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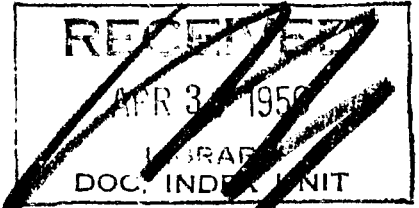
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REPORT OF THE COMMITTEE ON CONTRIBUTIONS

GENERAL ASSEMBLY

OFFICIAL RECORDS: ELEVENTH SESSION

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Report of the Committee on Contributions

I. Membership of the Committee

1. The fifteenth session of the Committee on Contributions was convened at the Headquarters of the United Nations from 19 to 22 March 1956. The following members were present:

Mr. Klas BÖÖK
Mr. A. H. CLOUGH
Mr. Arthur S. LALL
Mr. Robert E. MERRIAM
Mr. Josué SAENZ
Mr. G. F. SAKSIN
Mr. Agha SHAHI

2. Mr. René Charron and Mr. Jiří Nosek, who

are members of the Committee, were unable to attend. They designated Mr. Jean Turpin and Mr. J. Pšcolka, respectively, to represent them. The Committee accepted these designations on the understanding that the substitutes would remain in consultation with the members they represented.

3. Mr. O. Strauch, one of the members, informed the Committee that he was prevented by urgent duties in Rio de Janeiro from attending the session.

4. The Committee re-elected Mr. Lall as Chairman and Mr. Bööck as Vice-Chairman.

II. Terms of reference

5. On 14 December 1955, the General Assembly admitted the following States to membership in the United Nations (resolution 995 (X)):

Albania, Austria, Bulgaria, Cambodia, Ceylon, Finland, Hungary, Ireland, Italy, Jordan, Laos, Libya, Nepal, Portugal, Romania and Spain.

6. In accordance with its terms of reference¹ the Committee on Contributions "shall advise the

General Assembly on the assessments to be fixed for new Members". The Committee therefore at its present session considered the rates to be recommended for the new Members and the question of the inclusion of these rates in the scale of assessments approved by the General Assembly for the contributions of Member States (excluding the new Members) to the United Nations budgets for the financial years 1956, 1957 and 1958 (resolution 970 (X), paragraph 1).

III. Scale of assessments for 1956, 1957 and 1958

7. In accordance with the procedure established at the eighth session of the General Assembly, Member States were informed of the dates fixed for the meetings of the Committee in order to enable them to submit any relevant information that they might wish the Committee to consider in arriving at its recommendations to the General Assembly.

8. In the case of all the new Members, with the exception of Libya, percentage rates had already been established for their contributions towards the 1956, 1957 and 1958 expenses of the United Nations activities in which they participated before becoming Members. These rates had been calculated on the basis of information relating to national income estimates comparable to that on which the assessments of the then Members were computed. The Committee had also applied to these countries the same allowance for low per capita income as for Member States and had taken into account all

the other relevant factors mentioned in its terms of reference. The Committee had thus followed the same principles for these States as for Member States, and the resulting rates had been approved.

9. At its present session the Committee reviewed the data available for the new Member States. It reached the conclusion that the rates already established in the manner indicated in the preceding paragraph of this report were appropriate in relation to the rates approved by the General Assembly for the assessment of Member States. On the basis of the data available for Libya, the Committee found it appropriate to recommend the minimum assessment of 0.04 per cent.

10. The Committee carefully reviewed the position of those Member States which had submitted requests for reconsideration of their assessments as approved by the General Assembly in its resolution 970 (X) of 15 December 1955. As the information submitted in respect of these countries did not indicate any significant changes since the last assessment in relative capacity to pay, the Com-

¹ See Official Records of the General Assembly, Tenth Session, Supplement No. 10, A/2951, Annex.

mittee reached the conclusion that reconsideration of these assessments in the approved scale for the years 1956, 1957 and 1958 would not be justified.

11. Having agreed on the basic percentage rates of assessment, the Committee studied the method by which the additional percentage contributions for the new Member States should be incorporated in the existing scale of assessments. After considering the possibility of adding the new rates to the existing scale, which would have necessitated crediting of the excess to the Member States, the Committee came to the conclusion that it would be advisable instead to adjust the existing scale by establishing rates of contribution for all the seventy-six Members which would add up to 100 per cent.

12. A further question considered was the implementation of the per capita ceiling principle. This principle was laid down in resolution 238 A (III) of 18 November 1948 in which the General Assembly recognized "that in normal times the per capita contribution of any Member should not exceed the per capita contribution of the Member which bears the highest assessment". In 1952, the General Assembly instructed the Committee on Contributions "to defer further action on the per capita ceiling until new Members are admitted or substantial improvement in the economic capacity of existing Members permits the adjustments to be gradually absorbed in the scale" (resolution 665 (VII)). During the discussions in the Fifth Committee at the tenth session of the General Assembly, reference was made to the further implementation of the per capita ceiling. At that time it was recognized that, should a review of the scale be called for, particularly in the case of admission of new Members, the Committee on Contributions would base its review on past directives of the General Assembly, including those on the per capita ceiling principle.

13. The Committee found that, as the adjustments required fully to implement the per capita ceiling were of such small magnitude, amounting in all to 0.17 per cent, they could be carried out in one step. Consequently, the revised scale now submitted gives full effect to the per capita ceiling principle.

14. Taking into account the considerations referred to above, the Committee decided to recommend that the additional contributions resulting from the assessment of new Member States should be applied toward a pro rata reduction of the assessment of all Member States with the exception of the countries subject to "per capita", "ceiling" or "floor" provisions.

15. As a result of its review, the Committee recommends the adoption of the following revised scale of assessments for Members' contributions to the budgets of the United Nations for the years 1956, 1957 and 1958:²

²The scale of assessments adopted by the General Assembly (excluding the new Members) for 1956, 1957 and 1958 (resolution 970 (X)) is annexed.

UNITED NATIONS SCALE OF ASSESSMENTS FOR 1956, 1957 and 1958

<u>Member State</u>	<u>Per cent</u>
Afghanistan	0.06
Albania	0.04
Argentina	1.17
Australia	1.65
Austria	0.36
Belgium	1.27
Bolivia	0.05
Brazil	1.09
Bulgaria	0.14
Burma	0.10
Byelorussian Soviet Socialist Republic	0.48
Cambodia	0.04
Canada	3.15
Ceylon	0.11
Chile	0.30
China	5.14
Colombia	0.37
Costa Rica	0.04
Cuba	0.27
Czechoslovakia	0.84
Denmark	0.66
Dominican Republic	0.05
Ecuador	0.05
Egypt	0.36
El Salvador	0.06
Ethiopia	0.11
Finland	0.37
France	5.70
Greece	0.20
Guatemala	0.07
Haiti	0.04
Honduras	0.04
Hungary	0.46
Iceland	0.04
India	2.97
Indonesia	0.51
Iran	0.27
Iraq	0.12
Ireland	0.19
Israel	0.16
Italy	2.08
Jordan	0.04
Laos	0.04
Lebanon	0.05
Liberia	0.04
Libya	0.04
Luxembourg	0.06
Mexico	0.70
Nepal	0.04
Netherlands	1.15
New Zealand	0.43
Nicaragua	0.04
Norway	0.49
Pakistan	0.55
Panama	0.05
Paraguay	0.04
Peru	0.15
Philippines	0.41
Poland	1.56
Portugal	0.25

<u>Member State</u>	<u>Per cent</u>
Romania	0.50
Saudi Arabia	0.07
Spain	1.14
Sweden	1.46
Syria	0.08
Thailand	0.16
Turkey	0.63
Ukrainian Soviet Socialist Republic	1.85
Union of South Africa	0.71
Union of Soviet Socialist Republics	13.96
United Kingdom of Great Britain and Northern Ireland	7.81
United States of America	33.33
Uruguay	0.16
Venezuela	0.43
Yemen	0.04
Yugoslavia	0.36
	<u>100.00</u>

16. As a result of the inclusion of the new Member States in the scale of assessments for 1956, 1957 and 1958, their contributions will include their shares of the United Nations expenses also for those activities, covered by the United Nations budget, in which they participated before becoming Members. For these years therefore they should not be required to contribute separately toward the expenses of those activities as is called for under resolution 970 (X), paragraph 4, and accordingly this resolution should be amended.

17. Mr. Merriam objected to and did not support the conclusions contained in paragraphs 11, 14 and 15. He questioned the propriety of the Committee action in recommending integration of the new

Members into the existing scale of contributions, pointing out that the action of the General Assembly at its tenth session in 1955 fixing the rate of assessment for three years, when coupled with rule 161, clearly indicates that the Committee on Contributions has no authority at this time to recommend a change in the scale of assessments for sixty-one nations (including most of the sixteen new Members whose assessments would be reduced before they have even gone into effect for the first time). He also noted that, even if such authority existed, it would in his opinion be unwise to exercise it inasmuch as, admittedly, some inequities in assessments still exist, despite the important progress made by the Committee in the past several years, and additional changes in relative capacity to pay may well occur between now and 1958. The net effect of the Committee proposal, Mr. Merriam commented, would be to sharpen existing inequities and to make it more difficult to eliminate both present and future inequities. Mr. Merriam expressed the opinion that the Committee should have recommended to the General Assembly the alternative possibility that the 6.36 per cent assessment of the sixteen new nations (less the needed adjustments to which Canada, New Zealand, and Sweden are entitled in accordance with the per capita income rule), be collected as an addition to the present assessments, and that the excess amount be credited to all Member nations on a proportionate basis, to be applied against their 1956, 1957 and 1958 assessments, as was done in the case of new members recently admitted to UNESCO. He noted that this was the only practical way to maintain the 1955 assessment rates pending a full review of all assessments by the Committee in 1958.

IV. Assessment of the new Member States for the year of admission

18. The General Assembly resolved on 14 December 1946 (resolution 69 (I)):

"That new Members be required to contribute to the annual budget of the year in which they are first admitted, at least 33 1/3 per cent of their percentage of assessment determined for the following year, applied to the budget for the year of their admission."

19. The contributions actually paid by other new Members for their year of admission were as follows:

<u>States</u>	<u>Date of admission</u>	<u>Proportion of assessment paid</u>
Afghanistan)	19 November 1946	1/3
Iceland)		
Sweden)		
Yemen	30 September 1947	1/3
Burma	19 April 1948	2/3
Israel	11 May 1949	7/12
Indonesia	28 September 1950	1/3

An exception to this practice was made in the case of Thailand, in respect of which the General Assembly resolved (resolution 151 (II), paragraph 3, of 15 November 1947):

"That, in view of the fact that Siam (Thailand) became a Member of the United Nations on 16 December 1946, and did not participate in the first session of the General Assembly and that the United Nations was not called upon to contribute to the travelling expenses of the Siamese delegation, no assessment shall be levied on Siam for the year 1946."

20. Some of the new Members had represented that, as they were admitted towards the end of the tenth session, an assessment of 33 1/3 per cent would not seem justified. The proposals were generally to the effect that they should be proportionately assessed for 1955 or that no assessment should be levied, as in the case of Thailand, for the year of admission.

21. While the Committee recognized that the new Members had occasion to participate in the tenth

session of the General Assembly for only a few days, other considerations would also have to be taken into account. It recalled that the new Members would benefit from the available facilities of the United Nations. The capital assets acquired by Member contributions over the ten-year period of the existence of the United Nations represented substantial amounts to which the new Members had not contributed. The Committee came to the conclusion that a complete waiver of contributions by the new Members for the year 1955 would not be warranted. However, should the General Assembly favour some reduction in the prescribed minimum of one-third, the Committee recommends that the

reduced contribution should be not less than one-ninth of the assessment for the full year.

22. Referring to the participation by the new Members in certain United Nations activities mentioned in paragraph 16 above, the Committee recommends that the amounts that these Members are called upon to contribute under the existing General Assembly resolutions (resolutions 876 (IX) and 970 (X)) towards the expenses in 1955 for such activities should be reduced by the same fraction as will be established for their contributions for 1955.

V. Other matters considered by the Committee

Assessment of non-member States

23. Under Economic and Social Council resolution 594 (XX) of 15 December 1955, the Federal Republic of Germany became a member of the Economic Commission for Europe as of 21 February 1956, which involves an obligation to contribute annually toward the expenses of the Commission. The Committee recommends that the Federal Republic of Germany be called upon to contribute towards the 1956, 1957 and 1958 expenses of ECE at the rate of 4.61 per cent, the rate which has been approved by the General Assembly for the contribution of the Federal Republic of Germany towards other United Nations activities in which it already participated (resolution 970 (X), paragraph 4).

Scale of contributions for specialized agencies

24. The General Assembly, on 24 November 1949 (resolution 311 B (IX)), authorized the Committee "to recommend or advise on the scale of contributions for a specialized agency if requested by that agency to do so".

25. The Committee was requested by the United Nations Educational, Scientific and Cultural Organization to establish the theoretical probable percentage in the United Nations scale for Sudan. On the basis of the available data for Sudan and by

applying the same principles as for establishing the assessments of Members of the United Nations, the Committee arrived at a percentage rate of 0.12.

26. In accordance with the arrangements made by the Committee in pursuance of the resolution referred to in paragraph 24, statistical data and other information, including the formula used for making allowance in the United Nations scale for low per capita income and other explanatory material on the technical methods used by the Committee, was supplied to the Food and Agriculture Organization, the International Civil Aviation Organization, the United Nations Educational, Scientific and Cultural Organization, the World Health Organization and the World Meteorological Organization at their request.

Status of collection of contributions

27. In accordance with its terms of reference the Committee shall "consider and report to the General Assembly on the action to be taken if Members fall into default with their contributions" and, in this connexion, shall "advise the Assembly in regard to the application of Article 19 of the Charter". The Committee authorized the Chairman to issue at a later date an addendum to the present report regarding this question.

ANNEX

Scale of assessments for Members' contributions to the United Nations budget for the financial years 1956, 1957 and 1958 as approved by the General Assembly in resolution 970 (X) of 15 December 1955

<u>Member State</u>	<u>Per cent</u>
Afghanistan	0.06
Argentina	1.28
Australia	1.80
Belgium	1.38
Bolivia	0.05
Brazil	1.20
Burma	0.11
Byelorussian Soviet Socialist Republic	0.53
Canada	3.63
Chile	0.33
China	5.62
Colombia	0.41
Costa Rica	0.04
Cuba	0.30
Czechoslovakia	0.92
Denmark	0.72
Dominican Republic	0.05
Ecuador	0.05
Egypt	0.40
El Salvador	0.06
Ethiopia	0.12
France	6.23
Greece	0.22
Guatemala	0.07
Haiti	0.04
Honduras	0.04
Iceland	0.04
India	3.25
Indonesia	0.56

<u>Member State</u>	<u>Per cent</u>
Iran	0.30
Iraq	0.13
Israel	0.17
Lebanon	0.05
Liberia	0.04
Luxembourg	0.06
Mexico	0.77
Netherlands	1.25
New Zealand	0.48
Nicaragua	0.04
Norway	0.54
Pakistan	0.60
Panama	0.05
Paraguay	0.04
Peru	0.16
Philippines	0.45
Poland	1.70
Saudi Arabia	0.07
Sweden	1.59
Syria	0.08
Thailand	0.18
Turkey	0.69
Ukrainian Soviet Socialist Republic	2.02
Union of South Africa	0.78
Union of Soviet Socialist Republics	15.28
United Kingdom of Great Britain and Northern Ireland	8.55
United States of America	33.33
Uruguay	0.18
Venezuela	0.47
Yemen	0.04
Yugoslavia	0.40
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	100.00