

Finance Committee of Government Representatives

Date: 21 May 2021

► Request of the Government of the Islamic Republic of Iran, under paragraph 4 of article 13 of the Constitution of the International Labour Organization, for permission to vote

1. The following request received on 12 May 2021 from the Government of the Islamic Republic of Iran for permission to vote at the Conference is 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.



Islamic Republic of Iran
Ministry of Cooperatives, Labour and Social Welfare

International Affairs Department

12 May 2021

Mr. Adnan K. Chughtai
Treasurer and Financial Comptroller
International Labour Organization
Geneva

Sir,

Pursuant to my previous correspondence dated 24 December 2020 addressed to Mr. Fikri Gurzumar, Chief of Treasury and Accounts Branch, I have the honour to inform you that the Government of the Islamic Republic of Iran wishes to regularize its arrears of contributions due to the International Labour Organization and regain its right to vote and participate actively in the work of the Organization.

The Islamic Republic of Iran has always been an active and responsible member of the International Labour Organization. During a hundred years of active and responsible membership, Iran has always been committed to pay its assessed contributions duly. However, it is very unfortunate that the Government of the Islamic Republic of Iran, for the reasons completely beyond its control, has failed to pay its financial contributions.

The unlawful imposition of unilateral coercive measures by the United States has caused unprecedented hardship to the economy of the Islamic Republic of Iran. Such unilateral coercive measures by targeting the whole banking system of the country not only fettered normal channels of international transactions for the Government, but also restricted the Government's access to its financial resources abroad. Therefore, the international transfer of money through normal banking channels is no longer possible, since international banks being intimidated by the United States to work with the Iranian banking system owing to the secondary U.S. sanctions.

Nevertheless, despite extreme restrictions caused by the U.S. unilateral coercive measures, the Islamic Republic of Iran has made every effort at its disposal to partially or fully pay its contributions to ILO, as we managed to take advantage of limited existing opportunities and pay, on 13 January 2021, part of our arrears in the amount of 253,456 CHF.

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Islamic Republic of Iran
Ministry of Cooperatives, Labour and Social Welfare

International Affairs Department

The Government of the Islamic Republic of Iran believes that the situation imposed on our country due to the U.S. unlawful unilateral coercive measures falls under the category of "conditions beyond the control of member States for arrears in payment of the financial contributions", as recognized under Article 13 of the ILO Constitution. While Iran will continue its utmost efforts to find practical ways and means to make necessary payments, it is expected that the real cause of this situation, i.e. the United States' unilateral coercive measures and banking restrictions, be recognized and duly addressed as the main reason for non-payment of our contribution to ILO.

I would like to reaffirm that the Islamic Republic of Iran is fully committed to pay its financial contribution to the ILO (and other International Organizations). We stand ready to present a practical payment plan in order to fulfill Iran's contribution to the Organization upon termination of the unilateral coercive measures that have impeded my country from paying its assessed contributions.

Please accept, Sir, the assurances of my highest consideration.

Ali Hossein Shahrivar



Director General
Department of International Affairs

CC:
H.E Mr. Guy Ryder
Director-General
International Labour Organization
Geneva

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

2. These are provided in Appendix I to this document.

Financial relations between the Islamic Republic of Iran and the Organization

3. The Islamic Republic of Iran became a member of the ILO on 28 June 1919. In examining the financial relations between the Islamic Republic of Iran and the Organization for the preceding ten years, the Committee is informed that the Islamic Republic of Iran has made the following payments to the ILO in respect of its assessed contributions:

Date of payment	Amount (in CHF)	Details of payment
7 May 2010	661 651	Balance 2008 and part 2009 contribution
23 December 2011	550 590	Balance 2009 and part 2010 contribution
11 February 2013	500 000	Balance 2010 and part 2011 contribution
15 February 2013	300 000	part 2011 contribution
26 September 2013	1 100 000	Balance 2011 and part 2012 contribution
20 May 2014	484 000	Balance 2012 and part 2013 contribution
7 August 2014	352 000	Part 2013 contribution
8 September 2014	116 800	Part 2013 contribution
7 July 2015	1 179 000	Balance 2013 and part 2014 contribution
22 April 2016	217 971	Part 2014 contribution
5 July 2016	645 768	Balance 2014 and part 2015 contribution
10 November 2016	465 062	Part 2015 contribution
31 May 2017	998 461	Balance 2015 and part 2016 contribution
31 December 2017	365 855	Part 2016 contribution
8 August 2018	762 207	Balance 2016 and part 2017 contribution
6 November 2018	566 401	Part 2017 contribution
2 July 2019	778 524	Balance 2017 and part 2018 contribution
13 January 2021	253 456	Part 2018 contribution

4. In accordance with paragraph 6 of article 10 of the Financial Regulations, the payment of CHF253,456 made by the Government of the Islamic Republic of Iran on 13 January 2021, referred to in the letter reproduced above, was applied against its arrears of the 2018 contribution.

5. Contributions outstanding as at 14 May 2021 amounted to CHF6,371,903, covering the assessed contributions from 2018 to 2021. Therefore, under paragraph 4 of article 13 of the Constitution, the Islamic Republic of Iran is not entitled to vote unless the Conference should decide, in accordance with that article, to grant permission to vote.
6. In its letter, the Government of the Islamic Republic of Iran indicates that it will continue its utmost efforts to find practical ways and means to make necessary payments and also states that it stands ready to present a practical payment plan in order to fulfill its contribution to the Organization upon termination of the unilateral coercive measures that have impeded the country from paying its assessed contributions. In accordance with paragraph 3 of article 31 of the Standing Orders of the Conference, the Finance Committee of Government Representatives is called upon to submit to the Conference a report giving its opinion on the request from the Islamic Republic of Iran for permission to vote.
7. If the Committee is satisfied that the failure of the Islamic Republic of Iran to pay is due to conditions beyond its control, it may wish, in accordance with the provisions of paragraph 4 of article 31 of the Standing Orders of the Conference, to report to the Conference as follows:
 - (a) the Committee finds that the failure of the Islamic Republic of Iran to pay in full the amounts owing is due to conditions beyond its control;
 - (b) the financial relations between the Islamic Republic of Iran and the Organization have been set out in paragraphs 3–5 above;
 - (c) an arrangement providing for the settlement of the arrears by annual instalments over a period of years should be presented by the Government as soon as feasible and practicable.
8. The Committee may accordingly wish to recommend the adoption by the Conference of the resolution concerning the granting to the Islamic Republic of Iran of the permission to vote under paragraph 4 of article 13 of the Constitution of the International Labour Organization, the text of which appears in Appendix II to this document. This draft reflects the request in the Government's letter reproduced above.

Appendix I

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

1. Paragraph 4 of article 13 of the Constitution of the Organization 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 Organization 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.

Appendix II

Resolution concerning the arrears of contributions of the Islamic Republic of Iran

The General Conference of the International Labour Organization,

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

Notes that in order to demonstrate its commitment to cooperation with the ILO, on 13 January 2021, the Government of the Islamic Republic of Iran paid CHF253,456, which was applied as a payment against its arrears of its 2018 contribution;

Notes the commitment of the Government of the Islamic Republic of Iran to present an arrangement providing for the settlement of the arrears by annual instalments over a period of years as soon as feasible and practicable;

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