



Thirty-eighth Regular Meeting of the Executive Committee

Status of the collection of quota contributions

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I. INTRODUCTION

The contributions from the Member States are used to fund the cooperation programs that the Inter-American Institute for Cooperation on Agriculture (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, in Article 23, specifies that the Member States shall contribute to the financial support of IICA by means of 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. This amount included the first increase in the quota budget since 1995, aimed at recovering the loss of resources from the Miscellaneous Income Fund, and USD873,800 in over-quota contributions pledged by the Member States.

In Resolution IICA/JIA/Res. 511 (XIX-O/17) “2018-2019 Program Budget,” the Member States adopted the biennial budget with quota financing of USD29,574,100 per year, in accordance with the Member States’ quota scale. This sum included USD386,500 in over-quota contributions pledged by the Member States. For fiscal year 2019, the assessed quotas will be those computed in accordance with the percentages established in the quota scale approved by the General Assembly of the OAS for that year.

The Institute will initiate implementation of the 2018-2022 Medium-term Plan (MTP) and focus institutional resources on strengthening technical cooperation services. The financial platform provides the cornerstone for those efforts in support of agriculture in the member countries.

The Institute’s regular budget financed with quotas, as well as the agreements on over-quotas, have given IICA the financial capacity needed to fund its internal operations and provide technical cooperation. The continued efforts of the Member States in the timely fulfillment of their quota commitments are necessary in order to prevent fluctuations in financing and 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 2017 and the collection of quotas in 2018, including the current situation of the Member States and the status of outstanding quotas as at June 15, 2018. Attached for reference is Resolution IICA/JIA/Res. 414 (XVIII-O/15) “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 based on their payment status.

II. COLLECTION OF MEMBER STATES' QUOTAS

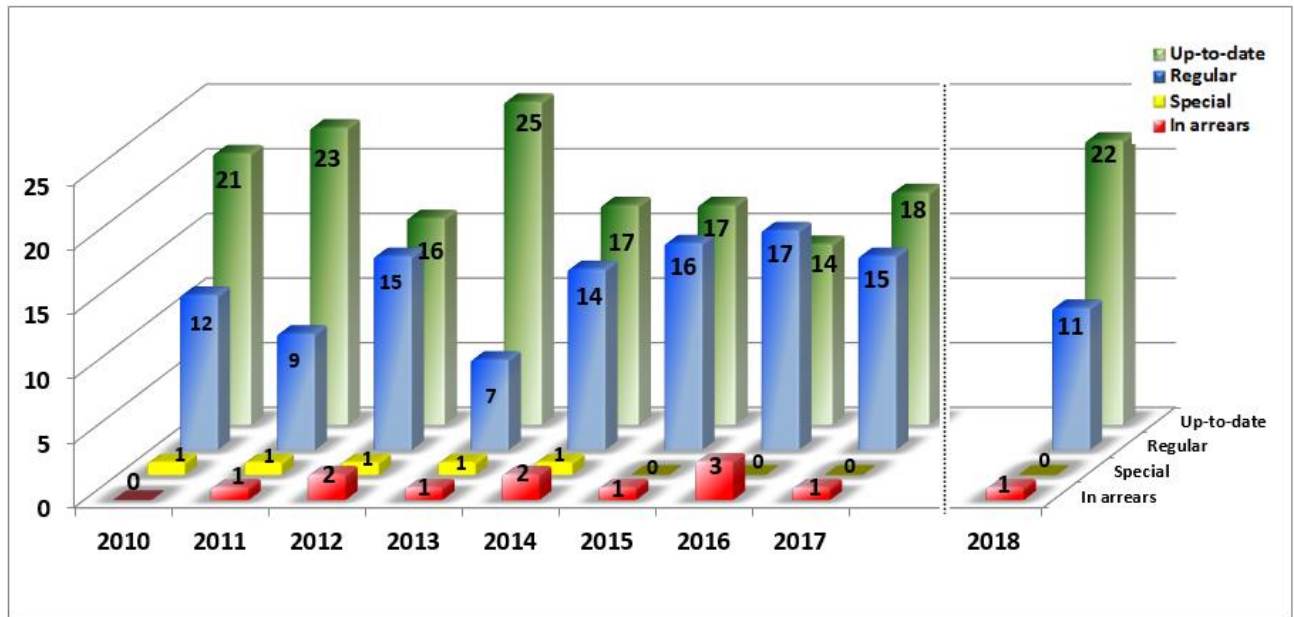
At the beginning of January 2017, the total amount of quotas pending collection was USD43.2 million, of which USD30.1 million were quotas corresponding to 2017 and USD13.1 million, quotas owed from previous years.

As at December 31, 2017, the Institute had received USD29.4 million in quota contributions from thirty Member States, 97.73% of the annual quota budget. The amount of quotas outstanding at the end of the year was USD13.8 million, an increase of USD681,000 compared to year-end 2016.

As shown in Chart 1, eighteen Member States ended the year in “Up-to-date Status,” with quotas paid in full, and fifteen in “Regular Status,” owing two years or less. One Member State ended the year 2017 in “In Arrears Status,” owing quotas for seven years.

As of June 15, 2018, twenty-two Member States are in “Up-to-date Status,” eleven are in “Regular Status” and one Member State is in “In Arrears Status.”

Chart 1. Progress in the status of the Member States’ quotas (2010-2018)



III. THE STATUS OF QUOTA COLLECTION IN 2018

As at January 1, 2018, the total amount of quotas pending collection was USD43.4 million, of which USD29.5 million were quotas for 2018 and USD13.8 million from previous years. The amount collected by June 15, 2018 was USD14.7 million, with the sum of USD28.7 million outstanding, as shown in the table below:

**INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE
STATEMENT OF QUOTAS OF THE MEMBER STATES AS OF JUNE 15, 2018**

COUNTRY	UNCOLLECTED BEGINNING BALANCE			COLLECTED	CURRENT BALANCE AMOUNT DUE
	DUE FROM PREVIOUS YEARS	QUOTA 2018	TOTAL DUE AT JANUARY 1ST, 2018		
ANTIGUA AND BARBUDA	12,200	7,600	19,800	0	19,800
ARGENTINA	0	1,126,500	1,126,500	0	1,126,500
BAHAMAS	0	20,800	20,800	20,800	0
BARBADOS	0	13,100	13,100	13,100	0
BELIZE	7,600	7,600	15,200	0	15,200
BOLIVIA	17,000	21,100	38,100	0	38,100
BRAZIL	5,034,929	3,652,000	8,686,929	1,391,729	7,295,200
CANADA	0	2,873,400	2,873,400	2,873,400	0
COLOMBIA	384,400	480,200	864,600	0	864,600
COSTA RICA	17,315	77,600	94,915	0	94,915
CHILE	0	429,400	429,400	0	429,400
DOMINICA	0	7,600	7,600	0	7,600
ECUADOR	195,800	121,400	317,200	0	317,200
EL SALVADOR	75,400	34,800	110,200	110,200	0
UNITED STATES	1,307,647	17,435,300	18,742,947	10,025,297	8,717,650
GRENADA	15,200	7,600	22,800	7,600	15,200
GUATEMALA	0	63,900	63,900	63,900	0
GUYANA	0	8,200	8,200	8,200	0
HAITI	0	10,700	10,700	10,700	0
HONDURAS	3,000	15,800	18,800	15,060	3,740
JAMAICA	0	20,600	20,600	0	20,600
MEXICO	2,477,300	1,896,800	4,374,100	0	4,374,100
NICARAGUA	0	9,300	9,300	9,300	0
PANAMA	0	62,000	62,000	62,000	0
PARAGUAY	31,117	34,300	65,417	44,883	20,534
PERU	0	304,000	304,000	0	304,000
DOMINICAN REPUBLIC	0	82,100	82,100	0	82,100
SAINT KITTS AND NEVIS	0	7,600	7,600	7,600	0
SAINT LUCIA	9,160	7,600	16,760	7,600	9,160
SAINT VINCENT AND THE GRENADINES	0	7,600	7,600	0	7,600
SURINAME	23,383	10,700	34,083	0	34,083
TRINIDAD AND TOBAGO	0	52,800	52,800	52,800	0
URUGUAY	0	95,300	95,300	0	95,300
VENEZUELA	4,229,079	568,800	4,797,879	0	4,797,879
TOTAL	13,840,530	29,574,100	43,414,630	14,724,169	28,690,461
% COLLECTION / OUTSTANDING BALANCES				33.92%	66.08%
% COLLECTION / ANNUAL QUOTA				49.79%	

Financial Management Division

IV. THE STATUS OF OUTSTANDING QUOTAS

The status of each country with regard to quota payments as at June 15, 2018 is shown in the table below:

**INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE
STATEMENT OF UNCOLLECTED QUOTAS BY COUNTRY AND BY YEAR
AS OF JUNE 15, 2018**

COUNTRY	2011-2013	2014	2015	2016	2017	2018	TOTAL
UP-TO-DATE STATUS							
ARGENTINA	0	0	0	0	0	1,126,500	1,126,500
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	429,400	429,400
DOMINICA	0	0	0	0	0	7,600	7,600
DOMINICAN REPUBLIC	0	0	0	0	0	82,100	82,100
EL SALVADOR	0	0	0	0	0	0	0
GUATEMALA	0	0	0	0	0	0	0
GUYANA	0	0	0	0	0	0	0
HAITI	0	0	0	0	0	0	0
HONDURAS	0	0	0	0	0	3,740	3,740
JAMAICA	0	0	0	0	0	20,600	20,600
NICARAGUA	0	0	0	0	0	0	0
PANAMA	0	0	0	0	0	0	0
PARAGUAY	0	0	0	0	0	20,534	20,534
PERU	0	0	0	0	0	304,000	304,000
SAINT KITTS AND NEVIS	0	0	0	0	0	0	0
SAINT VINCENT AND THE GRENADINES	0	0	0	0	0	7,600	7,600
TRINIDAD AND TOBAGO	0	0	0	0	0	0	0
URUGUAY	0	0	0	0	0	95,300	95,300
UNITED STATES	0	0	0	0	0	8,717,650	8,717,650
REGULAR STATUS							
ANTIGUA AND BARBUDA	0	0	0	4,600	7,600	7,600	19,800
BELIZE	0	0	0	0	7,600	7,600	15,200
BOLIVIA	0	0	0	0	17,000	21,100	38,100
BRAZIL	0	0	0	0	3,643,200	3,652,000	7,295,200
COLOMBIA	0	0	0	0	384,400	480,200	864,600
COSTA RICA	0	0	0	0	17,315	77,600	94,915
ECUADOR	0	0	0	97,900	97,900	121,400	317,200
GRENADA	0	0	0	0	7,600	7,600	15,200
MEXICO	0	0	0	0	2,477,300	1,896,800	4,374,100
SAINT LUCIA	0	0	0	0	1,560	7,600	9,160
SURINAME	0	0	0	11,583	11,800	10,700	34,083
IN ARREARS STATUS:							
COUNTRIES OWING 5 or MORE QUOTAS							
VENEZUELA	1,769,279	601,300	601,300	628,600	628,600	568,800	4,797,879
TOTAL	1,769,279	601,300	601,300	742,683	7,301,875	17,674,024	28,690,461

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 TO 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.¹
 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.

¹ 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.

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;
 - 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 INSTITUTE²

- 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.

² 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.

- 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.
- 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.