



30 September 2024 Original: Spanish

## REPORT OF THE WORKING PARTY TO STUDY THE APPLICATION OF ARTICLE 6.B OF THE CONSTITUTION OF THE PAN AMERICAN HEALTH ORGANIZATION

1. The Working Party appointed to study the application of Article 6.B of the Constitution of the Pan American Health Organization (PAHO) met on 30 September 2024 to review the status of assessed contributions in light of the provisions of this article of the Constitution of PAHO concerning the suspension of voting privileges of any Member "in arrears in an amount exceeding the sum of its annual payments of contributions for two full years" by the date of the opening of the Pan American Sanitary Conference or a meeting of the Directing Council.

2. The Working Party has been entrusted with recommending whether or not to reinstate the voting privileges of such countries in accordance with the following terms of Article 6.B: "If the Conference or the Directing Council is satisfied that the failure of the Government to pay is due to conditions beyond its control, it may permit the Government to vote."

3. The members of the Working Party are the Delegates of Barbados, Panama, and Uruguay. The Chair of the Working Party is the delegate of Uruguay.

## Analysis

4. As of the opening of the 61st Directing Council, one Member State, the Bolivarian Republic of Venezuela, was in the situation foreseen in Article 6.B, with outstanding assessed contributions due for 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024, amounting to a total arrearage of US\$ 16 249 331.<sup>1</sup> The Pan American Sanitary Bureau (PASB) sent formal communications to the Government of the Bolivarian Republic of Venezuela regarding its situation with respect to Article 6.B in April, May, and September 2024.

5. In 2020, at the opening of the 58th Directing Council, the Bolivarian Republic of Venezuela had its voting rights suspended in accordance with Article 6.B of the Constitution. At the beginning of that session, the Bolivarian Republic of Venezuela had outstanding assessed contributions due for 2017, 2018, 2019, and 2020 amounting to a total of \$7 854 219.

6. Consequently, pursuant to application of the provisions of Article 6.B, and Resolutions CD58.R8 (2020), CD59.R5 (2021), CSP30.R5 (2022), and CD60.R7 (2023), the voting rights of the Bolivarian Republic of Venezuela remain suspended as of the opening of the 61st Directing Council.

<sup>&</sup>lt;sup>1</sup> Unless otherwise indicated, all monetary figures are expressed in United States dollars.

7. The Bolivarian Republic of Venezuela has not made any payments towards its assessed contributions since May 2017, nor presented an updated deferred payment plan since the 58th Directing Council in September 2020.

8. The Working Party reviewed Article 6.B of the PAHO Constitution. It also reviewed Resolution CD15.R12 of the 15th Directing Council (1964), which requires governments in arrears to establish a payment plan with PASB, and states that if such a plan is established and fulfilled, the Directing Council may permit the government concerned to exercise its voting privileges. Finally, when studying the information provided, the Working Party also considered Article 5.5 of the PAHO Financial Regulations, which establishes that annual assessed contributions are not considered to be in arrears until 1 January of the following year.

9. The Working Party analyzed and discussed the delay in the payments from the Bolivarian Republic of Venezuela, also noting that the participation of this Member State in PAHO's technical cooperation, as well as its right to take part in Governing Bodies meetings is not affected by the application of Article 6.B. The Working Party emphasized the importance of timely receipt of assessed contributions for fulfillment of the Program Budget approved by the Member States, and that failure to receive the budgeted amounts at the time they are expected jeopardizes the implementation of planned activities, resulting in the adoption of extraordinary measures for the management of financial resources.

## **Recommendation of the Working Party**

10. Members of the Working Party expressed their concern about the status of arrears from the Bolivarian Republic of Venezuela and recognized that this can put cooperation in their own countries at risk. Furthermore, they noted that the Bolivarian Republic of Venezuela has not presented a payment plan to PASB, as required by Resolution CD15.R12, in order to have voting privileges reinstated. The members expressed regret regarding this situation, but in light of the lack of payment or a payment plan with PASB, the Working Party recommends that the Directing Council not reinstate the voting rights of the Bolivarian Republic of Venezuela and that the situation be reviewed again by the Member States at future sessions of the Governing Bodies.

11. The Working Party congratulates all Member States that have made every effort to meet their financial commitments to the Organization, recognizing the impact on the technical cooperation that PASB continues to provide to its Member States, and requests Member States that have outstanding contributions to meet their financial obligations without delay.