

AGENCY FOR THE
PROHIBITION OF NUCLEAR
WEAPONS IN LATIN AMERICA
AND THE CARIBBEAN



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**GENERAL STANDARDS TO GOVERN THE OPERATIONS
OF THE GENERAL SECRETARIAT OF THE
AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN
LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

**GENERAL STANDARDS TO GOVERN THE OPERATIONS OF THE GENERAL
SECRETARIAT OF THE AGENCY FOR THE PROHIBITION OF NUCLEAR
WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

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**GENERAL STANDARDS TO GOVERN THE OPERATIONS
OF THE GENERAL SECRETARIAT OF THE AGENCY FOR THE PROHIBITION OF
NUCLEAR WEAPONS IN LATIN AMERICA AND THE CARIBBEAN (OPANAL)**

**CHAPTER I
NATURE, FUNCTIONS, AND STRUCTURE OF THE GENERAL SECRETARIAT**

Article 1. Nature. The General Secretariat is the central and permanent organ of the agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (OPANAL). It shall perform the functions assigned to it in the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (Treaty of Tlatelolco), the General Conference, and those established in these General Standards; as well as the provisions of a regulatory nature adopted by the Council.

Article 2. Functions. The General Secretariat shall also perform the following functions:

- a. Transmit ex officio to the member states notice of the convocation of the General Conference;
- b. Advise the other organs, when appropriate, in the preparation of agendas and regulations;
- c. Prepare the proposed program-budget of the Agency on the basis of programs adopted by the Council, whose expenses should be included in the budget;
- d. Provide, on a permanent basis, adequate secretariat services for the General Conference and the other organs, and carry out their directives and assignments;
- e. Serve as custodian of the documents and archives of the General Conference and Council;
- f. Submit to the General Conference at each regular session an annual report on the activities of the Agency and its financial condition;
- g. Establish cooperative relations in conformity with the decisions reached by the General Conference or the Council with the Specialized Agencies and with other national and international Agencies;
- h. Maintain communications with the member states through the channels and in the form indicated by those countries; and
- i. When appropriate, provide certified copies of official documents, provided they are not of a restricted nature.

Article 3. Structure. The General Secretariat shall be composed of the departments, offices,

and other technical or administrative dependencies established in conformity with the provisions of Article 11 of the Treaty of Tlatelolco and these standards.

Article 4. Secretariat functions. The General Secretariat is the secretariat of the General Conference, the Council, and the other organs of the Agency.

Article 5. Seat. The seat of the General Secretariat is Mexico City, Mexico.

CHAPTER II THE SECRETARY GENERAL

Article 6. The Secretary General. The Secretary General shall direct the General Secretariat, be the legal representative thereof, and, notwithstanding the provisions of Article 11 of the Treaty of Tlatelolco, be responsible to the General Conference for the proper fulfillment of the obligations and functions of the General Secretariat, in conformity with these General Standards. The Secretary General shall be the ranking administrative officer of the Agency.

Article 7. Participation in meetings. The Secretary General may participate with voice but without vote in all meetings of the Agency. His participation in these meetings shall be governed by the pertinent provisions of the Treaty of Tlatelolco and of the respective rules of procedure, and these General Standards.

Article 8. Reports. The Secretary General shall furnish the reports that are requested of him by the General Conference, the Council and other organs.

Article 9. Powers. It is the responsibility of the Secretary General:

- a. To establish the dependencies of the General Secretariat that are necessary to accomplish its purposes;
- b. To determine the number of members of the staff of the General Secretariat, appoint them, regulate their powers and duties, and set their remuneration;
- c. To abolish the dependencies of the General Secretariat that become unnecessary;
- d. To redistribute the functions of existing dependencies, incorporating some into others or dividing or subdividing them, whenever necessary for the greater efficiency of the services and better execution of the programs, provided that no increase in the expenditures budgeted for those services or programs is involved;
- e. When strictly necessary, to contract for special or technical services of natural or juridical persons; and
- f. To issue and apply the administrative provisions necessary for the proper functioning of the General Secretariat.

Article 10. Other powers. It is also the responsibility of the Secretary General:

- a. To carry out the provisions of a regulatory nature adopted by the Council; and
- b. With the authorization of the General Conference, to conclude agreements that define the relations that should exist between the Agency and other international Agencies.

Article 11. Responsibility. The Secretary General is responsible for compliance with these General Standards.

Article 12. Absence of the Secretary General. During the temporary absence of the Secretary General, the Chief Administrative Officer shall have the exclusive faculty of signing the necessary documents to guarantee the performance of the administrative functions required for the continuous fulfillment of the activities of the General Secretariat.

In the event of a definitive absence of the Secretary General, the Chief Administrative Officer shall immediately notify this fact to the Council.

The Council shall convoke a special period of sessions of the General Conference to elect the new Secretary General.

While the new Secretary General holds office, in order to cover the corresponding period, the Chief Administrative Officer shall report to the Council of any significant matters for the Agency, whichever its nature may be, in order for the Council to attend these matters.

Article 13. Autonomy, privileges and immunities, and rank. In the performance of his duties, the Secretary General shall not seek or receive instructions from any government or from any authority outside the Agency and shall refrain from any action that may be incompatible with the position as international officer responsible only to the Agency.

In accordance with Article 23 of the Treaty of Tlatelolco, the Secretary General shall enjoy the privileges and immunities corresponding to his position and necessary for the independent performance of his duties.

Article 14. Rights and benefits of the Secretary General. The Secretary General shall enjoy the rights and benefits established in these General Standards and in the budget approved by the General Conference.

Article 15. Medical Insurance. The Secretary General is entitled to medical insurance for him and his dependents. Starting his term of office as Secretary General, he shall propose to the Committee on Contributions, Administrative and Budgetary Matters (CCAAP) the acquisition of adequate medical insurance for him and his family. The CCAAP shall approve it depending on the cost of the premium as well as the budget availability of the Agency, the needs of the Secretary General, and from other medical insurance he might have in his country of origin.

Article 16. Travel expenses and transportation of household and personal effects. In conformity with these General Standards and the budgetary provisions established by the General Conference, the Agency shall pay the travel expenses and transportation of household and personal effects of the Secretary General and his dependents.

The Agency shall pay the transportation expenses of the Secretary General and his dependents from his place of residence to the seat of the Agency, and from the latter to his new place of residence as well as the transportation of the household and personnel effects, provided that these are his property and for private use. The CCAAP shall authorize the corresponding payment upon presentation of three budgets by the Secretary General.

In the event that the Secretary General would return to a country other than his country of origin, the related expense shall not exceed the cost of the transportation to his country of origin.

The Secretary General shall not be entitled to this benefit in the event of a voluntary resignation before being in functions for two years or in case that the transportation expenses are paid by a government, an international organization or a company where he might render his services.

Article 17. Destitution of the Secretary General. The General Conference shall remove the Secretary General in the event of serious misconduct with the vote of a majority of two-thirds of the present and voting members.

Article 18. Request, acceptance or taking advantage of. During his term of office, the Secretary General shall not request or accept, directly or indirectly, from any person, association, corporation or commercial entity, with contractual relationships or of other financial or commercial nature with OPANAL any gift, reward, loan, favor or any other goods or objects with a monetary value.

The Secretary General shall refrain from taking advantage of his position or pretending taking advantage of it, to obtain an advantage for his own or other third party benefits.

Article 19. Conflicting financial interests. The Secretary General shall have no direct or indirect financial interests, which may create or appear to be in substantial conflict with the correct performance of his obligations in the interest of OPANAL and with the responsibilities assigned to him by the Treaty of Tlatelolco, the Financial Rules and these General Standards.

Article 20. Refraining from performing other activities. The Secretary General shall refrain from any activity, specifically prohibited or not in these Standards, resulting or appearing to be;

- a. Giving preferential treatment to any organization or person.
- b. Loss of independence or absence of impartiality in his performance;
- c. Adoption of administrative decisions disregarding established procedures.
- d. Damage to the good name and integrity of the General Secretariat.

Article 21. Competency of the Council. Should the Council determine that a specific issue may give rise to a conflict of interests, the Secretary General shall (1) declare himself disqualified to act in any matter directly or indirectly related to the entity in question, or (2)

eliminate the conflict by separating himself from his interest, as the case may be.

Article 22. Sworn statement on the net value of his patrimony. At the beginning of his term of office either by election or reelection and at the end of his mandate, the Secretary General shall present to the Council a sworn statement on the net value of his personal patrimony.

CHAPTER III PERSONNEL

Article 23. Agreement with the labor laws of the host country. The Secretary General shall establish the necessary provisions in order for the fundamental employment conditions of the employees, technicians and experts to be similar to those foreseen in the labor laws of the host country. These provisions shall be applied in the cases not foreseen in these General Standards or in the event of dispute due to the application or interpretation thereof.

Article 24. Forms of employment. In conformity with Article 11, paragraph 2 of the Treaty of Tlatelolco, the personnel of the General Secretariat, for the effect of these General Standards, shall be made up of:

- a. International officer. This classification only corresponds to the Secretary General;
- b. Employees to be contracted by the Secretary General for a limited time in accordance with the terms of Article 25 of these General Standards;
- c. Technicians and experts, understood as the persons appointed to perform functions of a professional, technical, administrative or scientific nature, in conformity with the agreements or contracts entered into with other organizations participating in programmes of common interest, or to render ad honorem services with the authorization of the organizations to which they belong. They are not considered members of the staff for any other purposes and do not have the rights and benefits to which the staff members are entitled in conformity with these General Standards.

Article 25. Personnel hired for a limited term. The contracts of the personnel hired for a limited term shall specify the exact term of employment.

However, if the purpose of the job is to comply with a specific program or to achieve a specific purpose, the contract shall conclude, as a matter of law, prior to the expiration of the fixed period agreed, if the specific program is ended or if the respective purpose is complied with.

Upon determining the applicable remuneration in each case, the salaries and other benefits shall be adjusted to those established by the respective provisions.

Article 26. Staff responsibilities. The staff of the General Secretariat, in compliance with their duties, shall only be responsible before the General Secretariat. Upon acceptance of an appointment for a position in the General Secretariat, the staff will be committed to perform their duties and to regulate their conduct in conformity with the nature, purposes

and interests of the Agency.

Article 27. Document of appointment. At the time they are appointed or hired, staff members and the Secretary General shall sign a contract, stating the nature and conditions of the appointment.

Article 28. Working Day. The working day, understood as the time in which the employee shall be in duty for the Agency, shall be of eight hours during the day. The working day may be exceptionally extended, in which case the Secretary General shall set the corresponding schedule.

Article 29. Mandatory days of rest. The mandatory days of rest for the staff of OPANAL shall be the same as those stipulated by the Labor Law of the host country.

Article 30. Subjection to the authority of the Secretary General. With respect to the performance of their duties, staff members are subject to the authority of the Secretary General.

Article 31. Reporting obligations. The staff shall notify in writing and without delay to the Secretary General the information requested by him in the following cases:

- a. All the information regarding the employment contract.
- b. Any subsequent change that could require modification of such information.
- c. The intention to acquire the permanent residence in a country other than that of his nationality or change the nationality, before the change of residence or nationality is defined.
- d. Information on facts regarding integrity, conduct and any other information regarding work at the Agency.

The employees, technicians and experts who are arrested or appear at a criminal court accused for a violation of law, shall immediately inform the Secretary General of this fact. Also, the employees, technicians and experts shall report to the Secretary General about the course of the corresponding proceeding. The Secretary General, in conformity with the results of the respective process, will take the necessary measures.

Article 32. Autonomy in the performance of duties. In the performance of their duties, staff members shall not seek or receive instructions from any government or from any authority outside the Agency.

Article 33. Limitation of activities. Personnel shall refrain from any action that may be incompatible with their position as staff members of the Agency. In this regard, they may not conduct any activity that the Secretary General considers undesirable from the standpoint of the efficient performance of their duties or the prestige of the Agency.

Article 34. Public activities and statements. Staff members shall not act or express themselves publicly in any way that might damage or adversely affect the member states.

Article 35. Discretion. Staff members shall exercise the utmost discretion with respect to all matters of official business. Nor shall they at any time use such information to private advantage. These obligations undertaken by staff members do not cease upon separation from service.

Article 36. Provision of services and acceptance of benefits. No staff member shall render services to any government or entity under conditions other than those specifically approved by the Secretary General. No staff member may accept honors, awards, remuneration, favors, or gifts when, in the opinion of the Secretary General, this is incompatible with his status as a staff member or with the interests of the Agency.

No staff member shall be seconded to another international Agency, governmental agency, or other entity unless the entity to which the staff member is seconded first agrees to reimburse the full cost of salary and benefits of the staff member as well as any other expenses incurred by the General Secretariat in relation to the secondment.

Article 37. Statement of loyalty. Before beginning work, every staff member shall sign a statement in which he undertakes to perform his duties in accordance with the provisions of the Treaty of Tlatelolco and of these Standards and other pertinent provisions.

Article 38. Government influence and support. No staff member may seek the influence or support of the representatives of the Agency, or of any government, in matters affecting the administration of or discipline in the General Secretariat. All questions regarding these matters shall be settled in accordance with the applicable regulations.

Article 39. Work performance evaluation. Staff members' work performance shall be evaluated periodically. Accordingly, the Secretary General shall issue regulations to provide for:

- a. Evaluation of the staff at least once a year;
- b. The manner of conducting the evaluation process and its stages;
- c. The guarantees for the staff subject to evaluation; and
- d. The consequences of the evaluation process.

Article 40. Probationary period. Persons appointed for a period of one year shall be required to serve a probationary period of three months, beginning on the day that they report for duty in the position. In exceptional cases, this period may be extended by the Secretary General, but in no instance shall the probationary period exceed six months.

The Secretary General may terminate the appointment of a staff member who has not completed his probationary period, when he considers this advisable in the interest of the General Secretariat.

Article 41. Register of staff members. The General Secretariat shall periodically distribute to the member states a register of the staff members, indicating name, type of employment,

functions, nationality and date of entry into the General Secretariat.

Article 42. Vacations. Staff members working full time, shall enjoy an annual vacation period consisting of two days for each month worked during the corresponding year.

Article 43. Leave. The Secretary General may authorize special leave in exceptional cases.

Article 44. Social security. The staff shall be entitled to all the rights and benefits established by the labor and social security legislation of the host country, particularly the Mexican Federal Labor Law and the Social Security Law.

Article 45. Travel expenses. In accordance with the General Standards and the budgetary provisions established by the General Conference, the Agency shall pay travel expenses of staff members in official duty.

The number of days, the itinerary, the transportation and the type of tickets of every trip on service commission of the staff of the Agency shall be previously considered by the CCAAP and approved by the Council.

Article 46. Adoption of disciplinary measures. The Secretary General may adopt, in accordance with the pertinent regulatory provisions, disciplinary measures for unsatisfactory performance of work or for conduct not in conformity with these Standards.

Article 47. Types of disciplinary measures. Disciplinary measures shall consist of oral or written admonition, written censure, suspension, and dismissal.

Article 48. Separation from service. The Secretary General is empowered to terminate the appointment of a staff member:

- a. In case of prolonged illness, in accordance with the pertinent regulatory provisions;
- b. When it becomes necessary to abolish a post, as a result of the reduction in staff or reorganization of an office of the General Secretariat;
- c. When his services are not satisfactory;
- d. Whenever he fails to fulfill the requirements of service contained in these General Standards or in his employment contract;
- e. When he has attained the age of sixty-five, and
- f. When, it is considered to be in the best interest of the Agency. In this case, the staff member concerned shall have the right to be heard by the Secretary General and shall be entitled to all the benefits and indemnities to which he would be entitled had his service been terminated for any of the other reasons specified in this article.

All employees, technicians and experts whose services are terminated under this Article shall be entitled to a termination notice given prior to the effective termination date. Notice period shall be no less than seven days and no more than sixty, as determined by the

General Secretariat and stated in the staff member's Document of Appointment.

Article 49. Summary dismissal. The Secretary General may summarily dismiss any staff member for serious misconduct.

Article 50. Resignation. A staff member may resign from his position in the General Secretariat by presenting his resignation to the Secretary General, two months in advance. Notwithstanding, the Secretary General may accept resignations within a shorter time period.

Article 51. Separation indemnity. Except as provided in Article 52, the General Secretariat shall provide a separation indemnity to all staff members having been employed continuously for more than three years under contracts for a limited time. Such indemnity shall be calculated and paid in accordance with the labor provisions of the host country.

Article 52. Inapplicability of indemnity provisions. A separation indemnity shall not be paid when:

- a. A staff member's services are terminated during the probationary period of Article 40 of these Standards;
- b. A staff member resigns;
- c. A staff member under contract for a limited time is separated from service by way of termination or expiration of contract before completing more than three years of service;
- d. The staff member's services are terminated or the staff member is dismissed for serious misconduct, including, but not limited to:
 - I. Abandonment of post;
 - II. Having made serious false statements related to the staff member's employment.

Article 53. Right to hearing. Every staff member shall be entitled to a hearing by the CCAAP.

CHAPTER IV GENERAL PROVISIONS OF A FINANCIAL AND BUDGETARY NATURE

Article 54. Budget definition. The Agency's budget shall consist of an anticipated calculation of receipts and disbursements during each fiscal year in order for the Agency to cover its obligations regarding its operation, goods supplied and services rendered during such fiscal year.

Article 55. Regular Fund. This is made up mainly of the quotas collected from the member states. The purpose of this Fund is to finance the regular secretariat and general support services provided by the Secretariat and programmes specified in the approved budget.

The Regular Fund includes the following subfunds:

- a. Operations Subfund to which shall be credited all income of the Regular Fund, and against which shall be charged all obligations and expenditures in accordance with the Regular Fund budget.

At the end of each year, any excess in income over obligations and expenditures shall be transferred from the Operations Subfund to the Reserve Subfund, or any excess in obligations and expenditures over income shall be transferred from the Reserve Subfund to the Operations Subfund. The General Secretariat shall report on these actions to the Council within thirty days of the date the transfer was made.

- b. Reserve Subfund, the purpose of which is to ensure the regular and continuous financial functioning of the General Secretariat.

In conformity with the aforementioned paragraph 2 letter a), this Reserve Subfund must be equivalent to 15 per cent of the total annual quotas of the member states. This amount shall be reached gradually through crediting to this Subfund the annual income in excess of the obligations and expenditures of the Operations Subfund. To the extent that the Subfund exceeds 15 percent of the total of the annual quotas of the member states, the excess shall be available in subsequent years to finance partially the budget, and, therefore, shall be used to reduce the quotas assigned to the member states or for any other purpose approved by the General Conference.

The Reserve Subfund may be used only on a temporary basis to cover:

- i. Expenditures under the budget financed by the Regular Fund, pending full receipt of the anticipated income; and
- ii. Special expenditures not provided for in the budget. Such expenditures must be authorized by the General Conference or, when it is not in session, by the Council, which shall first hear a report on the condition of the Reserve Subfund and the reasons for such expenditures from the CCAAP.

Article 56. Currency of the accounts and financial reports. The accounts of the General Secretariat and its financial reports shall be kept and presented in United States dollars.

Article 57. Banking deposits and interest. The following provisions shall govern the designation of banking institutions and the crediting of interest to funds administered by the General Secretariat:

- a. The Secretary General shall designate the banking institutions in which the funds of the Agency and those entrusted to it shall be deposited.
- b. Interest earned by the Regular Fund shall be credited to that Fund.
- c. The annual financial report of the General Secretariat to the Council shall state how the interest from each specific fund has been credited.

Article 58. Investment of funds. The Secretary General shall invest the funds of the Agency that are not essential to meet immediate disbursement needs, in conformity with the CCAAP, ensuring maximum security.

Article 59. Acceptance of inheritances, gifts, and bequests. The Secretary General may accept on behalf of the Agency, inheritances, gifts, or bequests for uses consistent with the purposes of the Agency, advising the Council thereof.

Article 60. Effective period of the budget. The budget is annual, and the fiscal year runs from January 1 through December 31.

CHAPTER V PREPARATION OF THE BUDGET

Article 61. Objects of expenditure. The program-budget, shall be basically presented in accordance with the following objects of expenditure:

TITLE ONE: STAFF SALARIES AND BENEFITS

Section 1.1. Salaries

Section 1.2. Fees

Section 1.3. Contributions and Social Benefits

TITLE TWO: ADMINISTRATIVE EXPENSES

Section 2.1. Rental and Services

Section 2.2. Maintenance and Acquisition of Equipment, Furniture and Others

Section 2.3. Transportation and Installation Expenses for the Secretary General

Section 2.4. Office Expenses

Section 2.5. Sundry Expenses

TITLE THREE: MEETINGS, CONFERENCES AND OTHERS

Section 3.1. General Conference

Section 3.2. Official Representations

Section 3.3. Other Activities

TITLE FOUR: PROVISIONS

Section 4.1. Special Projects

Section 4.2. Other Provisions

The objects of expenditures may be modified or divided into sub-objects of expenditure based on the Secretary General's recommendation, or at a request from the CCAAP to the Secretary General. The Secretary General shall present his proposal to the Council for its consideration and approval.

Article 62. Content by item, structure, and purposes. The proposed budget shall include all

the activities and services for which the General Secretariat is responsible in carrying out the programs adopted by the Agency, whose expenses should be included in the budget, with the respective proposed sources of financing as well as the mandates and resolutions in effect, maintaining the priorities indicated by them in adopting its programs.

The program-budget shall be divided into titles, sections, chapters, items and fractions in such a way as to:

- a. Allow effective control of budget execution in accordance with the decisions of the General Conference;
- b. Enable the Council to review the programs, projects, and activities and to identify all the specific sources of their financing;
- c. Give explanations and analytical and comparative data on each program and project that clearly indicate the mandate, its objectives, its goals, the staff assigned, the cooperating institutions, if any, and the resources required;
- d. Indicate the comparative relation with the cost of the programs and projects of the preceding fiscal period; and
- e. Clearly establish those responsible for carrying out each program and project.

Article 63. Content by chapter and item. For each chapter and item, the program- budget shall include:

- a. A comparative summary by object of expenditure showing the differences between the budget approved and the performance recorded in the previous three years, and the amounts requested for the program- budget;
- b. A comparison, by grade, of the positions approved in the budget of the preceding fiscal year;
- c. Reference to the background or mandates that have given rise to them;
- d. An indication of whether they are of a permanent nature, are a continuation of those started in previous years, or are new programs or projects. In any case, the length of these activities and their relation to the appropriations requested shall be specified; and
- e. The estimated total cost, by project, from beginning to end.

The General Secretariat shall endeavor to break down the chapters into projects and activities to facilitate establishment of a direct relationship between the budget and the objectives, mandates, and activities the General Secretariat seeks to pursue to execute it.

Article 64. Information for budget formulation. In order to facilitate the formulation of the

budget, the General Secretariat shall:

- a. Maintain a database with the current mandates, which contains, among other things, the following information: the beginning and end of the mandate, origin of the mandate, program area, organ responsible for its execution, etc. This information must be used as a basis for determining actions to be undertaken by the General Secretariat during the budget year and should be made available to the member states;
- b. Prepare, as far as possible, a classification of the mandates in each area, according to the level of priority the General Secretariat believes they should have;
- c. Have an analytical report on budgetary execution for the previous year, which defines the features of the execution of that budget and includes comments that will allow an overall improvement in the budget process, to optimize the distribution of resources. That report on execution shall contain, among other things, an analysis of the monthly execution by area, total execution, cyclical performance of the budget, relationship between inflows and outflows; and
- d. If necessary, prepare a proposal for updating and changing the organizational and staff structures of the Agency with a view to bringing them into line with the mandates and priorities of the Agency. Among other things, this proposal should analyze the capabilities of the existing staff in relation to the objectives and mandates of the different areas, define the staff policy changes expected to be implemented and their budgetary implications, and anticipate changes in the organizational structure and their implications for the budget and the objectives and mandates of the Agency.

Article 65. Presentation of the program-budget. In June of each year, the Secretary General shall present to the CCAAP the program-budget for the next annual fiscal year, including informative annexes and other explanatory notes, as deemed necessary.

CHAPTER VI DISCUSSION AND APPROVAL OF THE BUDGET

Article 66. Presentation and complementary information. The Secretary General shall present the program-budget, together with the following:

- a. A statement indicating the general orientation of the budget;
- b. A calculation of the Regular Fund quotas that correspond to each member state;
- c. A report on the status of the assets, liabilities, and balance of the Regular Fund; a report on the collection of Regular Fund quotas and a projection of the current expenditures;
- d. An evaluation of the Agency's activities for the previous three years;

- e. A report on transfers between chapters made in the preceding budgetary period; and
- f. Any other information requested by the General Conference to facilitate the analysis of the program- budget.

Article 67. Schedule for review of the program-budget. The General Secretariat shall notify the CCAAP of the schedule established as deemed convenient for review of the program-budget before its presentation to the General Conference.

Article 68. Review of the program-budget. The CCAAP, as the technical organ responsible for advising the Council in all matters concerning the administration of the General Secretariat and for the preparation, discussion, approval, execution, evaluation and control of the budget, shall review the program-budget presented to it by the General Secretariat and shall submit to the Council the observations, as so required, in the terms established by the Council for such effect.

Article 69. Effective period of the resolution on the budget. Regulatory provisions that may be included in the resolution approving the budget shall only be in force during the respective year, unless expressly established otherwise in the said resolution.

Article 70. Financing of the budget. The appropriations shall be financed with the assigned quotas. The General Conference at request of the General Secretariat shall set the annual quotas in accordance with the scale that it establishes.

Article 71. Calculating the amount of quotas. In calculating the amount of annual quotas to be assigned to the member states, the General Secretariat shall take into account:

- a. Total appropriations required for execution of the budget;
- b. Reimbursements that should be made to the Reserve Subfund;
- c. The balance of the Operations Subfund;
- d. The amount of the Reserve Subfund;
- e. The unobligated balance from appropriations of the previous fiscal year; and
- f. Estimated miscellaneous income, unless the General Conference decides to use such income for other purposes.

Article 72. Authorization and publication. Approval of the budget by the General Conference shall constitute authorization to the Secretary General to allocate funds, contract obligations, and make payments within the approved appropriations and for the purposes and objectives established.

CHAPTER VII BUDGET EXECUTION

Article 73. Criteria. The Secretary General shall execute the budget in keeping with the resolutions of the General Conference, the Financial Rules, with these General Standards, and with any regulatory provisions that may be issued for this purpose.

The Secretary General shall ensure that, in each fund:

- a. The obligations during a year do not exceed the estimated income from quotas and other revenues during the year, unless in extraordinary cases the member states, provide prior approval for exceeding that amount; and
- b. The expenditures during a year do not exceed the annual income level and other available resources.

Article 74. Appropriations and obligations. Appropriations shall be available to meet the obligations incurred during the year for which they were approved. However, and only to the extent necessary to liquidate obligations pending at the close of the year for which they were approved, the appropriations mentioned may be extended, but not beyond December 31 of the following year, on which date they shall expire irrevocably.

For the purposes of this article, obligations shall be understood as those arising from any agreement, contract, purchase order, or other document concluded with a natural or legal person under which the General Secretariat is legally obligated to disburse funds to the corresponding natural or legal person in order to execute approved activities, in keeping with the provisions of the Treaty of Tlatelolco, the resolutions of the General Conference, the Financial Rules and these General Standards. The obligations shall be recorded on the date on which the commitment becomes legally binding.

Article 75. Special appropriations and unforeseen situations. When the General Conference is not in session, the Secretary General shall request from the Council the special appropriations, which he deems indispensable to deal with situations unforeseen in the approved budget, and shall propose specific sources for their funding. In the event the Council approves such special appropriations, it shall determine the source of their funding.

The General Secretariat shall present an estimate of expenditures and a report on the availability and sources of the funds needed.

Article 76. Transfers Between Titles. For any fiscal year, the Secretary General has the authority to transfer Regular Fund resources from one Title of the Budget to another, subject to the following conditions:

- a. Transfers not exceeding five percent of the total resources of the Regular Fund

approved for the Title from which funds are taken or that imply substantial alterations to the approved item, do not require prior approval by the Council.

- b. For each transfer made under the preceding paragraph (a), the Secretary General shall submit a Special Report in writing to the Council within fifteen days following the date of the transfer. That Report shall justify the transfer on the basis of the current mandates that warrant it. Failure to submit that Report by the close of the fifteen-day period will immediately extinguish the Secretary General's authority to make such transfers for the remainder of the fiscal period without the Council's prior approval.
- c. Transfers which exceed the five percent limit established in paragraph (a) of this Article or which would result in either the elimination or substantial alteration of any approved program require the prior approval of the Council.

Article 77. Transfers within a title. The Secretary General has the authority to redirect resources from the Regular Fund within the same title and, if such redirection does not essentially alter the nature of the chapter receiving or delivering the funds, also has the authority to make transfers among items within each title.

In the case of activities financed by the Regular Fund that involve direct services to the member states, he shall justify such transfers to the CCAAP, on the basis of current mandates from the General Conference or the Council, as appropriate. The Secretary General shall inform the Council of these transfers within thirty days.

Article 78. Information that should be recorded for execution. Budgetary accounting shall record the fund, the budgetary account, the object of expenditure, and the documents substantiating all expenses actually made in conformity with the budget.

Article 79. Notification and payment of quotas. Within fifteen days following approval of the budget by the General Conference, the Secretary General shall transmit to the governments of the member states the respective decision with the information on their corresponding quotas.

The Regular Fund quotas shall be annual. Regular Fund quotas shall be paid within the deadlines established during the year in question, and shall be considered due on the first day of February of the corresponding fiscal year, in conformity with paragraph 6.01 of the Financial Rules.

Article 80. Payment of quotas. Income from quotas shall be credited against the balance pending from the earliest fiscal period for which money is owed by the member state making the payment to the Regular Fund.

Article 81. Accounting system. The Secretary General shall establish, in accordance with the Financial Rules and these General Standards, suitable provisions and procedures to ensure effective financial management, the exercise of economy, and the best use of all the resources administered by the General Secretariat, and he shall inform the General Conference thereof.

These provisions and procedures shall include an appropriate accounting system, based on generally accepted accounting principles, these General Standards, and the Financial Rules.

Article 82. Accounting records. The General Secretariat shall keep such accounting records as are necessary, and in its financial reports it shall show:

- a. The income, obligations, and expenditures of all the funds;
- b. The situation as to the appropriations, in such a way as to permit comparison with the approved budget, by fund, fiscal year, titles and items;
- c. The assets, liabilities, and balances of funds of the Agency.

The Secretary General shall also provide whatever other additional information that may be necessary to show the financial condition of the Agency.

Article 83. Alienation of assets. The Secretary General may alienate or make disposals of the Agency's fixed assets, previous authorization of the CCAAP.

Article 84. Closing of accounts. The General Secretariat shall close accounts at the end of each year. The resulting financial statements shall be delivered to the External Auditors for its review within the first quarter of the following year. Within that same period, the General Secretariat shall present to the Council a report that clearly shows the status of assets, liabilities, and balances in each fund; changes in fund balances; the status of the collection of quotas and of pledges; and the availability of the appropriations.

CHAPTER VIII EVALUATION AND CONTROL OF FINANCIAL AND BUDGETARY MANAGEMENT

Article 85. Fiscal supervision by the Council. Fiscal supervision by the member states rests primarily with the Council.

The Council shall not only directly or through the CCAAP oversee compliance with these General Standards, but it shall also partially delegate oversight functions to the External Auditors.

The General Secretariat shall facilitate for the member states direct access to the electronic system of financial and budgetary execution reports of the General Secretariat.

The Secretary General shall inform the Council, about any matter that, in his opinion, implies a significant change in the current or foreseen financial condition of the General Secretariat.

Article 86. Evaluation by the General Secretariat. The Secretary General is responsible for establishing a formal evaluation system for the programs, projects and activities of OPANAL.

Before April 30 of each year, the General Secretariat shall present reports on these evaluations to the Council, together with its comments and suggestions so that these may be taken into account in the preparation of the program-budget for the following year.

Article 87. Evaluation by the CCAAP. The CCAAP shall consider the annual evaluation reports which the Secretary General presents to the Council pursuant to Article 86 of these Standards and, on that basis, shall evaluate the overall efficiency of the programs, projects, and activities of the Agency; shall issue any recommendations it deems pertinent; and shall submit such recommendations to the Council for consideration by the General Conference together with the program-budget.

CHAPTER IX AUDITING AND FISCAL CONTROL

Article 88. External Auditor. The External Auditor shall examine the accounts of the General Secretariat in accordance with Article 76 of the Rules of Procedure of the General Conference and with the Financial Rules of OPANAL (Article 14, Paragraph 10.03).

Article 89. Access to books and records. The external auditor shall have access at all times to the books, records, documents, and vouchers that, in their opinion, are necessary to the audit.

The Secretary General shall grant the external auditor access to any financial records that he may request, cooperating with him as needed, so that he may perform his audits in a timely and effective way.

Article 90. Certification of the examination of accounts. The external auditor shall examine the accounts and certify the following:

- a. That the annual accounts presented by the Secretary General agree with the books, records, documents, and vouchers of the General Secretariat;
- b. That the transactions reflected in the financial statements are in accord with these General Standards, the Financial Rules, and other applicable provisions; and
- c. That the securities and cash on deposit have been checked by means of certifications from the depositories of the General Secretariat, and that the cash on hand has been checked by physically counting it to the extent the External Auditor deems appropriate, applying generally accepted auditing standards.

Article 91. Verification of the efficacy of internal accounting control. The external auditor may check the efficacy of internal accounting control and shall present to the General Conference the reports that he considers pertinent with respect to that control.

The external auditor, after satisfying himself that the books, records, documents, and vouchers have been examined and certified as correct by General Secretariat staff, may, at his discretion, and bearing in mind the nature of the examination, accept such certification

in whole or in part.

Article 92. Observations on accounts, deficiencies, and irregularities. The external auditor shall not be empowered to change items in the accounts, but he shall call to the attention of the Secretary General, for appropriate action, any transaction about whose legality or correctness he has any doubt.

The external auditor may call attention in his report to any deficiency or irregularity that he has noted in performing his work, but first he shall inform the Secretary General thereof in order to give him an opportunity to explain or correct it.

Article 93. Observations on financial management. In addition to certifying the financial statements, the external auditor may make any observations he believes necessary as to the internal financial and budgetary regulations, the accounting system, the efficiency of the internal auditing, control procedures, management activities and programs, and, in general, the financial consequences of the administrative actions of the General Secretariat.

Article 94. Content and scope of the report. The external auditor shall refer in his report to the extent and nature of the examination of the financial statements certified, the exactness and correctness thereof, as well as any other matter of which the General Conference should be informed, including but not limited to:

- a. Improper expenditure of funds, notwithstanding the correctness of the accounting;
- b. Cases of fraud or presumptive fraud;
- c. Expenditures likely to lead to further outlays on a large scale;
- d. Expenditures that are not in accord with the provisions authorizing them, or excessive expenditures;
- e. Expenditures that exceed the amount of appropriations, taking into account the changes resulting from transfers duly authorized in the General Conference resolution approving the budget; and
- f. Any deficiency in the general system governing the handling of income and expenditures or of supplies and equipment, or in the corresponding administrative services.

Article 95. Submission of the Report of the External Auditor to the Council and the General Conference. The External Auditor shall submit his report to the Council in conformity with paragraph 10.03 of the Financial Rules. The report shall include the preliminary comments of the General Secretariat. The Council shall make the observations and recommendations, as it deems necessary. The report together with the observations from the Council and the General Secretariat shall be submitted to the General Conference at its next regular session.

Article 96. Budgetary and financial statements and reports. The Secretary General shall present to the General Conference at each regular session, together with the corresponding

report of the external auditors, a final financial report on the preceding fiscal year.

The Secretary General shall inform the Council of OPANAL about the following matters:

- a. Compliance with the decisions regarding the budget taken by the General Conference and the Council;
- b. The progress made in carrying out programs and providing services in implementing the budget, with the corresponding explanations;
- c. The situation as regards the collection of quotas and contributions, miscellaneous income, and any other resources received from public or private sources, especially those referred to in Article 60; and
- d. The financial condition of each of the funds, with an indication of their income, expenditures, and balances.

Article 97. Final Disposition. These General Standards shall be effective as of the date in which they are approved by the General Conference of OPANAL invalidating the Staff Rules adopted by the XII Special Session of the General Conference of November 14, 1997.