



WORKING PAPER

ASSEMBLY — 40TH SESSION

EXECUTIVE COMMITTEE

Agenda Item 10: Contribution in arrears

SETTLEMENT OF OUTSTANDING OBLIGATIONS

(Presented by Liberia)

EXECUTIVE SUMMARY

This Working Paper emphasises Liberia's commitment to reach an equitable settlement of its financial obligations to ICAO.

Action required: The Assembly is invited to:

- a) Consider Liberia's commitment in keeping with Option 2 to seek without delay the approval of the Council for an amended agreement incorporating the payment plan proposed in our letter dated 31 July 2019, in which case the amounts should be corrected as per below to include all outstanding dues:

31 March, 2020 USD 51,436.66 and CAD 32 182

31 July, 2020 USD 51,436.66 and CAD 32 182

30 September, 2020 USD 51,436.66 and CAD 32 182

Total payments USD 154 310 and CAD 96 546

- b) The Council is requested to approve the amended agreement incorporating the payment plan as stipulated in Option 2.
- c) Based on Liberia's commitment in keeping with Option 2 the Council is requested to restore Liberia's voting rights in time for the 40th Session of the Assembly.

<i>Strategic Objectives:</i>	This working paper relates to the funding mechanism proposed by Liberia relative to settlement of obligations.
<i>Financial implications:</i>	The payments referred to in this Working Paper will be financed from the National Budget of 2019-2020 and/or extra budgetary contributions. Following payment Liberia will continue payments as per to the current agreement.
<i>References:</i>	Ref. A1/8.40-L.OSG-FIN79851 (Letter from ICAO) Ref. (Letter from Liberia: Ministry of Finance & Development Planning)

1. INTRODUCTION

- 1.1 The Government of Liberia, through its Ministry of Finance, has committed to settling Liberia's financial obligations to ICAO in keeping with Option 2.
- 1.2 The commitment made by the Government of Liberia is attached to this Working Paper.

2. ECONOMIC CHALLENGES

- 2.1 Liberia would like to draw the Council's attention to the fact that it has been complying fully with the 2nd ICAO agreement to settle its arrears up till the Ebola outbreak between 2014 and 2015. Since the Ebola outbreak, the Liberian economy has experienced successive budget shortfalls. This was also compounded by preparations for a major political transition that witnessed the turnover of power from one democratically elected president to another. Due to the enormous economic challenges confronting the country, the government of His Excellency President George Manneh Weah, has decided to harmonize government expenditures and remove waste or unnecessary expenditures. A draft National budget which clearly articulates President Weah Government's harmonized budget, which includes allocations for outstanding arrears to ICAO, is still being deliberated by the Legislature. In the interim, the government has only been granted authority by the Legislature to spend on Payroll and very limited government operations pending the full approval of the budget by the Legislature.
- 2.2 In spite of the ongoing unprecedented and lengthy budget debate, Liberia assures ICAO of its commitment to meet the stipulated payment plan as submitted after the passage of the budget by the National Legislature.

3 CONCLUSION

- 3.1 Liberia is committed to reach an equitable settlement of its financial obligations to ICAO and requests that the Council restores its voting rights in time for the 40th Session of the Assembly.