



# CONFERENCE

## Forty-third Session

Rome, 1-7 July 2023

### **Procedures for the restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization (Draft Resolution)**

*Extract from the Report of the 172nd Session of Council (24-28 April 2023)*

37. The Council reviewed the Draft Resolution contained in document CL 172/14, *Restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization*, and:

- a) expressed its appreciation for the informal consultations undertaken by the ICC which resulted in consensus among Members on the Draft Resolution;
- b) took note of the recommendations made by the CCLM and the FC and stressed the need to ensure consistency in the six languages of FAO for the Draft Resolution;
- c) noted with appreciation the confirmation of the CCLM that the Draft Resolution, as revised by the CCLM, is consistent with the Basic Texts of the Organization; and
- d) recommended submission of the Draft Resolution, as reproduced in *Appendix D* to this Report, to the 43rd Session of the Conference for adoption.

## Resolution .../2023

### Procedures for the restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization

#### THE CONFERENCE,

**Reaffirming** Article III, paragraph 4 and Article XVIII of the Constitution and the obligation of each Member Nation and Associate Member to contribute annually to the Organization its share of the budget, as apportioned by the Conference, and **urging** all Member Nations and Associate Members to pay their assessed contributions in full, on time and without conditions;

**Noting** the critical liquidity situation of the Regular Programme as a result of delays in the payment of contributions and the continued high level of contributions that remained unpaid from prior years, in particular by major contributors;

**Noting** that Member Nations are quarterly informed about Member Nations in arrears and that every Member in arrears will be notified two months in advance of the Conference, in accordance with Rule XXXVIII, paragraph 2(j) of the General Rules of the Organization;

**Acknowledging** the necessity of maintaining sufficient cash flow to cover obligations and ensure implementation of the approved Programme of Work;

**Acknowledging** the need for a more specific procedure for the restoration of voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization in accordance with Article III, paragraph 4, of the Constitution;

1. **Decides** to adopt the procedures as outlined in this Resolution for the restoration of voting rights under Article III, paragraph 4 of the Constitution:

a) Member Nations in arrears requesting the restoration of voting rights under Article III, paragraph 4 of the Constitution should provide an explanation of the nature of the conditions beyond the Member Nation's control leading to the failure to pay, and are encouraged to provide:

- i. the fullest possible supporting information, which may include, where possible, information on economic aggregates, government revenues, and expenditure, foreign exchange resources, indebtedness, difficulties in meeting domestic or international financial obligations;
- ii. an indication of the measures which will be taken in order to settle the arrears; and
- iii. any other information that might support the claim that failure to make necessary payments had been attributable to conditions beyond the control of the Member Nations.

b) **Requests** applications for the restoration of voting rights under Article III, paragraph 4 of the Constitution to be submitted by Member Nations in writing to the Secretary-General of the Conference preferably two weeks ahead of the session of the Conference concerned, to ensure a complete review of the requests by the General Committee.

c) **Requests** applications for the restoration of voting rights under Article III, paragraph 4 of the Constitution to be submitted in writing by the Permanent Representative of the Member Nation or the designated *chargé d'affaires*, or the responsible minister of the government of the Member Nation as defined by Rule III, paragraph 2 of the General Rules of the Organization.

d) Member Nations in arrears who wish to reschedule the payment of their arrears as part of an arrangement to have their voting rights restored should submit with their request in writing to the Director-General a written payment plan.

- e) The payment plan as referred to in sub-paragraph 1, d) should include the following information:
- i. the total amount due, including the current year's assessment;
  - ii. the period over which payment is proposed;
  - iii. the minimum amount of payment that the Member Nation intends to make each year;
  - iv. the date and the amount of the first payment;
  - v. an indication of whether the Member Nation expects to request approval from the Director-General to make the payment in local currency, in accordance with the Financial Regulations and rules, and with relevant resolutions of the Conference; and
  - vi. a commitment from the Member Nation to pay its future assessed contributions in full and on time and in accordance with the Financial Regulations.
2. **Requests** FAO to continue to maintain a publicly accessible, exhaustive and up-to-date information section on the FAO website reflecting the status of payment of assessed contributions.
3. **Requests** the Director-General to include the present Resolution in the notification which is sent to Member Nations in arrears two months in advance of the Conference, as well as publish it on the website of FAO and in an Information Note for the Conference.

(Adopted on ... 2023)