

GAO Highlights

Highlights of [GAO-17-572](#), a report to the Chairman, Subcommittee on the Western Hemisphere, Committee on Foreign Affairs, House of Representatives

Why GAO Did This Study

The United States belongs to several inter-American organizations, including the OAS, PAHO, IICA, and PAIGH, which promote democracy, security, health care, agricultural development, and scientific exchange in the Western Hemisphere. The United States helps finance these organizations' operating expenses through assessed contributions (fees) that are based in part on the size of the U.S. economy relative to those of other members. The Reform Act required State to submit a strategy identifying, among other things, a path toward the adoption of reforms to the OAS's assessed quota structure to ensure that no member will pay more than 50 percent of OAS assessed contributions. In addition, the United States also provides the OAS, PAHO, and IICA with project-specific voluntary contributions.

GAO was asked to review U.S. financial contributions to these four organizations. In this report, GAO (1) determines the amounts and percentages of U.S. contributions assessed by these organizations and voluntary contributions paid to them in calendar years 2014 to 2016, and (2) describes State's efforts to comply with the Reform Act's requirements regarding a strategy for reform of the assessed quota structure of the OAS. GAO analyzed documents and interviewed officials from State, the Department of Health and Human Services, the U.S. Agency for International Development, the U.S. Department of Agriculture, and the four organizations. GAO also analyzed the four organizations' annual audited financial reports.

View [GAO-17-572](#). For more information, contact Thomas Melito at (202) 512-9601 or melitot@gao.gov

June 2017

INTER-AMERICAN ORGANIZATIONS

Efforts Ongoing for Quota Reform at the Organization of American States, but Reaching Agreement Will Be Difficult

What GAO Found

The United States' assessed contributions constituted over 57 percent of total assessed contributions by member states to four inter-American organizations from 2014 to 2016. These organizations are the Organization of American States (OAS), the Pan American Health Organization (PAHO), the Inter-American Institute for Cooperation on Agriculture (IICA), and the Pan-American Institute of Geography and History (PAIGH). During this time, the annual U.S. percentages (or quotas) of these organizations' assessed contributions have remained about the same. The United States also provided voluntary contributions to three of these organizations, as shown in the table.

U.S. Assessed and Voluntary Contributions Provided to Four Inter-American Organizations for 2016, as Dollar Amounts and as Percentages of Totals for All Member States

	Assessed contributions dollars (percentage)	Voluntary contributions dollars (percentage)
Organization of American States (OAS)	49 million (59.47)	17 million (61.78)
Pan American Health Organization (PAHO)	63.5 million (59.45)	13 million (57.60)
Inter-American Institute for Cooperation on Agriculture (IICA)	17.5 million (59.47)	2 million (2.23)
Pan-American Institute of Geography and History (PAIGH)	0.3 million (57.59)	None (0)

Sources: GAO analysis of data from the OAS, PAHO, IICA, and PAIGH. | GAO-17-572

In response to a requirement in the Organization of American States Revitalization and Reform Act of 2013 (Reform Act), the Department of State (State) submitted to Congress a strategy that included working with OAS member states toward ensuring that the OAS would not assess any single member state a quota of more than 50 percent of all OAS assessed contributions. State officials told GAO that reaching member state agreement on assessed quota reform by 2018 will be difficult, although not impossible. State officials informed GAO that State continues to implement a strategy that includes engaging with other OAS member states, such as Canada and Mexico, to explore assessed quota reform options. For example, State officials have consulted with their counterparts from Mexico to review the OAS's assessed quota structure and to consult on alternatives that would adjust all member states' quotas so that no member state's quota exceeds 50 percent of the OAS's assessed contributions. According to State and OAS officials, obstacles to assessed quota reform include tensions among member states. For example, State officials noted that Venezuela's contentious political relationship with the OAS has hindered progress on various reforms, including assessed quota reform. State officials explained that some member states' failure to fully pay assessed contributions from previous years and smaller member states' reluctance to increase their annual assessed contributions have also impeded assessed quota reform efforts.