



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



142nd SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 23-27 June 2008

Provisional Agenda Item 5.1

CE142/27 (Eng.)
5 June 2008
ORIGINAL: ENGLISH

PROCESS FOR IMPLEMENTING THE NEW SCALE OF QUOTA ASSESSMENT BASED ON THE NEW OAS SCALE

1. Reference is made to PAHO Resolution CE140.R5 which states that any new assessment scale derived from the new OAS quota scale will be applied to biennia subsequent to the 2008-2009 biennium.
2. On 13 November 2007, the 34th Special Session of the Organization of American States (OAS) approved Resolution AG/RES. 1 (XXXIV-E/07) which established a revised quota scale for its membership applicable to the years 2009-2011 (copy attached as reference). As stated in PAHO Resolution CE140.R5, the new scale of assessments, based on the approved OAS quota scale, will be developed and presented to PAHO Member States along with the Program Budget proposal beginning with the period 2010-2011.
3. OAS Resolution AG/RES. 1 (XXXIV-E/07) also states that “thereafter, the percentage assessments will be updated every three years according to the same methodology and that the next adjustment in the assessment percentage scale will be effective for the period 2012-2014, based on the latest data available in 2011.”

Annex

GENERAL ASSEMBLY



THIRTY-FOURTH SPECIAL SESSION
November 13, 2007
Washington, D.C.

OEA/Ser.P
AG/RES. 1 (XXXIV-E/07) rev. 1
20 November 2007
Original: Spanish

AG/RES. 1 (XXXIV-E/07)

METHODOLOGY FOR CALCULATING THE SCALE OF QUOTA ASSESSMENTS
TO FINANCE THE REGULAR FUND OF THE ORGANIZATION

(Adopted at the plenary session, held on November 13, 2007)

THE GENERAL ASSEMBLY,

HAVING SEEN the report of the Committee on Administrative and Budgetary Affairs (CAAP) on the recommendations of the Group of Experts convened to propose a methodology for calculating the scale of quota assessments of the Organization of American States (OAS) (CP/CAAP-2929/07); and

CONSIDERING:

That, pursuant to Article 55 of the Charter of the Organization, it is incumbent on the General Assembly to “establish the bases for fixing the quota that each Government is to contribute to the maintenance of the Organization, taking into account the ability to pay of the respective countries and their determination to contribute in an equitable manner”;

That at its thirty-first special session, through resolution AG/RES. 1 (XXXI-E/06), the General Assembly adopted the transitional scale of OAS Regular Fund quota assessments to fund the 2007 and the 2008 program-budget;

That at its thirty-seventh regular session, the General Assembly established the following in Article II.A.2.a of resolution AG/RES. 2353 (XXXVII-O/07):

- a. Scale of quota assessments
 - i. To extend the mandate issued by the General Assembly at its thirty-first special session by way of resolution AG/RES. 1 (XXXI-E/06), instructing the Permanent Council to continue considering a draft methodology for assessing quotas to the member states—one that will take in account the criteria established in Article 55 of the OAS Charter and current data on the ability to pay of the member countries;
 - ii. To request the group of experts convened by the Secretary General, as stipulated in resolution AG/RES. 2257 (XXXVI-O/06), to conclude, no later than September 30, 2007, its consideration of the methodology for assessing

quotas to the member states and to present a proposal to the General Assembly for consideration at a special session;

- iii. To convene the General Assembly to meet in special session no later than December 14, 2007, to adopt a methodology for assessing quotas to the member states that will enter into force in 2009 and apply to subsequent years.

That the Group of Experts met on March 26 and 27 and on August 27 and 28, 2007, and decided, by means of document GTT/MEC/doc.5/07 rev. 1, to submit to the CAAP for consideration and, through that Committee, to the Permanent Council for consideration, a methodology for calculating the scale of quota assessments to be considered by the General Assembly pursuant to the mandate issued in resolution AG/RES. 2353 (XXXVII-O/07); and

That at its meeting of September 26, 2007, the Permanent Council convened, by resolution CP/RES. 922 (1610/07), the thirty-fourth special session of the General Assembly and transmitted the CAAP report on the recommendations of the Group of Experts to the Preparatory Committee of the General Assembly for consideration at that special session,

RESOLVES:

1. To adopt the recommendations of the Group of Experts convened to propose a methodology for calculating the scale of quota assessments of the Organization of American States (OAS), spelled out in document GTT/MEC/doc.5/07 rev. 1, "Proposed Methodology for the Calculation of the Scale of Quotas of the Organization of American States" (appended to this resolution), which set out a methodology utilizing criteria defined by the OAS based on the United Nations methodology, adapted to OAS circumstances.

2. To determine, in accordance with resolution AG/RES. 2353 (XXXVII-O/07), that the methodology for calculation set out in that document will be applied to quota percentage assessments assigned to the member states for the years 2009 to 2011.

3. To determine that, thereafter, the percentage assessments will be updated every three years according to the same methodology and that the next adjustment in the assessment percentage scale will be effective for the period 2012-2014, based on the latest data available in 2011, and so on.

APPENDIX

PROPOSED METHODOLOGY FOR THE CALCULATION OF THE SCALE OF QUOTAS
OF THE ORGANIZATION OF AMERICAN STATES^{1/}

The Working Group of Experts convened to propose a methodology for the calculation of the scale of quotas of the Organization of American States (OAS), is pleased to report its recommendations to the governing bodies of the Organization on the referenced subject:

1. The quota percentages would be calculated utilizing criteria defined by the OAS based on the United Nations methodology, adapted to OAS circumstances, as follows:
 - a. Gross national income figures, in US dollars, as reported by the UN Statistical Service;
 - b. Average statistical base periods of three and six years;
 - c. The debt burden adjustment approach employed in the UN scale of assessments for the period 2004-2006;
 - d. A low per capita income adjustment of 80 percent, with a threshold equivalent to the median of the average *per capita* gross national income of the member states for the statistical base periods;
 - e. The low per capita income adjustment would apply only to those members states below the 30th percentile in terms of per capita income;
 - f. A minimum assessment rate of 0.022%;
 - g. A maximum assessment rate of 59.470%;
 - h. The quota percentage assessment assigned to each member state would neither increase nor decrease by more than 25% from one three year period to the next.

The following scale of percentage assessments has been constructed using the most recent statistical data published by the UN and complemented by ECLAC, as needed.

1. Previously published as document GTT/MEC/doc.5/07 rev. 1.

Country	2009-2011 Quota %
Antigua and Barbuda	0.022
Argentina	3.211
Bahamas	0.077
Barbados	0.060
Belize	0.022
Bolivia	0.046
Brazil	7.953
Canada	13.761
Chile	1.073
Colombia	0.839
Costa Rica	0.187
Cuba	0.766
Dominica	0.022
Dominican Republic	0.206
Ecuador	0.207
El Salvador	0.105
Grenada	0.022
Guatemala	0.187
Guyana	0.022
Haiti	0.045
Honduras	0.045
Jamaica	0.123
Mexico	8.141
Nicaragua	0.045
Panama	0.163
Paraguay	0.124
Peru	0.553
Saint Kitts and Nevis	0.022
Saint Lucia	0.022
Saint Vincent and the Grenadines	0.022
Suriname	0.045
Trinidad and Tobago	0.152
United States	59.470
Uruguay	0.181
Venezuela	2.060
	100.000 %

2. The purpose of the limit established in 1.h is to mitigate significant increases or decreases for any one member state.
3. For purposes of this proposed methodology, and in accordance with the scale approved for 2008, the minimum quota percentage assessment (“floor”) would be 0.022%, and the maximum percentage assessment (“ceiling”) would be 59.470%.
4. The assessment percentage scale to be submitted for approval by the General Assembly at a special session, as mandated by Budget Resolution AG/RES. 2353, would be effective for the years 2009-2011. Thereafter, and using the same methodology, the assessments would be updated every three years with the most recent available data. The next scheduled adjustment in the percentage assessment scale would be effective for the period 2012-2014, based on the latest data updates available in 2011, and so on.

Attachment 1

Parameters

<u>Parameter</u>	<u>6 years</u>	<u>3 years</u>	<u>Average of 6 and 3 years</u>
Statistical base period:	2000 - 2005	2003 - 2005	
Income measure:	Gross national income (GNI)	Gross national income (GNI)	
Debt adjustment:	Debt stock	Debt stock	
Low per capita income:			Scale figures are derived by averaging the results of the scale methodology with based periods of 6 and 3 years.
Threshold: a/	2.948	3.194	
Gradient:	80%	80%	
30th Percentile:	2.093	2.210	
Floor rate (%):	0.022%	0.022%	
Ceiling rate (%):	59.470%	59.470%	

a/ Median of Debt-adjusted GNI per capita