



Thirty-seventh Regular Meeting of the Executive Committee

Status on the collection of quotas

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I. INTRODUCTION

The contributions of the Member States provide the funding for 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 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. This amount includes the first increase in the quota budget since 1995, aimed at recovering the loss of resources from 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 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 on strengthening technical cooperation services under the 2014-2018 Medium-Term Plan (MTP), with the financial platform providing the cornerstone for those efforts in support of agriculture in the member countries.

It is necessary to continue efforts 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 2016 and quota collections in 2017, including the current situation of the Member States and the status of outstanding quotas as of 15 June, 2017. Also 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

For the year ended December 31, 2016, the Institute collected quotas in the amount of USD24.2 million, 80.41% of the annual quota budget.

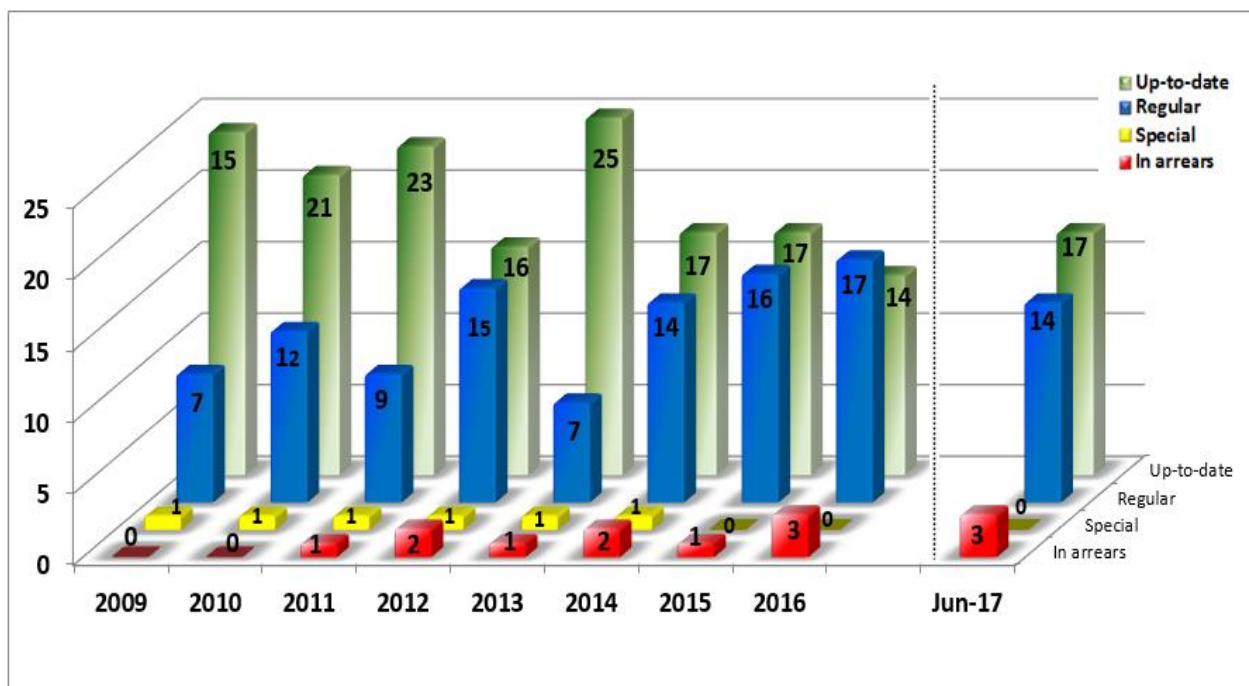
At the beginning of January 2016, the total amount of quotas pending collection was USD37.3 million, of which USD30.1 million were quotas corresponding to 2016 and USD7.2 million quotas owed from previous years.

During 2016 the Institute received quota contribution payments from twenty-three Member States. At the end of the year, the amount of quotas outstanding was USD13.1 million, an increase of USD5.9 million compared to year-end 2015.

As shown in Chart 1, fourteen Member States ended the year in “Up-to-date Status” with quotas paid in full and seventeen in “Regular Status” owing two years or less. Three Member States ended the year 2016 in “In Arrears Status,” two owing quotas for three years and one owing quotas for six years.

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

Chart 1. Progress in the status of the Member States' quotas



III. THE STATUS OF QUOTA COLLECTION IN 2017

As at January 1, 2017, the total amount of quotas pending collection was USD43.2 million, of which USD30.1 million were quotas for 2017 and USD13.1 million from previous years. As at 15 June, 2017 the amount collected is USD15.9 million and the outstanding amount is USD27.3 million, as shown in the table below:

INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE STATEMENT OF QUOTAS OF THE MEMBER STATES AS OF JUNE 15, 2017

COUNTRY	UNCOLLECTED BEGINNING BALANCE			COLLECTED	CURRENT BALANCE AMOUNT DUE
	DUE FROM PREVIOUS YEARS	QUOTA 2017	TOTAL DUE AT JANUARY 1ST, 2017		
ANTIGUA AND BARBUDA	19,800	7,600	27,400	0	27,400
ARGENTINA	850,600	950,600	1,801,200	850,600	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	17,000	17,000	34,000	0	34,000
BRAZIL	5,034,929	3,643,200	8,678,129	0	8,678,129
CANADA	0	3,102,600	3,102,600	3,102,600	0
COLOMBIA	673,000	384,400	1,057,400	0	1,057,400
COSTA RICA	40,535	69,900	110,435	32,515	77,919
CHILE	0	409,500	409,500	409,500	0
DOMINICA	0	7,600	7,600	7,600	0
ECUADOR	168,900	97,900	266,800	0	266,800
EL SALVADOR	37,700	37,700	75,400	0	75,400
UNITED STATES	0	17,435,300	17,435,300	8,717,650	8,717,650
GRENADA	13,700	7,600	21,300	6,100	15,200
GUATEMALA	0	56,300	56,300	54,526	1,774
GUYANA	0	8,200	8,200	8,200	0
HAITI	0	11,800	11,800	0	11,800
HONDURAS	2,250	15,500	17,750	0	17,750
JAMAICA	7,600	25,600	33,200	22,017	11,183
MEXICO	2,477,300	2,477,300	4,954,600	2,477,300	2,477,300
NICARAGUA	19,800	10,400	30,200	0	30,200
PANAMA	0	57,600	57,600	0	57,600
PARAGUAY	34,583	30,800	65,383	0	65,383
PERU	0	261,500	261,500	0	261,500
DOMINICAN REPUBLIC	35,128	96,400	131,528	0	131,528
SAINT KITTS AND NEVIS	0	7,600	7,600	7,600	0
SAINT LUCIA	1,560	7,600	9,160	0	9,160
SAINT VINCENT AND THE GRENADINES	13,700	7,600	21,300	13,020	8,280
SURINAME	30,600	11,800	42,400	0	42,400
TRINIDAD AND TOBAGO	0	54,600	54,600	54,600	0
URUGUAY	80,300	80,300	160,600	80,300	80,300
VENEZUELA	3,600,479	628,600	4,229,079	0	4,229,079
TOTAL	13,159,463	30,064,900	43,224,363	15,881,028	27,343,335
% COLLECTION / OUTSTANDING BALANCES				36.74%	63.26%
% COLLECTION / ANNUAL QUOTA				52.82%	

Financial Management Division

IV. THE STATUS OF OUTSTANDING QUOTAS

The status of each country with regard to quota payments as at 15 June, 2017 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, 2017**

COUNTRY	2011	2012	2013	2014	2015	2016	2017	TOTAL
UP-TO-DATE STATUS								
ARGENTINA	0	0	0	0	0	0	950,600	950,600
BAHAMAS	0	0	0	0	0	0	0	0
BARBADOS	0	0	0	0	0	0	0	0
BELIZE	0	0	0	0	0	0	7,600	7,600
CANADA	0	0	0	0	0	0	0	0
CHILE	0	0	0	0	0	0	0	0
DOMINICA	0	0	0	0	0	0	0	0
GUATEMALA	0	0	0	0	0	0	1,774	1,774
GUYANA	0	0	0	0	0	0	0	0
HAITI	0	0	0	0	0	0	11,800	11,800
MEXICO	0	0	0	0	0	0	2,477,300	2,477,300
PANAMA	0	0	0	0	0	0	57,600	57,600
PERU	0	0	0	0	0	0	261,500	261,500
TRINIDAD AND TOBAGO	0	0	0	0	0	0	0	0
SAINT KITTS AND NEVIS	0	0	0	0	0	0	0	0
UNITED STATES	0	0	0	0	0	0	8,717,650	8,717,650
URUGUAY	0	0	0	0	0	0	80,300	80,300
REGULAR STATUS								
BOLIVIA	0	0	0	0	0	17,000	17,000	34,000
BRAZIL	0	0	0	0	1,391,729	3,643,200	3,643,200	8,678,129
COLOMBIA	0	0	0	0	288,600	384,400	384,400	1,057,400
COSTA RICA	0	0	0	0	0	8,019	69,900	77,919
DOMINICAN REPUBLIC	0	0	0	0	0	35,128	96,400	131,528
ECUADOR	0	0	0	0	71,000	97,900	97,900	266,800
EL SALVADOR	0	0	0	0	0	37,700	37,700	75,400
GRENADA	0	0	0	0	0	7,600	7,600	15,200
HONDURAS	0	0	0	0	0	2,250	15,500	17,750
JAMAICA	0	0	0	0	0	0	11,183	11,183
NICARAGUA	0	0	0	0	9,400	10,400	10,400	30,200
PARAGUAY	0	0	0	0	3,783	30,800	30,800	65,383
SAINT LUCIA	0	0	0	0	0	1,560	7,600	9,160
SAINT VINCENT AND THE GRENADINES	0	0	0	0	0	680	7,600	8,280
IN ARREARS STATUS:								
COUNTRIES OWING 3 or MORE QUOTAS								
ANTIGUA AND BARBUDA	0	0	0	6,100	6,100	7,600	7,600	27,400
SURINAME	0	0	0	9,400	9,400	11,800	11,800	42,400
COUNTRIES OWING 5 or MORE QUOTAS								
VENEZUELA	566,679	601,300	601,300	601,300	601,300	628,600	628,600	4,229,079
TOTAL	566,679	601,300	601,300	616,800	2,381,311	4,924,638	17,651,307	27,343,335

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.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.