



For Official Purposes

CISS/CP/O/10/2019

Conferencia Interamericana de Seguridad Social  
Inter-American Conference on Social Security  
Conferência Interamericana de Seguridade Social

September 20<sup>th</sup>, 2019

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English – Original Version in Spanish

**Record of the Inter-American Conference on  
Social Security Permanent Committee Annual  
Ordinary Meeting**

**Mexico City**

**September 20<sup>th</sup>, 2019**

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**RECORD OF THE ORDINARY ANNUAL MEETING OF THE PERMANENT  
COMMITTEE OF THE INTER-AMERICAN CONFERENCE ON SOCIAL SECURITY  
2019**

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At Mexico City, being 09:45 hours in the morning of September 20th, 2019 in the Commissions Hall, ground floor of the headquarters of the Inter-American Conference on Social Security (CISS), with the purpose of celebrating the Ordinary Annual Meeting of the Permanent Committee of CISS, the following members of this body met together: Antonio Pérez Fonticoba, from the Mexican Institute of Social Security, institution that chairs the CISS; Alejo Maxit, on behalf of the National Administration on Social Security of Argentina, Vice-president of CISS; Boris Polanco, on behalf of the Superintendency of Banks in Ecuador, Vice-president of CISS;<sup>1</sup> Vilma Morales Montalván, from the Honduran Institute of Social Security, representative of Subregion II Central America; Timothy A. Hodge, from *Social Security Board* of Anguila, representative of Subregion IV North America and Anglo-Caribbean; Yamira Yusimí Campos, from the Ministry of Labor and Social Security of Cuba, representative of Subregion V Mexico and Latin Caribbean; Jorge D'Angelo, from the Mutual Association of Agents of Organizations for the Elderly in Argentina, representative of Associate Members; as well as Gibrán Ramírez Reyes, Secretary General of the Conference, Reginald Thomas, Director of the Inter-American Center of Studies on Social Security (CIESS), and Eduard del Villar Liranzo, Comptroller of the Conference.

The official of the institution that chairs the CISS, Antonio Pérez Fonticoba, welcomed the participants of the Committee and thanked for the attendance to the Ordinary Annual Meeting of this body, corresponding to 2019, as well as the commitment with the Inter-American Conference on Social Security.

To start the meeting and as first point in the working agenda, Mr. Pérez Fonticoba asked the Secretary General of the Conference and Secretary on the Committee, Gibrán Ramírez Reyes, to verify the existence of quorum, according to article 16 of Permanent Committee Regulations.

Mr. Ramírez Reyes indicated there was enough quorum, according to article 17 of Permanent Committee Regulations.

Having confirmed the quorum, Mr. Pérez Fonticoba read the agenda for the meeting, expressing that, as all members of the Committee knew, in previous days an *addendum* to the working agenda was created derived from the agreements reached in the Committee Extraordinary Meeting on August 20th, 2019, with the following result:

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<sup>1</sup> Who joined the meeting in the point 8 of the working agenda.

1. Quorum verification.
2. Formal designation of the Review Commission to rule on the Projects to reform the Bylaws and different regulations of CISS.
3. Presentation of opinion issued by the Review Commission regarding the Projects to reform the Bylaws and different regulations of CISS.
4. Presentation and, if applicable, approval of the Projects to reform the Bylaws and different regulations of CISS.
5. Three-year report of Activities 2017-2019 and Program of Work and Budget 2020-2022 of the Direction of the Inter-American Center of Studies on Social Security.
6. Three-year report of Activities 2017-2019 and Program of Work 2020-2022 for Subregions.
7. Three-year report of Activities 2017-2019 and Program of Work 2020-2022 of the American Commissions on Social Security.
8. Presentation and, if applicable, approval of Balance and income-expenses account of the Conference.
9. Three-year report of Activities 2017-2019 and Program of Work and Budget 2020-2022 of the General Secretariat of CISS.
10. Comptroller's report.
11. General issues.
  - a) Requests for affiliation and disaffiliation of members.
  - b) Reports on the possible suspension of rights for certain members.
  - c) Date and venue of the next meeting of the Permanent Committee.

Mr. Pérez Fonticoba urged the Committee to quickly proceed with the working agenda, in view of the tight schedules of the members.

## **2. Formal designation of the Review Commission to rule on the Projects to reform the Bylaws and different regulations of CISS.**

To transact this point of the agenda, the Chairman said that, in the Extraordinary Meeting on August 20th, 2019, it was unanimously agreed that the mandate of the Review Commission, originally designated on November 2018, shall be expanded, with the purpose of analyzing the projects to reform the Bylaws and different regulations formally presented by the Mexican Institute of Social Security (IMSS).

The Secretary General, Mr. Gibrán Ramírez Reyes, reiterated that the object of the proposal was that the Permanent Committee in the ordinary meeting would formalize the designation of the Review Commission to have the possibility of voting for the reform proposed regarding Regulations and to have the possibility to present for the

General Assembly everything related to the Bylaws, under the rules of the Conference.

In virtue of the above, the Chairman submitted to consideration of the Committee the following resolution:

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**Resolution 2:** The Permanent Committee, pursuant to the provisions of article 16 letter I) of the Bylaws, and article 39 of the Regulations of the General Assembly, confers a new mandate to the Review Commission designated on November 2018, with the purpose of authorize it to issue an opinion related to the projects of reform of the Bylaws and different Regulations of the Conference; which is integrated according to what was agreed upon in the last Permanent Committee.

The Secretary General, in his capacity of Secretary of the meeting, asked the members to express their vote on the resolution, informing afterwards that the resolution had been approved with the favorable vote of all present members.

### **3. Presentation of the ruling issued by the Review Commission related to the Projects to reform the Bylaws and different regulations of CISS.**

Regarding the third point of the agenda, the Chairman gave the word to Mr. Juan Rivas Contreras, Legal Advisor of the Conference, who thanked for the hard work done by the Review Commission in the constitution of the opinion studied in this point of the agenda. To this regard, Mr. Rivas expressed that proposals of reform to the different regulatory instruments were suggested by IMSS, along with the General Secretariat, these proposals were so enriched with the participation of the members of the Review Commission.

Next, Mr. Rivas read the opinion issued by the Commission approving the proposal for reform, emphasizing that the members of the Commission, with three favorable votes, two favorable votes with observations, -which were duly considered and integrated to the final proposal – one contrary vote and one abstention, positively decided and approved the reform projects presented in relation to regulatory instruments of the Inter-American Conference on Social Security (Bylaws of the Conference; General Assembly Regulations; Permanent Committee Regulations; Regulations for Electing Authorities of CISS; Financial Regulations; Regulations of CISS' subregions; General Secretariat Regulations; Regulations of the Inter-American Center of Studies on Social Security and Remuneration Policies), they also recommended their adoption in the General Assembly and the Permanent Committee.

On this regard, the Chairman asked the members of the Committee to express their comments, consequently Mr. Timothy A. Hodge, representative of Subregion IV North America and Anglo-Caribbean, pointed out that from the arguments of the Legal Advisor related to modifications to the decision making mechanism, it was not clear for him if the proposal had been accepted or if it had been withdrawn.

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In this line, Mr. Rivas said that the incorporation of the new mechanism for voting emission in the General Assembly had had the support of the Review Commission, so that the proposal would be definitively submitted to consideration of the competent bodies.

Using the floor, Ms. Yusimí Campos, representative of Subregion V Mexico and the Latin Caribbean, expressed disagreement with the proposed voting mechanism, so that she asked to consider her vote against the reform to article 30 of the General Assembly Regulations.

Mr. Ramírez Reyes, on his side, said that in the international bodies there are different ways to vote and that even for the proposal, it was preferred to use a model not generating so much disparity, as it would be with other models, he added that the intention was to give a political sense to Subregions to have a voice on everything related to Subregions, in such a way their existence would not be pointless; in this way, with the reform, Mexico and the Latin Caribbean would have a representativity equivalent to Subregion in the Anglo-Caribbean, for instance.

Ms. Campos reiterated that arguments were not clear for her as to make that proposal because the countries in the Subregions would vote and they would do it again in the voting of the General Assembly, so there were no enough elements to approve the proposal. Mr. Ramírez Reyes pointed out that one of the agreements, on request of the representative of Subregion II Central America, was to add up a transitory article forcing the approval of a specific regulation for the proposed voting format in such a way everything was crystal clear.

As there were no further comments, the Chairman of the Committee submitted to consideration of the aforementioned body, the following:

**Resolution 3:** The Permanent Committee, under the provisions of article 16 letter l) of the Bylaws, and Article 39 of the regulations of the General Assembly, takes notice of the opinion presented by the Review Commission designated to know the projects for reform the Bylaws and agrees to submit them to consideration of the General Assembly, and subject to voting the approval of everything related to the different regulations of the Conference.

The Secretary General, in his capacity of Secretary of the meeting, asked the members to express their voting on the resolution, afterwards informing that the resolution had been approved, with the abstention of the representative of Anguila and one contrary vote of the representative of Cuba.

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#### **4. Presentation and, if applicable, approval of the Projects to reform the Bylaws and different regulations of CISS.**

Regarding this point of the agenda, the Chairman indicated that the Committee shall issue an opinion on the projects of reform presented for the regulations of the Conference, being the General Assembly the corresponding body to make a decision on the reform to the Bylaws.

By virtue of the above, it was subject to consideration of the Committee, the following:

**Resolution 4:** The Permanent Committee, under the provisions of article 16 letter j) of the Bylaws of the Conference, approves the projects of reform proposed regarding the following instruments: **i)** General Assembly Regulations; **ii)** Permanent Committee Regulations; **iii)** Regulations for Electing Authorities of CISS; **iv)** Financial Regulations; **v)** CISS' Subregions Regulations; **vi)** General Secretariat Regulations, and **vii)** Regulations of the Inter-American Center of Studies on Social Security, apart from the Remuneration Policy presented.

The Secretary General, in his capacity of Secretary of the meeting, asked the members to express their voting on the resolution, afterwards informing that the resolution had been approved.

#### **5. Three-year report of activities 2017-2019 and Program of Work and Budget 2020-2022 of the Direction of the Inter-American Center of Studies on Social Security.**

To cover this point of the agenda, the Chairman gave the word to Mr. Reginald Thomas, Director of CISS, for him to present the report and program of work of this body of the Conference.

Mr. Thomas said that the report was presented according to article 27 letters b), j), k) of Bylaws, through which the Director of CISS is obliged to present the scope of works, action plan and budget to the Permanent Committee, to the Board of Directors and General Assembly.

Mr. Thomas started by saying that, derived from the meeting in Cancun, CIESS received as a mandate to give follow-up to the following points: i) to improve the development of skills to tackle critical challenges; ii) to adapt offers to satisfy the needs of the countries, preparing strategies thereby complying with the best practices; iii) to be promoters to achieve the protection of social security.

By virtue of the above, Mr. Thomas said that the internal process to strengthen accountability and transparency mechanisms was reviewed, and that they had been able to standardize the procedures of CIESS to achieve an academic development in the areas selected by teachers and in the design of study programs for training courses and that along with the latter there had been the creation of a renewal process.

Mr. Thomas expressed there were four pillars in the Cancun's Declaration; to this regard, he said that for CIESS, the key crucial point was an improvement in the resources provision for the Conference, given the challenges faced as institution.

Under the second pillar, the Director said it was necessary an assessment of productivity, response capability and reliability; to this regard he asked how productive CIESS was, how capable was to satisfy the needs of the members and he reiterated that the members could trust in CIESS and get support from it.

The third pillar is research –pointed out the Director- it is the skills development and staff training, adding up that the main point is to give follow-up and standardize. The Director said that the intention is to have standards on research and to identify where the changes are in order to assess the existing gaps and study the performance of partner countries in the improvement of social security.

The fourth pillar is innovation, said the Director. This pillar was designed to position the Conference as a model of academic excellence of implementation and correct use of technology tools; to this regard, the Director emphasized there were better results in feasibility and sustainability in the effort made by the Conference. The Director said he was aware of the fact that commuting of people is costly, a huge challenge for the countries around the hemisphere.

After this, the Director presented to the Committee a summary of the works done in the period 2017-2019, including 13 workshops, 6 certification courses, 2 internal certification courses, 2 blended master's and 1 on-line master's, regarding educational programs. As a result of the activities carried out during the period 2017 to 2019, CIESS benefited 1,474 students.



Apart from this, the Director said there were improvements in the on-line training programs, with a participation rate that increased from 192 students in 2018 to 481 in 2019. The total number for the period was of 1,594 students, but only 1,434 finished the studies. For that, the Director said that CIESS is planning to conduct an assessment of the reasons leading people to start the initial registration process and not continue participating in the activities.

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The Director pointed out that as a result of a survey done in 2018, it was identified that 22% of the membership wanted to have courses on administration, or topics related to actuarial sciences and pensions, 19% wanted health courses, 13% wanted topics related to aging, unemployment and occupational health, diseases and lastly, justice and social inclusion.

The Director said that during his management, study plans were improved, which at the same time talks about the changes done and savings achieved. During his period of three years there were savings, in part due to the development of changes in the broadband services.

Regarding enrollment and recruiting there were savings of USD \$81,000, said the Director, pointing out that they wanted to focus on the application to give information to students regarding the operation of CIESS.

The Director commented that the master's program continued during 2017, and the academic offer allowed to approach the members and comply with the requirements of Bylaws.

Additionally, Mr. Thomas said that during this period, CIESS carried out courses and academic activities in Argentina thanks to ANSES, PAMI and AMAOTE, and also in El Salvador and the Caribbean.

The Director said that some of the results obtained were an increase of 21% of the number of activities and 54% in the number of students. When the budgeted courses were assessed, we focused on the figure of 2016 of 1.9 million dollars; the budgeted figure for 2017 was 1.9 million dollars; for 2018 was 1.9 million dollars, and for 2019 was 1.6 million dollars.

The Director said that as an institution they are looking for strengthening and improving the links with universities and partners to improve certification given by CIESS, to improve the on-line platform with the participation of other institutions to strengthen social policy, dialogue and debate through the establishment of an International Debate Forum.



The Director expressed his conviction that there is a disconnection between three-party entities that, in case of being able to overcome, could help to eradicate or at least to reduce a lot of the problems and challenges already identified.

The Director announced his intention of strengthening *Webinars* according to the needs of member countries, besides strengthening risk areas and resilience, highlighting the importance that human resilience and participation have as indicators for social security systems. He also mentioned that risk management not only covers financial risks but also the operational and human capital risks.

The Director said that it was registered the comment of members saying that health procurement has never been ideal and they are looking for improving the access to health procurement, so it is necessary to ensure that standards applied to provide health impact the participation of labor force and to have right standards and regulations.

There is the intention, said the Director, of strengthening institutional competences in the areas of statistics, governance, actuarial sciences, as well as improving the support given to members in relation to guidelines to expand the objectives of the Memorandum. Thus, the next year there will be courses for master's degrees and a workshop of actuarial language and social security.

On March, commented the Director, there will be seminars to solve psychological problems, on April an additional workshop and a seminar on control mechanisms and one for social security on June. Besides this, there will be a composite multi-state workshop, life tables and social security. After this, there will be workshops and strategies for investment in social security institutions on August. Finally, there will be participation of services in social security through electronic media.

The intention, the critical goal, according to Mr. Thomas is to make an assessment and determine if electronic services could help to reduce administrative costs in social security systems.

Later on, the year, there will be courses on audits and transparency on social security, accountability and fraud on October, demographic phenomena, epidemiological changes and impacts on social security. Age, a problem and which are the requirements of members.

According to the words of the Director, on November there will be topics on labor market, employment and unemployment, flexibility and social security challenges, with the purpose of evaluating new ways to work and identifying how institutions can respond to or which are the changes to be proposed, change adjustment in internal

dynamics to operate protocols of social security. Also on November, there will be a workshop on the complete and comprehensive analysis of health systems strengthening; apart from this, there will be offers in the lines of administrative or management skills, development tools on February, May and September.

Finally, the Director said there would be a course of offers on May and October focusing on topics such as work welfare and balance between work and home.

Likewise, the Director said it is important to strengthen associations of CIESS with institutions in North America and the Anglo-Caribbean, as well as other international organizations, such as ILO and AISS.

The budget proposed by the Director reaches 1.4 million dollars for 2021, and for 2022, 1.5 million dollars, assuming an annual inflation rate of 4%.

As a conclusion, there is the intention of proving that on-line platforms are relevant and significant, and that the expansion in this area will be very important, commented the Director, with the purpose of avoiding so much commuting that members cannot do, it is not possible to send more than two or three people but by having the Webinar and Podcast there can be a huge impact, increasing at the same time the offer presented by CIESS.

CIESS has improved its frame to impact resources through efficiency, better preparedness and more awareness, according to Mr. Thomas, on the specific requirements to promote added value and collaboration for all member institutions.

The Chairman thanked Mr. Thomas for his intervention, and gave the floor to the Secretary General, who asked the Director Thomas if he would accept to include in his plan the following points of interest for the members: **i)** that CIESS conduct its own research; **ii)** to have a Program to train actuaries, mainly for those countries that do not have actuaries at all; **iii)** to consider the creation of their own postgraduate programs designed based on the needs of the members and **iv)** to consider Spanish- and Portuguese-speaking universities.

Considering the comment of the Secretary General, Mr. Thomas said that the intention is to ensure that the initiatives proposed be structured in the necessary languages and that they cover the needs of all members; as well as all initiatives and offers done will be structured and tropicalized to the language of the Conference.

Likewise, the Director Thomas said that the area of research is extremely important; in this same line he said that one of the areas evaluated is about the countries of the region, with the purpose of giving them the framework to be able to indicate what

has happened with the development objectives of protection topics. In this same line, they have been looking for working with ILO for actuarial issues and courses on this matter because it is a critical interest for the members.

The Director also said they are interested in CISS having internal competences with the purpose of promoting a framework to assess critical indicators, either labor force participation, demography or aging trend, among others.

He wrapped up indicating that improved certification proposed to the Committee is a very important first step, since this can be used to evaluate postgraduate studies thereby allowing extensions to member participants for having lower costs in these postgraduate studies.

Mr. del Villar, Comptroller of the Conference recommended that in financial matters, budgets and financial reports presented needed to be reviewed along with the Financial Coordination, so that there can be a unification in terms of presentation and management of financial issues.

The Secretary General, took again the floor and asked the Committee to include in the relevant resolution, the four mentioned elements: their own research, an actuarial training program, their own postgraduate programs and liaison with Spanish- and Portuguese-speaking institutions; this request was supported by Ms. Vilma Morales, representative of Subregion II of Central America.

Mr. Thomas thanked Ms. Morales and indicated that necessary adjustments will be made. By not having further comments, the Chairman submitted to consideration of the Committee the following:

**Resolution 5:** The Permanent Committee, as per the provisions in Articles 16, letters g) and k), 27, letters j) and k), and 35, letter f), of the Bylaws of the Conference, approves the three-year report 2017-2019, approves the working program of the Inter-American Center of Studies on Social Security for the three-year period of 2020-2022, with the corresponding additions related to the production of their own research, an actuarial training program, their own postgraduate program and the liaison with Spanish- and Portuguese-speaking institutions, besides this, the budget for the Center for such period is also approved.

Mr. Ramírez Reyes, in his capacity of Secretary of the meeting, asked the members to express their voting on the resolution, afterwards informing that the resolution had been approved through the favorable vote of all present members of the Committee.

## **6. Three-year report of activities 2017-2019 and Program of Work 2020-2022 for Subregions.**

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To talk about this point of the agenda, the Chairman asked the Technical Secretary of the Conference, Ms. Mónica Nuño Nuño, to present the report corresponding to the five Subregions of CISS.

In her speech, Ms. Nuño said that during 2018 a survey was conducted, in which Subregions expressed their priorities, which at the same time served to identify the topics to work on the next years.

Additionally, Ms. Nuño said that Subregions had activities, according to what was indicated in the Subregions Regulations. When talking about Subregions working plan, Ms. Nuño said that in the first section of the plan the priorities of Subregions are established, considering actuarial topics, universal coverage, longevity topics, migration, medicines management, among others, which will also be worked on the Agenda 2030.

For CISS –Ms. Nuño said- it is important the relationship with international bodies, thus, the Subregions will help with answers to questionnaires prepared by the General Coordination of the General Secretariat, to conduct a census on how the members move forward, and to what extent, on the development of the Objectives of Sustainable Development of the Agenda 2030.

In that same line, Ms. Nuño said that Subregions will work in specific projects proposed by the General Secretariat as the Welfare Network, the reports of social security and welfare, cartography, as well as those that Subregions individually decided on September 19th. Subregions also identified other priority topics, for instance, for the Andean Subregion a topic of interest studied was the medications management, in other Subregions, the portability, etc. On the other hand, the Technical Secretary said that the Working Plan mandates to comply with the annual meetings according to the Bylaws in order to assess the progress degree of the approaches done, so that actions will be implemented accordingly.

Regarding the election of authorities of Subregions, Ms. Nuño said that in the meetings of September 19th Subregions Coordinators had been elected, who will form part of the Permanent Committee for the next three years, apart from voting to elect the representatives of the Board of Directors of CISS.

Ms. Nuño finished her intervention presenting to the members of Committee the corresponding documents, opening the possibility to solve possible doubts that can emerge.

The Chairman submitted to consideration of the members of the Committee the following:

**Resolution 6:** The Permanent Committee, according to articles 16, letters g) and l), 43, letter b) of the Bylaws of the Conference, and 7 of Subregions Regulations of CISS takes notice of the three-year report of Activities 2017-2019 and approves the Program of Work 2020-2022 of the majority of Subregions.

Mr. Ramírez Reyes, in his quality of Secretary of the meeting, asked the members to express their vote on the resolution, afterwards informing that the resolution had been approved by the favorable vote of all the present members of the Committee.

### **7. Three-year report of Activities 2017-2019 and Program of Work 2020-2022 of the American Commissions on Social Security.**

Regarding the seventh point of the agenda, the Chairman gave the floor again to Ms. Mónica Nuño, Technical Secretary of the Conference, with the purpose of presenting the corresponding information to the American Commissions on Social Security (CASS).

In such presentation, Ms. Nuño said in first place that due to the nature of CASS, that is to say, by the fact of being a thematic decentralization formed by experts, the topics worked are cross-sectional to Subregions and Commissions.

With the purpose to foster the work of CASS, said Ms. Nuño, it was decided to hire experts to conduct research, which have served as an input to continue with the three-year working plan; before this, CASS had sessions on April 2018 where they expressed their priority topics and answer questionnaires to create a survey.

Regarding the projects for the Plan of Work in the next three years, Ms. Nuño said it had been identified almost the same needs expressed by Subregions, which is reasonable because at the end of the day, the experts are territorially separated from Subregions; thus, there have been attempts to create a new approach to identify relevant topics thoroughly, which can be confirmed in the documents corresponding to this point of the agenda.

Ms. Nuño pointed out that the integration of reports and working plans were adopted on September 19th, during the meeting of the six CASS, apart from renewing the positions for Chairmen, Vicechairmen and Technical Secretaries of CASS, reaching the regional representativity as indicated by CISS Regulations.

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Likewise, the Technical Secretary said there is a working line linked to the projects of the General Secretary, as well as the Agenda 2030.

By not having further comments of the members of the Permanent Committee, the Chairman submitted to consideration of the members the following resolution:

**Resolution 7:** The Permanent Committee, according to the provisions of articles 16, letter g) and l), 38, letter h) of the Bylaws of the Conference, and 6, letter e) of regulations of American Commissions on Social Security, takes notice of the three-year report of Activities 2017-2019 and approves the Program of Work 2020-2022 of American Commissions on Social Security.

Mr. Ramírez Reyes, in his quality of Secretary of the meeting, asked the members to express their vote on the resolution, afterwards informing that the resolution had been approved through the favorable vote of all the present members of the Committee.

### **8. Presentation and, if applicable, approval of the balance and income-expenses account of the Conference.**

Regarding the eighth point of the agenda, the Chairman gave the floor to Mr. Jorge Emilio Esparza Rodríguez, Financial and Administrative Coordinator of the Conference, to present to the Committee, the Balance and income-expenses account of CISS.

Mr. Esparza started by saying that a report very detailed on this topic had been attached to the binders of work and because of that he will only talk about the substantive material.

In this way, Mr. Esparza said that figures were presented in American dollars (USD), in the reports corresponding to 2018, the Balance, the income-expenses account, because budgets were approved in that currency. Regarding the Balance to December 31st, 2018, Mr. Esparza said that a generalized decrease of the reported values in this same year compared to 2017 was observed, mainly due to fees paid to staff causing a drop by the end of 2018, and due to the effect of fluctuation between pesos and dollars.



Likewise, Mr. Esparza said there was a decrease of 8% in liquidity to cover immediate commitments reducing from 1.76 in the index to 1.62 USD to 2018. Also, external financing increased 10% from 1.53 to 0.58.

The Financial Coordinator said that in relation to the income-expenses account of 2019, there are losses for 953,203 USD, causing a negative effect compared to the budget, a total of 1,061,296 USD, while for the income-expenses account of 2018 there was a deficit in this aspect, particularly in the staff, for 1,454,600 USD.

The coordinator indicated that the effect of registered legitimate decreases is not considered as irregular, compared to the unreasonably issued bonuses and compensations for approximately 2 million pesos.

In relation to income-expenses account of 2018, the Coordinator said there was an additional deficit due to the loss of projects considered in the budget and not conducted, this loss was for 484,667 USD.

Regarding September 2019, the Coordinator indicated that the new administration made decisions to improve the use of CISS resources, through the implementation of measures to have more and better controls to manage the expenditure. To July there was a progress in the expenditure management of 43% compared to what was approved for 2019.

Besides this, Mr. Esparza informed that an analysis was conducted to dispense with the staff *outsourcing*. By being an international body promoting social security, it is impossible to be inconsistent in this regard, so that services violating worker's rights should not be hired. This measure has been reflected in a financial saving of CISS, especially after the decrease in salaries of senior officials, such as the Secretary General salary that was decreased in two thirds, the salary of Coordinators was decreased a little bit more than a half. Mr. Esparza said this has allowed an increase in research staff, technical assistance and other topics related.

Apart from this, the Coordinator said it has been adopted a policy to decrease superfluous expenditure. The instruction of the Secretary General was to address and focus the expenditure to the substantial aspects, publications, and cartographic platform among other projects.

Generally, the decrease of administrative and superfluous expenses allowed to save from January to July 2019, 53% of the expenditure compared to the previous year. Likewise, internal processes have been improved in formulation and information to prepare a financial analysis.



Mr. Esparza also urged the membership to timely comply with their fees because he also noted that a considerable delay in the payment of fees was identified, so all members with delays in payments are urged to comply with these financial obligations. Besides this, the Coordinator said there was a lot of confusion in this area because there were no records of payment of such fees. There was a record indicating these fees had been paid but, in the accounts, there was no corresponding balance, that is to say, the record of fees of the members was purged and now is completely updated.

In the budget for 2019 it was estimated to generate a positive result of approximately 275 000 USD, through reassignment of budget in the areas where there is superfluous and unnecessary expenditure.

Mr. Esparza mentioned the irregularities found from the beginning of investigations conducted per request of Mr. Ramírez Reyes, particularly indicating that: unjustified bonuses and compensations representing approximately 2 million pesos; overprices on goods and services procurement, in some cases up to 300% of the real value; the majority of services of CISS had an overprice of approximately 25% or 30%, which generated the need to contact suppliers, reaching in 100% of cases, agreements to have real prices, this has represented for CISS a saving of 300 000 USD, in July.

Additionally, Mr. Esparza talked about the lack of accurate records for the control of income and discretionary ways to use credit cards, as well as a hyperinflated payroll with workers whose work record does not exist, with salaries of 150000 pesos (equivalent to approximately 7500 USD); services, financing schemes and expenses without legal rationale, giving room to discretionality.

Mr. Esparza also mentioned there was a loss of accounting information derived from the change in the accounting system. Generally, in July, said the Coordinator, the balance between expenses in 2018 compared to the same month in 2019 in administrative matters represented a saving of 60%. Apart from this, an excessive use of credit cards was found, cards were used to pay services such as Netflix or iTunes, excessive payments for toll, gasoline and laundry services.

Irregular loans out of Conference's Regulations were also found, according to Coordinator Esparza.

In his speech, Mr. Alejo Maxit, Vicechairman of the Conference, asked how to proceed with the irregular cases detected, apart from looking for ways to avoid this to repeat in the future.

In response to the questions of Mr. Maxit, the Coordinator said that at the beginning of the administration of Mr. Ramírez, new approaches were analyzed and they found there were legal gaps impeding to apply legal procedures against these irregularities, thus, it was decided to share the information with the members.

In his speech, the Secretary General said the only cases that could be considered as crimes were those in which people received a compensation for labor reasons and they were rehired in a matter of hours; to this regard, this people was required to give back the settlement payment if they wanted to continue working for the Conference, otherwise, they would be fired from CISS, in all cases there was an agreement.

For the remaining cases, the Secretary said that the Conference is ruled by the agreement with Mexico, instrument conferring a series of privileges, including fiscal privileges generating a complicated situation to prosecute those cases. Because of this, it was preferred to formulate regulatory norms allowing a better control from the General Secretariat, from Comptrollership and from the Permanent Committee, said Mr. Ramírez as a final comment.

On his side, the Comptroller, Mr. Eduard del Villar, said there is the need to strengthen administration in CISS, by creating instruments, wage policies, credit card use, revolving funds management, hiring processes, organigram approvals, etc. By not having norms and controls, said the Comptroller, there is no way to tell people: you cannot hire someone for 150 000 for a non-existing position because there is no instrument approved by administrative bodies. One of the things always requested, emphasized Mr. del Villar, was the approval of norms allowing to have arguments to avoid, for instance, irregular hiring processes and discretionality that have been historically present in these institutions.

With these norms proposed, said Mr. del Villar, and with authorities committed to comply with them, the financial and administrative health of the Conference can be ensured for the future.

The representative of Subregion I North America and Anglo-Caribbean, Mr. Timothy Hodge, said that figures are substantial, and he wanted to receive an explanation of them. He also talked about building rental and asked if the Conference was renting those buildings, who was the owner of them and if it would be possible, instead of renting, to make a different type of agreement, a purchase or even to ask for a loan to pay and buy those premises in order to stop paying a high rate rent.

In this regard, Mr. Esparza said that in the buildings rented by CISS, furniture and scrap were stored and because of that they decided to stop renting those buildings;

for the rent of premises for CISS, he said that for several years the Conference used the space belonging to IMSS for free; 12 or 15 years ago a monthly fee that CISS should cover was agreed upon, while he ensured they were striving to make the rent 100% free.

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To this regard, Mr. Jorge D'Angelo, Representative of Associate Members said that the rent of the premises, was in fact for free, it was part of the contribution of IMSS to the work of CISS. In this concept, Mr. D'Angelo said a price was fixed for the rent because IMSS restricted its contributions that were almost unlimited in the past, and they started having a restricted budget of some millions of dollars.

The Chairman of the Committee, Mr. Antonio Pérez Fonticoba, clarified that the rental agreement of the premises was approved by the Council of IMSS and it is essentially free, although certainly there is a benefit agreed upon, over which there may be a future agreement. In this way, the Chairman said that it would be necessary to compensate the contribution of IMSS against the use of the building and maybe to reach a different agreement that in the precise moment will need to be submitted to consideration of the technical committee of the institute.

Mr. Hodge said to the Financial Coordinator of the Conference that there is an annual budget under the title of "substantial functions" containing almost 1 million dollars and he asked if this is a separate financial envelope.

The Coordinator answered that the first division of the budget is for income and then for expenses. Such division is broken down in sections first and then in budget envelopes.

The Coordinator also said that "substantial functions" are those related to research, technical assistance, documents publication, payment to specialists in social security issues, health experts, among others. In that area the budget was increased, said Mr. Esparza; on the contrary "non-substantial functions" are the administrative tasks such as maintenance and general services over which there is a reduction in budget.

As there were no further comments, the Chairman submitted to consideration of the Permanent Committee the following:

**Resolution 8:** The Permanent Committee, according to the provisions of article 16, letter k) of the Bylaws of the Conference, approves the balance and income-expenses account of the Conference.

The Secretary General, in his quality of Secretary of the meeting, asked the members to express their vote on the resolution, afterwards informing that the resolution had

been approved through the favorable vote of all the present members of the Committee.

### **9. Three-year report of activities 2017-2019 and Program of Work and Budget 2020-2022 of the General Secretariat of CISS.**

Moving to the ninth point of the agenda, the Chairman gave the floor to the Secretary General, Mr. Ramírez Reyes, who said he would focus on the results of nine months of management: more knowledge, more research that in the last three management terms. This means there have been nine more productive months compared to the last nine years of research.

Regarding the plan of the General Secretariat for the next three years, Mr. Ramírez said there are 13 research lines, the first one is a theory on welfare for the countries of the region related to happiness and political economy, because it is not about just giving up to manage things as they are without addressing world markets, mainly on food and medications matters.

The second research line is related to migration and social security; particularly focusing on schemes of portability in social security, healthcare of migrant population and migrant childcare.

The third line of research will be focused on gender gaps in social security issues. The Secretary also mentioned the formal and informal jobs, healthcare systems, feminized jobs, and social security for working mothers and health protection for older women.

The fourth line of research, according to the Secretary, has to do with formality, formalization limits and social security. The Secretary said it is time to accept that because of the world economy effects there is a limit in the formalization policy that needs to be tackled as far as possible.

The fifth line, derived from ILO's agenda, has to do with the future of work and labor scarcity. This line is about labor scarcity of all last century, scarcity of every aspect in life, which aggravates the current ways of work; beside this, Mr. Ramirez said that works in the platform, robotization and automation will be addressed.

The sixth line, priority for the Conference as from the first meeting in 1942, said the Secretary General, is the inclusion of labor marginalized populations, agricultural laborers who represent pending issues for most of the countries of the region, artists and cultural workers. Even if there is some progress in these areas, there are also pending issues.

The seventh line of research is about disaster management in social security institutions. A request from the whole region, but particularly from the Anglo-Caribbean region, said the Secretary.

The eighth line will explore the designs to globalize social security, even considering the possibility of social security non-associated to labor status. If it is a human right, said the Secretary, there is no reason to link social security to labor condition.

The ninth line will explore institutional designs to reform pension systems, regardless the ideology of governments integrating CISS; to this regard, the Secretary mentioned it was necessary to objectively explore the pension systems of some countries of the region where there is a social crisis coming soon, while in some others it is already happening.

The tenth line will be focused on social security and mental health. The Secretary indicated that there is a delay in the development of mental health in the region. Due to the costs implied, most of the times there are high expenses even with smaller reach, for instance, in respiratory health, when the amount of affected people is so different, stressed Mr. Ramírez, adding up that there will be efforts to focus on the areas of depression, anxiety and addictions which are the priorities identified in relation to the members of CISS.

The eleventh line will retake the tradition of CISS regarding education on social security, pensions education. For that, the Secretary said it is necessary to conduct research and editorial production.

The twelfth line will study risk prevention and labor health; the Secretary said this is a topic that cannot be set aside and in which there have been unlikely increases in labor risks matters, unlikely increases in the region and worldwide regarding the number of incidents.

The thirteenth line is about management research in social security institutions, particularly focused on procurement, management and transfer of medications and electronic management for social security, said the Secretary.

Regarding technical and accompanying assistance, the Secretary said that the members already received and were familiar with the model of technical assistance and accompanying of CISS; the Secretary said there is a format to request technical assistance and in fact there is already a progress in some countries.

About this same topic, Mr. Ramírez said that assistance will be carried out mainly in six areas: **i)** actuary and demography in social security; **ii)** management models and simplification of processes in social security institutions; **iii)** design, management and use of indicators and statistic information systems for institutions of social security, starting with what has been done in the cartographic platform, and **iv)** risk management in social security institutions.

Focusing on these areas allows, first, to specialize CISS' staff, said the Secretary, and second, to not interfere in the scope of technical assistances given by other international organizations, the Secretary said it is necessary to complement and not compete with other bodies, so all countries are favored.

The Secretary also reiterated that the series "History, Theory and Welfare" will continue, this matches the welfare theory above mentioned; secondly the series of welfare policies, that could be described as models to create public policy for the members, and thirdly, a new series on systematization of experiences of technical assistance and accompanying.

There will be also efforts to retake the social security report in the Americas, now including a deep quantitative and qualitative analysis.

Additionally, the Secretary ensured that a report of welfare indicators would be prepared, an alternate proposal to currently existing indicators; a proposal on social security indicators and a report on the 2030 Agenda that can already be consulted in the series of working documents available in the webpage of the Conference.

The publications planned can take a long time, the Secretary admitted; nonetheless they represent something very valuable because a very deep analysis system for the pension systems in Latin America, as well as their evolution is required.

The Secretary said that a book will also be published, an analysis and a critic of happiness indicators, first about care systems in the Americas as a challenge for social security equality; secondly, it will talk about financial management in social security institutions; and in third place will include the 2030 Agenda, a catalogue of successful experiences of social security implementation in the Americas.

There will also be a publication on welfare models in Latin America; including a conceptual history of happiness and welfare; other publication on migration and social security, an inclusive proposal already in progress in the form of a work booklet available in the website of the Conference.



The Secretary said that there will also be a publication on maternity, labor and social security, approaching maternity as a social risk to the countries of the region and also address the topic of abortion as a social security issue; there will be a publication of community work and social security; as well as a publication on healthcare models, a comparative perspective from social security systems in the Americas; there is also the intention of publishing a manual of community healthcare; as well as a book on social security and redistributive policies; there will also be publications on official help for development that address the challenge of inclusive and equitable cooperation; and some other publications on education and social security for all.

The Secretary informed that the Bienestar Journal's Editorial Board is already formed, it is planned that this publication is peer-reviewed, serious, relevant for regional debate and above all, that it can be a journal interesting for all members of the Conference, not indecipherable but not because of this less rigorous and scientific.

Likewise, the widespread efforts will continue in the Inter-American Welfare Gazette and in communication campaigns related to already known substantive topics of the webpage.

Mr. Ramírez said they would continue working with the professionalism of the Technical Secretariat now formed exclusively by lawyers, International Law Specialists, led by Ms. Mónica Nuño and by Foreign Affairs Experts.

There is an ongoing process to register the Headquarters Agreement of the Conference in the *United Nations Treaty Collection* that according to the Secretary, will give to the institution a different status in the international setting.

Regarding the growth of CISS members, the Secretary set as a realistic goal the enrollment of other 70 institutions, saying there were already negotiations with around ten institutions. In the same topic, the Secretary said that regarding the payment of fees, it is explored the possibility of having agreements to improve this area, mainly for those members coming from small countries in complicated financial situations.

Mr. Ramírez said that a researcher will be appointed to each topic corresponding to each American Commission on Social Security with the purpose of reinvigorating these statutory bodies. The Secretary admitted the difficulties to make the Commissions work, not only because of the communication effort implied but also because of the financial effort mirrored in consultancies and their supervision. Even if there is determination from the Technical Secretariat, the Secretary admitted that all depends on the members.



The Secretary emphasized that CISS is a *sui generis* international organization from its origins, because it is a body of principles, CISS has trained officials of all levels and young people who are not officials yet. CISS was designed to be an international organization interested in the territory and massive interactions, which is reflected in the design of the American square.

From this perspective, the Secretary proposed to create an Inter-American Network of volunteers, that can be articulated, and designate missions to it decided by the Conference, missions focused on locally contributing to the sustainable development objectives. This network will look for fostering the welfare agenda regionally through community organization. There is no public policy that can be consolidated if it does not generate its own demand, if it does not turn into a demandable right, said the Secretary General.

Regarding fora organized by CISS, the Secretary mentioned the following: i) Universal Coverage Forum, planned for November 2019; ii) Pensions World Forum, including a high level component but also an academic one; iii) Disaster Management Forum, planned jointly by AISS and OISS, this is, a forum organized by the three institutions; iv) the Inter-American Summit on Social Security, as an annual event intended to share experiences of public policy; v) World Welfare Forum, envisioned as a biennial event fostering international debate on social policy and its link to peoples welfare and which aspires to call not only social policy stakeholders but also Heads of State, this forum is already under consideration with the Mexican Government; vi) the Inter-American Summit on Community Action and Volunteering for Welfare; vii) Permanent Seminar on Welfare in the Americas, which already has monthly meetings at CISS headquarters, and viii) a series of technical and thematic tables, which have already started to address the topic of pensions.

Regarding CISS, Mr. Ramírez ensured that from the General Secretariat there will be monitoring for the institutional capacity building of CISS, because of a membership demand for actuarial training forming the staff with a major perspective, and also postgraduate studies that were very important to establish and develop social security in the Americas, commented the Secretary.

After this, the Secretary read the general amounts, already mentioned by the Financial Coordinator of the Conference, related to the budget of CISS, already calculated based on 2019 forecasts and with the foreseen inflation; in this sense, the Secretary mentioned the aspiration of having positive results, 270,000 USD for 2020; 86,000 USD for 2021, and 103,000 USD for 2022; the permanent resources will be destined to the creation of a Fund for Technical Assistance that the Conference still does not have and that is one of the main pending issues.

Regarding the total budget of income foreseen for 2019, the Secretary said it was 6,259,632 USD; for 2020, 6,516,366 USD; for 2021, 6,545,869 USD, and for 2022, 6,785,289 USD. While expenses foreseen are of 6,040,597 USD for 2019; for 2020, 6,245,773 USD; for 2021, 6,459,603 USD; and for 2022, 6,681,988 USD.

The Chairman thanked the Secretary for his intervention and then he gave the floor to Mr. Alejo Maxit, who asked to deepen on the policy of the membership, because forecasts of income remained constant, and asked what would be the estimated impact of new enrollments. Additionally, he requested to inform of every activity no longer done, this is, the activities the General Secretariat will not be doing anymore

The Secretary General said that the increase not seen in this area of expenses is due to the fact that the financial liaison burden with the membership relies on the staff of the Technical Secretariat, this means, all dynamics changes depended on the increase and professionalization of the Technical Secretariat generally done with the same budget used before; in this way, there has been an increase of the staff and qualified personnel working in the liaison with the members.

The Secretary said there was a commitment to have at least one meeting of each statutory body per year hosted by different countries, preferably in the countries coordinating or leading the Commissions and Subregions, with relevant topics in each geographic space. In this sense, there are documents prepared on the following topics: 2030 Agenda; medications judicialization; actuarial and financial challenges faced by the pension systems in the sustainability of social security; the right to social security before new ways of employment and especially for young people; health protection for the elderly; identification of successful experiences of electronic government in the social security institutions, labor risks challenges and prospects in the region.

To schedule these meetings, the CISS depends on the members to give facilities, especially logistics, which allows the Conference not to invest resources in those matters, said the Secretary.

The main change, said the Secretary, is human, he asked the Technical Secretariat, particularly the Head of the Liaison Division with Members and Statutory Bodies, Ms. Marcela Benavides, to be in permanent touch with the members to generate a record of daily calls with the members. A second change will be mirrored, according to the Secretary, in the work of the statutory bodies and in the meetings in which the working plan needs to be followed, which the General Secretariat stopped doing.

The Secretary said that own funding sources have been cut off, in the sense that the facilities of the Conference could not be used anymore, for instance, as TV sets. These

were important sources, but it is impossible to imagine that UN or ECLAC being movie sets, to make films. It is a financial lack that should be covered maybe providing other services, said Mr. Ramírez.

Likewise, he said that some activities have been suspended which are considered part of diplomacy, including the expense in diplomatic meals, extra official meetings, among others.

Basically, Mr. Ramírez said, from the increase of permanent payroll and the almost complete elimination of fluctuating payroll for consultancy, which have been reduced to personal consultancies of academics, the resources used for the same areas have been obtained but now used for substantive activities.

On his side, Mr. Timothy Hodge mentioned that he referred to what no longer was, to what the CISS did not have no more; and asked to deepen in what still remained, reiterating that he understood and supported the Secretary's vision. Mr. Hodge added up that social security institutions of the region were constituted to face labor issues and asked how such institutions could be transformative and have a longer reach to talk about the aspects under the direction of other institutions.

The Secretary said that the main aspects prevailing in the new administration have been the agreements and approaches taken from previous managements and ensured that what they are doing is to comply with the mandates previously assigned and delved by saying that axiological and ethical elements remain, as well as elements of preventive economy and the focus on human rights, besides the 2030 Agenda that was also established as an axis for management. However, said the Secretary, that the only result from those ethical mandates was the strategic planning done by consulting the members. In this sense, he said, there should not be any problem with the members, since what it is done is what the members instruct.

As there were no further comments, the Chairman submitted for consideration of the Permanent Committee, the following:

**Resolution 9:** The Permanent Committee, based on articles 16, letters g) and k), 22, letters b) and g), from the Conference Bylaws, takes notice of the three-year report 2017-2019, and the Program of Work of the General Secretariat, for the period 2020-2022, and approves the budget corresponding to such period.

The Secretary General, in his quality of Secretary of the meeting, requested the members to express their vote, afterwards informing that the resolution had been approved by the favorable vote of all present members of the Committee.

## 10. Comptroller's report

Regarding the tenth point of the agenda, the Chairman gave the floor to Mr. Eduard del Villar Liranzo, Comptroller of the Conference.

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Mr. del Villar said that articles 24 and 25 of the Ninth Title of CISS Bylaws contain the roles of Comptrollership related to the monitoring and control of funds, apart from hiring, along with the General Secretariat, an external audit firm, mandate complied with the hiring of the firm Crowe & Gossler to conduct the audit of 2018.

The Comptroller started his presentation by saying that the final opinion of the Audit Firm was not favorable, even if the financial balances reasonably present in all material aspects the financial situation of CISS to December 31<sup>st</sup>, 2018, as well as the results and cash flows corresponding to the year according to international standards for financial information.

The unfavorable report was structured in four points that according to Mr. del Villar, could not be validated due to a lack of information. The first point is related to the lack of information to validate cash at the end of the fiscal year corresponding to cash on hand for 64,000 USD. Part of the answer given to this was related to the lack of registration information because the documentation presented to the General Secretariat was not complete and there was no formal delivery of all accounting processes to the administration in question, said the Comptroller.

A second point, he said, is related to cash bank reconciliations, debit and credit items were found, according to financial statements, for 25,000 USD and other 175,000 USD, respectively, not registered in accounting, which represent an important weakness from the administration, referring to the management of 2018 and from the years 2013, 2014, according to audit reports.

A third point was the reserve for uncollectible accounts to 2018, that reached 419,735 USD coming from 2013-2014, and over which it was not possible to provide support for these items to auditors, said Mr. del Villar. Likewise, in everything related to furniture and equipment account, said the Comptroller, according to the external audit report, there was no physical inspection allowing the true verification of accounting records integrity, which shows weaknesses in internal controls.

According to Mr. del Villar, analyzing financial reasons, this means, solvency incidence, liquidity and indebtedness, even if it is noticeable there has been an important decrease in those areas as from 2017 to 2018, it should be recommended

that fiscal years improve year by year, as well as internal controls in different accounting areas.

Regarding cash flows, there was a substantial decrease, said Mr. del Villar, to settlement payments of leaving authorities, phenomenon that also occurred in 2016, which shows it is a cyclic problem.

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Then, Mr. del Villar gave the floor to Mr. Jorge Esparza, Financial Coordinator of the Conference, who said that the firm hired to audit the fiscal year 2018, is very well-known, having all certifications needed to conduct this kind of work.

Additionally, Mr. Esparza talked about the headquarters pilot test done in Argentina, attended by the Comptroller and himself in which they found a *contortionist* exercise of finances, in a positive way because with a small contribution of the Conference it was possible to establish offices and facilities of remarkable quality, with noteworthy workers and with a program of activities done according to the possibilities of the budget assigned in that moment.

Mr. del Villar said that such visit showed the work, effort and commitment of people leading the pilot test and local authorities, so he issued a favorable opinion on such test, expressing that this is a topic that according to the financial possibilities of CISS, should be harmonized in the future.

Mr. Esparza said there have been contributions, both material and economical by AMAOTE, which financed a great part of the substantive and administrative activities of the sub-regional pilot test.

Regarding preliminary results of the first semester corresponding to the management indicated in January 2019, the Comptroller said that the areas budgeted are under an execution lever related to income of 95% and 41% for expenses regarding the budget forecasts for 2019.

Regarding income, said the Comptroller, a positive element is constituted by the fact that the members' fees have been received in 102% compared to the budget projections. In this way, financial statements show that it has been collected more than the amount budgeted.

The Comptroller said that at CISS budgeted income for projects and effective income are very different. For example, for 2019 there was an income forecast for projects at CISS for 350,000 USD and for other projects already endorsed by the General Secretariat, 150,000 USD; and the truth is that up to date no resource has been received regarding any of these projects.

Regarding expenses, said the Comptroller, there is an important reduction in the average expense of staff and other areas given the austerity policy of the Conference and there is a noticeable reduction of salaries for all officials, particularly for the Secretary General.

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Apart from this, Mr. del Villar said there is a decrease in the use of corporate credit cards and revolving funds, which caused the elimination of unmeasured and unnecessary expenses. In the reviews done by the Comptrollership, Mr. del Villar said there is no missing information or documents to which access is denied, this was a reason of acknowledgement for the General Secretariat.

The Comptroller made reference to the hard work related to accounting purge to have the real balances of accounts receivable, such as fees, and accounts payable for suppliers. Likewise, he said they are working in the identification of income.

Finally, he made some recommendations derived from the external audit: i) in relation to internal control, delays in accounting records and lack of information to validate certain financial information were identified; ii) about the compensation Fund, he said that the change of authorities entails an important impact in CISS finances, this being the result of compensations paid to staff leaving the organization, in consequence, it is necessary to have provisions to avoid significant expenditures that most of the times are not budgeted and that can put at risk the achievement of the Conference's goals; iii) regarding authorities transition processes, there is no protocol for authority transfer, so it is important to establish procedures to follow whenever there is a change of authorities; iv) regarding organizational structure and salary policy, the Comptroller said there is approval for a salary policy, with new organigrams and manuals strengthening the institution, and v) regarding CISS bodies, currently there is a duplicity of roles within them. Since CISS has a meager budget, it is necessary to avoid duplicity, so it is advisable to unify roles and that bodies focus on their specific roles, bodies in charge of educational issues should educate and the ones in charge of research should only investigate.

As there were no further comments, the Chairman submitted to the Committee consideration the following:

**Resolution 10:** The Permanent Committee, pursuant to articles 23 and 25, letter b) of the Conference Bylaws, takes notice of the report presented by the Comptroller regarding the exercise of financial resources of the Conference.



The Secretary General, in his quality of Secretary of the meeting, asked the members to express their vote, afterwards informing that the resolution had been approved through the favorable vote of all the present members of the Committee.

## **11. General issues**

### **a) Requests for affiliation and disaffiliation of members.**

To address this item, the Chairman gave the floor to Ms. Nuño, Technical Secretary of the Conference, who started by saying that according to article 16 letter h) of the Conference Bylaws, the Committee should provisionally decide on the request for affiliation and disaffiliation of members, informing the Assembly afterwards for a final resolution.

Ms. Nuño said five institutions presenting their requests for enrollment to CISS: i) Special Administrative Pension Unit of Cundinamarca, Colombia; ii) Health Risk Administrator for Teachers of Dominican Republic; iii) Durón & Durón Labor Attorneys of México; iv) Social Security Institute of Workers of the State of Chiapas in Mexico, and the v) Administrator of Childcare Centers Salud Segura of Dominican Republic.

Regarding the Social Institute of Chiapas and Durón & Durón Labor Attorneys, the Technical Secretary said that such institutions are currently reassessing their intention of joining the Conference.

In the case of the Special Administrative Pension Unit, the Health Risk Administrator for Teachers of Dominican Republic, and Administrator of Childcare Centers Salud Segura, the requests complied with the requirements established in the internal regulations of the Conference, so their affiliation is legally feasible.

According to the aforementioned, Ms. Nuño said there was a request to the Committee of affiliation approval for: i) the Special Administrative Pension Unit from Cundinamarca, Colombia, as adherent member; ii) the Health Risk Administrator for Teachers of Dominican Republic, as associate member, and iii) Administrator of Childcare Centers Salud Segura from Dominican Republic as an associate member.

In relation to disenrollment from CISS, the Technical Secretary said that article 35 of the Assembly's Regulations allows members of the Conference to ask for their disaffiliation. Under this power, Ms. Nuño said that the Technical Secretariat received communications from: i) the Institution Positiva Compañía de Seguros from Colombia, on March 2017; ii) the Organization of Mutual Entities of the Americas from Argentina,



on August 2017, and the Social Security Administration from USA, on November 2017.

Ms. Nuño noted that the requests for enrollment and disenrollment fall under previous years because in their moment the relevant procedures were not followed before the Committee and the intention of the Technical Secretary was to regularize the relevant files.

Furthermore, she said that from the General Secretariat they look for an approach with the Social Security Administration to ask for a reconsideration not to leave the organization; however, the approach was not successful.

Also the Association of Legislative Staff from Argentina was mentioned, it was said that even when the Technical Secretariat tried to contact them several times the dialogue has not been possible, for this reason, among others related to arrears, the Committee was proposed with the disaffiliation of this organization.

In conclusion, the Committee was proposed to acknowledge the disaffiliation of five members, two full members, two associates and one adherent: i) Social Security Administration; ii) Labor Ministry of Colombia; iii) Positiva Compañía de Seguros; iv) Organization of Mutual Entities of the Americas, and the v) Association of Legislative Staff.

The representative of Associate Members, Mr. Jorge D'Angelo, said that regarding the Association of Legislative Staff, there had been several communications with their Secretary General in previous years, who said that the intention of such institution was to disaffiliate from CISS, and even when the institution was committed to notify the CISS, obviously that never happened; however, Mr. D'Angelo reiterated that the tacit disaffiliation was communicated to him.

Mr. Eduard del Villar said that the Administrator of Childcare Centers is an institution that will virtually disappear in the near future; in previous days to the Committee's meeting there was an approval in the Dominican House of Representatives to completely eliminate them from the Dominican Social Security Institute they are part of. In this sense, the Comptroller said the Institution could be affiliated but in a couple more months it would not exist anymore.

Considering the report and comments presented, the Chairman submitted to consideration of the Committee, the following:

**Resolution 11.a:** The Permanent Committee, based on articles 6, 16, letter h), of the Conference Bylaws, and 36 of the General Assembly's

Regulations approves the affiliation of: i) Special Administrative Pension Unit of Cundinamarca, as adherent member; ii) Health Risk Administrator for Teachers of Dominican Republic, as associate member, and the iii) Administrator of Childcare Centers Salud Segura, as associate member, without prejudice of the General Assembly's final determination on the matter.

Furthermore, according to articles 6, 16, letter h), from the Bylaws of the Conference, and 35, 36 of the General Assembly's Regulations, takes notice of the disenrollment of i) *Social Security Administration, USA*; ii) Organization of Mutual Entities of the Americas; iii) Association of Legislative Staff, these latter from Argentina, iv) Labor Ministry of Colombia, and v) Positiva, Compañía de Seguros, S.A., also from Colombia, without prejudice of the General Assembly's final determination on the matter.

The Secretary General, in his quality of Secretary of the Committee, asked the members to vote, informing afterwards that the resolution had been approved by the favorable vote of all the present members of the Committee.

In his intervention, Mr. D'Angelo asked that in view of the fact that they were accepting a member disappearing in two months whether there was a process by which the Committee could keep the treatment of this affiliation for the next meeting without the need of affiliating and then disaffiliating the institution, that is to say, to leave an item pending on this topic for the next meeting.

In response, the Technical Secretary said there was a possibility to continue the dialogue with the relevant institution to present a proposal on its destiny for the next Committee meeting. In this sense, they could suspend the topic and address it the next meeting.

The Chairman said that due to the fact that voting for resolution 11.a had already taken place, the proposal would require a new voting process.

In this same line, the Secretary General asked the Committee to vote for a new resolution to substitute the previous one, keeping the number 11.a as a consequence but deleting from the members accepted for affiliation, the Administrator of Childcare Centers Salud Segura, as associate member.

The total of members of the Permanent Committee present in the meeting agreed upon the proposal of Mr. Ramírez Reyes, so the final text of the adopted resolution was the following:

**Resolution 11.a:** The Permanent Committee, based on articles 6, 16, letter h), of the Conference Bylaws, and 36 of the General Assembly's Regulations approves the enrollment of: i) Special Administrative Pension Unit of Cundinamarca, as adherent member; ii) Health Risk Administrator for Teachers of Dominican Republic, as associate member, without prejudice of the General Assembly's final determination on the matter.

Furthermore, according to articles 6, 16, letter h), from the Bylaws of the Conference, and 35, 36 of the General Assembly's Regulations, takes notice of the disenrollment of i) *Social Security Administration, USA*; ii) Organization of Mutual Entities of the Americas and the iii) Association of Legislative Staff, these latter from Argentina, iv) from Labor Ministry of Colombia, and v) Positiva, Compañía de Seguros, S.A., also from Colombia, without prejudice of the General Assembly's final determination on the matter.

The Chairman, on behalf of CISS, welcomed the newly affiliated institutions and invited those disaffiliating to reconsider their decision and to continue collaborating closely with the Conference.

#### **b) Reports on the possible suspension of rights for certain members.**

For this topic, the Chairman again passed the floor to the Technical Secretary, who, in consideration of the time and because members' suspension is a decision of the General Assembly, said she would read the names of the institutions proposed to be suspended and in case of doubts she would reply afterwards. Consequently, she mentioned: i) Foundation of Older Adults Clotario Blest Riffo, from Chile, that under article 18 of Financial Regulations and based on background received is proposed to be suspended; ii) National Institute of Social Services for Retired and Pensioned from Argentina; iii) Social Security Normalization Office from Argentina, iv) Labor Union of Employees of the former Family Subsidy Allowance Office for industry's staff also from Argentina. Ms. Nuño said that for these members their suspension proposal is related to the application of the Financial Regulations, that is to say, is due to arrears in their corresponding fees.

Mr. Patricio Piffano, member of the Argentinian institution holding the Vice chairmanship of CISS, asked if it was possible to manage the payment of outstanding debts from Argentina, he received a positive answer.

The Secretary General, clarified that the suspension would only have effects until compliance with the financial liability was achieved, once the debts were covered, the suspension would not be effective anymore.

Derived from the comments received, mainly from Argentinian members, the Secretary asked the Chairman to modify the draft resolution so that it did not include the National Institute of Social Services for Retired and Pensioned from Argentina; Mr. Pérez Fonticoba, after approving this request, the following was submitted to consideration of the Committee:

**Resolution 11.b:** The Permanent Committee, pursuant to article 18 of the Financial Regulations takes notice of the report presented by the General Secretariat regarding the possible suspension of rights of the following institutions:

- i) Health Services Superintendency (Argentina),
- ii) Labor Union of Employees of the former Family Subsidy Allowance Office for industry's staff (Argentina),
- iii) Associação Nacional de Entidades de Previdência Municipal (Brasil),
- iv) Foundation for Older Adults Clotario Blest Riffo (Chile),
- v) College of Attorneys Specialized in Labor Law and Social Security (Colombia),
- vi) Cassié Général de la Sécurité Sociale de la Guadeloupe (Guadalupe), and
- vii) Oficina de Normalización Previsional (Social Service Normalization Office) (Perú),

and agrees to submit these cases to the consideration of the General Assembly in their next ordinary meeting.

Likewise, under provisions of article 20 of the Financial Regulations, and 3, number 15 of the General Secretariat Regulations, takes notice of the concluded or currently negotiated agreements of due fees between the General Secretariat and the Labor Ministry and Social Security of Uruguay and the *National Insurance Scheme* of Granada, and asks the Secretary General to inform this Committee on the results achieved by the subscription and operation of such agreements.

The Secretary General, in his quality of Secretary of the meeting, asked the members to express their vote, afterwards informing that the resolution had been approved through the favorable vote of all the present members of the Committee.

**c) Date and venue of the next meeting of the Permanent Committee.**

Next, the Chairman passed the floor to the Secretary General, who asked the members of the Committee who wanted to offer their institutions' facilities to host the next meeting, in case of not having an answer, the next meeting would be in the headquarters of the Conference on February 20th, 2020.

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As there were no offers, the Chairman submitted to consideration of the Committee the following:

**Resolution 11.c:** The Permanent Committee, according to article 7 of the Permanent Committee Regulations, decides that the next meeting will be celebrated at the headquarters of the Conference on February 20th, 2020.

The Secretary General, in his quality of Secretary of the Committee, asked the members to express their vote, afterwards informing that the resolution had been approved by the favorable vote of all present members of the Committee.

As there were no further topics to cover and having addressed all items on the agenda, being 12:56 hours of September 20th, 2019, the Chairman declares the conclusion of the Permanent Committee's Ordinary Meeting of the Inter-American Conference on Social Security, according to article 17 of the Conference Bylaws.