



Asian Parliamentary Assembly

Standing Committee on Budget and planning

(Virtual Meeting)

Moscow, Russian Federation

4 August 2021

Background Paper

(7/24/2021 Prepared by APA Secretariat)

The issue of payment of contributions by all Member Parliaments to the APA budget, under supervision of the Standing Committee on Budget and Planning, is one of the most important steps towards promoting the international status of the Permanent Secretariat.

In order to assist Member Parliaments in their deliberation during the Meeting of 4 August 2021, the Secretariat Prepared a brief history of decisions and developments of planning budget of the APA Secretariat from 2008 up to 2020 for quick references:

1- Establishing financial and staff regulations for the Secretariat was raised for the first time in November 2008 in Jakarta by the resolution on APA Budget and Expenditure (APA/Res/2008/0429) and in June 2014, the APA Secretary General presented the first draft of APA Staff and Financial Regulation to the Ad-hoc Committee on Financial and Staff Regulations in Cambodia.

2- The Ad-hoc Committee approved the draft resolution on Financial and Staff Regulations (Ad-hoc/Draft Res/ 2014 /09) and its attachment, and proposed it to the Executive Council for adoption. Consequently, in December 2014, the 7th APA Plenary in Lahore, Pakistan, approved the Financial and Staff Regulations.

3- The main objective of the approved resolution and its attachments was to prepare regulations to fit APA administrative needs to better suit its activities. It was realized that the most relevant international organization to the APA is Inter Parliamentary Union (IPU) and all APA Member Parliaments are familiar with

its functions and rules. Therefore, the IPU's system of scaling assessed contributions has been evaluated as a relevant and useful model for APA.

4-The Standing Committee on Staff and Financial Regulations in September 2016, (the current SC on Budget and Planning) in Kingdom of Cambodia, request all APA Member Parliaments to take required measures to secure budgetary resources required for the payment of their assessed contributions in accordance with the APA Staff and Financial Regulations approved by the 7th APA Plenary in Lahore, Pakistan. The resolution also encourages all APA Member Parliaments, particularly those with stronger economies to make voluntary financial contributions to the APA for the implementation of its resolutions.

5-At the 9th APA plenary meeting in Cambodia, in December 2016, new proposals were made by different delegations on necessity of further clarification on measures of assessed contribution, terms and modalities of contribution, framework voluntary contribution and some suggestions on studying the budgetary models of other International organizations and tasked Abu Dhabi meeting of Standing Committee to follow this issue.

6- In May 2017, at the Standing Committee on Staff and Financial Regulations in Abu Dhabi, after a long discussion on the model of payment of contributions, out of 15 delegations that were present, 7 went in favor of equality of payment, 3 in favor of GDP & IPU system of payment and 5 with no views. Therefore, the Standing Committee requested the Executive Council to direct the Permanent Secretariat to communicate with all members to state their choice on how the APA should calculate the contribution; either by contributing equally or based on the percentage of the GDP.

7- The APA Secretariat in November 2018 in 11th Plenary in Istanbul reported that upon the instruction of the Executive Council in Phnom Penh on October 2017, APA Secretary-General communicated with all APA Member Parliaments on 8 October 2017, and offered three Models of Payment:

- A. The Model of Payment based on GDP of each Member Parliament.
- B. The Model of Payment based on Equality.
- C. The Model of Payment based on mixture of GDP and Equality. In this Model, every Member Parliament pays for example \$20,000.00 as the equal contribution and additional amount, if necessary, is payable based on Member's GDP.

At this meeting, the Secretariat stated that it seems the third Model means mixture of two Models of Equality and GDP can satisfy every Member Parliaments.

8- Consequently, the 11th Plenary at Istanbul adopted the following model of payment:

“Every APA Member Parliament will pay equally 20000 USD per year and extra budget will be taken into account on the basis of GDP.”

9- In order to implement the decision of the APA 11th Plenary, APA Secretary General has sent a letter in December 2018, to all member parliaments and informed them that during the APA Eleventh Plenary in Istanbul, the Model of Payment of Assessed Contribution was unanimously adopted and requested them to include this amount of contribution in their respective parliament’s yearly budget. During 2019, the Secretariat received 4 replies from India, Turkey, Pakistan and Saudi Arabia in this regard.

10- Secretary General in his report to the Standing Committee on Budget and Planning in September 2019 in Baghdad stated that the APA Budget Estimate for the year 2019 is around 900,000 USD. It means that, even if all active member parliaments pay their contribution based on the current adopted model of payment, the Secretariat could hardly survive.

In conclusion, the Secretariat calls on all APA member parliaments to keep the momentum and delegate the authority of finding a final solution for the scale of assessment to an ad- hoc working group such as WG on statutory documents. The findings of this working group will be submitted to this SC for its final approval.
