EXECUTIVE BOARD 101st Session

Provisional agenda item 14.1

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# Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution: Status as at 1 January 1998

### Report by the Director-General

In accordance with resolutions of the Health Assembly, the Director-General submits the following report on Members in arrears in the payment of their contributions in an amount which equals or exceeds the amounts due for the preceding two full years. As may be noted from Annex 2, the number of Members involved is 37. The voting privileges of 22 of these Members are at present suspended in accordance with past Health Assembly resolutions. The voting privileges of five other Members will be suspended as from the opening of the Fifty-first World Health Assembly in accordance with resolutions WHA50.8 and WHA50.22, if by that time these Members were still to be in arrears to the said extent. The remaining 10 Members will be subject to the procedure specified in resolution WHA41.7. As in the past, the Board may wish to request the Director-General to continue his contacts with the Members concerned and to submit his findings to the Administration, Budget and Finance Committee of the Executive Board which will meet immediately prior to the opening of the Fifty-first World Health Assembly.

#### INTRODUCTION

1. Article 7 of the Constitution reads as follows:

If a Member fails to meet its financial obligations to the Organization or in other exceptional circumstances, the Health Assembly may, on such conditions as it thinks proper, suspend the voting privileges and services to which a Member is entitled. The Health Assembly shall have the authority to restore such voting privileges and services.

2. In May 1955 the Eighth World Health Assembly, in resolution WHA8.13, resolved that:

if a Member is in arrears in the payment of its financial contributions to the Organization in an amount which equals or exceeds the amount of the contributions due from it for the preceding two full years at the time of the opening of the World Health Assembly in any future year, the Assembly shall consider, in accordance with Article 7 of the Constitution, whether or not the right of vote of such a Member shall be suspended.

3. Pursuant to resolution WHA16.20 of the Sixteenth World Health Assembly (May 1963), the Executive Board, at its sessions when the agenda of the Health Assembly is prepared, is required:

to make specific recommendations, with the reasons therefor, to the Health Assembly with regard to any Members in arrears in the payment of contributions to the Organization to an extent which would invoke the provisions of Article 7 of the Constitution.

- 4. In May 1988 the Forty-first World Health Assembly, by resolution WHA41.7, adopted the following statement of principles to be applied in future:
  - 1. Towards the end of the year preceding each Health Assembly, the Director-General will invite Members that will, unless corrective action is taken, be in arrears to an extent which would justify invoking Article 7 of the Constitution pursuant to resolution WHA8.13, to submit to the Executive Board a statement of their intentions as to the payment of arrears so that the Health Assembly, when it considers whether or not the right of vote of those Members is to be suspended, can make its decision on the basis of the statements of the Members and the recommendations of the Executive Board.
  - 2. Unless there are exceptional circumstances justifying a different measure, the Health Assembly will adopt a decision, by a two-thirds majority pursuant to Rule 72 of the Rules of Procedure of the World Health Assembly, under which the voting rights of a Member in arrears to the extent referred to in paragraph 1 above will be suspended as from the opening day of the following Health Assembly if at that time the Member is still in arrears to the extent referred to. If the Member is no longer in arrears to the said extent, the decision will lapse and the suspension will not take effect. Any suspension will be without prejudice to the right to request restoration pursuant to Article 7 of the Constitution.

### MEMBERS THAT HAVE LOST THEIR VOTING PRIVILEGES AS FROM PREVIOUS HEALTH ASSEMBLIES

- 5. In accordance with previous Health Assembly resolutions, the voting privileges of 23 Members (Antigua and Barbuda, Armenia, Azerbaijan, Chad, Comoros, Dominican Republic, Equatorial Guinea, Georgia, Guinea-Bissau, Iraq, Kazakstan, Kyrgyzstan, Latvia, Liberia, Mauritania, Niger, Republic of Moldova, Somalia, Tajikistan, Turkmenistan, Ukraine, Venezuela and Yugoslavia) have been suspended, and the suspension is to continue at the Fifty-first 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. One Member, Venezuela, has made sufficient payments since the Fiftieth World Health Assembly to have its voting privileges restored. The status of the remaining 22 Members remains unchanged.
- 6. In October 1997 the Director-General informed those Members of the minimum amounts that it would be necessary for them to pay prior to the next Health Assembly in order to permit restoration of their voting privileges. Further communications were sent to them by the Director-General in November and December 1997.
- 7. Payments received since adoption of the suspension resolution at the Fiftieth World Health Assembly on 12 May 1997 have been applied as follows:

Member State	Amount US\$	Date received	Credited to:
Dominican Republic	22 686	3 September 1997	1986 special arrangements (balance)
Dominican Republic	73 705	3 September 1997	1987 contribution (balance)
Dominican Republic	183	3 September 1997	1987 special arrangements (part)
Kazakstan	170 465	16 May 1997	1993 contribution (part)
Kazakstan	166 000	1 July 1997	1993 contribution (part)
Kazakstan	221 046	23 October 1997	1993 contribution (part)
Latvia	34 100	20 October 1997	1992 contribution (part)
Republic of Moldova	30 000	30 December 1997	1993 contribution (part)
Tajikistan	5 000	29 May 1997	1993 contribution (part)
Tajikistan	10 000	4 August 1997	1993 contribution (part)

These payments, however, were not sufficient to reduce the arrears of the Members concerned to a level below the amount which would justify invoking Article 7 of the Constitution.

8. Since the closure of the Fiftieth World Health Assembly, the following correspondence indicating payment intentions has been received:

With regard to the outstanding contributions due by Iraq, in a letter dated 26 November 1997, the Permanent Mission of the Republic of Iraq to the United Nations Office and other International Organizations in Geneva, pointed out the difficulties encountered by Iraq on account of the economic sanctions imposed on it. The letter further stated that Iraq would like to obtain the approval of WHO to pay its contribution from the Iraqi frozen assets in foreign banks, or to postpone payment until the sanctions are lifted.

### MEMBERS THAT MAY LOSE THEIR VOTING PRIVILEGES AS FROM THE FIFTY-FIRST WORLD HEALTH ASSEMBLY

- 9. Pursuant to the adoption by the Fiftieth World Health Assembly of resolution WHA50.8, with the required two-thirds majority, the voting privileges of four Members (Afghanistan, Central African Republic, Congo and Djibouti) will be suspended as from the opening of the Fifty-first World Health Assembly on 11 May 1998 if at that time these Members are still in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution.
- 10. In October 1997 the Director-General communicated the text of resolution WHA50.8 to these Members, urging them to pay their arrears in the near future, but in any event, prior to the opening of the Fifty-first World Health Assembly. Further communications were sent to them by the Director-General in November and December 1997.
- 11. Payments received since adoption of the suspension resolution at the Fiftieth World Health Assembly on 12 May 1997 have been applied as follows:

Member State	Amount US\$	Date received	Credited to:
Central African Republic	17 560	14 May 1997	1994 contribution (part)

- 12. No communication has been received from any of these four Members indicating their intentions as to future payment of contributions.
- 13. In addition, the Fiftieth World Health Assembly, on an exceptional basis, restored the vote of two Members, namely, Bosnia and Herzegovina (resolution WHA50.22) and Cuba (resolution WHA50.30). The

Assembly decided that if the Member States in question do not meet the payments as set out in the resolutions, their voting rights would automatically be suspended as from the Fifty-first World Health Assembly. Bosnia and Herzegovina has made no payment since the adoption of resolution WHA50.22 and its voting rights will automatically be suspended. Cuba has made the payments as specified in full for the year 1997 and will therefore not be subject to Article 7 at the Fifty-first World Health Assembly.

#### OTHER MEMBERS CONCERNED

- 14. The following 10 other Members 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: Belarus, Burundi, Ecuador, Gabon, Gambia, Libyan Arab Jamahiriya, Lithuania, Mali, Peru and Yemen. The status of the arrears of contributions of these 10 Members is as shown in Annex 1.
- 15. Pursuant to resolution WHA41.7, unless there are exceptional circumstances justifying a different measure, the Fifty-first World Health Assembly will adopt a decision under which the voting rights of these Members will be suspended as from the opening day of the Fifty-second World Health Assembly in May 1999, if at that time the Members concerned are still in arrears to the extent referred to in paragraph 14 above.
- 16. In October 1997 the Director-General informed these Members of the minimum amounts that it would be necessary for them to pay prior to the 101st session of the Executive Board to avoid consideration by that body of a possible suspension of voting privileges. Further communications were sent by the Director-General in November and December 1997.
- 17. Payment received since adoption of the suspension resolution at the Fiftieth World Health Assembly on 12 May 1997 has been applied as follows:

Member State	Amount US\$	Date received	Credited to:
Belarus	1 909 440	10 July 1997	1995 contribution (balance)
Gabon	73 369	13 May 1997	1994 contribution (balance)
Gabon	11 230	13 May 1997	1995 contribution (part)
Lithuania	166 800	16 May 1997	1994 contribution (balance)
Lithuania	73 270	16 May 1997	1995 contribution (part)
Lithuania	200 000	19 December 1997	1995 contribution (part)
Mali	25 641	16 May 1997	1995 contribution (part)
Yemen	14 022	30 June 1997	1994 contribution (balance)
Yemen	47 048	30 June 1997	1995 contribution (part)

18. No communications have been received from any of these 10 Members indicating their intentions as to future payment of contributions.

### PROPOSED FUTURE ACTION

19. The Director-General will continue efforts to collect the unpaid arrears of contributions from the Members concerned. No action is required of the Board in respect of those Members whose voting privileges remain suspended under previous Health Assembly resolutions, or of those Members which may lose their voting privileges as from 11 May 1998 under resolutions WHA50.8 and WHA50.22. Regarding the 10 remaining Members referred to in paragraph 14 above, the Director-General proposes to report further to the Administration, Budget and Finance Committee of the Executive Board which will meet immediately prior to the opening of the Fifty-first World Health Assembly so that that body can formulate recommendations to the Health Assembly based on the provisions of resolution WHA41.7 and the status of the arrears at that time.

## 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 1 January 1998 (expressed in US dollars)

	Stat	us as at 1	January	1998 (ex	oressed in	US dollar	8)		
				Amounts pa	yable during				
Members	1986 to 1990	1991	1992	1993	1994	1995	1996	1997	Total
Members that have lost their voting privileges as from previous World Health Assemblies									
Antigua and Barbuda Armenia Azerbaijan		17 459	37 290 178 400 93 940	36 695 513 710 880 650	41 070 533 910 862 470	41 070 533 910 862 470	41 570 216 390 468 740	41 570 216 390 468 740	256 724 2 192 710 3 637 010
Chad current year rescheduled arrears			8 194 11 177	36 695 11 177	41 070 11 177	41 070	41 570	41 570	210 169 33 531
Comoros Dominican Republic	137 273	31 055	37 290	36 695	41 070	41 070	41 570	41 570	407 593
current year rescheduled arrears	266 460 76 865	93 170	111 865	73 385	82 140	82 140	41 570	41 570	792 300 76 <b>8</b> 65
Equatorial Guinea Georgia	68 389	31 055	37 290 285 110	36 695 843 950	41 070 862 470	41 070 862 470	41 570 468 740	41 570 468 740	338 709 3 791 480
Guinea-Bissau Iraq Kazakstan	882 182	372 675	33 114 447 465	36 695 477 015 231 061	41 070 533 910 1 396 375	41 070 533 910 1 396 375	41 570 577 040 803 610	41 570 577 040 803 610	235 089 4 401 237 4 631 031
Kyrgyzstan Latvia Liberia	85 817	31 055	71 140 8 650 37 290	220 160 513 710 36 695	246 420 533 910 41 070	246 420 533 910 41 070	128 670 334 875 41 570	128 670 334 875 41 570	1 041 480 2 259 930 356 137
Mauritania Niger	83 817	31 033	37 290	36 236	2 685 41 070	41 070 41 070	41 565 41 570	41 565 41 570	126 <b>88</b> 5 201 516
Republic of Moldova Somalia	58 703	31 055	37 290	547 909 36 695 156 324	616 050 41 070 205 350	616 050 41 070 205 350	340 070 41 570 82 525	340 070 41 570 82 525	2 460 149 329 023 732 074
Tajikistan Turkmenistan Ukraine			21 410	220 160	246 420	246 420	128 670	128 670	991 750
current year rescheduled arrears Yugoslavia		1 090 110	1 519 535	4 256 450 478 022	7 556 865 574 980	7 556 865 574 980	4 553 490 417 395	4 553 490 342 853 417 395	29 996 695 342 853 4 892 542
Members that may lose their voting privileges as from the Fifty-first World Health Assembly (resolution WHA50.8)									
Afghanistan Central African Republic Congo Djibouti					40 255 15 806 61 030 9 887	40 765 41 070 191 070 40 765	41 555 41 570 216 570 41 570	41 555 41 570 216 570 41 570	164 130 140 016 685 240 133 792
Member whose debt was rescheduled that may lose its voting privileges as from the Fifty-first World Health Assembly									
Bosnia and Herzegovina (resolution WHA50.22) current year rescheduled arrears								46 355 107 200	46 355 107 200
Other Members concerned (resolution WHA41.7)									
Belarus current year rescheduled arrears Burundi Ecuador Gabon Gambia						22 155 111 828 69 890 27 525 113 768	1 158 595 41 570 82 525 41 570 41 570 829 575	1 158 595 90 837 41 570 82 525 41 570 41 570 829 575	2 317 190 90 837 105 295 276 878 153 030 110 665 1 772 918
Libyan Arab Jamahiriya Lithuania Mali Peru Yemen						342 780 643 185 057 14 022	340 070 41 555 247 360 51 570	340 070 41 555 247 360 51 570	1 772 918 1 022 920 83 753 679 777 117 162
Total	1 575 689	1 697 634	4 316 110	9 716 784	14 720 670	15 822 238	12 153 135	12 740 380	72 742 640
								1	

ANNEX 2
ANALYSIS OF STATUS OF MEMBERS SUBJECT TO ARTICLE 7 AS AT 1 JANUARY 1998

Ranked by debt	e pt			s on Artic	times on Article 7 list on	Sorted by United Nations country	itions cou	ntry	Sorted by WHO region	O region	
			1 January of last	or last 10 years		Cidasille					
Members	Rank	Amount	Members	No. of times	Amount	Members	Status	Amount	Members	Region	Amount
Ukraine	1	30 339 548	Burundi	10	105 295	Afqhanistan	רםכ	164 130	Burundi	ΑF	105 295
Yugoslavia	7	4 892 542	Comoros	9	407 593	Burundi	2	105 295	Central African Republic	Ą	140 016
Kazakstan	ო	4 631 031	Dominican Republic	우	869 165	Central African Republic	2	140 016	Chad	Ą	243 700
Iraq	4	4 401 237	Equatorial Guinea	2	338 709	Chad	ട്ട ട്ട	243 700	Comoros	¥.	407 593
Georgia	2	3 791 480	Guinea-Bissau	5	235 089	Comoros	2	407 593	Congo	AF	685 240
Azerbaijan	9	3 637 010	Liberia	5	356 137	Djibouti	ည	133 792	Equatorial Guinea	ΑF	338 709
Republic of Moldova	۲-	2 460 149	Peru	2	679 777	Equatorial Guinea	ည္	338 709	Gabon	¥	153 030
Belarus	80	408	Antigua and Barbuda	6	256 724	Gambia	ည္	110 665	Gambia	¥	110 665
Latvia	<u>ი</u>	259	Congo	o	685 240	Guinea-Bissau	2	235 089	Guinea-Bissau	Α;	235 089
Amenia	9		Chad	œ (	243 700	Liberia	3	356 137	Liberia	4 5	356 137
Libyan Arab Jamahiriya	= ;	1 772 918	Iraq	· ·	4 401 237	Mail	35	83 /33	Marie de la constant	¥ 4	126 985
Kyrgyzstan	7 5	1 041 480	Maurtania	0 0	204 646	Maoriania	35	201 516		Lu	201 516
Tutmoniston	2 5	022 320	Somelia	ο α	320 023	Sometia	35	329 023	Antique and Barbuda	¥	256 724
Dominican Republic	. v	869 165	Carlana	о «с	153 020	Yemen	30	117 162	Dominican Republic	₹	869 165
Taiikistan	. 4	732 074	atvia	, v	2 259 930	Amenia	3 12	2 192 710	Ecuador	₹	276 878
Condo	1	685 240	Ukraine	2	30 339 548	Azerbaijan	Ш	3 637 010	Peru	₹	777 679
Dec	18	679 777	Yemen	. 20	117 162	Belarus	ш	2 408 027	Amenia	교	2 192 710
Comoros	19	407 593	Yugoslavia	2	4 892 542	Georgia	Б	3 791 480	Azerbaijan	급	3 637 010
Liberia	20	356 137	Armenia	4	2 192 710	Kazakstan	ᆸ	4 631 031	Belarus	교	2 408 027
Equatorial Guinea	21	338 709	Azerbaijan	4	3 637 010	Kyrgyzstan	i i	1 041 480	Bosnia and Herzegovina	⊒ :	153 555
Somalia	55	329 023	Bosnia and Herzegovina	4	153 555	Latvia	ti l	2 259 930	Georgia	3:	3 791 480
Ecuador	23	276 878	Djibouti	4 .	133 /92	Lithuania	ūl	028 220 1	Kazakstan	2 :	4 051 051
Antigua and Barbuda	7 2	256 /24	Ecuador	4 4	2/68/8	Republic of Moldova	ս ե	732 074	Nyrgyzstan I afuia	2 =	2 250 930
Chad	2 2	235 780	Kazaketan	* =	2 5	Turkmenistan	. t	991 750	- ithingia	3 =	1 022 920
Guinea-Dissau Nicer	2,0	201 516	Kymyzstan	. 4	1041480	Ukraine	<u> </u>	30 339 548	Republic of Moldova	3 🖫	2 460 149
Afahanistan	2 %	164 130	Republic of Moldova	4	2 460 149	Antiqua and Barbuda	20	256 724	Tajikistan	<u> </u>	732 074
Bosnia and Herzegovina	53	153 555	Tajikistan	4	732 074	Bosnia and Herzegovina	8	153 555	Turkmenistan	<u></u>	991 750
Gabon	3	153 030	Turkmenistan	4	991 750	Congo	8	685 240	Ukraine	교	30 339 548
Central African Republic	31	140 016	Central African Republic	6	140 016	Dominican Republic	8	869 165	Yugoslavia	교 i	4 892 542
Djibouti	35	133 792	Libyan Arab Jamahiriya	e .	1 772 918	Ecuador	8	276 878	Afghanistan	<u>X</u>	164 130
Mauritania	33	126 885	Lithuania	ი (	1 022 920	Gabon	28	153 030	Djibouti	<u> </u>	133 /92
Yemen	4 4	110 665	Aignanistan	7 0	110 665	I ihvan Arah Jamahiriva	38	1 772 918	Libyan Arab Jamahiriya		
Burnodi	3 %	105 295	Belans	1 4-	2 408 027	Peru	88	679 777	Somalia	<b>∑</b>	329 023
Mai	37	83 753	Mali			Yugoslavia	2	4 892 542	Yemen	EM	117 162
Total		72 742 640	Total		72 742 640	Total	37	72 742 640	Total	37	72 742 640
			Frequency	No.	Amount	Country status	Š.	Amount	WHO region	è	Amount
			6 or more times		9 389 120	DC-Developing countries	10	14 141 066	AF-Africa	5	3 187 628
	alaylo		1 to 5 times	22	63 353 520	ET-Economies in transition	12	55 508 109		4 ;	2 082 544
	516 (18)					LDC-Least developed countries	15	3 093 465	EU-Europe EM-Eastern Mediterranean	<u>4</u> 0	60 554 206 6 918 262
			Total	37	72 742 640	Total	37	72 742 640	Total	37	72 742 640
				,							