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SUMMARY RECORD OF THE TENTH MEETING

Held at the Palais de Chaillot, Paris,
on Saturday, 6 November 1948, at 10.30 a.m.

CONTENTS:

Part III of the Progress Report of the United Nations Mediator
for Palestine: Assistance to Refugees. (discussion continued).

<u>Chairman:</u>	Mr. G. PEREZ CISNEROS, Rapporteur	Cuba
later :	Mr. GRUMBACH	France

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CONTINUATION OF THE DISCUSSION ON PART III OF THE PROGRESS REPORT OF THE UNITED NATIONS MEDIATOR FOR PALESTINE: ASSISTANCE TO REFUGEES.

The CHAIRMAN drew the Sub-Committee's attention to the fact that the amendment submitted by New Zealand and France (A/C.3/SC.2/4) to the draft resolution those countries had previously proposed (A/C.3/SC.2/2) should be considered in connexion with both paragraph 3 and paragraph 9 of the joint draft resolution of Belgium, Netherlands, the United Kingdom and the United States of America (A/C.3/315), which the Sub-Committee had chosen as the basic document for its discussion.

Mr. GRUMBACH (France) explained that the New Zealand-French amendment clarified and gave specific provisions for putting into effect the purpose of paragraph 3 of the New Zealand-French draft resolution. After having considered the report of the Fifth Committee, the New Zealand and French delegations had substituted the figure of \$5,000,000 for the "X" million mentioned in the draft resolution as the sum needed immediately and had suggested, furthermore, that that sum should be included in the 1949 budget of the United Nations as a special section for the relief of Palestinian refugees. Members of the United Nations would also be called upon to make voluntary supplementary contributions, before 1 April 1949, of approximately \$24,500,000. The Sub-Committee should decide whether or not it wished to accept the principle of making the contribution partly obligatory, as part of the United Nations budget, and partly voluntary.

Mr. SUTCH (New Zealand) pointed out that the arrangement of the paragraphs in the joint draft resolution of Belgium, Netherlands, the United Kingdom and the United States was illogical and that paragraphs 3 and 9 should be combined. The New Zealand-French amendment would apply to both those paragraphs.

The figure of \$5,000,000 in the draft amendment was one which had been informally suggested by certain officials of the Fifth Committee. The Sub-Committee might decide on the general principle included in the amendment and leave the actual amount to be determined by the Fifth Committee.

ANDRAOS Bey (Egypt) pointed out that if the New Zealand-French draft amendment were inserted into the joint draft resolution after paragraph 2, which spoke of the total sum required for administrative and operational expenses, the text might be somewhat confusing: the \$5,000,000 mentioned in the first paragraph of the amendment might seem to

refer to administrative and operational expenses. He therefore suggested that the Four Powers that had submitted the joint draft resolution should agree to transfer paragraph 9, dealing with the question of funds needed for immediate relief, to a position just following paragraph 2.

Referring to the substance of the New Zealand-French amendment, Andraos Bey observed that it contained three distinct ideas: firstly, a specific sum for immediate relief was mentioned; secondly, the question of whether or not the total sum should be contributed on a voluntary or compulsory basis was raised; and thirdly, the amendment mentioned the form in which contributions should be made. The work of the Sub-Committee would be greatly facilitated if the New Zealand and French delegations would agree to a separate discussion of each of the three ideas in their proposal.

Mr. GRUMBACH(France)and Mr. DAVIES (United Kingdom) supported the Egyptian representative's suggestions regarding the procedure for considering both the joint draft resolution and the New Zealand-French amendment.

Mr. GRUMBACH (France) explained that the New Zealand-French draft amendment was complementary to paragraph 9 of the joint draft resolution and not a substitute for the latter.

Mr. DAVIES (United Kingdom) stressed the basic difference in principle between the draft amendment and the joint draft resolution. In paragraph 9 of the latter document, it was suggested that the sum needed for immediate relief should be obtained by drawing on the Working Capital Fund of the Organization and that the amount should be repaid to the Fund from the voluntary contributions made in dollars. There was, of course, the possibility that the total sum would not be repaid ~~as~~ there might not be sufficient dollar contributions to cover it. In that case, the deficit would have to be made up by the United Nations and assessments on Member States would be made in the usual way.

The Fifth Committee had agreed to the principle contained in paragraph 9 and had stated that a sum up to \$5,000,000 might be made available from the Working Capital Fund. It had moreover specified in its report (A/C.3/323) the assumptions on which it had based its conclusions. All of those assumptions seemed entirely reasonable and there therefore seemed no need to hesitate to draw upon the Fund.

The New Zealand-French proposal introduced a new principle, namely, the principle of mandatory payments. The sum of \$5,000,000 would be

set aside in the United Nations budget for assistance to Palestine refugees; thus every Member State would be required to pay its proportionate share in accordance with the scale of contributions for the budget. If that principle were accepted, many nations that wished to support the relief programme would probably not be able to do so since they would thereby find themselves obliged to pay larger sums in dollars than were already required by a heavy budget.

In view of the hard currency difficulties, it would seem better to adopt the principle of the joint draft resolution and use the contributions voluntarily paid in dollars to repay the money to be drawn from the Working Capital Fund; otherwise, there would be little hope of receiving the unanimous agreement on the draft resolution which was particularly desirable in the present case.

Mr. GRUMBACH (France) took the Chair.

ANDRAOS Bey (Egypt) asked whether the representatives of New Zealand and France intended the system of voluntary contributions to apply to the whole sum needed for the relief plan or only to the sum of \$5,000,000 needed for emergency relief. He also wished to know whether the inclusion of a special section in the budget would involve compulsory payment on the part of all Member States according to the regular United Nations scale of contributions.

He sympathized with the objections raised by the United Kingdom representative to the idea of imposing a compulsory payment in dollars on all Member States, especially as the emergency relief would probably be carried out in currencies other than the United States dollar.

The CHAIRMAN, speaking as the representative of France, replied that, by providing for the inclusion of a special section in the budget, the amendment sponsored by his delegation and that of New Zealand did involve compulsory contributions towards the sum \$5,000,000 needed for emergency relief.

He agreed with the United Kingdom representative that there was a fundamental difference between the joint resolution and the amendment. If there had been no such difference there would have been no need to submit an amendment. He understood the point of view of the United Kingdom representative, but thought that the system of compulsory contributions to part of the total sum would be fairer than the system of voluntary contributions to the whole sum, as proposed in the joint resolution.

If the sum of \$5,000,000 were advanced from the Working Capital Fund, it was possible that there would not be sufficient dollar contributions to the Special Fund to reimburse that sum. It would then be necessary to make provision for repayment in the budget for the following year. In his opinion, it would be more dignified if Member States were to accept the obligation for the payment of that sum of their own free will, by including it in the present budget.

It had been said that there was no precedent for the inclusion of such a special section in the budget; but the same thing had actually been done in connexion with the United Nations Temporary Commission on Korea.

He agreed that some countries had already made great contributions towards relief work in Palestine and he would not exclude the possibility of taking that fact into account when fixing the scale of contributions.

It was true that the Fifth Committee had agreed that a sum up to \$5,000,000 might be made available from the Working Capital Fund and had listed the assumptions on which such an advance would have to be based. That should not, however, prevent the Sub-Committee from deciding on some other method of raising the money and its final plan would, in any case, be submitted to the Fifth Committee for approval.

ANDRAOS Bey (Egypt) suggested that, in order to facilitate the vote, the Secretary-General should be asked to give an opinion as to which of the two methods would be the easier to put into practice from the technical point of view.

Col. KATZIN (Secretariat) replied that, as far as administering the plan was concerned, it did not matter to the Secretary-General as much as to Member governments how the money was raised. There would naturally be more anxiety about the repayment of the \$5,000,000 if the method outlined in the joint resolution were adopted; but that was purely a question of principle which would have to be settled by the Sub-Committee itself nor was it yet clear in what currencies the initial outlay would have to be made.

Mr. DAVIES (United Kingdom) agreed with the representative of the Secretariat that, from the administrative point of view, it would make no difference which method was adopted, but it would make a difference to the contributors. He reminded representatives that the Fifth Committee had considered the plan outlined in the joint

resolution and had agreed that the sum of \$5,000,000 could be advanced from the Working Capital Fund. The three assumptions for such an advance, contained in the Fifth Committee's Report, were all perfectly reasonable and would be covered by the adoption of the joint resolution. As the Fifth Committee had endorsed the plan contained in the joint resolution there seemed to be no need to depart from the principle on which that plan was based.

The CHAIRMAN, speaking as the representative of France, wished to make a formal protest against the fact that the French text of the amendment submitted by his delegation and that of New Zealand at the close of the night sitting had not yet been circulated.

Mr. ALTMAN (Poland) endorsed the remarks made by the representative of France and, in view of the absence of a French text, he proposed the adjournment of the meeting.

The motion for adjournment was adopted.

The meeting rose at 12.45 p.m.