



WORLD HEALTH ORGANIZATION

FIFTY-NINTH WORLD HEALTH ASSEMBLY
Provisional agenda items 15.1 and 15.2

A59/26
19 May 2006

Status of collection of assessed contributions, including Member States in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears

First report of the Programme, Budget and Administration Committee of the Executive Board to the Fifty-ninth World Health Assembly

I. STATUS OF COLLECTION

1. The fourth meeting of the Programme, Budget and Administration Committee was held in Geneva on 19 May 2006 under the chairmanship of Ms J. Halton (Australia).¹
2. The Committee considered the status of collection of assessed contributions,² including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears, and proposals by Afghanistan, Armenia, Central African Republic, Dominican Republic and Turkmenistan (see Annex).
3. The Committee noted that the rate of collection of assessed contributions for 2006 was 58% at 30 April 2006, rising to 63.5% at the date of the meeting, compared with 61% at 30 April 2005. The 90% collection rate for the year end 31 December 2005 was also noted.
4. The Committee noted that the total due for prior years had been reduced to US\$ 68 million, compared with US\$ 85 million at 30 April 2005, not including rescheduled arrears, which account for a further amount of US\$ 57 million unpaid assessments. That was an improvement compared to the situation at 31 December 2005, at which date a total of US\$ 140 million was outstanding, including US\$ 58 million for special arrangements.
5. The voting privileges of 15 Members (Afghanistan, Antigua and Barbuda, Argentina, Armenia, Central African Republic, Comoros, Dominican Republic, Guinea-Bissau, Kyrgyzstan, Liberia, Nauru,

¹ For list of participants, see document A59/29, Annex.

² For status of collection of assessed contributions as at 30 April 2006, see document A59/INF.DOC./2.

Niger, Somalia, Suriname and Turkmenistan) remained suspended, and that suspension would continue at the Fifty-ninth and subsequent Health Assemblies until the arrears had been reduced to a level below the amount which would justify invoking Article 7 of the Constitution. Contributions had subsequently been received from Afghanistan, Comoros and Liberia, but were insufficient to remove them from the provision of Article 7.

6. The Committee noted that payment had been received from Uruguay, with the result that resolution WHA58.7 would not take effect with respect to that Member, whose voting rights would not be suspended at the opening of the Fifty-ninth World Health Assembly.

7. The Committee considered the situation of the seven Member States whose arrears at 31 March 2006 would justify adoption of a resolution under which their voting rights would be suspended from the opening of the Sixtieth World Health Assembly. Since 31 March, payments have been received from Belarus, Gambia, Papua New Guinea and Peru that were sufficient to obviate such a resolution.

8. In respect of the remaining three Members, Bolivia, Democratic Republic of the Congo and Dominica, the Committee decided that a resolution should be drafted by which their voting rights would be suspended from the opening of the Sixtieth World Health Assembly unless sufficient payment had been received by the said opening.

II. SPECIAL ARRANGEMENTS FOR SETTLEMENT OF ARREARS

9. The Committee discussed at some length the ways in which current arrangements operated with respect to collection of long-overdue arrears, the application of Article 7 of the Constitution, and the mechanisms for rescheduling of prior years' arrears. It was clarified that, although Article 7 of the Constitution stated that "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", in practice the services to a Member State had never been suspended. There was a clear separation between provision of services, which should be based on health needs, and the suspension of voting rights due to non-payment. It was also clarified that no interest was charged on amounts overdue.

10. The Committee recommended that as a guiding principle, the maximum period for rescheduling arrears should be limited to 15 years. However, in exceptional circumstances the Committee could consider a proposal for more than 15 years, in which case the Secretariat should request the concerned Member State to provide detailed information and justification to the Committee. This principle would apply for all future requests.

11. The Committee recommended that the Secretariat should maintain contact with those Member States which fell under the provision of Article 7 of the Constitution in order to explore possible proposals for rescheduling of arrears, and to report to it on a regular basis on the progress of such contact.

12. The Committee noted that should Member States not adhere to the repayment plan, their voting privileges would be automatically suspended.

13. The Committee recommended that, in those cases where payment plans were approved for 10 years or more, the Secretariat should after five years explore with the Member State concerned

whether additional repayments could be made in order to shorten the remaining period. This recommendation acknowledged that economic circumstances might change significantly over time.

14. The Committee agreed to recommend the proposals made by Afghanistan, Armenia, Central African Republic, Dominican Republic and Turkmenistan. With respect to the proposal made by Armenia, which was three years longer than the “guiding principle” of 15 years set out above, in view of the exceptional circumstances explained in its request, and given that this request preceded the new guidance, the Committee concluded that it could support the proposal for an 18-year repayment period.

III. RECOMMENDATIONS TO THE HEALTH ASSEMBLY

15. The Committee recommended the following draft resolutions for consideration by the Fifty-ninth World Health Assembly:

The Fifty-ninth World Health Assembly,

Having considered the first report of the Programme, Budget and Administration Committee of the Executive Board to the Fifty-ninth World Health Assembly on Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears;¹

Noting that, at the time of opening of the Fifty-ninth World Health Assembly, the voting rights of Afghanistan, Antigua and Barbuda, Argentina, Armenia, Central African Republic, Comoros, Dominican Republic, Guinea-Bissau, Kyrgyzstan, Liberia, Nauru, Niger, Somalia, Suriname and Tajikistan remained suspended, such suspension to continue until the arrears of the Member State concerned have been reduced, at the present or future Health Assemblies, to a level below the amount which would justify invoking Article 7 of the Constitution;

Noting that Bolivia, Democratic Republic of Congo and Dominica were in arrears at the time of the opening of the Fifty-ninth World Health Assembly to such an extent that it was necessary for the Health Assembly to consider, in accordance with Article 7 of the Constitution, whether or not the voting privileges of those countries should be suspended at the opening of the Sixtieth Health Assembly,

DECIDES:

(1) that in accordance with the statement of principles set out in resolution WHA41.7 if, by the time of the opening of the Sixtieth World Health Assembly, Bolivia, Democratic Republic of the Congo and Dominica are still in arrears in the payment of their contributions to an extent that would justify invoking Article 7 of the Constitution, their voting privileges shall be suspended as from the said opening;

¹ Document A59/26.

(2) that any suspension which takes effect as aforesaid shall continue at the Sixtieth and subsequent Health Assemblies, until the arrears of Bolivia, Democratic Republic of the Congo and Dominica have been reduced to a level below the amount which would justify invoking Article 7 of the Constitution;

(3) that this decision shall be without prejudice to the right of any Member to request restoration of its voting privileges in accordance with Article 7 of the Constitution.

16. The Committee further recommended the following resolutions in respect of requests for special arrangements by Afghanistan, Armenia, Central African Republic, Dominican Republic and Turkmenistan.

A. The Fifty-ninth World Health Assembly,

Having considered the first report of the Programme, Budget and Administration Committee of the Executive Board on the Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears,¹ with respect to the request of Afghanistan for the settlement of its outstanding contributions,

1. DECIDES to restore the voting privileges of Afghanistan at the Fifty-ninth World Health Assembly;

2. ACCEPTS that Afghanistan shall pay its outstanding contributions, totalling US\$ 232 500, in 14 annual instalments payable in each of the years 2007 to 2020, as set out below, in addition to the annual contributions due during the period:

	US \$
2007	16 600
2008	16 600
2009	16 600
2010	16 600
2011	16 600
2012	16 600
2013	16 600
2014	16 600
2015	16 600
2016	16 600
2017	16 600
2018	16 600
2019	16 600
2020	16 700
Total	232 500

¹ Document A59/26.

3. DECIDES that, in accordance with Article 7 of the Constitution, voting privileges shall be automatically suspended again if Afghanistan does not meet the requirements laid down in paragraph 2 above;

4. REQUESTS the Director-General to report to the Sixtieth World Health Assembly on the prevailing situation;

5. REQUESTS the Director-General to communicate this resolution to the Government of Afghanistan.

...

B. The Fifty-ninth World Health Assembly,

Having considered the first report of the Programme, Budget and Administration Committee of the Executive Board on the Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears,¹ with respect to the request of Armenia for the settlement of its outstanding contributions,

1. DECIDES to restore the voting privileges of Armenia at the Fifty-ninth World Health Assembly;

2. ACCEPTS that Armenia shall pay its outstanding contributions, totalling US\$ 2 446 150, in 18 annual instalments payable in each of the years 2006 to 2023, as set out below, in addition to the annual contributions due during the period:

	US\$
2006	45 300
2007	45 300
2008	67 950
2009	67 950
2010	90 600
2011	90 600
2012	113 250
2013	113 250
2014	135 900
2015	135 900
2016	158 550
2017	158 550
2018	181 200
2019	181 200
2020	203 850

¹ Document A59/26.

	US\$
2021	203 850
2022	226 500
2023	226 450
Total:	2 446 150

3. DECIDES that, in accordance with Article 7 of the Constitution, voting privileges shall be automatically suspended again if Armenia does not meet the requirements laid down in paragraph 2 above;

4., REQUESTS the Director-General to report to the Sixtieth World Health Assembly on the prevailing situation;

5. REQUESTS the Director-General to communicate this resolution to the Government of Armenia.

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C. The Fifty-ninth World Health Assembly,

Having considered the first report of the Programme, Budget and Administration Committee of the Executive Board on the Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears,¹ with respect to the request of Central African Republic for the settlement of its outstanding contributions,

1. DECIDES to restore the voting privileges of Central African Republic at the Fifty-ninth World Health Assembly;

2. ACCEPTS that Central African Republic shall pay its outstanding contributions, totalling US\$ 164 841, in five annual instalments payable in each of the years 2006 to 2010, as set out below, in addition to the annual contributions due during the period:

	US\$
2006	32 970
2007	32 970
2008	32 970
2009	32 970
2010	32 961
Total	164 841

¹ Document A59/26.

3. DECIDES that, in accordance with Article 7 of the Constitution, voting privileges shall be automatically suspended again if Central African Republic does not meet the requirements laid down in paragraph 2 above;

4. REQUESTS the Director-General to report to the Sixtieth World Health Assembly on the prevailing situation;

5. REQUESTS the Director-General to communicate this resolution to the Government of Central African Republic.

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D. The Fifty-ninth World Health Assembly,

Having considered the first report of the Programme, Budget and Administration Committee of the Executive Board on the Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears,¹ with respect to the request of Dominican Republic for the settlement of its outstanding contributions,

1. DECIDES to restore the voting privileges of Dominican Republic at the Fifty-ninth World Health Assembly;

2. ACCEPTS that Dominican Republic shall pay its outstanding contributions, totalling US\$ 1 019 572, in 15 annual instalments payable in each of the years 2006 to 2020, as set out below, in addition to the annual contributions due during the period:

	US\$
2006	67 970
2007	67 970
2008	67 970
2009	67 970
2010	67 970
2011	67 970
2012	67 970
2013	67 970
2014	67 970
2015	67 970
2016	67 970
2017	67 970

¹ Document A59/26.

	US\$
2018	67 970
2019	67 970
2020	67 992
Total	1 019 572

3. DECIDES that, in accordance with Article 7 of the Constitution, voting privileges shall be automatically suspended again if Dominican Republic does not meet the requirements laid down in paragraph 2 above;

4. REQUESTS the Director-General to report to the Sixtieth World Health Assembly on the prevailing situation;

5. REQUESTS the Director-General to communicate this resolution to the Government of Dominican Republic.

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E. The Fifty-ninth World Health Assembly,

Having considered the first report of the Programme, Budget and Administration Committee of the Executive Board on the Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution and special arrangements for settlement of arrears,¹ with respect to the request of Turkmenistan for the settlement of its outstanding contributions,

1. DECIDES to restore the voting privileges of Turkmenistan at the Fifty-ninth World Health Assembly;

2. ACCEPTS that Turkmenistan shall pay its outstanding contributions, totalling US\$ 1 259 014, in 10 annual instalments payable in each of the years 2006 to 2015, as set out below, in addition to the annual contributions due during the period:

	US\$
2006	125 900
2007	125 900
2008	125 900
2009	125 900
2010	125 900
2011	125 900
2012	125 900
2013	125 900

¹ Document A59/26.

	US\$
2014	125 900
2015	125 914
Total	1 259 014

3. DECIDES that, in accordance with Article 7 of the Constitution, voting privileges shall be automatically suspended again if Turkmenistan does not meet the requirements laid down in paragraph 2 above;
4. REQUESTS the Director-General to report to the Sixtieth World Health Assembly on the prevailing situation;
5. REQUESTS the Director-General to communicate this resolution to the Government of Turkmenistan.