



Thirty-sixth Regular Meeting of the Executive Committee

## **Status of the collection of quota contributions**

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## **I. INTRODUCTION**

The contributions of the Member States provide the funding for the cooperation programs that IICA carries out in each country to meet the needs and demands of the agricultural sector, and promote sustainable and competitive agriculture for the Americas.

The Convention on IICA establishes, in Article 23, that the Member States shall contribute to the financial support of IICA through annual quotas established by the Inter-American Board of Agriculture (IABA), in accordance with the system for calculating quotas of the Organization of American States (OAS).

In Resolution IICA/JIA/Res.493 (XVIII-O/15) “2016-2017 Program Budget” the Member States adopted the biennial budget with quota financing of USD30,064,900 per year, in accordance with the Member States’ quota scale and including 6.57% in order to recover the loss of the resources of the Miscellaneous Income Fund and USD873,800 as over-quota contributions pledged by the Member States.

The favorable response to the request for an increase in quotas in order to maintain the regular budget of the Institute, as well as the agreements on over quotas, contribute to IICA’s financial capacity to meet the costs of its institutional operations and technical cooperation. Another factor that has enabled the Institute to cope with the financial pressures it faces has been the application of a strategy based on strict discipline, austerity and transparency in the use of resources, which has been reflected in the delivery of more results in its technical cooperation services.

Furthermore, the Institute focuses institutional resources towards implementation of its 2014-2018 Medium-Term Plan (MTP), strengthening and increasing technical cooperation services and driving innovation, with the financial platform providing the cornerstone for those efforts in support of agriculture in member countries.

It is necessary that efforts continue to ensure that the Member States honor their quota commitments, in order to avoid fluctuations in financing and to provide the amount of funding agreed upon to enable the Institute to implement its MTP.

This document presents information regarding quotas at the close of 2015 and the collection of quotas in 2016, including the current situation of the Member States and status of outstanding quotas as of July 22<sup>nd</sup>, 2016. Also, attached for reference is Resolution IICA/JIA/Res.414 “Revised Measures for Collecting Quotas Owed to the Institute” which contains the definitions of the situation of Member States with regard to the payment of quotas, as well as the rights and privileges of IICA’s Member States in accordance with their payment status.

## II. COLLECTION OF MEMBER STATES' QUOTAS

For the year ended December 31, 2015, the Institute collected quotas in the amount of USD26.4 million, 94.80% of the annual quota budget.

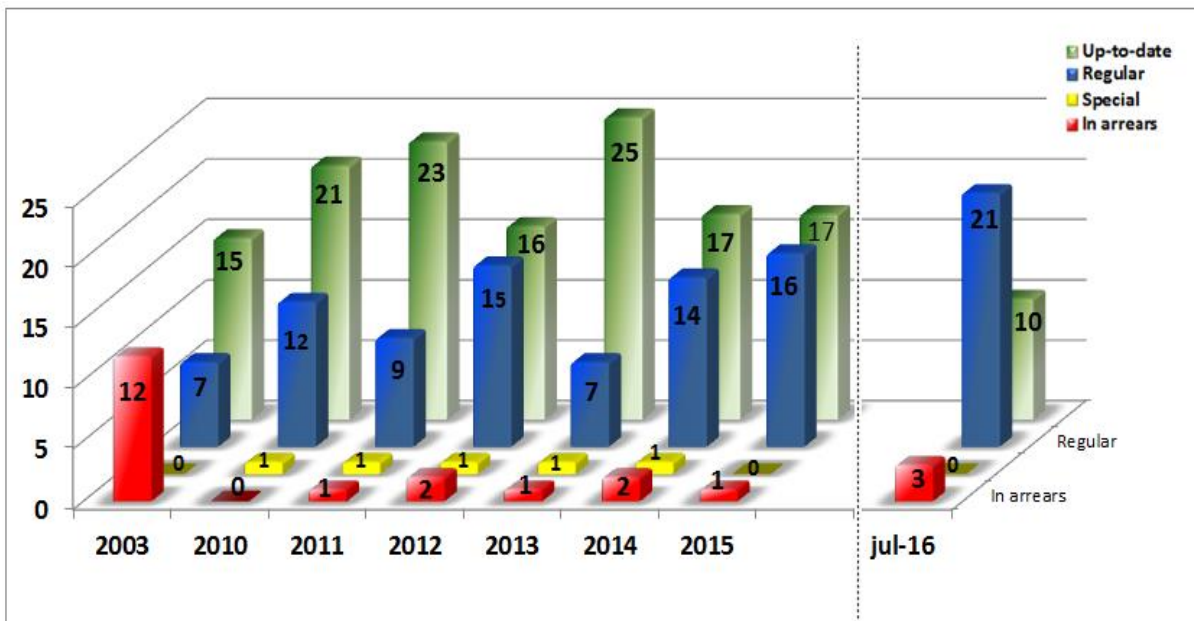
At the beginning of January 2015, the total amount of quotas pending collection was USD33.6 million, of which USD27.8 million were quotas corresponding to 2015 and USD5.8 million quotas owed from previous years.

During 2015 the Institute received quota contribution payments from twenty-seven Member States. At the end of the year, the total amount of quotas outstanding was USD7.3 million, an increase of USD1.4 million compared to year-end 2014.

As shown in the chart, seventeen Member States ended the year in “Up-to-date Status” with quotas paid in full and sixteen in “Regular Status” owing two years or less. One Member State ended the year 2015 in “In Arrears Status,” owing quotas for five years.

As of the date of this report, ten Member States are in “Up-to-date Status,” twenty-one are in “Regular Status” and three Member States are in “In arrears Status”.

### PROGRESS IN THE STATUS OF THE MEMBER STATES



### III. THE STATUS OF QUOTA COLLECTIONS IN 2016

As at January 1, 2016, the total amount of quotas pending collection was USD37.3 million, of which USD30.0 million were quotas for 2016 and USD7.3 million from previous years. As at July 22<sup>nd</sup>, 2016 the amount collected is USD13.6 million and the outstanding amount is USD23.7 million, as shown in the table below:

**INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE  
STATEMENT OF QUOTAS OF THE MEMBER STATES AS OF JULY 22, 2016**

COUNTRY	UNCOLLECTED BEGINNING BALANCE			COLLECTED	CURRENT BALANCE AMOUNT DUE
	DUE FROM PREVIOUS YEARS	QUOTA OF 2016	TOTAL DUE AT JANUARY 1ST, 2016		
ANTIGUA & BARBUDA	12,200	7,600	19,800	0	19,800
ARGENTINA	883,300	950,600	1,833,900	883,300	950,600
BAHAMAS	0	21,400	21,400	21,400	0
BARBADOS	0	15,500	15,500	15,500	0
BELIZE	0	7,600	7,600	0	7,600
BOLIVIA	13,500	17,000	30,500	13,500	17,000
BRAZIL	2,734,600	3,643,200	6,377,800	0	6,377,800
CANADA	0	3,102,600	3,102,600	3,102,600	0
COLOMBIA	288,600	384,400	673,000	0	673,000
COSTA RICA	21,998	69,900	91,898	5,345	86,554
CHILE	0	409,500	409,500	409,500	0
DOMINICA	0	7,600	7,600	7,600	0
ECUADOR	71,000	97,900	168,900	0	168,900
EL SALVADOR	68,800	37,700	106,500	68,800	37,700
UNITED STATES	0	17,435,300	17,435,300	8,717,650	8,717,650
GRENADA	6,100	7,600	13,700	0	13,700
GUATEMALA	0	56,300	56,300	34,667	21,633
GUYANA	0	8,200	8,200	8,200	0
HAITI	0	11,800	11,800	11,800	0
HONDURAS	50	15,500	15,550	13,300	2,250
JAMAICA	18,032	25,600	43,632	18,032	25,600
MEXICO	0	2,477,300	2,477,300	0	2,477,300
NICARAGUA	9,400	10,400	19,800	0	19,800
PANAMA	0	57,600	57,600	57,600	0
PARAGUAY	3,783	30,800	34,583	0	34,583
PERU	0	261,500	261,500	0	261,500
DOMINICAN REPUBLIC	141,400	96,400	237,800	202,672	35,128
SAINT KITTS & NEVIS	0	7,600	7,600	7,600	0
SAINT LUCIA	0	7,600	7,600	6,040	1,560
SAINT VINCENT & GRENADINES	6,100	7,600	13,700	0	13,700
SURINAME	18,800	11,800	30,600	0	30,600
TRINIDAD & TOBAGO	0	54,600	54,600	54,600	0
URUGUAY	0	80,300	80,300	0	80,300
VENEZUELA	2,971,879	628,600	3,600,479	0	3,600,479
<b>TOTAL</b>	<b>7,269,542</b>	<b>30,064,900</b>	<b>37,334,442</b>	<b>13,659,705</b>	<b>23,674,736</b>
<b>% COLLECTION / OUTSTANDING BALANCES</b>				<b>36.59%</b>	<b>63.41%</b>
<b>% COLLECTION / ANNUAL QUOTA</b>				<b>45.43%</b>	

*Financial Management Division*

#### IV. THE STATUS OF OUTSTANDING QUOTAS

The status of each country with regard to quota payments as at July 22<sup>nd</sup>, 2016 is shown in the table below:

**INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE  
STATEMENT OF UNCOLLECTED QUOTAS BY COUNTRY AND BY YEAR  
AS OF JULY 22, 2016**

COUNTRY	2011	2012	2013	2014	2015	2016	TOTAL
<b>UP-TO-DATE STATUS</b>							
BAHAMAS	0	0	0	0	0	0	0
BARBADOS	0	0	0	0	0	0	0
CANADA	0	0	0	0	0	0	0
CHILE	0	0	0	0	0	0	0
DOMINICA	0	0	0	0	0	0	0
GUYANA	0	0	0	0	0	0	0
HAITI	0	0	0	0	0	0	0
PANAMA	0	0	0	0	0	0	0
TRINIDAD & TOBAGO	0	0	0	0	0	0	0
SAINT KITTS AND NEVIS	0	0	0	0	0	0	0
<b>REGULAR STATUS</b>							
ARGENTINA	0	0	0	0	0	950,600	950,600
BELIZE	0	0	0	0	0	7,600	7,600
BOLIVIA	0	0	0	0	0	17,000	17,000
BRAZIL	0	0	0	0	2,734,600	3,643,200	6,377,800
COLOMBIA	0	0	0	0	288,600	384,400	673,000
COSTA RICA	0	0	0	0	16,654	69,900	86,554
DOMINICAN REPUBLIC	0	0	0	0	0	35,128	35,128
ECUADOR	0	0	0	0	71,000	97,900	168,900
EL SALVADOR	0	0	0	0	0	37,700	37,700
GUATEMALA	0	0	0	0	0	21,633	21,633
GRENADA	0	0	0	0	6,100	7,600	13,700
HONDURAS	0	0	0	0	0	2,250	2,250
JAMAICA	0	0	0	0	0	25,600	25,600
MEXICO	0	0	0	0	0	2,477,300	2,477,300
NICARAGUA	0	0	0	0	9,400	10,400	19,800
PARAGUAY	0	0	0	0	3,783	30,800	34,583
PERU	0	0	0	0	0	261,500	261,500
SAINT LUCIA	0	0	0	0	0	1,560	1,560
SAINT VINCENT & GRENADINES	0	0	0	0	6,100	7,600	13,700
UNITED STATES	0	0	0	0	0	8,717,650	8,717,650
URUGUAY	0	0	0	0	0	80,300	80,300
<b>IN ARREARS STATUS:</b>							
<b>COUNTRIES OWING 3 or MORE QUOTAS</b>							
ANTIGUA & BARBUDA	0	0	0	6,100	6,100	7,600	19,800
SURINAME	0	0	0	9,400	9,400	11,800	30,600
<b>COUNTRIES OWING 5 or MORE QUOTAS</b>							
VENEZUELA	566,679	601,300	601,300	601,300	601,300	628,600	3,600,479
<b>TOTAL</b>	<b>566,679</b>	<b>601,300</b>	<b>601,300</b>	<b>616,800</b>	<b>3,753,036</b>	<b>17,535,621</b>	<b>23,674,736</b>

**Note:** Resolution No. 414 establishes that quotas for the current year become past due if not paid by June 30 of the year, setting the period considered reasonable to make payment of annual quotas that fall due as of January 1 of the year.

Additionally, Resolution No. 414 establishes that during the current year, a Member State shall retain the status it had as of December 31 of the prior year, provided it makes a payment equal to the current year's quota by June 30 of the current year. Failure to make that payment by June 30 will result in an adjustment of status.

## V. ANNEX

IICA/JIA/Res. 414 (XIII-O/05)  
1 September 2005  
Original: English

### **RESOLUTION No. 414**

#### **REVISED MEASURES FOR COLLECTING QUOTAS OWED TO THE INSTITUTE**

The INTER-AMERICAN BOARD OF AGRICULTURE, at its Thirteenth Regular Meeting,

HAVING SEEN:

Resolution IICA/CE/Res.435 (XXV-O/05), adopted by the Executive Committee at its Twenty-fifth Regular Meeting, and document IICA/JIA/Doc.293 “Revised Measures for Collecting Quotas Owed to the Institute;”

CONSIDERING,

That in Resolution IICA/JIA/Res.392 (XII-0/03), the Inter-American Board of Agriculture (“IABA”) adopted “Measures for Collecting Quotas Owed to the Institute;”

That in Resolution IICA/CE/Res.417 (XXIV-O/04), the Executive Committee recommended that the IABA amend Resolution IICA/JIA/Res. 392 retroactive to January 1, 2004, to give the Director General the option of consulting first with the Executive Committee or the IABA for guidance prior to applying those measures in cases where, in the Director General’s judgment, “implementation of any or all of the measures put in place for collecting quotas owed the Institute would not be in the best interest of the Institute;”

That the Special Advisory Commission on Management Issues (SACMI), meeting in March 2005, recommended that the Director General, together with the Legal Advisor, prepare a proposal in the form of a draft resolution “that would clear up certain ambiguities” in Resolutions IICA/JIA/Res.392 and IICA/CE/Res.417 so as to facilitate application of those measures, consistent with Article 24 of the Convention on the Inter-American Institute for Cooperation on Agriculture and IICA’s other rules and regulations;

That the Executive Committee took note of the comments of the delegations regarding the proposal put forth and, in Resolution IICA/CE/Res.435 (XXV-O/05), recommended that the IABA derogate the appendix to Resolution IICA/JIA/Res.392, entitled “Measures for Collecting Quotas Owed to the Institute,” and replace it with the revised version appended hereto and bearing the same title,

RESOLVES:

To eliminate the appendix to Resolution IICA/JIA/Res.392, entitled “Measures for Collecting Quotas Owed to the Institute,” and replace it with the document entitled “Revised Measures for Collecting Quotas Owed to the Institute,” attached to this Resolution as Appendix I.

## APPENDIX I

### REVISED MEASURES FOR COLLECTING QUOTAS OWED THE INSTITUTE

#### I. DEFINITIONS

For the purposes of these measures, the following definitions shall apply:

- A. Up-to-Date status: A Member State is in “Up-to-Date Status” when it has paid all of its assessed Regular Fund quotas to IICA.
- B. Regular Status: A Member State is in “Regular Status” when it owes no more than two full years of assessed Regular Fund quotas to IICA.
- C. Special Status: A Member State is in “Special Status” when it owes more than two full years of assessed Regular Fund quotas to IICA, has agreed with the Director General to a payment plan for all its arrearages, and is in full compliance with that payment plan.
- D. In Arrears Status: A Member State is in “In Arrears Status” when it owes more than two years of assessed Regular Fund quotas to IICA and does not satisfy all the above-stated requirements for Special Status.
- E. Years in arrears: This is the number of years for which assessed Regular Fund quotas are owed as of July 1 of the current year, regardless of whether the Member State has entered into a payment plan and is in compliance with that schedule.

#### II. RULES FOR COMPUTING STATUS AND YEARS IN ARREARS FOR APPLICATION OF THESE MEASURES

- A. Article 86 of the Rules of Procedure of the General Directorate and Article 70 of the Rules of Procedure of the IABA provide that quotas are “due on the first day of each fiscal year.” Nonetheless, those Articles shall not apply for determining the status of a Member State under these measures.
- B. During the current year, a Member State shall retain the status it had as of December 31 of the prior year, provided it makes a payment equal to the current year’s quota by June 30 of the current year. Failure to make that payment by June 30 will result in an adjustment of status.
- C. By making additional payments during the current year, a Member State that is not already in Up-to-Date Status may improve its status at any time during that year.
- D. As provided under Article 84 of the Rules of Procedure of the General Directorate, quota payments received “shall be credited against the balance receivable pending from the earliest year for which the money is owed.”

#### III. RIGHTS AND PRIVILEGES OF IICA MEMBER STATES IN UP-TO-DATE STATUS

- A. The rights and privileges of IICA Membership for Member States in Up-to-Date Status include, among others, the following:
  - 1. The right to vote in the meetings of the Executive Committee and the Inter-American Board of Agriculture;
  - 2. The right to nominate candidates for the position of Director General;
  - 3. The right to have their nationals serve in the position of Director General;

4. The right to nominate candidates to serve on Committees and to serve in leadership positions on those Committees;
  5. The right to hiring preferences for their nationals;
  6. The right to an Office of the Institute in their territory, funded by IICA's Regular Fund;
  7. The right to serve on the Special Advisory Commission on Management Issues (SACMI);
  8. The right to receive an allocation from the IICA Regular Fund Budget for in-country projects.
  9. The privilege of hosting IICA meetings in their territory, funded in whole or in part by IICA's, Regular Fund Budget.<sup>1</sup>
  10. The privilege of receiving extraordinary appropriations from the Working Subfund of the Regular Fund, as approved by the Executive Committee in accordance with Article 90 of the Rules of Procedure of the General Directorate
- B. The exclusion of any right or privilege stated in Part A above does not preclude the existence of other rights and privileges IICA Member States may enjoy.

#### IV. RIGHTS AND PRIVILEGES OF MEMBER STATES IN REGULAR AND IN SPECIAL STATUS

- A. Member States in Regular Status shall enjoy all the rights and privileges of Up-to-Date status described in Part III(A) above, except for the privilege of receiving extraordinary appropriations from the Working Subfund of the Regular Fund, as approved by the Executive Committee in accordance with Article 90 of the Rules of Procedure of the General Directorate.
- B. Member States in Special Status shall enjoy all the rights and privileges of Up-to-Date status described in Part III(A) above, except for the privilege of receiving extraordinary appropriations from the Working Subfund of the Regular Fund, as approved by the Executive Committee in accordance with Article 90 of the Rules of Procedure of the General Directorate.

#### V. RIGHTS AND PRIVILEGES OF MEMBER STATES IN ARREARS

- A. Any Member State in In Arrears Status shall have its right to vote suspended unless it is determined, in accordance with Article 24 of the Convention on the Inter-American Institute for Cooperation on Agriculture, by the IABA or the Executive Committee, as the case may be, "that failure to pay is due to circumstances beyond the control of that State."
- B. Of the other rights and privileges enumerated in Part III(A) above, any Member State in arrears shall enjoy only the rights and privileges listed below, in accordance with the number of years in arrears:
  1. More than two full fiscal years in arrears, but less than three:
    - a. The right to nominate candidates for the position of Director General;
    - b. The right to have their nationals serve in the position of Director General;
    - c. The right to nominate candidates to serve on Committees and to serve in leadership positions on those Committees.
    - d. The right to hiring preferences for their nationals;
    - e. The right to an Office of the Institute in their territory, funded by IICA's Regular Fund; however, the amount authorized will be reduced by 10%;
    - f. The right to serve on the SACMI;
    - g. The right to receive an allocation from the IICA Regular Fund Budget for in-country projects.
  2. Three full fiscal years in arrears, but less than four:
    - a. The right to nominate candidates for the position of Director General;
    - b. The right to have their nationals serve in the position of Director General;

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<sup>1</sup> For purposes of applying this privilege, funding from the IICA Regular Fund does not include the funds used to pay for the salaries of the staff members who must attend those meetings, regardless of where they are held.



- c. The right to nominate candidates to serve on Committees and to serve in leadership positions on those Committees.
  - d. The right to hiring preferences for their nationals;
  - e. The right to an Office of the Institute in their territory, funded by IICA's Regular Fund; however, the amount authorized will be reduced by 20%;
  - f. The right to serve on the SACMI;
  - g. The right to receive an allocation from the IICA Regular Fund Budget for in-country projects.
3. Four full fiscal years in arrears, but less than five:
- a. The right to hiring preferences for their nationals;
  - b. The right to an Office of the Institute in their territory, funded in part by IICA's Regular Fund; however, the amount authorized will be reduced by 40%;
  - c. The right to serve on the SACMI;
  - d. The right to receive an allocation from the IICA Regular Fund Budget for in-country projects.
4. Five or more full fiscal years in arrears: None of the rights and privileges set out in Part III(A) above.

## VI. THE SUSPENSION OF THE RIGHT TO VOTE

- A. The decision as to whether to suspend the right to vote of a Member State with In Arrears Status lies exclusively with the IABA and the Executive Committee, as the case may be, under Article 24 of the Convention on the Inter-American Institute for Cooperation on Agriculture.
- B. Voting rights may be restored automatically when a State in In Arrears Status changes its status to Special Status, Regular Status, or Up-to-date Status. They may also be restored by either the Executive Committee or the IABA, upon the presentation of a petition by the interested State, as set out in Article 6.4 of the Regulations for Application of Article 24 of the Convention on the Inter-American Institute for Cooperation on Agriculture.

## VII. SUSPENDING THE ECONOMIC IMPACT OF IN ARREARS STATUS IN THE BEST INTEREST OF THE INSTITUTE<sup>2</sup>

- A. If the Director General determines that it is not in the best interest of the Institute to implement the reduced levels of funding for projects and Office support for any Member State in "In Arrears" status, he/she may first consult with the Executive Committee or the IABA before applying them and propose the suspension or modification of the reduction prescribed. The consultation shall be by correspondence if there is no meeting of the IABA or Executive Committee scheduled within ninety days of the date the State becomes subject to those reductions.
- B. The IABA or the Executive Committee, as the case may be, may consider the Director General's proposal for not applying the reduced levels and may approve the proposal or any other lesser reduction that it deems appropriate. If the IABA or the Executive Committee rejects the proposal and provides no other relief, or they fail to respond within thirty days to the consultation by correspondence, the Director General shall apply the reductions prescribed in these measures.
- C. In the event the Director General decides to make the consultation and a proposal as provided in this Section, the interested State shall be given due notice with sufficient time to explain its position to the other Member States before the Executive Committee or Board rules on the proposal.

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<sup>2</sup> This section of the measures is effective as of January 1, 2004. This section replaces the Executive Committee's recommendation in Annex B of Resolution IICA/CE/Res. 417.

- D. For purposes of this provision, “the best interests of the Institute” include the “purposes” established in Article 3 of the Convention on the Inter-American Institute for Cooperation on Agriculture and the programs and policies adopted by the Institute in pursuit of those purposes.

#### VIII. GUIDELINES FOR PAYMENT PLANS

- A. The Payment Plan shall be in writing and signed by the Director General and the duly authorized representative of the participating Member State.
- B. The Plan shall provide for the payment of the entire amount owed over a period of no more than forty-eight months.
- C. The Plan shall obligate the participating Member State to make a payment equal to at least the current year’s assessed quota within fifteen days of its signature and a payment for each subsequent year the Plan is in force of an amount at least equal to the quota assessed for each of those years.
- D. The Director General may negotiate and accept payment terms with Member States for the payment of amounts past due in national currency, real estate, or other valuable assets, ad referendum of the Executive Committee, and only upon a determination that:
  - 1. In the case of national currency or other valuable assets, the Institute shall not be financially prejudiced by the acceptance of said currency or assets; and
  - 2. In the case of real estate, the specific conditions under Article 4.20 of the Financial Rules “Accepting Donations of Interests in Real Property” have been satisfied and over a reasonable time, the Institute will earn income or generate savings from the occupancy, use, sale, or rental of the property in an amount equal to or greater than the corresponding arrearages.

#### IX. NOTICE OF STATUS PRIOR TO ELECTIONS AND MEETINGS

- A. When circulating to the Member States documents presented by a Member State nominating a candidate, the General Directorate shall indicate in the transmittal notice whether the status of the nominating Member State, and if different, the state of the nationality of the candidate, is Up-to-Date, Regular, Special, or In Arrears. It shall also indicate the number of years in arrears for the relevant States.
- B. The notice of Debtor States sent prior to meetings of the IABA and Executive Committee under Article 3.1 of the Regulations for Application of Article 24 of the Convention on the Inter-American Institute for Cooperation on Agriculture shall indicate, inter alia, the status of each Member State under these measures and the number of years, if any, that it is in arrears.