



WORKING PAPER

ASSEMBLY — 37TH SESSION

**EXECUTIVE COMMITTEE
ADMINISTRATIVE COMMISSION**

Agenda Item 18: Contributions in arrears

Agenda Item 67: Contributions in arrears

FINANCIAL ASPECTS OF THE QUESTION OF CONTRIBUTIONS IN ARREARS

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

This paper provides information on the status of contributions in arrears and of Contracting States that had their voting rights deemed suspended as at 28 February 2010. This working paper also deals with the impact of delays in receipt of contributions, measures in dealing with contributions in arrears and the incentive scheme for settlement of arrears.

The list of States that are in arrears is in Appendix A; States that have entered into agreements to settle their outstanding assessments over a period of years are listed in Appendix B; and States that have their voting rights deemed suspended are in Appendix C. A draft Assembly Resolution is included in Appendix D to direct the Secretary General to report to the Council any voting rights deemed to be suspended or suspension revoked under Resolving Clause 6, and to apply measures stipulated in Resolving Clause 9. A revision is proposed to Resolving Clause 4 a), which sets out the pre-conditions for entering into an agreement for repayment of arrears, as described in paragraph 3.3.2.

Action: The Assembly is invited to approve the draft Resolution in Appendix D to this working paper.

<i>Strategic Objectives:</i>	This working paper relates to Supporting Implementation Strategy 4 and does not relate to any specific Strategic Objective.
<i>Financial implications:</i>	The delay in the receipt of contributions impacts the cash resources of the Organization and could impact programme delivery.
<i>References:</i>	Doc 9902, <i>Assembly Resolutions in Force (as of 28 September 2007)</i> Doc 7515, <i>The ICAO Financial Regulations</i> Doc 7300, <i>Convention on International Civil Aviation</i> , signed at Chicago on 7 December 1944 and amended by the ICAO Assembly

1. INTRODUCTION

1.1 Article 62 of the *Convention on International Civil Aviation* (Chicago, 1944) stipulates that the Assembly may suspend the voting rights in the Assembly and in the Council of any Contracting State that fails to discharge, within a reasonable period, its financial obligations to the Organization. Assembly Resolution A36-33 contains resolving clauses that, *inter alia*, require Contracting States to recognize the necessity to pay their contributions in the year in which they fall due, set out the conditions and terms under which Contracting States may enter into agreements to liquidate long-outstanding arrears, and make reference to the application of the provisions of Article 62 of the Convention relating to the suspension of voting rights. Assembly Resolution A36-33 also directs the Council to further intensify the current policy of inviting States in arrears to make settlement proposals in accordance with the provisions of the Assembly.

1.2 Assembly Resolution A35-27 describes the incentives for the settlement of long outstanding arrears. In addition, Assembly Resolution A35-27, *inter alia*, requests the Council to closely monitor the question of outstanding contributions, the effect of the incentive schemes on payment of arrears by States, and to report to the next ordinary session of the Assembly on the results of their efforts, including other measures to be considered. This paper addresses these requirements.

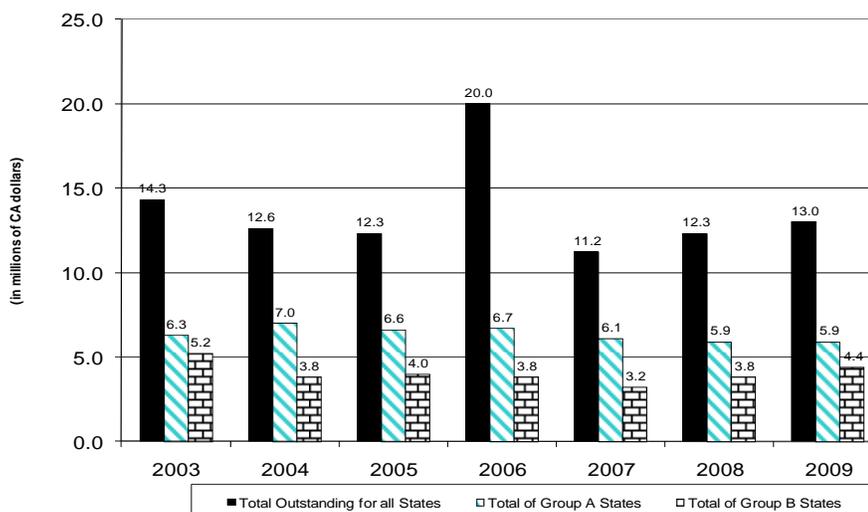
2. STATUS OF CONTRIBUTIONS IN ARREARS

2.1 Status of Contributions in Arrears since 2003

2.1.1 Figure 1 below shows the comparative position of total outstanding assessments as at 31 December for the years 2003 to 2009. The figure also shows separately the arrears for Group A and Group B States (please refer to the definition in paragraph 2.2).

2.1.2 The outstanding assessments of Group B States decreased from a peak of \$ 5.2 million as at 31 December 2003 to a low of \$ 3.2 million as at 31 December 2007 as more States entered into agreements to settle their long-outstanding arrears. It has increased slightly to \$ 4.4 million in December 2009. The combined outstanding assessments in respect of Group A and Group B States improved slightly over the years from \$ 11.5 million as at December 2003 to \$ 10.3 million as at 31 December 2009.

FIGURE 1
ASSESSMENTS RECEIVABLE FROM CONTRACTING STATES
AS AT 31 DECEMBER



2.2 Status of Contributions in Arrears as at 31 December 2009

2.2.1 The total contributions in arrears as at 31 December 2009 was \$ 13.0 million of which \$ 10.6 million was in arrears in respect to 2008 and prior years and \$ 2.4 million related to 2009. Appendix A contains a schedule of unpaid contributions as at 31 December 2009 for all financial years presented in the following four groups:

Group A - States that have concluded agreements with the Council to liquidate their arrears over a period of years in accordance with Assembly Resolution A36-33, Resolving Clauses 3 and 4. (26 States)

Group B - States with contributions in arrears equivalent to the assessments of the three preceding years or more and which have not concluded agreements with the Council to liquidate their arrears. (10 States)

Group C - States with contributions in arrears for more than one year, but less than three full years. (14 States)

Group D - States with contributions outstanding only for the year 2009. (27 States)

2.2.2 In accordance with their agreements, Group A States are required to pay the current year assessment and an agreed annual instalment to liquidate long-outstanding prior years' arrears of assessments. Appendix B shows the status of assessments and instalments outstanding for prior years in respect of Group A States as at 31 December 2009.

2.3 Impact of Delays in Receipt of Contributions

2.3.1 Delays in the payment of contributions by Contracting States against the current year assessments and arrears, which continue to be a matter of concern, have an adverse impact on the cash position of the Organization and the possible delay in the implementation of the work programmes. Member States have an obligation to ensure that the Organization continues to operate effectively. In previous triennia, accumulated cash surplus covered shortfall in receipt of the current year's dues. However, cash surplus has been earmarked and is not as available as before.

3. MEASURES IN DEALING WITH CONTRIBUTIONS IN ARREARS

3.1 Advising States of Balances Outstanding

3.1.1 The Organization follows up on the collection of assessments in accordance with Resolving Clause 2 of Assembly Resolution A36-33, Financial Regulations 6.4 and 6.5, and Financial Rule 106.4. For practical reasons, the State letters have been issued in May (reflecting status at April) upon completion of the External Audit, in July (for status at June) and November (for status at October, as well as to inform of the assessment for the following year). In addition, since 2004, the status of contributions has been published on the ICAO web site, with access restricted to Contracting States only, to further enhance the frequency and timeliness of the information available to Contracting States.

3.2 Suspension of Voting Rights under Assembly Resolution A36-33

3.2.1 The power to suspend voting rights is provided under Article 62 of the Convention. In accordance with Clause 6 of Assembly Resolution A36-33, the voting rights in the Council and Assembly are suspended for States that have failed to discharge their financial obligations to the Organization equivalent to the preceding three years' assessments or more, and which have not concluded an agreement or have not complied with the terms of the agreement. Since the effective date of this Resolution from 1 January 2008, Clause 6 has been applied automatically and consistently by the Secretariat through a close monitoring of unpaid assessments. During the Council's 179th Session, the Secretariat specified that the application of Clause 6 did not require the Council's approval, and the Secretariat's role was to indicate the impact of its application. In order to clarify the resolution, it is proposed to add a clause (Clause 11) to the proposed Assembly Resolution as reflected in Appendix D.

3.2.2 Appendix C presents the arrears of the 23 Contracting States that fall within Article 62 of the Convention, relating to the suspension of voting rights, as at 31 December 2009.

3.2.3 It should be noted that some States delay paying their obligations until immediately prior to the Assembly, and pay only the minimum amount required to reinstate their voting rights. For States with agreements, the minimum amount needed to reinstate voting rights comprises the assessments and instalments due in accordance with their agreement.

3.2.4 Resolving Clause 6 of Assembly Resolution A36-33 provides that suspension of voting rights will be immediately revoked upon either the payment in full of contributions that are in arrears for at least three years or the conclusion with the Council of an agreement to liquidate arrears over a period of time and compliance with the terms of the agreement. It should be noted that with effect from 1 January 2005, the voting rights of a State with an agreement is suspended if it is not in compliance with the terms of its agreement, irrespective of the amount of arrears outstanding. Since 1 January 2005, the treatment of Group A and Group B States as concerns reinstatement of voting rights differs: Group B States would be required to bring the balance of arrears outstanding below the level of three preceding years' assessments, whereas Group A States would be required to comply with the terms of their agreement irrespective of the amount of arrears outstanding.

3.2.5 The Council, being very concerned with the level of the arrears, recommended during the previous triennium, the approval of additional measures needed to encourage Contracting States to pay their contributions when due. These measures were approved in Assembly Resolution A35-26, Clause 9 for application to the Contracting States whose voting rights have been suspended under Article 62 of the Convention with effect from 1 January 2005. These measures have been applied by the Secretary General and monitored by the Council. It is proposed to maintain these practices as a directive in Clause 9 to the resolution presented in Appendix D.

3.2.6 The Council also recommended that only those States that have no outstanding annual assessed contributions except for the current year's assessment be eligible for election to the Council, Committees and bodies.

3.3 Special Arrangements for payment of arrears

3.3.1 Resolving Clause 4 of Assembly Resolution A36-33 sets out the pre-conditions for entering into an agreement for repayment of arrears. Under this Clause, two States have renegotiated the terms of their agreements during the triennium.

3.3.2 In order to discourage the practice by some States of only making a token payment during the Assembly to enter into agreement and restore their voting rights only to further default, it is proposed to amend Clause 4 a) of Assembly Resolution A36-33 to ensure that the deposit paid is commensurate with the outstanding arrears due as shown in the new Clause 4 a) proposed resolution in Appendix D.

3.4 **Incentive Scheme for the Settlement of Long-outstanding Arrears**

3.4.1 The 32nd Session of the Assembly approved Assembly Resolution A32-27, creating the Incentive Scheme for the Settlement of Long-outstanding Arrears and a related special account. Its continuation was confirmed by Assembly Resolution A35-27 in Resolving Clause 3. The amounts and movements in the special account are reported separately.

3.4.2 Noting that the transfer of the arrears of contributions to a separate account in accordance with Assembly Resolution A35-27 means that the cash available for funding the Regular Programme Budget is correspondingly reduced.

3.4.3 Therefore, it is proposed to further review the incentive scheme and its possible impact during the next triennium.

4. **CONCLUSION**

4.1 Considering the progress made in the collection of long outstanding arrears since the last Assembly Session, especially from Group A and Group B, it is noteworthy that we continue to pursue the States with arrears and encourage them to settle their dues in accordance with the ICAO Financial Regulations. During the previous Assembly Session 31 States had agreements to settle their arrears with ICAO whilst currently there are only 26 States, as five States have settled their agreements in full. The number of States with repayment terms of more than 20 years has also dropped from 18 States at last Assembly Session to 15 States and this trend should be encouraged.

4.2 It is proposed to continue to monitor the long outstanding arrears and to apply the measures adopted by the Assembly during the next triennium, and to report on the financial aspects of the question of contribution in arrears at the next ordinary session of the Assembly.

APPENDIX A
STATUS OF CONTRIBUTIONS IN ARREARS FOR THE FINANCIAL YEARS 1982-2006

A37-WP/02
EX/17, AD/16

AS AT 31 DECEMBER 2009
(in Canadian dollars)

Contracting States	2009	2008	2007	2006	2005	2004	1985-2003	Years	Total Arrears	Working Capital Fund	Total Amount Outstanding
Group A											
Belarus	44 436	44 510	35 780				3 945	(1997)	84 235		128 671
Benin							53 844	(1997-1996)	53 844		53 844
Burkina Faso							143 750	(1997-1992)	143 750		143 750
Cambodia							160 659	(2000-1995)	160 659		160 659
Central African Republic							314 636	(2003-1985)	314 636		314 636
Comoros							318 128	(2003-1992)	318 128		318 128
Congo							280 777	(2003-1994)	280 777		280 777
Cook Islands							78 561	(1998-1996)	78 561		78 561
Côte d'Ivoire							93 103	(1997-1992)	93 103		93 103
Democratic Republic of the Congo	44 436	44 510	35 780	35 555	34 437		274 732	(2003-1994)	425 014		469 450
Gabon							78 531	(1997-1995)	78 531		78 531
Gambia	44 436	44 510	35 780				246 024	(2002-1991)	326 514		370 750
Georgia					34 437	29 724	249 686	(2003-1995)	313 847		313 847
Grenada	44 436	44 510					191 427	(2000-1994)	235 937		280 373
Guinea							154 386	(1997-1992)	154 386		154 386
Guinea-Bissau					34 437	29 724	508 116	(2003-1982)	572 277		572 277
Kyrgyzstan	44 436	18 017					142 129	(2000-1996)	160 147		204 583
Liberia							211 957	(2003-1989)	211 957		211 957
Malawi	44 436	44 510	35 780	35 555	34 437	29 724	100 052	(2003-1996)	280 059		324 495
Republic of Moldova							110 945	(2002-1994)	110 945		110 945
Rwanda							4 208	(1997)	4 208		4 208
Sao Tome and Principe	44 436	44 510	35 780	35 555	34 437	29 724	351 088	(2003-1987)	531 095		575 531
Seychelles	2 355						42 100	(2000-1999)	42 100		44 454
Sierra Leone							231 634	(2003-1990)	231 634		231 634
Solomon Islands	34 610						94 306	(2003-2000)	94 306		128 916
Suriname	44 436	44 510	35 780	35 555	34 437		88 197	(2000-1997)	238 479		282 915
Total Group A	392 453	329 587	214 680	142 220	206 622	118 896	4 526 922		5 538 931		5 931 381
Group B											
Antigua and Barbuda	44 436	44 510	35 780	35 555	34 437	29 724	399 137	(2003-1989)	579 144	962	624 542
Djibouti	44 436	44 510	35 780	35 555	34 437	29 724	415 956	(2003-1988)	595 962		640 398
Haiti	44 436	44 510	35 780	35 555	34 437				150 282		194 718
Iraq	44 436	44 510	35 780	35 555	34 437	44 586	806 917	(2003-1991)	957 275		1 001 711
Marshall Islands	44 436	44 510	35 780	35 555	33 261				149 106		193 542
Nauru	44 436	44 510	35 780	35 555	34 437	29 724	258 904	(2003-1995)	438 910		483 346
Palau	44 436	44 510	35 780	35 555	34 437	24 819			175 102		219 538
Saint Kitts and Nevis	44 436	44 510	35 780	35 555	2 307				118 153		162 389
Somalia	44 436	44 510	35 780	35 555	34 437	29 724	468 314	(2003-1985)	648 321	1 059	693 316
Sudan	44 436	44 510	35 780	35 555	34 437	170			150 452		194 888
Total Group B	444 360	400 590	357 800	355 554	311 064	188 473	2 349 227		3 962 708	2 021	4 409 809
Group C											
Afghanistan	44 436	44 510	26 344						70 854		115 290
Bahrain	66 654	587							587		67 241
Bangladesh	59 248	59 348							59 348		118 596
Bolivia	44 436	44 510							44 510		88 946
Brunei Darussalam	44 436	44 510							44 510		88 946
Eritrea	44 436	44 510							44 510		88 946
Kiribati	44 436	44 510							44 510		88 946
Lesotho	44 436	850							850		45 286
Libyan Arab Jamahiriya	44 436	19 504							19 504		63 940
Micronesia, Federated States of	44 436	44 510	35 780	22 565					102 855		147 291
Montenegro	44 436	44 510	26 851						71 361	3 532	119 329
Papua New Guinea	44 436	44 510	35 780						80 290		124 726
Syrian Arab Republic	44 436	4 478							4 478		48 914
Timor-Leste	44 436	44 510							44 510		88 946
Total Group C	659 134	485 357	124 754	22 565					632 676	3 532	1 295 342
Group D											
Andorra	35 853										35 853
Belize	44 436										44 436
Bosnia and Herzegovina	43 728										43 728
Botswana	44 436										44 436
Cape Verde	44 436										44 436
Guatemala	7 729										7 729
Honduras	37 950										37 950
India	219 330										219 330
Iran, Islamic Republic of	4 817										4 817
Kazakhstan	24 023										24 023
Kenya	43 397										43 397
Myanmar	2 355										2 355
Nepal	3 429										3 429
Pakistan	35 302										35 302
Philippines	12 449										12 449
Saint Lucia	7 867										7 867
Saint Vincent and the Grenadine	43 282										43 282
Tajikistan	6 702										6 702
The Former Yugoslav Republic of Macedonia	44 436										44 436
Tonga	44 436										44 436
Trinidad and Tobago	44 436										44 436
Turkmenistan	44 436										44 436
Uzbekistan	515										515
Vanuatu	767										767
Yemen	430										430
Zambia	35 407										35 407
Zimbabwe	17 611										17 611
Total Group D	893 995										893 995
The former Socialist Federal Republic of Yugoslavia ¹							501 175		501 175		501 175
Grand Total	2 389 941	1 215 534	697 235	520 339	517 686	307 369	7 377 325		10 635 490	5 553	13 030 982

¹ The devolution of the amount owing by the former Socialist Republic of Yugoslavia is to be ascertained.

APPENDIX B

CONTRIBUTIONS AND INSTALMENTS PAYABLE FOR PRIOR YEARS
UNDER AGREEMENTS FOR SETTLEMENT OF ARREARS
AS AT 31 DECEMBER 2009

(in Canadian dollars)

Contracting States	Year of Agreement	Due in 2009		Due in 2008		Due in 2007		Total Currently Overdue	Total Prior Years Overdue	Due in 2010 and Future Years	Total Due
		Assessment	Instalment	Assessment	Instalment	Assessment	Instalment				
BELARUS	1998	44 436		44 510		35 780		124 726		3 945	128 671
BENIN	1998				23 204		30 640	53 844			53 844
BURKINA FASO	1998		12 993		12 993		830	26 816		116 934	143 750
CAMBODIA	2001									160 659	160 659
CENTRAL AFRICAN REPUBLIC	1998		17 859		17 859		17 859	53 577	100 325	160 734	314 636
COMOROS	2004									318 128	318 128
CONGO	2008		56 156		56 156			112 312		168 465	280 777
COOK ISLANDS	1999									78 561	78 561
COTE D'IVOIRE	1998		8 193		8 193		2 978	19 364		73 739	93 103
DEMOCRATIC REPUBLIC OF THE CONGO	2004	44 436	13 737	44 510	13 737	35 780	13 737	165 937	97 466	206 047	469 450
GABON	1998		12 199		12 199		5 338	29 736		48 795	78 531
GAMBIA	2003	44 436	20 502	44 510	20 502	35 780	20 503	186 233		184 517	370 750
GEORGIA	2006									313 847	313 847
GRENADA	2001	44 436	21 292	44 510	21 095			131 333		149 040	280 373
GUINEA	2006									154 386	154 386
GUINEA-BISSAU	2007		28 614		28 614			57 228		515 049	572 277
KYRGYZSTAN	2001	44 436	7 897	18 017				70 350		134 233	204 583
LIBERIA	2006									211 957	211 957
MALAWI	1997	44 436		44 510		35 780		124 726	199 769		324 495
REPUBLIC OF MOLDOVA	2002									110 945	110 945
RWANDA	1998									4 208	4 208
SAO TOME AND PRINCIPE	2000	44 436	16 015	44 510	16 015	35 780	16 015	172 771	242 618	160 142	575 531
SEYCHELLES	2001	2 355						2 355		42 099	44 454
SIERRA LEONE	2006									231 634	231 634
SOLOMON ISLANDS	2004	34 610						34 610		94 306	128 916
SURINAME	2001	44 436	12 600	44 510	12 600	35 780	12 600	162 526	95 192	25 197	282 915
TOTAL		392 453	228 057	329 587	243 167	214 680	120 500	1 528 444	735 370	3 667 567	5 931 381

NOTE: The amount due each year includes the current year's assessment plus an agreed instalment.

APPENDIX C

ARREARS OF CONTRACTING STATES THAT HAVE THEIR VOTING RIGHTS DEEMED SUSPENDED AS AT 28 FEBRUARY 2010
(in Canadian Dollars)

Contracting States	Amounts Due								Total Arrears	Working Capital Fund	Amount Outstanding
	2009	2008	2007	2006	2005	2004	1985-2003	Years			
Group A											
Belarus	44 436	44 510	35 780					3 945 (1997-1997)	128 671		128 671
Democratic Republic of the Congo	44 436	44 510	35 780	35 555	34 437			274 732 (1994-2003)	469 450		469 450
Gambia	44 436	44 510	35 780					246 024 (1991-2002)	370 750		370 750
Grenada	44 436	44 510						191 427 (1994-2000)	280 373		280 373
Kyrgyzstan	44 436	10 457						142 129 (1996-2000)	197 023		197 023
Malawi	44 436	44 510	35 780	35 555	34 437	29 724		100 052 (1996-2003)	324 495		324 495
Sao Tome and Principe	44 436	44 510	35 780	35 555	34 437	29 724		351 088 (1987-2003)	575 531		575 531
Seychelles	2 355							42 100 (1999-2000)	44 454		44 454
Solomon Islands	34 610							94 306 (2000-2003)	128 916		128 916
Suriname	44 436	44 510	35 780	35 555	34 437			88 197 (1997-2000)	282 915		282 915
											2 802 579
Group B											
Antigua and Barbuda	44 436	44 510	35 780	35 555	34 437	29 724		399 137 (1989-2003)	623 580	962	624 542
Djibouti	44 436	44 510	35 780	35 555	34 437	29 724		415 956 (1988-2003)	640 398		640 398
Haiti	44 436	44 510	35 780	35 555	34 437				194 718		194 718
Iraq	44 436		35 780	35 555	34 437	44 586		806 917 (1991-2003)	1001 711		1001 711
Marshall Islands	44 436	44 510	35 780	35 555	33 261				193 542		193 542
Micronesia, Federated States of	44 436	44 510	35 780	22 565					147 291		147 291
Montenegro	44 436	44 510	26 851						115 797	3 532	119 329
Nauru	44 436	44 510	35 780	35 555	34 437	29 724		258 904 (1995-2003)	483 346		483 346
Palau	44 436	44 510	35 780	35 555	34 437	24 819			219 538		219 538
Papua New Guinea	44 436	44 510	35 780						124 726		124 726
Saint Kitts and Nevis	44 436	44 510	35 780	35 555	2 307				162 589		162 589
Somalia	44 436	44 510	35 780	35 555	34 437	29 724		468 313 (1985-2003)	692 756	1 059	693 815
Sudan	44 436	44 510	35 780	35 555	34 437	170			194 888		194 888
											4 800 433
Total Outstanding	970 121	856 147	670 891	520 340	448 812	247 921	3 883 226		7 597 459	5 553	7 603 012

APPENDIX D

**DRAFT ASSEMBLY RESOLUTION
FOR ADOPTION BY THE 37TH SESSION OF THE ASSEMBLY**

**Resolution 18/1: Discharge by Contracting States of financial obligations to the Organization
and action to be taken in case of their failure to do so**

Whereas Article 62 of the *Convention on International Civil Aviation* provides that the Assembly may suspend the voting power in the Assembly and in the Council of any Contracting State that fails to discharge, within a reasonable period, its financial obligations to the Organization;

The Assembly:

Considering that Article 6.5 of the *ICAO Financial Regulations* provides that contributions from Contracting States shall be considered due and payable in full as of the first day of the financial year to which they relate;

Noting that in recent years the accumulation of contributions in arrears has increased considerably and has constituted, together with the delays in payment of current year contributions, an obstacle to the implementation of the work programme and created serious cash flow difficulties;

Urges that all Contracting States in arrears make suitable arrangements for liquidating their arrears; and

Urges all Contracting States and, in particular, the States elected to the Council, to take all necessary measures to pay their contributions on time;

Resolves that, with effect from 1 January 2011:

1. all Contracting States should recognize the necessity to pay their contributions at the beginning of the year in which they fall due, in order to avoid the need for the Organization to draw on the Working Capital Fund to make good the shortfall;

2. the Secretary General be directed to dispatch to all Contracting States, at least three times in the year, schedules showing the current amounts due for the current year and up to 31 December of the previous year;

3. the Council be authorized to discuss and conclude arrangements with Contracting States, whose contributions are in arrears for three or more years, for the settlement of accumulated arrears to the Organization, any such settlements or arrangements to be reported to the next session of the Assembly;

A37-WP/62
EX/17, AD/16

4. all Contracting States that are three years or more in arrears in the payment of their contributions should:

- a) effect without delay payment of the amounts outstanding with respect to advances to the Working Capital Fund, the current year contribution, and partial settlement of their arrears in the amount of 5 per cent of the arrears; and
- b) conclude within six months of the date of the payment referred to in sub-paragraph a) above, if they have not already done so, an agreement with the Organization for the settlement of the balance of their arrears, such agreement to provide for the payment annually, in full, of their current contributions and the balance of the arrears in instalments over a period of no more than ten years, which period may, at the discretion of the Council, be extended, to a maximum of twenty years in respect of special cases, i.e. those Contracting States which are classified by the United Nations as Least Developed Countries;

5. the Council should further intensify the current policy of inviting Contracting States in arrears to make settlement proposals for the liquidation of long-outstanding arrears of contributions in accordance with the provisions of Resolving Clause 4 above, taking full account of the economic position of the States concerned including the possibility of accepting other currencies in accordance with the provisions of Article 6.6 of the Financial Regulations, to the extent that the Secretary General can use these currencies;

6. the voting power in the Assembly and the Council be suspended for those Contracting States in arrears for an amount equal to or in excess of the total assessments for the three preceding financial years and of those Contracting States not in compliance with agreements entered into in accordance with Resolving Clause 4 b) above, such suspension to be revoked immediately upon the settlement of outstanding amounts due under agreements; and

7. the voting power of a Contracting State suspended under Resolving Clause 6 may also be restored by action of the Assembly or the Council provided:

- a) it has already concluded with the Council an agreement that provides for the settlement of its outstanding obligations and for the payment of current contributions and has complied with the terms of that agreement; or
- b) the Assembly is satisfied that the State's willingness to reach an equitable settlement of its financial obligations to the Organization has been demonstrated;

8. any State whose voting power has been suspended by the Assembly under Article 62 of the Convention may have it restored by the Council under the conditions stipulated in Resolving Clause 7 a) above, provided that a willingness on its part to reach an equitable settlement of its financial obligations to the Organization has been demonstrated;

9. the following additional measures be applied to those Contracting States whose voting rights have been suspended under Article 62 of the Convention:

- a) lose eligibility to host meetings, conferences, workshops and seminars which are funded, in whole or in part, by the Regular Programme;
- b) receive only the same free documentation as that provided to non-Contracting States, including those available in electronic media, and any other documents that are essential for safety, regularity or efficiency of international air navigation;
- c) Nationals or Representatives lose eligibility for nomination to elected offices;
- d) for purposes of recruitment to posts in the Secretariat, if all other circumstances are equal, candidates from States in arrears would be considered as having the status of candidates from a State that has already achieved the desired level of representation (under equal geographical representation principles), even if it has not achieved that level; and
- e) lose the right to participate in the ICAO Familiarization course;

10. only those States which have no outstanding annual assessed contributions except for the current year's assessment will be eligible for election to the Council, Committees, and bodies;

11. the Secretary General be directed to report to Council any voting rights deemed to be suspended and suspension revoked under Clause 6, and to apply measures stipulated in Clause 9 accordingly; and

12. this Resolution supersedes Assembly Resolution A36-33.

— END —