



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

**THE ORGANIZATION OF AMERICAN STATES:  
STRENGTHENING THE FOUNDATION OF  
CANADA'S MULTILATERAL ENGAGEMENT IN THE  
AMERICAS**

**Report of the Standing Committee on  
Foreign Affairs and International Development**

**Dean Allison  
Chair**

**DECEMBER 2013  
41st PARLIAMENT, 2nd SESSION**

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41<sup>st</sup> Parliament – 2<sup>nd</sup> Session

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41<sup>st</sup> Parliament – 1<sup>st</sup> Session

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Allison Goody

James Lee





# **THE STANDING COMMITTEE ON FOREIGN AFFAIRS AND INTERNATIONAL DEVELOPMENT**

has the honour to present its

## **SECOND REPORT**

Pursuant to its mandate under Standing Order 108(2) the Committee has studied the Organization of American States (OAS) and Canada's Engagement in the Americas and has agreed to report the following:



## CHAIR'S FOREWORD

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In the spring of 2013, the House of Commons Standing Committee on Foreign Affairs and International Development undertook a focused study of the Organization of American States (OAS) in the context of Canada's multilateral engagement in the Americas.

In April 2013, I led a Committee delegation in a visit to Washington, D.C. where the OAS is headquartered. The delegation included Members of Parliament Bob Dechert, Mark Eyking, H  l  ne Laverdi  re,   ve P  clet, Dave Van Kesteren, and John Williamson. This trip allowed the Committee to further its understanding of the structure and operations of the OAS, which is the key multilateral forum through which Canada works with countries from across the Western Hemisphere in the pursuit of shared goals for that hemisphere. The trip also informed the Committee of on-going debates about the strategic direction of the OAS, countries' priorities for it, and the challenges that it faces as an organization, as well as OAS activities to promote democracy, defend human rights, enhance security, and foster development.

The report that follows is based on the Committee's findings from that trip, and includes recommendations to the Government of Canada for Canadian policy towards the OAS. The report concludes with an addendum that summarizes some of the key developments that have taken place at the OAS in the time since the Committee completed its study — in June 2013 during the 1<sup>st</sup> Session of the 41<sup>st</sup> Parliament — and finalized this report.



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# THE ORGANIZATION OF AMERICAN STATES: STRENGTHENING THE FOUNDATION OF CANADA'S MULTILATERAL ENGAGEMENT IN THE AMERICAS

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## Introduction

The Organization of American States (OAS) is the oldest regional organization in the world. It is also the only multilateral organization in the Western Hemisphere of which Canada is a member. The OAS has contributed to many important outcomes in the Americas, particularly with respect to the advancement of hemispheric cooperation, democratic governance, legal norms and human rights. However, it has also grappled with institutional and financial challenges for many years. These long-standing problems are now being further complicated by evolving political dynamics in the region.

It is in this context that the House of Commons Standing Committee on Foreign Affairs and International Development (the "Committee") decided to undertake a study on the OAS and Canada's multilateral engagement in the Americas.<sup>1</sup> During this study, it was clear to the Committee that the OAS is *the* forum through which Canada must channel its multilateral engagement in the Americas; in turn, the OAS benefits significantly from Canadian funding, expertise, and leadership. It was equally clear that the advancement of Canada's hemispheric objectives requires an OAS that is effective and focused. In order for that to be the case, the long-standing and emerging challenges that the OAS faces must be addressed.

The Committee travelled to Washington, D.C. in April 2013, where the OAS headquarters is located, to gather first-hand information and perspectives. Members were briefed by staff from Canada's Permanent Mission to the OAS, including Ambassador Allan Culham. The Committee also held an important meeting with the Secretary-General of the OAS, José Miguel Insulza, and benefited from a roundtable session with representatives to the OAS from a number of countries. The Committee met with representatives of most arms of the OAS Secretariat, experts from two key think tanks (the Inter-American Dialogue and Wilson Center), the Chairman of the Inter-American Defense Board, and the Deputy Assistant Secretary for the Western Hemisphere in the United States Department of State.

Based on these discussions, the report that follows summarizes the Committee's key findings on the role of the OAS in the hemisphere, and the challenges it faces in realizing its purposes. The report concludes with the Committee's recommendations to the Government of Canada regarding the ways in which the Committee believes the OAS can be strengthened as an institution.

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1 [House of Commons, Standing Committee on Foreign Affairs and International Development \[FAAE\], \*Minutes of Proceedings\*, 1<sup>st</sup> Session, 41<sup>st</sup> Parliament, 1 February 2012.](#)

## Overview of the OAS

The OAS was established in 1948. Its key areas of work include democracy promotion, defence of human rights, enhancement of multidimensional security, fostering of integral development, and support for inter-American legal cooperation. The *Charter of the Organization of American States* is its foundational document. Article 2 establishes the purposes of the OAS:

- (a) To strengthen the peace and security of the continent;
- (b) To promote and consolidate representative democracy, with due respect for the principle of non-intervention;
- (c) To prevent possible causes of difficulties and to ensure the pacific settlement of disputes that may arise among the Member States;
- (d) To provide for common action on the part of those States in the event of aggression;
- (e) To seek the solution of political, juridical, and economic problems that may arise among them;
- (f) To promote, by cooperative action, their economic, social, and cultural development;
- (g) To eradicate extreme poverty, which constitutes an obstacle to the full democratic development of the peoples of the hemisphere; and
- (h) To achieve an effective limitation of conventional weapons that will make it possible to devote the largest amount of resources to the economic and social development of the member states.<sup>2</sup>

The OAS has a fairly complex structure comprising various councils and commissions. There are also a number of autonomous bodies and specialized agencies connected to its work.<sup>3</sup> The General Assembly and the Permanent Council are the “primary bodies” of the OAS, “responsible for setting and carrying out” its agenda.<sup>4</sup>

The General Assembly is the “supreme organ” and primary decision-making body. During its sessions political representatives of the member states meet and adopt resolutions. Among other responsibilities, the General Assembly determines the “general action and policy” of the OAS, approves the OAS program budget and sets the quotas of

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2 Organization of American States (OAS), Department of International Law, [Charter of the Organization of American States \(A-41\)](#).

3 For further information, see: OAS, “[Our Structure](#),” and “[Organizational List](#).”

4 Peter J. Meyer, United States Congressional Research Service, [Organization of American States: Background and Issues for Congress](#), 8 April 2013, p. 4.



member states.<sup>5</sup> In essence, the General Assembly takes high-level decisions, which flow out to the relevant organs of the OAS for implementation; in turn, recommendations for action and various reports flow back from these same organs to the Assembly.

The OAS Permanent Council is directly responsible to the General Assembly. The Council conducts the “day-to-day business”<sup>6</sup> of the OAS including by implementing decisions of the General Assembly and the Meeting of Consultation of Ministers of Foreign Affairs,<sup>7</sup> overseeing the General Secretariat, assisting as the preparatory committee of the General Assembly, preparing draft agreements at the request of member states, and considering reports from other OAS organs.<sup>8</sup> Each member state has one representative in the Permanent Council, who has the rank of ambassador. Canada’s Ambassador and Permanent Representative to the OAS is Allan Culham. The Council holds regular meetings throughout the year in Washington, D.C. The General Assembly and Permanent Council are supported by the OAS Secretariat under the leadership of the OAS Secretary-General.<sup>9</sup>

All 35 states in the Americas<sup>10</sup> have ratified the OAS Charter; however, Cuba does not participate in the organization. In June 2009, the General Assembly repealed the 1962 resolution which had excluded Cuba from participating in the inter-American system. Member states also resolved, however, “That the participation of the Republic of Cuba in the OAS will be the result of a process of dialogue initiated at the request of the Government of Cuba, and in accordance with the practices, purposes, and principles of the OAS.”<sup>11</sup> During its meetings, the Committee was told that Cuba has taken no steps to initiate this process and thus remains outside the OAS. Even so, the Committee was also told that the issue of Cuba’s participation in the inter-American system remains a source of contention among certain states. Debate surrounding the Sixth Summit of the Americas in Cartagena in 2012 was a key example. Canada and the United States have opposed Cuba’s participation in the Summit process because Cuba is not a democracy and the summits are institutionalized meetings of heads of state of *democratic* countries in the

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5 OAS, [Charter of the Organization of American States \(A-41\)](#).

6 Peter J. Meyer, United States Congressional Research Service, [Organization of American States: Background and Issues for Congress](#), 8 April 2013, p. 4.

7 Under the OAS Charter, a Meeting of Consultation of Ministers of Foreign Affairs may be called by any member state to “consider problems of an urgent nature and of common interest to the American states.” Meetings of this kind were held in September 2001, March 2008, December 2010 and August 2012.

8 OAS, [Charter of the Organization of American States \(A-41\)](#), Articles 70-92. For further information, see also: OAS, Permanent Council, [Rules of Procedure of the Permanent Council](#), OEA/Ser. G; CP/doc.1112/80 rev. 4 corr. 1, 27 August 2003.

9 The OAS also serves as the secretariat for the Summits of the Americas process. The Summits are convened every three to four years.

10 For a full list of OAS member states, see: OAS, [“Member States.”](#)

11 OAS General Assembly, [“Resolution on Cuba,”](#) AG/RES.2438 (XXXIX-O/09), approved during the third plenary session held on 3 June 2009.

Western Hemisphere.<sup>12</sup> Other states have argued firmly for Cuba's inclusion, an issue which could affect the dynamics and productivity of the next summit in 2015.

## **The OAS and Canadian Foreign Policy**

Canada became a member state of the OAS in 1990. In the years that followed, successive Canadian governments actively pursued and supported democratic development and security initiatives in the hemisphere through the OAS, and economic integration efforts through the Summit of the Americas process (in addition to bilateral trade). In recent years, Canada has also focused its efforts and been a leader on improving the effectiveness and accountability of the OAS.

The rationale for Canada's decision to become a full and active member of the OAS remains as relevant in 2013 as it was in 1990. This point is demonstrated by the consistency in the broad approach that Canada has applied to its work in the OAS over the last 20 years, and by the statements that have been made by the present and former prime ministers, ministers and members of Parliament.

During its meetings in Washington, the Committee was told of various issues confronting countries in the hemisphere, from organized crime to economic inequality and threats against freedom of speech. Many of these challenges are transnational in scope, as is the case, for example, with the violence associated with the trafficking of illicit drugs, conducted across the jurisdictions of producer, transit and consumer countries. For another example, efforts to facilitate sustainable economic growth, trade and investment across the hemisphere require stable and predictable policy and regulatory environments, rule of law and good governance. All of these issues affect Canada, Canada's partner countries in the Americas, and Canadian political, security and commercial interests in the region. Furthermore, given the stakes involved, it is important that Canada's experience, perspectives and priorities be incorporated in hemispheric debates on these issues and in the determination of optimal policy responses to them.

The OAS is not a well-known organization in Canada or the United States, and many of its achievements have occurred out of the spotlight. Yet they have helped to advance democratic norms in the hemisphere and encouraged the peaceful settlement of disputes. The OAS has also been able to tackle and serve as an intermediary in a number of sensitive areas, including those associated with border disputes between member states. The Committee was told that the strengths and values of the OAS — in areas such as electoral observation, the protection of human rights, conflict prevention and institutional capacity-building — align with Canadian priorities for the hemisphere, and can serve as a vehicle for the advancement of those priorities. The latter have been articulated

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12 This requirement was instituted at the Third Summit of the Americas held in Quebec City in 2001. Leaders declared: "The maintenance and strengthening of the rule of law and strict respect for the democratic system are, at the same time, a goal and a shared commitment and are an essential condition of our presence at this and future Summits. Consequently, any unconstitutional alteration or interruption of the democratic order in a state of the Hemisphere constitutes an insurmountable obstacle to the participation of that state's government in the Summit of the Americas process." See: "[Declaration of Quebec City](#)," April 2001.

as part of Canada's Strategy for Engagement in the Americas, which seeks to increase "mutual economic opportunity," address "insecurity" and advance "freedom, democracy, human rights and the rule of law," and foster lasting relationships.<sup>13</sup> The Committee was also told that as the forum through which Canada can engage directly, influence and pool resources with countries from across the hemisphere on issues of shared concern, the OAS can also work as a multiplier for Canada's bilateral relationships in the region.

Canada provides significant support to the OAS and is thus a key component of the organization's success. The Committee was told that Canada plays an active and constructive leadership role in the OAS. Canada's assessed contribution was US\$9.76 million of the OAS's approximately US\$85 million approved regular fund budget in 2012, which made Canada the second highest contributor overall behind only the United States.<sup>14</sup> Canada's assessed quota for 2013 is similarly almost 12% of the OAS regular fund.<sup>15</sup> On top of its assessed contribution, Canada's specific (voluntary) contributions to the OAS are significant, at just over US\$20 million in 2012, for a total contribution to the OAS that year of around US\$30 million.<sup>16</sup>

Canadian funds have been provided to the OAS through the Department of Foreign Affairs and International Trade (DFAIT) and the Canadian International Development Agency (CIDA).<sup>17</sup> DFAIT's voluntary contributions have focused on peace and security initiatives, including, notably:

- OAS peacebuilding efforts in Colombia, which have assisted with the disarmament and demobilization of paramilitary groups, the reintegration of former combatants, transitional justice and land restitution;
- Landmine clearance initiatives;
- Support to bolster the OAS' mediation capacity and conflict prevention initiatives (e.g. in relation to the Guatemala-Belize border; and, conflict resolution between Colombia and Ecuador); and
- Initiatives to build regional capacity to combat terrorism and crime, including programs to address the trafficking of illicit narcotics.

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13 Foreign Affairs, Trade and Development Canada (DFATD), "[Canada's Strategy for Engagement in the Americas](#)."

14 OAS, Office of the Secretary General, "Table A, Organization of American States Regular Fund, Regular Fund Quota Assessments for 2012," [Program-Budget of the Organization 2012](#), August 2011, p. 148.

15 OAS, Office of the Secretary General, [Program-Budget 2013](#), Approved by the General Assembly XLIII Special Session – November 2012, document AG/RES.1 (XLIII-E/12), December 2012, p. 220.

16 OAS, Secretariat for Administration and Finance, "OAS Quarterly Resource Management Report December 31, 2012 (Preliminary and unaudited)," [CP/CAAP-3214/13](#), 2013, p. 27.

17 Following the amalgamation of CIDA with DFAIT in late June 2013, Canadian funding as described in this section is now provided by the Department of Foreign Affairs, Trade and Development (DFATD).

A significant amount of Canadian funding is being provided through a three-year (2012-2015) \$19.5 million cooperation plan with the OAS. The Committee was told that this funding is directed towards a number of purposes, including programming and projects designed to:

- Strengthen national electoral systems and related processes;
- Improve the standardization and harmonization of policies and regulatory frameworks related to the business environment, including in areas such as the development of model laws and the sharing of best practices in public sector management;
- Improve market access and member states' participation in regional and global trade, including by focusing on the training and development of micro-, small- and medium-sized enterprises;
- Strengthen member states' application of human rights instruments related to gender equality, including by addressing violence against women and strengthening states' human rights monitoring capacity; and,
- Enhance the institutional capacity of the OAS, including by collating in a database the various mandates that have been assigned to the OAS and linking those mandates to the OAS' thematic areas of work.<sup>18</sup>

Canada is also providing \$3.2 million over five years (2008-2013) to strengthen the effectiveness and capacity of the Inter-American Commission on Human Rights (IACHR). The Committee was told that this project will help establish mechanisms for the efficient processing of cases and the reduction of case backlogs. The project also targets the Commission's communications capacity, so as to improve public awareness of human rights issues in the Americas, and provides training to public sector professionals and civil society through the Inter-American Institute of Human Rights.<sup>19</sup> In more general terms, CIDA's long-term relationship with the OAS has helped the organization to strengthen its own project management and accountability practices.

In summary, the Committee was left with three main messages regarding the role of the OAS in Canadian foreign policy and the role of Canada in the OAS. First, the OAS is the only multilateral forum in the Western Hemisphere to which Canada belongs, and Canada therefore needs it to be an effective organization through which it can channel its multilateral engagement in the hemisphere. In the words of then-Minister of State of Foreign Affairs (Americas and Consular Affairs), Diane Ablonczy,

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18 Further information on the cooperation plan is available through the DFATD Project Browser. See: DFATD, "[Project profile: Organization of American States Cooperation Plan](#)," Project No. A035032-001.

19 For further information, see: DFATD, "[Capacity Strengthening of the Commission and Institute of Human Rights in the Americas](#)," Project No. A033107-001, Project Browser.

For Canada, the Organization of American States [OAS] is a key, central and indispensable venue for cooperation with hemispheric partners. ...

With the global community not yet fully out from under the shadow of the financial crisis, and with our peoples bringing different perspectives to the vision for the future of our hemisphere, there has never been a greater need for a strong, purposeful and well-supported OAS.<sup>20</sup>

The second key message is that the OAS needs Canada. During its meetings in Washington, the Committee was told repeatedly of the significant contributions that Canada has made to the OAS over the years in financing and expertise, particularly in the areas of democratic governance, elections monitoring and technical assistance, and through its contributions to the strengthening of the OAS as an institution. One of the main areas requiring reform — financing and administration — has been the focus of Canadian leadership in the Permanent Council. Ambassador Culham chairs the Council's important Committee on Administrative and Budgetary Affairs, and is pushing for change through the Council's work on the organization's program budget and business modernization strategy.

The final key message is that the OAS needs reform in order to address the well-known and in many cases long-standing challenges that it faces. However, it has become more and more challenging to solve these problems in the context of an increasingly complex hemisphere.

## **A Changing Hemisphere**

The OAS cannot be understood outside of its geographic and political context. It is a multilateral organization that includes member states from the Caribbean, North, Central and South America, a continent which is itself characterized by various sub-regions that are subject to particular political, economic and security dynamics. An estimated 940 million people live in countries in the Americas, which have diverse histories, cultures, political and economic systems, and legal and ideological traditions. Some of these countries have experienced periods of violent internal armed conflict, and some exist in neighbourhoods that have been characterized by rivalries and border disputes, while others have experienced interruptions of democratic and constitutional order. A number of OAS members are small island states, such as Saint Kitts and Nevis, which has a population of some 53,000 people, while others such as Brazil and Mexico are geographically large and populous states (200 million and 111 million people respectively), engines of economic growth, and important regional players inside and outside the context of the OAS. The diversity and complexity of the Americas was captured by OAS Secretary-General Insulza, who told the Committee that it is a hemisphere of regions.

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20 Foreign Affairs and International Trade Canada, "Canada and the OAS: A Lasting Relationship for Growth and Security," Address by Minister Ablonczy to the Organization of the American States, 10 April 2013, Washington, D.C.

Beyond this diversity, another important fact to underline about the Western Hemisphere is that it has evolved substantially since the OAS was established in 1948. The most profound change is the wave of democratization that took place in the Americas over the last 30 years. The region has transformed from one that had been characterized by non-democratic regimes and military dictatorships into one that has for the most part embraced the democratic governance model. Political change has been accompanied by economic change in many cases, as several OAS member states have moved beyond years that featured protectionist policies and debt crises to the contemporary context of strong economic growth and openness to trade and investment. The end of the Cold War also brought with it an important shift. It had long affected political and security dynamics in the Americas, particularly from the perspective of the assertiveness displayed by the United States. During the Cold War, the OAS was widely seen by countries in the region as being dominated by the United States, a charge that is heard less often now.

While not as fundamental as the transformation described above, the new millennium has also seen changes in the political dynamics in the Americas, which are having an impact on the ability of the OAS to be an effective institution. In general, there has been growing political assertiveness in the region. This, combined with the desire of some governments to pursue localized cooperation on economic and political issues, has manifested itself in the formation of new regional and sub-regional political organizations. Venezuela and Brazil, albeit with different motivations, have arguably been at the forefront of this deepening sub-regionalism. Venezuela is the key member of the ALBA group (a Spanish acronym for the Bolivarian Alliance for the Americas), which was launched in 2004 and now includes Cuba, Bolivia, Nicaragua, Ecuador, Dominica, Antigua and Barbuda, and St. Vincent and the Grenadines. Four of the ALBA countries — Venezuela, Ecuador, Bolivia and Nicaragua — spearheaded a recent and ultimately unsuccessful campaign to weaken the inter-American human rights system. In South America, the Union of South American Nations (UNASUR) is a relatively new intergovernmental body established in 2004<sup>21</sup> which includes Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay (which was suspended in 2012), Peru, Suriname, Uruguay, and Venezuela. While the leftist ALBA grouping bears “an ideological stripe,”<sup>22</sup> the development of UNASUR is more a reflection of Brazil’s strategic desire to consolidate its standing and influence in its region. South America, a continent that the Committee was reminded contains almost half of the population of the Americas, has in general seen its prominence as a region increase with Brazil’s rise as a regional and global power. Most recently, the Community of Latin American and Caribbean States (CELAC) was formed in 2011. It includes all Latin American countries, including Cuba. It is noteworthy that neither Canada nor the United States are members of any of these new regional groupings.

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21 The Cusco Declaration on the South American Community of Nations was signed at the Third South American Presidential Summit in 2004. The UNASUR Constitutive Treaty was signed by member state representatives in 2008.

22 Michael Shifter, “[The Shifting Landscape of Latin American Regionalism](#),” *Current History*, February 2012, p. 56.

Observers are debating the degree to which these groupings are politically coherent and institutionally effective,<sup>23</sup> and whether their formation is of more symbolic or substantive importance. A key implication of such debates relates to the potential for any of them to compete with the OAS in terms of mandate and influence, and in the level of attention and resources that are accorded to each of them by member states. The most pessimistic assessments see the OAS — as a hemispheric body — being marginalized in terms of relevance by this growing regionalism. One potential early sign of such a trend is the fact that UNASUR sent election observers to the Venezuela presidential elections in 2013, while the OAS was not invited to do so, despite its expertise in this area. However, as Michael Shifter, President of the Inter-American Dialogue has argued:

The OAS is still equipped to take on critical issues — including human rights, press freedom, and democracy — that other, newer multilateral mechanisms seem years away from being able to handle adequately. In these areas the OAS's normative frameworks, developed over time, are impressive. The inter-American human rights system, for instance, has an admirable record of shining a light on abuses committed during the period of authoritarian rule, including under Argentina's military junta.<sup>24</sup>

In Washington, the Committee was told that the OAS has an historical record of work on its core competencies of democratic development and human rights. It is the only multilateral body in the region, for example, with jurisprudence on human rights. The OAS has both an institutional framework with which to address these issues and a comparative advantage in doing so given its considerable experience, available tools, and standing as the only organization that includes all countries in the hemisphere.

Regardless of debates about the effectiveness and relevance of this new array of regional institutions, recent years have seen political fragmentation in the hemisphere. These dynamics have also been visible in the OAS, most notably in debates about the functioning of the region's human rights architecture and in debates about how the organization should respond to erosions in democratic governance in certain countries. In more direct terms, tensions emanate from debates about the role the OAS and its affiliated bodies should play in the internal affairs of its member states. Secretary-General Insulza noted this changing mood in the hemisphere in his discussion with the Committee. Others also noted the difficult context that the OAS has faced in the last few years. The Committee was told that Latin America has become more self-confident and assertive as a region at the same time as it has become characterized by more tensions, disunity and divergent approaches to key issues. Most troubling, some of the ideas and consensus developed in the OAS in the 1990s and early 2000s have broken down; it is not clear, for example, that a debate or vote held today on the establishment of a democratic charter would be successful.

In another meeting, the Committee was told that years ago no one would have envisioned that there would be a group of countries that would be actively trying to block

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23 For example, the Committee was told that the CELAC does not have a permanent secretariat.

24 Shifter, "[The Shifting Landscape of Latin American Regionalism](#)," p. 61.

and undermine the OAS. It has been increasingly difficult to find joint solutions and to achieve political consensus among OAS members in the face of such disagreements and a strategy on the part of some to make the OAS less effective. The OAS, after all, has a tradition of working by consensus. Internal divergence is having the effect of exacerbating the organization's long-standing challenges with respect to funding and focus. These developments are also lending a new urgency to reform efforts at the OAS as member states that provide it with critical support work to uphold its relevance and effectiveness. The Committee was told that despite the clear need for reform in areas such as the OAS' funding model, the last few years have offered perhaps the worst context for reform because of political and ideological divisions.

Nevertheless, while a small group of countries has attempted to block some work and opposed certain decisions, it is important to underscore that those same countries have not walked away from the table. The OAS' continuing importance as a forum for dialogue and cooperation — including on contentious issues such as drug policy and human rights scrutiny — was emphasized to the Committee. As a multilateral forum, the existence of the OAS forces each member state to respond to these various issues and to work to advance their positions. In the process of doing so, and being part of this multilateral process, countries also internalize the norms and standards that have been developed by that very system.

### **Long-Standing Challenges**

In addition to these evolving political dynamics, the Committee was told repeatedly of two long-standing and structural challenges that confront the OAS: sustainable financing and an alignment of that financing with the organization's agenda. The situation reached the point in late 2012 where four United States Senators who were then members of the Committee on Foreign Relations, including now-Secretary of State John Kerry, wrote a letter to the Permanent Council calling for a revitalization of the organization. In their letter, while noting the OAS' "many accomplishments" as "the premier hemispheric institution," they stated: "...we are concerned that the OAS is sliding into an administrative and financial paralysis that threatens to condemn this honored institution, unless checked by bold corrective measures, to irrelevance."<sup>25</sup>

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25 OAS, Permanent Council, "[Note from the Permanent Mission of the United States Requesting the Circulation of Letter from the United States Senate Foreign Relations Committee Addressed to the Chair of the OAS Permanent Council](#)," OEA/Ser.G, CP/INF.6589/12, 16 November 2012. In a response to this letter, the OAS Secretary General noted that he has made similar arguments in his strategic vision presented to member states. In its meetings, the Committee was told that the United States government is committed to the OAS and to making it work. On the last day of the Committee's trip to Washington, 24 April 2013, a bill was introduced in the U.S. Senate that addresses the OAS and needed reforms. It was referred to Committee and subsequently passed in the Senate without amendment by unanimous consent in July 2013. It was then passed in the House of Representatives as amended on 17 September 2013. On 25 September 2013, the Senate agreed to the House amendment by unanimous consent. Finally, it was signed by the U.S. President and became U.S. Public Law No: 113-041 on 2 October 2013 ([Organization of American States Revitalization and Reform Act of 2013](#)). For further information, see: The Library of Congress, Thomas, "[Bill Summary & Status, 113<sup>th</sup> Congress \(2013-2014\) S. 793](#)."



Financing in particular has long been a challenge at the OAS. Indeed, the Committee was told that the organization has seemed to lurch from crisis to crisis over the years without arriving at a lasting resolution of the problem. As one demonstration of the fact that financing and financial decision-making are not new problems, the Committee was told by a member of the OAS Secretariat that when Canada joined the OAS in 1990, rather than using Canada's resources to increase the organization's overall budget so as to improve its ability to meet its objectives, the aggregate budget was maintained at the same level while other member state quota contributions went down.

Member states have increased the mandates for which the organization is responsible — some estimates put the total number of mandates at 600 and others at up to 1,700 — but have resisted increasing the size of its regular budget, which is based on assessed contributions. In addition, despite the fact that generally speaking the OAS must pay its employees salaries and cost-of-living adjustments on par with certain employees of the United Nations (UN),<sup>26</sup> OAS member states have not adopted the UN model which would allow the OAS budget to increase automatically to cover these costs. Fixed personnel costs have therefore consumed an increasing proportion of the organization's regular budget.<sup>27</sup> In response to these pressures and facing mostly flat-lined regular fund budgets, the OAS has had to implement significant personnel and other cuts.<sup>28</sup>

The Committee was told that the OAS regular fund has for many years been insufficient to run the organization. In an effort to increase available resources, the OAS began in 1997 to solicit voluntary contributions from member states and other donors that could be used to fund specific programs. Voluntary or "specific" funds have made up close to half of the total OAS budget in recent years, but the fact that they are discretionary and can be reserved for particular programs makes it difficult to plan effectively so as to

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26 According to the OAS Secretariat: "OAS staff at headquarters receive the same salary, post adjustment, and dependency allowances as UN agencies in Washington DC (i.e. PAHO and UN liaison offices in WDC)". See: OAS, Secretariat for Administration and Finance, "["Smart" Parity: An Overview of the OAS Salary System and its History](#)," 10 April 2013, p. 2. The OAS approach to staff remuneration is known as "smart parity." This policy was adopted in 1995 following decisions of the OAS Administrative Tribunal, subsequent resolutions adopted by the OAS Permanent Council and OAS General Assembly, and a staff referendum. The OAS salary policy was established by resolution AG/RES.1275 (XXIV-O/94), which was adopted at the 24<sup>th</sup> Regular Session of the OAS General Assembly on 10 June 1994, and resolution AG/RES.1319 (XXV-O/95), which was adopted at the 25<sup>th</sup> Regular Session of the OAS General Assembly on 8 June 1995. It is also outlined in Article 40 of the [General Standards to Govern the Operations of the General Secretariat](#) (OEA/Ser.D/I.1.2.Rev.16, 4 June 2012). For further information on the history of staff remuneration at the OAS, see Annex 1 and Annex 2 of the following document: Permanent Council of the OAS, Committee on Administrative and Budgetary Affairs, "[Note for the Information of the CAAP: Business Case for Available Options to Address the Gap Between Expenditures and Timely Payments](#)," OEA/Ser.G; CP/CAAP-3218/13, rev. 1, 28 March 2013.

27 For 2013, personnel costs were projected to consume 64.38% of the regular fund budget. The General Assembly established that exact percentage as the regular fund's maximum for expenditure on personnel. See: OAS, "[Proposed Program-Budget for 2013: Overview and Guide](#)," Presentation for CAAP, 18 September 2012.

28 Staff positions funded by the Regular Fund declined from 582 in 2003 to an estimated 471 in 2012. See: OAS, Secretariat for Administration and Finance, "[Presentation to CAAP January 17, 2013: Gap between Income & Expenditures](#)."

implement the priorities of the organization as a whole. Even so, the Committee learned of the increasing importance of voluntary funds to the delivery of core areas of the organization's work, including support for democratic development and the work of the Human Rights Commission. For example, the Committee was told by the OAS Secretariat that rather than being financed by the regular fund, the OAS needs to solicit funding in order to conduct electoral observation missions. A small group of dedicated countries, including Canada, are continually relied upon to support OAS work in these areas. However, the overall level of voluntary contributions provided by all member states to the OAS has decreased substantially since the early to mid-2000s.<sup>29</sup>

In November 2012, OAS member states approved a regular fund budget for 2013 of almost US\$84 million. It was estimated that specific contributions would amount to almost US\$68 million for that same year.<sup>30</sup> Quotas are now determined for a three year period (e.g. 2012-2014) according to a formula whereby member states' contributions move around the U.S. contribution, which is set at a maximum of almost 60% of the total regular fund (the minimum assessment rate is 0.022%). The quotas, as listed in Appendix I, depend on a methodology based on one used by the UN, and in general terms take into account gross national income and adjustments for low per capita income (under certain conditions). Quotas for each member state can "neither increase nor decrease by more than 25% from one three year period to the next."<sup>31</sup> Canada's assessed quota has actually decreased in recent years as the size of other regional economies has increased.

The combination of a policy of "zero nominal growth in quota income," a ceiling on personnel costs as a proportion of the regular fund, and a requirement at the same time to increase salaries in accordance with cost-of-living adjustments are all applying pressure on the regular fund and on the organization's ability to execute its mandates. Timely payment of quotas has also been an issue over the years.<sup>32</sup> In the last decade, shortfalls between approved and actual income have been made up by use of the reserve subfund of the regular fund. The Committee was told that there have been three increases

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29 The amount of specific funds provided by member states fluctuates by year. They were an estimated \$62.7 million in 2011, down from over \$117 million in 2004. See: Permanent Council of the OAS, Committee on Administrative and Budgetary Affairs, "[Note for the Information of the CAAP: Business Case for Available Options to Address the Gap Between Expenditures and Timely Payments](#)," OEA/Ser.G; CP/CAAP-3218/13, rev. 1, 28 March 2013, pp. 8-9. See Appendix II for information on specific funds in 2012.

30 OAS General Assembly, "Program-Budget of the Organization for 2013 and Contributions to FEMCIDI," AG/Res. 1 (XLIII-E/12), adopted at the plenary session, held on 15 November 2012, 43<sup>rd</sup> Special Session of the General Assembly, Washington, D.C.

31 OAS General Assembly, "Methodology for Calculating the Scale of Quota Assessments to Finance the Regular Fund of the Organization," AG/RES.1 (XXXIV-E/07), adopted at the plenary session, held on 13 November 2007, 34<sup>th</sup> Special Session of the General Assembly, Washington, D.C. Note: Article 55 of the OAS Charter states that the General Assembly will establish member state quotas, "taking into account the ability to pay of the respective countries and their determination to contribute in an equitable manner."

32 Since 1990, there has also been a discount for "prompt payment" of quotas, which was intended to address late payments. However, "The data show an increasing number of member states paying in time to receive discounts, from an average of 6 in 1992-2000 to an average of 14 in 2007-2012." See: Permanent Council of the OAS, Committee on Administrative and Budgetary Affairs, "[Note for the Information of the CAAP: Business Case for Available Options to Address the Gap Between Expenditures and Timely Payments](#)," OEA/Ser.G; CP/CAAP-3218/13, rev. 1, 28 March 2013.

to the regular fund in the last decade which allowed the organization to absorb the increased costs; but, there were shortfalls in the other seven years. As OAS documents indicate, with cash reserves drawn down, “Since 2010 the option of drawing on the Reserve Subfund has no longer been available.”<sup>33</sup> In general, the “purchasing power” of the organization “has significantly eroded since 2009.” The regular fund is not keeping up with inflation. While the OAS quota income was lower — at \$73.7 million — in 2003, the “equivalent in 2012 dollars was \$92.0 million.” Yet, the “approved quota assessments for 2012 were \$81.1 million.”<sup>34</sup>

The Committee was told by the OAS Secretariat that the 2012 Board of Auditors review had found that: cost-cutting through administrative streamlining has reached its limits and further reductions in administrative staff could increase risks related to internal controls; political-level decisions are needed on structural budgetary challenges; and, a decision is needed on a sustainable real estate strategy. The Committee was also told that a management reform agenda has been proposed by the Chair of the Permanent Council’s Committee on Administrative and Budgetary Affairs (CAAP), Canada’s Ambassador Culham. This agenda proposes, among other things, a redefinition of the core pillars of the OAS; a regular review to eliminate unnecessary, redundant and obsolete mandates; an improved budget review process; streamlined business practices; a reformed human resource management system, including competitive staffing and regular appraisals; the creation of an effective Executive Committee (which was to be considered at the June 2013 General Assembly); and, an empowered role for the new OAS Inspector General. The proposal would also see audit and inspection reports published on the OAS website, and greater transparency in the management of the specific funds provided by member states.

The Secretariat made the overall point to the Committee that there is a structural imbalance between available resources and the mandates that are adopted at the political level of the OAS, which must be implemented by various OAS bodies.

This situation has weakened the overall ability of the organization to execute many of its programs, while at the same time preventing the OAS from doing work within its core areas of responsibility that it should be doing (e.g. in the area of citizen security). The Committee was left with the impression of a system that is stretched thin. It is not sustainable and may be approaching a breaking point. There appear to be two broad options. Member states can either act to augment the resources available to the OAS by increasing their assessed quotas, or they can act to streamline and focus the organization, reducing its tasks and responsibilities. Some combination of the two is also possible, but the key issues — financing, priorities and purpose — must be understood as being interrelated. A failure to make these difficult choices could result in declining effectiveness at best or organizational irrelevance at worst. By the same token, political will at the level of member states to tackle these structural issues, and implementation at the Secretariat

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33 “...in 2012, the Organization executed only \$83.5 million compared to an approved budget of \$85.3 million.”  
Ibid.

34 OAS, [“Presentation to CAAP January 17, 2013: Gap between Income & Expenditures.”](#)

level of the decisions that are taken, would contribute to an organization that can be an effective space for hemispheric cooperation.

In 2011, Secretary-General Insulza launched a strategic vision exercise. His first document, delivered to the Permanent Council in late 2011, described the “protection and advancement of democracy, promotion and protection of human rights, partnership for development among [OAS] members, and regional security” as “issues that constitute the essence of the Organization”.<sup>35</sup> The Secretary-General has argued for a return to these core areas of work. He reinforced this point when meeting with the Committee, noting that a redefinition of the OAS’s activities is needed. He told the Committee that the OAS is trying to organize itself for the hemisphere’s present challenges, leaving other issues for other forums which have the necessary resources to address them.

The Secretary-General put forward two proposals in his “strategic vision” document: that regular fund resources should be allocated “exclusively” for the implementation of the organization’s “core tasks,” with other activities financed by specific funds; and, that each task should be examined “to determine if the OAS is the organization best placed in the inter-American system to carry it out...” With respect to the quota system, in addition to calling for automatic increases to address the cost-of-living adjustment for staff, the Secretary General proposed

...to introduce a rule whereby no country pays more than 49% of the contributions to the Regular Fund. This means that the current monetary share of the biggest contributor will be considered 49% of the overall budget and the remaining 51% will be financed with an increase in quotas from the other member countries. ...<sup>36</sup>

The proposal for a reduction in the U.S. quota was raised during the Committee’s meetings in Washington, D.C. It would represent an important symbolic change by making the United States responsible for less than 50% of the organization’s budget. It would also perhaps contribute to more substantive changes in the attitude taken by other member states towards the OAS as it would increase their stake and responsibilities in the system. In general, the Committee was told that while a small increase in assessed quotas would not equate to a lot of money for most countries, it would represent an important political shift.

The Committee heard that the Secretary-General’s strategic vision exercise and the work being done in the CAAP to improve and modernize the OAS’ administration can provide a good basis for moving forward. Nevertheless, the Committee was reminded again and again that the OAS is an organization of member states. Indeed, multilateral organizations are only as effective as their member states allow and want them to be.

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35 OAS, Permanent Council, “[Note of the Secretary General to the Chair of the Permanent Council Presenting ‘A Strategic Vision of the OAS’](#),” OEA/Ser.G, CP/doc.4673/11, 19 December 2011. The document was presented to the Permanent Council at its session held on 1 February 2012.

36 Ibid. In the second presentation of his strategic vision in [2013](#), the Secretary General clarified that the United States would continue “to pay the same amount, but that amount would be equivalent to only 49% of [the] total, while the other member states would increase their contributions to make up the remaining 51%.”

Solutions to the problems that beset the OAS, therefore, must ultimately be generated and supported by its members. An increase in the regular fund would, for example, have to be agreed to at the political level by all member states. More operational decisions at the Permanent Council and Secretariat levels on the management of resources should flow from these collective political decisions by member states. The Secretary-General underlined the need for higher-level engagement and decision-making related to more fundamental issues regarding how the OAS needs “to adapt” in order “to meet current demands” in the second presentation of his strategic vision for the organization, which was put forward in March 2013. He argued: “How to improve management and maximize the use of resources is naturally an important and necessary part of the debate, but that concern does not justify eluding discussion of the deeper issues at stake.”<sup>37</sup>

## The Four Pillars

Despite its relatively small budget, the OAS has done important work in its core areas. In addition to its hemispheric role related to the development of international law, norms and standards, the Committee was also briefed about the day-to-day operational work of the OAS in the four broad and mutually reinforcing pillars of democracy and governance, human rights, security, and development. The pages that follow provide a general overview of work carried out under each pillar.

While the four pillars are officially co-equal, in practice, work under each faces specific challenges based on member states’ differing priorities and positions. The need, as argued by the Secretary-General, for a strategic discussion between member states about the priority activities of the OAS remains, as does the more general need to ensure linkages between the work of the OAS Secretariat and discussions at the political level.

### A. Democracy

Despite the overall wave of democratization that has occurred in the Americas, challenges remain in a number of specific countries.<sup>38</sup> In the place of previous struggles to end outright dictatorships, the OAS must now grapple with more complicated and controversial issues related to the quality of democracy in its member states and with the threats that *elected* governments can pose to democratic systems and human rights.

OAS member states have adopted a series of mechanisms enabling the organization to address more effectively threats to elected governments. In 1991, for example, they agreed to allow for the immediate convening of a Permanent Council meeting in the case of an interruption of the democratic political process or the exercise of

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37 OAS, Permanent Council, [“A Strategic Vision of the OAS: Second Presentation,”](#) OEA/Ser.G, CP/doc.4673/11 rev.1, 4 March 2013, p. 7.

38 In a speech to the June 2013 General Assembly, the Secretary General of the OAS noted: “In the fifteen years between 1990 and 2005, 18 governments exited office prematurely, through coups d’état, resignation, or removal. Over the past eight years, there were only two such cases.” See: OAS, [“Speech by the Secretary General of the OAS, José Miguel Insulza, Inaugural Session 43<sup>rd</sup> General Assembly,”](#) Press Release, 4 June 2013.

power by an elected government in a member state, and in 1992 to suspend a member state whose democratically constituted government was overthrown by force.

The highpoint in the hemisphere's work on democratic governance came with the unanimous adoption on 11 September 2001 of the *Inter-American Democratic Charter* (IADC). Its first article states: "The peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it."<sup>39</sup> The Charter defines democracy broadly to encompass respect for human rights, the holding of free and fair elections, the existence of a pluralistic system of political parties, the separation of powers, and other aspects of good governance. The Charter also provides mechanisms for the collective defence of democracy. In 2011, OAS Secretary-General Insulza argued that in the decade since 2001, "...the Charter was invoked on at least nine occasions in situations that affected or threatened the democratic political institutional process or a government's legitimate exercise of power. On seven of those occasions, preventive application of the IADC was effective."<sup>40</sup>

Most of the technical work to help OAS member states improve the quality of democracy is carried out by the organization's Secretariat for Political Affairs, which is itself composed of three departments. The Committee was told that the Secretariat's work can be understood in terms of three concentric circles:<sup>41</sup>

- The central ring or "hard core" of democratic governance comprises free and fair elections.<sup>42</sup> The Department of Electoral Cooperation and Observation observes and provides technical assistance for elections in the region in this area. Electoral observation is widely seen as a comparative advantage of the OAS, which has observed over 200 electoral processes in 27 countries over the past 50 years.
- The second ring is institutional quality and conditions for political stability. In this area, the Department of Democratic Sustainability and Special Missions helps the OAS Secretariat in handling "political and institutional conflicts in the region" through a number of mechanisms, including good offices and support for special missions.<sup>43</sup> One example is the large OAS Mission to Monitor the Peace Process in Colombia (over 100 people in 14 offices throughout the country). An important evolution in the work of

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39 OAS, [Inter-American Democratic Charter](#), Article 1, Lima, Peru, 11 September 2001.

40 See: José Miguel Insulza, "Building a Track Record of Promoting and Protecting Democracy," in OAS, [Tenth Anniversary of the Inter-American Democratic Charter: A Hemispheric Commitment to Democracy](#), OAS/Ser.D/XX, SG/SAP/III.21, 2011, p.3

41 For a public presentation that explains this framework, see: OAS, Secretariat for Political Affairs, "[Proposals to Strengthen the Secretariat for Political Affairs](#)," presentation by Dr. Kevin Casas-Zamora, Secretary for Political Affairs, to the Permanent Council Committee on Juridical and Political Affairs, 13 December 2012.

42 Ibid.

43 Ibid.

this department has been the development since 2006 of a professional political analysis section, which provides timely information to allow OAS decision makers to act to prevent or resolve crises.

- The outer ring includes conditions for democratic legitimacy. The Department of Effective Public Management focuses on strengthening democratic institutions, including through technical projects, information technology, and training programs.

While the OAS has a strong track record in the promotion of democracy and specific expertise in areas such as electoral observation, the increasing ideological polarization in the hemisphere has made its work in this area — much of which is, by definition, political — more sensitive than in the past. Among other complicating factors, OAS mechanisms are clearer with respect to how the organization should deal with threats to elected governments than how it should address more ambiguous threats to democracy from them.

Moreover, decisions regarding OAS action on democratic development remain largely in the hand of governments, which can in some cases be the source of the problem. For instance, Articles 17 and 18 of the *Inter-American Democratic Charter* stipulate that a government of a member state “may request assistance from the [OAS] Secretary General or the Permanent Council for the strengthening and preservation of its democratic system”; and, that “When situations arise in a member state that may affect the development of its democratic political institutional process or the legitimate exercise of power, the Secretary General or the Permanent Council may, with prior consent of the government concerned, arrange for visits or other actions in order to analyze the situation.” It is important to note, however, that the *Inter-American Democratic Charter* allows for the suspension of a member state from participation in the OAS if it is determined, according to defined processes, “that there has been an unconstitutional interruption of the democratic order of a member state, and that diplomatic initiatives have failed...”

In the case of Venezuela, as the past decade saw the increasing accumulation of power by the executive under President Hugo Chavez, many criticized the OAS for not saying and doing more than it did. However, given the historical principle of non-intervention in the hemisphere, which is reflected in the OAS Charter, and the absence of consensus definitions of some key concepts, the Government of Venezuela likely believes the organization has said too much about its internal affairs. This dichotomy illustrates the challenge of OAS work in the area of democratic governance. Despite the unparalleled expertise of the OAS in election observation, for example, the Government of Venezuela did not invite the organization to monitor its 2013 presidential election. Even so, the OAS remained engaged with the unfolding situation.<sup>44</sup>

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44 OAS, “[OAS Secretary General Reiterates Support for Vote Audit in Venezuela](#),” Press Release E-147/13, 19 April 2013; and, OAS, “[Insulza Salutes Civic Spirit of Venezuelans and Supports Recount Proposal](#),” Press Release E-138/13, 15 April 2013. The OAS also issued press releases on the situation in Venezuela on [16 April](#) and [5 May 2013](#).

## B. Human Rights

Democratization has had a positive impact on the situation of human rights in the Americas. Nevertheless, serious challenges continue to exist in a number of countries, some of which are still engaged in the process of democratic transition. These include impunity, lack of judicial independence and problems related to security sector reform. These processes are fundamentally linked as respect for human rights is both a prerequisite for and a key indicator of democracy.

Among the most widely respected and institutionalized areas of work of the OAS is the inter-American system for the promotion and protection of human rights. It is composed of a series of norms contained in the OAS Charter and other documents, and is based on two key institutions that are bodies of the OAS but autonomous from it and independent in their work. The Inter-American Commission on Human Rights (IACHR), which was created in 1959, is composed of seven independent human rights experts elected by the OAS General Assembly. The Commission acts as a consultative organ for the OAS, and also monitors and reports on human rights within member states either thematically or in cases related to specific countries. Once national mechanisms have been exhausted, individuals and groups may bring petitions against states parties to the Commission, which can set out opinions, conclusions and recommendations.<sup>45</sup> While the Commission is widely recognized as having played a critical role in shedding light on and denouncing the human rights abuses committed by the region's authoritarian regimes in the 1970s and 1980s, today a number of governments in the region see human rights complaints brought against them as unwarranted attacks.

The 1969 *American Convention on Human Rights* ("Pact of San Jose, Costa Rica") also led to the creation 10 years later of an Inter-American Court of Human Rights. The Court issues legally binding rulings and advisory opinions that interpret the Convention and other inter-American human rights treaties. It is composed of seven elected independent judges and rules on cases brought against states parties by the Commission or by another state party. The court only has jurisdiction over states that have ratified the Convention and expressly recognized the court's jurisdiction.<sup>46</sup>

Among the key human rights challenges addressed by both the Commission and the Court are those related to women's human rights. The combination of gender-based violence, high crime rates, weak institutions and impunity has particular relevance for women's human rights in the Americas. The OAS has adopted the Inter-American Program on the Promotion of Women's Human Rights and Gender Equity and Equality. There is also a specific convention related to violence against women — the *Inter-American Convention on the Prevention, Punishment, and Eradication of Violence Against Women* ("Convention of Belém do Pará") — and a formal mechanism to follow-up its implementation. The implementation of the Convention of Belém do Pará in the Americas

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45 Inter-American Commission on Human Rights, "[What is the IACHR?](#)" See also: Inter-American Commission on Human Rights, [IACHR 2012 Annual Report](#).

46 Inter-American Commission on Human Rights, "[American Convention on Human Rights](#)."



is supported by the Inter-American Commission of Women, which also carries out the OAS' broader work on gender equity and equality.<sup>47</sup>

The efficiency and effectiveness of the Inter-American Human Rights Commission and the Court are influenced by a number of factors, including financing — the Commission is financed to a significant extent by voluntary contributions, including from European countries — and questions of jurisdiction. On the first point, the funding provided by member states to the Commission is inadequate; it must deal with some 2,000 petitions a year and is facing a significant backlog of some 7,000. In terms of jurisdiction, the inter-American human rights system is not universal, as OAS member countries choose the instruments they are willing to sign and the jurisdiction they recognize. The Committee was told that the system can be seen as having four levels of protection, each with different ways of processing complaints, depending on what instruments have been accepted. These four levels of protection, which range from least to most comprehensive, but from highest to lowest in terms of member state participation, apply to:

- The countries that have ratified the OAS Charter;
- The countries that have ratified the Inter-American Convention on Human Rights;
- The countries that have recognized the jurisdiction of the Inter-American Court of Human Rights; and
- The countries that have recognized the jurisdiction of the Court and ratified all inter-American treaties.

The past two years have seen significant tension and drama at the OAS related to the inter-American human rights system. Beginning in 2011, four states that have often been criticized for human rights abuses — Ecuador and Venezuela, supported by Bolivia and Nicaragua — took advantage of an exercise designed to strengthen the Human Rights Commission to make a concerted effort to weaken it in a number of ways. They called for limitations on the Commission's sources of funding and budget and in the budget of its Special Rapporteur for Freedom of Expression, while also calling for a less troubling change in the Commission's geographic location.<sup>48</sup>

In the lead-up to a Special Session of the OAS General Assembly on 22 March 2013, governments such as Canada and the United States, as well as various civil society organizations and other concerned stakeholders, stressed the importance of maintaining the integrity and full independence of the Human Rights Commission. In the end, the

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47 Further information on the Inter-American Commission of Women and its mandate is available [here](#). The Inter-American Children's Institute, another specialized agency of the OAS, works to protect the rights of girls. More information is available [here](#).

48 Diana Villiers Negroponte, "[The Organization of American States Preserves Democratic Charter – For Now!](#)" *Up Front* blog, Brookings Institution, 28 March 2013.

attempt to weaken the Commission was unsuccessful. The resolution adopted by OAS member states included a number of reforms to strengthen the Commission (but did also agree to allow dialogue to continue).<sup>49</sup> This showdown was mentioned in many of the Committee's meetings in Washington. On the one hand, it was an indication of the significant cleavages that exist within the OAS membership. On the other, it was evidence that the vast majority of member states support the inter-American human rights system and the work of the Commission. It is also important to note that many of these same states, such as Mexico, have had a significant number of cases brought against them at the Commission, which is further indication of their commitment to the hemispheric human rights system.

### C. Multidimensional Security

Security is an important and complicated issue in the Americas. Many countries in the hemisphere face a combination of high levels of crime and violence. The region is also characterized by weak state institutions, which must contend with the pernicious activity of local and transnational criminal organizations.

In 2010, the total number of murders and the murder rate per capita in the Western Hemisphere was second highest among all global regions, behind Africa.<sup>50</sup> Crime statistics have been compiled by the OAS Hemispheric Security Observatory. For some specific country examples, Brazilian police recorded 21 intentional homicides per 100,000 inhabitants in 2010; a figure which was even higher in Belize (41.2), Colombia (37.7), El Salvador (64.7), Honduras (81.9), Jamaica (52.8), Saint Kitts and Nevis (38.5), and Trinidad and Tobago (35.2). Figures from 2009 available for Venezuela (49.3) were also high. The average across 32 countries in the Americas in 2010 was 15.6. The highest sub-regional average rate by far (43.3) was recorded in the seven Central American countries. The number of intentional homicides reported by the police in those countries almost doubled between 2000 and 2010.<sup>51</sup>

It is important to note that some of these same countries — in particular those in Central America — have recent experience with violent internal conflict, recovery from which involves years of work to re-establish citizens' trust in their governing and security sector institutions, while also ensuring that the latter comprise a professional and democratically accountable force in society. As just one example, Guatemala experienced a 36 year civil war in which an estimated 200,000 people died. The legacy of that conflict lingers in the country, including through recent debates and judicial action to address

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49 OAS General Assembly, "Results of the Process of Reflecting on the Workings of the Inter-American Commission on Human Rights with a View to Strengthening the Inter-American Human Rights System," AG/RES.1 (XLIV-E/13), adopted at the plenary session held on 22 March 2013, 44<sup>th</sup> Special Session, Washington, D.C.

50 Gino Costa, "[Citizen Security in Latin America](#)," Latin American Working Group, *Inter-American Dialogue*, February 2012.

51 OAS, Secretariat for Multidimensional Security, [Report on Citizen Security in the Americas 2012](#), Official Statistical Information on Citizen Security provided by the OAS Member States, 2012, p. 18 and 23.

atrocities committed during that conflict,<sup>52</sup> and in efforts to reform the police who, according to one assessment in 2012, are “widely dismissed as inefficient, corrupt and abusive” by the citizenry.<sup>53</sup>

The initial focus of the OAS after its establishment was on the security of states and collective defence against external military threats, as codified in the 1947 Inter-American Treaty of Reciprocal Assistance (Rio Treaty). This approach, however, became controversial during the Cold War, and the organization has more recently shifted its focus almost entirely to addressing threats to the security of citizens *within* states.<sup>54</sup> As the Committee was also told, an important component of citizen security relates to the protection of women’s human rights and the prevention of violence against women, two issues that remain on-going challenges in the hemisphere, notwithstanding important advances that have taken place in the Americas related to regional human rights architecture and national law.<sup>55</sup>

In a 2003 *Declaration on Security in the Americas*, OAS member states recognized that security in the hemisphere was now “multidimensional” in nature. This conception of security encompasses traditional and newer and more complex threats. The Declaration identifies a number of shared values and common state approaches to security issues in the region. Among them is an emphasis on representative democracy as “an indispensable condition for the stability, peace, and development of the states of the Hemisphere.” Similarly, the document recognizes that “Respect for human rights and fundamental freedoms, and good governance are essential for the stability, peace, and political, economic, [and] social development of the states of the Hemisphere.” It underscores the importance of “constitutional subordination of all state institutions to the legally constituted civilian authority and respect for the rule of law on the part of all institutions and sectors of society” as critical contributing factors to peace and stability. Importantly, the document also affirms that “the basis and purpose of security is the protection of human beings.” At the same time, the Declaration recalls that “Full respect for the integrity of the national territory and for the sovereignty and political independence of

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52 Elisabeth Malkin, “[Former Leader of Guatemala is Guilty of Genocide Against Mayan Group](#),” *The New York Times*, 10 May 2013.

53 International Crisis Group, “[Executive Summary and Recommendations](#),” *Police Reform in Guatemala: Obstacles and Opportunities*, Latin America Report No. 43, 20 July 2012.

54 According to the United Nations Development Programme (UNDP), “Citizen security is the process of establishing, strengthening and protecting democratic civic order, eliminating threats of violence in a population and allowing for safe and peaceful coexistence. It means effectively safeguarding inherent human rights...” See: UNDP, “[Issue Brief: Citizen Security](#),” Crisis Prevention and Recovery, February 2013. For further information on the concept of “citizen security” see: Gino Costa, “[Citizen Security in Latin America](#),” Latin American Working Group, *Inter-American Dialogue*, February 2012; Peter Hakim with Kim Covington, “[Constructing Citizen Security in the Americas](#),” *Inter-American Dialogue*, 23 September 2011; and, Inter-American Commission on Human Rights (IACHR), [Report on Citizen Security and Human Rights](#), OAS, 2009.

55 OAS, Inter-American Commission of Women, [Strategic Plan 2011-2016 of the Inter-American Commission of Women \(CIM\)](#), Washington, D.C., April 2011, p. 40-43.

each state in the region constitutes an essential basis for peaceful coexistence and security in the Hemisphere.”<sup>56</sup>

The OAS’ approach to security is very broad, as reflected in the Declaration’s list of threats that need to be addressed as part of the organization’s work, which includes:

- Terrorism;
- Transnational organized crime, and related issues of the global drug trade, corruption, money laundering, illicit trafficking in weapons, and the connections between them;
- Extreme poverty and social exclusion;
- Natural and man-made disasters;
- Trafficking in persons; and
- Cyber security.<sup>57</sup>

In 2005, the OAS established a Secretariat for Multidimensional Security. It has three departments: the Department of Public Security,<sup>58</sup> the Executive Secretariat of the Inter-American Committee against Terrorism,<sup>59</sup> and the Executive Secretariat of the Inter-American Drug Abuse Control Commission (CICAD).<sup>60</sup>

## Drugs

The trade in illicit drugs has long been a challenging and divisive issue in the Americas. The Committee was told that in recent years the situation has evolved in important ways to the point where all countries in the hemisphere are now to varying extents producers, transit countries and consumers, and the largest consumers are not necessarily in North America. Drugs and associated criminal activity have had a serious impact on all states in the Americas, with those in the Caribbean and Central America suffering in particular from the effect of drug shipments through their territory and the associated violence, criminal activity and corruption that such activity generates.

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56 [Declaration on Security in the Americas](#), adopted at the third plenary session of 28 October 2003, OEA/Ser.K/XXXVIII; CES/DEC. 1/03 rev. 1, 28 October 2003.

57 Ibid.

58 OAS, Secretariat for Multidimensional Security, Department of Public Security, [“On the Department.”](#)

59 OAS, Inter-American Committee against Terrorism, [“Structure and Functions.”](#)

60 The policy forum – the Inter-American Drug Abuse Control Commission (CICAD) – has existed since 1986; the CICAD Executive Secretariat, which supports the Commission, is a directorate of the OAS Secretariat for Multidimensional Security, which was established in 2005. See: OAS, Inter-American Drug Abuse Control Commission, [“Mission Statement.”](#)

The Committee was also told that there have been shifting attitudes in the hemisphere regarding how this problem should be addressed by governments. Leaders at the Sixth Summit of the Americas in Colombia in April 2012 recognized that the status quo in this area was not working, and commissioned a high-level study by the OAS designed to take a look at current approaches and possible policy changes. This two-part study,<sup>61</sup> which includes an analytical and a scenarios report, was released in the lead-up to the June 2013 OAS General Assembly in Guatemala whose theme was: “For a Comprehensive Policy to Fight Drugs in the Americas.”<sup>62</sup> While discussion at the General Assembly was expected to be controversial, given that a few countries favour policies such as the decriminalization or legalization of certain drugs, an approach which other countries oppose, the Committee had also been told that the OAS study would hopefully help to frame the debate on these complicated issues, including by situating the drugs issue in the context of criminal activity and state institutional capacity to address both.

At the June 2013 General Assembly, the ministers of Foreign Affairs and heads of delegation of the member states of the OAS adopted a declaration entitled, “For a Comprehensive Policy Against the World Drug Problem in the Americas.” It, *inter alia*, declared:

That it is essential that the Hemisphere continue to advance in a coordinated manner in the search for effective solutions to the world drug problem with a comprehensive, strengthened, balanced and multidisciplinary approach with full respect for human rights and fundamental freedoms that fully incorporates public health, education, and social inclusion, together with preventive actions to address transnational organized crime, and the strengthening of democratic institutions, as well as promotion of local and national development.<sup>63</sup>

## Defence Relations

There is a complicated history of civil-military relations in the Americas. Several countries in the region have, as noted, experienced coups and suffered under military regimes and dictatorships.

In Washington, the Committee was briefed on contemporary security and defence challenges in the Americas, ranging from actions needed to counteract transnational organized crime, to disaster preparedness and coordinated responses to complex emergencies. The Committee was told that all of these can be addressed more effectively through institutionalized and coherent regional cooperation in the military domain, which can in turn contribute to regional security and stability.

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61 OAS, General Secretariat, [The Drug Problem in the Americas](#), 2013; and, OAS, Scenarios Teams appointed by the OAS, [Scenarios for the Drug Problem in the Americas 2013-2015](#), 2013.

62 See: Organization of American States, [43<sup>rd</sup> Regular Session of the OAS General Assembly – Guatemala 2013](#).

63 OAS, General Assembly, “Declaration of Antigua Guatemala ‘For a Comprehensive Policy Against the World Drug Problem in the Americas’,” adopted at the 4<sup>th</sup> plenary session, held on 6 June 2013, AG/DEC.73 (XLIII-O/13) corr. 1, in [Proceedings Volume 1](#), 43<sup>rd</sup> Regular Session, p. 7.

The Inter-American Defense Board (IADB) is an important component of this cooperation. It was created in 1942, but had long existed apart from the OAS. It began to play a more substantial role in modern multilateral security cooperation following the end of the Cold War, by providing continuity and institutional memory for the Conference of Defense Ministers of the Americas.<sup>64</sup> The latter ministerial-level entity was created in 1995 to provide a forum for debate and cooperation for the countries of the hemisphere, including on such topics as confidence and security building measures, peace support operations, civil-military relations, and emerging threats such as transnational organized crime and terrorism.

In 2002, the OAS adopted a Canadian initiative to study the relations between the OAS and the IADB. In 2006, a special General Assembly then established the IADB as an official “entity” of the OAS. The IADB, which has 27 member countries,<sup>65</sup> does not have an operational mandate. It provides member states with advisory, technical and educational services in defence and military affairs, and is thus now playing a role with respect to institutional capacity-building on civil-military relations in the hemisphere. In essence, the IADB has become a multilateral confidence- and security-building mechanism in the Americas. However, its place within the OAS system may require further clarification. The Committee was told that the IADB, as a military and defence organization, remains somewhat of an orphan within the OAS given the organization’s overarching focus on democracy, human rights, security, and development.

Going forward, the Committee was also told of some more general challenges with defence cooperation in the Americas. These include the fact that there is no agreed strategic concept that drives defence cooperation in the hemisphere. Moreover, there are, as noted, on-going issues with civil-military relations in certain countries, which can be manifested through the blurred roles and uses of the armed forces and internal security forces.

#### **D. Integral Development**

Countries in the Americas have long suffered from absolute poverty and from some of the highest rates of income inequality in the world. Despite significant economic growth in recent years and a 17% drop in poverty rates between 1990 and 2010, the region continues to face development challenges.

In 1959 the OAS played a role in the creation of the Inter-American Development Bank, which grew to play a major role in development in the Americas in the decades that followed. The Bank has, however, done so in limited coordination with the OAS. In an effort to address the development priorities of its various member states, the OAS has

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64 See: [“Conference of Defense Ministers of the Americas.”](#)

65 At the time of the 2013 OAS General Assembly, media reports indicated that four countries – Nicaragua, Venezuela, Bolivia, and Ecuador – announced that they would withdraw from the Inter-American Defence Board. See: “OAS meeting ends in Guatemala without policy change on decriminalizing or legalizing drugs,” *The Canadian Press*, 7 June 2013.

pursued work in “integral development,” which is the term the organization uses to capture “a host of policies that work in tandem to foster sustainable development in both developing and underdeveloped countries.”<sup>66</sup>

The OAS has a number of structures focused on development issues beginning with the Inter-American Council for Integral Development (CIDI), which includes representatives of all member states.<sup>67</sup> Supporting the work of the CIDI is the Executive Secretariat for Integral Development.<sup>68</sup> There are four departments within the secretariat: Human Development, Education and Culture; Sustainable Development; Social Development and Employment; and, Economic Development, Trade and Tourism. The following selection from the 33 “areas of work” listed on its website<sup>69</sup> demonstrates the broad range of activities under the Executive Secretariat’s rubric:

- Biodiversity
- Climate Change Adaptation
- Consumer Protection
- Corporate Social Responsibility
- Culture
- Intellectual Property Rights
- Persons with Disabilities
- Science, Technology and Innovation
- Scholarships
- Social Charter
- Student Loans
- Tourism
- Trade
- Water Resources Management

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66 OAS, “[Integral Development](#) .”

67 OAS, “[About the Inter-American Council for Integral Development – CIDI](#).”

68 OAS, “[Executive Secretariat for Integral Development – SEDI](#).”

69 OAS, SEDI, “[Areas of Work](#).”

In the context of debates over future priorities, a number of arguments have been put forward regarding the need for changes in the development activities pursued by the OAS. For example, in November 2012, Richard Bernal, a former Jamaican Ambassador to the OAS, who was then-Executive Director for the Bahamas, Barbados, Guyana, Jamaica and Trinidad and Tobago at the Inter-American Development Bank, told the OAS Permanent Council that, as a result of financial constraints: "...we can't do everything that members would like. We can't tackle every aspect of integral development; we have to narrow our focus..."<sup>70</sup> He stated that the OAS "...simply does not have the quantum of resources to make the kind of major interventions that are necessary," arguing that it should cooperate more closely with other inter-American institutions such as the Pan-American Health Organization, but primarily with the Inter-American Development Bank. He said that the Bank dispenses:

...a considerable amount of resources, and the OAS can add to and improve the delivery of our development assistance to the Hemisphere by bringing to bear the skills, expertise, and priorities to which this organization is devoted. I'm sure that this kind of collaboration would be welcomed, so where you might not be able to add money, you can add information, knowledge, and expertise. That would be invaluable. It would allow the OAS to be involved in a wide array of projects and technical assistance beyond the financial capability and staff complement of the Organization.<sup>71</sup>

At the same time, it has also been argued that a large number of small countries continue to place a high priority on development within the OAS and on OAS scholarship programs. This reality may complicate attempts to streamline OAS activities in the areas of integral development.<sup>72</sup>

Among other suggestions for future focus in the area of development is increased support for economic growth as a means of reducing poverty. Some argue that the negotiation of trade agreements is the responsibility of national governments, where the OAS has no comparative advantage and little role. Others respond that the organization can and should do more to help facilitate trade and establish an enabling environment for prosperity. In April 2013, then-Minister of State Ablonczy argued in a speech to the OAS Permanent Council that "the OAS has not been engaged to its fullest potential in supporting ... economic initiatives." She also stated Canada's position "that the OAS, as the premier political forum in the hemisphere, must now take a more substantial role in building an environment that will support investment, and translate that investment into growth." In executing this "proactive role," the Minister of State noted that the OAS can partner with "the Inter-American Development Bank, the Economic Commission for Latin America and the Caribbean and the OAS member states."<sup>73</sup> The need to consider the

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70 See also: Organización de Los Estados Americanos, Consejo Permanente, « [Acta de la Sesión Extraordinaria Celebrada el 8 de Noviembre de 2012](#) » Aprobada en la sesión del 5 de diciembre de 2012, CP, OEA/Ser.G, CP/ACTA 1878/12, 8 November 2012, p. 27.

71 Ibid., p. 28.

72 See: Anthony DePalma, "Is the OAS Irrelevant?" *Americas Quarterly*, Summer 2011, p. 39.

73 Foreign Affairs and International Trade Canada, "Address by Minister of State Ablonczy to the Organization of American States, Canada and the OAS: A Lasting Relationship for Growth and Security," Washington, D.C., 10 April 2013.



OAS' extensive and on-going work on democratic development and social protection issues in conjunction with efforts to ensure conditions for prosperity is reflected in the *Inter-American Democratic Charter*. Article 11 states: "Democracy and social and economic development are interdependent and are mutually reinforcing."

In Washington, the Committee was told that the OAS Department of Economic, Development, Trade and Tourism promotes inclusive economic growth through dialogue among high-level authorities, institutional and human capacity building, and the sharing of best practices and promotion of horizontal cooperation through OAS networks.<sup>74</sup> In terms of multilateral cooperation, it has also supported the Inter-American Competitiveness Network. Such activities fit well with more contemporary approaches to economic development in the Americas. One example of a recent initiative designed to strengthen linkages with the view to encouraging economic growth is the Small Business Network of the Americas initiative. It was launched by U.S. President Obama in April 2012, and is designed to recognize the importance of these businesses to jobs and economic growth, and to help them participate in international trade by linking national networks of small business support centres.<sup>75</sup> While attending the Summit of the Americas in Colombia just days later, President Obama, Canadian Prime Minister Stephen Harper and 11 other heads of state and governments also underlined the importance of economic growth to prosperity by participating in a parallel CEO Summit of the Americas.<sup>76</sup> Given the importance of ensuring connections between policy-makers and business leaders, it has been argued that this forum could be formalized in a way similar to the model developed at Asia Pacific Economic Co-operation (APEC) meetings.<sup>77</sup>

## Conclusions and Recommendations

As the discussion above illustrates, the OAS is not a perfect organization. It is, however, an important one for Canada and for the hemisphere. The Committee is of the opinion that Canada's long-standing commitment to the OAS as the premier multilateral organization in the Western Hemisphere should continue, focused around the OAS' core competencies of democratic governance, human rights, security, and economic development. That being said, there is a clear and urgent need for reforms that can put the financing of the organization on stable and sustainable footing and return its emphasis to this core work. Such reforms would enable the organization to implement its responsibilities in an effective manner and live up to its purposes as established in the

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74 OAS, Department of Economic Development, Trade and Tourism, [Promoting Economic Development in The Americas](#), 2010.

75 United States Department of State, "[Small Business Network of the Americas](#)."

76 See: "[CEO Summit of the Americas](#)," and Inter-American Development Bank, "[CEO Summit of the Americas. Factsheet](#)."

77 According to APEC: "Initiated in 1996 the APEC CEO Summit provides an opportunity for business leaders in the Asia-Pacific to engage in discussions with APEC Economic Leaders, policy makers, academia and other CEOs on issues facing the region. The Summit is held in the APEC host economy just prior to the annual APEC Leaders' Meeting..." See: APEC, "[APEC CEO Summit](#)."

organization's founding Charter and the *Inter-American Democratic Charter*. Canada has and should continue to negotiate reforms in these areas.

The Committee is under no illusions about the novelty of these observations, or about the difficulty of realizing reforms. Canada is one of 34 member states who participate in an organization that works by consensus. The basic problems facing the OAS are well-known. Solutions have been proposed over the years from within and outside the organization. But decisions that inevitably involve trade-offs in financing or programming or both are not easy to reach in any political forum, let alone one representing millions of people from diverse countries that stretch from the north to the south poles. The context has also changed since Canada joined the OAS in 1990. The emergence of sub-regional blocks in the hemisphere and political divisions within the OAS are an added complication for any efforts to address the organization's long-standing challenges.

However, the existence of the OAS since 1948, its body of concrete accomplishments, and its ability to adapt its work to changes that have taken place in the hemisphere since its founding are a testament to its value. They are also evidence that the OAS is capable of being dynamic. Moreover, as a multilateral forum, the OAS has and can continue to provide space for dialogue and cooperation and the pooling of resources, expertise, and experiences, thus helping to establish conditions in which compromise and shared purpose are possible.

On the basis on these conclusions, the Committee puts forward the following recommendations to the Government of Canada:

#### **Recommendation 1**

**The Committee recommends that the Government of Canada continue to support the Organization of American States (OAS) as the premier multilateral organization in the Western Hemisphere.**

#### **Recommendation 2**

**The Committee recommends that the Government of Canada continue to push for reforms to strengthen the OAS with its like-minded partners through the OAS General Assembly and Permanent Council. These reforms would:**

- a. Return the organization's focus to its core areas of work, namely democratic governance, human rights, security, and development;**
- b. Result in a substantial reduction in the number of existing OAS mandates, principally those that fall outside of the organization's core areas of work (as listed above);**

- c. Lead to a formula for increasing member states' assessed quotas to the OAS regular fund to a degree that is at minimum sufficient to cover annual inflationary and personnel costs;**
- d. Encourage consideration of the proposal to reduce the United States' quota to 49% of the OAS regular fund, so long as doing so would not result in a reduction in the regular fund's total budget;**
- e. Institute a process whereby new mandates cannot be added to the OAS' portfolio of work without funding sources being identified, accompanied by an analysis of the rationale for OAS action in the relevant area; and**
- f. Ensure that all reasonable OAS activities related to the promotion and protection of democratic governance and human rights are fully, consistently and predictably funded.**



## APPENDIX I

### Member State Quota Assessments for the 2013 OAS Regular Fund

Member State	Assessed Percentage (%)	Quota Assessment (US\$)
Antigua and Barbuda	0.022	17,900
Argentina	2.408	1,964,300
Bahamas	0.062	50,600
Barbados	0.045	36,700
Belize	0.022	17,900
Bolivia	0.049	40,000
Brazil	9.941	8,109,400
Canada	11.972	9,766,100
Chile	1.189	969,900
Colombia	1.049	855,700
Costa Rica	0.221	180,300
Dominica	0.022	17,900
Dominican Republic	0.257	209,600
Ecuador	0.258	210,500
El Salvador	0.114	93,000
Grenada	0.022	17,900
Guatemala	0.168	137,000
Guyana	0.022	17,900
Haiti	0.034	27,700
Honduras	0.051	41,600
Jamaica	0.093	75,900
Mexico	8.281	6,755,200
Nicaragua	0.034	27,700
Panama	0.158	128,900
Paraguay	0.093	75,900
Peru	0.688	561,200
Saint Kitts and Nevis	0.022	17,900
Saint Lucia	0.022	17,900
Saint Vincent and Grenadines	0.022	17,900
Suriname	0.034	27,700
Trinidad and Tobago	0.180	146,800
United States	59.470	48,152,700
Uruguay	0.214	174,600
Venezuela	2.186	1,783,200
<b>Subtotal</b>	<b>99.425</b>	<b>81,105,400</b>
Cuba*	0.575	469,100
<b>Total</b>	<b>100.000</b>	<b>81,574,500</b>

\* Shown only to establish the percentage corresponding to each member state.

Source: Adapted from "[Annex II: Organization of American States Regular Fund Quota Assessments for 2013 \(US\\$\)](#)," in OAS, Office of the Secretary General, *Program-Budget 2013*, Approved by the General

Assembly XLIII Special Session – November 2012, document AG/RES.1 (XLIII-E/12), December 2012, p. 220.

## APPENDIX II

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### TOP TEN DONORS OF SPECIFIC FUNDS TO OAS, 1 JAN – 31 DECEMBER 2012

DONOR	Specific Funds (Millions of USD)
United States	22.3
Canada	20.6
Netherlands	4.4
Spain	3.2
United Nations	1.6
Germany	1.4
European Union	1.1
Mexico	0.9
Norway	0.6
Bolivia	0.5

Source: OAS, "OAS Quarterly Resource Management Report December 31, 2012 (Preliminary and unaudited)," [CP/CAAP-3214/13](#), 27 February 2013, pp. 27-28. In addition to specific funds, seventeen OAS member states also contributed \$645,943 in 2012 to an OAS Partnership for Development Fund ([FEMCIDI](#)) that is currently going through a "realignment process." Three member states and six institutions and others also contributed some \$3.6 million to the Trust for the Americas, a non-profit organization affiliated with the OAS that was established in 1997 "to promote public and private sector participation in social and economic development projects in Latin America and the Caribbean."





## APPENDIX III

### ADDENDUM<sup>1</sup>

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A number of developments have taken place at the OAS in the time since the Committee completed its study in June 2013. Notably, two meetings of the OAS General Assembly were held after the Committee travelled to Washington in April 2013.

The 43<sup>rd</sup> Regular Session of the General Assembly took place from 4 to 6 June 2013 in Antigua, Guatemala. As was noted previously in this report, the Session's theme was "For A Comprehensive Policy to Fight Drugs in the Americas." It led to the adoption of an outcome document,<sup>2</sup> which will be followed up with further debate at the political level.

Initiatives to strengthen and reform the OAS have also continued in recent months in the context of the General Assembly meetings, and through the work of the OAS Permanent Council. Canada has continued to provide leadership in these areas. In Antigua, member states adopted a resolution on "Progress Towards Accountability, Efficiency and Effectiveness, and Results in the OAS General Secretariat."<sup>3</sup> The resolution addressed issues related to the prioritization of OAS mandates, the review process for the program budget, human resources policies, the business modernization strategy, and efficiency measures to be adopted by the Secretariat. That resolution had been introduced by Canada, which, as discussed in previous sections of this report, is the Chair of the OAS Committee on Administrative and Budgetary Affairs. In July 2013, Canada's term as Chair was renewed unanimously by the OAS membership for a further year. Moreover, during the Antigua Assembly, Canada's candidate for the Board of External Auditors, Martin Rubenstein, was elected to the position.

During the Antigua Assembly, member states also adopted a resolution on the "Financing of the 2014 Program-Budget of the Organization." It set the overall budget

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1 In addition to the other citations listed, this addendum draws significantly from a briefing note that was provided to the Committee by the Department of Foreign Affairs, Trade and Development (DFATD) on 25 November 2013.

2 OAS General Assembly, "Declaration of Antigua Guatemala 'For a Comprehensive Policy Against the World Drug Problem in the Americas'," adopted at the fourth plenary session, 6 June 2013, AG/DEC.73 (XLIII-O/13) corr.1, in [Proceedings Volume 1](#), 43<sup>rd</sup> Regular Session, La Antigua, Guatemala, June 4-6, 2013, pp. 5-10.

3 AG/RES.2774 (XLIII-O/13), adopted at the second plenary session of the OAS General Assembly held on 5 June 2013. See: [Proceedings Volume 1](#), 43<sup>rd</sup> Regular Session, pp. 51-56.

level of the 2014 Regular Fund at US\$82,978,200, reflecting zero-nominal growth in the budget. In the same resolution, member states requested that the OAS Secretary-General,

see to it that the proposed program-budget for 2014 reflects a proportional, across-the-board impact among the budgetary chapters and sub-programs of the absorption of the statutory pay increases in and reduction of total income compared to the previous budgetary period.<sup>4</sup>

The program budget and the sources of financing for it were to be determined subsequently by the General Assembly at a Special Session in Washington.

The Special Session was convened on 30 October 2013; member states approved the program budget for 2014 in keeping with the Regular Fund budget of US\$82.98 million.<sup>5</sup> The Secretariat also indicated that, based on projections for 2014, special contributions (i.e. voluntary funds) are predicted to amount to an estimated US\$78.8 million. Going forward, the Secretariat has also been instructed “to adopt a biennial program-budget system beginning with the year 2015 budgetary cycle”.<sup>6</sup>

Another notable development relevant to the reform and strengthening of the OAS was the decision to establish a Working Group of the Permanent Council on the Strategic Vision of the OAS. It is chaired by the Permanent Representative of Mexico to the OAS. In his remarks to the Group at its first meeting on 4 October 2013, he stated:

Again and again we have stressed that a strategic vision comes first, before the budget, not as a result of the budget and adjustments to it. It should not be a question of money or resources shaping politics, but the other way round. Nor can we turn a balanced budget into the main or only objective of the strategic vision, because that would mean failing to see the wood for the trees, failing to grasp the wider and more complex context...<sup>7</sup>

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4 AG/RES.2776 (XLIII-O/13), adopted at the second plenary session of the OAS General Assembly held on 5 June 2013. See: [Proceedings Volume 1](#), 43<sup>rd</sup> Regular Session, p. 61.

5 OAS, “[OAS Member States Approved Budget of the Organization for 2014](#),” Press Release E-407/13, 30 October 2013. See also: Office of the OAS Secretary General, [Program-Budget of the Organization 2014](#), approved by the General Assembly, XLV Special Session – October 2013, AG/RES.1 (XLV-E/13), 15 November 2013. In a footnote to the 2014 budget, Nicaragua, Venezuela, and Ecuador indicated that they “do not agree with the decision to allocate funds to the Inter-American Defense Board (IADB).” Similarly, Bolivia indicated that it “does not support the decision to grant the Inter-American Defense Board a budget.” See page 11.

6 OAS General Assembly, “[Program-Budget of the Organization for 2014](#),” adopted at the plenary session held on 30 October 2013 (draft), AG/RES.1 (XLV-E/13), 45<sup>th</sup> Special Session, Washington, D.C.

7 OAS Permanent Council, “[Remarks by the Chair of the Working Group of the Permanent Council on the Strategic Vision of the OAS, Ambassador Emilio Rabasa Gamboa, Permanent Representative of Mexico to the OAS, at the first meeting of the Working Group \(October 4, 2013\)](#),” OEA/Ser. G, GT/VEOEA-4/13.

The Group's work will proceed in three stages based on various reviews and consultations with member states.<sup>8</sup> It is intended to result in an "OAS Vision Statement; strategic guidelines—by pillar and sub-pillar—to link them to the program-budget of the Organization; and preparation of a draft resolution for consideration by the General Assembly at its forty-fourth regular session, to be held in Paraguay from June 3 to 5, 2014."<sup>9</sup>

With respect to the human rights architecture in the Americas, Venezuela's denunciation of the American Convention on Human Rights entered into force on 10 September 2013. Consequently, any human rights violations that take place after that date may not be considered by the Inter-American Court of Human Rights. The Inter-American Commission on Human Rights indicates that it continues to have jurisdiction in Venezuela.<sup>10</sup>

Regarding key OAS programs, Canada's support has continued in recent months, particularly through the framework of its \$20 million Cooperation Plan (2012-2015) with the OAS. In addition to the initiatives outlined in the body of this report, Canada added to its practice of contributing to OAS electoral observation missions in the region by announcing that it would support an OAS mission in Honduras in November 2013.<sup>11</sup> November 2013 also saw Canada build on its previous contributions to the OAS Mission to Monitor the Peace Process in Colombia by announcing a further \$1 million contribution.<sup>12</sup> Support was also provided to the Third Inter-American Dialogue of High Authorities of Micro, Small and Medium Enterprises in November 2013, and the annual meeting of the Inter-American Competitiveness Network and the VII Americas Competitiveness Forum in October 2013. Finally, Canada's Minister of Labour, the Honourable Kellie Leitch, participated in the XVIII Inter-American Conference of Ministers of Labor in Colombia in November 2013.

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8 The "[Working Procedure](#)" of the Group makes it clear that "Responsibility for determining the Strategic Vision of the OAS lies with the member states." See: "[Working Procedure of the Working Group on the Strategic Vision of the OAS](#)," approved at the meeting of 4 October 2013, OEA/Ser.G, GT/VEOEA-2/13 rev.3, 22 November 2013.

9 Ibid.

10 Inter-American Commission on Human Rights, "[IACHR Deeply Concerned over Result of Venezuela's Denunciation of the American Convention](#)," Press Release, 10 September 2013.

11 The DFATD briefing note indicates that Canada has "contributed financially and/or in kind to over 47 OAS electoral observation missions throughout the region since 2009..."

12 For further information, see: Foreign Affairs, Trade and Development Canada, "[Canada Strengthens Peace Process in Colombia](#)," 8 November 2013.



## APPENDIX IV LIST OF WITNESSES

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### 41st Parliament – 1st Session

Organizations and Individuals	Date	Meeting
<b>Department of Foreign Affairs, Trade and Development</b> Allan Culham, Ambassador Permanent Representative of Canada to the Organization of American States (OAS) Karen Foss, Deputy Director Inter-American Relations Neil Reeder, Director General Latin America and Caribbean Bureau	2013/04/16	74



## REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the Government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meeting No. 7](#)) from the 41st Parliament, Second Session and ([Meeting Nos. 74, 88](#)) from the 41st Parliament, First Session is tabled.

Respectfully submitted,

Dean Allison

Chair

