. Furthermore, CATIE expressed interest in aligning its International Professional Personnel Rules (RPPI) with those of the Institute. Human talent professionals from the two institutions held several meetings to conduct an in-depth review of aspects of the rules related to members of the IPP and ensure that the changes made would not create conflicts between the regulations of the two institutions, bearing in mind that Clause 30 of Law No. 8028 states that “The financial and personnel rules shall be based on IICA’s rules and procedures. In the meantime, the regulations currently in effect shall apply.”³

With regard to insurance, the Institute provided the Center with all the information and training required to take maximum advantage of the benefits available. In the first quarter of 2013, for example, IICA staff visited CATIE to give advice and provide further information about the insurance cover for the Center’s staff and students. CATIE is also benefiting from the results of IICA’s negotiations with the insurance companies, which include improved health insurance cover (it was increased from 80% to 90% and, in some cases, to 100%).

The Institute has supported the operation of the Orton Commemorative Library at CATIE by financing the cost of staff salaries and equipment. This is in addition to the average 10% of their time that the staff at Headquarters devote to management, administration, and IT support, at an estimated annual cost of USD 42,000.

³ Legislative Assembly of the Republic of Costa Rica. 2000. Ley No. 8028. Reforma Integral al Contrato Gobierno de C.R. y el IICA sobre constitución del CATIE (online). San Jose, SCIJ. Consulted on June 18, 2015. Available at http://196.40.56.11/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=44465&nValor3=46890&strTipM=TC.

Period	Amount budgeted for salary payments in USD
2010	176,639
2011	178,927
2012	124,416
2013	137,466
2014	62,150
Total	679,598

The directors general of the two institutions received an official request from the Caja Costarricense de Seguro Social (CCSS) for CATIE to enter into an agreement with the CCSS to allow the facilities of the new Hospital Dr. William Allen in Turrialba to make use of the Center's source of potable water, granted to CATIE and the hospital by the Government of Costa Rica in resolution R-1052-2013 AGUAS-MINAE. The water in question is drawn from a source located in Bajo el Chino that flows into the River Turrialba.

IICA will discuss this process with the Center, in order to apprise itself of the technical and legal implications and the options available to ensure that CATIE has a reliable, adequate supply of drinking water in the future, bearing in mind that the hospital's needs are likely to grow.

In short, this report attests to the Institute's readiness to support and collaborate with CATIE, clearly reflected in the corporate actions and statistics described. Indeed, the provision of corporate services is only part of the story; IICA has sought to strengthen CATIE as a center for research, higher education, and extension, given the evident benefits for both institutions, which undoubtedly boost the contributions that the two organizations are required to make to their Member States.

The policy of the current Administration has been to work closely with the Center on a variety of fronts, from strategic, scientific-academic and technical cooperation efforts to regulatory, administrative, and financial matters. All this despite the complex financial situation in which the Institute has had to operate and with which it has had to contend, making major efforts to strengthen its collaborative work with CATIE.