



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



49th DIRECTING COUNCIL

61st SESSION OF THE REGIONAL COMMITTEE

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RESOLUTION

CD49.R16

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

Transfer of Administration of the Institute of Nutrition of Central America and Panama to its Directing Council

THE 49th DIRECTING COUNCIL,

Having reviewed the report of the Director *Institutional Review and Internal Reorganization of the Institute of Nutrition of Central America and Panama* (Document CD49/18);

Considering that in Article VII of the Basic Agreement for the Institute of Nutrition of Central America and Panama (INCAP), the Member States of INCAP delegated to its Directing Council the authority to request every five years that PAHO take responsibility for the administration of the Institute;

Recognizing that Article LI of the Basic Agreement for INCAP (Annex A) states that INCAP operations be evaluated at least every five years as a basis for proposing possible amendments adapted to the development realities of the Member States;

Pointing out that the Basic Agreement for INCAP entered into force on 22 January 2003, which means that the term stipulated in Articles VII and LI mentioned above has elapsed;

Noting that a participatory process for evaluating the operations of the Institute was carried out in fulfillment of the mandate in Article LI of the Basic Agreement for INCAP and the resolutions of the Directing Council of PAHO concerning periodic evaluation and analysis of the Pan American centers;

Recognizing that the aforementioned evaluation process resulted in a new Institutional Strategic Framework for the Institute, which declares that INCAP is a

mature institution that performs a fundamental function in support of the health sector of the social subsystem of the Central American Integration System (SICA);

Considering that implementation of the Institutional Strategic Framework requires that INCAP acquire full functional autonomy consistent with its degree of institutional maturity and its status as a full member and the oldest institution in the Central American Integration System;

Noting that in Resolution II, the LIX Meeting of the Directing Council of INCAP decided to assume the administration of INCAP with full functional autonomy, including the appointment of its Director, as of September 2009, and adopted the necessary adjustments to the Basic Agreement for the Institute to permit its internal reorganization under the authority of its Directing Council;

Recognizing that the Directing Council of INCAP has the authority to approve the adjustments to the Basic Agreement for INCAP derived from the exercise of the authority delegated to it by the members of INCAP in Article VII of the Basic Agreement,

RESOLVES:

1. To take note of the decision of the Directing Council of INCAP to assume the administration of INCAP with full functional autonomy.
2. To note that the Pan American Health Organization will continue to be part of INCAP as a full member, but that it will no longer be responsible for the administration of the Institute under the terms of Articles VII, XXXIV, XXXV and XXXVI of the Basic Agreement for INCAP.
3. To adopt the Adjustment to the Basic Agreement for the Internal Reorganization of INCAP as adopted by Resolution II of the LIX Directing Council of INCAP (see Annex B), which becomes an integral part of this resolution and which eliminates articles VII, XXXIV, XXXV and XXXVI and amends Articles XV, XIX, XX and XXXIX of the Basic Agreement for INCAP.
4. To request the Director of PASB to:
 - (a) institute the administrative and legal measures necessary for ensuring the orderly and transparent transfer of the administration of INCAP to the Directing Council of the Institute, in accordance with the Adjustment to the Basic Agreement for INCAP approved by the Directing Council of INCAP and by this Council;
 - (b) ensure that the Organization continues to participate in INCAP as a full member.

Annexes

PAN AMERICAN HEALTH ORGANIZATION (PAHO)

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND
PANAMA (INCAP)

BASIC AGREEMENT OF INCAP

Guatemala, 27 August 1998

BASIC AGREEMENT OF THE INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA

The Representatives of the Republics of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama, hereinafter “the Member States,” and the Pan American Health Organization, Regional Office for the Americas of the World Health Organization, hereinafter “PAHO/WHO”:

CONSIDERING:

That the Institute of Nutrition of Central American and Panama, hereinafter “INCAP” or “the Institute,” was founded with cooperation from the Pan American Sanitary Bureau and the W.K. Kellogg Foundation through an Agreement signed by the Member States of Central America and the Pan American Sanitary Bureau on 20 February 1946.

That the founding agreement for INCAP was extended and modified on 14 December 1949, and that on 17 December 1953 the Parties adopted a Basic Agreement to provide a permanent foundation for the organization of the Institute.

That, when the Basic Agreement went into force on 1 January 1955, INCAP was established as a permanent technical entity whose objective is to contribute to the development of nutrition science, promote its practical application, and strengthen the technical capacity of the Central American States to solve their food and nutrition problems.

That Central America’s transition toward a new institutional order with an integrated strategic vision demands review and updating of the legal and institutional framework of INCAP to align its actions with the current and future situation and needs of its Member States and ensure the effective and efficient achievement of its mission.

That the XIV Meeting of Presidents, held in Guatemala in October 1993, welcomed the regional initiative on food and nutrition security in the countries of Central America promoted by the Ministers of Health, informing its follow-up with technical and scientific support from INCAP and PAHO/WHO, with the support of the Secretary-General of the Central American Integration System.

That INCAP is an institution directly linked with the Central American Integration System, charged with providing support for the fulfillment of its social objectives.

That, in order to respond to the food and nutrition priorities of the Central American States, within the health sector reform processes, it will be necessary to review and update the Basic Agreement for INCAP.

AGREE:

With the full power and authority vested in the Representatives of the Member States and PAHO/WHO, to adopt this Basic Agreement for the Institute of Nutrition of Central America and Panama, which shall replace and render null and void the Basic Agreement for INCAP currently in place, adopted on 17 December 1953.

VISION

ARTICLE I

Within the framework of Central American integration, INCAP is a leader, a self-sustainable, permanent institution in the field of food and nutrition in Central America and beyond.

MISSION

ARTICLE II

The mission of INCAP, as a specialized institution in food and nutrition, is to support the efforts of the Member States, providing technical cooperation to achieve and maintain the food and nutrition security of their populations through its basic functions of research, information and communication, technical assistance, human resources training and development, and the mobilization of financial and nonfinancial resources in support of its mission.

INSTITUTIONAL FUNCTIONS AND POLICIES

ARTICLE III

The following institutional policies shall serve as the framework for the exercise INCAP functions:

1. Direct technical assistance: Strengthen the operating capacity of national institutions through new methodological and evaluational approaches designed to promote the application and transfer of technology and nutrition education at the community level while developing models to evaluate the results and impact of this cooperation.

2. Human resources training and development: Identify needs, develop programs, and support human resources education and training in food and nutrition in the Member States.
3. Research: Conduct research at all levels, emphasizing operations research to find solutions to priority problems, promoting linkages through scientific and technical cooperation to build or strengthen the research capability of the Member States through training activities in universities and research centers.
4. Information and communication: Process, organize, disseminate, and transmit scientific and technical information in health, food, and nutrition to the different levels and sectors of the Member States and the international community to support decision-making and strengthen documentation centers, as well as the planning, implementation, and evaluation of food and nutrition activities at the national and subregional level.
5. Mobilization of financial and nonfinancial resources: Promote the necessary actions to acquire and manage financial, technological, human, and institutional resources to guarantee a permanent, diversified source of income and promote the sale and marketing of food and nutrition services and technology transfer.

STRATEGIES

ARTICLE IV

INCAP shall direct its work to implementing the Central American Food and Nutrition Security Initiative, as a strategy to combat the effects of poverty and promote human development, adopted by the Council of Ministers of Health of the area and approved by the Presidents of Central America at the XIV Meeting of Presidents.

ARTICLE V

The food and nutrition security strategy is grounded in the criteria of equity, sustainability, productivity, sufficiency, and stability to guarantee access, production, consumption, and adequate biological utilization of food, coordinating crop and livestock production with agroindustry and profitable marketing mechanisms, giving priority to small and medium-sized producers, and involving the business sector in the implementation of this initiative.

MEMBERSHIP

ARTICLE VI

The Republics of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama and the Pan American Health Organization are full Members of INCAP. Full Members have the right to speak and to vote during the deliberations of the meetings of the Advisory Board and Directing Council.

ARTICLE VII

PAHO/WHO has two levels of linkage with INCAP. On the one hand, it is a full Member, the highest authority of the Institute; and on the other, by request of the Directing Council, it is responsible for the administration of the Institution, which shall be reconstituted every five years and must be accepted each time by the Directing Council of PAHO/WHO. In order to discharge the latter duty, the Director of PAHO/WHO is responsible for the legal representation and operation of INCAP, which he can fully or partially delegate.

ARTICLE VIII

Other States may become full Members of the Institute, once the Directing Council of INCAP has unanimously approved their admission, the Secretary-General of the Central American Integration System has issued a favorable decision in this respect, and the State has accepted and become a party to the present Basic Agreement.

ARTICLE IX

Associate Members consist of foundations, agencies, and institutions whose mission is aligned with the vision and mission of INCAP and whose application and membership have been unanimously approved by the Directing Council. Associate Members may participate, at their own expense and with the due consent of the Directing Council of INCAP, in the deliberations of the regular meetings of the Advisory Board and Directing Council of INCAP, without the right to vote.

ARTICLE X

Individuals or legal entities may participate in the meetings of the Advisory Board and Directing Councils as Observers, with the right to speak, with prior unanimous approval of the Council Members for each meeting.

ARTICLE XI

In order to guarantee the rights and benefits inherent to their status, all Members of INCAP shall fulfill in good faith the obligations contracted under the present Basic Agreement. They shall, in addition, furnish all types of assistance in any action that INCAP takes under the present Agreement. Any Associate Member of the Institute may withdraw with written notice to the Office of the Director, which shall communicate any withdrawal notices received to the Directing Council. Six months from the date in which withdrawal notices are received, the provisions of the current Basic Agreement shall cease to be in effect for the Associate Member that wishes to withdraw, and its ties with INCAP shall be severed, maintaining the obligation to honor financial commitments and other obligations stemming from this Basic Agreement until the date of withdrawal.

GOVERNING BODIES

ARTICLE XII

The Governing Bodies of INCAP are the Directing Council, the Office of the Director, the Advisory Board, and the External Advisory Committee.

DIRECTING COUNCIL

ARTICLE XIII

The supreme governing body of INCAP is its Directing Council, comprised of the Ministers of Health of the full Member States and the Director of PAHO/WHO. In the event of an impediment to their attendance, the Ministers of Health may be represented in the Directing Council of INCAP by the respective Vice Minister. If these officials cannot attend the meeting, the Ministers of Health and the Director of PAHO/WHO may appoint another high official duly authorized to make decisions to represent them.

ARTICLE XIV

The Directing Council shall ensure that INCAP operates within the framework of its vision, mission, and institutional policies, and in accordance with the terms of the present Agreement.

ARTICLE XV

The principal mandates of the Directing Council of INCAP are to:

1. Define and guide the action and general policies of INCAP.

2. Approve the plans, programs, and projects of the Institute.
3. Approve the financial policy and biennial budget of INCAP, and set the quota contributions of its Member States.
4. Approve the reports on the work of the Institute.
5. Approve the statutes, rules, and regulations of INCAP by a minimum two-thirds vote.
6. Encourage national and regional authorities to support the efforts of INCAP to find solutions to the food and nutrition problems of the Member States.

ARTICLE XVI

The Directing Council of INCAP regularly meets once a year, according to its regulations. In special circumstances, when two or more of its full Members consider it necessary and submit a written request, the Council shall call a special session.

ARTICLE XVII

The location of the annual regular meeting of the Directing Council of INCAP shall rotate as follows: Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama, unless the Council agrees to hold it in another location.

ARTICLE XVIII

Each Member of the Directing Council of INCAP shall have the right to vote. Decisions shall be made with one-half of the votes plus one. If on the date of the opening of the regular meetings of the Directing Council a Member State is in arrears in an amount that exceeds two (2) full years of quota contributions, its voting rights shall be suspended. However, the Directing Council may restore the right to vote if the Member State has agreed to a special payment plan or its failure to pay has been deemed to be due to circumstances beyond its control.

OFFICE OF THE DIRECTOR

ARTICLE XIX

The Office of the Director of INCAP shall be headed by a Director appointed by the Director of PAHO/WHO. The Director of INCAP shall be responsible for managing the

Institute according to the delegation of authority conferred by the Director of PAHO/WHO.

ARTICLE XX

The Director of INCAP shall be responsible for the activities of the Institute, pursuant to the rules, regulations, programmatic and administrative orientations of PAHO/WHO, and the terms of the present Basic Agreement. The Director of INCAP has the following functions:

1. Administer the Institute in accordance with its mission, functions, policies, plans, programs, and projects, determined and approved by the Directing Council of INCAP.
2. Appoint technical, scientific, and administrative personnel pursuant to the current regulations and supervise their optimum performance and development to implement the work plan of INCAP.
3. Convene meetings of the Directing Council and Advisory Board and serve as Secretariat *ex officio* for them.
4. Prepare the biennial program budget proposal of INCAP for consideration and modification by the Members of the Directing Council at least one month prior to the regular meeting of the Directing Council.
5. Present the annual activities report and financial statements of the previous year, as well as the short-, medium, and long-term plans, programs, projects, and budget to the regular meeting of the Directing Council. The Director shall submit additional reports when one of the full Members so requests it or when he deems it necessary.
6. Submit the statutes, rules, and regulations necessary for the organization and administration of the Institute to the Directing Council for consideration.
7. Within his area of authority, comply and ensure compliance with the Basic Agreement and the statutes, rules, and regulations.
8. Exercise the functions delegated to him by the Directing Council and the Director of PAHO/WHO, and in general, undertake and carry out the actions that he deems necessary, pursuant to the present Basic Agreement.

9. Encourage national, regional, and international authorities to search for solutions to improve food and nutrition security.
10. Establish, maintain, and strengthen cooperation and mutual understanding with Central American institutions and international cooperation agencies.

ADVISORY BOARD

ARTICLE XXI

The Advisory Board of INCAP is the technical advisory body of the Directing Council of INCAP.

ARTICLE XXII

The Advisory Board of INCAP shall be comprised of the general directors designated by the Ministry of Health of each of the Member States, or by a senior official of the Ministry of Health with the respective delegation of authority; the Director of the Institute, who shall serve as Technical Secretary; and a representative of PAHO/WHO designated by the Director of PAHO/WHO.

ARTICLE XXIII

The Advisory Board of INCAP has the following functions:

1. Support the orientation of and compliance with the resolutions of the Directing Council and functions of INCAP.
2. Periodically monitor and evaluate INCAP's technical cooperation to the Member States through decentralized actions.
3. Submit technical proposals to the Directing Council of INCAP.
4. Prepare the agenda for presentation at the annual regular meeting of the Directing Council of INCAP.

ARTICLE XXIV

The Advisory Board shall regularly meet twice a year. Special meetings may be convened when at least two Member States, the Director of INCAP, or the PAHO/WHO Representative designated by its Director so request it. Pertinent specialists and advisers

may participate in the meetings of the Advisory Board, as may observers representing other institutions invited by the Advisory Board.

ARTICLE XXV

The Advisory Board shall elect a Director-General from the meeting's host country as Chair and a Vice Chair from the next host country, who shall exercise their functions during the regular and special meetings held for one calendar year.

ARTICLE XXVI

The site of the regular meetings shall rotate among the Member States in the order indicated for the meetings of the Directing Council of INCAP. The Director of INCAP shall issue the call at least 30 days in advance and shall set the dates after consultation with the host Government. In the case of special meetings, the Director of the Institute, in consultation with the Council Chair, shall determine the place and date.

ARTICLE XXVII

The country in which the meeting will be held shall provide the Advisory Board with an appropriate site in which to hold the Council's work sessions .

ARTICLE XXVIII

The quorum for the meetings shall be a simple majority of the Members.

ARTICLE XXIX

The agenda for each meeting shall be proposed by the Technical Secretariat in consultation with the Chair of the Advisory Board and should be sent to Council Members, together with the invitation, at least 30 days prior to the meeting. The agenda shall be adopted by the Members of the Advisory Board at the start of the meeting and should be linked with the agenda established in the regulations of the Directing Council of INCAP.

ARTICLE XXX

The final report of the meetings shall be prepared by the Technical Secretariat and sent to each of the Members within one month of the meeting.

EXTERNAL ADVISORY COMMITTEE

ARTICLE XXXI

INCAP shall have an External Advisory Committee, comprised of one representative designated by each of the Ministers of Health of the Member States, one representative from PAHO/WHO, and four international experts appointed by the Director of INCAP after prior consultation with the Directing Council of INCAP.

ARTICLE XXXII

The External Advisory Committee shall perform the following functions for the Governing Bodies of INCAP:

1. Formulate recommendations for the planning, administration, execution, and evaluation of INCAP programs.
2. Suggest new programs and projects suitable to the context of this Basic Agreement.
3. Assist INCAP with the identification of opportunities and mobilization of resources.
4. Express its opinion about any other matter submitted to it for consideration.

ARTICLE XXXIII

The continued existence, frequency, and regulation of the External Advisory Committee are as follows:

1. The External Advisory Committee shall be permanent in nature, and its members individuals with technical and administrative expertise in health, food, nutrition, and related disciplines.
2. The External Advisory Committee shall hold regular meetings every four years and special meetings when the Governing Bodies of INCAP deem it necessary.
3. The Directing Council of INCAP shall adopt regulations for governing the operations of the External Advisory Committee.

PAHO/WHO AND INCAP LINKAGE

ARTICLE XXXIV

The Director of PAHO/WHO shall appoint the administrative officer of INCAP as the immediate collaborator and subordinate of the Director of the Institute, in charge of administrative support functions and supervising the application of the administrative policies, rules, and procedures of PAHO/WHO, as well as those specific to INCAP.

ARTICLE XXXV

INCAP shall be linked programmatically to PAHO/WHO. As a Central American institution, its activities should therefore be part of the Organization's work plan in the fields of human resources development, direct technical assistance, research, information and communication, and the mobilization and development of financial resources. INCAP's activities with national programs are coordinated through the PAHO/WHO Representative Offices.

ARTICLE XXXVI

PAHO/WHO is responsible for supervising the programmatic activities of INCAP. The Office of Administration of PAHO/WHO and its respective units are responsible for supervising the administrative actions of the Institute.

INCAP HEADQUARTERS

ARTICLE XXXVII

INCAP headquarters shall be located in the Republic of Guatemala, with which a headquarters agreement shall be established. INCAP headquarters may be transferred to any other full Member country when its Directing Council deems it appropriate. The Government of INCAP's host country is obligated to grant the Institution, without cost and for the entire length of its existence, the buildings in which it is housed, as well as the land on which they are constructed, for use in the manner it deems most suitable for the exercise of its functions, permitting INCAP to make the necessary expansions and improvements.

FINANCING OF INCAP

ARTICLE XXXVIII

The Member States shall contribute to the regular budget of INCAP through fixed quotas in U.S. dollars, in amounts that shall be determined by the Directing Council and submitted for the approval of the respective Governments.

ARTICLE XXXIX

PAHO/WHO shall maintain and/or increase its support for the regular budget of INCAP, providing the technical, administrative, and financial resources approved by the Directing Council of that Organization.

ARTICLE XL

Associate Members of INCAP shall contribute to its financing through quotas that shall be determined by the Directing Council.

ARTICLE XLI

In all cases, the quota contributions determined shall be paid annually in U.S. dollars to the Office of the Director of INCAP within the first three months of the respective year.

ARTICLE XLII

INCAP can receive financial resources from the Food and Nutrition Foundation of Central America and Panama (FANCAP), the Trust Fund, the sale and marketing of services, and other sources, once their origin has been examined.

LEGAL STATUS AND AUTHORITY

ARTICLE XLIII

INCAP shall have its own legal status with the legal authority to execute and enter into all types of activities and contracts; acquire, possess, administer, or dispose of any type of moveable rights and property, according to the legal provisions in effect in each Member State; appear before the judicial, administrative, or any other type of authority, and in general, take any action or make any arrangement conducive to the fulfillment of its purposes or necessary for the execution of its activities.

ARTICLE XLIV

Legal representation of INCAP shall be the responsibility of the Director of the Institute or whosoever is exercising his functions; this authority may be delegated exclusively for the purposes of judicial representation.

PRIVILEGES AND IMMUNITIES

ARTICLE XLV

INCAP and its property, whatsoever its nature and location, shall enjoy immunity against all judicial or administrative procedures in the territory of all the Member States and cannot be subject to search, embargo, legal proceedings, precautionary or execution measures, unless the Directing Council of INCAP expressly waives that immunity. In sum, it shall be understood that such waivers do not cover any forced action or execution measures or compliance.

ARTICLE XLVI

INCAP property, whatsoever its nature, shall be exempt in all full Member States from all variety of direct and indirect taxes, duties, and tariffs, be they national, departmental, or municipal, with the exception of contributions that constitute payment for public services.

ARTICLE XLVII

The facilities, administrative and branch offices, files, correspondence, and all documents that are the property of the Institution or in its possession under any other name, shall be inviolable.

ARTICLE XLVIII

The Institute shall, in the territory of all the full Member States, enjoy the franking privilege established in the Inter-American postal conventions in force . No manner of censorship or control shall be applied to any type of correspondence or other official communications of the Institute.

ARTICLE XLIX

INCAP can possess, without being bound by fiscal ordinances, regulations, or moratoria of any nature, funds and foreign currency of any type and keep its accounts in any

currency; it shall be free to convert its funds and foreign currency and transfer them from one Member State to another, or within any of the Member States.

**PRIVILEGES AND IMMUNITIES OF INCAP REPRESENTATIVES
AND STAFF**

ARTICLE L

In all the Member States, INCAP representatives and staff shall be granted the following privileges and immunities:

1. They shall enjoy immunity from any legal proceeding related to activities carried out in the exercise of their functions.
2. They shall be exempt from taxes on salaries and emoluments paid by the Institute.
3. They and their spouses and minor children shall be exempt from all immigration restrictions and searches of aliens.
4. With regard to the international movement of funds, they shall be granted exemptions equal to those enjoyed by the staff of a similar category in the accredited diplomatic missions to the respective Government.
5. They may import, duty-free, their furniture and personal effects when they occupy their post in the country in question.
6. In times of national or international crisis, they and their dependents shall be granted repatriation facilities analogous to those enjoyed by the staff of the diplomatic missions.
7. The immunity against all legal processes indicated in point 1 and the tax exemption on salaries and emoluments paid by the Institute shall be common to all representatives and staff of INCAP; and points, 3, 4, 5, and 6 shall apply only to non-nationals of the country in which the application of those rights is requested.
8. The aforementioned privileges and immunities notwithstanding, all persons who enjoy them shall be obliged to respect the laws and regulations of the Member State in which they reside.

9. The privileges and immunities indicated are granted to the representatives and staff of the Institute exclusively for its sake. The Governing Bodies of the Institute can waive them if, in their opinion, they prevent the application of justice, and they can be waived without detriment to the interests of the Institute.

GENERAL PROVISIONS

ARTICLE LI

Compliance with the present Basic Agreement shall be evaluated at least every five years as the basis for proposing modifications that can be adapted to the development situation of the Member States.

ARTICLE LII

If the number of Member States is reduced to one as the result of withdrawals, the Institute shall be liquidated, and the profits from the goods belonging to it shall be divided among the States that have been full Members, in proportion to their total contributions to the Institute.

ARTICLE LIII

This Basic Agreement shall go into effect upon ratification by all the signatories, in accordance with their respective internal or constitutional procedures. The ratification instruments shall be deposited with the General Secretariat of the Central American Integration System and the Secretariat of the Organization of American States, who shall notify the other signatories of their deposit. Once this Basic Agreement goes into effect, the Basic Agreement signed on 17 December 1953 shall be null and void.

TEMPORARY ARTICLES

ARTICLE LIV

The current internal rules of both the Directing Council and the Advisory Board of INCAP shall remain in force; likewise the existing rules and regulations related to personnel and financial aspects in all matters that do not contravene the present Basic Agreement.

ARTICLE LV

The financial commitments that the Member States have contracted up to the time that the present agreement goes into effect shall remain in force until all pending quota contributions are paid in full.

The INCAP Council, meeting in Belize City, Republic of Belize, on 3 September 1997, reviewed and approved, as a first step, the present Basic Agreement, which shall be sent to the General Secretariat of the Central American Integration System so that the pertinent action can be taken with the Member States.

In witness whereof, the undersigned duly authorized Representatives of the Parties sign the present Basic Agreement in 11 originals of equal tenor, in the city of Guatemala de la Asunción, Republic of Guatemala, on the 27th day of August 1998.

For the Government of the Republic
of Belize:

[signature]
Hon. Salvador Fernández
Minister of Health and Sports
Represented by:
Hon. Michael Bejos, Adviser
Embassy of Belize in Guatemala

For the Government of the Republic
of Costa Rica

[signature]
Dr. Rogelio Pardo Evans
Minister of Health

For the Government of the Republic
of El Salvador

[signature]
Dr. Eduardo Interiano
Minister of Public Health and Social
Assistance

For the Government of the Republic
of Guatemala

[signature]
Ing. Marco Tulio Sosa Ramírez
Minister of Public Health and Social
Assistance

For the Government of the Republic
of Honduras

[signature]
Dr. Marco Antonio Rosa
Secretary of Health

For the Government of the Republic
of Nicaragua

[signature]
Dr. Lombardo Martínez Cabezas
Minister of Health

For the Government of the Republic
of Panama

[signature]
Dr. Aída Moreno de Rivera
Minister of Health
Represented by: Enelka G. de Samudio
General Secretary of the
Ministry of Health

For the Pan American Health
Organization, Regional Office for the
Americas of the World Health
Organization

[signature]
Dr. George A.O. Alleyne
Director

RESOLUTION II*

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

THE DIRECTING COUNCIL

Whereas Article LI of the Basic Agreement for 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 for 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 LVIII 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 Adjustment of the Basic Agreement for 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 (SICA) 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).

* Resolution II of the LIX Directing Council of INCAP, 27 January 2009, Tegucigalpa, Honduras.

** This document is a translation of true copy of the adopted resolution.

Whereas this Council, at a Special Meeting held in Panama on 21 February 2008, issued instructions that a proposal be drafted to amend the 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 for 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 for 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 over the administration of the Institute, as stated in Section I of this Resolution, the following Articles of the Basic Agreement for 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 according to the procedures approved by this Council. The Director of INCAP shall take responsibility for managing the Institute pursuant to 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 general legal instruments 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.

(Eighth plenary, 1 October 2009)