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A/CN.2/R.359  
19 May 1976

ORIGINAL: ENGLISH

COMMITTEE ON CONTRIBUTIONS  
Thirty-sixth session  
New York

REPRESENTATION BY BANGLADESH

The following communication dated 18 May 1976 from the Permanent Representative of Bangladesh to the United Nations addressed to the Chairman of the Committee on Contributions is submitted to the Committee for its consideration:

I have the honour to submit herewith, under instructions from my Government, a request for downward revision of the rate of assessment of the contribution of Bangladesh to the United Nations budget for the years 1977, 1978 and 1979, which will be reviewed by the Committee on Contributions at this year's session starting on 18 May 1976.

It will be recalled that the United Nations Committee on Contributions, in 1975, recommended a rate of assessment of 0.08 per cent for Bangladesh towards the expenditure of the United Nations activities in which it participated since its admission as a Member of the United Nations in September 1974 (report of the Committee on Contributions, 1975, Supplement No. 11 (A/10011)). This was subsequently approved by the General Assembly in resolution 3371 (XXX) on 30 October 1975.

It is generally accepted that despite the various objective criteria laid down for calculation of the assessment of contribution of Member States, some element of judgement seems to be implicit in the rate of assessment established by the Committee. The rate of 0.08 per cent fixed for Bangladesh in 1975, when compared against rates recommended for other Member States with comparable capacity to pay, would speak for itself. During the thirtieth session of the General Assembly, our delegation made a request to the Fifth Committee for downward revision of the recommended scale of assessment for Bangladesh. The reasons for this request were the following:

(a) The national income estimate for Bangladesh for 1971 was arrived at by the United Nations by extrapolation. Following the liberation war in 1971, there was a total disruption of economic life, making it impossible to estimate realistic GNP figures.

(b) The United Nations calculation by derivation of the average per capita income of Bangladesh for 1969-1971 was put at \$110, whereas the World Bank calculations for 1971 estimated Bangladesh's per capita income at \$70 within the context of GNP growth rate at the minus level (World Bank Atlas, 1973). According to a report of the mission of high-level United Nations consultants to Bangladesh, led by Ambassador Erna Sailer (March-April 1972), "real income per capita has remained almost at about \$60/70 per annum for the past decade because the increase in total output has been offset by the growth in population".

(c) During 1972, there was hardly any improvement in the level of economic activity, as the preoccupation of the Government of Bangladesh was mainly in the field of post-war relief and rehabilitation. The United Nations itself had to mount the biggest relief operation in its history in Bangladesh.

(d) Bangladesh should, therefore, be assessed in accordance with the criteria laid down in General Assembly resolution 2961 D (XXVIII), which calls for downward adjustment of the floor rate from 0.04 per cent to 0.02 per cent to "allow the adjustment necessary for the developing countries, in particular, those with the lowest per capita income".

(e) The General Assembly on many occasions has requested the Committee on Contributions to give due attention to the developing countries which suffered heavy losses as a result of the catastrophic natural disasters which adversely affected their capacity to pay. Bangladesh suffered a major cyclonic storm and tidal wave in 1970, and, in July and August 1974, Bangladesh experienced the worst flood in living memory when a third of the total land area of the country was submerged and almost half of the population affected.

(f) Bangladesh falls within the category of States identified by the United Nations General Assembly as most seriously affected developing countries in the current global economic crisis, fulfilling all the relevant criteria, namely, low per capita income, sharp increase in import costs of essentials relative to export earnings, high ratio of debt servicing, insufficiency in export earnings, inelasticity of export income, low level of foreign exchange reserves etc. The cumulative impact has further accentuated the adverse terms of its trade.

(g) According to the World Bank study, the prices of jute and tea, the two main export items of Bangladesh, gained only marginally in 1974 and 1975, whereas the relative price increases in most other commodities were much higher during this period. According to World Bank, the balance of payments gap of Bangladesh, which was \$796m for 1974-1975 was expected to rise to \$1100m for 1975-1976.

While the basic arguments for reconstruction of the rate of assessment remains the same as explained above, we would like to adduce the following reasons for still further reduction of the present assessment:

(a) In July 1975, the fifty-ninth session of the Economic and Social Council decided to include Bangladesh in the list of the least developed countries. This decision was based on the World Bank's conclusions on the economic situation of Bangladesh. It would be seen then that Bangladesh is the only least developed country which has been assessed a contribution as high as 0.08 per cent to the regular budget of the Organization, whereas all the other least developed countries, without exception, are assessed at the minimum of 0.02 per cent.

(b) In 1972, the per capita GNP has remained constant at the 1971 level of \$70, while the growth rate of per capita GNP continued to remain at minus level (- 1.6 per cent during 1965-1972) (World Bank Atlas, 1974).

My Government, therefore, requests, the Committee on Contributions to kindly take the above-mentioned factors into consideration and effect a downward revision of the rate of assessment to 0.02 per cent, in line with the assessment of all other least developed and most seriously affected countries. My Government would also request the Committee to consider the desirability of allowing Bangladesh to pay at least 20 per cent of its contributions in local currency for the next three years.

My Government would be ready to supply additional information if required by the Committee on Contributions.

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