



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



THIRD SESSION OF THE SUBCOMMITTEE ON PROGRAM, BUDGET, AND ADMINISTRATION OF THE EXECUTIVE COMMITTEE

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Provisional Agenda Item 6.3

SPBA3/INF/3 (Eng.)

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ORIGINAL: SPANISH

INSTITUTIONAL REVIEW OF THE INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA

Internal Reorganization of the Institute of Nutrition of Central America and Panama (INCAP)

Introduction

1. The object of this document is to inform the SPBA about the progress made in the institutional review and internal reorganization of the Institute of Nutrition of Central America and Panama (INCAP), as follow-up to document CD48/INF/7, presented to the 48th Directing Council, held 29 September to 3 October 2008.

Institutional Strengthening, Managerial Capacity, and Administration of INCAP

2. Article VII of the Basic Agreement of INCAP states that PAHO/WHO, in addition to being a regular member, is responsible for the administration of the Institute, at the request of the Directing Council of INCAP.

3. As reported in document CD48/INF/7, the Directing Council of INCAP determined that INCAP was in a position to disengage from the administration of PAHO/WHO in the near future and assume responsibility for its own autonomous administration.

4. Dr. José Adán Montes Figueroa became Interim Director of INCAP in October 2008, with responsibility for coordinating and managing the processes that would lead to the functional autonomy of INCAP during the transition period.

5. In December 2008 and January 2009, two meetings of the INCAP Advisory Committee were held to review the *2008-2009 Roadmap for the Institutional Strengthening Process of INCAP* and its administrative transition.

6. On 27 January 2009, the 59th Meeting of the Directing Council of INCAP was held in Tegucigalpa, Honduras. Among its important resolutions, the Directing Council resolved to take responsibility for the administration of INCAP with full functional autonomy, including the appointment of its Director, in September 2009. It also resolved to amend the Basic Agreement of INCAP to permit the internal reorganization of the Institute under the administration and authority of the Directing Council (Resolution II, annexed).

PAHO/WHO Support for the INCAP Institutional Strengthening Process

7. The Director of PAHO/WHO established working groups coordinated by the Office of the Assistant Director to address the various technical, administrative, and legal aspects of the transition process and the internal reorganization of the Institute. The groups recognized the *2008-2009 Roadmap for the Institutional Strengthening Process of INCAP*, approved by the Directing Council of the INCAP, as the framework for their operations, along with the recommendations of the External Auditor, found in Part II of the *Financial Report of the Director and Report of the External Auditor 2006-2007* (Official Document No. 331 of the Pan American Health Organization).

Action by the Subcommittee on Program, Budget, and Administration

8. The Subcommittee is requested to:

- Take note of this report and the decision by the Directing Council of INCAP to assume responsibility for the autonomous administration of the Institute in September 2009;
- Note that, as a consequence thereof, PAHO/WHO will transfer the administration of the Institute to the Directing Council of INCAP, pursuant to Article VII of the Basic Agreement of INCAP;
- Take note of the action that the Director is taking to ensure the transfer of administration of the Institute, in accordance with the guidelines and timetable established by the Directing Council of INCAP in the *2008-2009 Roadmap for the Institutional Strengthening Process of INCAP*, preserving the Institute's functionality and leadership in nutrition and food security in the subregion.

AMENDMENT TO THE BASIC AGREEMENT FOR THE INTERNAL REORGANIZATION OF INCAP*

THE DIRECTING COUNCIL:

Whereas Article LI of the Basic Agreement of the Institute states that the Agreement should be reviewed every five years as the grounds for proposing amendments to adapt it to the development situation of the Member States, and Article VII states that PAHO/WHO is responsible for the administration of the Institute at the request of this Council, an arrangement that will be renewed every five years and must be accepted every time by the Directing Council of the Pan American Health Organization, Regional Office for the Americas of the World Health Organization (PAHO/WHO);

Whereas the Basic Agreement of the Institute entered into force on 22 January 2003, which means that the period stipulated in Articles VII and LI mentioned above has ended. In this context, a participatory evaluation of Institute operations was undertaken, resulting in a proposal for a new Institutional Strategic Framework (ISF);

Whereas at its 58th Meeting in San Salvador on 10 September 2007, this Council adopted the ISF through Resolution V and instructed the Director of INCAP to begin the review and amendment of the Basic Agreement of the Institute to align it with its new Strategic Framework;

Whereas the ISF recognizes that INCAP today is a mature institution that is playing a key role in the construction of the new Central America as a region that seeks development in peace, justice, freedom, and democracy and is exercising with great responsibility its respective functions to support the health sector of the Central American Integration System's (SISCA) social subsystem;

Whereas implementation of the Institutional Strategic Framework requires INCAP to attain full autonomy consistent with its level of institutional maturity and status as a full member and the oldest institution of the Central American Integration System (SICA);

Whereas this Council, at a Special Meeting held in Panama on 21 February 2008, issued instructions that a proposal be drafted to amend the

* Resolution II, 59th Directing Council of INCAP, 27 January 2009, Tegucigalpa, Honduras.

Basic Agreement to reflect the internal reorganization of the Institute and the mechanisms that will enable it to assume greater programmatic, financial, and administrative autonomy, in line with the ISF.

Whereas this Council, at a Special Meeting held in San Salvador on 23 June 2008, noted that INCAP is a mature institution that plays a key role as a Specialized Institution in Nutrition in Central America and that in the near future can disengage from the administration of PAHO/WHO and administer itself with functional autonomy, guided by its Directing Council, making it advisable to ensure the orderly and transparent transition of its administration;

In light of the above and pursuant to Articles 12 and 17 of the Social Integration Treaty and Article VII of the Basic Agreement of INCAP

RESOLVES:

- I. To declare that the Directing Council shall take responsibility for the administration of INCAP with full functional autonomy, including the appointment of its Director, in September 2009.
- II. To recognize that the Pan American Health Organization, Regional Office for the Americas of the World Health Organization (PAHO/WHO) shall remain part of INCAP as a regular member, but shall cease to administer the Institute under the terms of Articles VII, XXXIV, XXXV, and XXXVI of the Basic Agreement.
- III. To amend the Basic Agreement of INCAP to permit a reorganization of the Institute, placing it under the administration and authority of this Council. To this end, from the date that this Council takes charge of the administration of the Institute, as stated in Section I of this Resolution, the following Articles of the Basic Agreement of INCAP shall be amended as follows:

Article XV: Under the principal functions of the Directing Council of INCAP, add a new numeral 2 that reads: "Elect the Director of INCAP, following the procedures approved by this Council." Renumber the other numerals.

Article XIX: INCAP shall be managed by a Director appointed by the Directing Council, who shall be elected following the procedures approved by this Council. The Director of INCAP shall take responsibility for managing the Institute in accordance with the present Basic Agreement and the duties and functions stipulated by the Directing Council of INCAP.

Article XX: Amend the first paragraph to read, "The Director of INCAP shall be responsible for the implementation of Institute activities according to the rules, regulations, and programmatic and administrative orientations adopted by its Directing Council and as stipulated in the present Basic Agreement." Amend numeral 8 of this Article to read: "Perform the functions delegated to him by the Directing Council and, in general, undertake and execute whatever actions he deems necessary, pursuant to the present Basic Agreement."

Article XXXIX: Replace with the following text: "PAHO/WHO shall contribute resources to the INCAP budget to finance the Institute activities included in the Regional Strategy and Plan of Action on Nutrition in Health and Development for the Americas, the work plans of PAHO/WHO and others agreed upon by the two institutions. PAHO/WHO financial contributions to INCAP shall be formalized through (i) the signing of periodic legal instruments of a general nature and/or (ii) specific instruments for individual activities or projects." "

- IV. To declare inapplicable Articles VII, XXXIV, XXXV, XXXVI of the Basic Agreement due to their inconsistency.