



Fifteenth session
Agenda item 50

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1961

Revised estimates for section 20 - Office of the United
Nations High Commissioner for Refugees

Eighteenth report of the Advisory Committee on Administrative and Budgetary
Questions to the General Assembly at its fifteenth session

Introduction

1. The Secretary-General has submitted revised estimates for 1961 under section 20, Office of the United Nations High Commissioner for Refugees (A/C.5/838) in terms of which the gross amount of \$2,050,000 recommended by the Advisory Committee in its report^{1/} on the initial estimates would be increased by \$232,500 to a total of \$2,282,500. As a consequence of the revised proposals under section 20, additional income from staff assessment under income section 1 is estimated at \$22,500.
2. The increased requirements for the Office of the High Commissioner arise from an Agreement concluded between the High Commissioner and the Government of the Federal Republic of Germany on 5 October 1960 concerning indemnification of

1/ Official Records of the General Assembly, Fifteenth Session, Supplement No. 7
(A/4408), para. 286.

refugees who suffered under the national-socialist regime by reason of their nationality^{2/} (A/C.5/838, appendices A and B).

3. In negotiating and concluding this Agreement, the High Commissioner has acted in accordance with paragraph 8 (b) of the Statute of the Office (Annex to General Assembly resolution 428 (V) of 14 December 1950), which lays down that the High Commissioner shall provide for the protection of refugees falling under the competence of his Office by promoting, through special agreements with Governments, the execution of any measures calculated to improve the situation of refugees and to reduce the number requiring protection. The terms of the present Agreement constitute the result of the High Commissioner's endeavour to secure, for refugees persecuted under the national-socialist régime by reason of their nationality, treatment comparable to that provided for in the Federal Indemnification Law in the case of persons persecuted for their political convictions, race, faith or ideology. In the view of the High Commissioner, the position of persons persecuted by reason of their nationality prior to the 1960 Agreement was unsatisfactory. In particular, the relevant legislation precluded retroactive payments, limited eligible cases to those in which injury to body or health had occurred and made no provision for payments to surviving dependants.

New responsibilities of the Office of the High Commissioner

4. Under the Agreement, the situation described above has been remedied as follows:

2/ Point 1 of the Protocol to the Agreement (appendix B) defines this concept as follows:

1. A person is damaged by reason of his nationality
 - (a) whose membership of a non-German state either wholly or essentially constituted the reason for a measure which resulted in damage, or
 - (b) who would not have been damaged if he had not been a national of a foreign State or if he had not been of non-German ethnic origin.

As far as no other reasons are established for the measure resulting in damage in disregard of human rights, it should be assumed for the group of persons in question that this damage had its origin in the nationality of the person concerned.

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(a) Article 1 provides that refugees who were persecuted by reason of their nationality and who suffered permanent injury to body or health shall be assimilated, for purposes of indemnification under Federal German laws, to similar cases in respect of persons who were persecuted by reason of race, religion or political convictions;

(b) In accordance with article 2, the Federal Government will place at the disposal of the High Commissioner DM45 million (\$US10,714,286) for measures of assistance, in certain cases, to refugees persecuted by reason of their nationality who cannot receive compensation under the Federal Indemnification Law or under article 1 of the Agreement. Under this arrangement, the High Commissioner will be able, in respect of persons who had refugee status on 1 October 1953 (i.e. the date on which the Federal Indemnification Law entered into force), to make payments in cases where the damage suffered did not include injury to body or health, or where indemnification from other sources was found to have been insufficient. He would also be able to pay indemnification to surviving dependants of persons damaged by persecution.

5. The additional responsibilities devolving on the High Commissioner and their administrative consequences are stated to be twofold:

(a) Co-operation with the German Federal Government in the administration of new regulations for the indemnification of persons persecuted by reason of their nationality who have suffered from permanent injury to body or health. For this purpose, the High Commissioner proposes to establish an indemnification unit consisting of three Professional and six General Service temporary staff at the Branch Office in Bonn;

(b) Administration by the High Commissioner of the Special Indemnification Fund of DM45 million (\$US10,714,286). For this purpose, the High Commissioner proposes to establish, within the framework of the legal division of the headquarters of the UNHCR in Geneva, a special unit consisting of eight Professional and sixteen General Service temporary staff. In addition, provision is made for two Professional and two General Service temporary posts in branch offices other than the one in Bonn.

6. The factors which govern the actual work to be undertaken by the Office of the High Commissioner in this regard are outlined in paragraph 10 of the

Secretary-General's report. It may also be noted that the project will take some three years to be completed, with the maximum activity occurring in 1961. While 1962 may also be a heavy year, a gradual reduction of activity may be expected in 1963 since the closing date for applications for indemnification is 31 December 1962. Additional costs for 1961 are estimated at \$232,500 (gross), or \$210,000 (net) after deduction of staff assessment income, while no figures are given for 1962 or 1963. The Advisory Committee notes from paragraph 14 of the report that the High Commissioner proposes to review the position after 1961, on the occasion of the submission of the budget estimates for the Office for 1962.

7. Two points arise for consideration and decision, from the Secretary-General's report: (a) the additional amount to be provided under section 20 of the 1961 budget to cover the increased costs; and (b) the question whether the new administrative costs should be financed, as proposed by the High Commissioner (A/C.5/838, para. 8), from the regular budget of the Organization without any offsetting subvention.^{3/}

Estimated costs for 1961

8. The thirteen Professional and twenty-four General Service temporary posts proposed for 1961 are estimated to cost \$164,000 in salaries and wages and related common staff costs. The balance of the total gross estimate of \$232,500 consists of \$25,000 for temporary assistance and consultants, \$15,000 for travel of staff and \$28,500 for general expenses, supplies and equipment.

9. In respect of the proposed thirty-seven temporary posts, the Advisory Committee understands that the High Commissioner will seek in the first instance to fill those in the General Service category, since the initial

^{3/} The administrative costs of all the programmes of the Office of the High Commissioner are included in the regular budget, with a partially offsetting subvention (credited to the income account) from the voluntary funds available for the High Commissioner's programmes. While no precise sharing is worked out, the arrangement reflects the basic decision of the General Assembly (resolution 428 (V), annex, para. 20) generally limiting the costs to be borne on the regular budget, without a subvention, to those relating to the administrative expenditures relating to the functioning of the Office of the High Commissioner.

phase of the work-load will consist of the receipt and registration of claims prior to the screening process which is not expected to commence until a somewhat later stage. In this connexion, the Advisory Committee has inquired into the extent to which the existing staff of the High Commissioner could be utilized to cope with the new work-load. It appears that, except in the case of some of the larger branch offices, the increased activity as a result of the proceeds of the World Refugee Year has already placed a strain on existing staff, especially at headquarters and in those branch offices which the High Commissioner proposes to strengthen at present.

10. A turn-over deduction in the amount of \$25,000 has been applied to the gross full-year estimates in respect of the salaries of the proposed new posts, to allow for anticipated savings from unavoidable or planned delays in recruitment. The Committee has been given to understand, however, that some of the General Service staff will be required only during the initial stage. The estimates as presented do not seem to take full account of this latter factor. Accordingly, the Advisory Committee recommends a reduction of \$24,000 in the net additional amount proposed by the Secretary-General. This reduction also takes into account the possibility of some economies under other items of expenditure in respect of which substantial amounts are already included in the budget under section 20. On a gross basis, this would mean that the initial provision of \$2,050,000 already recommended by the Advisory Committee for section 20 should be increased by \$206,000 to a total of \$2,256,000. Income from staff assessment would be increased, in consequence, by some \$20,000, rather than by \$22,500 as proposed in the Secretary-General's estimates.

Financing of additional costs

11. The second point for consideration under the Secretary-General's report concerns the question whether, as proposed by the High Commissioner, the additional costs should be borne on the regular budget of the Organization, without any offsetting subvention. The Advisory Committee notes from paragraph 8 of the Secretary-General's report that, although the Agreement of 5 October 1960 does not formally preclude the use of part of the Special Indemnification Fund for administrative purposes, it seems to the High

Commissioner that human justice demands the use of the entire amount of the Fund for direct payments to refugees. The Advisory Committee considers this a question of broad policy for decision by the General Assembly.

12. To assist the General Assembly in its consideration of this matter, the Advisory Committee would draw attention to a number of elements which appear to be relevant:

(a) It can be argued from the humanitarian point of view that the Fund itself should not be used for the payment of administrative costs, particularly since deserving cases are expected to be numerous and the prospects of fully meeting needs effectively from the available funds are quite limited. In support of this view, the High Commissioner has pointed out that in the case of similar agreements between the German Federal Government and certain Allied Governments in respect of their nationals, the latter Governments have assumed the overhead costs. He has also suggested that the General Assembly should take into account that refugees in general have been regarded as the protégés of the United Nations and that the Organization might therefore be said to bear a responsibility to the refugees analogous to that which the Allied Governments bore with respect to their nationals.

(b) On the other hand, apart from the administrative costs of the functioning of the Office of the High Commissioner, the overhead costs of the various operational programmes financed from voluntary funds administered by the High Commissioner have generally been met by subventions from those funds. It is difficult to say that the refugees who benefit from these latter funds are less deserving than those who will be assisted under the Special Indemnification Fund.

(c) While the Agreement does not specify whether provision for administrative costs is included in the funds provided by the German Federal Government, the Advisory Committee is informed of the understanding during the negotiations that, if such costs could not be met from some other source, the use of the Indemnification Fund itself for this purpose would not be precluded.

(d) It is estimated that, during the period in which the funds will be held for distribution, the accumulated interest, under certain assumptions as to the pace of payment of benefits and possible modes of investment, could amount up to \$400,000.

Summary of recommendations

13. In brief, the Advisory Committee's recommendations are:

(a) That the appropriation of \$2,050,000 already recommended by the Committee under section 20 of the 1961 budget, estimates should be increased by \$206,000 to a revised figure of \$2,256,000, and that the estimated income from staff assessment be increased by \$20,000;

(b) That the General Assembly might wish to consider the question of policy as to whether the additional costs in question should be borne on the regular budget of the Organization without any offsetting subvention.
