SUBJECT:

Increasing the severity of sanctions imposed under Article 52 of the General Regulations and simplification of the debt rescheduling procedure

TO BE CLASSIFIED AS FOLLOWS:

1 copy in the CHRONOLOGICAL SERIES: Year 1996

1 copy in the SUBJECT SERIES: Heading: Basic texts and internal administration of the ICPO-Interpol

Sub-heading: Financial matter and the Financial Regulations

TEXT OF RESOLUTION

NOTING THE CONTENTS of Report No. 14 entitled "Increasing the severity of sanctions imposed under Article 52 of the General Regulations and simplification of the debt rescheduling procedure (amendment of Articles 3a and 30 of the Financial Regulations)",

BEARING IN MIND the opinion expressed by the <u>ad hoc</u> Committee in application of Article 56 of the General Regulations,

WISHING to encourage the signing of debt rescheduling agreements by countries whose contributions are currently in arrears and also considering that the Organization's financial situation requires the adoption of rules providing an incentive for member countries in arrears to pay their contributions,

The ICPO-Interpol General Assembly, meeting in Antalya from 23rd to 29th October 1996 at its 65th session:

ADOPTS the following amendments to regulations, subject to the vote on Report AGN/65/RAP No. 2 entitled "Amending the Organization's Constitution: Voting conditions (Amendment of Article 52 of the General Regulations)" which will modify paragraph 1(a) of the present version of Article 52.

(A) <u>Amendments to the Financial Regulations</u>

ARTICLE 3a

Paragraphs 1 to 3 are unchanged, paragraph 4 now reads as follows:

(4) The debt shall be rescheduled over a period which may not exceed ten years and the sum to be repaid shall amount to at least the total of the Member's statutory contributions for the three financial years preceding the financial year in which the agreement is signed.

Paragraphs 5 and 6 are unchanged, paragraphs 7 and 8 now read as follows:

- (7) If the Member fails to fulfil its obligations arising from the rescheduling agreement or from the terms of paragraph (5) above, the Secretary General shall notify that Member that the rescheduling agreement has been terminated. In such circumstances, and whatever the balance owed by the Member concerned, the Secretary General shall apply the provisions of Article 52 of the General Regulations, until that Member has fulfilled all its financial obligations towards the Organization.
- (8) A Member's debt may be partially cancelled provided that the Member concerned concludes a debt rescheduling agreement with the Organization in conformity with the terms of the present Article. However, the cancelled debt shall again become due if the Member fails to fulfil its obligations arising from the rescheduling agreement, or does not promptly pay the statutory contributions called up during the period in which the rescheduled debt is being paid off.

ARTICLE 30

Abrogated.

(B) New wording of Article 52 of the General Regulations

Article 52 has been completely reworked and now reads as follows:

- (1) If a Member has not fulfilled its financial obligations towards the Organization for the current financial year and the previous financial year:
 - (a) the Member's right to vote at General Assembly sessions and other meetings of the Organization shall be suspended but such voting restrictions shall not be applied to votes taken on amendments to the Organization's Constitution;

- (b) the Member shall no longer have the right to be represented at any ICPO-Interpol meetings or events except the General Assembly and other statutory meetings;
- (c) the Member shall not have the right to host ICPO-Interpol meetings or events;
- (d) the Member shall no longer have the right to propose candidates for secondment or detachment to the General Secretariat;
- (e) all benefits and services, provided by the General Secretariat except those mandated by the Constitution, shall be withdrawn from that Member.
- (2) Once a Member has failed to fulfil its financial obligations towards the Organization for the current financial year and the previous financial year, the Secretary General shall:
 - (a) note the fact that the conditions for applying sanctions have been fulfilled and notify the Member accordingly;
 - (b) apply the measures listed under (1) above, unless the Executive Committee decides that it would not be in the Organization's best interests to withdraw one or more of the benefits or services referred to under paragraph (1,e);
 - (c) inform the Executive Committee accordingly.
- (3) The Member concerned may appeal to the Executive Committee against the measures taken. Appeals must be received by the Executive Committee not later than 30 days before the opening of its next meeting. If the Executive Committee decides to maintain the measures imposed, appeals shall be transmitted to the General Assembly which shall discuss them and take decisions at the beginning of its session. A member country may not submit a new appeal against the decision taken by the General Assembly unless so authorized by the Executive Committee on the grounds that a new decisive fact has come to light. Appeals shall not have the effect of suspending the measures taken by the Secretary General in conformity with the second paragraph of the present article; those measures shall remain in force until they are revoked by the Executive Committee or the General Assembly.
- (4) If a Member has not fulfilled its financial obligations towards the Organization for the financial years prior to the year in which an election to the Executive Committee is held, delegates from that Member shall not be eligible for election as President, Vice-President, or Delegate on the Executive Committee. Such Members shall not be permitted to propose candidates for any form of elected office or representative function connected with the Organization.

- (5) The Secretary General shall note the revocation of the sanctions taken in application of paragraph (1) of the present Article as soon as it has been verified that the Member concerned has fulfilled its financial obligations to the Organization as defined in paragraphs (1) and (6) of the present Article. The Secretary General shall inform the Executive Committee of any such revocation.
- (6) (a) The term "financial obligations" shall mean Members' statutory contributions and any other contractual obligations they may have vis-à-vis the Organization.
 - (b) For the purposes of the present article only, unfulfilled financial obligations relating to the previous financial year shall not be taken into account if such obligations, as defined above, do not exceed five per cent (5%) of the sum due.

The present resolution shall come into force on 1st July 1997 and Article 52, as adopted in General Assembly Resolutions AGN/52/RES/7 and AGN/57/RES/1, shall be abrogated on the same date. The related modifications made to Articles 3a and 30 of the Financial Regulations shall come into force on the same date.

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