



General Assembly

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COMMITTEE ON CONTRIBUTIONS
Thirty-ninth session

COLLECTION OF CONTRIBUTIONS

Report of the Secretary-General

1. The terms of reference of the Committee on Contributions call for the Committee to advise the General Assembly in regard to the application of Article 19 of the Charter. That Article provides as follows:

"A Member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member."

2. As of the opening of the resumed thirty-third session of the General Assembly on 15 January 1979, seven Member States, Central African Empire, Chad, Congo, Dominican Republic, Haiti, South Africa and Sudan were in arrears in the payment of their assessed contributions within the terms of Article 19. Accordingly, the Secretary-General addressed a letter to the President of the General Assembly to the foregoing effect. That letter was reproduced as document A/33/551.

3. Subsequently, the Governments of Dominican Republic, Haiti and Sudan made the necessary payments to reduce their arrears below the amount specified in Article 19. The President of the General Assembly was notified by the Secretary-General of those payments.

4. At the time of the preparation of this report, and as shown in Annex I, four Member States remain in arrears in the payment of their assessed contributions within the terms of Article 19.

5. It has been the practice of the Committee in the past to include a paragraph in its report to the General Assembly to the effect (a) that it had taken note of the report of the Secretary-General; (b) that at the conclusion of its session certain specified Member States were in arrears in the payment of their assessed contributions within the terms of Article 19 of the Charter; and (c) that it had authorized its Chairman to issue an addendum to the Committee's report at a later date if necessary. The Committee may wish to follow the same procedure in the present instance.

Arrangements for the payment of
contributions in currencies other than United
States dollars

6. On the recommendation of the Committee on Contributions, the General Assembly, by its resolution 33/11, paragraph (c), of 3 November 1978, authorized the Secretary-General 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 calendar year 1979, in currencies other than United States dollars.

7. In the foregoing connexion, it was the unanimous decision of the Fifth Committee, during the twenty-fifth session of the General Assembly in 1970, to include the following paragraph in its report: 1/

"In the context of the factor regarding the ability of Member States to secure foreign currency, and taking into account General Assembly resolution 2291 (XXII), the Committee recommends that the needs of the Organization in currencies other than the United States dollar should be met by giving priority for payments in non-United States currencies to the countries whose currencies they may be."

1/ Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 77, document A/8183, para.8.

At the twenty-sixth session of the General Assembly, the Fifth Committee, in discussing once again the question of contributions in currencies other than United States dollars, decided without objection to include in its report 2/ the following paragraph, which was endorsed by the General Assembly at its 1979th plenary meeting on 8 November 1971:

"The Fifth Committee took note of the fact that, in making arrangements for payments by Member States of 1971 contributions in currencies other than United States dollars, the Secretary-General had taken into account the recommendation of the Fifth Committee set forth in paragraph 8 of its report to the General Assembly at its twenty-fifth session /A/8183/. In that connexion, the Fifth Committee approved the interpretation given by the Secretary-General to the meaning of the word 'priority' mentioned in that directive, which he had correctly taken to mean absolute priority and recommends that the Secretary-General should continue to implement that directive in the same manner in the future."

7. In making arrangements for the payment of contributions for 1979, the Secretary-General, in a communication dated 28 February 1979 (the relevant portion of which is reproduced as Annex II to this document), informed Member States of the currencies other than United States dollars which it was estimated would be required by the Organization for the financing of its expenses. The 19 such currencies are listed below:

| | | |
|---------------------|------------------|----------------------|
| Austrian schillings | Israeli pounds | Netherlands guilders |
| Belgian francs | Italian lire | Pakistan rupees |
| Chilean pesos | Jordanian dinar | Pounds sterling |
| Egyptian pounds | Kenyan shillings | Swiss francs |
| Ethiopian birr | Lebanese pounds | Syrian pounds |
| French francs | Mexican pesos | Thailand baht |
| Indian rupees | | |

Following replies received from Member States, and at the time of the preparation of this report, arrangements have been made to accept from 6 States the equivalent of \$2.2 million in six currencies other than the United States dollar, as follows:

United Nations regular budget

| <u>Currency of payment</u> | <u>Member State</u> | <u>US dollar equivalent</u> |
|--------------------------------|---|---------------------------------|
| Czechoslovak korunas | Czechoslovakia | 28,000 |
| Egyptian pounds | Egypt | 380,912 |
| Indian rupees | India | 185,000 |
| Pakistan rupees | Pakistan | 333,298 |
| Pounds sterling | United Kingdom of Great Britain and Northern Ireland | 1,147,586 |
| Syrian pounds | Syria | 94,195 |
| TOTAL | | <u>2,168,991</u> |

The foregoing amount compares with a total of \$3.1 million which the Committee had been informed, at its thirty-eighth session in 1978, would be accepted from 9 States in seven currencies other than dollars. In fact payments totalling the equivalent of \$4.1 million in 15 currencies were received from 18 States.

Annex I

MEMBER STATES WHOSE ARREARS OF CONTRIBUTIONS IN RESPECT OF THE UNITED NATIONS REGULAR BUDGET, THE UNITED NATIONS EMERGENCY FORCE-1973 (UNEF) AND THE UNITED NATIONS DISENGAGEMENT OBSERVER FORCE (UNDOF) AND THE UNITED NATIONS INTERIM FORCE IN LEBANON (UNIFIL) EXCEED ON 1 JANUARY 1979 THE LIMIT PRESCRIBED IN ARTICLE 19 OF THE CHARTER

| | ASSESSMENTS PAYABLE | | | | ARREARS | | | | Excess of Arrears over Assessment |
|---------------------------------|----------------------|-------------------|-----------|-----------|----------------------|----------------|-----------|------------|--|
| | Regular Budget a/ | UNEF/ UNDOF b/ | UNIFIL c/ | Total | Regular Budget d/ | UNEF/ UNDOF | UNIFIL d/ | Total | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 1. Central African Empire | 128,295 | 5,983 | 2,109 | 136,387 | 161,503 | 16,540 | 2,098 | 180,141 | 43,754 |
| 2. Chad | 128,295 | 2,951 | 993 | 132,239 | 143,637 | 8,152 | 988 | 152,777 | 20,538 |
| 3. Congo | 128,295 | 5,983 | 2,109 | 136,387 | 138,482 | 16,540 | 2,098 | 157,120 | 20,733 |
| 4. South Africa | 3,646,994 | 768,635 | 442,950 | 4,858,579 | 7,629,535 | 1,935,625 | 440,724 | 10,005,884 | 5,147,305 |

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English
Annex I

a/ Gross assessments for the years 1977 and 1978, excluding credits relating to the Working Capital Fund.

b/ Includes amounts appropriated in 1976 and 1977 which were not payable until 1977 and 1978, viz., appropriations for UNEF for the period 25 October 1976 to 24 October 1978 and for UNDOF for the period 1 June 1976 to 31 May 1978.

c/ Includes amounts appropriated and payable in 1978 in respect of the financing of UNIFIL from 19 March 1978 to 18 January 1979.

d/ Net contributions payable.

Annex II

EXTRACT FROM THE SECRETARY-GENERAL'S COMMUNICATION
DATED 28 FEBRUARY 1979 TO ALL MEMBER STATES CONCERNING
ARRANGEMENTS FOR THE PAYMENT OF 1979 CONTRIBUTIONS
IN CURRENCIES OTHER THAN UNITED STATES DOLLARS

Under the provisions of paragraph (c) of its resolution 32/39, the General Assembly authorized the Secretary-General to accept a portion of the contributions of Member States for the year 1978 and 1979 in currencies other than United States dollars. The non-US currencies which it is estimated will be required by the United Nations for the financing of its expenses in 1979 follow:

| | |
|---------------------|----------------------|
| Austrian schillings | Kenyan shillings |
| Belgian francs | Lebanese pounds |
| Chilean pesos | Mexican pesos |
| Egyptian pounds | Netherlands guilders |
| Ethiopian birr | Pakistan rupees |
| French francs | Pounds sterling |
| Indian rupees | Swiss francs |
| Israeli pounds | Syrian pounds |
| Italian lire | Thailand baht |
| Jordanian dinar | |

Should Member States wish to make payment of their contributions in one or more of the foregoing currencies, notification to that effect will be required no later than 15 March 1979. At the same time, the maximum amount that the Government wishes to remit in each currency should be indicated, together with the approximate date of payment. Member States replying affirmatively by 15 March 1979, will be advised as soon as possible thereafter of specific amounts that may be remitted in indicated currencies and of the bank accounts to which deposits should be made. It will be appreciated, of course, that the extent to which the wishes of Member States can be accommodated will depend on the level of estimated expenditures to be incurred by the United Nations in

currencies other than United States dollars, and that this, in turn, is directly affected by the date such currencies are made available.

As in past years, the payment of contributions in currencies other than United States dollars will be subject to the conditions enumerated in the following paragraphs.

It is a general condition of acceptance that all currencies remitted for effecting payments of contributions are transferable funds which can be used for all expenditures incurred by the United Nations within the country in whose currency payment is made without further negotiation within the exchange regulations of the countries concerned.

The dollar equivalent of contributions paid in currencies other than United States dollars will be calculated at the most favourable rate of exchange effective on the date of payment and available to the United Nations. However, if at any time during the year following the date of payment of contributions in non-US currencies there should occur a reduction in the exchange value of an allocated currency in terms of United States dollars, Member States will be required to make payment to cover the exchange variations as of the effective date of the change in rate unless the Organization was able to expend the currency before that date.