

GS/OAS
Semiannual
Financial
Report
(SFR)

S2 - 2016

TABLE OF CONTENTS

Key financial data	2
Introduction	
• Financial highlights	4
• Budgetary execution and variances by chapter	6
• Combining Statement of Changes in Fund Balances	9
• Information on quotas	11
• Regular Fund liquidity risk assessment	14
• Contributions from member states to OAS funds	15
• Disbursements by location	16
• Supplementary Appropriation CP/RES. 831	17
OAS Country Offices	
• Expenditures by Country Office	18
• Statement of Funds Available	19
Specific Funds	
• Key financial developments	20
• Signed donor agreements	20
• Expenditures by donor and programmatic pillar	21
• Statement of Changes in Fund Balance	21
• External financial audits requested by Specific Fund donors	21

[General purpose financial reports of the GS/OAS \(external link\)](#)

From January 1, 2016 to December 31, 2016

Preliminary and unaudited

Key financial data

Legend:

- this is a current management concern
- management is actively monitoring the situation
- management believes this is going above expectations
- YTD year-to-date

Budgetary execution

Overall program-budget - YTD level of Execution	96.1%	●
Regular Fund:		
YTD level of Execution	96.3%	●
% of YTD Execution related to personnel costs	57.1%	
Fund for ICR:		
YTD level of Execution	92.5%	●
% of YTD expenditures related to personnel costs	70.0%	
Specific Funds YTD Execution	USD 54.4 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and Gov.	

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 0 m	
Cash balance at the end of the year	USD 0 m	●
Projected cash deficits:		
Next month to show a cash deficit in 2017	August	●
Month with possible maximum level of cash deficit in 2017	November	●
Amount of deficit in November 2017	USD 7.2 m	●
Loan balance to Treasury Fund (2014) at the end of the year	USD 0 m	●
Loan balance to Treasury Fund (2015) at the end of the year	USD 1.5 m	●
Loan balance to Treasury Fund (2016) at the end of the year	USD 6.1 m	●

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	27	●
# of member states not current (without arrears)	4	●
# of member states not current (and with arrears)	3	●
Total balance due at the beginning of the year:		
Due from arrears	USD 19.7 m	
Due from current assessment	USD 82.4 m	
Total balance due at the end of the year:		
Due from arrears	USD 5.3 m	●
Due from current assessment	USD 9.6 m	●
Net quota payments received so far this year	USD 87.2 m	●

Specific Funds

YTD overall contributions received from donors	USD 45.7 m	
YTD contributions - % change over same period last year	-11%	●
YTD contributions - % change over same period last year by donor:		
Member states	1%	●
Permanent observers	-21%	●
Institutions and other donors	-29%	●
YTD ICR collection on Specific Funds - % change over same period last year	33%	●
Amount of new donor agreements starting execution this year	USD 43.1 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	

GS/OAS Semiannual Financial Report (SFR)

This report is presented in compliance with the financial reporting requirements established under resolution AG/RES. 1 (L-E/15). Any limitations of this report regarding financial compliance with that resolution are noted on the corresponding sections of this report.

Prepared by the General Secretariat of the Organization of American States (GS/OAS)

Department of Financial Services
Secretariat for Administration and Finance
1889 F Street, N.W., Washington, D.C. 20006, USA

www.oas.org

Original: English

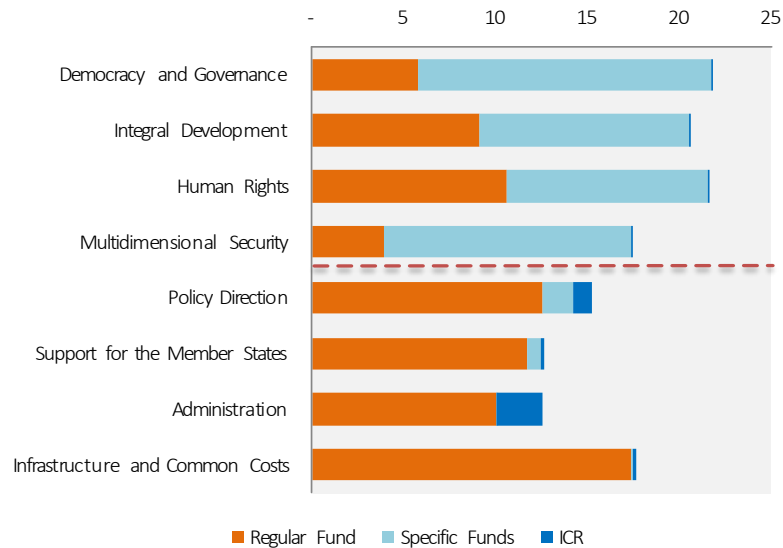
Introduction

- Financial highlights
- Budgetary execution and variances by chapter
- Combining Statement of Changes in Fund Balances
- Information on quotas
- Regular Fund liquidity risk assessment
- Contributions from member states to OAS funds
- Disbursements by location
- Supplementary Appropriation CP/RES. 831

Financial highlights

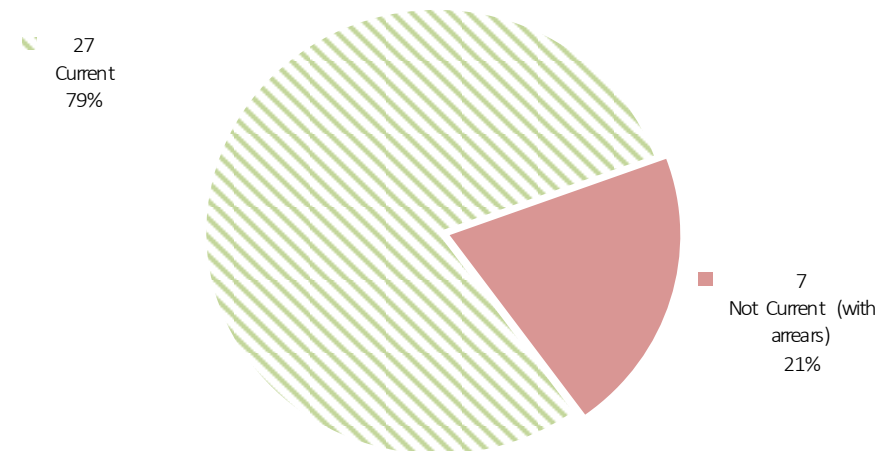
The year-to-date level of execution for the combined Regular Fund, Specific Funds and Fund for Indirect Cost Recovery (ICR) reached 96.1% of the USD 148.9 million 2016 Approved Program-Budget (Figure 1). The level of execution for the Regular Fund and the ICR reached 96.3% and 92.5% of their approved budgets, respectively. Specific Fund execution reached USD 54.4 million, slightly lower when compared to the same period last year (USD 54.5 million).

Figure 1: Expenditures by programmatic pillar and source of financing (in millions of USD)



With respect to year-to-date Regular Fund quotas, out of 34 member states, 27 member states are current with their quota assessment and 7 member states are not current (Figure 2). The latter have not paid their quota assessment for the current year nor have they submitted a written payment plan to the General Secretariat. Three member states within this group have not paid their quota balance in arrears (amounts owed for 2015 and prior years).

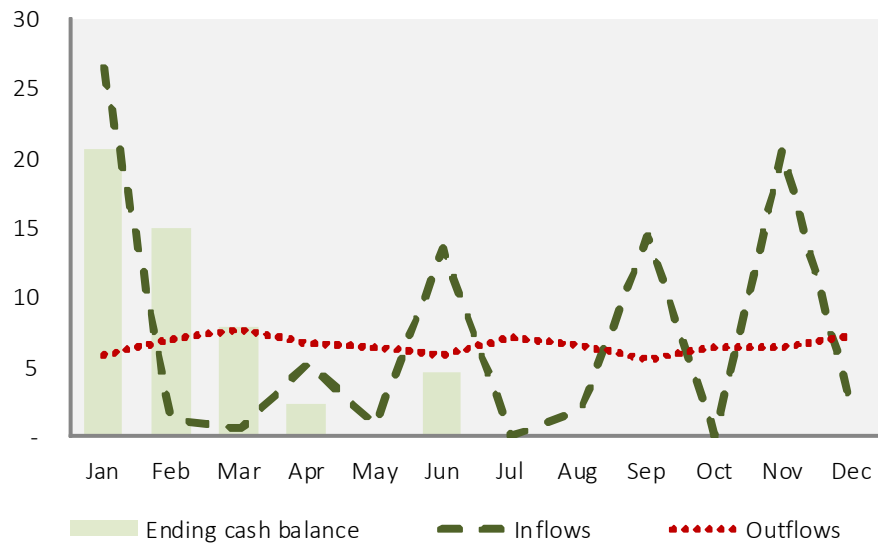
Figure 2: Share of member states' compliance with quota payments to the Regular Fund (in %)



In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating through the year, ending again in USD 0 (Figure 3). The GS/OAS projects a maximum cash deficit of USD 7.2 million by November of 2017 considering member states' payment plans and payment history (excludes member states with balances in arrears). Although the approval of the extension of the temporary loan from the

Treasury Fund through CP/RES. 1072/17 will help to mitigate cash shortages in the short-term, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund. At this time, the General Secretariat cannot project the repayment of the temporary loan, since it has not received indications from those member states in arrears, as to when the due amounts will be paid. Note, however, that the loan was reduced from USD 15.9 millions at the beginning of 2016 to USD 7.2 million by the end of 2016, the reduction was the result of the reception of payments related to quotas in arrears from Brazil, Grenada, Haiti, Jamaica and Saint Vincent and the Grenadines.

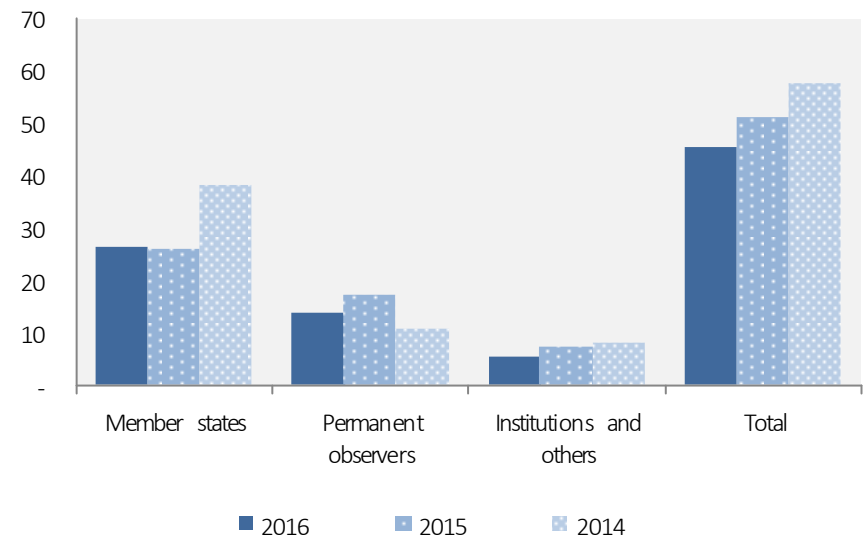
Figure 3: Regular Fund liquidity risk assessment (in millions of USD)



Contributions to Specific Funds reached USD 45.7 million, approximately 11% and 21% lower than the same periods in 2015 (USD 51.1 million) and in 2014 (USD 57.7 million), respectively. The contributions from member states have slightly increased by 1% compared to the same period last year. However, contributions from permanent observers and other institutions significantly decreased by 21% and 29%, respectively. The minor increase of contributions from member states has not been

enough to offset the overall decrease in contributions to Specific Funds. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Figure 4: Contributions to Specific Funds by donor (in millions of USD)



With respect to compliance and oversight issues, five financial audits were performed in 2016: OAS/MAPP “Basket Fund”, the SAVIA program, the Judicial Facilitators program, Modernize Haiti’s Civil Registry and Strengthening Freedom of Expression Program all with satisfactory results. Four additional project audits are programmed to start during the first quarter of 2017. Potentially, up to 13 additional audits may be requested by donors during 2017.

Budgetary execution and variances by chapter

As per OAS General Standards, the Secretary General has the authority to transfer Regular Fund resources from one Chapter of the program-budget to another for up to five percent. Transfers that exceed five percent or involve substantial alteration of any approved program within any fiscal period require prior approval of the Permanent Council. These conditions do not apply to the Fund for Indirect Cost Recovery (ICR), thus explanations are supplementary. Table 1 presents budgetary execution for the Regular Fund and corresponding explanations on budget variances at the chapter level. Table 2 presents the Fund for ICR in a similar manner. Detailed execution reports by subprogram for each fund are published in the [OAS website](#).

Regular Fund—explanations for year-end variances (+ or - 5%)

Chapter 1 – Office of the Secretary General –Personnel: In subprogram 14A new positions were added (one P04 from subprogram 64C, one P05 from subprogram 64D, one P04 from subprogram 24A and one D02 partially funded), one P02 was transferred to subprogram 24A, and one P04 was transferred to subprogram 44A. Non-personnel: Additional funding has been allocated to subprogram 14A to cover the cost of CPRs.

Chapter 2 –Office of the Assistant Secretary General –Personnel: Due to budgetary constraints the following positions were frozen: one P03 in subprogram 24A, one P03 in subprogram 24B, five positions in subprogram 24C (1 P01, and 4 P03), and in subprogram 24D two P04, and one G05 are also frozen, a G06 was transferred to subprogram 44C and a P02 was also transferred to 114B. A p04 was transferred from 24C to 94C. Non-personnel: Additional funding has been allocated to subprograms 24A, 24C, 24D and 24F to cover operational costs.

Chapter 3 - Principal and Specialized Organs—Personnel: Due to budgetary constraints seven positions were frozen in subprogram 34B (2 P04, 1 P02, 1 P01, 1 G06 and 2 G05). In subprogram 34E a P02 was frozen, and another P02 was frozen in subprogram 34D.

Chapter 4 - Strategic Counsel for Organizational Development and Management for Results—Personnel: A P04 was transferred from subprogram 14A to subprogram 44A. A P03 was transferred from ICR to RF in subprogram 44B and a D01 was also transferred from ICR to RF in subprogram 44E. A P01 was abolished in subprogram 44C and a G06 was transferred from Chapter 2. Non-personnel: Additional funding has been allocated to subprogram 44A and 44C to cover the cost of CPRs.

Table 1: Regular Fund—budgetary execution and variances (in thousands of USD)

Chapter	a Approved budget	b Transfers	c=a+b Modified budget	d Year-to-date execution			g % of Execution of budget *	h=f-a Variances from budget *	
				Personnel	e Non personnel	f=d+e Total		In USD	i=h/a In %
1 - Office of the Secretary General	2,494.1	490.5	2,984.6	2,310.9	638.6	2,949.5	118.3%	455.4	18.3%
2 - Office of the Assistant Secretary General	13,929.7	(1,117.9)	12,811.8	9,404.1	3,343.0	12,747.1	91.5%	(1,182.6)	-8.5%
3 - Principal and Specialized Organs	13,405.9	(422.1)	12,983.8	6,101.8	5,913.3	12,015.1	89.6%	(1,390.8)	-10.4%
4 - Strategic Counsel for Organizational Development and Management for Results	2,956.8	328.5	3,285.3	2,193.3	976.9	3,170.2	107.2%	213.4	7.2%
5 - Secretariat for Access to Rights and Equity	1,791.8	16.2	1,808.0	1,411.6	396.3	1,807.9	100.9%	16.1	0.9%
6 - Secretariat for Strengthening Democracy	4,184.6	(483.4)	3,701.2	3,446.7	230.6	3,677.3	87.9%	(507.3)	-12.1%
7 - Executive Secretariat for Integral Development	8,763.2	(1,088.3)	7,674.9	5,118.3	2,483.6	7,601.9	86.7%	(1,161.3)	-13.3%
8 - Secretariat for Multidimensional Security	4,346.5	(153.6)	4,192.9	2,803.3	425.2	3,228.5	74.3%	(1,118.0)	-25.7%
9 - Secretariat for Hemispheric Policies	3,186.0	(279.8)	2,906.2	2,281.6	336.0	2,617.6	82.2%	(568.4)	-17.8%
10 - Secretariat for Legal Affairs	3,646.6	(5.2)	3,641.4	3,240.2	227.7	3,467.9	95.1%	(178.7)	-4.9%
11 - Secretariat for Administration and Finance	9,375.2	(214.9)	9,160.3	8,321.2	806.0	9,127.2	97.4%	(248.0)	-2.6%
12 - Basic Infrastructure and Common Costs	13,832.8	3,276.7	17,109.5	3.0	16,784.3	16,787.3	121.4%	2,954.5	21.4%
13 - Compliance Oversight Management Bodies	1,568.1	(280.2)	1,287.9	754.9	463.1	1,218.0	77.7%	(350.1)	-22.3%
Additional cost of trust Positions	843.0	(66.8)	776.2	776.2	-	776.2	92.1%	(66.8)	-7.9%
Total	84,324.1	(0.0)	84,324.1	48,167.1	33,024.6	81,191.7	96.3%	(3,132.6)	-3.7%

* Refers to approved budget. As per OAS General Standards, variances over and under 5% of the Regular Fund approved budget are explained.

Chapter 6 - Secretariat for Strengthening Democracy – Personnel: Three positions were transferred out Chapter 6 (1 P04 and 1 P05 to 14A and 1 P03 to 54B). Five positions were frozen in Chapter 6: a G06 in subprogram 64B; 2 P02 and 3 P01 in subprogram 64C. In subprogram 64E a P04 was abolished and a P03 was created. Non-personnel: Additional funding has been allocated to subprograms 64A and 64D to cover operational costs.

Chapter 7 - The Executive Secretariat for Integral Development (SEDI) – Personnel: Six positions were frozen in Chapter 7: in subprogram 74B 1 P01; in subprogram 74D one P05, two P04 and one G06; and in subprogram 74C one P04. Non-personnel: due to budgetary constraints costs reductions in operational expenses were identified.

Chapter 8 - The Secretariat for Multidimensional Security (SMS) – Personnel: Four positions were frozen in Chapter 8: in subprogram 84A one D01, in subprogram 84D one P02 and one G06 and one P01 in subprogram 84E. Non-personnel: due to budgetary constraints costs reductions in operational expenses were identified.

Chapter 9 - The Secretariat for Hemispheric Policies (SHP)—Personnel: A P04 in subprogram 94B was transferred to subprogram 64D. Two posts are frozen in subprogram 94D (1 P04 and 1 G07). Non-personnel: Additional funding was allocated to cover CPR services in Subprograms 94A, 94B, 94D and 94E.

Chapter 12 – Basic Infrastructure and Common Costs (BICC) – Non-personnel: Additional funding was allocated to subprograms 124D, 124H, 124L, 124P and 124Z to cover operating expenses. However, although Chapter 12 required transfers of USD 3.2 million, note that Terminations and Repatriations (124H) subprogram, required additional USD 2.7 million corresponding to voluntary separation packages offered during 2016 to meet upcoming budget limitations in 2017. In addition, due to 2016 overall budgetary savings, the General Secretariat issued one loan payment of USD 740 thousand to the Capital Fellowships Fund, as mandated by AG/RES. 1 (L-E/15). Furthermore, there were unbudgeted mandatory expense for utilities. The General Secretariat actually underspent budgeted items in Chapter 12.

Chapter 13 - Compliance Oversight Management Bodies (COMB) – Personnel: Two positions were frozen in subprogram 134B (D01 and P01). Non-personnel: Additional funding was allocated to subprograms 133A and 134C to cover operational expenses.

Fund for ICR—explanations for year-end variances (+ or -5%)

Chapter 2 - Office of the Assistant secretary General – Personnel: one P01 was frozen in subprogram 24C. Non-personnel: Additional funding was allocated to cover the rent of the Office in Haiti, subprogram 24C.

Chapter 3 - Principal and Specialized Organs—No-personnel: Additional funding was

Table 2: Fund for ICR—budgetary execution and variances (in thousands of USD)

Chapter	a Approved budget	b Transfers	c=a+b Modified budget	d			g % of expenditures of budget *	h=f-a		i=h/a
				e				Variances from budget *		
				Year-to-date execution				In USD	In %	
Personnel	Non personnel	Total								
1 - Office of the Secretary General	-	-	-	-	-	-	**	-	**	
2 - Office of the Assistant Secretary General	96.3	61.5	157.8	38.2	119.6	157.8	163.9%	61.5	63.9%	
3 - Principal and Specialized Organs	35.0	12.8	47.8	-	47.8	47.8	136.4%	12.8	36.4%	
4 - Strategic Counsel for Organizational Development and Management for Results	1,295.2	(303.8)	991.4	841.1	150.3	991.4	76.5%	(303.8)	-23.5%	
5 - Secretariat for Access to Rights and Equity	-	-	-	-	-	-	**	-	**	
6 - Secretariat for Strengthening Democracy	609.1	(45.9)	563.2	474.2	86.2	560.4	92.0%	(48.7)	-8.0%	
7 - Executive Secretariat for Integral Development	91.2	105.1	196.3	115.7	80.6	196.2	215.2%	105.0	115.2%	
8 - Secretariat for Multidimensional Security	892.7	(183.3)	709.4	511.2	36.0	547.2	61.3%	(345.5)	-38.7%	
9 - Secretariat for Hemispheric Policies	-	75.4	75.4	39.7	35.7	75.4	**	75.4	**	
10 - Secretariat for Legal Affairs	-	-	-	-	-	-	**	-	**	
11 - Secretariat for Administration and Finance	1,335.3	57.3	1,392.6	1,130.5	189.5	1,319.9	98.9%	(15.4)	-1.1%	
12 - Basic Infrastructure and Common Costs	-	221.0	221.0	-	184.0	184.0	**	184.0	**	
13 - Compliance Oversight Management Bodies	145.2	-	145.2	-	82.9	82.9	57.1%	(62.3)	-42.9%	
Total	4,500.0	(0.0)	4,500.0	3,150.4	1,012.5	4,162.9	92.5%	(337.1)	-7.5%	

* Refers to approved budget. OAS General Standards do not require explanations on ICR variances; however, the GS/OAS provides them as supplementary information.

** A budget was not originally allocated for this Chapter.

allocated to cover CPR services in subprograms 34C.

Chapter 4 - Strategic Counsel for Organizational Development and Management for Results—Personnel: two G06 were frozen, one in subprogram 44A and the other in subprogram 44B. A P03 in subprogram 44B was transferred from ICR to the RF. A G05 in subprogram 44C was transferred to subprogram 114E. A D01 post in subprogram 44E was transferred from ICR to the RF. Non-personnel: Additional funding was allocated in subprograms 44B and 44F to cover operational expenses.

Chapter 6 - Secretariat for Strengthening Democracy —Personnel: Actual costs are lower than budgeted average costs. A P01 position is frozen in subprogram 64B. Non-personnel: Additional funding was allocated in subprogram 64B to cover operational expenses.

Chapter 7 - Executive Secretariat for Integral Development— Personnel: A P02 was transferred from Chapter 8 to subprogram 74B and a G05 was frozen. Non-personnel: Additional funding was allocated in subprograms 74B and 74I to cover operational expenses.

Chapter 8 - Secretariat for Multidimensional Security (SMS) —Personnel: A P02 was transferred from subprogram 84B to 74B. A P01 was transferred from subprogram 84B to Chapter 9. In subprogram 84B a P03 was frozen. Non-personnel: Additional funding was allocated in subprogram 84D to cover operational expenses.

Chapter 9 - The Secretariat for Hemispheric Policies (SHP)—Personnel: A P01 was transferred from Chapter 8 to 94A. A budgeted G06 in Subprogram 93B will not be executed. Non-personnel: Additional funding was allocated in subprogram 94F to cover operational expenses.

Chapter 12 – Basic Infrastructure and Common Costs (BICC) – Non-personnel: Additional funding was allocated to subprograms 124C, 124E, 124H and 124I to cover operating expenses.

Chapter 13 - Compliance Oversight Management Bodies (COMB) – Non-personnel: due to budgetary constraints costs reductions in operational expenses were identified.

_____ End of section _____

Combining Statement of Changes in Fund Balances

Table 3 summarizes all sources of income, execution and fund balances for funds that comprise the main funds of the Organization (Regular Fund, Development Cooperation Fund, Specific Funds, and the Fund for Indirect Cost Recovery). **Other ac-**

counts under the grouping of Service and Revolving Funds are included in the table as they support the activities of the approved program-budget (e.g. rental income, tax reimbursement, parking fees, building maintenance, common costs). Trust Funds reported separately in Table 4.

Table 3: Combining Statement of Changes in Fund Balances, year-to-date (in thousands of USD)

	Regular Fund	Development Cooperation Fund	Specific Funds	Service and Revolving Funds		Total (1)	
				Fund for Indirect Cost Recovery (ICR)	Other accounts		
INFLOWS							
Quota payments, pledges and contributions:							
Quarter 1	27,827	81	5,452	-	-	33,360	
Quarter 2	19,700	2	6,719	-	-	26,421	
Quarter 3	16,260	146	15,773	-	-	32,179	
Quarter 4	23,111	90	17,738	-	-	40,939	
Total quota payments, pledges and contributions	86,898	319	45,682	-	-	132,899	
Interest income (2)	9	11	419	322	2	763	
Rental income	-	-	-	-	2,430	2,430	
Tax reimbursement	-	-	-	-	1,559	1,559	
Transfers, other income and refunds	953	265	1,196	5,931	3,918	12,263	
a Total inflows	87,860	595	47,297	6,253	7,909	149,914	
OUTFLOWS							
Execution:							
Expenditures:							
Quarter 1	20,818	84	11,029	1,146	1,377	34,454	
Quarter 2	17,719	182	13,509	1,252	4,509	37,171	
Quarter 3	20,204	257	12,260	1,004	2,596	36,321	
Quarter 4	20,055	223	17,300	753	1,779	40,110	
Total expenditures	78,796	746	54,098	4,155	10,261	148,056	
Obligations	2,396	574	12,015	8	3,068	18,061	
Prior year obligations (3)	-	-	(11,730)	-	(1,842)	(13,572)	
Total execution (3)	81,192	1,320	54,383	4,163	11,487	152,545	
New administration's transition	-	-	-	-	-	-	
FONDEM grants	75	-	-	-	-	75	
Return to donors	-	-	1,227	-	-	1,227	
Other decreases	-	-	1,005	-	101	1,106	
b Total outflows	81,267	1,320	56,615	4,163	11,588	154,953	
c=a-b	NET INCREASE (DECREASE) DURING PERIOD	6,593	(725)	(9,318)	2,090	(3,679)	(5,039)
d	Fund balances, beginning of period	(17,978)	6,567	66,645	323	682	56,239
e=c+d	FUND BALANCES, END OF PERIOD	(11,385)	5,842	57,327	2,413	(2,997)	51,200

(1) Does not include elimination of interfund transactions in both increases and decreases; however, this information is included in the general purpose financial reports section at the end of this report.

(2) Accumulated interest income is recorded quarterly in the accounting periods of April, July, October and December only, and thus show in financial statements beginning in the 4th month of the year.

(3) For comparability purposes, when funds that have carryforward balances are presented with those that do not, prior year obligations are deducted to obtain the net execution for the period.

Trust Funds

Trust funds are established by bequests or grants to finance purposes specified by the donor or legator, held in trust, and used in accordance with the pertinent provisions or instruments. The disposition of these funds are restricted by the instruments establishing them and the Board or Committee overseeing the resources. These funds are not part of the program-budget and address specific purposes such as:

- The Trust for the Americas is a not-for-profit organization that works to expand hemispheric cooperation and enhance economic development. Resources have been provided by contributions from corporate donors and U.S. federal grants.
- The Medical Benefits Trust Fund is established to provides medical benefits to OAS staff members. Fund activity is limited to paying covered employees’ health claims. Claim adjudication is handled by an insurance provider.
- The Rowe Pan American Fund is established to provide loans to students from Member States, other than residents and citizens of the United States, and to make loans to OAS employees for educational and emergency purposes.
- The assets of the Rowe Memorial Benefit Fund have been accumulated principally from contributions received from Dr. Leo S. Rowe, a former Director General of the Pan-American Union. These assets are held in trust to provide certain welfare benefits for OAS employees. This fund is combined with the Financial Statement of the Rowe Pan American Fund.

Table 4: Year-to-date inflows and outflows for the main Trust Funds (in thousands of USD)

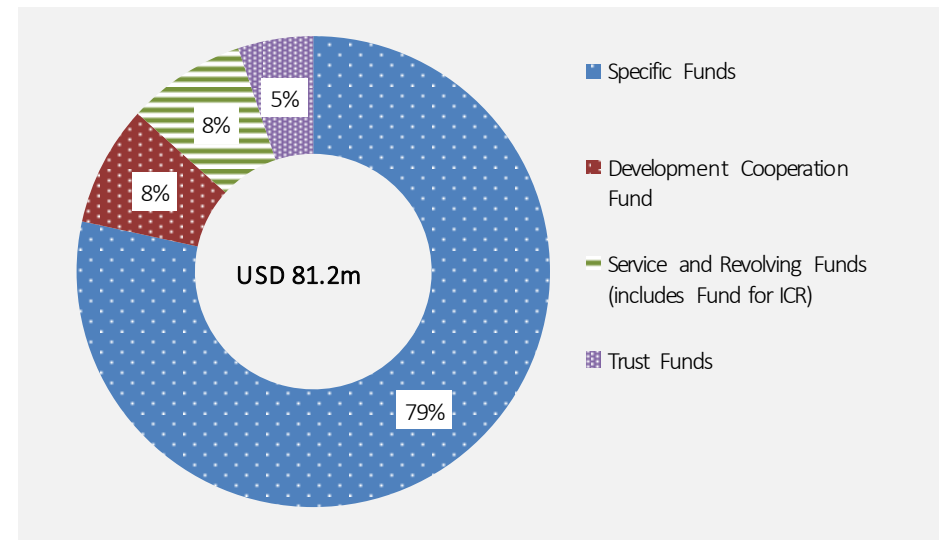
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning cash balance 01/01	1,568	44,072	16,830
Add inflows:			
Contributions and donations	5,614	13,336	7
Investment income *	-	3,369	1,045
Other Income	57	470	41
Less outflows:			
Expenses	4,301	13,786	485
Other outflows *	8	88	94
Ending cash balance 12/31	2,930	47,373	17,344

* Includes realized and unrealized gains/losses.

Cash and Equity in OAS Treasury Fund

All U.S. dollars available for use in carrying out the activities of the various funds of the OAS are consolidated in the OAS Treasury Fund. Each fund administered by the GS/OAS maintains equity to the extent of its cash balance retained therein (Figure 5). The GS/OAS administers the OAS Treasury Fund, and amounts not immediately required for operations are invested. Income earned by the OAS Treasury Fund through investments is added to the equity of each fund in proportion to its balance. GS/OAS applies a conservative risk profile in the management of assets in the OAS Treasury Fund, and its investment guidelines place emphasis on capital preservation over income generation.

Figure 5: Balance composition of the OAS Treasury Fund at the end of this period (in millions of USD and %)



At the end of the year, the OAS Treasury Fund held USD 81.2 million in cash by the various OAS funds (Figure 5). Resolutions CP/RES. 1034 (1984/14), CP/RES. 1046 (2013/15) and CP/RES. 1059 (2060/16), instructed the GS/OAS, as a highly exceptional circumstance, to utilize the resources in the OAS Treasury Fund as an interest-free internal loan for the Regular Fund, as a temporary solution to cover cash shortages. At the end of the year, the Regular Fund has a total outstanding loan balance against the OAS Treasury Fund of USD 7.6 million related to loans from 2015 and 2016.

Information on quotas

OAS General Standards require member states to pay their quota assessment in full on the first day of the corresponding fiscal year; otherwise, in order to be considered current they are required to negotiate a payment plan with the GS/OAS. Member states that pay their quota assessment by March of each year are entitled to the following discounts (applied to the following year's quota): 3% of the amount paid by January 31; 2% of the amount paid by the last day of February; and 1% of the amount paid by March 31. At the beginning of the year, USD 338.0 thousand was credited in prompt payment discounts as well as USD 47.1 thousand in payments in advance.

At the beginning of the year, the GS/OAS had USD 102.1 million in quota receivable (i.e. balance due), USD 82.4 million from current quota assessment and USD 19.7 million for quotas in arrears—columns **(a)** and **(e)** in Table 5, respectively. By the end of the year, the GS/OAS had received USD 72.8 million towards the current quota assessment (column **b** in Table 5) leaving a current period balance of USD 9.6 million. The amount does not reflect discounts credited for prompt payment.

At the same time, the GS/OAS had received USD 14.4 million towards the prior year quota balance (column **f** in Table 5), still leaving a prior year balance of USD 5.3 million.

Given the significant impact of quotas on the Regular Fund cash flow, the GS/OAS continuously monitors quota information and regularly updates its assumptions on quota collections based on member states' payment plans and payment history.

Out of 34 member states, 27 member states are current and/or considered current with their quota assessment and 7 member states are not current. The latter have not paid their quota assessment for the current year nor have they agreed to a written payment plan with the General Secretariat. Three member states within this group have not paid their quota balance in arrears and the GS/OAS cannot anticipate when payments will be received in 2017 (Tables 6 and 7).

Table 5: Year-to-date progress on quota collection by year (in USD and %)

Year	(a) Assessed quotas	(b) Collection on assessed quotas	(c = a - b) Current Period collection balance	(d = b / a) Current year collection progress	(e) Prior year quotas balance	(f) Collection on prior year quotas	(g = e - f) Prior year collection balance	(h = f / e) Prior year collection progress	(i = [b + f]/[a + e]) Total collection progress
Q4 - 2005	73,727,100	63,995,000	9,732,100	87%	21,226,017	12,282,651	8,943,366	58%	80%
Q4 - 2006	73,727,100	65,558,294	8,168,806	89%	18,675,466	14,296,781	4,378,685	77%	86%
Q4 - 2007	77,277,200	70,422,008	6,855,192	91%	12,547,491	8,475,893	4,071,598	68%	88%
Q4 - 2008	77,447,900	74,664,529	2,783,371	96%	10,926,790	10,547,463	379,327	97%	96%
Q4 - 2009	78,593,000	77,985,159	607,841	99%	3,162,698	2,852,411	310,287	90%	99%
Q4 - 2010	78,513,615	77,447,328	1,066,287	99%	918,128	701,756	216,372	76%	98%
Q4 - 2011	80,950,800	79,141,697	1,809,103	98%	1,282,659	183,515	1,099,144	14%	96%
Q4 - 2012	81,105,400	78,815,661	2,289,739	97%	2,908,247	348,371	2,559,876	12%	94%
Q4 - 2013	81,105,400	79,229,276	1,876,124	98%	4,849,615	4,742,861	106,754	98%	98%
Q4 - 2014	81,105,400	71,140,106	9,965,294	88%	1,982,878	248,125	1,734,753	13%	86%
Q4 - 2015	82,440,400	70,303,500	12,136,900	85%	11,700,047	4,176,006	7,524,041	36%	79%
Q4 - 2016	82,440,400	72,827,673	9,612,727	88%	19,660,941	14,408,496	5,252,445	73%	85%

Table 6: Status of quota compliance, payments, and balance due (in thousands of USD)

	a	b	c=a+b	d	e=c-d	f=(Q1..Q4)				g=e-f	h	
	Current assessment	Quotas in arrears	Total quota receivable	Discounts and advances	Net quota receivable	Net payments received in 2016 (by quarter)				2016 net payments	Year-end balance due	2017 proj. advance payments
						Q1	Q2	Q3	Q4			
1. Current and/or considered current												
1.a. Paid in full												
Antigua and Barbuda	18.2	-	18.2	-	18.2	9.1	4.6	4.6	-	18.2	-	-
Argentina	1,987.2	-	1,987.2	25.8	1,961.4	-	662.4	1,299.0	-	1,961.4	-	-
Bahamas, Commonwealth of	40.6	-	40.6	0.8	39.8	39.8	-	-	-	39.8	-	-
Barbados	28.2	-	28.2	-	28.2	-	28.2	-	-	28.2	-	-
Belize	18.2	-	18.2	-	18.2	-	-	-	18.2	18.2	-	-
Bolivia	46.4	-	46.4	0.5	45.9	45.9	-	-	-	45.9	-	-
Canada	8,762.5	-	8,762.5	262.9	8,499.6	8,499.6	-	-	-	8,499.6	-	-
Chile	1,115.3	-	1,115.3	11.2	1,104.1	-	1,104.1	-	-	1,104.1	-	-
Colombia	1,085.5	-	1,085.5	-	1,085.5	-	1,085.5	-	-	1,085.5	-	-
Costa Rica	190.4	-	190.4	1.9	188.5	197.2	-	-	-	197.2	-	8.7
Dominica, Commonwealth of	18.2	-	18.2	18.2	-	-	-	-	-	-	-	-
Dominican Republic	262.5	-	262.5	-	262.5	262.5	-	-	-	262.5	-	-
Ecuador	266.6	-	266.6	-	266.6	-	-	266.6	-	266.6	-	-
El Salvador	71.2	-	71.2	-	71.2	-	71.2	-	-	71.2	-	-
Guatemala	120.1	-	120.1	3.7	116.4	-	118.2	-	-	118.2	-	1.8
Guyana	18.2	-	18.2	0.2	18.0	18.0	-	-	-	18.0	-	-
Mexico	5,620.3	-	5,620.3	56.2	5,564.1	5,564.1	-	-	-	5,564.1	-	-
Nicaragua	21.5	-	21.5	-	21.5	21.5	-	-	-	21.5	-	-
Panama	145.7	-	145.7	-	145.7	-	128.9	16.8	-	145.7	-	-
Paraguay	62.1	-	62.1	1.9	60.2	60.2	-	-	-	60.2	-	-
Peru	712.1	-	712.1	0.6	711.5	706.4	-	5.1	-	711.5	-	-
St. Kitts and Nevis	18.2	-	18.2	-	18.2	-	18.2	-	-	18.2	-	-
St. Lucia	18.2	-	18.2	-	18.2	-	18.2	-	-	18.2	-	-
Suriname	21.5	-	21.5	-	21.5	-	21.5	-	-	21.5	-	-
Trinidad and Tobago	111.8	-	111.8	-	111.8	-	111.8	-	-	111.8	-	-
United States	49,240.0	-	49,240.0	-	49,240.0	12,310.0	12,310.0	12,310.0	12,310.0	49,240.0	-	-
Uruguay	204.5	-	204.5	-	204.5	-	-	204.5	-	204.5	-	-
1.b. Not paid in full, with payment plan												
Jamaica	58.0	14.5	72.5	-	72.5	14.5	14.5	14.5	14.5	58.0	14.5	-
2. Not current (not paid in full and no payment plan)												
2.a. Without arrears												
Brazil	10,289.3	14,293.8	24,583.1	-	24,583.1	-	4,004.4	2,057.8	10,734.4	16,796.6	7,786.6	-
Haiti	21.5	21.5	43.0	-	43.0	-	-	43.0	-	43.0	0.0	-
Honduras	34.8	-	34.8	0.7	34.1	-	-	-	34.1	34.1	0.0	-
2.b. With arrears												
Grenada	18.2	129.6	147.8	-	147.8	-	-	38.0	-	38.0	109.8	-
St. Vincent and the Grenadines	18.2	42.0	60.2	-	60.2	40.7	-	-	-	40.7	19.5	-
Venezuela	1,775.2	5,159.5	6,934.7	-	6,934.7	-	-	-	-	-	6,934.7	-
TOTAL	82,440.4	19,660.9	102,101.3	384.5	101,716.9	27,789.6	19,701.8	16,259.8	23,111.1	86,862.2	14,865.2	10.5

* Some individual amounts showing "0.0" and totals may differ slightly due to rounding.

Table 7: Net payments received by month (in thousands of USD)

	Net payments received in 2016												2016 net payments	Net payments in %				
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec						
1. Current and/or considered current																		
1.a. Paid in full																		
Antigua and Barbuda	4.6	-	4.6	-	-	4.6	-	-	4.6	-	-	-	-	-	-	-	18.2	0.0%
Argentina	-	-	-	-	662.4	-	-	1,299.0	-	-	-	-	-	-	-	-	1,961.4	2.3%
Bahamas, Commonwealth of	-	39.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39.8	0.0%
Barbados	-	-	-	-	28.2	-	-	-	-	-	-	-	-	-	-	-	28.2	0.0%
Belize	-	-	-	-	-	-	-	-	-	18.2	-	-	-	-	-	-	18.2	0.0%
Bolivia	-	45.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45.9	0.1%
Canada	8,499.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,499.6	9.8%
Chile	-	-	-	1,104.1	-	-	-	-	-	-	-	-	-	-	-	-	1,104.1	1.3%
Colombia	-	-	-	-	-	1,085.5	-	-	-	-	-	-	-	-	-	-	1,085.5	1.2%
Costa Rica	-	197.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	197.2	0.2%
Dominica, Commonwealth of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Dominican Republic	-	262.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	262.5	0.3%
Ecuador	-	-	-	-	-	-	-	266.6	-	-	-	-	-	-	-	-	266.6	0.3%
El Salvador	-	-	-	-	-	71.2	-	-	-	-	-	-	-	-	-	-	71.2	0.1%
Guatemala	-	-	-	-	-	118.2	-	-	-	-	-	-	-	-	-	-	118.2	0.1%
Guyana	-	18.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.0	0.0%
Mexico	5,564.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,564.1	6.4%
Nicaragua	21.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.5	0.0%
Panama	-	-	-	-	128.9	-	16.8	-	-	-	-	-	-	-	-	-	145.7	0.2%
Paraguay	-	-	60.2	-	-	-	-	-	-	-	-	-	-	-	-	-	60.2	0.1%
Peru	-	706.4	-	-	-	-	-	5.1	-	-	-	-	-	-	-	-	711.5	0.8%
St. Kitts and Nevis	-	-	-	18.2	-	-	-	-	-	-	-	-	-	-	-	-	18.2	0.0%
St. Lucia	-	-	-	-	18.2	-	-	-	-	-	-	-	-	-	-	-	18.2	0.0%
Suriname	-	-	-	-	21.5	-	-	-	-	-	-	-	-	-	-	-	21.5	0.0%
Trinidad and Tobago	-	-	-	111.8	-	-	-	-	-	-	-	-	-	-	-	-	111.8	0.1%
United States	12,310.0	-	-	-	-	12,310.0	-	-	12,310.0	-	12,310.0	-	-	-	-	-	49,240.0	56.7%
Uruguay	-	-	-	-	-	-	-	204.5	-	-	-	-	-	-	-	-	204.5	0.2%
1.b. Not paid in full, with payment plan																		
Jamaica	-	14.5	-	-	14.5	-	-	14.5	-	-	14.5	-	-	-	-	-	58.0	0.1%
2. Not current (not paid in full and no payment plan)																		
2.a. Without arrears																		
Brazil	-	-	-	4,004.4	-	-	-	-	2,057.8	-	8,231.6	2,502.7	-	-	-	-	16,796.5	19.3%
Haiti	-	-	-	-	-	-	-	43.0	-	-	-	-	-	-	-	-	43.0	0.0%
Honduras	-	-	-	-	-	-	-	-	-	34.1	-	-	-	-	-	-	34.1	0.0%
2.b. With arrears																		
Grenada	-	-	-	-	-	-	-	-	38.0	-	-	-	-	-	-	-	38.0	0.0%
St. Vincent and the Grenadines	-	-	40.7	-	-	-	-	-	-	-	-	-	-	-	-	-	40.7	0.0%
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TOTAL	26,399.8	1,284.4	105.4	5,238.6	873.7	13,589.4	16.8	1,832.7	14,410.4	52.3	20,556.1	2,502.7	-	-	-	-	86,862.2	100.00%
in %	30.4%	1.5%	0.1%	6.0%	1.0%	15.6%	0.0%	2.1%	16.6%	0.1%	23.7%	2.9%	-	-	-	-	100.0%	

* Some individual amounts showing "0.0" and totals may differ slightly due to rounding.

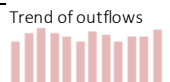
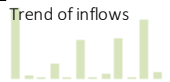
Regular Fund liquidity risk assessment

In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating through the year ending again in USD 0 (Figure 3). The GS/OAS projects a maximum cash deficit of USD 7.2 million by November of 2017 considering member states' payment plans and payment history (excludes member states with balances in arrears). Although the approval of the extension of the temporary loan from the Treasury Fund through CP/RES. 1072/17 will help to mitigate cash shortages in the

short-term, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund. At this time, the General Secretariat cannot project the repayment of the temporary loan, since it has not received indications from those member states in arrears, as to when the due amounts will be paid.

Table 8: Regular Fund monthly cash flow (in millions of USD) 2016

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	0.00	20.60	14.92	7.83	2.28	0.00	4.49	0.00	0.00	0.00	0.00	0.00	(15.89)
Inflows													
Net quota payments	26.40	1.28	0.11	5.24	0.87	13.59	0.02	1.83	14.41	0.05	20.56	2.50	86.86
Administrative support	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Replenishment of the Reserve	0.00	0.00	0.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48
Other income	0.02	0.00	0.04	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.09
b Total inflows	26.42	1.30	0.63	5.25	0.88	13.59	0.02	1.83	14.41	0.06	20.56	2.50	87.46
Outflows													
2016 expenses	5.54	6.62	7.65	6.77	6.37	5.79	7.10	6.65	5.64	6.44	6.45	7.27	78.28
2015 expenses	0.28	0.35	0.03	0.03	0.06	0.03	0.05	0.00	0.02	0.00	0.01	0.00	0.87
c Total outflows	5.82	6.97	7.68	6.80	6.43	5.82	7.15	6.65	5.66	6.44	6.46	7.27	79.17
d=b-c Net cash flow	20.60	(5.67)	(7.05)	(1.55)	(5.56)	7.77	(7.13)	(4.82)	8.76	(6.38)	14.10	(4.77)	8.29
e From/to Treasury Fund	0.00	(0.01)	(0.04)	(4.00)	3.28	(3.28)	2.64	4.82	(8.76)	6.38	(14.10)	4.77	7.60
f=a+d+e Ending cash balance	20.60	14.92	7.83	2.28	0.00	4.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Contributions from member states to OAS funds

Table 9 summarizes contributions from member states to OAS funds. In addition, the last column in the table shows the Specific Funds' fund balance of each member state at the end of this period. The column for current year collection under Regular

Fund refers to total quota payments for the current assessment made by each member state in 2016. Amounts in this column include discounts for prompt payment and payments in advance so they might differ slightly with the information presented in previous sections of this report (quotas and liquidity). A complete list of contributions from all donors is published in the [OAS website](#).

Table 9: Contributions from member states to OAS funds

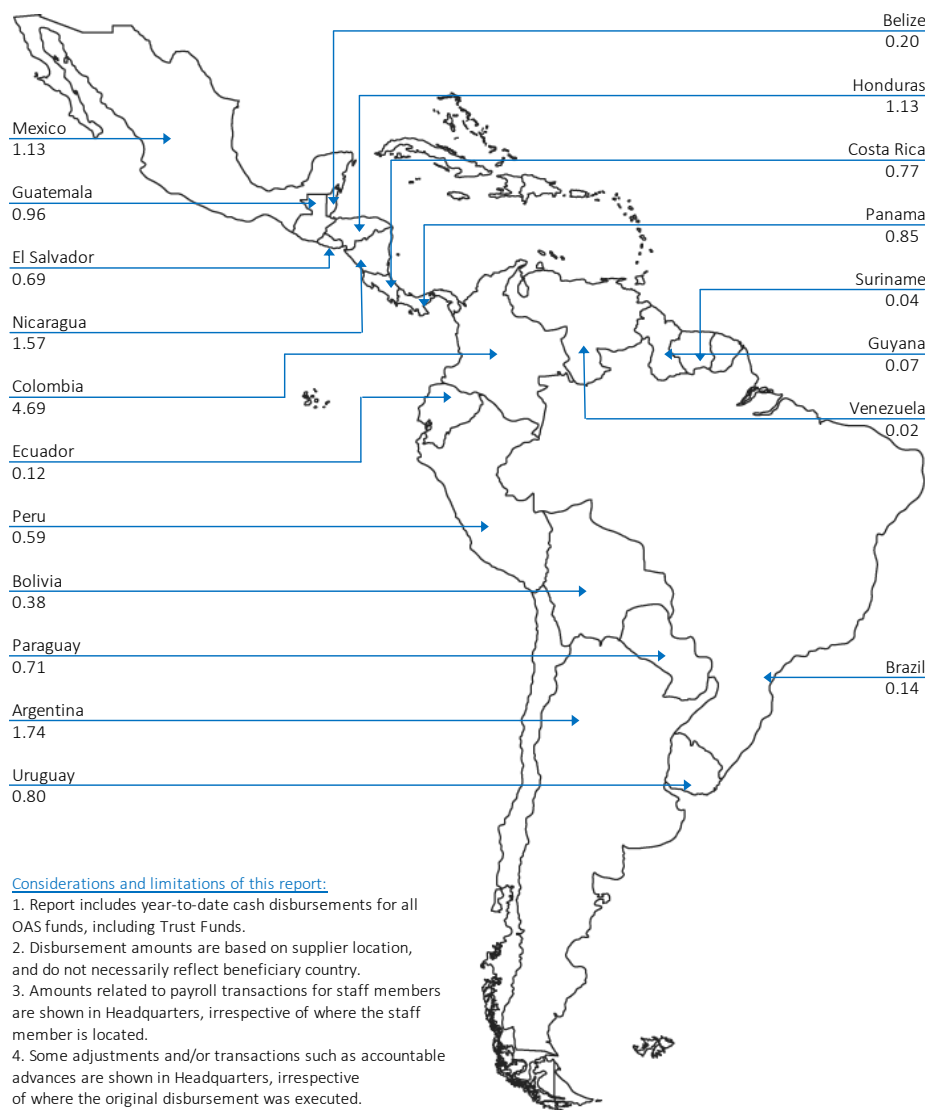
Member state	Regular Fund		Development Cooperation Fund	Specific Funds	Trust for the Americas	Total	Specific Funds - Fund Balance
	Current Year Collection *	Prior Year Bal. Collection					
Antigua and Barbuda	18,200	-	2,000	1,800	-	22,000	-
Argentina	1,987,200	-	9,870	256,000	-	2,253,070	415,002
Bahamas, Commonwealth of	40,600	-	20,000	160,870	-	221,470	102,691
Barbados	28,200	-	16,400	143,852	-	188,452	(23,883)
Belize	18,200	-	8,000	209,297	-	235,497	122,840
Bolivia	46,400	-	-	6,000	-	52,400	62,111
Brazil	2,502,723	14,293,845	-	538,648	-	17,335,217	857,075
Canada	8,762,500	-	-	4,216,335	-	12,978,835	2,306,398
Chile	1,115,300	-	-	218,412	-	1,333,712	275,476
Colombia	1,085,500	-	-	279,779	1,577,836	2,943,115	236,729
Costa Rica	190,400	-	30,000	31,441	-	251,841	32,614
Dominica, Commonwealth of	18,200	-	5,100	14,232	-	37,532	18,636
Dominican Republic	262,500	-	-	666,669	-	929,169	253,127
Ecuador	266,600	-	-	9,340	-	275,940	33,526
El Salvador	71,200	-	32,100	28,800	-	132,100	(4,307)
Grenada	-	38,000	-	5,000	-	43,000	5,000
Guatemala	120,100	-	-	45,742	-	165,842	157,109
Guyana	18,200	-	5,100	2,644	-	25,944	8,958
Haiti	21,480	21,500	-	100	-	43,080	1,718
Honduras	34,770	-	-	112,210	-	146,980	61,331
Jamaica	43,500	14,500	10,000	-	-	68,000	2,659
Mexico	5,620,300	-	-	1,212,310	-	6,832,610	7,161,285
Nicaragua	21,500	-	6,000	22,000	-	49,500	8,755
Panama	145,700	-	79,200	549,637	-	774,537	231,528
Paraguay	62,100	-	-	224,174	-	286,274	119,895
Peru	712,100	-	59,594	295,660	-	1,067,354	78,639
St. Kitts and Nevis	18,200	-	5,100	-	-	23,300	-
St. Lucia	18,200	-	15,170	22,760	-	56,130	14,629
St. Vincent and the Grenadines	-	40,651	-	-	-	40,651	30
Suriname	21,500	-	-	-	-	21,500	5,178
Trinidad and Tobago	111,800	-	-	45,000	-	156,800	118,230
United States	49,240,000	-	-	16,991,997	479,994	66,711,991	28,238,393
Uruguay	204,500	-	15,000	68,505	-	288,005	105,415
Venezuela	-	-	-	-	-	-	1,526
Total	72,827,673	14,408,496	318,634	26,379,215	2,057,830	115,991,849	

* Include prompt payment credits and/or payments in advance.

Disbursements by location

The OAS executes numerous activities throughout its member states, requiring payment for goods and services in their corresponding local currencies. The majority of disbursements occur in Headquarters, mostly due to payroll expenses and infrastruc-

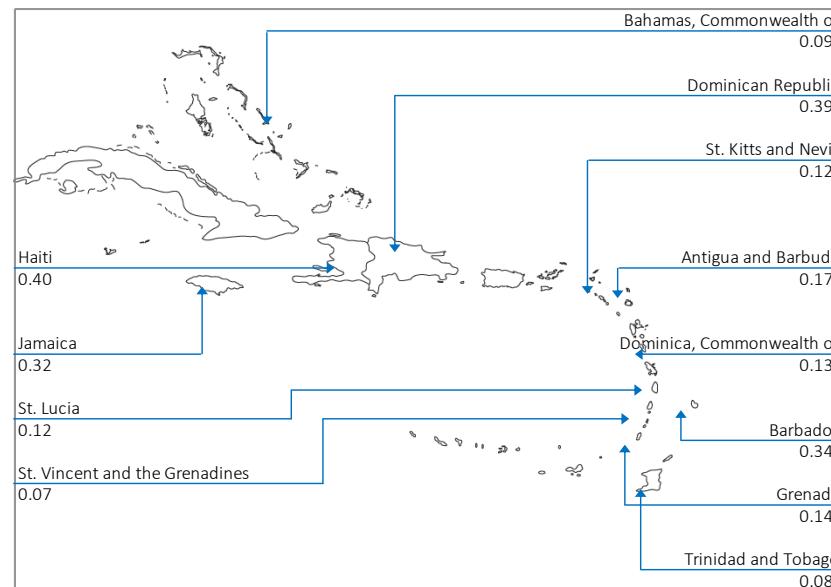
Figure 6: Disbursements by location (in millions of USD)



Considerations and limitations of this report:

1. Report includes year-to-date cash disbursements for all OAS funds, including Trust Funds.
2. Disbursement amounts are based on supplier location, and do not necessarily reflect beneficiary country.
3. Amounts related to payroll transactions for staff members are shown in Headquarters, irrespective of where the staff member is located.
4. Some adjustments and/or transactions such as accountable advances are shown in Headquarters, irrespective of where the original disbursement was executed.

ture costs. A large portion of disbursements are related to the Mission to Support the Peace Process in Colombia (MAPP), sustainable development projects in Argentina and justice access projects in Nicaragua. Disbursements in a specific location do not necessarily reflect full project activity since a large portion of project activity is disbursed in Headquarters.



TOTAL DISBURSEMENTS 168.24

Supplementary Appropriation CP/RES. 831

In 2002, the Permanent Council, through CP/RES831 (1342/02), approved the "Use of Excess Resources of the Reserve Sub-fund for Capital Investment and to Meet OAS Mandates." These resources are reported as part of the Specific Funds.

The appropriated excess resources of the Reserve Sub-fund amounted to USD 20,600,000. In addition, pursuant to AG/RES. 1 (XXV-E/98), USD 415,941 of unobligated Regular Fund appropriations were allocated to OAS Scholarships and Training Programs.

Further to the appropriations, there were net additions of USD 4,065,220 from transfers of several sources bringing the appropriation to a total of USD 25,081,161. In addition, the fund has earned interest of USD 2,914,036 through September 30, 2016, which has been distributed to each of its activities, interest for the fourth quarter of 2016 are still pending to be recorded. Thus, the total funding to date provided to the fund is USD 27,995,197.

Table 10 summarizes the financial activity of this appropriation since inception to date. A more detailed financial statement with notes on net additions (transfers) is published in the [OAS website](#).

Table 10: Summarized financial statement of Supplementary Appropriation CP/RES. 831

	a	b	c	d	e=a+b+c+d	f	g=e-f
	Original appropriation	Supplementary appropriation	Net additions (transfers) *	Interest income	Total funding	Expenditures and obligations	Fund balance
<u>Main activity / sub-activity</u>							
Simon Bolivar Room Renovation	2,650,000	-	1,217,052	152,182	4,019,234	4,019,234	-
Multi-Purpose Room (Guerrero Room)	750,000	-	(480)	14,577	764,097	764,097	-
<u>Capital Building Fund</u>							
Capital Building Fund	4,200,000	-	(4,497,114)	318,373	21,259	-	21,259
Main and Administrative Building Technology Improvement	-	-	1,708,000	86,042	1,794,042	1,786,071	7,971
CP/CAAP-3022/09 - Use of Capital Building Fund	-	-	1,209,000	54,610	1,263,610	1,263,556	54
Subtotal	4,200,000	-	(1,580,114)	459,025	3,078,911	3,049,627	29,284
<u>Special Revenue Fund Technical Areas</u>							
UPD Conflict Resolution Initiatives	400,000	-	-	22,107	422,107	408,194	13,913
Fund for Peace	1,000,000	-	(527,519)	59,595	532,076	532,076	-
Fund for Peace Sub-fund	-	-	419,313	40,350	459,663	460,208	(545)
Cuenca Rio Negro Honduras / Nicaragua	-	-	100,000	4,742	104,742	101,882	2,860
I-A Commission on Human Rights	600,000	-	-	6,260	606,260	606,260	-
Columbus Memorial Library	300,000	-	-	20,010	320,010	320,010	-
Public Information / External Relations to pursue Outreach Activities	65,000	-	(902)	1,344	65,442	65,442	-
Office of External Relations	35,000	-	(14)	603	35,589	35,589	-
Subtotal	2,400,000	-	(9,122)	155,011	2,545,889	2,529,661	16,228
Management Study	1,000,000	-	(259,542)	20,522	760,980	760,980	-
OAS Fellowships, Scholarships and Training Programs	5,000,000	415,941	4,746,592	1,670,705	11,833,238	8,445,072	3,388,166
Summit of Americas Mandates	4,000,000	-	(49,166)	442,014	4,392,848	4,211,832	181,016
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	4,065,220	2,914,036	27,995,197	24,380,503	3,614,694

* Explained in detail in the financial statement published in the OAS website.

OAS Country Offices

- Expenditures by Country Office
- Statement of Funds Available for OAS Country Offices

Expenditures by Country Office

The majority of expenditures incurred by OAS Country Offices are related to personnel costs to finance, in most cases, the office representative and the secretary of

each country office, and in a few instances, a driver/messenger. Non-personnel costs between offices may differ because of several factors including cost of living and office activity. Table 11 breaks down total expenditures financed with Regular, Specific and Fund for ICR by office and object of expenditure.

Table 11: Year-to-date expenditures by Country Office and object of expenditure (all sources of financing)

OAS Country Office	Personnel	Non-personnel							Non-personnel total	Grand total	% of grand total
	Non-recurring personnel	Travel	Publications and Documents	Equipment, supplies and maintenance	Building and maintenance	Performance contracts	Other				
Antigua and Barbuda	51,804	-	-	-	2,516	21,610	6,144	4,049	34,319	86,124	1.4%
Bahamas, Commonwealth of	102,133	-	-	-	4,826	623	3,324	5,554	14,326	116,459	1.9%
Barbados	274,902	-	-	-	10,079	47,000	25,915	6,180	89,173	364,075	5.8%
Belize	197,240	-	-	-	6,890	2,720	1,206	14,851	25,667	222,907	3.6%
Bolivia	164,339	-	-	-	4,017	12,989	3,690	22,423	43,118	207,457	3.3%
Costa Rica	81,395	-	-	331	4,121	27,782	4,322	1,734	38,291	119,686	1.9%
Dominica, Commonwealth of	42,474	-	-	-	1,073	17,735	9,946	2,435	31,188	73,662	1.2%
Dominican Republic	166,843	-	242	60	7,106	37,130	-	22,176	66,714	233,557	3.7%
Ecuador	195,699	-	1,155	-	2,275	17,828	-	22,925	44,182	239,882	3.8%
El Salvador	216,654	-	2,695	-	9,012	35,015	11,520	4,265	62,507	279,161	4.4%
Grenada	68,640	-	-	6	1,910	34,030	-	4,697	40,642	109,283	1.7%
Guatemala	222,609	-	449	45	5,375	18,167	4,663	27,020	55,719	278,327	4.4%
Guyana	189,518	-	-	-	4,107	12,155	6,147	4,983	27,392	216,910	3.5%
Haiti	31,849	-	-	437	13,538	122,104	6,158	70,749	212,987	244,837	3.9%
Honduras	152,256	-	205	30	7,318	28,272	-	30,087	65,912	218,168	3.5%
Jamaica	195,982	-	-	-	2,298	22,605	13,239	370	38,512	234,494	3.7%
Mexico	257,220	-	-	20	6,133	726	-	5,025	11,904	269,124	4.3%
Nicaragua	55,614	-	-	-	3,044	17,564	-	8,741	29,350	84,964	1.4%
Panama	214,584	-	-	-	3,113	29,889	3,848	10,235	47,085	261,669	4.2%
Paraguay	215,864	-	-	305	7,763	28,971	4,774	22,931	64,745	280,609	4.5%
Peru	72,211	-	-	-	5,007	27,962	21,986	10,942	65,898	138,110	2.2%
St. Kitts and Nevis	189,399	-	-	297	3,441	1,909	10,603	5,049	21,299	210,698	3.4%
St. Lucia	43,299	-	-	-	1,553	24,085	9,633	7,424	42,695	85,993	1.4%
St. Vincent and the Grenadines	35,505	-	-	-	830	26,913	15,328	6,994	50,065	85,570	1.4%
Suriname	132,023	2,781	805	150	8,730	570	13,380	2,641	29,058	161,081	2.6%
Trinidad and Tobago	188,703	-	-	-	-	933	21,876	4,242	27,051	215,754	3.4%
Uruguay	251,358	-	358	214	7,598	35,504	19,265	6,642	69,582	320,941	5.1%
Venezuela	300,669	-	-	-	2,185	37,589	17,205	539	57,518	358,187	5.7%
HQ Support to the Offices	265,250	86	343	45	127,743	1,533	124,500	36,474	290,725	555,975	8.9%
Grand total	4,576,038	2,866	6,252	1,942	263,604	691,913	358,672	372,377	1,697,626	6,273,664	100.0%
% of grand total	72.9%	0.05%	0.10%	0.0%	4.2%	11.0%	5.7%	5.9%	27.1%	100.0%	

Statement of Funds Available for OAS Country Offices

OAS Country Offices are financed by the Regular Fund, the Specific Fund for OAS Country Offices (Fund 118), the Fund for ICR and other relatively small service accounts. Table 12 summarizes funding and uses of funding (decreases) by source of

financing. The resulting funds available reported in this table is the balance at the end of this reporting period. This balance does not include year-end and therefore differs from the balance presented in Tables 1 and 2 for the Regular Fund and the Fund for ICR for Chapter 13. A detailed Statement of Changes in Fund Balance for the Specific Fund 118 by country is published in the [OAS website](#).

Table 12: Year-to-date Statement of Funds Available for OAS Country Offices

	Regular Fund	Specific Funds	Service and Revolving Funds		Total
		Offices in Member States (Fund 118)	Fund for Indirect Cost Recovery (ICR)	Other accounts (3)	
FUNDING					
Budget (1)					
Personnel budget	4,537,865	-	38,173	-	4,576,038
Non-personnel budget	1,372,236	-	119,645	-	1,491,881
Total budget (1)	5,910,101	-	157,818	-	6,067,919
Contributions and other income:					
Quarter 1	-	70,045	-	684	70,729
Quarter 2	-	115,303	-	1,368	116,671
Quarter 3	-	95,596	-	1,741	97,338
Quarter 4	-	77,660	-	40,086	117,746
Total contributions and other income	-	358,604	-	43,879	402,483
a Total funding available	5,910,101	358,604	157,818	43,879	6,470,402
DECREASES					
Execution:					
Expenditures:					
Quarter 1	1,448,289	75,874	124,023	265	1,648,451
Quarter 2	1,391,846	81,944	29,045	792	1,503,626
Quarter 3	1,344,020	84,770	4,750	600	1,434,139
Quarter 4	1,587,040	98,299	-	1,710	1,687,049
Total expenditures	5,771,194	340,887	157,818	3,366	6,273,265
Obligations	149,965	241,856	-	16,681	408,502
Total execution	5,921,159	582,743	157,818	20,047	6,681,767
Other decreases	-	10	-	-	10
b Total decreases	5,921,159	582,753	157,818	20,047	6,681,777
c=a-b NET INCREASE (DECREASE) DURING PERIOD	(11,058)	(224,149)	-	23,832	(211,375)
d Funds available, beginning of period	19,309	346,663	-	10,269	376,241
e=c+d FUNDS AVAILABLE, END OF PERIOD (2)	8,251	122,514	-	34,101	164,866

(1) Refers to modified budget, which is the original approved program-budget plus any transfers in and out between chapters.

(2) Funds available for the Regular Fund and Fund for ICR differ from Tables 1 and 2 presented in the section of budgetary execution and variances because this table is based on actual expenditures and obligations through the period, and does not include year-end as in Tables 1 and 2.

(3) Includes financial activity from cost-sharing agreements for office space.

Specific Funds

- Key developments
- Signed donor agreements
- Expenditures by donor and pillar
- Statement of Changes in Fund Balance
- External financial audits requested by Specific Fund donors

Key financial developments

Contributions to Specific Funds reached USD 45.7 million, approximately 11% and 21% lower than the same periods in 2015 (USD 51.1 million) and in 2014 (USD 57.7 million), respectively. The contributions from member states have slightly increased by 1% compared to the same period last year. However, contributions from permanent observers and other institutions significantly decreased by 21% and 29%, respectively. The minor increase of contributions from member states has not been enough to offset the overall decrease in contributions to Specific Funds. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Signed donor agreements

A donor agreement is any pact, memorandum of understanding, letter of understanding, exchange of letters, comprehensive cooperation agreement, etc., that the GS/OAS concludes with another party or parties to execute a specific activity or project. Donor agreements for Specific Funds often impose conditions on the use of funds, which may include one or more of the following administrative requirements: specific purpose, allowable timeframe, detailed budgets, eligibility of costs, financial and narrative reporting, interest accreditation, external audit, etc. Some donors impose more requirements than others and, overall, the more requirements the more administrative cost that the GS/OAS incurs in executing donor agreements. For example, to comply with some of the diverse financial reporting requirements such as multi-currency reporting, the GS/OAS prepares manual spreadsheets because of the current limitations in the financial system.

The GS/OAS actively tracks and manages over 500 donor agreements every year in its financial system, each with its own set of administrative requirements. This volume is high considering that the average dollar amount expensed is only USD 67

thousand (based on 2016 data). Furthermore, over 80% of these agreements are below this average. Thus, management believes that an organizational wide effort is necessary to negotiate more framework agreements or “basket funds” with donors in order to reduce administrative costs, whereby one donor agreement finances several large projects or programs. The recommendations found in the *Strategic Plan for Management Modernization at the OAS* also encourage this effort. The GS/OAS has made progress on this with a few donors such as Canada and Spain, and a few programs such as OAS/MAPP Peace Process in Colombia, but a more systematic effort is required.

Through 2016, 153 new agreements started execution for a total pledged amount of USD 43.0 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

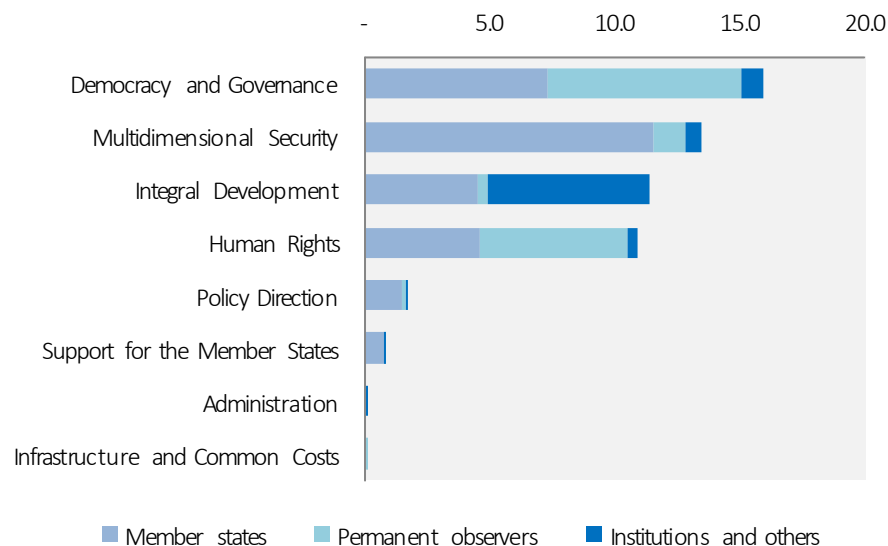
Table 13: New donor agreements starting execution this year

Donor	a Quantity	b Amount in thousands of USD	c=b/a Average amount in thousands of USD	d Range of execution periods
Member states	98	31,646.7	322.9	From 0 to 6 years
Permanent observers	37	10,400.7	281.1	From 0 to 6 years
Institutions and others	18	971.2	54.0	From 0 to 6 years
Total	153	43,018.6	281.2	

Expenditures by donor and pillar

Several donors contribute to Specific Funds by way of unprogrammed funds, where contributions are received by the GS/OAS for no specific project activity at first, and are then programmed for use to a specific project often at a later time and sometimes crossing fiscal periods. When these contributions are programmed to specific project activities and these are expensed, any remaining funds at the finalization of those activities return to the original unprogrammed account. In these cases, the net programming (original contribution minus unexpended funds) would be considered as the “contribution” to those activities. For the reasons explained above, looking at contributions alone might not provide a complete picture of where funds are being directed by donors and how funds are being used. Expenditures are a good indicator that help understand how donors and GS/OAS areas are programming Specific Funds over time. Expenditures show how funds are actually being used by specific project activities in the current period, irrespective if the contribution came from unprogrammed funds or if remaining funds were returned to the donor.

Figure 7: Expenditures by donor and pillar (in millions of USD)



This year, the GS/OAS incurred a total of USD 54.1 million in Specific Fund expenditures. Almost 56% of that amount was financed with contributions from member states, 29% with contributions from permanent observers and 15% with contributions from institutions and other donors. Permanent observers tend to finance more activities within the programmatic pillar of democracy and governance while institutions and other donors such as the United Nations tend to finance activities within integral development (Figure 7).

Statement of Changes in Fund Balance

Specific Funds operate differently than the Regular Fund or the Fund for Indirect Cost Recovery (ICR) in terms of budgetary execution. Activities that fall under Specific Funds are executed by the GS/OAS in accordance to signed donor agreements, and therefore their budgetary execution is directly linked to donor-imposed restrictions. Several of these agreements are executed crossing fiscal periods so, in terms of presenting financial activity for the current period, a carryforward beginning balance from prior years is presented to show the complete picture (besides contributions) of how current expenditures are being financed. Table 14 summarizes this activity by Chapter. A much more detailed statement at the subprogram, donor and project level is published in the [OAS website](#).

External financial audits requested by Specific Fund donors

As part of donor-imposed conditions, the GS/OAS coordinates external financial audits for some of its projects and activities. The coordination of these audits typically lasts four months from beginning to end, and include activities such as the preparation of audit terms of reference, the bidding of external auditing firms, comprehensive financial data collection and review, management and legal letters, and the final audit report. In 2016, five financial audits were performed on OAS/MAPP “Basket Fund”, the SAVIA program, the Judicial Facilitators program, Modernize Haiti’s Civil Registry and Strengthening Freedom of Expression Program all with satisfactory results. Four additional project audits are programmed to start during the first quarter of 2017. Potentially, up to 13 additional audits may be requested by donors during 2017. A detailed list of the status of financial audits is published in the [OAS website](#).

Table 14: Specific Funds—Statement of Changes in Fund Balance (in USD)

Chapter	a Cash balance 01/01/16	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 12/31/16	f Obligations as of 12/31/16	g=e-f Fund balance 12/31/16
Chapter 1 - Office of the Secretary General	(106,345)	-	-	-	(106,345)	-	(106,345)
Chapter 2 - Office of the Assistant Secretary General	324,895	844,907	(101,881)	722,671	345,250	242,063	103,187
Chapter 3 - Principal and Specialized Organs	1,900,538	3,327,637	5,793,729	6,496,715	4,525,189	1,126,597	3,398,592
Chapter 4 - Strategic Counsel for Organizational Development and Management for Results	476,157	108,407	285,630	497,219	372,975	160,657	212,318
Chapter 5 - The Secretariat for Access to Rights and Equity (SARE)	299,800	480,825	414,139	4,699,425	(3,504,661)	524,756	(4,029,417)
Chapter 6 - Secretariat for Strengthening Democracy	6,424,048	13,414,209	2,962,246	13,849,139	8,951,365	4,168,948	4,782,417
Chapter 7 - The Executive Secretariat for Integral Development (SEDI)	26,445,676	7,489,603	(706,507)	9,181,509	24,047,263	2,195,163	21,852,100
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	15,783,686	8,868,337	(29,816)	13,441,377	11,180,829	2,212,481	8,968,349
Chapter 9 - The Secretariat for Hemispheric Policies (SHP)	547,728	3,615,651	478,548	2,170,569	2,471,357	362,172	2,109,185
Chapter 10 - The Secretariat for Legal Affairs (SLA)	6,184,485	470,622	1,013	814,749	5,841,371	270,448	5,570,923
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	1,143	160,000	-	19,200	141,943	57,200	84,743
Chapter 13 - Compliance Oversight Management Bodies (COMB)	9,525	24,051	(12,025)	22,049	(498)	2,000	(2,498)
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	1,594,007	-	2,420	-	1,596,427	-	1,596,427
Interest to be reimbursed to USINL	98,841	-	(86,035)	-	12,806	-	12,806
Oliver Jackman Fund	155,741	-	236	-	155,977	-	155,977
Reconciliation / Write-Off	(146,672)	-	(1,611)	-	(148,283)	-	(148,283)
Resolution CP 831/2002	5,719,156	-	771,770	2,183,929	4,306,997	692,303	3,614,694
Unprogrammed Funds	12,662,284	6,878,246	(10,388,504)	-	9,152,026	-	9,152,026
Total	78,374,693	45,682,496	(616,647)	54,098,551	69,341,990	12,014,788	57,327,202

* Includes contributions from Member States, Permanent Observers and other donors.

** Other net activity includes: net transfers in/out mainly related to unprogrammed accounts, refunds, and interest income.