Status of collection of assessed contributions, including Members in arrears to an extent which would justify invoking Article 7 of the Constitution

Report by the Secretariat

1. In order that WHO may deliver the approved programme budget in full, contributions from Member States must be received in full and on time. All Member States are required under Financial Regulation 6.4 to pay their contribution as of 1 January of the year in which they are due. Low annual rates of collection have been of serious concern to successive Executive Boards and Health Assemblies.

2. The rate of collection as at 31 December 2000 was 87%. This is the highest rate for the past 15 years. Contributions in full had been received from 119 of the 193 Members and Associate Members. The rate of collection as at 31 March 2001 was 23% compared with 20% at 31 March 2000. Annex 1 shows the status of collection as of 31 March 2001 for all Members and Associate Members. The improvement in the amount collected is welcomed, but attention is nevertheless drawn to the fact that 77% of the 2001 contributions remained unpaid at 31 March 2001, creating a need to draw funds from the Working Capital Fund in order to meet the needs of programme budget implementation.

3. Total unpaid contributions as at 31 March 2001 were US$ 453.6 million, and included US$ 6.6 million due under special arrangements authorized by the Health Assembly but which may be paid in the future under instalment schemes. The equivalent total owing at 31 March 2000 was US$ 494.3 million, including US$ 7.6 million due under Special Arrangements (see Annex 1, Sections 2 and 3).

4. 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”.

5. In accordance with previous Health Assembly resolutions, the voting privileges of the 22 Member States as listed in Annex 2 have been suspended, the suspension to continue at the Fifty-fourth 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. As at 31 March 2001, none of these Member States had yet made payments that would result in the restoration of their voting privileges.
6. Pursuant to the adoption of resolution WHA53.2 by the Fifty-third World Health Assembly, the voting privileges of Nauru and Nigeria will be suspended as from the opening of the Fifty-fourth World Health Assembly on 14 May 2001 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.

7. Ten other Members (Argentina, Belarus, Burundi, Djibouti, Democratic Republic of the Congo, Guinea, Mauritania, Peru, Suriname and Togo) 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 2.

8. Pursuant to resolution WHA41.7, unless there are exceptional circumstances justifying a different measure, the Fifty-fourth World Health Assembly will adopt a resolution under which the voting privileges of these Members will be suspended as from the opening day of the Fifty-fifth World Health Assembly in May 2002, if at that time the Members concerned are still in arrears to the extent referred to in paragraph 7 above.

9. An amount of US$ 5.5 million owed by the former Yugoslavia, which ceased to be a Member State of WHO on 28 November 2000 when the Federal Republic of Yugoslavia became a Member State, has been excluded from the amounts owed by Member States and has been shown as a footnote on page 5 of Annex 1.

**ACTION BY THE ADMINISTRATION, BUDGET AND FINANCE COMMITTEE**

10. 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 14 May 2001 under resolution WHA53.2 (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).

11. The Committee may wish to draft a resolution in accordance with the principles stated in resolution WHA41.7, for consideration by the Fifty-fourth World Health Assembly in respect of Argentina, Belarus, Burundi, Djibouti, Democratic Republic of the Congo, Guinea, Mauritania, Peru, Suriname and Togo.