

**UNITED**



**NATIONS**

# **REPORT OF THE COMMITTEE ON CONTRIBUTIONS**

**GENERAL ASSEMBLY**

**OFFICIAL RECORDS: SIXTH SESSION  
SUPPLEMENT No. 10 (A/1859)**

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**NEW YORK, 1951**



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## NOTE

All United Nations documents are designated by symbols, i.e., capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

## I. MEMBERSHIP AND MEETINGS

1. The Committee met at the United Nations permanent Headquarters, New York, from 6 to 18 August 1951. The following members were present:

Sir Sydney CAINE  
Mr. René CHARRON  
Mr. Kan LEE  
Mr. Adolfo NASS  
Mr. Josué SAENZ  
Mr. Mitchell W. SHARP  
Miss M. Z. N. WITTEVEEN

2. Mr. Pavel M. Chernyshev, Mr. Seymour Jacklin and Mr. Elmer B. Staats, who are members of the Committee, were unable to attend. They designated Mr. A. A. Soldatov, Mr. B. Fourie and Mr. Stuart A. Rice, respectively, to represent them. The Committee accepted these designations and the three substitute members participated in the work of the Committee throughout the session.

3. The Committee re-elected Miss M. Z. N. Witteveen as Chairman and elected Mr. Mitchell W. Sharp as Vice-Chairman.

## II. TERMS OF REFERENCE

4. The General Assembly resolved on 14 December 1950 (resolution 462 (V)):

"That, notwithstanding the provisions of rule 159 of the rules of procedure of the General Assembly, the scale of assessments for the apportionment of the expenses of the United Nations shall be reviewed by the Committee on Contributions in 1951 and a

report submitted for the consideration of the General Assembly at its next regular session".

5. In reviewing the scale of assessments, the Committee was guided by its original terms of reference laid down by resolution 14 A, 3 (I) of 13 February 1946 and by the further directives given to it by the General Assembly in resolution 238 A (III) of 18 November 1948.<sup>1</sup>

## III. STATISTICAL INFORMATION

6. The Committee is again able to report that there has been a general improvement in the statistical data provided by Member States and submitted to the Committee by the Secretary-General. For a number of Member States, recent official estimates of national income became available for the first time. In several cases, the quality and completeness of the estimates showed a considerable improvement compared to last year. Where recent estimates of national income were not available, the Secretariat was in several cases able to base its estimates on more complete official economic data than had hitherto been available. Unfortunately, for a number of Member States, the estimates

had again to be based on inadequate information.

7. The problem of converting estimates of national income expressed in national currencies into a common unit, namely, the United States dollar, had again to be considered. The Committee felt that official rates of exchange did not in all cases provide the most reasonable basis of conversion. It was necessary to continue to take into account this year both the delayed response in some countries to currency devaluation and the existence in others of multiple exchange rates. Hence, for purposes of comparison it was necessary to make alternative calculations and allowances after a study of price and income trends in those countries.

## IV. SCALE OF ASSESSMENTS

8. A year ago the Committee expressed the view in its report that progress could be made towards removing maladjustments in the scale of assessments. Accordingly, it recommended a number of adjustments both upwards and downwards for that purpose. The Committee also recommended a reduction of 0.87 in the percentage contribution of the largest contributor as a

second step in implementing General Assembly resolution 238 A (III), a reduction of 0.10 having been made in the previous year. The resulting scale was recom-

<sup>1</sup> For the Committee's terms of reference and the text of resolution 238 A (III) see last year's report (A/1330), *Official Records of the General Assembly, Fifth Session, Supplement No. 13, Annex*).

mended to be applied for one year only. These recommendations were adopted by the General Assembly.

9. This year the Committee considered whether it would be justified in moving at once to a more permanent scale which might remain in effect for a period of at least three years, as envisaged in its terms of reference. While recognizing the desirability of a stable scale of assessments, the Committee came to the conclusion that it should continue to move step by step in making adjustments, satisfying itself that the changes recommended are fully supported by the available evidence of relative capacity to pay and are in accordance with the directives of the General Assembly.

10. Although, as already noted, the statistical information available to the Committee continues to improve, it is by no means adequate for all countries. There is still room for difference of opinion as to appropriate methods for converting estimates of national income into a common currency. The Committee had also to take into account a deterioration in the balance of payments of some countries which may, for some time to come, make it more difficult for them than had been expected to secure foreign currency required for the payment of their contributions.

11. As a working rule, the Committee last year agreed that, generally, no change either upward or downward of more than 10 per cent should be proposed in the percentage assessment of any country. This was an appropriate rule when the scale was for the first time being made the subject of a considerable revision. The major divergencies from the percentages which would be indicated by the best available calculations of relative capacity to pay, as revealed when the scale was under review last year, are confirmed by more recent and complete information. Bearing in mind also the views expressed in the Fifth Committee of the General Assembly at the fifth session, the Committee on Contributions believes that a systematic revision of assessments designed to remove these maladjustments and to make possible a more permanent scale within a few years is justified.

12. Another factor which has to be considered is the principle of the 33 $\frac{1}{3}$  ceiling. As already mentioned, in the past, two downward adjustments amounting to a total of 0.97 have been made in the assessment of the United States of America, pursuant to resolution 238 A (III). The assessment for that country now stands at 38.92 per cent. The resolution is capable of various interpretations. It recognizes that "in normal times" the assessment of no one Member State should exceed one-third of the total. A majority of the members of the Committee could not accept the view that times are yet "normal"; neither, in the light of the approval given to the adjustments in the percentage contribution of the United States of America recommended by the Committee during the past two years, could the Committee avoid the conclusion that the General Assembly wished to make further progress towards the goal of a ceiling of 33 $\frac{1}{3}$  per cent. In recommending a further step in that direction, the Committee decided that it would be appropriate to adhere approximately to the same general rate of progress as for the removal of the maladjustments referred to in paragraph 13.

13. While the principle of systematic removal of apparent divergencies in the scale was adopted by the

Committee, there was considerable difficulty in agreeing on an appropriate rate of progress towards the ultimate objective. After careful and prolonged consideration, during which some members expressed themselves in favour of a slower and others of a faster rate of progress, the Committee finally agreed to recommend a scale which is based, in principle, upon reducing apparent divergencies by approximately one-third for 1952.

14. It will be understood, of course, that the Committee's recommendations do not go beyond the scale for that year. Further, even if the proposed rate of progress towards the removal of maladjustments is continued in the future, it does not follow that all the countries, or only the countries for which modifications are now recommended, would be included in future lists of changes. In some cases, the remaining discrepancies will be so small as not to be significant. There are in any event certain to be changes which will necessitate a re-examination when the next review of the scale is undertaken.

15. The Committee gave particular attention to the position of those countries which suffered "temporary dislocation of national economies arising out of the second world war" and whose present assessments reflect allowances for this factor. Such dislocations, to the extent that they persist, should be reflected in the estimates of current national income based on official information provided by the governments of the countries concerned. In any event, since the Committee recommends the removal in the present year of only about one-third of the apparent discrepancies in the scale, as revealed by comparative estimates of national income adjusted for low *per capita* income, any dislocations which may not be fully reflected in these estimates are amply recognized.

16. One of the other factors that the Committee is asked to take into account is "the ability of Members to secure foreign currency". While this factor was not ignored in proposing a scale of assessments for the present year, the Committee was faced with the fact that outside the United States, which is subject to a ceiling on its contributions, and a very few other countries, all Member States are experiencing varying degrees of difficulty in securing United States dollars. In the final stages of removing existing maladjustments, and arriving at a more permanent scale, it may become necessary to give greater weight to foreign exchange problems in order, in the language of the Committee's terms of reference, "to prevent anomalous assessments resulting from the use of comparative estimates of national income". The existence of these difficulties emphasized the importance of continuing and, if possible, extending the arrangements for payment of contributions in currencies other than United States dollars, as referred to in paragraph 35.

17. The assessment of China was originally fixed by the General Assembly at the same level as that of France, although such evidence as was then available would have supported a lower assessment. The Committee did not consider that it could propose any change in this relationship until it had more adequate information as to China's capacity to pay and all other relevant factors. The Committee therefore felt that if the assessment of France were reduced, in conformity with the general principle for the removal of divergen-

cies, the assessment of China should be reduced by an equal percentage.

18. Taking all the above into account, the Committee recommends changes in the rates of contribution of the countries shown in the following table:

Country	1951 rate of contribution Per cent	Recommended rate of contribution for 1952 Per cent	Change
Afghanistan	0.06	0.08	+0.02
Argentina	1.85	1.62	-0.23
Australia	1.92	1.77	-0.15
Bolivia	0.08	0.06	-0.02
Brazil	1.85	1.62	-0.23
Byelorussian Soviet Socialist Republic	0.24	0.34	+0.10
Canada	3.30	3.35	+0.05
Chile	0.41	0.35	-0.06
China	6.00	5.75	-0.25
Cuba	0.31	0.33	+0.02
Czechoslovakia	0.99	1.05	+0.06
Egypt	0.71	0.60	-0.11
Ethiopia	0.08	0.10	+0.02
France	6.00	5.75	-0.25
India	3.41	3.53	+0.12
Iran	0.45	0.40	-0.05
Iraq	0.17	0.14	-0.03
Israel	0.12	0.17	+0.05
Mexico	0.63	0.65	+0.02
Netherlands	1.35	1.27	-0.08
Pakistan	0.74	0.79	+0.05
Poland	1.05	1.36	+0.31
Sweden	1.85	1.73	-0.12
Syria	0.11	0.09	-0.02
Thailand	0.24	0.21	-0.03
Turkey	0.91	0.75	-0.16
Union of South Africa	1.04	0.90	-0.14
Ukrainian Soviet Socialist Republic	0.92	1.30	+0.38
Union of Soviet Socialist Republics	6.98	9.85	+2.87
United Kingdom of Great Britain and Northern Ireland	11.37	10.56	-0.81
United States of America	38.92	36.90	-2.02
Venezuela	0.30	0.32	+0.02
Yugoslavia	0.36	0.43	+0.07

19. The Committee therefore recommends the following scale of assessments, to be applied for one year only:

#### SCALE OF ASSESSMENTS FOR 1952

Member State	Per cent
Afghanistan	0.08
Argentina	1.62
Australia	1.77
Belgium	1.35
Bolivia	0.06
Brazil	1.62
Burma	0.15
Byelorussian Soviet Socialist Republic	0.34
Canada	3.35
Chile	0.35
China	5.75
Colombia	0.37
Costa Rica	0.04
Cuba	0.33
Czechoslovakia	1.05
Denmark	0.79
Dominican Republic	0.05
Ecuador	0.05
Egypt	0.60
El Salvador	0.05

Member State	Per cent
Ethiopia	0.10
France	5.75
Greece	0.18
Guatemala	0.06
Haiti	0.04
Honduras	0.04
Iceland	0.04
India	3.53
Indonesia	0.60
Iran	0.40
Iraq	0.14
Israel	0.17
Lebanon	0.06
Liberia	0.04
Luxembourg	0.05
Mexico	0.65
Netherlands	1.27
New Zealand	0.50
Nicaragua	0.04
Norway	0.50
Pakistan	0.79
Paraguay	0.05
Peru	0.20
Philippines	0.29
Poland	1.36
Saudi Arabia	0.08
Sweden	1.73
Syria	0.09
Thailand	0.21
Turkey	0.75
Ukrainian Soviet Socialist Republic	1.30
Union of South Africa	0.90
Union of Soviet Socialist Republics	9.85
United Kingdom of Great Britain and Northern Ireland	10.56
United States of America	36.90
Uruguay	0.18
Venezuela	0.32
Yemen	0.04
Yugoslavia	0.43

TOTAL 100.00

20. Mr. Rice wished to record his view that the Committee would have been justified, under the directives given to it by the General Assembly, in proceeding immediately to a scale in which the present relative capacities of countries to pay would provide the general basis of assessment, and in which the ceiling of 33⅓ per cent would apply to the assessment of the largest contributor. He recalled that the General Assembly had adopted this ceiling out of consideration for the principle that, in an organization of sovereign equals, it is inappropriate for any one member to pay an unduly preponderant share.

21. Mr. Soldatov voted against the proposed scale. In his opinion the assessments of the USSR, the Byelorussian SSR, the Ukrainian SSR, Poland and Czechoslovakia should have been reduced to the 1950 levels for those countries. He maintained that the Committee had ignored its terms of reference by not making allowance for the very heavy war damage suffered by those Member States, and pointed out that the enormous

devastation caused by the war to those countries was far from being liquidated and that a number of branches of their economies were far from being restored. Mr. Soldatov expressed the view that, on the basis of the data for the economy of the United States of America, it should contribute approximately 50 per cent of the budget of the United Nations, and he opposed any reduction in its assessment. He pointed out that this Member State had no difficulty in obtaining the currency required to pay its contributions. Furthermore, it benefited from the location in New York of

the United Nations Headquarters and from the fact that other Member States contributed through the United Nations budget to the refund of taxes paid to the United States by officials of the Organization who are citizens of that country. Mr. Soldatov also opposed the reduction of the assessments for the United Kingdom and France and asserted that the considerable benefits derived by these countries from Colonies and Trust Territories had not been taken into account when the scale of assessments had originally been worked out in 1946.

## V. OTHER MATTERS CONSIDERED BY THE COMMITTEE

### CONTRIBUTIONS BY SWITZERLAND AND THE PRINCIPALITY OF LIECHTENSTEIN TOWARDS THE EXPENSES OF THE INTERNATIONAL COURT OF JUSTICE

22. The General Assembly resolved on 14 December 1950 (resolution 462 (V)) that Switzerland should contribute 1.65 per cent and the Principality of Liechtenstein 0.04 per cent of the expenses of the International Court of Justice for 1951.

23. In reviewing the rates of contribution to be made by these two countries towards the expenses of the Court for 1952, the Committee found that, on the basis of the available data, a reduction is indicated in the assessment of Switzerland. In establishing these assessments, the Committee took into account as in previous years that the contributions are a proportion of the direct expenses only of the Court and not of the total direct and indirect costs.

24. The Committee therefore recommends that Switzerland shall contribute 1.55 per cent and Liechtenstein 0.04 per cent of the expenses of the International Court of Justice for 1952. These assessments are subject to consultation with the respective Governments in accordance with General Assembly resolution 91 (I) of 11 December 1946 and resolution 363 (IV) of 1 December 1949.

### ASSESSMENT OF NON-MEMBER STATES WHICH ARE SIGNATORIES OF INTERNATIONAL INSTRUMENTS RELATING TO THE CONTROL OF NARCOTIC DRUGS

25. On 16 November 1950, the General Assembly adopted the following resolution (resolution 455 (V)):

*"The General Assembly,*

*"Taking note of the report of the Secretary-General to the fifth session of the General Assembly on the question of the assessment of signatories of international instruments relating to the control of narcotic drugs, which are non-members of the United Nations, for their fair share of expenses resulting from obligations placed on the United Nations by those instruments,*

*"1. Approves the principle proposed by the Secretary-General for determining the expenses to be considered as assessable on such non-members;*

*"2. Requests the Committee on Contributions to determine the rates at which such non-members*

*which are parties to the Statute of the International Court of Justice for their share of the expenses of the Court;*

*"3. Directs the Secretary-General to seek payment of such amounts as are determined by the method established above in respect of the 1950 expenses and those of future years".*

26. The Committee had before it a list of countries which had accepted obligations under international instruments on narcotic drugs. In arriving at the following percentage rates on the basis of which each of these countries might be called upon to make contributions towards the expenses resulting from obligations placed on the United Nations by those instruments, the Committee, in general, applied the principles which it follows in recommending assessments for Members of the United Nations. It based its recommendations on a review of the best statistical data and other information for these countries available to it, which, however, in several cases were incomplete:

<i>Country</i>	<i>Per cent</i>
Albania .....	0.04
Austria .....	0.33
Bulgaria .....	0.19
Ceylon .....	0.10
Finland .....	0.42
Germany <sup>2</sup> .....	3.88
Hashemite Kingdom of Jordan .....	0.04
Hungary .....	0.48
Ireland .....	0.34
Italy .....	2.16
Japan .....	1.52
Laos .....	0.04
Liechtenstein .....	0.04
Monaco .....	0.04
Portugal .....	0.44
Romania .....	0.50
San Marino .....	0.04
Spain .....	1.37
Switzerland .....	1.30
Vietnam .....	0.17

<sup>2</sup> In the case of Germany, basic information was available only for Western Germany and the percentage rate therefore applies to that territory.



ASSESSMENT OF NON-MEMBER STATES WHICH HAVE  
BECOME PARTIES TO THE CONVENTION ON THE DECLARATION OF DEATH OF MISSING PERSONS

27. The General Assembly resolved on 16 November 1950 as follows (resolution 493 (V)):

*"The General Assembly,*

*"Having regard to article 15 of the Convention on the Declaration of Death of Missing Persons established by the United Nations Conference on Declaration of Death of Missing Persons,*

*"1. Decides to approve the establishment of the International Bureau for Declarations of Death provided for in Article 8 of the aforementioned Convention;*

*"2. Decides that the expenses of the International Bureau should be assessed upon such non-member States as may become parties to the Convention, in accordance with the principle adopted in this respect in connexion with the expenses of the International Court of Justice".*

28. At the time of the meetings of the Committee, the Bureau contemplated under the Convention had not yet come into existence in the absence of a sufficient number of accessions. Moreover, no State which is not a Member of the United Nations had yet signed the Convention. It was, therefore, not possible for the Committee to take any action in this matter at its present session.

PERCENTAGE OR UNIT SYSTEM OF ASSESSMENT

29. The General Assembly resolved on 14 December 1946 (resolution 69 (I)) "that as it may be more convenient for the United Nations to adopt a unit basis of assessment in lieu of the percentage basis, the Committee on Contributions is directed to give consideration to the relative merits of each method". The Committee has in previous reports recommended that consideration of the relative merits of the two systems be deferred until a more permanent scale is proposed.

30. The Committee at its present session felt that it would now be possible to take a decision. One of the principal advantages of the unit system is that general recalculation of assessments is not necessary, as is the case in the percentage system, with changes in membership or individual assessments. When a scale contains "ceilings" and "floors", however, changes in membership or in assessments will necessitate general reassessments under either system. As it is probable that a more permanent scale, when established, will contain "ceilings" and "floors", it is felt that a change from the percentage system to the unit system will not present a real advantage. Moreover, Member States are now accustomed to the percentage system, which has worked well in practice, and a change might not be desirable. The Committee is therefore of the opinion that the percentage system for the United Nations scale of assessment should be continued.

COLLECTION OF CONTRIBUTIONS

31. The Committee took note of a report on the collection of contributions which showed that, as at 15 August

1951, 99.58 per cent had been collected for the year 1949, 92.92 per cent for the year 1950 and 63.02 per cent for 1951.

COLLECTION OF A PORTION OF THE 1951 CONTRIBUTIONS IN CURRENCIES OTHER THAN UNITED STATES DOLLARS

32. The General Assembly resolved on 14 December 1950 (resolution 462 (V)):

*"That, notwithstanding the terms of financial regulation 5.5, the Secretary-General shall be empowered to accept, at his discretion, and after consultation with the Chairman of the Committee on Contributions, a portion of the contributions of Member States for the financial year 1951 in currencies other than United States dollars".*

33. Under this authority the Secretary-General has found it possible for the year 1951 to accept from Member States 12 per cent in Swiss francs, 5.75 per cent in French francs (General Assembly expenditure) and 8.25 per cent in a group of eleven currencies. A total of 26 per cent of the 1951 contributions can thus be accepted in currencies other than United States dollars, as compared to 22 per cent for 1950.

34. The Committee noted that eighteen Member States had decided to make payments in one or more of the designated currencies to a total amount of \$6,389,060. In 1950, only thirteen Member States participated in the arrangement to a total amount of approximately \$1,925,000. The amount to be paid in such currencies for 1951 is thus more than three times as large as the amount collected in 1950. The increase is to some extent due to the fact that, in 1951, a considerable proportion of contributions is acceptable in French francs on account of expenses to be incurred in that currency in connexion with the holding of the sixth session of the General Assembly in Paris.

35. In view of the continuing dollar shortage in many countries and the great interest shown by Member States in the possibility of meeting their obligations to the United Nations in such other currencies in which expenses are incurred by the Organization, the Committee recommends that the Secretary-General should again be authorized to accept as large a proportion as may be practicable of the 1952 contributions in currencies other than United States dollars.

SCALES OF CONTRIBUTIONS OF SPECIALIZED AGENCIES

36. The General Assembly, on 24 November 1949 (resolution 311 B (IV)) authorized the Committee on Contributions "to recommend or advise on the scale of contributions for a specialized agency if requested by that agency to do so". The Committee, in its report of last year,<sup>3</sup> outlined the procedure it proposed to follow in implementing this resolution. The Committee took note of the information supplied by its Chairman to the United Nations Educational, Scientific and Cultural Organization, at its request, on the theoretical

<sup>3</sup> A/1330, *Official Records of the General Assembly, Fifth Session, Supplement No. 13.*

probable percentages for a number of countries which are not Members of the United Nations. It also took note of the statistical data and other information submitted by the Secretary-General to the Food and Agriculture Organization, the International Labour Organisation, the World Health Organization, the Interna-

tional Civil Aviation Organization and the World Meteorological Organization. It approved the action taken, and authorized the Chairman and the Secretary-General to continue the present practice of giving information and advice to specialized agencies at their request.