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Twenty-fourth meeting of the Presiding Officers of the
Regional Council for Planning of the Latin American
and Caribbean Institute for Economic and Social Planning (ILPES)

Antigua, Guatemala, 19-20 June 2014

**TERMS OF REFERENCE OF THE AD HOC WORKING GROUP
ESTABLISHED PURSUANT TO RESOLUTION CRP/XIV/02**

A. BACKGROUND

Resolution CRP/XIV/02, which was adopted by the Regional Council for Planning of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES) at its fourteenth meeting, held in Brasilia on 22 November 2013, states that a working group will be created to analyse the system of financing of the Institute and propose concrete measures for its modernization.

The document that served as a reference for the adoption of that resolution was “Inputs for reflection on the activities of ILPES: Background on financing and resource management. Note by the secretariat”.¹ The decision is also related to the proposed medium-term strategy, which the Council took note of at its fourteenth meeting (see resolution CRP/XIV/01).

The twenty-fourth meeting of the Presiding Officers of the Regional Council for Planning, which will be held in Antigua, Guatemala, on 19 and 20 June 2014, will propose that the Working Group begin its operations.

B. DIAGNOSTIC ANALYSIS

The Regular System of Government Financing was set up in 1983 to provide ILPES with stable general financial support to complement the contributions of the ECLAC system and replace the specific and ad hoc financing received in the 1960s and 1970s. At the material time, each country indicated on a voluntary basis the amount that it would contribute annually to the System.

The System has been crucial for the work of ILPES since the 1980s and member States consider it essential for the future of the Institute. Thus, in order to ensure that the ILPES proposed medium-term strategy receives the appropriate funding, the system of financing needs to be reviewed. Attention should be paid to the following areas:

1. Bilateral agreements with each member country

The System adopted under the Regional Council for Planning calls for bilateral agreements between the Institute and each member country. The Institute has been adapting the format of the bilateral agreements to each country’s institutional circumstances and specific administrative and legal requirements. The format of these agreements should be reviewed.

2. The structure of contributions

From 1983 to 1985, each country voluntarily committed to contributing a given annual amount in current dollars as its contribution to ILPES. Over the past three decades, changes have been noted in the level of country contributions and the purchasing power of the annual totals is much lower today than it was in 1983. ILPES has therefore sought alternative sources of funding and has made adjustments to its expenditure and activities. At this time, a review of the structure of government contributions is advisable.

¹ LC/L.3693(CRP.14/5).

3. Synchronizing the programming cycle

ILPES is much more dependent on the regular budget of the United Nations Secretariat today than it was previously. The Institute therefore proposes synchronizing its work with the time frames and mechanisms of the ECLAC biennial programme of work and with those of the United Nations Secretariat as a whole, including the activities reports, outcomes and achievements.

C. PURPOSE

The purpose of the Working Group is to prepare a financing proposal, which will be submitted for consideration by the Regional Council for Planning in order to provide ILPES with the resources needed to execute the proposed medium-term strategy.

D. COMPOSITION

Each country serving as a Presiding Officer is invited to appoint one representative to the Working Group, if it so desires. The Working Group will define the organization of work.

E. MEETINGS

The Working Group will hold a face-to-face meeting at ILPES facilities in Santiago during the second half of 2014. The Presiding Officers will request ECLAC to present on that occasion, for the Working Group's consideration, a proposal for a financial strategy for ILPES.