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WORKING PAPER

ASSEMBLY — 39TH SESSION

EXECUTIVE COMMITTEE ADMINISTRATIVE COMMISSION

Agenda Item 10: Contributions in arrears

Agenda Item 51: 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 Member States that had their voting rights deemed suspended as at 15 June 2016. 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; States that have their voting rights deemed suspended are in Appendix C; and the draft Resolution for adoption by the Assembly is in Appendix D.

Action: Pursuant to Assembly Resolution A38-24 the Assembly is invited to:

- a) note the progress made in the collection of long outstanding arrears; and
- b) adopt the draft Resolution in Appendix D.

<i>Strategic Objectives:</i>	This working paper relates Supporting Implementation Strategy – Budget and Financial Management.
<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>	A38-WP/43 Doc 10022, <i>Assembly Resolutions in Force (as of 4 October 2013)</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 Member State that fails to discharge, within a reasonable period, its financial obligations to the Organization. Assembly Resolution A38-24 contains resolving clauses that, *inter alia*, require Member 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 Member 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 A38-24 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 A38-25 describes the incentives for the settlement of long outstanding arrears. In addition, Assembly Resolution A38-25, *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.

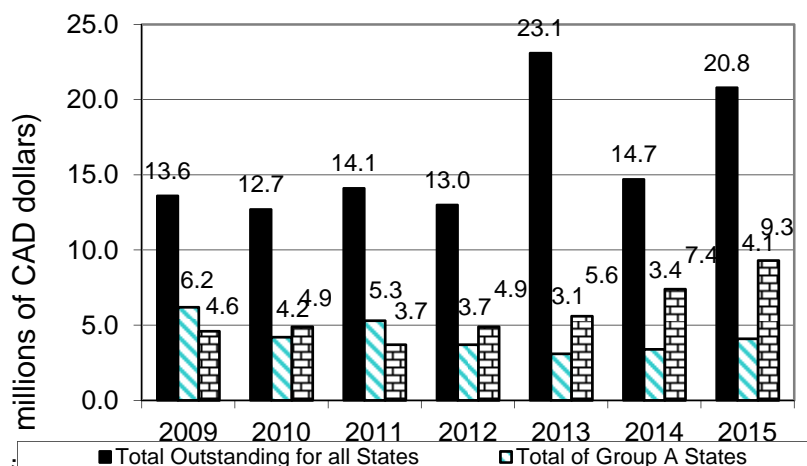
2. STATUS OF CONTRIBUTIONS IN ARREARS

2.1 Status of Contributions in Arrears since 2009

2.1.1 Figure 1 below shows the comparative position of total outstanding assessments as at 31 December for the years 2009 to 2015. 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 total outstanding assessments for all States increased from CAD 13.6 million as at 31 December 2009 to CAD 20.8 million as at 31 December 2015. The increase of CAD 7.2 million is attributed, in part, to the increase in Assessments to Member States of CAD 19.6 million, from CAD 74.1 million assessed in 2009 to CAD 93.7 million assessed in 2015. In addition, due to the decreasing value of the Canadian dollar, the amount of CAD 20.8 million at 31 December 2015 includes an increase of CAD 2.9 million due to the revaluation of the outstanding assessments in United States dollars. The percentage of receipts of contributions for 2009 in relation to the amount assessed was 96.8 per cent; for the year 2015 the percentage was 93.6.

FIGURE 1
ASSESSMENTS RECEIVABLE FROM MEMBER STATES
AS AT 31 DECEMBER



2.2 **Status of Contributions in Arrears as at 15 June 2016**

2.2.1 The total contributions in arrears as at 15 June 2016 was CAD 14.3 million of which CAD 11.4 million was for arrears in respect of 2014 and prior years and CAD 2.9 million was related to arrears for 2015. Appendix A contains a schedule of unpaid contributions as at 15 June 2016 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 A38-24, Resolving Clauses 3 and 4. (10 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. (17 States);

Group C - States with contributions in arrears for more than one year, but less than three full years. (13 States); and

Group D - States with contributions outstanding only for the year 2015 (13 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 15 June 2016.

2.3 **Impact of Delays in Receipt of Contributions**

2.3.1 Delays in the payment of contributions by Member 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, the Organization is currently in a cash deficit situation and the accumulation of contributions in arrears created serious cash flow difficulties at certain times.

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 A38-24, 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 August (for status at July) and November (for status at October, as well as to inform of the assessment for the following year). In addition, the status of contributions is published on the ICAO web site, with access restricted to Member States. To further enhance the frequency and timeliness of the information available to Member States a new process of providing electronic monthly statements of account to Member States was instituted in November 2015.

3.1.2 The President of the Council and the Secretary General make every possible effort, not only by means of letters to States, but also through personal contacts during their visits to Member States and when meeting with delegations at ICAO Headquarters, to urge settlement of outstanding contributions. The Regional Offices are also provided periodic updates on the status of outstanding contributions and are requested to communicate this status through their regional contacts.

3.2 Suspension of Voting Rights under Assembly Resolution A38-24

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 A38-24, the voting rights in the 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. In accordance with Resolving Clause 7 of Assembly Resolution A38-24 the voting rights in the Council are suspended for the Council Member States that have annual assessed contributions or part thereof in arrears for longer than 18 months. Both Clauses 6 and 7 have been applied by the Secretariat through a close monitoring of unpaid assessments.

3.2.2 The Financial Regulations require payment of contributions and advances by the first day of the financial year to which they relate or thirty days from receipt of the notification from the Secretary General concerning assessments, whichever is the later. As of 1 January of the following financial year, any unpaid balance of such contributions, payments under terms of agreements for settlement of arrears, and advances to the Working Capital Fund shall be considered to be one year in arrears. Appendix C presents the arrears of the 21 Member States that fall within Article 62 of the Convention, relating to the suspension of voting rights, as at 15 June 2016.

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 A38-24 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. Therefore, Group B States would be required to bring the balance of arrears outstanding below the level of three preceding years' assessments. Group A States would be required to comply with the terms of their agreement irrespective of the amount of arrears outstanding. Resolving Clause 7 of the Assembly Resolution, provides that suspension of voting rights in the Council will be immediately revoked upon payment in full of contributions that are in arrears for 18 months.

3.2.5 The additional measures needed to encourage Member States to pay their contributions when due were approved in previous triennia in Clause 10 of Assembly Resolution A38-24, for application to the Member States whose voting rights have been suspended under Article 62 of the Convention. These measures continue to be applied by the Secretary General and monitored by the Council.

3.2.6 In accordance with Clause 11 of Assembly Resolution A38-24 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 A38-24 sets out the pre-conditions for entering into an agreement for repayment of arrears. No new State has negotiated an agreement during this 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, Clause 4 a) of Assembly Resolution A38-24 requires a minimum payment which includes amounts owing to the Working Capital Fund, the current year contributions in Canadian and United States dollars and a partial settlement of their arrears in the amount of five per cent of the arrears.

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 A38-25 in Resolving Clause 3. The amounts and movements in the special account are reported separately.

3.4.2 Noting that States' Assessment cannot be spent twice, the transfer of the arrears of contributions to a separate account in accordance with Assembly Resolution A38-25 is conditional upon there being an unspent cash surplus at the time of transfer. No transfer of funds to this separate account has been made in this triennium due to the negative cash surplus of the Organization.

3.4.3 Therefore, it is proposed to have a periodic review of the incentive scheme throughout the triennium and monitor the status to ensure proper action is taken in the event that the Organization is no longer in a negative cash surplus situation.

4. **CONCLUSION**

4.1 The progress made in the collection of long outstanding arrears since the last Assembly Session continues at a gradual pace. It is essential that we continue to pursue the States with arrears and encourage them to settle their dues in accordance with the ICAO Financial Regulations. States are urged to conclude agreements for the repayment of their arrears in instalments as indicated in Assembly Resolution A38-24 Clause 4. During the previous Assembly Session, fourteen States had agreements to settle their arrears with ICAO. Currently there are ten States with agreements to settle their arrears. Two States have settled their agreements in full and two States have had their agreements expire without complying to the terms of the agreements and have moved to Group B. There remains one State with repayment terms of more than twenty years while all other agreements have repayment terms of twenty years or less.

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.

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APPENDIX A
STATUS OF CONTRIBUTIONS IN ARREARS FOR THE FINANCIAL YEARS 1988-2015
AS AT 15 JUNE 2016
(in Canadian dollars)

Member States	2015	2014	2013	2012	2011	2010	2009-1988	Years	Total Arrears	Working Capital Fund	Total Amount Outstanding
Group A											
Cambodia	1 532						104 731	(2000-1998)	104 731		106 263
Cook Islands							37 975	(1998)	37 975		37 975
Gambia	58 441	57 150	45 018				133 534	(2002-1996)	235 702	1 535	295 678
Georgia							169 191	(2005-2001)	169 191		169 191
Guinea							130 806	(1997-1994)	130 806		130 806
Iraq							464 688	(2009-1999)	464 688		464 688
Kyrgyzstan	58 441	57 150	57 530				60 119	(2000-1999)	174 800	1 535	234 775
Liberia							179 370	(2003-1993)	179 370		179 370
Sao Tome and Principe	58 441	57 150	57 530	54 681	53 229	49 002	589 709	(2009-1989)	861 301	1 535	921 277
Sierra Leone							195 973	(2003-1993)	195 973		195 973
Total Group A	176 855	171 449	160 079	54 681	53 229	49 002	2 066 097		2 554 537	4 605	2 735 997
Group B											
Antigua and Barbuda	58 441	57 150	57 530	54 681	53 229	49 002	785 985	(2009-1989)	1 057 577	2 790	1 118 808
Democratic Republic of the Congo	58 441	57 150	57 530						114 680	1 535	174 656
Djibouti	58 441	57 150	57 530	54 681	53 229	49 002	807 914	(2009-1988)	1 079 506	1 535	1 139 482
Eritrea	58 441	57 150	57 530	654					115 334		173 775
Grenada	58 441	55 615	57 530	54 681	53 229	49 002	283 406	(2009-1994)	553 463	1 535	613 439
Iran, Islamic Republic of	292 205	285 751	191 773	110 088					587 612		879 817
Kiribati	58 441	57 150	57 530	54 681	53 229	14 159			236 749		295 190
Malawi	58 441	57 150	57 530	54 681	53 229	49 002	396 048	(2009-1996)	667 640	1 535	727 616
Marshall Islands	58 441	57 150	57 530	54 681	53 229	49 002	182 112	(2009-2005)	453 704	1 535	513 680
Micronesia, Federated States of	58 441	57 150	57 530	52 981					167 661		226 102
Nauru	58 441	57 150	57 530	54 681	53 229	49 002	603 154	(2009-1995)	874 746	1 535	934 722
Palau	58 441	57 150	57 530	54 681	53 229	49 002	66 158	(2009-2008)	337 750		396 191
Saint Vincent and the Grenadines	58 441	57 150	57 530	54 681	897				170 258		228 699
Suriname	58 441	57 150	57 530	54 681	53 229	49 002			271 592	1 535	331 568
Syrian Arab Republic	58 441	57 150	57 530	54 681	53 229	49 002	48 914	(2009-2008)	320 506	1 535	380 482
Timor-Leste	58 441	57 150	57 530	54 681	53 229	49 002	22 776	(2009)	294 368	1 535	354 344
Turkmenistan	58 441	57 150	57 530	54 681	53 229	14 680			237 270	1 535	297 246
Total Group B	1 227 260	1 198 614	1 112 259	874 571	639 642	518 863	3 196 468		7 540 415	18 140	8 785 815
Group C											
Afghanistan	58 441	58 685	51 990						110 675		169 116
Belize	58 441	58 685							58 685		117 126
Burundi	58 441	51 898							51 898		110 339
Ethiopia	136 362	33 396							33 396		169 758
Guatemala	58 441	58 685							58 685		117 126
Haiti	58 441	58 685							58 685		117 126
Libya	116 882	14 975							14 975		131 857
Namibia	58 441	570							570		59 011
Pakistan	146 102	9 735							9 735		155 837
Papua New Guinea	58 441	58 685							58 685		117 126
Solomon Islands	58 441	57 150	41 496						98 646		157 087
South Sudan	58 441	58 685	41 558						100 243		158 684
Yemen	58 441	284							284		58 725
Total Group C	983 756	520 116	135 045	-	-	-	-		655 161	0	1 638 917
Group D											
Angola	39 049										39 049
Bahrain	58 015										58 015
Barbados	44 034										44 034
Bhutan	594										594
Jordan	7 387										7 387
Kuwait	215 791										215 791
Lesotho	12 103										12 103
Myanmar	2 332										2 332
Rwanda	52 396										52 396
Swaziland	922										922
Uzbekistan	3 114										3 114
Vanuatu	25 462										25 462
Zambia	36 173										36 173
Total Group D	497 373	-	-	-	-	-	-		-	-	497 373
The former Socialist Federal Republic of Yugoslavia*							653 418		653 418		653 418
Grand Total	2 885 244	1 890 179	1 407 382	929 251	692 871	567 865	5 915 983		11 403 531	22 745	14 311 520

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

** Details may not add to totals due to rounding.

APPENDIX B

CONTRIBUTIONS AND INSTALMENTS PAYABLE FOR PRIOR YEARS
 UNDER AGREEMENTS FOR SETTLEMENT OF ARREARS
 AS AT 15 JUNE 2016

(in Canadian dollars)

Contracting States	Year of Agreement	Due in 2015		Due in 2014		Due in 2013		Total Currently Overdue	Total Prior Years Overdue	Due in 2016 and Future Years	Total Due
		Assessment	Instalment	Assessment	Instalment	Assessment	Instalment				
CAMBODIA	2001	1 532						1 532		104 731	106 263
COOK ISLANDS	1999									37 975	37 975
GAMBIA	2003	58 441	26 730	58 685	26 615	45 018		215 489		80 189	295 678
GEORGIA	2006									169 191	169 191
GUINEA	2006									130 806	130 806
IRAQ	2010									464 688	464 688
KYRGYZSTAN	2001	58 441		58 685		57 530		174 656		60 119	234 775
LIBERIA	2006									179 370	179 370
SAO TOME AND PRINCIPE	2000	58 441	20 878	58 685	20 878	57 530	20 880	237 292	600 474	83 511	921 277
SIERRA LEONE	2006									195 973	195 973
TOTAL		176 855	47 608	176 055	47 493	160 078	20 880	628 969	600 474	1 506 553	2 735 996

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 15 JUNE 2016
(in Canadian dollars and United States dollars)

Group	State	CAD				Total CAD	USD				Total USD	CAD Requested*	USD Requested*
		2015	2014	2013	Over 3 Yrs		2015	2014	2013	Over 3 Yrs			
A	Cambodia						1 198			81 885	83 083		1 198
	Gambia	33 888	33 115	34 736		101 739	19 197	19 992	8 039	104 405	151 633	101 739	88 936
	Kyrgyzstan	33 888	33 115	34 736		101 739	19 197	19 992	17 822	47 005	104 016	101 739	57 011
	Sao Tome and Principe	33 888	33 115	34 736	187 974	289 713	19 197	19 992	17 822	436 784	493 795	289 713	428 499
B	Antigua and Barbuda	33 888	33 115	34 736	187 974	289 713	19 197	19 992	17 822	591 226	648 237	187 975	592 427
	Democratic Republic of the Congo	33 888	33 115	34 736		101 739	19 197	19 992	17 822		57 011		1 201
	Djibouti	33 888	33 115	34 736	187 974	289 713	19 197	19 992	17 822	607 390	664 401	187 975	608 591
	Eritrea	33 888	33 115	34 736	654	102 393	19 197	18 792	17 822		55 811	655	
	Grenada	33 888	33 115	34 736	160 360	262 099	19 197	18 792	17 822	218 888	274 699	160 361	218 889
	Iran, Islamic Republic of	169 440	165 576	115 789	37 083	487 888	95 985	93 960	59 409	57 080	306 434	37 084	57 081
	Kiribati	33 888	33 115	34 736	78 865	180 604	19 197	18 792	17 822	33 779	89 590	78 866	33 780
	Malawi	33 888	33 115	34 736	187 974	289 713	19 197	19 992	17 822	285 368	342 379	187 975	286 569
	Marshall Islands	33 888	33 115	34 736	187 974	289 713	19 197	19 992	17 822	118 100	175 111	187 975	119 301
	Micronesia, Federated States of	33 888	33 115	34 736	32 779	134 518	19 197	18 792	17 822	15 795	71 606	32 780	15 796
	Nauru	33 888	33 115	34 736	187 974	289 713	19 197	19 992	17 822	447 296	504 307	187 975	448 497
	Palau	33 888	33 115	34 736	165 186	266 925	19 197	18 792	17 822	45 257	101 068	165 187	45 258
	Saint Vincent and the Grenadines	33 888	33 115	34 736	33 676	135 415	19 197	18 792	17 822	17 124	72 935	33 677	17 125
	Suriname	33 888	33 115	34 736	99 028	200 767	19 197	19 992	17 822	45 257	102 268	99 029	46 458
	Syrian Arab Republic	33 888	33 115	34 736	147 942	249 681	19 197	19 992	17 822	45 257	102 268	147 943	46 458
	Timor-Leste	33 888	33 115	34 736	121 804	223 543	19 197	19 992	17 822	45 257	102 268	121 805	46 458
Turkmenistan	33 888	33 115	34 736	64 706	166 445	19 197	19 992	17 822	45 257	102 268	64 707	46 458	
Total Outstanding		813 312	794 761	775 773	2 069 927	4 453 773	461 926	466 608	388 244	3 288 410	4 605 188	2 375 160	3 205 991

Group A: States that have concluded agreements with the Council to liquidate their arrears over a number of years, but are not in compliance with the terms of the agreement

Group B: States with contributions in arrears for three full years or more which have not concluded agreements with the Council to liquidate their arrears.

*Minimum payment necessary in both currencies to restore voting rights.

APPENDIX D

DRAFT ASSEMBLY RESOLUTION FOR ADOPTION BY THE 39TH SESSION OF THE ASSEMBLY (to supersede A38-24)

Resolution 10/1: Discharge by Member 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 Member State that fails to discharge, within a reasonable period, its financial obligations to the Organization;

The Assembly:

Considering that Article 6.5 a) of the *ICAO Financial Regulations* provides that contributions from Member States shall be considered due and payable in full as of the first day of the financial year to which they relate and Article 6.5 b) which stipulates that as of 1 January of the following financial year, any unpaid balance due shall be considered to be one year in arrears;

Noting that the delays in payment of current year contributions have constituted an obstacle to the implementation of the work programme and created serious cash flow difficulties;

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

Urges all Member 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 2017:

1. all Member 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 Member 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 Member 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;

4. all Member 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 Member States which are classified by the United Nations as Least Developed Countries;

5. the Council should further intensify the current policy of inviting Member 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 be suspended for those Member States in arrears for an amount equal to or in excess of the total assessments for the three preceding financial years and of those Member 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 and amounts due under agreements; and

7. the voting power in the Council be suspended for those Council Member States that have annual assessed contributions or part thereof, in arrears for longer than 18 months, such suspension to be revoked immediately upon the settlement of outstanding amounts due; and

8. the voting power of a Member 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;

9. 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 8 a) above, provided that a willingness on its part to reach an equitable settlement of its financial obligations to the Organization has been demonstrated;

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10. the following additional measures be applied to those Member 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-Member States, including those available in electronic media, and any other documents that are essential for safety, regularity or efficiency of international air navigation;
- c) Nominees or Representatives lose eligibility to be voted into any office;
- 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;

11. 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;

12. the Secretary General be directed to report to Council any voting rights deemed to be suspended and suspension revoked under Clauses 6 and 7, as well as any non-eligibility for election to the Council, Committees and bodies under Clause 11, and to apply measures stipulated in Clause 10 accordingly; and

13. this Resolution supersedes Assembly Resolution A38-24.

- END -