

**REVIEW OF THE FINANCING SOURCES OF THE INTER-AMERICAN
TELECOMMUNICATION COMMISSION**

The Seventh Regular Meeting of the Assembly of the Inter-American Telecommunication Commission, (CITEL),

CONSIDERING:

- a) That one of the objectives of CITEL, based on the Article 3 of its Statute, is to organize promote, and evaluate the periodic holding of meetings of technicians and experts to study planning, financing, construction, operation, standardization, technical assistance, maintenance, and other matters related to the use and development of telecommunications/ICTs in the Americas;
- b) That, according with the Article 3 from the Statute of CITEL, one of the functions of the Commission is to analyze, propose, and implement different forms of financing to support the approved plans and projects;
- c) That Article 5 of the Statute of CITEL establishes as one of the functions of the Assembly to determine the amount of the fees to be paid by the associate members of the PCCs and the participation fee for observers.
- d) That Article 17 of the Statute of CITEL establishes as one of the functions of COM/CITEL to review and approve a work program based on the program-budget approved by the General Assembly and an annual proposed budget for CITEL in pursuance of the provisions of Article 112 (c) of the Charter of the Organization; ensuring the strictest possible economy, taking into account the obligation of CITEL to achieve satisfactory results from the work programs;
- e) That CITEL's funding sources, in accordance with Article 28 of its Statute, come from the Regular Fund of the Organization and the Specific Funds.

TAKING INTO ACCOUNT:

- a) That the contributions of the specific funds do not cover all the costs for the conduct of the meetings and other basic activities for the operation of the PCC;
- b) The budget cut that the OAS made to CITEL in 2017 had an impact on the operation and administrative financing of the Commission, as well as on the financing of certain projects, programs and services, such as the renewal of some consultants' contracts of the OAS;
- c) That the current financial situation of CITEL is worrying, which affects its activities and operation, as well as of its PCCs, and this may create an obstacle for the Americas region in the presentation of inter-American proposals in the main meetings and world conferences on telecommunications/ICT;

¹ CITEL/doc. 571/18 rev.3 cor. 2

RESOLVES:

1. To request COM/CITEL to create an Working Group to discuss the financial situation of CITEL, in order to generate a new framework for the effective financing of CITEL, as well as the adoption of measures that enable a budget for the fulfillment of its objectives and functions, focusing on its long-term sustainability and taking into account the best regional and international practices.
2. The terms of reference for the Working Group, which are contained in the Annex of this resolution.

ANNEX TO RESOLUTION CITEL/RES. 83 (VII-18)

Mandate: Analyze the financial situation of CITEL, in order to generate a new framework for the effective financing of CITEL, as well as the adoption of measures that enable a budget for the fulfillment of its objectives and functions, focusing on its long-term sustainability and taking into account the best regional and international practices.

Chair: Víctor Manuel Martínez Vanegas (Mexico)
victor.martinezv@ift.org.mx

Composition of the Ad Hoc Group: Open to all Member States and Associate Members

Terms of Reference: The Working Group on the Financial Sustainability of CITEL (WG-FIN) will undertake its activities as established by the following Terms of Reference:

- a) Consultation and coordination with the Associate Members, and with the support from the Secretariat of CITEL, identify specific actions to ensure the financial sustainability of CITEL, taking into consideration the implications for CITEL resulting from the budgetary constraints facing the Organization of American States (OAS);
- b) Analyze the existing budget allocation procedures at the OAS, in particular at the Committee on Administration and Budget of the Permanent Council (CAAP), and provide timely information and recommendations to COM/CITEL;
- c) Identify areas where there is a need to further rationalize the operations of CITEL; taking into account salaries and work description and expected deliverables of the staff;
- d) Assess the structure of CITEL, in order to evaluate its current situation and identify improvements in the short, medium and long term;
- e) Analyze existing financial administration mechanisms and best practices at other Regional Telecommunication Organizations (RTOs), such as CEPT and APT;
- f) Identify additional measures to promote and increase the participation and membership of Associate Members from the private sector, Civil Society, Academia and the Internet Technical Community;
- g) Produce and deliver a report that contains a long-term strategy for the sustainability of CITEL.