



ORGANIZATION OF AMERICAN STATES
Inter-American Council for Integral Development
(CIDI)



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**STATUTES OF THE OAS DEVELOPMENT COOPERATION FUND (OAS/DCF) AND PROVISIONS
REGARDING OTHER PARTNERSHIP
FOR DEVELOPMENT RESOURCES**

(Agreed upon at the thirty-eighth regular meeting of CIDI,
held on May 22, 2014)

CHAPTER I

**SOURCES OF FINANCING
FOR PARTNERSHIP FOR DEVELOPMENT**

Article 1. These Statutes govern the operation of the OAS Development Cooperation Fund (OAS/DCF), which is established to contribute to the financing of national and multilateral cooperation programs, projects, and activities (hereinafter referred to as “partnership-for-development activities”) carried out under the Strategic Plan for Partnership for Development (hereinafter the “Strategic Plan”). These Statutes also identify other funds administered by the General Secretariat that may contribute to the financing of partnership-for-development activities.

Article 2. The resources to finance partnership-for-development activities are grouped in the following funds: OAS Development Cooperation Fund (OAS/DCF), specific funds, trust funds, and the Regular Fund of the Organization, as applicable.

The resources contained in these funds shall be used in accordance with the General Standards to Govern the Operations of the General Secretariat of the Organization of American States (hereinafter the “General Standards”), these Statutes, and the pertinent regulations.

Article 3. The member states will participate in financing partnership-for-development activities by making voluntary contributions to the OAS/DCF. Member states may also make special contributions or grants to specific funds and trust funds.

Article 4. Permanent observer states to the Organization of American States (OAS) and other member states of the United Nations, as well as individuals or public or private entities, whether national or international, may participate in financing partnership-for-development activities by making contributions or grants to specific funds and trust funds, pursuant to the General Standards.

Article 5. Interest accrued on the funds covered by these Statutes shall be considered income of the corresponding fund and shall be governed by the pertinent provisions of the General Standards.

* Reviewed by the Style Committee of the forty-fourth regular session of the General Assembly.

CHAPTER II
FINANCING USING OAS/DCF RESOURCES

A. Nature and Composition

Article 6. The OAS/DCF is made up of the voluntary contributions of member states and other assets.

Article 7. The Integral Development Account is based on the priorities established in the Strategic Plan and the Reserve Account that shall be established with 10 percent of the annual voluntary contributions of member states. The Reserve Account shall maintain for unforeseen activities a sum equivalent to 3 percent of the amount of resources existing in the OAS/DCF.

Article 8. Member states may assign their voluntary pledges for the Integral Development Account to one or several sectoral accounts, in the proportions that each contributing member state decides, within the established deadlines.

Article 9. The Integral Development Account includes the priorities established in the strategic plan in force:

- a. Social development and creation of productive employment
- b. Education
- c. Economic diversification and integration, trade liberalization, and market access
- d. Scientific development, and exchange and transfer of technology
- e. Strengthening of democratic institutions
- f. Sustainable development of tourism
- g. Sustainable development and environment
- h. Culture

The sectoral accounts must be reviewed based on the priorities established in the Strategic Plan.

The Management Board of the Inter-American Agency for Cooperation and Development (IACD) may establish sub-accounts, where necessary, based on priorities under the Strategic Plan.

Article 10. OAS/DCF resources shall finance:

- a. Technical meetings, seminars, and workshops that contribute to inter-American dialogue and partnership for development cooperation;
- b. Partnership-for-development activities carried out under the Strategic Plan with the approval of the Management Board of the IACD;
- c. A contribution for technical supervision and administrative support, in keeping with the General Standards in relation to Indirect Cost Recovery (ICR);
- d. Special appropriations expressly authorized by the Inter-American Council for Integral Development (CIDI) to deal with situations or activities unforeseen in the programming of partnership-for-development activities.

Article 11. The OAS/DCF resources may not be used to finance career service staff. OAS/DCF resources may only finance temporary personnel on contracts for limited times and firms and independent contractors using performance contracts, to implement a specific partnership-for-development activity approved by CIDI and only for the duration of said specific activity.

B. Contributions to the OAS/DCF

Article 12. Member states will make their pledges taking into account the last five contributions that they made and bearing in mind the projection of the Executive Secretariat for Integral Development (hereinafter "SEDI") as to resources necessary for financing partnership-for-development activities.

Article 13. Member states shall comply with the following requirements for use of OAS/DCF funds:

- a. They must have made a pledge of a contribution before the deadline specified in Article 17.a of these Statutes.
- b. They must have paid in full their pledged contribution prior to the deadline specified in Article 17.b of these Statutes.

Member states that were not included in the Programming, Obligation, and Execution Schedule (hereinafter the "Schedule") because they did not make a contribution to a specific programming cycle, but are nonetheless interested in contributing to and being beneficiaries of the activities envisaged in a particular program of that cycle without altering the manner in which the latter is formulated, should request the Management Board of the IACD to have their late contributions considered as received in the corresponding cycle. The participation of those states in the corresponding activities under the cycle in question shall be limited by the availability of funds during said cycle.

In the event that available resources are insufficient to program a specific cycle, SEDI shall notify the IACD of the situation in order to decide on an appropriate response aimed at allowing the member states to receive the benefits of the Fund.

Article 14. Pledges for contributions to the OAS/DCF and payment of such pledges shall be made in United States dollars.

Payment of these pledges may be made partially in the local currency of the member state in question, within the limits established by the Secretary General, taking into consideration the needs for expenditures in the currency of that country.

Article 15. Member states shall be entitled to participate in the Programmatic Framework with their respective activities, which shall be financed from resources obtained by the OAS/DCF on the condition that the member states have paid up their pledges within the deadline specified in Article 17.b of these Statutes.

Article 16. In exceptional cases, the Management Board of the IACD may extend the deadline for paying pledges.

C. Programming, Obligation, and Execution of Partnership-for-Development Activities

Article 17. The partnership-for-development activities financed by the OAS/DCF shall be governed by the Schedule with the following deadlines:

Voluntary contributions from member states

- a. Voluntary contribution pledges to the OAS/DCF shall be made in writing no later than July 31 of each year.
- b. Member states shall make their annual contributions to the OAS/DCF no later than October 31. Those contributions shall be added to the seed capital for the appropriate programming

cycle, in order to continue creating synergies and raise additional funds from potential external partners.

- c. On the basis of the contributions that they regularly provide to the OAS/DCF, member states shall submit letters of commitment and support to the OAS/DCF process, which will serve as a token of their commitment to potential partners/donors for the programs that will be implemented.

Definition of programming

- d. In order to develop a clearly defined objective, the Technical Cooperation Section (TCS) of SEDI, in coordination with the national liaison offices (ONEs) and the pertinent national authorities, shall identify the corresponding area of action of the Strategic Plan as well as the thematic areas that may be helpful in its formulation, including Education and Science and Technology as crosscutting themes.
- e. The TCS, in collaboration with each member state's ONE, shall hold consultations and organize a survey to identify the member states' priorities for the areas of action of the Strategic Plan and the corresponding thematic areas for up to four programs.
- f. The TCS shall present the results of the survey to CIDI for its consideration and approval of the area of action and the thematic areas, which will define up to four programs for initial formulation of the proposed Programmatic Framework by April 15 of the first year of the programming cycle.
- g. The Management Board of the IACD shall confirm the amount of seed funding available for the programming cycle by April 30.
- h. To ensure the participation of each member state in the formulation of programs and the identification of activities, member states shall be requested, through their permanent missions, to submit a letter confirming their participation in one of the programs, in accordance with their needs, and identifying the executing agenc(y)(ies) and the responsible official(s) in each participating country, by May 15.
- i. The IACD Management Board will increase member state participation to more than one program to the extent that financial resources allow.
- j. The TCS, in collaboration with the SEDI departments and in close coordination with the ONEs and the pertinent national authorities, shall develop a proposed three-year Programmatic Framework for implementation that shall include the objective, programs with their respective activities, and the budget for each approved thematic area, including evaluation costs, by August 30.
- k. SEDI shall present the Programmatic Framework to the Management Board of the IACD for its consideration and approval by September 30.

Programming implementation

- l. By October 15, the TCS shall prepare and send to the member states the necessary documentation (execution agreements and appropriate forms).

- m. Each participating member state shall present an execution plan, including the budget and Schedule for the entire three-year duration of the program according to the dates established in the execution agreement.
- n. The participating member states (executing agency and ONE) shall sign the execution agreements by December 15.
- o. SEDI shall obligate the resources for program execution at the beginning of each programming cycle upon receipt of the signed execution agreements from the member states.

Financial disbursements

- p. Disbursements for the execution of programs can be processed immediately after the resources have been obligated and once the executing agencies have presented a satisfactory implementation plan for executing the activities in each country and signed the respective execution agreements.
- q. Funds will be disbursed every six months based on the presentation of satisfactory progress reports. Where a report is unsatisfactory, a decision in that regard shall be adopted by the IACD Management Board in accordance with the provisions of the execution agreement.

Monitoring and evaluation

- r. The national coordinators of each program shall have 90 days following the signing of the agreement to submit a monitoring and evaluation plan to the TCS that shall cover all three years of the program's execution.
- s. A monitoring and evaluation plan is included in the corresponding execution plan.
- t. The TCS shall prepare a mid-term follow-up report on implementation of the programming cycle (at the end of the second year), in order to make any necessary execution changes to ensure that programs are being implemented satisfactorily.
- u. A final evaluation of programs, coordinated by the TCS jointly with the Department of Planning and Evaluation (DPE), shall be performed at the end of the respective programming cycle, which shall be carried out by a qualified independent evaluator, according to standards defined in the respective execution agreement.

This Schedule may be amended by the IACD Management Board in accordance with its regulations. The IACD Management Board shall notify CIDI of its decision to make any such changes within five working days following the date of that decision.

Article 18. The TCS shall prepare, in consultation with the ONEs and the pertinent national authorities and with support from the SEDI departments, the programs mentioned in Article 17.e, taking into account the guidelines on cooperation contained in the Strategic Plan.

Programs will have a multinational approach for implementing partnership-for-development activities and will reflect an adequate regional balance.

Article 19. The Programmatic Framework for partnership-for-development activities approved by the Management Board of the IACD shall be adjusted to be consistent with the amount of resources collected by the closing date of the payment period indicated in the Schedule, plus any balances approved but unobligated from the previous programming cycle.

Article 20. The IACD Management Board shall approve each programming period. It shall reflect an adequate balance in allocating available resources, endeavoring to target the most pressing needs of the member states, especially developing economies and countries with smaller economies.

Article 21.

- a. The Management Board of the IACD shall approve the programs for the appropriate programming cycle.
- b. The programs may not be renewed once the original objectives have been achieved.
- c. The Management Board of the IACD may, by exception, extend the execution deadline of a program if said activity has been unable to achieve its objectives within the established time frame due to unforeseen circumstances.

Article 22.

Appropriations and obligations

- a. Appropriations for partnership-for-development programs shall be made available to meet the obligations contracted within the time frame established in Article 17.k of these Statutes, and shall be disbursed in accordance with the provisions of Article 17.p. However, and only to the extent necessary to liquidate obligations pending at the end of the year for which they were approved, the aforementioned appropriations may be extended for up to six months beyond the final year for which they were approved, after which time they shall expire irrevocably. Once this deadline has passed, funding for the continuation of activities as approved by the Management Board in accordance with the provisions of Article 21 shall be the object of new appropriations and subject to the availability of funds in the corresponding account.

Any funds unexpended at the close of the execution period shall revert to the account from which they came and shall be made available for reprogramming.

Special appropriations

- b. Should it be necessary to make a special budgetary appropriation against the OAS/DCF for activities unforeseen in the approved programming of partnership-for-development activities, the IACD Management Board shall decide the approval of said appropriation on the recommendation of the Executive Secretary for Integral Development in his capacity as Director General of the IACD. Such recommendation shall be accompanied by a statement identifying the source of the funds available for programming.

CHAPTER III
FINANCING WITH SPECIFIC FUNDS

Article 23. In exercise of his powers under Article 74 of the General Standards, the Secretary General may establish specific funds in separate accounts to address particular interests of the member states and other contributors in the area of partnership for development, within the scope of the Strategic Plan.

The purposes and limitations of these funds shall be defined in precise terms in accordance with the corresponding instruments establishing them, and CIDI and the IACD Management Board shall be informed thereof.

The specific funds shall be made up of contributions from the contributors identified in Articles 3 and 4 of these Statutes, in accordance with agreements or contracts entered into by the General Secretariat in exercise of the powers conferred on it by the Charter.

Article 24. The Capital Formation Fund is a specific fund to which the contributors identified in Articles 3 and 4 may provide resources for the purpose of forming interest-bearing capital to be used as follows:

- a. For reimbursable financing of partnership-for-development activities carried out by entities of the member states;
- b. For co-financing of partnership-for-development activities carried out with entities of the member states;
- c. For counterpart funds for co-financing joint and complementary activities carried out with other international or regional governmental and nongovernmental organizations; and
- d. For fellowship, scholarship, and training programs.

The operating procedures of the Capital Formation Fund shall be duly regulated.

CHAPTER IV FINANCING WITH TRUST FUNDS

Article 25. In exercise of his powers under Article 75 of the General Standards, the Secretary General may establish trust funds in separate accounts, for the purpose of carrying out or strengthening partnership-for-development activities.

The purposes and limitations of these funds shall be defined in precise terms in accordance with the corresponding instruments establishing them, and CIDI and the IACD Management Board shall be informed thereof.

Trust funds shall be 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.

CHAPTER V FINANCING USING THE REGULAR FUND

Article 26. Appropriations from the Regular Fund that are authorized for CIDI are intended to finance the regular services of CIDI, its bodies and subsidiary agencies, and SEDI.

Article 27. Based on Article 72 of the General Standards, the Regular Fund shall be used to finance the following, as authorized in the Organization's program-budget:

- a. Regular, special, sectoral, or specialized meetings of CIDI, at the ministerial level or its equivalent;

- b. Meetings of CIDI and its subsidiary bodies, meetings of the nonpermanent specialized committees, and those of the inter-American committees and other CIDI bodies and agencies, meetings of the IACD Management Board, and programming meetings;
- c. A contribution to support the operations of SEDI;
- d. Technical supervision and administrative support of programs;
- e. Multilateral integral development programs, as established in Article 31 of the Charter of the OAS and as specifically identified in the approved program-budget.
- f. Fellowship, scholarship, and training programs.

Article 28. Contributions to the Regular Fund and to the IACD Fund for Operations established in Article 14 of the IACD Statutes for technical supervision and administrative support shall be made in accordance with the terms established in the General Standards.

CHAPTER VI GENERAL PROVISIONS

Article 29. SEDI is responsible to CIDI, the IACD Management Board, and the Secretary General for the application of these Statutes, on the basis of the functions and responsibilities assigned to it under the Statutes of CIDI and of the IACD.

Article 30. These Statutes shall enter into force upon approval by CIDI.

Article 31. These Statutes may be amended by CIDI at its regular meetings observing the necessary coherence with the General Standards, the CIDI Statutes, and the IACD Statutes. The IACD Management Board may modify the Schedule in the manner envisaged in Article 17.

Amendments to the Statutes may be proposed by CIDI, the IACD Management Board, the Secretary General, or the Executive Secretary for Integral Development.

Article 32. The OAS/DCF is governed by the provisions of these Statutes and by the pertinent resolutions of the General Assembly and CIDI.

Article 33. OAS/DCF funds must not be used for any purpose other than the programs approved by the Management Board of the IACD within the Programmatic Framework of each programming cycle.

CHAPTER VII TRANSITORY PROVISIONS

First. The surveys mentioned in Article 17.e shall be conducted in accordance with a format previously agreed upon by the member states, in the framework of CIDI.

Second. As of the second and subsequent programming cycles, the work of conceptually formulating the objective and programming tasks, as well as external fundraising, will start at the same time as the third year of implementation of the previous programming cycle in order to ensure that the OAS/DCF's activities are ongoing and progressive.

Third. At the end of the first programming cycle, following a report by SEDI, the member states shall evaluate the time frames of programming cycles.