



# COUNCIL

## Hundred and Seventy-second Session

Rome, 24-28 April 2023

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

#### Executive summary

The 42nd Session of the Conference “requested the conduct of a comprehensive review on the process for reinstating voting rights for Member Nations in arrears for consideration by the relevant Governing Bodies, including the Committee on Constitutional and Legal Matters (CCLM), supported by a process of informal consultations led by the Independent Chairperson of the Council (ICC) with the Chairpersons and Vice-Chairpersons of the Regional Groups”. The 167th Session of the Council reiterated this request, and the matter has since gone through a process of both formal consideration by relevant Governing Bodies as well as informal consultations led by the ICC.

A draft Conference Resolution was submitted to the 171st Session of the Council in December 2022, which looked forward to reviewing the draft Conference Resolution at its next Session in April 2023, following its review by the CCLM and the Finance Committee.

The draft Conference Resolution was presented to the 118th Session of the CCLM, which made a number of technical adjustments to the text and confirmed that the revised text was consistent with the Basic Texts of the Organization. The CCLM further recommended that the various language versions of the text be reviewed and checked for consistency with the English version. The 195th Session of the Finance Committee reviewed the draft, agreeing with the recommendation of the CCLM to have the language versions checked for consistency, and agreed to submit the draft Resolution, as amended by the CCLM, to the Council for consideration.

#### Suggested action by the Council

The Council is invited to review the draft Resolution as contained in this document and make such comments it considers appropriate, including recommending its submission to the Conference for adoption.

*Queries on the substantive content of this document may be addressed to:*

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*Extract from the Report of the 118th Session of the Committee on Constitutional and Legal Matters  
(Rome, 6-8 March 2023)*

**III. Item 2: Restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization (CCLM 118/2)**

8. The Committee considered document CCLM 118/2 “*Restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization*” and the draft Conference Resolution in Annex to the document, within the context of its mandate.

9. In line with the recommendations contained in document CCLM 118/2, the Committee made a number of technical adjustments to the text as reflected in **Annex I** to this Report. The Committee observed inconsistencies between the various language versions of the text and recommended that they be reviewed and checked for consistency with the English version of the draft Resolution, as revised, in **Annex I** to this Report.

10. The Committee confirmed to the Council that the draft Conference Resolution, as revised and set out in **Annex I** to this Report, is consistent with the Basic Texts and, from the perspective of its mandate, is ready for Finance Committee and Council consideration and for Conference decision.

11. In this regard, the Committee requested the Secretariat to ensure that the Finance Committee (FC) at its 195th Session be provided with the revised version of the draft Resolution set out in **Annex I** to this Report, for its consideration.

*Extract from the Report of the 195th Session of the Finance Committee (Rome, 13-17 March 2023)*

**Item 6 - Restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization**

18. The Committee reviewed document FC 195/6 on *Restoration by the Conference of the voting rights of Member Nations in arrears in the payment of their financial contributions to the Organization* within the context of its mandate.

**19. The Committee:**

- a) **noted that the Committee on Constitutional and Legal Matters (CCLM) had, within the context of its mandate, reviewed this matter at its 118th Session and made a number of technical adjustments to the text of the draft Conference resolution as set out in Annex I to FC 195/6 Add.1;**
- b) **agreed to submit to the Council the draft resolution, as set out in Annex I to this Report, for forwarding to the Conference; and**
- c) **supported the recommendation of the CCLM that the various language versions of the text of the draft resolution be reviewed and checked for consistency with the English version.**

*[Deletions are indicated using strikethrough text and insertions are indicated using underlined italics.]*

## Draft Conference Resolution

### 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~~ **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 ~~in 2018~~ 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 ~~payment of arrears in relation to~~ 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;

**Recalling** ~~that the Committee on Constitutional and Legal Matters, at its 115th Session, and the Finance Committee, at its 191st Session, convened in March and May 2022, respectively, examined and recommended to the Council at its Hundred and Seventieth Session, to endorse the proposal to complement the General Rules of the Organization in order to strengthen the measures imposed for the non-payment of contributions;~~

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

a)2- Member Nations in arrears requesting the restoration of voting rights under Article III, paragraph 4 of the FAO 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.a) 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.b) an indication of the measures which will be taken in order to settle the arrears; and

iii.c) 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)3-** **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)4-** **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)5-** 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 ~~its~~ their request in writing to the Director-General a written payment plan.

**e)6-** The payment plan as referred to in sub-paragraph 51, d) should include the following information:

i.a) the total amount due, including the current year's assessment;

ii.b) the period over which payment is proposed;

iii.c) the minimum amount of payment that the Member Nation intends to make each year;

iv.d) the date and the amount of the first payment;

v.e) 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.f) a commitment from the Member Nation to pay its future assessed contributions in full and on time and in accordance with the Financial Regulations.

**27. Requests** FAO to ~~establish and~~ 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.

**38. 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 ~~published it~~ it on the ~~relevant~~ website of FAO and in an Information Note for the Conference.