

Update on Contributions

A Secretariat Report

15 May 2023

1. Background

- 1.1. Financial Regulation E.7 requires the Executive Secretary to keep the Bureau updated on contributions and voting status and this report serves that purpose.
- 1.2. The Secretariat would like to bring to Bureau members' attention some extracts from the Rules of Procedure and Financial Regulations which may aid Contracting Governments in arrears.
 - Financial Regulation section E.3: It shall be open to any Contracting Government to defer the payment of any increased portion of its annual contribution resulting from a change in Capacity to Pay Groups. The Contracting Government must obtain written agreement to defer the increased portion of its annual contribution from the Executive Secretary 30 days before payment is due. The deferred portion shall be paid in full by 31 December of that year. The non-deferred portion must still be paid to the Commission by 30 June.
 - Financial Regulation section F.5(f): The provisions of this Regulation and of Financial Regulations F.1. and F.2. will cease to have effect for a Contracting Government if it makes a payment of 2 years outstanding contributions and provides an undertaking to pay the balance of arrears and the interest within a further 2 years.

2. Current Position

- 2.1. The right to vote of representatives of any Contracting Government shall be suspended automatically when the annual payment, including any interest due, has not been received by the Commission by the earliest of these dates:
 - 3 months following the due date; or
 - The day before the first day of the next biennial or special meeting of the Commission or meeting of the Bureau if such a meeting is held within 3 months following the due date; or
 - In the case of a vote by postal or other means, the date upon which votes must be received if this falls within 3 months following the due date,

the right to vote of the Contracting Government concerned shall be suspended as provided under Rule E.2. of the Rules of Procedure, unless the Commission decides otherwise in the case of exceptional circumstances.

- 2.2. Regarding the third bullet point in the list above, this indicates that the deadline for receiving a country's postal vote on the Bureau's recommended candidate for Executive Secretary will be the due date for payment of 2023 financial contributions or the date upon which their vote is received, whichever is latest, but no later than 3 months following the due date. This could impact the ability to attain a quorum to hold a vote unless the Bureau has reached a decision well before 30 June 2023.
- 2.3. Annex A shows countries with and without voting rights as at 09:00 15 May 2023.
- 2.4. At the time of writing:
 - For 2023 financial contributions, the Commission has received 28 payments, so for 32% of the members. The due date for 2023 invoices is 30 June 2023.
 - For 2022's contributions, 58 countries are in good standing and 30 have arrears.

- This means that the Commission is currently quorate and therefore can hold a vote if this becomes necessary. It is required for a simple majority (45) of countries to be in good standing for voting to be quorate. This position will change from 1 July 2023 if more 2023 contributions are not paid.
- Nevertheless, as long as the postal vote is distributed before 1 July 2023, the date of receipt of the postal votes of countries eligible to vote at that time will be the date on which their right to vote is suspended.
- The arrears balance as of the date of this document totals nearly £533k for the six years 2017-2022, which is approximately 31% of the IWC annual contributions budget.

2.5. Receiving contributions on time is critical for the Commission to be able to operate and pay its obligations as they fall due. Non-payment / late payments of contributions create risks to the IWC's ability to function.

2.6. A verbal update will be given to the Bureau if the position has changed from that set out in this report.

3. Annual contribution status on the IWC website

3.1. In May 2023, we launched a new section on our webpage which provides a report on the status of annual financial contributions, updated once per month.

3.2. A copy of the April 2023 report is available on the IWC website.

4. Summary

4.1. The Bureau is requested to:

- Note the status of contributions and voting for Member Governments.
- Emphasise the need to pay contributions in full and on time and strongly encourage Member Governments in arrears to pay their remaining contributions immediately.
- Note the potential impact of the status of contributions on the ability to recruit a new Executive Secretary.

ANNEX A – Voting Status

09:00 15 May 2023

Countries **with** full voting rights:

1. Argentina
2. Australia
3. Austria
4. Belgium
5. Benin
6. Brazil
7. Bulgaria
8. Cambodia
9. Chile
10. China, P.R of
11. Colombia
12. Croatia
13. Cyprus
14. Czech Republic
15. Denmark
16. Dominican Republic
17. Estonia
18. Finland
19. France
20. Germany
21. Grenada
22. Hungary
23. Iceland
24. Ireland
25. Israel
26. Italy
27. Kiribati
28. Korea, Rep of
29. Lao PDR
30. Lithuania
31. Luxembourg
32. Marshall Islands
33. Mexico
34. Monaco
35. Morocco
36. Netherlands
37. New Zealand
38. Nicaragua
39. Norway
40. Palau
41. Peru
42. Poland
43. Portugal

Countries **with** full voting rights, cont.:

44. Romania
45. Russian Federation
46. San Marino
47. Senegal
48. Slovak Republic
49. Slovenia
50. South Africa
51. Spain
52. St Kitts and Nevis
53. St. Lucia
54. Sweden
55. Switzerland
56. United Kingdom
57. Uruguay
58. USA

Countries **without** full voting rights:

1. Antigua and Barbuda (1)
2. Belize (+)
3. Cameroon (+)
4. Congo, Rep (+)
5. Costa Rica (1)
6. Cote d'Ivoire (+)
7. Dominica (+)
8. Ecuador (2)
9. Eritrea (+)
10. Gabon (+)
11. Gambia, The (+)
12. Ghana (+)
13. Guinea (3)
14. Guinea-Bissau (+)
15. India (1)
16. Kenya (1)
17. Liberia (+)
18. Mali (1)
19. Mauritania (+)
20. Mongolia (1)
21. Nauru (1)
22. Oman (1)
23. Panama (2)
24. Sao Tome & Principe (+)
25. Solomon Islands (+)
26. St Vincent & The Grenadines (+)
27. Suriname (1)
28. Tanzania (+)
29. Togo (1)
30. Tuvalu (3)

KEY

1 = 1 year in arrears

2 = 2 years in arrears

3 = 3 years in arrears

+ = more than 3 years in arrears

