



AGENCY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN
LATIN AMERICA AND THE CARIBBEAN

COMMITTEE ON CONTRIBUTIONS
ADMINISTRATIVE AND BUDGETARY MATTERS (CCAAP)

CCAAP/23/2017Rev.
18 August 2017

Proposal of Payment Plans

1. Since 1973¹, the Agency has reported situations of non-compliance with financial obligations by different Member States. In 1993, the seriousness of the situation² escalated to the point where it was not possible for the Agency to pay the salaries of its staff members.
2. Throughout the existence of the Agency, various *démarches* have been implemented to solve these situations, including several discount payment plan proposals for the settlement of arrears.
3. In 2006, the then Secretary-General, Ambassador Edmundo Vargas Carreño, informed the General Conference on the uncertainty of the future of OPANAL. Ambassador Vargas Carreño highlighted that the Treaty of Tlatelolco, which is known worldwide as the creator of the first Nuclear-Weapon-Free Zone in a densely populated area, after almost four decades of its entry into force, might cease to exist due to the lack of financial support from some Member States. Should this happen, Latin America and the Caribbean would be deprived of one of its most important contributions to international and regional security³.
4. On 28 June 2007, at the 51st Meeting of the Council, Ambassador Vargas Carreño presented to the Council a report on the political, budgetary and administrative aspects of the Secretariat of the Agency. Ambassador Vargas Carreño highlighted that “the budget approved for fiscal year 2007 was a realistic reflection of the costs necessary to keep the Agency functioning. However, contributions received fell short of the amount needed for Agency operations”⁴. For this reason, Ambassador Vargas Carreño resigned as OPANAL Secretary-General on 30 June 2007⁵.
5. In the light of the above, in November 2007, the General Conference resolved to designate a Deputy Secretary-General to help in the transition period and stated that the salary of said Deputy Secretary-General had to be covered completely by the State Party (Mexico) that proposed him⁶.

¹ Resolution CG/Res.60

² Resolution CG/Res.300

³ CG/E/606 Spanish only.

⁴ S/Inf.961

⁵ CG/617Rev.

⁶ Resolution CG/Res.496

6. From the start of his term in office, the current Secretary-General has been calling attention to the importance of compliance by Member States, in a timely manner, with their financial obligations to the Agency.
7. At its XXIV Session (26 November 2015), the General Conference adopted Resolution CG/Res.12/2015, which included the payment programmes proposed to seven Member States that had not met their financial obligations to the Agency after they ratified the Treaty. Three States out of seven, those being Grenada, Dominica and the Dominican Republic, responded to the payment plans proposed and remedied their situation of non-compliance with their financial obligations to the Agency.
8. At its XXIV Special Session (10 November 2016), through Resolution CG/E/Res.06/2016, the General Conference decided to renew and update the discount payment programme adopted through Resolution CG/Res.12/2015⁷. The General Conference attempted again to remedy the legal and political situation of non-compliance with Article 9 of the Treaty of Tlatelolco in which four Member States were found, those being El Salvador, Haiti, Saint Lucia and Saint Vincent and the Grenadines.
9. Saint Lucia responded favourably to the payment plan defined in Resolution CG/E/Res.06/2016 and paid its arrears to the Agency as of 2015. Saint Lucia also paid its assessed contributions for 2016 and 2017 and now has a credit balance to be used in future financial years.
10. El Salvador, Haiti and Saint Vincent and the Grenadines have not responded to the payment plans proposed in the last two years.
11. As of 2017,
 - a) the arrears of Haiti to the Agency amount to US\$ 126,308.92;
 - b) the arrears of El Salvador to the Agency amount to US\$ 125,238.49;
 - c) the arrears of Saint Vincent and the Grenadines to the Agency amount to US\$ 34,776.88.
12. It is worth noting that, including the assessed contributions for 2017, the arrears of these three Member States amount to US\$ 286,324.29.

⁷ Resolution CG/Res.12/2015

13. The Secretariat suggests that those Member States that are experiencing significant delays in the payment of assessed contributions regularize their situation through the following payment plan:
- a) Haiti shall pay its arrears up to 2017 with an 80% discount, amounting therefore to US\$ 25,261.78;
 - b) El Salvador and Saint Vincent and the Grenadines shall pay their arrears up to 2017 with a 50% discount, amounting therefore to US\$ 62,619.24 and US\$ 17,388.34, respectively;
 - c) These discount payment proposals would be presented to the Member States concerned and will be subject to acceptance and/or observations, which, in either case, should be transmitted in writing before 31 January 2018;
 - d) While communicating their acceptance and/or observations to the proposal, the Member States should set a time limit, not exceeding three years, for the full payment of arrears after applying the respective discount;
 - e) While accepting the payment plans, which include the assessed contribution for 2017, the aforementioned Member States shall agree to pay regularly, each year, their respective annual assessed contributions, as of 2018, in accordance with Article 5, paragraph 5.03, of the Financial Regulations.

The Secretariat suggests that CCAAP present this proposal to the Council to try, once again, to bring to an end non-compliance by Member States that are experiencing significant delays in the payment of assessed contributions.