



International Whaling Commission

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Financial Contributions : Penalties for late payment

The Commission's Financial Regulations provide that:

F1. If a Contracting Government's annual payments have not been received by the Commission by the due date referred to under Regulation E.2 compound interest shall be added to the outstanding annual payment at a rate of 10% per annum with effect from the day following the due date and thereafter on the anniversary of that day. The interest, calculated to the nearest pound, shall be payable in respect of complete years and continue to be payable in respect of any outstanding balance until such time as the amount in arrears, including interest, is settled in full.

In the 1998-99 financial year ended 31 August 1999, the Government of Italy had a part payment outstanding at the due date and the Government of St. Lucia failed to pay its contribution by that date. Therefore, both incurred the penalty of the addition of 10% interest. St. Lucia subsequently paid the basic contribution but not the interest.

The Financial Regulations further state that:

F2. If a Contracting Government's annual payments, including any interest due, have not been received by the Commission within 3 months of the due date, the Secretary shall not make available any Commission documentation, excluding individual correspondence, to the Contracting Government concerned, such documentation to be reserved for provision at such time as the amount in arrears, including interest, is settled in full.

F3. If a Contracting Government's annual payments, including any interest due, have not been received by the Commission within 3 months of 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.

These additional penalties should have been applied to the Governments of Italy and St. Lucia on 1 June but in the aftermath of the Annual Meeting in Grenada this action was overlooked.

In the circumstances, the Secretariat did not feel justified in imposing the penalties immediately the omission was discovered in July but explained to the Governments concerned that they should make payment as a matter of urgency and that the Secretariat would refrain from action in respect of the Financial Regulations provided the payments were received by the end of the financial year (31 August).

Despite a series of reminders neither Government has responded in any way. The Secretariat has therefore, notified the Governments of Italy and St. Lucia that the provisions of Financial Regulations F2 and F3 apply with effect from 1 September 1999.

The penalties were already in effect for some members in respect of arrears from earlier years. The full list of Contracting Governments subject to the addition of interest, the withholding of Commission documentation and the suspension of the right to vote is:

Costa Rica	Peru
Italy	St. Lucia
Kenya	Senegal



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Secretary to the Commission