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ASSESSMENT OF TURKEY

The following communication addressed by the Permanent Representative of Turkey to the Secretary-General of the United Nations was received after the closure of the nineteenth session of the Committee on Contributions and was at that time circulated to the members of the Committee for information. It is now submitted to the Committee for consideration in connexion with the general review of the scale of assessments to be undertaken at its forth coming session.

"The Permanent Representative of Turkey to the United Nations presents his compliment the Secretary-General of the United Nations and with reference to the General Assembly resolution No. 1373 B (XIV), of 17 November 1959, has the honour to inform him of the following:

As it is known to the Secretary-General, the Turkish Government's contributions to the United Nations budgets for the years 1959, 1960 and 1961 are at a rate of 0.59 per cent of the total expenses for each year, as decided upon by the Committee on Contributions in 1958.

However, taking into account the major economic changes which occurred in Turkey since the establishment of the above-mentioned scale of assessments, and which deeply affected the main line of its economic policy and caused substantial alterations in the structure of its national and per capita income, the Turkish Government came to the conclusion that the rate of 0.59 per cent, representing its contribution to the United Nations budgets deserved a thorough revision.

Furthermore, a study, made in accordance with the terms of resolution No. 1373 B (XIV) of the statistical and other data which the Committee on Contributions had at its disposal in deciding upon the scale of assessments in question, did not fail to strengthen this conviction.

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For this reason, with due regard for the system itself utilized by the Committee on Contributions in computing the contribution of each Member State, the Turkish Government deems it necessary to submit to the attention of the Committee the following points:

The Committee on Contributions in deciding upon the present scale took into consideration the average national income of each Member country for the years 1955, 1956 and 1957. Subsequently, in order to arrive at estimates of national income in terms of the currency in which the United Nations budgets are expressed, viz. U.S. dollar, the Committee in most cases has used a method which took into account the official exchange rate of each individual country. However, for some countries, Turkey among others, where multiple exchange rates prevailed, the Committee chose to utilize another method of conversion which consists of comparing the trend of increase in the wholesale index figures between the country in question and the United States for the years 1937, 1955, 1956 and 1957. This process further being completed by a comparison of the purchasing power of the country's currency vis-à-vis the U.S. dollar.

The exchange rates thus arrived at are subsequently used to convert the national income expressed in local currency into U.S. dollars and the figures arrived at serve, in turn, as a basis for computing the national per head income. At this juncture, the representative of Turkey wishes to point out that during the same period of time Turkey experienced a great increase in its population which, unfortunately, was not met by a similar increase in its national income. This lack of balance eventually affected the income per head figures arrived at by the Committee on Contributions. Furthermore, the economic stabilization programme put into effect by the Turkish Government in the middle of 1958 abolished the system of multiple exchange rates and replaced them by a monoterm exchange rate of one dollar equal to nine Turkish liras. On the other hand, during the intervening period of time the balance of payments of the Turkish Government showed a continuous deficit.

The Turkish Government believes that if the above-mentioned factors are taken into consideration it will be easy for the Committee on Contributions to realize the difficulties encountered by this Government in endeavouring to meet its obligations in terms of foreign currency. For this reason, the Turkish Government submits that the rate of 0.59 per cent is far from reflecting the actual payment capacity of the Turkish Government.

In conclusion, the Permanent Representative of Turkey kindly requests the Secretary-General to submit the above-mentioned facts to the attention of the Committee on Contributions with a view to reducing the contribution rate of Turkey to the United Nations budgets. Although the United Nations Secretariat may have all the necessary statistical data pertaining to the present economic situation of Turkey, the Turkish Government is prepared to submit additional documents and facts to support its case when the Committee will meet for a full consideration of this matter.

New York, 2 November 1960"