



WORLD HEALTH ORGANIZATION

**PROGRAMME, BUDGET AND ADMINISTRATION
COMMITTEE OF THE EXECUTIVE BOARD
Second meeting
Provisional agenda item 2.3**

**EBPBAC2/3
28 April 2005**

Special arrangements for settlement of arrears

Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution

Report by the Secretariat

1. Article 7 of the Constitution states that “If a Member fails to meet its financial obligations to the Organization ... the Health Assembly may ... suspend the voting privileges ... to which a Member is entitled.” If at the time of the opening of the Health Assembly, a Member is in arrears in an amount that equals or exceeds the amount of contributions due from it for the preceding two full years, the Health Assembly takes a decision on suspension of the Member’s voting privileges in accordance with resolution WHA41.7.
2. In accordance with previous Health Assembly resolutions, the voting privileges of the 20 Member States as listed in Annex 1, have been suspended (Afghanistan, Antigua and Barbuda, Argentina, Armenia, Central African Republic, Chad, Comoros, Dominican Republic, Georgia, Guinea-Bissau, Iraq, Kyrgyzstan, Liberia, Nauru, Niger, Republic of Moldova, Somalia, Suriname, Tajikistan and Turkmenistan). The suspension is to continue at the Fifty-eighth and subsequent Health Assemblies until the arrears have been reduced to a level below the amount which would justify invoking Article 7 of the Constitution.
3. Four other Members (Guinea, Paraguay, Peru and Uruguay) are in arrears in the payment of their contributions in amounts which equal or exceed the amounts due from them for the preceding two full years, as listed in Annex 1.
4. Pursuant to resolution WHA41.7, unless there are exceptional circumstances justifying a different measure, the Fifty-eighth World Health Assembly may wish to adopt a decision under which the voting privileges of these Members will be suspended as from the opening day of the Fifty-ninth World Health Assembly in May 2006, if at that time the Members concerned are still in arrears to the extent referred to in paragraph 3 above.
5. Member States in arrears of payment to an extent that they are concerned by Article 7 of the Constitution are encouraged to submit proposals to the Health Assembly to repay such arrears over an extended period. Such proposals for special arrangements are considered by the Programme, Budget and Administration Committee of the Executive Board, which subsequently makes its recommendations to the Health Assembly. Five proposals for special arrangements have been received for consideration by this Committee.

6. In considering these proposals members of the Programme, Budget and Administration Committee may wish to refer to the provisions of resolution WHA54.6 in respect of requests for special arrangements for the settlement of arrears of assessed contributions, in particular the requirement that these requests include the total amount due, the period over which payment is proposed, and a minimum amount to be paid each year. In all five cases, the proposals that have been received address all these requirements. The Committee may also wish to recall the conclusion reached in recent meetings in respect of similar proposals from other Member States that commitments should be made by the requesting Member, outlining the number of years over which full payment would be made. Such commitments have been made by the five Member States concerned, as outlined in paragraphs 7 to 11 below.

7. **Chad** has written to the Director-General requesting that its outstanding arrears, totalling US\$ 83 335 should be repaid over a period of four years, in addition to which Chad will pay its annual contribution, currently of US\$ 4290.¹ Chad has already made substantial payment in 2004 towards repayment of outstanding arrears. In return for this commitment, Chad requests that its voting privileges, currently suspended under Article 7 of the Constitution, should be restored.

8. A proposal has also been received from **Georgia** in respect of its arrears for assessed contributions owed to the Organization, which total US\$ 4 439 163.² Georgia has committed to repay its arrears in full over a 15-year period in accordance with the schedule attached in Annex 3. In return for this commitment, Georgia requests that the Health Assembly restore its voting privileges, currently suspended in accordance with the provision of Article 7 of the Constitution.

9. A proposal has been received from **Iraq**, in respect of its arrears for assessed contributions, which total US\$ 6 398 801.³ Iraq has made a commitment to repay its arrears in full over a 15-year period in accordance with the schedule outlined in Annex 4. In return for this commitment, Iraq requests the Health Assembly to consider restoring its voting privileges, which are currently suspended in accordance with Article 7 of the Constitution.

10. The **Republic of Moldova** has made a proposal in respect of the arrears owed for assessed contributions, which total US\$ 2 950 023.⁴ Moldova has made a commitment to repay its arrears in full over a 15-year period in accordance with the schedule outlined in Annex 5, this proposal to include the payment of its current-year contribution of US\$ 8540. In exchange for this commitment, the Republic of Moldova requests the Health Assembly to consider restoring its voting privileges, which are currently suspended in accordance with Article 7 of the Constitution.

11. A proposal has been received from **Tajikistan** in respect of its arrears owed for assessed contributions, which totalled US\$ 555 314 as at December 2004.⁵ Tajikistan has been making regular payments towards its arrears, and now is committed to repay fully the balance over a 10-year period, by instalments of US\$ 55 531 per year, in addition to which Tajikistan will pay its current-year contribution of US\$ 4290. An amount of US\$ 45 000 has been received since this proposal was made, such that the balance for the arrears now totals US\$ 510 314. In exchange for this commitment,

¹ See Annex 2.

² See Annex 3.

³ See Annex 4.

⁴ See Annex 5.

⁵ See Annex 6.

Tajikistan requests that the Health Assembly restore its voting privileges, currently suspended in accordance with Article 7 of the Constitution.

ACTION BY THE PROGRAMME, BUDGET AND ADMINISTRATION COMMITTEE

12. No action is required by the Committee in respect of those Members whose voting privileges have already been suspended under previous Health Assembly resolutions, or of those Members which may lose their voting privileges as from 16 May 2005 under resolution WHA57.5 (if by that time these Members are still in arrears in the payment of their contributions to an extent which justifies invoking Article 7 of the Constitution).

13. The Committee may wish to draft a resolution in accordance with the principles stated in resolution WHA41.7, for consideration by the Fifty-eighth World Health Assembly in respect of Guinea, Paraguay, Peru and Uruguay.

14. The Committee may wish to make recommendations to the Health Assembly in respect of the proposals received from Chad, Georgia, Iraq, Republic of Moldova and Tajikistan.

ANNEX 1
**MEMBERS IN ARREARS IN THE PAYMENT OF THEIR CONTRIBUTIONS TO AN EXTENT
WHICH WOULD JUSTIFY INVOKING ARTICLE 7 OF THE CONSTITUTION**
Status as at 31 March 2005
(US\$)

Members	Amounts payable during									Total
	1987 to 1997	1998	1999	2000	2001	2002	2003	2004	2005	
Members that have lost their voting privileges as from previous Health Assemblies										
Afghanistan	163 370	41 860	12 560	12 620	12 620	12 632	4 213	38 200	8 590	306 665
Antigua and Barbuda	81 580	41 860	8 370	8 410	8 410	8 422	8 422	8 590	12 880	186 944
Argentina			4 213 130	4 562 180	4 562 180	4 597 512	4 026 622	4 735 350	4 103 510	30 800 484
Armenia	2 114 936	209 280	46 040	25 230	25 230	8 422	8 422	8 590	8 590	2 454 740
Central African Republic	93 390	41 860	4 190	4 200	4 200	4 211	4 210	4 290	4 290	164 841
Chad	11 884	41 860	4 190	4 200	4 200	4 211	4 210	4 290	4 290	83 335
Comoros	377 432	41 860	4 190	4 200	4 200	4 211	4 210	4 290	4 290	448 883
Dominican Republic (resolution WHA55.6)										
current year						67 371	67 370	77 430	118 163	330 334
rescheduled arrears						95 788	95 800	95 800	95 800	383 188
Georgia	3 764 317	460 420	79 530	29 440	29 440	21 053	21 053	21 030	12 880	4 439 163
Guinea-Bissau	151 139	41 860	4 190	4 200	4 200	4 211	4 210	4 290	4 290	222 590
Iraq	4 391 247	585 990	184 170	130 350	130 350	166 847	166 847	574 320	68 680	6 398 801
Kyrgyzstan	1 006 901	125 570	33 480	25 230	25 230	4 211	4 210	4 290	4 290	1 233 412
Liberia (resolution WHA52.3)										
current year				8 410	8 410	4 211	4 210	4 290	4 290	33 821
rescheduled arrears			9 516	71 336	71 336	71 336	71 338			294 862
Nauru	32 380	41 855	4 185	4 200	4 200	4 211	4 210	4 290	4 290	103 821
Niger	148 559	41 860	8 370	8 410	8 410	4 211	4 210	4 290	4 290	232 610
Republic of Moldova	2 430 299	334 850	75 340	42 050	42 050	8 422	8 422	8 590	4 290	2 954 313
Somalia	328 773	41 860	4 190	4 200	4 200	4 211	4 210	4 290	4 290	400 224
Suriname		32 428	16 740	16 700	16 700	8 422	8 422	8 590	4 290	112 292
Tajikistan	359 323	83 710	20 930	16 820	16 820	4 211	4 210	4 290	4 290	514 604
Turkmenistan	989 900	125 570	33 480	25 230	25 230	12 632	12 632	12 880	21 460	1 259 014
Other Members concerned (resolution WHA41.7)										
	1987 to 1997	1998	1999	2000	2001	2002	2003	2004	2005	Total
Guinea						12 632	12 632	12 880	12 880	51 024
Paraguay						43 362	59 892	67 390	51 510	222 154
Peru						416 185	418 960	449 150	394 900	1 679 195
Uruguay						180 320	214 960	337 810	204 429	937 519

ANNEX 2

Translated from French

Republic of Chad
Presidency of the Republic
Ministry of Public Health
General Secretariat
N'Djamena, Chad

The Minister of Public Health
To
The Director General
World Health Organization
Geneva

Subject: Proposal by Chad regarding
settlement of its arrears in contributions
to the regular budget of WHO and the
restoration of the privileges
attached to its voting rights

N'Djamena, 4 January 2005

Ref. 006/PR/PM/MSP/SG/04

Dear Dr LEE,

For more than 30 years Chad was the theatre of numerous armed conflicts, which were directly or indirectly one of the causes of the fragility of its economic system.

Being a landlocked country so far from the sea, Chad experiences real difficulties for the import and export of its commercial products.

Chad is one of the countries most frequently liable to drought followed by repeated degradation of its environment that does grave damage to its livestock raising and agriculture.

It is a secret for nobody that Chad is one of the world's poorest countries: according to the Human Development Index (HDI) estimated by the United Nations Development Programme (UNDP) it comes 167th out of 177 countries (UNDP Annual Report 2004).

For these reasons, the annual level of Chad's contributions to the regular budget of the World Health Organization was, for the years prior to 2002, beyond its financial means.

In the light of the above, it is undeniable that the causes and background to Chad's arrears in contributions to the WHO regular budget cannot be ascribed either to negligence or reluctance to pay its dues.

However, bearing in mind that on the one hand Chad is currently experiencing a period of political stability and on the other hand that it is an oil-producing country, and that its annual

contribution to the WHO regular budget has been reduced to some US\$ 4500, the Government of Chad urgently requests the Director General of WHO to:

- Authorize it to pay outstanding contributions for the period 1992-2005, amounting to a total of US\$ 83 335, over a period of four (04) years, i.e. in annual *tranches* of US\$ 20 834, over and above its annual contribution of US\$ 4290, amounting to US\$ 25 124 per year in all;
- Restore to Chad its voting privileges with effect from the 58th World Health Assembly in May 2005.

I look forward to receiving your reply at an early date.

Yours sincerely

(signed)

Mrs Aziza Baroud

cc: Minister of Public Health
Minister of State, Minister for Foreign Affairs and African Integration
WHO Regional Director for Africa
WHO Resident Representative in Chad

ANNEX 3

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MINISTER
OF FOREIGN AFFAIRS OF GEORGIA

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№ 10-08/74

"....." 200

Tbilisi, 28 March 2005

Your Excellency,

I would like to take this opportunity to express the Georgian Government's deep gratitude to the World Health Organization for its overall and substantial support to our country.

I want to assure you that the new government of Georgia is strongly committed to fulfilling its financial obligation on settlement of arrears for the budget of WHO. In this respect, I am pleased to submit for kind consideration of the Administration, Budget and finance Committee of WHO a 15-year repayment scheme of Georgia's outstanding contributions (Please see attached payment scheme).

We expect that this proposal would be acceptable for the Committee and helps to clarify how we plan to proceed in terms of meeting our financial commitments.

In view of aforesaid, we highly appreciate your assistance for consideration restoring of Georgia in its voting privileges, which are currently suspended in accordance with Article 7 of the Constitution of WHO, at the Fifty-eighth World Health Assembly in May 2005.

Please, accept, Your Excellency, the assurances of my highest consideration.

Sincerely,


Salome Gourabidze

H.E. Mr. LEE Jong-wook
Director-General of WHO

4. Chitadze Str., Tbilisi, 0118. Tel.: (995 32) 28 46 48, Fax: (995 32) 28 46 78

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WORLD HEALTH ORGANIZATION

	years	debt	current	payment method	total to pay
1	2006	85,774.81	13,000.00	2006 current+2% of debt	98,774.81
2	2007	85,774.81	13,000.00	2007 current+2% of debt	98,774.81
3	2008	128,622.20	13,000.00	2008 current+3% of debt	141,622.20
4	2009	214,437.03	13,000.00	2009 current+5% of debt	227,437.03
5	2010	214,437.03	13,000.00	2010 current+5% of debt	227,437.03
6	2011	214,437.03	13,000.00	2011 current+5% of debt	227,437.03
7	2012	214,437.03	13,000.00	2012 current+5% of debt	227,437.03
8	2013	214,437.03	13,000.00	2013 current+5% of debt	227,437.03
9	2014	343,099.20	13,000.00	2014 current+8% of debt	356,099.20
10	2015	428,874.05	13,000.00	2015 current+10% of debt	441,874.05
11	2016	428,874.05	13,000.00	2016 current+10% of debt	441,874.05
12	2017	428,874.05	13,000.00	2017 current+10% of debt	441,874.05
13	2018	428,874.05	13,000.00	2018 current+10% of debt	441,874.05
14	2019	428,874.05	13,000.00	2019 current+10% of debt	441,874.05
15	2020	428,914.05	13,000.00	2020 current+10.5% of debt	441,914.05
	4,288,740.50	4,288,740.47	195,000.00		4,483,740.47

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ANNEX 4

TRANSLATION
(Original: Arabic)

Ref. No. : not indicated

Date : 10/3/2005

From : MOH, Iraq

To : DG/WHO

Dear Sir,

Reference is made to the resolutions WHA. 5406 and WHA. 4107, issued by the 54th World Health Assembly, regarding the financial contributions of Iraq. In this respect, we would like to propose that the Iraqi debts, amounting to 6 398 801 USD, be rescheduled, and be paid in annual instalments of 422 000 USD, each, starting from the year 2006 until the year 2019. Noting that the last instalment, in the sum of 422 121 USD, would be paid in the year 2020.

Looking forward to a continuous cooperation between our Ministry and your Organization, in all humanitarian and medical fields.

Yours respectfully,

Ammar Abdul Aziz Al Safar
Undersecretary of Health for Managerial Affairs

ANNEX 5

MINISTRY OF FOREIGN AFFAIRS
OF THE REPUBLIC OF MOLDOVANo. 08/ 2278

The Ministry of Foreign Affairs of the Republic of Moldova presents its compliments to the Regional Office for Europe of the World Health Organization and has the honour to submit herewith, for its kind consideration, a Multy-year payments plan which provides for elimination of the Republic of Moldova arrears to the World Health Organization Budget within a period of 15 years (2006 - 2010).

The Ministry of Foreign Affairs will highly appreciate any support that the esteemed Office could provide, with a view to promote the approval by the WHO Member States of the above-mentioned plan, as well as to restore the voting rights of the Republic of Moldova within the WHO General Assembly.

The Ministry of Foreign Affairs of the Republic of Moldova avails itself of this opportunity to renew to the World Health Organization Regional Office for Europe the assurances of its highest consideration. *S. S.*



Chişinău, March "01", 2005

World Health Organization
Regional Office for Europe
Copenhagen

Multi-year payments plan (2006 - 2020)

The purpose of the present plan is to eliminate Moldova's arrears within a period of 15 years. It provides for payment each year of the Republic Moldova's current year assessment and a part of its arrears.

2006 - 245.000 USD •
2007 - 200.000 USD •
2008 - 200.000 USD •
2009 - 192.088 USD •
2010 - 192.085 USD •
2011 - 192.085 USD •
2012 - 192.085 USD •
2013 - 192.085 USD •
2014 - 192.085 USD •
2015 - 192.085 USD •
2016 - 192.085 USD •
2017 - 192.085 USD •
2018 - 192.085 USD •
2019 - 192.085 USD •
2020 - 192.085 USD •

Total amount pending: 2 950 023 USD

• Plus contributions for the current year

ANNEX 6

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Translated from Russian

Ministry of Health of the Republic of Tajikistan
734025 Dušanbe
k. Ševčenko 69
Tel. (992 372) 21 18 35
Telex: 201185
Fax: (992 372) 21 75 25

N° 1-67220-450

16 March 2005

Tajikistan: Request for restoration of voting rights in return for gradual payment of contributions

Dear Dr Lee,

Allow me first of all to present my compliments and best wishes to you and to the World Health Organization.

As you are aware, the Republic of Tajikistan has been a member of the World Health Organization since May 1992. During these 12 years, we have collaborated closely and fruitfully and our cooperation is now successfully progressing. WHO is involved in every sphere of Tajikistan's health system and its activity covers areas such as health-sector reform, health information systems, reproductive health, communicable and non-communicable diseases, healthy lifestyles and the environment. Thanks to WHO, a significant number of specialists from Tajikistan have been able to take part in international meetings and conferences and to exchange experience with their colleagues. The Ministry of Health and Population of Tajikistan sets great store by its cooperation with WHO and looks forward to continuing fruitful collaboration.

The current economic situation in our Republic does not allow us fully to finance social sectors such as health. In this regard, the Government of Tajikistan relies on support from international organizations.

Dr LEE Jong-wook
Director-General
World Health Organization

Because of the economic depression that affected the Republic of Tajikistan after the break-up of the Soviet Union, the period of transition and the aftermath of the 1992-1997 civil war, the Republic of Tajikistan was unable to pay its annual contribution to WHO and at the present time, despite annual payments, is in arrears with its contributions. As a result, the Republic of Tajikistan has lost its voting rights at the World Health Assembly, and is thus unable to take an active part in the adoption of important decisions.

The Republic of Tajikistan earnestly requests WHO to take into consideration the above and to agree to the following arrangement with regard to its arrears to WHO.

1. As the total amount of arrears, including the contribution for 2004, amounts to US\$ 555 314, Tajikistan undertakes to pay the amount, including its annual contribution of US\$ 4290, over a 10-year period. Thus, the minimum annual payment the Government of Tajikistan undertakes to make is US\$ 59 821.4.
2. For its part, subject to fulfilment of this agreement, and provided it is acceptable to WHO, Tajikistan, requests that its voting rights at the World Health Assembly be restored.

Accept, Sir, the assurances of my highest consideration.

(signed)
N.F. Fajzullaev
Minister

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