



Second item on the agenda: Programme and Budget proposals for 2016–17 and other questions

First report of the Finance Committee of Government Representatives

1. The Finance Committee of Government Representatives met on 3 June 2015 with Mr Hamza Khelif (Algeria) as Chairperson and Reporter.

Request of the Government of Uzbekistan, under paragraph 4 of article 13 of the Constitution of the International Labour Organisation, for permission to vote

2. The Committee had before it a request (document C.F./D.3) from the Government of Uzbekistan for permission to vote at the Conference. This request was referred to the Finance Committee as a matter of urgency in accordance with paragraph 1 of article 31 of the Standing Orders of the Conference. The text of the request, received on 15 May 2015, is as follows:

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**МИНИСТЕРСТВО ТРУДА И
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“15” май 2015 йил

№ 01-09/1749

**Mr. Guy Ryder
ILO Director General**

Dear Mr. Ryder,

I have a great pleasure to inform you of an intensive dialogue and constructive cooperation that are being carried out between the Government of the Republic of Uzbekistan and authoritative body of the UN - International Labour Organization, founded almost 100 years ago, in 1919.

Uzbekistan ratified ILO Conventions, including on forced labor, employment, social protection, child labor, adopted special programs for their implementation, held a number of important meetings, seminars, round tables to promote cooperation with ILO and implement international standards and norms.

Jointly with Social Partners and with the ILO technical support the Ministry of Labor and Social Security of the Republic of Uzbekistan has been taking measures on implementation of the Decent Work Country Program between Uzbekistan and the ILO for 2014-2016, which was adopted in the framework of the Memorandum of Understanding signed on 25th April 2014.

Given your objective assessment and support for efforts of Uzbekistan to implement international labour standards and achieve further progress in cooperation with ILO, I wish to inform you that the Government of the Republic of Uzbekistan intends to regularize the arrears of membership contributions to the budget of the ILO, to regain its right to vote in the ILO and participate actively in the conferences and activities of the International Labour Organization.

I would like to state that the non-payment of contributions by Uzbekistan was due to the following reasons and conditions beyond its control:

- economic crisis caused by the dissolution of the former USSR;
- global financial crises in 1997-1998 and 2007-2008;
- profound economic and social transformations which are under way in the country;
- reform of the budget system and allocation of more than half of the national budget to the social sector.

In this regard, on behalf of the Government of the Republic of Uzbekistan, I would like to request that you transmit to the competent authorities of the ILO the following proposal for the settlement of arrears of contributions of the Republic of Uzbekistan to the budget of the International Labour Organization:

1. For 2015, the Republic of Uzbekistan will pay in full its assessed contribution of 57,090 Swiss francs to demonstrate our commitment to cooperate with the ILO;
2. The Republic of Uzbekistan will settle the arrears of contributions that have accumulated up to 2014, covering contributions from 1997 and amounting in total to 1,498,800 Swiss francs by 10 annual installments beginning from 2015 according to the settlement schedule that is attached to this letter.
3. The Republic of Uzbekistan is determined to settle subsequent years' contributions in the year in which they become due.

I would further request that you include into the agenda of the 104th International Labour Conference the present request and transmit it to Member States of the Organization, in order to facilitate the voting and regaining by Uzbekistan of its right to vote in the ILO in accordance with paragraph 4, Article 13 of the Constitution of the ILO.

Sincerely,

Minister



A. Abdukhakimov

3. The Committee noted the provisions of paragraph 4 of article 13 of the Constitution of the ILO, also articles 31 and 32 of the Standing Orders of the Conference, the texts of which appear in the appendix to this report.
4. In examining the financial relations between Uzbekistan and the ILO, the Committee noted that Uzbekistan became a Member of the ILO on 13 July 1992 and, during its membership, the following payments had been made in respect of its assessed contributions:

Date of payment	Amount (in Swiss francs)	Details of payment
5 March 1996	293 346	Part 1992 contribution
20 November 1996	496 120	Balance 1992 contribution and part 1993 contribution
29 September 1997	490 578	Balance 1993 contribution and part 1994 contribution
30 March 1998	1 646 726	Balance 1994 contribution, full 1995 contribution and part 1996 contribution
24 September 1998	409 218	Part 1996 contribution
17 June 2009	31 566	Part 1996 contribution
21 April 2010	31 104	Balance 1996 contribution and part 1997 contribution
16 June 2011	31 104	Part 1997 contribution
20 June 2012	36 188	Part 1997 contribution
24 June 2013	36 188	Part 1997 contribution
24 April 2014	85 500	Part 1997 contribution

5. Contributions outstanding at 31 December 2014 amounted to 1,498,800 Swiss francs (CHF), covering the assessed contributions from 1997 to 2014. The 2015 contribution of CHF57,090 had also not been paid. Therefore, under paragraph 4 of article 13 of the Constitution, Uzbekistan was not entitled to vote unless the Conference should decide, in accordance with that article, to grant permission to vote.
6. *The Committee, being satisfied that the failure of Uzbekistan to pay its arrears was due to conditions beyond its control, in accordance with the provisions of paragraph 3 of article 31 of the Standing Orders of the Conference, reports to the Conference as follows:*
 - (a) *that the failure of Uzbekistan to pay in full the amounts owing is due to conditions beyond its control; these conditions are summarized in the letter appearing in paragraph 2 above;*

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- (b) the financial relations between Uzbekistan and the Organization have been set out in paragraphs 4 to 5 above; and*
- (c) that measures would be taken to settle the arrears along the lines set out in the letter appearing in paragraph 2 above.*

7. The Committee accordingly recommends the adoption by the Conference of the resolution concerning the granting to Uzbekistan of permission to vote under paragraph 4 of article 13 of the Constitution of the International Labour Organisation, the text of which appears at the end of this report.

Appendix

- 8.** The provisions of paragraph 4 of article 13 of the Constitution of the ILO, also articles 31 and 32 of the Standing Orders of the Conference, are reproduced in the appendix to this report.

Geneva, 3 June 2015

(Signed) H. Khelif
Chairperson and Reporter

Resolution submitted to the Conference

Resolution concerning the arrears of contributions of Uzbekistan

The General Conference of the International Labour Organization,

Having regard to paragraph 6 of article 10 of the Financial Regulations,

Accepts the arrangement proposed by the Government of Uzbekistan for the settlement of its arrears of contributions corresponding to the periods 1997-2014 plus its 2015 contribution to the effect that:

- (a) in 2015, the Government of Uzbekistan will pay in full its assessed contribution of 57,090 Swiss francs for the year 2015;
- (b) in subsequent years, the Government of Uzbekistan will continue to pay its current contribution in full in the year for which it is due;
- (c) the Government of Uzbekistan will settle its arrears that have accumulated up to and including 31 December 2014, amounting to 1,498,800 Swiss francs, by payment, beginning in 2015, of ten annual instalments in accordance with the following schedule:

Years	Amount (in Swiss francs)
2015	74 900
2016	74 900
2017	112 000
2018	112 000
2019	149 800
2020	149 800
2021	188 000
2022	188 000
2023	224 700
2024	224 700
Total	1 498 800

Decides that Uzbekistan shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organisation, after the conclusion of the present business.

Appendix

Relevant provisions of the Constitution of the International Labour Organisation and the Standing Orders of the International Labour Conference

1. Paragraph 4 of article 13 of the Constitution of the Organisation provides as follows:

4. A Member of the Organization which is in arrears in the payment of its financial contribution to the Organization shall have no vote in the Conference, in the Governing Body, in any committee, or in the elections of members of the Governing Body, if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years: Provided that the Conference may by a two-thirds majority of the votes cast by the delegates present permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.

2. Articles 31 and 32 of the Standing Orders of the Conference provide as follows:

ARTICLE 31

Procedure where proposal is made to permit Member in arrears to vote

1. Any request or proposal that the Conference should nevertheless permit a Member which is in arrears in the payment of its contributions to vote in accordance with article 13, paragraph 4, of the Constitution shall be referred in the first instance to the Finance Committee of the Conference, which shall report thereon as a matter of urgency.

2. Pending a decision on the request or proposal by the Conference, the Member shall not be entitled to vote.

3. The Finance Committee shall submit to the Conference a report giving its opinion on the request or proposal.

4. If the Finance Committee, having found that the failure to pay is due to conditions beyond the control of the Member, thinks fit to propose to the Conference that the Member should nevertheless be permitted to vote in accordance with article 13, paragraph 4, of the Constitution, it shall in its report:

- (a) explain the nature of the conditions beyond the Member's control;
- (b) give an analysis of the financial relations between the Member and the Organisation during the preceding ten years; and
- (c) indicate the measures which should be taken in order to settle the arrears.

5. Any decision which may be taken by the Conference to permit a Member which is in arrears in the payment of its contributions to vote notwithstanding such arrears may be made conditional upon the Member complying with any recommendations for settling the arrears which may be made by the Conference.

ARTICLE 32

Period of validity of a decision to permit Member in arrears to vote

1. Any decision by the Conference permitting a Member which is in arrears in the payment of its contributions to vote shall be valid for the session of the Conference at which the decision is taken. Any such decision shall be operative in regard to the Governing Body and committees until the opening of the general session of the Conference next following that at which it was taken.

2. Notwithstanding the provisions of paragraph 1 of this article, after the Conference has approved an arrangement under which the arrears of a Member are consolidated and are payable in annual instalments over a period of years, the Member shall be permitted to vote provided that, at the time of the vote concerned, the Member has fully paid all instalments under the arrangement, as well as all financial contributions under article 13 of the Constitution that were due before the end of the previous year. For any Member which, at the close of the session of the Conference, has not fully paid all such instalments and contributions due before the end of the previous year, the permission to vote shall lapse.

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