

59th DIRECTING COUNCIL

73rd SESSION OF THE REGIONAL COMMITTEE OF WHO FOR THE AMERICAS

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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 20 and 21 September 2021 to review the status of quota collections in light of the provisions of Article 6.B 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 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 Antigua and Barbuda, Honduras, and Peru. The Chair of the Working Party is the Delegate of Honduras.

Analysis

4. As of the opening of the 59th 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 and 2021 amounting to a total arrearage of US\$ 9,915,755¹ The Pan American Sanitary Bureau (PASB) sent a formal communication to the Government of Venezuela regarding its situation with respect to Article 6.B in May 2021, as well as follow up communications in July and August, without receiving a response.

¹ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.

5. In 2020, Venezuela had its voting rights suspended at the opening of the 58th Directing Council in accordance with Article 6.B of the Constitution. At the beginning of that session 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 Resolution CD58.R8 (2020) including addenda CD58/9, Add. II, Venezuela's voting rights remain suspended as of the opening of the 59th Directing Council.

7. Venezuela has not made any payment towards its Assessed Contributions since May 2017, nor presented any correspondence in writing, including a proposed deferred payment plan, to the Secretariat regarding payment of assessed contributions due since the 58th Directing Council in September 2020.

8. The Working Party has reviewed the recommendations of the 168th Session of the Executive Committee, reflected in Resolution CE168.R1, as well as the last statement of assessed contributions due.

9. The Working Party has analyzed and discussed the delay in the payments from Venezuela. It has emphasized the importance of timely receipt of the assessed contributions for fulfillment of the program budget approved by the Member States and has fully recognized that failure to receive the budgeted amounts at the time they are expected threatens the implementation of planned activities and even the continuity of the Organization, making it necessary to impose extraordinary measures for the management of financial resources. It has also affirmed that it is not advisable to make exceptions to the application of Article 6.B that may be cited by other Member States when they fail to meet their financial commitments.

Recommendation of the Working Party

10. The Members expressed regret, but in light of the lack of payment or communication with the Secretariat, the Working Party recommends that the Directing Council not reinstate the voting privileges 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 those Member States that have made the effort to meet their quota commitments to the Organization during 2021 in the midst of challenges imposed by the COVID-19 pandemic and the resulting economic situation, and it urges those Member States with pending contributions to meet their financial commitments without delay.
