

Resolution A.726(17)
Adopted on 7 November 1991
(Agenda items 24 and 25)

**APPORTIONMENT OF EXPENSES AMONG MEMBER STATES
AND AMENDMENTS TO THE RULES OF PROCEDURE
OF THE ASSEMBLY**

THE ASSEMBLY,

RECALLING resolution A.76(IV) in which the scale of apportionment of annual expenses among Members and Associate Members was adopted and resolution A.550(13) revising that system of assessment,

RECALLING resolution A.641(16) in which the Council was requested, *inter alia*, to review the current system of apportionment of contributions,

RECALLING the decision of the Council at its sixty-first session to establish an *Ad Hoc* Working Group to address, *inter alia*, long-term structural problems concerning the financing of the Organization,

RECALLING ALSO the decision of the Council at its sixty-sixth session to invite the Vice-Chairman of the Council to discuss with Member States the scope for further convergence on a package of measures which would improve the Organization's financial situation,

RECALLING ALSO that such a package of measures would include possible changes to the present system of apportionment based on the final report of the *Ad Hoc* Working Group,

NOTING the proposals made by the Vice-Chairman of the Council as a consequence of those discussions,

ACCEPTING the need to secure agreement by consensus on a package of interlinked measures,

1. RESOLVES that, from 1 January 1992, the scale of apportionment of annual expenses among Members and Associate Members shall be based on the following principles:

Each Member and Associate Member shall be required to contribute:

- (a) a minimum assessment which will be calculated as 2.94% of the total budget assessment divided equally amongst the Members (50% for Associate Members);
- (b) a basic assessment calculated in accordance with the following table:

Category	UN contribution (percentage)	Number of basic units
1	0.01-0.05*	0
2	0.01-0.05	1
3	0.06-0.25	10
4	0.26-1.00	25
5	1.01-1.50	48
6	1.51-2.00	87
7	2.01-4.00	140
8	4.01-7.00	201
9	7.01-10.00	275
10	More than 10.00	625
Associate Members	-	0

* and having less than 50,000 grt.

The value of the basic unit shall be determined by dividing 12.5% of the total budget assessment less the total minimum assessment for the relevant financial year, by the total number of basic units for all Members;

- (c) an additional assessment determined by its gross register tonnage as shown in the latest edition of Lloyd's Register of Shipping, less 50,000 tons, on the basis of one share for each 1,000 tons. Each Associate Member shall be required to contribute an additional assessment determined by one half of its gross register tonnage, less 50,000 tons, on the basis of one share for each 1,000 tons;
2. RESOLVES FURTHER that the basic assessment shall be based on the scale of the United Nations contribution determined by the United Nations General Assembly, noting that the calculation for the 1992 apportionment of expenses will be based on the 1991 United Nations scale of contributions;
 3. RESOLVES FURTHER that a new provision shall be introduced in the Rules of Procedure of the Assembly (namely a new rule 56*bis*, the text of which appears in annex 1, attached) concerning the detailed application of Article 56 and that this rule shall enter into force immediately and will therefore be applied in relation to decisions of the eighteenth regular session of the Assembly;
 4. RESOLVES FURTHER that a new provision shall be introduced in the Rules of Procedure of the Assembly concerning elections to the Council (namely a new rule 56*ter*, the text of which appears in annex 2 attached) and that this rule shall enter into force immediately and will therefore be applied in relation to decisions of the eighteenth regular session of the Assembly;
 5. RESOLVES FURTHER that the Council shall institute a review of the Organization's financial framework in four years' time to consider, *inter alia*:
 - (a) the addition of an eleventh category in the basic assessment for Member States with a contribution to the United Nations of more than 10% and less than 16%;
 - (b) improving the balance between the assessment formula and enforcement measures concerning contribution payments;
 6. RESOLVES FURTHER that a report on this review, which will not be limited in scope, shall be submitted to the twentieth session of the Assembly.

Annex 1

RULE 56*bis*

For the waiver by the Assembly of Article 56 of the IMO Convention the following procedure shall be followed:

- (i) The Secretary-General shall send a written notification to any Member which has failed to discharge its financial obligations to the Organization under Article 56 of the Convention. The notification shall call attention to the terms of Article 56 regarding the loss of vote in the Assembly, the Council, the Maritime Safety Committee, the Legal Committee, the Marine Environment Protection Committee, the Technical Co-operation Committee or the Facilitation Committee.*
- (ii) Any Member wishing to request a waiver of the provision of Article 56 in respect of itself shall submit a written application to the Secretary-General giving reasons therefor, with a payment schedule indicating the timescale over which arrears will be paid.

* To be applied when the amendment to Article 56 of the IMO Convention has entered into force.

- (iii) The Secretary-General shall submit to the Council a list of Members which have failed to discharge their financial obligations, together with any requests for waiver of the provision of Article 56 which have been received from any such Members.
- (iv) The Council shall submit to the Assembly a report on the matter, together with its recommendations on the submission from any Member requesting waiver of the provision of Article 56 of the IMO Convention.
- (v) The Assembly shall consider the report of the Council at the commencement of each session. Taking into account the recommendations of the Council, the Assembly shall take decisions on the waiver of the provision of Article 56 of the Convention in respect of any or all of the Members from which requests for waiver have been received, together with any conditions attached to such waiver.
- (vi) A decision to waive the provision of Article 56 may only be taken in respect of a Member which has submitted a request for waiver in accordance with subparagraph (ii) above.

Annex 2

RULE 56*ter*

Any Member seeking election to the Council shall have discharged its financial obligations to the Organization or shall have committed itself to a schedule submitted to the Secretary-General to do so.