

BUDGETARY IMPLICATIONS OF THE ESTABLISHMENT
OF THE WORLD HEALTH ORGANIZATION

REPORT OF THE FIFTH COMMITTEE

Rapporteur: Mr. Th. Agnides (Greece)

1. In accordance with rule 112 of the provisional rules of procedure of the General Assembly, the Chairman of the Third Committee referred to the Fifth Committee on 27 November 1946 certain budgetary questions included in a resolution proposed by the Third Committee regarding the establishment of the World Health Organization. The paragraph specifically referred to reads as follows (document A/216):

"The General Assembly APPROVES, in response to the application of the Interim Commission, a loan by the United Nations of a maximum sum of \$300,000 (United States) for the purpose of financing the activities of the Interim Commission from the commencement of its work to the end of the financial year 1946, and approves the inclusion in the budget* of the United Nations for the financial year 1947 of a maximum sum of \$1,000,000 (United States) as a further loan for the purpose of financing the activities of the Interim Commission or the World Health Organization during that year;"

2. In view of the fact that this question was indissolubly bound up with decisions relating to the Working Capital Fund and, in particular, to decisions of the Fifth Committee concerning interim financing of specialized agencies by the United Nations, that Committee referred this item to the Advisory Committee on Administrative and Budgetary Questions.

3. After careful consideration, the Advisory Committee reported its findings to the Fifth Committee in its fourth report, dated 10 December 1946, (document A/C.5/125). This report recommends the following guides to the Secretary-General in making loans to specialized agencies:

/The Secretary-General

* The Third Committee in its report uses the general term "budget" of the United Nations; the Fifth Committee, however, proposes that this sum be included in the Working Capital Fund for the financial year 1947.

"The Secretary-General proposes that he should be enabled to use the funds to make, under adequate safeguards, temporary repayable advances for financing certain specialized agencies while the agencies concerned are in their initial formative period and are in need of time to collect contributions under their own budgets. A question of policy is involved, inasmuch as the Members of the United Nations are not, in all cases, members of the specialized agencies. Subject to acceptance by the Fifth Committee of the proposed policy, the Advisory Committee believes that the proposal should be made more flexible, but that at the same time, the safeguards should be more carefully defined. It recommends, therefore, that advances to agencies should be made only after careful examination of the need, and of the proposed financial resources of the agency concerned. The prior concurrence of the Advisory Committee would be required for advances aggregating more than \$2,000,000 (United States) or in excess of \$1,000,000 (United States) for any one agency."

4. The Fifth Committee adopted this report at its forty-fourth meeting on 13 December 1946, and is, therefore, happy to take note of the resolution of the Third Committee and to assure the members of the General Assembly that the necessary funds for the implementation of the resolution will be made available.