



# EXECUTIVE COMMITTEE

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Proposed 2006-2007 Special Budget  
Financed with Resources from the General Sub-fund

## I. Background

Since 1995, the quota contributions of the Member States have been frozen at a constant total of US \$27.2 million. This has restricted the Institute's activities, especially with regard to its capacity to:

- Meet the growing and varied demand for its cooperation services from the Member States.
- Invest in equipment, information systems, technological infrastructure and furnishings, on the one hand; and maintain its facilities and institutional equipment, on the other. The Inter-American Board of Agriculture has established a resource allocation policy that gives priority to direct technical cooperation actions at the national, regional and hemispheric levels. This has obliged IICA to put off much-needed improvements, purchases of equipment and information systems, and maintenance and remodeling work.

For the period 2004-2005, the Inter-American Board of Agriculture approved a Special Budget of US \$3.0 million for Trade and Agribusiness Development, Agricultural Health and Food Safety and the Modernization of the Institute. During 2005, IICA hopes to execute up to US \$1.0 million of that Special Budget. However, it needs to continue the actions in support of the Member States' participation in the WTO Committee on Sanitary and Phytosanitary Measures included in the 2004-2005 Special Budget; and the modernization of the Institute, specifically as regards financial information systems.

In light of this situation, the Director General is submitting to the consideration of the Inter-American Board of Agriculture a request for Special Expenditures to be financed with resources from the General Sub-fund. This Special Budget would be executed only if there is a cash surplus once all the expenses of the Regular Budget have been covered.

These resources from the General Sub-fund will be allocated exclusively to finance strategically important actions that are a priority for both the Institute and its Member States, related to specific aspects of agricultural health and food safety and institutional modernization.

## II. The Proposed Special Budget

The amount required to finance the technical cooperation actions, investments and maintenance and remodeling work is US \$2,609,000, as can be seen in **Table 1**.

**TABLE 1**  
**Summary of Resources Allocated in the Special Budget**  
**2006-2007**  
**(US\$)**

<b>ITEM</b>	<b>AMOUNT</b>
1. Development of Capabilities to Make Effective Use of the Agreement on Sanitary and Phytosanitary Measures (SPS) and its Committee	500,000
2. Investments	1,185,000
3. Remodeling and Maintenance Work in IICA-owned Offices and Others Held in Usufruct	924,000
<b>Total Special Budget</b>	<b>2,609,000</b>

The following is a description of the actions and activities to be financed with the Special Budget.

### 1. Development of Capabilities to Make Effective Use of the Agreement on Sanitary and Phytosanitary Measures (SPS) and its Committee.

Based on the evaluation carried out in 2003, the Agricultural Health and Food Safety Program has defined three types of actions, consistent with the Strategic Lines of Action established in the 2002-2006 Medium Term Plan: i) Type A actions, consisting of long-term priority activities agreed with the Member States each year and implemented entirely with quota resources; ii) Type B actions, which include short priority activities executed in all the countries. The resources used are specific for each activity and come from special allocations from the countries or external resources; and, iii) Type C actions, short activities carried out in selected countries with external resources.

This special budget will be used to finance a Type B activity, entitled *Increase in the Effective Participation of the Member States in the WTO Committee on Sanitary and Phytosanitary Measures and the Effective Implementation of the SPS Agreement*. Ten years after the agreement entered into force, many countries still have not fulfilled their obligations under it, nor have they received the benefits offered by its effective implementation.

This activity is a continuation of the initiative implemented by USDA and IICA between 2002 and 2004, designed to develop capabilities for making effective use of the Agreement on Sanitary and Phytosanitary Measures (SPS) and the SPS Committee. The initiative enabled Latin American and Caribbean countries to take part in several meetings of the SPS Committee. The countries also attended training workshops, where they shared experiences with other members and organizations.

The expected results of this initiative are as follows:

- i) Strengthening of an SPS committee, by means of coordination among the ministries involved and adequate synchronization with the private sector.
- ii) Development and implementation of national SPS agendas.
- iii) Better coordination between the National Committees and their respective missions in Geneva.
- iv) Assistance and effective participation in SPS Committee meetings.
- v) Development of institutional capabilities, so that the countries fully understand the SPS Agreement and can take advantage of it.

The budget for the Agricultural Health and Food Safety activities, by Major Object of Expenditure, is detailed in the following table:

Major Object of Expenditure	US\$
2: Local Professional and General Services Personnel	60,000
3: Training and Scholarships	360,000
4: Travel	35,000
5: Publications and Materials and Inputs	10,000
6: Acquisition of Facilities, Books, Equipment and Furniture	10,000
7: General Services	15,000
8: Performance Contracts	10,000
<b>Total</b>	<b>500,000</b>

These resources would be executed over the course of the biennium, provided cash is available once the Regular Budget has been financed.

## 2. Proposed Investments for the 2006-2007 biennium

The Institute intends to make the following investments to modernize the technological and communications infrastructure; to continue to implement financial information systems; to purchase electricity generating equipment; and to modernize the equipment used for meetings and conferences. In each case, the priority of the investment is indicated, with a view to executing the budget in stages, as and when cash is available.

### Investments

Item	Priority	Estimated Cost (US\$)
<b>A. Technological and Communications Infrastructure</b>		<b>350,000</b>
▪ Increase in Internet band width at Headquarters and in the Offices in the Member States	I	90,000
▪ Purchase of platform required		
Applications server	I	25,000
Database server	I	25,000
Information backup server	I	15,000
▪ “Collaborative” system of communication and internal work among officials	II	35,000
▪ Incorporation of new IICA Offices into the Virtual Private Network	II	140,000
▪ Technical training (Informatics team)	II	10,000
▪ Training for end users of the system acquired	II	10,000
<b>B. Financial Information Systems</b>		<b>500,000</b>
▪ Second phase of implementation of a computerized information program that includes accounting and financial topics and operates on line and in real time in the Institute’s 34 Member States	I	500,000
<b>C. Electricity Generating Equipment</b>		<b>135,000</b>
▪ Purchase and installation of a diesel generator, 500 kVa (prime), three-phase, 480V/277V, muffler with automatic transfer switch, for Headquarters and the Office in Costa Rica	I	70,000
▪ Purchase and installation of a diesel generator, 150 kVa, with muffler and automatic transfer switch, for the Office in Haiti	II	30,000
▪ Purchase of electrical accumulators for the Office in Dominican Republic	II	5,000
▪ Purchase and installation of an electrical generator, 150 kVa, with muffler and automatic transfer switch, for the Office in Bolivia	II	30,000
<b>D. Audiovisual Equipment for Meetings and Conferences</b>		<b>200,000</b>
▪ Multimedia equipment for meetings and conferences at Headquarters	I	100,000
▪ Complementary equipment for communications and simultaneous translation for Headquarters	II	100,000
<b>Total Investments</b>		<b>1,185,000</b>

### 3. Spending on Maintenance and Remodeling Work

The Institute intends to carry out the following maintenance and remodeling activities at IICA-owned offices and others held in usufruct. In each case, the priority of the investment is indicated, with a view to executing the budget in stages, as and when cash is available.

#### Remodeling and Maintenance Work

Item	Priority	Estimated Cost (US\$)
<b>A. New Electrical Wiring and Structured Cabling at Headquarters</b>		<b>570,000</b>
▪ Replacement of sub-panels, feeders and transformers	I	60,000
▪ Purchase and installation of conduits, sockets, electrical wiring, lamps, lighting, etc.	I	260,000
▪ New electrical system in the area of the print shop	II	80,000
▪ New structured cabling	II	130,000
▪ New ceiling in 30% of the constructed area	II	40,000
<b>B. Remodeling of the Office in Bolivia (IICA-owned)</b>		<b>29,000</b>
▪ Internal walls	I	23,000
▪ Heating system	II	6,000
<b>C. Remodeling and Maintenance Work in the Office in El Salvador (held in usufruct)</b>		<b>50,000</b>
▪ Repairs to ceiling	I	15,000
▪ Repairs to floors	II	25,000
▪ Repairs to walkways and façade	II	10,000
<b>D. Remodeling of new offices in Guatemala (held in usufruct)</b>		<b>30,000</b>
▪ Internal walls, repairs to windows and doors, modular work stations and repairs to floors and ceilings	I	23,000
▪ Repairs to the electrical system and computer network	I	7,000
<b>E. Maintenance of Premises of the Office in Colombia (held in usufruct)</b>		<b>50,000</b>
a. Maintenance of facilities	II	50,000
<b>F. Remodeling and Maintenance Work in the Office in Bahamas (held in usufruct)</b>		<b>10,000</b>
▪ Repairs to electrical wiring and air conditioning	I	1,700
▪ Paint	I	2,500
▪ Remodeling of offices	II	5,800
<b>G. Remodeling of the Office in Barbados (held in usufruct)</b>		<b>20,000</b>
▪ Construction of cubicles and meeting room	II	20,000
<b>H. Maintenance Work in the Office in Grenada (held in usufruct)</b>		<b>20,000</b>
▪ Repairs to walls, ceilings and doors	I	20,000
<b>I. Repairs and Maintenance Work in the Office in Guyana (held in usufruct)</b>		<b>20,000</b>
▪ Repairs to doors, windows and ceiling	II	18,000
▪ Maintenance of boundary wall	I	2,000
<b>J. Repairs and Maintenance Work in the Office in Jamaica (held in usufruct)</b>		<b>25,000</b>
▪ Repairs and maintenance of roof and boundary wall	I	20,000
▪ Refurbishing and remodeling of meeting rooms	II	5,000

### Remodeling and Maintenance Work

Item	Priority	Estimated Cost (US\$)
<b>K. Maintenance Work in the Office in Saint Lucia (held in usufruct)</b>		<b>20,000</b>
▪ Maintenance of walls and facilities	II	20,000
<b>L. Maintenance Work in the Office in Dominica (held in usufruct)</b>		<b>20,000</b>
▪ Maintenance of walls and facilities	I	20,000
<b>M. Maintenance Work in the Office in Antigua and Barbuda (held in usufruct)</b>		<b>20,000</b>
▪ Maintenance of walls and facilities	I	20,000
<b>N. Maintenance Work in the Office in St. Kitts and Nevis (held in usufruct)</b>		<b>20,000</b>
▪ Maintenance of walls and facilities	I	20,000
<b>O. Maintenance Work in the Office in Suriname (held in usufruct)</b>		<b>20,000</b>
▪ Maintenance of walls and facilities	I	20,000
<b>Total Remodeling and Maintenance Work</b>		<b>924,000</b>