

*executive committee of
the directing council*



PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



107th Meeting
Washington, D.C.
June 1991

Provisional Agenda Item 5.7

CE107/18 (Eng.)
16 April 1991
ORIGINAL: ENGLISH

SITUATION OF THE PAN AMERICAN ZONOSSES CENTER (CEPANZO)

1. Resolution of the Pan American Sanitary Conference

Resolution XXIII of the XXIII Pan American Sanitary Conference (1990) relating to the situation of the Pan American Zoonoses Center (CEPANZO) provided as follows:

"1. To express satisfaction at the progress made in the negotiations between the Government of Argentina and the Pan American Health Organization for review of the CEPANZO Agreement.

"2. To request the Government of Argentina and instruct the Director to accelerate those negotiations, including those for resolving the financial situation, with a view to the conclusion of an agreement before 31 December 1990.

"3. To authorize the Director, in the framework of those negotiations and in consultation with the Government of Argentina, to adopt, before 31 December 1990, the legal and administrative measures that may be required to give effect to Article 7.2 of the existing agreement.

"4. To request the Director to report on the outcome of this matter to the VII Inter-American Meeting, at the Ministerial Level, on Animal Health (RIMSA), the 107th Meeting of the Executive Committee, and the XXXV Meeting of the Directing Council of the Pan American Health Organization."

2. Termination of Agreement

In compliance with the above resolution, the Director continued to negotiate with the Government of Argentina with a view to concluding an agreement on the financial situation before 31 December 1990. Unfortunately, these negotiations were unsuccessful in resolving the financial situation. Accordingly, as authorized by the Pan American Sanitary

Conference in paragraph 3 of Resolution XXIII, the Director officially notified the Government of Argentina in writing on 26 December 1990 that the agreement between the Government of Argentina and the Pan American Sanitary Bureau/Regional Office of the World Health Organization with respect to the establishment and operation of CEPANZO will be terminated effective 31 December 1991. This notification of termination is in accordance with the provisions of the Agreement between the Government of the Republic of Argentina and the Pan American Sanitary Bureau/Regional Office of the World Health Organization, with Respect to the Establishment and Operation of a Zoonoses Center for the Americas, signed on 10 August 1956, which states in paragraph 2, Article VII, that this agreement may be terminated by either party hereto on 31 December of any year, through written notice to the other party one year in advance.

Additionally, the PAHO staff at CEPANZO will have been separated from PAHO service effective 30 April 1991 and administrative arrangements begun to effect the orderly closure of the Center.

Consultations have been carried out in order to determine mechanisms for the continuation of the research and reference functions of the Center through the utilization of National Collaborating Institutions. Technical cooperation activities will be carried out by means of the redeployment of the international professional staff, and the function of technical information, through the use of the established mechanisms within the Bureau.

3. The Financial Situation of CEPANZO

Since the presentation of the financial situation of CEPANZO to the XXIII Pan American Sanitary Conference (Document CSP23/28), there have been no further financial contributions received from the Government of Argentina. The current status of the contributions from the Government of Argentina is annexed.

As of 31 December 1990, CEPANZO's operating deficit, because of the lack of contributions from the Government, was \$3,574,374.

With the continuation of operations and staffing in CEPANZO until 30 April 1991, the deficit is projected to exceed \$6,600,000, as indicated below:

Deficit as of 31 December 1990		\$3,574,374
Estimated costs for the period 1 January - 30 April 1991		<u>908,180</u>
Projected deficit as of 30 April 1991		\$4,482,554
Additional costs associated with termination of staff:		
Indemnity costs	\$1,830,614	
Accrued annual leave	375,400	<u>\$2,306,014</u>
Total		<u>\$6,688,568</u> =====

4. Conclusion

Further legal and administrative measures will have been taken after 30 April 1991 to close the Center in accordance with Article 7.2 of the existing Agreement.

Annex

CURRENT STATEMENT OF CONTRIBUTION TO CEPANZO
FROM THE GOVERNMENT OF ARGENTINA

(Expressed in US dollars)

	<u>YEAR</u>	<u>FUNDS COMMITTED</u>	<u>FUNDS RECEIVED</u>	<u>FUNDS RECEIVABLE</u>
Ministry of Health	1986	750,000	750,000	-0-
	1987	721,600	721,600	-0-
	1988	775,000	775,000	-0-
	1989	775,000	-0-	775,000
	1990	<u>813,750</u>	<u>-0-</u>	<u>813,750</u>
			<u>3,835,350</u>	<u>2,246,600</u>
Ministry of Agriculture	1986	750,000	-0-	750,000
	1987	721,600	-0-	721,600
	1988	775,000	-0-	775,000
	1989	775,000	-0-	775,000
	1990	<u>813,750</u>	<u>-0-</u>	<u>813,750</u>
			<u>3,835,350</u>	<u>2,246,600</u>
GRAND TOTAL		<u>7,670,700</u>	<u>2,246,600</u>	<u>5,424,100</u>