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UNITED



NATIONS

# REPORT OF THE COMMITTEE ON CONTRIBUTIONS

**GENERAL ASSEMBLY**

OFFICIAL RECORDS: SEVENTH SESSION  
SUPPLEMENT No. 10 (A/2161)

NEW YORK, 1952

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## NOTE

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# Report of the Committee on Contributions

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## I. MEMBERSHIP AND MEETINGS

1. The Committee on Contributions met at the United Nations permanent Headquarters from 4 to 15 August 1952. The following members were present:

Sir Sydney CAINE  
Mr. Arthur S. LALL  
Mr. Kan LEE  
Mr. Adolfo NASS  
Mr. Stuart Arthur RICE  
Mr. Josué SAENZ  
Mr. G. F. SAKSIN

Mr. Mitchell W. SHARP

Miss Maria Z. N. WITTEVEEN

2. Mr. René Charron, who is a member of the Committee, was unable to attend, and designated Mr. Roger Goetze to represent him. The Committee accepted the designation and Mr. Goetze participated in the work of the Committee throughout the session on behalf of Mr. Charron.

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

## II. TERMS OF REFERENCE

4. The General Assembly resolved on 21 December 1951 (resolution 582 (VI)):

"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 1952 and a report submitted for the consideration of the General Assembly at its next regular session;

"That the review to be undertaken in 1952 by the Committee on Contributions shall be based on the General Assembly resolutions relating to the criteria for determining the scale of assessments, on the views

expressed by Members during the sixth session of the General Assembly, and on rule 159 of the rules of procedure of the General Assembly, with particular attention to countries with low *per capita* income which require special consideration in this connexion."

5. The General Assembly resolutions relating to the criteria for determining the scale of assessments are: resolution 14 A, 3 (I) of 13 February 1946, laying down the original terms of reference of the Committee, and resolution 238 A (III) of 18 November 1948, giving it further directives. These terms of reference and directives are set out in the annex attached to the present report.

## III. STATISTICAL INFORMATION

6. There has again been an improvement in the statistical information available to the Committee. The number of countries for which official national income estimates are made available has increased and for other countries the quality of the estimates has improved. Furthermore, the censuses held in 1950 and 1951 have in a number of cases resulted in more reliable population figures which are needed to compute *per capita* income. As in previous years, there are a number of Member States for which the Statistical Office of the United Nations had to prepare estimates based on available national income data for earlier years or on other economic information. In using the statistical material provided, the Committee took into account the

varying reliability and accuracy of the statistics presented in respect of the various Member States.

7. For comparative purposes, estimates of national income expressed in national currencies are converted into a common unit, namely the United States dollar. In previous years, the prevailing official exchange rates could not be used for this purpose in every case. This year, further progress has been made toward the universal adoption of official exchange rates, the remaining exceptions being a very few countries where there has been a delayed response of prices and incomes to the currency devaluations of previous years and a few others where multiple exchange rates prevail.

#### IV. SCALE OF ASSESSMENTS

8. A year ago the Committee embarked upon a systematic revision of assessments, designed to remove existing maladjustments and to make possible a more permanent scale within a few years. Following a careful review of the improved statistical information which has become available during the past year, and in the light of the discussions in the General Assembly and of the further directives given by the Assembly at its last session, the Committee has come to the conclusion that it should recommend another major step in the removal of maladjustments, of approximately the same size, in the 1953 scale. The Committee envisages that, in the absence of new disturbing factors, it should be possible to remove the remaining major divergencies and to propose the establishment of a more permanent scale for 1954.

9. According to the original terms of reference of the Committee, "the expenses of the United Nations should be apportioned broadly according to capacity to pay". When the Committee reviewed the scale of assessments two years ago, it recognized the existence of a number of serious maladjustments in the scale, some arising because of changes in the relative capacity to pay of certain countries since the scale was originally established by the General Assembly, and others that were inherent in that scale. Because it was felt that the statistics then available did not yet provide a sufficiently solid basis for major changes, the Committee, in considering the scale for 1951, adopted as a basis for its recommendations a working rule that generally no change upwards or downwards of more than 10 per cent should be proposed in the percentage assessment of any country. The following year, improved statistical data confirmed the existence of serious maladjustments and the Committee, taking into account the views expressed at the fifth session of the General Assembly, recommended, in establishing the 1952 scale, a faster rate of progress, namely, a reduction in apparent maladjustments by approximately one-third.

10. In measuring relative capacity to pay, the Committee has so far relied primarily, although not of course exclusively, upon estimates of national incomes expressed in United States dollars for a single year—the latest year for which statistics were available. Now that the time is approaching when the transition to a more permanent scale can be envisaged, the Committee considers that it would be more appropriate to base its computation on average national incomes for a series of years rather than on estimates for a single year, so as to reduce the effect of short-run fluctuations in economic conditions. By using an average of national income estimates, it is also possible to mitigate the effects of variations in estimates expressed in dollars arising from fluctuations in exchange rates. Accordingly, in measuring relative capacities to pay for 1953, the Committee has started from the basis of an average of national income estimates for the two latest years for which figures were available, in most cases the years 1950 and 1951. It may be desirable in the future to base the Committee's calculations on an average of three years.

11. When using comparative estimates of national income as a guide to relative capacity to pay, the Committee is called upon by its terms of reference to take into account "comparative income per head of population". This it has done in each of its annual reviews of the scale. Briefly, the method employed has been to construct a scale of what might be termed taxable incomes by making a deduction from the national income of each country with a *per capita* income equivalent to less than \$1,000. The deduction made in the past has been arrived at as follows. The difference between a country's *per capita* income and \$1,000 has been expressed as a percentage, and 40 per cent of that percentage has been deducted from the country's basic national income. Thus, the lower the *per capita* income the more nearly the percentage deduction approached 40 per cent, e.g., a country with an income of only \$50 per head benefited by a maximum of 38 per cent, while a country with a *per capita* income of \$1,000 or over would receive no reduction at all.

12. This year, the Committee was directed by the General Assembly to pay "particular attention to countries with low *per capita* income". Since, as described, comparative *per capita* incomes have already been taken into account in determining relative capacity to pay for 1952 and previous years, the Committee interpreted this special directive as justifying a higher maximum deduction. Accordingly, the maximum deduction which may be approached in the case of countries with *per capita* incomes below \$1,000 was increased from 40 per cent to 50 per cent. The Committee felt that the divergencies in the scale resulting from this new deduction should be removed at approximately the same rate as for the other maladjustments.

13. The Committee has had again to consider how much weight it should give to two other factors specifically mentioned in the terms of reference, namely "temporary dislocation of national economies arising out of the Second World War" and "the ability of Members to secure foreign currency". In its report of last year, the Committee expressed the view that war dislocations, to the extent that they persisted, were reflected in the estimates of current national income based on official information provided by the governments of the countries concerned.

14. As regards currency difficulties, the Committee fully recognizes that these difficulties persist and have indeed increased during the past year, but they are experienced by practically all Member States, with the exception of the United States of America, which is subject to a ceiling, and of a few others. In view of the wide extent of these difficulties, the Committee, while taking them into account in individual cases, found it impracticable to make any systematic allowance for this factor. The Committee, in paragraph 38 of the present report, recommends that the arrangements for payment of contributions in currencies other than United States dollars should be continued and, if possible, extended.

15. Apart from seeking to apportion the expenses of the United Nations broadly according to capacity to

pay, the Committee has had also to take into account resolution 238 A (III), which deals with the application of ceilings. While this resolution is capable of varying interpretations, the Committee has, in each of the past three years, recommended a reduction in the assessment of the United States of America pursuant to the resolution, and in all cases the recommendations have been adopted by the General Assembly. In recommending reductions in the assessment of Sweden for 1951 and 1952, the Committee specifically took account of the limitation on *per capita* contributions. Also, in recommending the 1952 scale, it limited the increase in the assessment of Canada in order not to raise the *per capita* contribution of that country above the *per capita* rate for the United States.

16. The Committee has given careful attention to the views expressed by Members on the question of ceilings during the sixth session of the General Assembly. An immediate reduction in the United States assessment to 33-1/3 per cent was urged in the Committee but was rejected after careful consideration on the ground that an immediate reduction to that level would not coincide with the wishes of the General Assembly. For the reasons indicated in paragraph 19 below, the Committee could not reach agreement on the interpretation of resolution 238 A (III) and the weight which should be given to each of its various provisions, but came to the conclusion that, in the absence of any direct indication to the contrary from the General Assembly, it would be justified in recommending another major step towards a ceiling of 33-1/3 per cent for the largest contributor. Accordingly, it was decided to recommend an assessment of 35.12 per cent for the United States, thus proceeding at approximately the same rate as is being recommended in the removal of maladjustments in the scale arising from under- or over-assessment on the basis of capacity to pay.

17. Unless consequential adjustments are made, the reduction recommended for the United States would leave certain other countries, namely, Canada, New Zealand and Sweden, with *per capita* contributions in excess of that of the United States. While the Committee did not feel that it was justified at this time in giving full effect to the *per capita* ceiling principle, in view of the doubts as to the meaning of resolution 238 A (III) expressed in paragraph 19, it none the less recommends some reduction for each of these countries.

18. For 1953, the Committee, with one member dissenting, recommends a scale based upon the general principle of reducing by roughly one-half the apparent divergencies arising either from over- or under-assessment on the basis of capacity to pay or from the application of a 33-1/3 per cent ceiling on the largest contributor, thus continuing the systematic revision of the scale embarked upon last year. In determining capacity to pay, the Committee has given greater recognition than heretofore to the position of countries with low *per capita* incomes. It has also observed in principle, if not strictly, the *per capita* ceiling.

19. Some members expressed doubts as to the interpretation of resolution 238 A (III) and the application of the ceiling principles. In respect of a ceiling on the

assessment of the highest contributor, they drew attention to the fact that resolution 238 A (III) mentions the 33-1/3 per cent ceiling only in the preamble. The operative part of the resolution mentions acceptance, at an unspecified level, of the principle of a ceiling but no ceiling has in fact been fixed. They felt, therefore, that the Committee should not recommend any further steps beyond those implicit in the scale recommended for 1953 towards reaching a ceiling for the highest contributor, until the General Assembly had given a directive or decision in accordance with the expressed terms of paragraph 5 of resolution 238 A (III). In regard to a *per capita* ceiling they observed that, although this principle is recognized in the preamble of resolution 238 A (III), it is neither confirmed nor mentioned in the operative part of that resolution. It would appear from this omission that the General Assembly had not yet reached a definite decision on the principle of a *per capita* ceiling, and those members therefore expressed the view that the correct course would be to avoid implementing such a ceiling until a directive had been given on this point by the General Assembly.

20. The effect of the proposed reduction in the assessment of the highest contributor and the partial application of a *per capita* ceiling principle is to shift the burden away from countries with the highest *per capita* incomes. The effect of the higher allowances for countries with low *per capita* incomes, as described in paragraph 12 above, is to shift the burden of assessments away from the countries with the lowest *per capita* incomes. The net result of the scale recommended for 1953 would be to require the countries in the middle group to pay a higher proportion of the total cost, although for some countries within that group this effect is obscured this year by the steps recommended to remove long-standing individual maladjustments. It is further to be noted that the effect of the partial application of the ceiling principles recommended for 1953 would be that the five countries with the highest *per capita* incomes would receive a greater reduction of their contributions than would the thirty-three Member States with *per capita* incomes not exceeding \$200 each under the provision of paragraph 12 above. In the longer run, a full application of the two ceilings is likely to have the effect of progressively increasing the burden of contribution to be borne by all Member States not protected by the ceilings, although this effect could be temporarily offset by the admission of new Members. As a more developed country reaches the *per capita* ceiling, a part of what it should pay on the basis of its ascertained capacity to pay would have to be shifted to the countries which remained below the *per capita* ceiling.

21. The assessment of China presented special problems to the Committee. Until now the percentage contributions of China and France have been kept equal, even though such evidence as has been available supported a lower assessment for China. The Committee still does not have sufficient statistical data to base China's assessment upon capacity to pay. However, having accorded additional recognition this year to the position of other countries with low *per capita* incomes, the Committee recommends a small reduction in the assessment for China.

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

Country	Official scale for 1952 per cent	Recommended scale for 1953 per cent	Change per cent
Argentina .....	1.62	1.45	-0.17
Australia .....	1.77	1.75	-0.02
Belgium .....	1.35	1.37	+0.02
Brazil .....	1.62	1.45	-0.17
Burma .....	0.15	0.13	-0.02
Byelorussian Soviet Socialist Republic .....	0.34	0.43	+0.09
Canada .....	3.35	3.30	-0.05
Chile .....	0.35	0.33	-0.02
China .....	5.75	5.62	-0.13
Colombia .....	0.37	0.35	-0.02
Cuba .....	0.33	0.34	+0.01
Denmark .....	0.79	0.78	-0.01
Ecuador .....	0.05	0.04	-0.01
Egypt .....	0.60	0.50	-0.10
Greece .....	0.18	0.19	+0.01
India .....	3.53	3.45	-0.08
Iran .....	0.40	0.33	-0.07
Iraq .....	0.14	0.12	-0.02
Lebanon .....	0.06	0.05	-0.01
Mexico .....	0.65	0.70	+0.05
Netherlands .....	1.27	1.25	-0.02
New Zealand .....	0.50	0.48	-0.02
Peru .....	0.20	0.18	-0.02
Philippines .....	0.29	0.39	+0.10
Poland .....	1.36	1.58	+0.22
Saudi Arabia .....	0.08	0.07	-0.01
Sweden .....	1.73	1.65	-0.08
Syria .....	0.09	0.08	-0.01
Thailand .....	0.21	0.18	-0.03
Turkey .....	0.75	0.65	-0.10
Ukrainian Soviet Socialist Republic .....	1.30	1.63	+0.33
Union of South Africa .....	0.90	0.83	-0.07
Union of Soviet Socialist Republics .....	9.85	12.28	+2.43
United Kingdom of Great Bri- tain and Northern Ireland ..	10.56	10.30	-0.26
United States of America ..	36.90	35.12	-1.78
Venezuela .....	0.32	0.35	+0.03
Yugoslavia .....	0.43	0.44	+0.01

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

#### SCALE OF ASSESSMENTS FOR 1953

Country	Per cent
Afghanistan .....	0.08
Argentina .....	1.45
Australia .....	1.75
Belgium .....	1.37
Bolivia .....	0.06
Brazil .....	1.45
Burma .....	0.13
Byelorussian Soviet Socialist Republic .....	0.43
Canada .....	3.30
Chile .....	0.33
China .....	5.62
Colombia .....	0.35
Costa Rica .....	0.04
Cuba .....	0.34
Czechoslovakia .....	1.05
Denmark .....	0.78
Dominican Republic .....	0.05
Ecuador .....	0.04
Egypt .....	0.50
El Salvador .....	0.05
Ethiopia .....	0.10
France .....	5.75
Greece .....	0.19
Guatemala .....	0.06

Country	Per cent
Haiti .....	0.04
Honduras .....	0.04
Iceland .....	0.04
India .....	3.45
Indonesia .....	0.60
Iran .....	0.33
Iraq .....	0.12
Israel .....	0.17
Lebanon .....	0.05
Liberia .....	0.04
Luxembourg .....	0.05
Mexico .....	0.70
Netherlands .....	1.25
New Zealand .....	0.48
Nicaragua .....	0.04
Norway .....	0.50
Pakistan .....	0.79
Panama .....	0.05
Paraguay .....	0.04
Peru .....	0.18
Philippines .....	0.39
Poland .....	1.58
Saudi Arabia .....	0.07
Sweden .....	1.65
Syria .....	0.08
Thailand .....	0.18
Turkey .....	0.65
Ukrainian Soviet Socialist Republic .....	1.63
Union of South Africa .....	0.83
Union of Soviet Socialist Republics .....	12.28
United Kingdom of Great Britain and Northern Ireland ..	10.30
United States of America .....	35.12
Uruguay .....	0.18
Venezuela .....	0.35
Yemen .....	0.04
Yugoslavia .....	0.44
	100.00

24. Mr. Saksin objected to and voted against the scale of contributions recommended by the Committee for 1953. He stated that, his proposal to the contrary notwithstanding, the Committee had failed to abide by the basic working rule adopted by the Committee in 1950 to the effect that "generally no change either upwards or downwards of more than 10 per cent in any one year should be proposed in the percentage contribution of any one country". Mr. Saksin pressed for a lowering of the assessments for the Union of Soviet Socialist Republics, the Byelorussian Soviet Socialist Republic, the Ukrainian Soviet Socialist Republic, Poland and Czechoslovakia to the levels set for those countries for 1950. He considered that the Committee, in determining the "capacity to pay" of the above-mentioned Member States of the United Nations, had failed to make allowance for the major factor, prescribed by the General Assembly, concerning the "ability of Members to secure foreign currency". In his opinion, that factor had grown particularly acute for those countries during the past two years as a result of discriminatory trade policies conducted by the United States of America with regard to them. In determining the contributions of those countries, the Committee had likewise disregarded another major factor concerning "temporary dislocation of national economies arising out of the Second World War". Mr. Saksin objected to and voted against the lowering of the United States contribution for 1953, an action which he regarded as unwarranted inasmuch as, according to all the criteria established by the General Assembly, that country's capacity to pay had increased during the past year more than ever before. More-

over, the United States was in no way affected by the major factors concerning the ability to secure dollar currency to cover contributions to the United Nations and concerning temporary dislocation of the national economy arising out of the Second World War, problems which had affected and continued to affect the USSR, the Byelorussian SSR, the Ukrainian SSR, Poland and Czechoslovakia. Moreover, the United States of America derived substantial benefits from the circumstances that the Headquarters of the Organization was situated in New York, and that

the other Member States of the Organization, through the budget of the United Nations, were charged for the reimbursement of taxation paid into the United States Treasury by staff members of the Secretariat who were citizens of the United States of America. Mr. Saksin likewise objected to the reduction of the United Kingdom's assessment and asserted that, when the original scale of contributions was worked out in 1946, no account was taken of the substantial material benefits derived by that country from its colonies and Trust Territories.

## V. OTHER MATTERS CONSIDERED BY THE COMMITTEE

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

25. The General Assembly resolved on 21 December 1951 (resolution 582 (VI)) that Switzerland should contribute 1.55 per cent and the Principality of Liechtenstein 0.04 per cent of the expenses of the International Court of Justice for the year 1952.

26. In reviewing the rates of contributions to be made by these two countries towards the expenses of the Court for 1953, the Committee applied the same principles as for the establishment of the rates of Member States towards the expenses of the United Nations except that, as in previous years, it took into account the fact that the contributions are a proportion of the direct expenses only of the Court and not of the total direct and indirect costs. The Committee found that a further reduction in the assessment of Switzerland, which was reduced last year from 1.65 per cent to 1.55 per cent, was indicated.

27. The Committee therefore recommends that Switzerland should contribute 1.50 per cent and Liechtenstein 0.04 per cent of the expenses of the International Court of Justice for 1953. These assessments are subject to consultation with the respective Governments in accordance with General Assembly resolutions 91 (I) of 11 December 1946 and 363 (IV) of 1 December 1949.

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

28. At its session last year, the Committee on Contributions, in compliance with General Assembly resolution 455 (V) of 16 November 1950, determined the rates at which non-members of the United Nations which had accepted obligations under international instruments relating to the control of narcotic drugs, might be called upon to make contributions towards the expenses resulting from obligations placed upon the United Nations by those instruments.

29. In reviewing the rates established by the Committee last year and approved by the General Assembly,

the Committee based itself on the best statistical data and other information available to it, which were in several cases incomplete. As in the case of the establishment of rates of contributions for Member States, the Committee used the average national income estimates for the two latest years for which figures were available and applied the revised formula for low *per capita* income mentioned in paragraph 12 above. On this basis, it arrived at the following percentage rates at which non-member States might be called upon to contribute towards the expenses resulting from obligations placed on the United Nations by international instruments relating to the control of narcotic drugs:

Country	Per cent
Albania .....	0.04
Austria .....	0.31
Bulgaria .....	0.19
Cambodia .....	0.04
Ceylon .....	0.13
Finland .....	0.42
Germany <sup>a</sup> .....	4.22
Hashemite Kingdom of Jordan .....	0.04
Hungary .....	0.48
Ireland .....	0.34
Italy .....	2.20
Japan .....	1.90
Laos .....	0.04
Liechtenstein .....	0.04
Monaco .....	0.04
Portugal .....	0.30
Romania .....	0.50
San Marino .....	0.04
Spain .....	1.30
Switzerland .....	1.26
Vietnam .....	0.17

<sup>a</sup> The percentage rate applies only to the Federal Republic of Germany.

These rates are subject to consultation with the respective governments in accordance with resolution 455 (V).

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

30. At the time when the Committee met last year, the International Bureau for Declarations of Death contemplated under General Assembly resolution 493 (V) had not come into being, in the absence of

a sufficient number of accessions to the Convention on Declaration of Death of Missing Persons.

31. Three Member States have since acceded to the Convention, and steps are currently being taken to establish the Bureau. Since, however, no States non-members of the United Nations have so far acceded, no action was required of the Committee at its present session. The Committee suggests that, if any non-member States should become parties to the Convention during 1952, they should be assessed retroactively in respect of the 1952 expenses.

#### COLLECTION OF CONTRIBUTIONS

32. The Committee took note of a report on the collection of contributions which showed that, as at 15 August 1952, 98.13 per cent had been collected for the year 1950, 91.11 per cent for the year 1951, and 66.84 per cent for 1952. No arrears of contributions prior to 1950 were outstanding.

33. As no Member State is in arrears in the payment of contributions for two full years, no action was required of the Committee with respect to the application of Article 19 of the Charter.

#### COLLECTION OF A PORTION OF THE 1952 CONTRIBUTIONS IN CURRENCIES OTHER THAN UNITED STATES DOLLARS

34. The General Assembly resolved, on 21 December 1951 (resolution 582 (VI)), that the Secretary-General, as in previous years, should be authorized 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 1953 in currencies other than United States dollars.

35. Under this authority, the Secretary-General has found it possible to accept from Member States for the year 1952 a total of 24.10 per cent of their contributions in currencies other than United States dollars, namely 15.20 per cent in Swiss francs and 8.90 per cent in a group of eleven currencies. The proportion of contributions which was acceptable in currencies other than United States dollars for the year 1951 was 26 per cent, but this included 5.75 per cent in French francs on account of expenses incurred in that currency in connexion with the holding of the sixth session of the General Assembly in Paris.

36. The Committee noted that twenty-eight Member States had decided to make payments in one or more of the designated currencies, to a total amount of \$6,630,650. Since all Member States do not participate in the arrangement for payment of part of the 1952 contributions in non-United States currencies, the percentages of contributions acceptable from the participating Members are in fact considerably larger than indicated in paragraph 35.

37. The Committee took note that a plan, which had been under consideration for some time, for the collection of contributions in a minimum number of soft currencies, with convertibility into other soft currencies, had been put into effect to some extent in respect of the 1952 contributions. The Government of the United Kingdom, having granted facilities for the conversion of pounds sterling contributed by Member States into a large number of other currencies, the Secretary-General decided to apply the plan for collection of contributions in pounds sterling to the extent warranted by agreement of Member States to their national currencies being available for purchase against pounds sterling to meet United Nations expenditure within the respective countries. This plan has, in effect, resulted in an increase in the total amount acceptable in currencies other than United States dollars, as it has eliminated the necessity for providing a margin in the estimated requirements in each currency to be obtained by conversion of pounds sterling. It has also made possible the inclusion of amounts that would otherwise be too small or too uncertain as to specific currency requirements for direct allocation to Member States.

38. The Committee recommended last year that, 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 other currencies in which expenses are incurred by the Organization, 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. Since the dollar shortage still prevails, the Committee reiterates its recommendation in respect of the collection of the 1953 contributions.

#### SCALES OF CONTRIBUTIONS OF SPECIALIZED AGENCIES

39. 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".

40. Under this authority, the Committee supplied information to the United Nations Educational, Scientific and Cultural Organization and to the World Meteorological Organization, at their request, on the theoretical probable percentages in the United Nations scale 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 Civil Aviation Organization, the United Nations Educational, Scientific and Cultural Organization, the World Health Organization and the World Meteorological Organization for the purpose of the establishment of the scales of contributions of those organizations.



## ANNEX

### Terms of reference of the Committee on Contributions

#### ORIGINAL TERMS OF REFERENCE

The original terms of reference of the Committee on Contributions are contained in chapter IX, section 2, paragraphs 13 and 14, of the report of the Preparatory Commission (PC/20) and in the report of the Fifth Committee (A/44), and were adopted at the first part of the first session of the General Assembly on 13 February 1946 (resolution 14 A, 3 (I)).

The relevant paragraphs of the report of the Preparatory Commission incorporating the amendments of the Fifth Committee are as follows:

#### *"The apportionment of expenses"*

"13. The expenses of the United Nations should be apportioned broadly according to capacity to pay. It is, however, difficult to measure such capacity merely by statistical means, and impossible to arrive at any definite formula. Comparative estimates of national income would appear *prima facie* to be the fairest guide. The main factors which should be taken into account in order to prevent anomalous assessments resulting from the use of comparative estimates of national income include:

"(a) Comparative income per head of population;

"(b) Temporary dislocation of national economies arising out of the Second World War;

"(c) The ability of Members to secure foreign currency.

"Two opposite tendencies should also be guarded against: some Members may desire unduly to minimize their contributions, whereas others may desire to increase them unduly for reasons of prestige. If a ceiling is imposed on contributions the ceiling should not be such as seriously to obscure the relation between a nation's contributions and its capacity to pay. The Committee should be given discretion to consider all data relevant to capacity to pay and all other pertinent factors in arriving at its recommendations. Once a scale has been fixed by the General Assembly it should not be subjected to a general revision for at least three years or unless it is clear that there have been substantial changes in relative capacities to pay.

"14. Other functions of the Committee would be:

"(a) To make recommendations to the General Assembly on the contributions to be paid by new Members;

"(b) To consider and report to the General Assembly on appeals by Members for a change of assessment; and

"(c) To consider and report to the General Assembly on the action to be taken if Members fall into default with their contributions.

"In connexion with the latter, the Committee should advise the Assembly in regard to the application of Article 19 of the Charter."

#### RESOLUTION 238 A (III) ADOPTED BY THE GENERAL ASSEMBLY ON 18 NOVEMBER 1948

*The General Assembly,*

*Recognizing*

(a) That in normal times no one Member State should contribute more than one-third of the ordinary expenses of the United Nations for any one year,

(b) 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,

(c) That the Committee on Contributions needs for its work more adequate statistical data,

*Accordingly*

1. *Reaffirms* the terms of reference of the Committee on Contributions accepted by the General Assembly in its resolution of 13 February 1946 (resolution 14 A, 3 (I));

2. *Calls upon* Member States to assist the Committee on Contributions by providing the available statistics and other information essential to its work;

3. *Accepts* the principle of a ceiling to be fixed on the percentage rate or contributions of the Member State bearing the highest assessment;

4. *Instructs* the Committee on Contributions, until a more permanent scale is proposed for adoption, to recommend how additional contributions resulting from (a) admission of new Members, and (b) increases in the relative capacity of Members to pay, can be used to remove existing maladjustments in the present scale or otherwise used to reduce the rates of contributions of present Members;

5. *Decides* that when existing maladjustments in the present scale have been removed and a more permanent scale is proposed, as world economic conditions improve, the rate of contribution which shall be the ceiling for the highest assessment shall be fixed by the General Assembly.