REPORT

OF THE

COMMITTEE ON CONTRIBUTIONS

GENERAL ASSEMBLY

OFFICIAL RECORDS: THIRTY-NINTH SESSION

SUPPLEMENT No. 11 (A/39/11)

UNITED NATIONS

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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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I. MEMBERSHIP OF THE COMMITTEE

1. The forty-fourth session of the Committee on Contributions was held at United Nations Headquarters from 4 to 29 June 1984. For reasons of health, Mr. Wilfried Koschorreck was unable to attend the session. The following members were present:

Syed Amjad Ali
Mr. Andrzej Abraszewski
Mr. Nobutoshi Akao
Mr. Mohammed Sadiq Al-Mahdi
Mr. Marco António Diniz Brandão
Mr. Javier Castillo Ayala
Mr. Anatoly Semënovich Chistyakov
Mr. Hamed Arabi El Houderi
Mr. Leoncio Fernández Maroto
Mr. Richard Vognild Hennes
Mr. Lance Joseph
Mr. Zoran Lazarevíc
Mr. Atilio Norberto Molteni
Mr. Oluseye D. Oduyemi
Mr. Omar Sirry
Mr. Yang Hushan
Mr. Philippe Zeller

2. The Committee elected Syed Amjad Ali Chairman and Mr. Atilio N. Molteni Vice-Chairman.

II. CONSIDERATION OF GENERAL ASSEMBLY RESOLUTIONS 38/33, 37/125 B, 36/231 A AND 34/6 B AND VIEWS EXPRESSED AT THE THIRTY-SEVENTH AND THIRTY-EIGHTH SESSIONS OF THE FIFTH COMMITTEE

3. In paragraph 2 of its resolution 38/33 of 25 November 1983 on the scale of assessments for the apportionment of the expenses of the United Nations, the General Assembly requested the Committee on Contributions "to carry out the mandate entrusted to it by resolution 37/125 B, taking into account the views expressed by Member States during the thirty-seventh and thirty-eighth sessions of the General Assembly".

4. In its resolution 37/125 B of 17 December 1982, the General Assembly

"1. Reconfirms that the real capacity to pay of Member States is the fundamental criterion on which the scale of assessments is based;

"2. Decides that the Committee on Contributions may extend its sessions, as necessary, in order to:

"(a) Submit to the General Assembly at its thirty-ninth session the study called for in paragraph 3 of Assembly resolution 36/231 A, together with its proposals for methods which it should use in determining future scales of assessments;

"(b) Submit to the General Assembly no later than at its thirty-ninth session a set of guidelines for the collection and presentation of data as requested in paragraph 2 of resolution 36/231 A, taking into account the views expressed by a number of delegations concerning, in particular, the comparability of national income data".

5. At its thirty-sixth session, the General Assembly adopted resolution 36/231 A of 18 December 1981, the relevant operative paragraphs of which are quoted below:

"The General Assembly,

"...

"1. Reaffirms its previous decisions that, in the measurement of the capacity of Member States to pay, the following elements should be taken into account, in order to prevent anomalous assessments resulting from the sole use of estimates of national income:

"(a) Due consideration to developing countries, in general, and to the countries with the lowest per capita income, including the least developed countries, in particular, in view of their special economic and financial problems;

"(b) The continuing disparities between the economies of developed and developing countries;

"(c) Conditions or circumstances which adversely affect the capacity of Member States to pay;

"(d) The particular situation of Member States whose earnings depend heavily on one or a few products;

"(e) The ability of Member States to secure foreign currency;

"(f) The concept of accumulated national wealth;

"(g) The existence of different methods of national accounting of Member States, including the level of different inflation rates and their effects on the comparability of national income statistics;

"2. Requests the Committee on Contributions to prepare a set of guidelines for the collection and presentation of data by Member States, in order to ensure that adequate data and statistical information are submitted to the Committee on a uniform and comparable basis;

"3. Requests the Committee on Contributions to submit to the General Assembly at its thirty-seventh session a thorough study on alternative methods to assess the real capacity of Member States to pay that takes fully into account Assembly resolution 34/6 B, all the elements listed in paragraph 1 above, including a new statistical base period, a revised upper limit of the low per capita income allowance formula and a limit for increases between two successive scales of assessments".

6. The relevant operative paragraph of General Assembly resolution 34/6 B of 25 October 1979 reads as follows:

"The General Assembly,

"...

"2. Requests the Committee on Contributions to study in depth and report to the General Assembly at its thirty-fifth session on ways and means of increasing the fairness and equity of the scale of assessments, bearing in mind the debate under agenda item 103 in the Fifth Committee during the thirty-fourth session of the Assembly, and, in particular:

"(a) Methods which would avoid excessive variations of individual rates of assessment between two successive scales, including ways of setting a percentage limit or percentage points limit or a combination of the two;

"(b) Ways of taking into account conditions or circumstances which adversely affect the capacity to pay of Member States and ways of setting objective criteria by which these conditions or circumstances can be taken into account in the elaboration of the scale of assessments;

"(c) Ways of taking into account the particular situation of Member States whose earnings depend heavily on one or a few products;

"(d) Ways of bringing up to date the values of the per capita allowance formula and their effects on the scale of assessments;

"(e) Ways of taking into account the different methods of national accounting of Member States, including the level of different inflation rates and their effects on the comparability of national income statistics;

"(f) Ways of taking into account the concept of accumulated wealth and the ways by which criteria could be developed to enable it to be applied as a factor in setting the scale of assessments;

"(g) Methods to ensure that all countries are assessed on data covering the same period of time so that data used are comparable;

"(h) Effects of altering the statistical base period in the scale of assessments".

7. In response to the request in General Assembly resolution 36/231 A for "a thorough study on alternative methods to assess the real capacity of Member States to pay", the Committee on Contributions suggested four alternative methods in its report on its forty-third session. 1/ Alternative I proposed assessments by groups; alternative II related assessments to personnel and sovereignty factors; alternative III examined accumulated national wealth as a main indicator of the real capacity to pay; and alternative IV described significant variants of the current methodology.

8. The Fifth Committee discussed these four alternatives during the thirty-eighth session of the General Assembly. Several objections were raised with respect to alternative I, in particular, the concern that dividing the Member States into groups for purposes of establishing a scale had no legal or constitutional basis within the terms of the Charter of the United Nations. Alternative II likewise did not find favour with the majority of Member States. Alternative III, on accumulated national wealth, was considered to be a worthwhile effort which should be kept in the work programme of the Committee on Contributions, so that when the concepts and definitions of national wealth became standardized and estimates of national wealth were available for a large number of Member States, that criterion could be considered as an alternative to national income.

9. The Committee on Contributions considered the views expressed by Member States during the thirty-seventh and thirty-eighth sessions of the General Assembly, in particular the comments on alternatives put forward by the Committee. In the course of the deliberations of the Committee on Contributions, several proponents of alternative I believed that it would be possible to develop convincing answers to the various technical questions raised during the debate in the Fifth Committee on that alternative. Nevertheless, in the light of what was perceived to be a reluctance in the General Assembly to embrace such an alternative at that stage, the Committee on Contributions felt that it would not be timely to elaborate it further at its current session.

10. The Committee, therefore, devoted major attention to further exploration of the fourth alternative, the variants of the current methodology, with special emphasis on the use of economic and social indicators and on problems of inflation and exchange rate conversion. Subsequently, it examined in depth such elements of the current methodology as the statistical base period, the limit of the low per capita income allowance formula and methods to avoid excessive variations of individual rates of assessment between two successive scales.

III. VARIANTS OF THE CURRENT METHODOLOGY

11. The Committee further pursued its detailed study of ways and means of taking into account conditions or circumstances which might not have been adequately reflected in estimates of national and per capita income used in the preparation of the scale of assessments. One of the variants would be to take into consideration the varying stages of economic and social development of Member States by the incorporation of economic and social indicators in the current methodology. The other variant would deal with the problems of inflation and exchange rate conversion.

A. Economic and social indicators

12. In its efforts to seek alternative methods to measure the real capacity to pay of Member States, the Committee on Contributions, at its current session, continued its examination of the use of economic and social indicators. It reviewed many socio-economic concerns and the statistical indicators which would most adequately reflect those concerns. It discussed the relative weights and norms that should be applied to each concern and to per capita income, and finally analysed the assessment rates resulting from the incorporation of the indicators.

13. The Committee generally agreed on five different concerns that should be taken into account: economic development, educational development, health, external debt and international reserves, and, finally, the changes in terms of trade. It then considered two lists of social and economic indicators which could represent those concerns: a long list, which included those available indicators that were thought to be relevant; and a short list, selected from the long list to include one or at most two indicators per concern. The short list was considered by those members who supported it to be an adequate reflection of the many individual indicators under each category in the long list, given the close correlation among the values of those indicators. In the final analysis, however, the Committee utilized a modified long list in order to test the effects of the working of the revised formula. The indicators included in the list were those for which comparable data were available for a majority of countries. The long and the short lists of indicators are presented in annex I and the modified long list is reflected in the columns of annex II.

14. The weight or importance allotted to each of the five concerns was derived by taking an average of the points, totalling 100, individually assigned to them by members of the Committee: economic development, 30 per cent; educational development, 10 per cent; health, 20 per cent; external debt and international reserves, 30 per cent; terms of trade, 10 per cent. Indicators within each concern were then given equal weights. Scales were established using three sets of weights for per capita income *vis-à-vis* the other indicators. The first one represented the present formula, with per capita income being given a weight of 1 and other indicators a weight of zero. The second was the incorporation of socio-economic indicators into the present formula, with per capita income being given a weight of 0.5 and all other indicators a total weight of 0.5. The third one was based on the use of indicators only; in other words, per capita income being given a weight of zero, and all other indicators a total weight of 1.

15. As the Committee had been unable to obtain immediately applicable suggestions from other international organizations on indicator values or norms which should be used in the measurement of stages of development, it considered a number of alternatives (the average of the Organisation for Economic Co-operation and Development (OECD), the lowest of OECD countries, the average of the Group of 77) and proceeded with the norms used in the exercise presented in its last report. Those were established by taking first the average of the values of each of the indicators for OECD countries (excluding Iceland) and then the unweighted average of OECD average values and the values for Brazil.

16. In spite of its efforts to incorporate only indicators for which values were available for most countries, the Committee observed that there were still elements of non-comparability between the data used. The values of those indicators still suffered from various deficiencies, as enumerated in the footnotes to annex II. While data referred in general to 1981, for some indicators they were available only for earlier years. Three dots in the table indicated missing data for a given indicator. In processing those data, it was assumed that the missing values were equal to the norms. Data for three indicators - "Manufacturing as a percentage of total gross domestic product", "External debt as a percentage of export earnings" and "Terms of trade" - presented particular difficulties.

17. The Committee noted that figures given under "Manufacturing as a percentage of total GDP" for centrally planned economies were adjusted figures. The figures initially shown as manufacturing for centrally planned economies were in fact data for industry, which included not only manufacturing but also mining and electricity production, and the figures for GDP were initially data on net material product, which excluded the production of non-material services.

18. Figures under "External debt expressed as a percentage of export earnings" were derived from different sources: World Bank and OECD data on debt of developing countries, debt figures published by the Bank for International Settlements (BIS) in co-operation with OECD for countries of the Council for Mutual Economic Assistance (CMEA), and data of the International Monetary Fund (IMF) on debt for the remaining OECD countries. The World Bank, OECD and BIS/OECD data referred to total external debt, i.e. public and private debt, while the IMF data covered only government external debt to the exclusion of private debt and debt incurred by public corporations.

19. The "Terms of trade" effect, which had been defined as the ratio of the price index of exports to the price index of imports, was derived from two different sources. For developing countries, the information was based on the Handbook of International Trade and Development Statistics 2/ of the United Nations Conference on Trade and Development (UNCTAD), while for developed market economies and centrally planned economies price indices were obtained from the United Nations Yearbook of National Accounts Statistics. 3/ The UNCTAD publication restricted the price indices to merchandise trade only, leaving out services. It furthermore derived the indices on the basis of the so-called unit values, i.e. prices of an international selection of traded goods. The price indices of exports and imports in the Yearbook of National Accounts Statistics covered all internationally traded goods as well as services.

20. When analysing the effects of the incorporation of socio-economic indicators in the assessment scale formula, as shown in annex II, the Committee noted that the majority of developed countries would experience lower assessment rates, while the

majority of developing countries would experience higher ones as compared with those derived from the current methodology. It is relevant to recall that, under the current methodology, the scale resulting from the simple comparison of national incomes is already substantially modified by the low per capita income allowance. The studies undertaken to date show that for many developing countries, the introduction of social and economic indicators as supplementary criteria dilute the impact of the low per capita income allowance, resulting in significantly higher machine scales.

21. To comprehend that phenomenon, it is necessary to understand the working of the modified assessment scale formula, which is similar to that of the present low per capita income allowance formula. The present formula uses as the main criterion for assessment the average national income estimates of each country and adjusts that average downward for those countries that have a per capita income in United States dollars lower than the limit or norm, which is, at present, $US 2,100. The percentage deduction from national income was based on the extent to which per capita income falls short of the $2,100 limit. If per capita income is, as in the case of India for example, $165, i.e. 8 per cent of $2,100 or 92 per cent below the limit, the deduction would be 92 per cent times the present gradient of 85 per cent, or 78 per cent of national income. The modified formula works the same way, using a weighted average of deductions for each of the indicators. In other words, the indicators are used in this modified formula jointly with per capita income in the calculation of percentage deductions from national income. In the case of India, it can be seen in the table below why that country's assessable income and assessment rate increased considerably when using the modified formula as compared to the present one. The deductions for the additional indicators are much smaller than for per capita income alone and are in some instances even negative, which implies that the value of the indicator is more favourable than the norm, so that assessable income should be increased rather than reduced. While the deduction based on the present formula is 78.2 per cent, a weighted average of deductions for all indicators, including per capita income, is only 48.0 per cent. If per capita income is excluded from the formula for deductions, and if only other indicators are applied, the percentage deduction would be further reduced to 17.8 per cent [(48.0 - 39.1) x 2].

Indicator	Below the limit		Weight		Gradient		Deduction
			(percentages)				
1. Present formula:							
Low per capita income	92	x	100	x	85	=	78.2
2. Modified formula							
(a) Low per capita income	92	x	50	x	85	=	39.1
(b) Manufacturing as a percentage of total GDP	37	x	3.75	x	85	=	1.2
(c) Per capita energy consumption	94	x	3.75	x	85	=	3.0
(d) Three main export commodities as a percentage of total exports	-21	x	3.75	x	85	=	-0.7
(e) Life expectancy at birth	25	x	5	x	85	=	1.0
(f) Literacy rate	58	x	5	x	85	=	2.5
(g) Per capita daily caloric intake	36	x	5	x	85	=	1.5
(h) Commercial vehicles in use per capita	96	x	3.75	x	85	=	3.0
(i) Public debt as a percentage of export earnings	-3	x	7.5	x	85	=	-0.2
(j) International reserves as a percentage of imports	-47	x	7.5	x	85	=	-3.0
(k) Terms of trade	13	x	5	x	85	=	0.6
Average deduction							48.0

22. The decrease in the assessable income and assessment rates for developed countries shown in annex II is mainly the result of the decrease in total relief accorded to developing countries, as illustrated above. Under the present formula, the relief accorded to "low per capita income" countries is 16.2 per cent of the total national income of the countries with a per capita income above the limit, excluding the United States. The latter group's assessable income is, therefore, 16.2 per cent above their national income. This relief is reduced to 5.4 per cent when using the modified formula, combining per capita income and other indicators on a 50-50 per cent basis, and to 2.4 per cent when indicators other than per capita income are used.

23. The results shown in annex II are comparable to those of a similar exercise carried out by the Committee last year and updated in annex III of the present report. At that time, the Committee considered an alternative methodology which took into account long-term economic and social concerns. It selected, for illustrative purposes, on the basis of availability of data, indicators that could express those concerns, namely: (a) manufacturing as a percentage of total GDP; (b) manufactured exports as a percentage of total exports; (c) three main export commodities as a percentage of total exports; (d) percentage share of active population employed outside agriculture; (e) number of telephones per 1,000 persons; (f) literacy rate; and (g) per capita daily caloric intake. It decided not to include in that exercise such short-term indicators as terms of trade, export earnings, external public debt and international reserves.

24. The assessment scales in annex III, resulting from the incorporation of the above socio-economic indicators, cover 61 Member States whose present rates of assessment are above 0.03 per cent as do the data in annex II. The data on national income and per capita national income shown in columns (1) and (2) refer to averages for the base period 1973-1982, while data on the indicators, as presented in columns (3) through (9), correspond to the most recent year available, generally to 1981. The norms, or limits, for per capita income and the indicators are shown under the indicator headings in columns (2) through (9), which are, respectively, $2,100 and the average values of the socio-economic indicators for the OECD countries and for Brazil. Column (10) lists the scale based on this calculation, which gives per capita income a weight of 1 and all other indicators a weight of zero. The incorporation of the socio-economic indicators as an alternative to the current methodology is presented in columns (11) and (12). Column (11) shows the resulting assessment scale, using per capita income in combination with other indicators as parameters of the formula, with per capita income being given a weight of 0.5, and the group of seven indicators an equal weight of 0.5, which is divided into a weight of 0.071 per indicator. Column (12) presents the resulting scale based exclusively on the use of the seven economic and social indicators and excludes per capita income. Thus, the seven indicators have been assigned a total weight of 1, or 0.143 per indicator, and per capita income a weight of zero.

25. Some members suggested that use should be made of data on external debt, international reserves and terms of trade even to cover years which were more recent than the base period. Some other members expressed doubt about the desirability of this suggestion because of the non-availability and non-comparability of such data. In any event, those indicators would necessarily have to be treated separately.

26. Based on the above analysis, and also in view of the lack of comparable data on socio-economic indicators, the Committee does not propose that these indicators should be used in the assessment methodology at present. The results of these exercises so far, whether they have been used alone or in combination with the low per capita income formula, do not benefit most of the developing countries as much as the low per capita income formula does. The Committee on Contributions, which has been studying indicators since 1969, intends, unless the General Assembly decides otherwise, to examine these questions further and to continue studying additional indicators and to experiment with different weights and norms as well as to explore new methods in its search for means to measure the real capacity to pay of Member States.

B. Problems of inflation and exchange rate conversion

27. In resolutions 34/6 B, paragraph 2 (e), and 36/231 A, paragraph 1 (g), the General Assembly requested the Committee on Contributions to take into account the level of different inflation rates and their effects on the comparability of national income statistics. Previous studies reviewed by the Committee analysed price changes in individual countries and compared them with the movement of the exchange rates. Based on those analyses, so-called "pseudo exchange rates", now more accurately described as price-adjusted exchange rates (PARE), were derived, which were applied in extreme cases as adjustment factors to national income in United States dollars, in order to offset changes in overvaluation or undervaluation of the currency of each country relative to that of other countries since the base year.

28. The Committee recognized that the assumption implicit in the above methodology, namely, that base-period exchange rates were the "correct" conversion factors for the assessment period, constituted a serious limitation on the validity of the modified national income data. At its forty-fourth session, the Committee had before it a study in which the exchange-rate conversion was replaced by conversion based on the use of purchasing power parities (PPPs). The PPP conversion of national income would not only eliminate differences in the changes of prices in different countries over time since the base period, but would also remove undervaluation or overvaluation of the currencies vis-à-vis the United States dollar in the base period.

29. The two conversions PPP and PARE are presented in annex IV as alternative approaches to remove differences in inflation rates between countries. While exchange rates reflect the influence of exports and imports of goods and services, as well as financial and related transactions between countries, PPPs are the results of a comparison of prices for all goods and services produced, whether internationally traded or not. On the other hand, PPPs do not take into account financial and related transactions. For two thirds of the 61 countries with present assessment rates over 0.03 per cent, benchmark data on prices and quantities of over 100 commodities were available for 1980 and for some countries for 1975. Those benchmark data were then extrapolated to other years using relative inflation rates over time between countries. For countries without benchmark data, inter-country price relatives were based on the results of ad hoc studies and observed relations between PPP-exchange rate ratios and the levels of per capita income of countries for which benchmark data are available. As per capita income converted on the basis of PPPs is on the average higher than that obtained when exchange rates are used, the per capita income limit has been raised to $3,800 and the gradient has been increased to 110 per cent. These new parameter values, which have been applied for illustrative purposes only, have been determined in such a way as not to affect the groupings of countries above and below the limit and the relief accorded to countries below the limit as compared with the present scale.

30. The assessment scale based on PPP conversions has been compared with a scale based on PARE. The PARE conversion adjusts exchange rates only for relative changes in prices between countries from the period 1971-1980 to the period 1973-1982. As the adjustment is similar to the PPP updating procedure described above, PARE can be considered as a partial implementation of PPP conversion. It does not adjust for discrepancies between exchange rates and purchasing power parities in the base period.

31. After careful consideration, the Committee concluded that the PPP conversion could not be used at this time. It noted that the number of countries for which benchmark data were available was insufficient and would have to be increased before an application of the PPP conversion was justified. Some members recommended, therefore, that a new study should be undertaken as soon as the results of phase V of the International Price Comparison project, which would cover more countries, became available, sometime in 1987. Others believed that conceptually PPP would lead to distortions in the Member States' relative capacity to pay. In the meantime, the Committee would continue to examine data on PARE in order to ascertain the effects of inflation on the computation of national income. However, certain members objected to the propriety of modifying official exchange rates to accommodate inflation levels. Others favoured using constant price data or PARE to address the problem of inflation. Yet others maintained that such corrections should continue to be applied, but only in the case of countries suffering from particularly glaring or abnormal uncompensated inflation.

32. In this connection, attention was drawn by some members to the fact that, while the rates of economic growth of CMEA countries as a whole, as published in United Nations documents, showed a higher increase than those of OECD countries as a whole, the former's United Nations rates of assessment were on a downward trend and vice versa. Some other members emphasized that the rates of economic growth of CMEA countries, as published in the United Nations documents, were based on data on national income in constant prices and in national currency of each country, whereas the scale of assessments which should reflect the Member States' relative capacity to pay was based on national income data expressed in current market prices and in United States dollars. Consequently, there could be no direct relationship between the rates of economic growth published for CMEA countries and the trend of their rates of assessment. Yet, other members believed that the issue had not been sufficiently studied to reach any conclusion at that time.

33. The Committee agreed that it was necessary to examine further the relations between the mechanism for traditional exchange rate conversion and the national income adjustment factor as derived from PARE and PPP shown in annex IV.

IV. COMPONENTS OF THE CURRENT METHODOLOGY

34. In numerous resolutions, the General Assembly has requested the Committee on Contributions to study a statistical base period, the low per capita income allowance formula and limits for variations between successive scales of assessment.

A. Statistical base period

35. The Committee recalled that, prior to 1952, the United Nations scale of assessments had been based on the data of a single year; in 1952, an average of national income estimates for two years was used. In 1953, the Committee decided to base its calculations on averages of national income data for three years. In 1977, the Committee extended the base period to seven years on the ground that a longer period would tend to lessen the effects of severe short-term economic fluctuations on the capacity to pay of Member States, thereby alleviating the sharp variations in rates of assessment. The seven-year base period was used in the establishment of the scales for 1978-1979 and 1980-1982. The current scale for 1983-1985 was established on the basis of a 10-year period prescribed by the General Assembly in resolution 36/231 A, paragraph 4 (a).

36. In order to assess the effects of varying base periods on the scale of assessments, the Committee had before it the variants of machine scales based on averages of national income data with 1-, 3-, 5-, 7-, 10- and 14-year periods. Views were expressed that a shorter base period would reflect more accurately the current situation of a country and, therefore, the real capacity of Member States to pay. In particular, there had already been a lag from two to four years between the latest year for which statistics were used, and the year for which the scale was applied. However some members of the Committee saw merit in extending the base period beyond 10 years.

37. The Committee recalled the suggestions made at the previous session that (a) notwithstanding the length of the base period, if a country's average national income in the last three years fell below the average of the preceding three years, no increase in its rate of assessment should be effected; and (b) a weight of 2 should be given for data of the last three years of the base period and a weight of 1 for other years. The first suggestion was deemed by its proponents to be sound because it took into consideration the actual financial and economic performance of countries in the last three years as compared with the preceding three years, which was in conformity with the practice of reviewing the scale of assessment every three years. The contrary view argued that the first suggestion was too sweeping an exception and could create inequities in situations, for instance, when two countries had the same assessable incomes but different rates of income growth within the base period. The second suggestion was seen as less than clear-cut, as it reflected two apparently opposite concerns: to moderate the effects of fluctuations by lengthening the base period and at the same time to give more weight to the situation in more recent years.

38. After an exhaustive debate on that question, the Committee agreed on the fundamental importance of maintaining the same base period over time. The Committee concluded that it should maintain the 10-year base period for the next scale for 1986-1988.

B. Low per capita income allowance formula

39. In accordance with paragraph 4 (b) of resolution 36/231 A, the low per capita income allowance which was applied in the establishment of a scale for 1983-1985 consisted of an upper limit of $2,100 and a relief gradient of 85 per cent. The Committee noted that per capita income limits and the corresponding gradients had been evolved from 1948 as follows:

Scales of assessment	Per capita income limit (United States dollars)	Gradient (percentage)
1948 to 1952	1 000	40
1953 to 1971-1973	1 000	50
1974 to 1976	1 500	60
1977 to 1978-1979	1 800	70
1980-1982	1 800	75
1983-1985	2 100	85

40. Some members of the Committee strongly felt that the per capita income limit should be adjusted upward to reflect the inflation rate of the country where most United Nations expenses were incurred. Using the United States gross national product (GNP) deflator for the period from 1951 to 1981, and extrapolating it to 1983 and 1948 on the basis of the United States consumer price index, the rate of inflation from 1948 to 1983, the year for which statistics of national income would be included in the establishment of the scale for 1986-1988, was 381 per cent. Thus, $1,000 in 1948 was equivalent to $3,810 in 1983. If the per capita income of a country grew at the same pace as the rate of inflation in the United States, the current deduction formula of $2,100 and 85 per cent would give to that country about the same percentage deduction as the formula of $1,000 and 40 per cent did in 1948. On the other hand, if a country's per capita income grew less than the inflation rate, the percentage deduction under the current formula would be even more favourable to that country. The reverse would be true: if the per capita income grew faster than the rate of inflation, the current formula would give to that country a lower percentage deduction. In any analysis of the effects of the change in the deduction formula, account should be taken of the movement of both elements, the per capita limit and the gradient.

41. At the outset some members of the Committee felt that it was justifiable to adjust the limit since its last adoption in 1982, which had been applied at that time to national income data ending in 1980. Others questioned the assumption that there was an economic basis behind the establishment of the $2,100 limit. Views were expressed against indexation of the per capita income limit. What would be an appropriate base year? With information on the ranking of countries based on the 10-year averages of per capita national income (1973-1982), certain members of the Committee warned that caution should be exercised when increasing the limit. It should not be too high to cover the per capita income of the major contributors. Since the Committee would only have the data required for the establishment of the 1986-1988 scale next year, those members preferred to defer decision until that time. Other members felt that it was important for the Committee to respond at the current session to the request of the General Assembly to include in the study a "revised upper limit of the low per capita income allowance formula".

42. Various views were expressed regarding the appropriate level of adjustment. Although outright indexation was considered unjustified by some, most of the members agreed that there was a need to recommend an increase. In that connection a question was raised regarding the operation of the formula and the "redistribution of the burden of relief" only to countries with per capita income above the limit. This method of redistributing the relief burden accounted for the phenomenon of "jump" in assessable income when the per capita income of a country crossed the borderline of the limit and the country became a relief absorber instead of a relief recipient. Some members of the Committee proposed that developing countries that were members of the Group of 77 should be exempt from sharing the burden of relief, the reason being that in determining the capacity to pay of Member States, distinction should be made between developed and developing countries. Others stated that this would be unfair to the rest of the membership and that all countries with per capita income above the limit should bear proportionately their part of the relief burden.

43. On the basis of data on averages of per capita income for the period 1973-1982, and bearing in mind economic and other considerations, the Committee decided to recommend that the per capita income limit should be increased to $2,200. One member of the Committee expressed his reservation on the advisability of an increase.

C. Methods to avoid excessive variations of individual rates of assessment between two successive scales

44. By paragraph 3 of its resolution 36/231 A, the General Assembly requested the Committee on Contributions to undertake a thorough study on alternative methods, including "a limit for increases between two successive scales of assessments" (emphasis added). In previous resolutions (34/6 B, paragraph 2 (a), and 31/95 B, paragraph (c) (iv)) the General Assembly requested the Committee, when drawing up future scales, to bear in mind "methods which avoid excessive variations of individual rates of assessment between two successive scales" (emphasis added).

45. The Committee had before it a working document showing the average percentage increases or decreases in rates of assessment per scale period between 1974-1976 and 1983-1985 for 61 countries with rates of assessment above 0.03 per cent. It also examined the effects of the operation of three schemes of limits, which are reproduced as annex V to the present report.

46. Scheme I covers two types of limits: percentage limits and percentage point limits, and contains five rate brackets. Scheme II consists of five rate brackets with only percentage limits which allow smaller variations than those in scheme I for most brackets, with the exception of the highest one, "above 1.00 per cent". Scheme III uses both percentage and percentage point limits. Unlike scheme I, it has eight rate brackets instead of five, thus permitting some differentiation for rates of assessment above 1.00 per cent, as well as for the rates between 0.25 and 0.50 per cent. In comparison with scheme I, scheme III allows smaller variations for rates of assessment below 2.5 per cent.

47. The Committee noted that the capacity of Member States to pay should remain the cardinal basis for apportioning the expenses of the United Nations. Some members observed that the application of any scheme of limiting variations between successive scales would constitute a departure from the principle of the capacity to pay. They reiterated a view expressed in previous reports that the device of

setting percentage limits or percentage point limits on variations was too mechanistic and arbitrary. When those limits were applied successively over a long period of time, they tended to widen the gap between a scale derived from national income figures and a scale modified by a scheme of limits. That was, in particular, true for countries which had experienced over a long period a relatively higher growth or larger decline in national income as compared with the average for the membership. Those members preferred, instead of adopting a fixed scheme of limits, the flexibility of mitigating extreme variations in assessments by taking duly into account unusual economic and financial difficulties of individual Member States.

48. Other members commented on the discontinuities that the three schemes produced in limiting excessive variations. To remedy that, they suggested the establishment of a functional relation between the maximum variation and the present assessment rate. Such functions were set forth in annex VI. The functional relationship could be represented by a curve which could be used to define the concept of excessive variations. The Committee found that proposal interesting but ultimately indicated its preference for a scheme that could be more easily applied.

49. The Committee concluded that a decision on this subject of limiting extreme variations was timely and that among those three limits, scheme III was preferable as it was less restrictive than the other two. A detailed analysis of that scheme showed that the percentage point limits for the three brackets 0.25-0.50, 0.51-0.75 and 0.76-0.99 per cent would need to be slightly modified in order to make the scheme fully operational as a combination of both percentage limits and percentage point limits. Similarly, the percentage limit for the bracket 0.01-0.04 would be deleted for the same purpose. The revised scheme III, given below, was adopted by the Committee.

Combination of percentage limits and percentage point limits with eight rate brackets

If the present official scale is	the percentage change in the new machine scale should not be more than the lesser of:	
	Percentage limits	Percentage point limits
above 5.00 per cent	5.0	75 points
2.50 - 4.99 per cent	7.5	30 points
1.00 - 2.49 per cent	10.0	20 points
0.76 - 0.99 per cent	15.0	14 points
0.51 - 0.75 per cent	20.0	12 points
0.25 - 0.50 per cent	25.0	8 points
0.05 - 0.24 per cent	30.0	3 points
0.01 - 0.04 per cent	-	1 point

No conclusion was reached on the manner in which points not taken up by Member States because of application of a limits formula should be prorated among the membership at large. The issue here was whether to exclude from the proration process those States subject to limits, or to include them. It was agreed that this matter would have to be resolved in the application of the above scheme. Moreover, it was observed that the scheme of limits might even prove to be useful in limiting extreme variations in assessment rates, which could occur if the Committee were to decide to adopt a modified methodology (such as to use PPP instead of an exchange rate as a conversion factor for national income or to incorporate additional socio-economic indicators in the assessment scale methodology). The adoption of a scheme of limits would, in the view of some members, preclude any further mitigation in the assessment process. Other members were of the contrary view and saw no relationship between the two matters.

V. ASSESSMENT SCALE METHODOLOGY: SUMMARY AND RELATED OBSERVATIONS

50. In its report on its 1983 session, 1/ the Committee on Contributions provisionally identified four alternatives to the present methodology for establishing the United Nations scale of assessments. For reasons explained in paragraphs 8-10 above, the Committee agreed at its current session to focus on the fourth of those alternatives which postulated a series of possible variants to the current methodology. After thorough study of those variants, the Committee concluded that neither the incorporation of economic and social indicators nor the systematic use of PARE or PPPs for converting the values of national and per capita income into United States dollars could be considered currently for assessment purposes. With respect to the first variant, the lack of data on indicators for a sufficiently large number of countries and a high degree of non-comparability among those data, together with the adverse results that variant produced for most developing countries, persuaded the Committee to take no decision pending further study. The second variant also suffered from the lack of benchmark data for a large number of countries. That variant could be reconsidered in the future when more countries, and particularly key economies, were included in the PPP study.

51. The Committee concluded that, for the time being, and pending further studies of the variants in current methodology and of other methods to assess contributions, national income adjusted by the low per capita income allowance formula to derive assessable income must necessarily be used in the establishment of the next scale of assessment.

52. The Committee also concluded that (a) the statistical base period should continue to be 10 years in order to ensure more stability in rates of assessment of individual countries; (b) the upper limit of the low per capita income allowance formula should be raised to $2,200; and (c) the mechanism set forth in paragraph 49 should be adopted to dampen excessive variations in individual rates of assessment of Member States.

53. In commenting on the use of the concept of national income as the criterion to assess the relative capacity to pay of various countries, some members brought once more to the attention of the Committee on Contributions the fact that the existing practices of the computation of the national incomes of the countries whose revenues were mostly generated by the export of a few products, which were mainly depletable natural resources, tended to greatly overstate the magnitude of their national income. Their revenues resulted mainly from the consumption of a wasting asset. Those revenues were not income, but rather the monetary realization of a pre-existing wasting asset. In the view of the proponents of that concept, such a situation justified the introduction of adjustments to their GDP, or national income, and therefore a depletion factor valuing the wasting asset should be taken into account in measuring their real GDP. Those same members were of the opinion that until revised accounting methods of computing national incomes of those countries were devised, appropriate deductions to their national income should be effected. Other members remain unpersuaded by these arguments and continued to urge the necessity of basing the scale essentially on direct comparisons of national incomes.

54. Throughout its discussion, the Committee was cognizant of the serious economic and financial situation in the world and in particular of the problem of high levels of external indebtedness. Although no systematic way of adjusting to this problem was developed, the Committee was of the opinion that the condition must be borne in mind during the preparation of subsequent scales of assessment.

VI. GUIDELINES FOR THE COLLECTION AND PRESENTATION OF DATA

55. In paragraph 2 of resolution 36/231 A, the General Assembly requested the Committee on Contributions "to prepare a set of guidelines for the collection and presentation of data by Member States, in order to ensure that adequate data and statistical information are submitted to the Committee on a uniform and comparable basis". In response to that mandate, the Committee reviewed at its forty-second and forty-third sessions the practices and procedures followed by the United Nations Statistical Office in gathering data from Member States and in the compilation and estimation of national income and related statistics for purposes of establishing a scale of assessments.

56. The actual guidelines for the collection and presentation of data by Member States are in fact contained in the system of national accounts (SNA) 4/ which the Statistical Commission adopted at its fifteenth session for the use of national statistical authorities and in the reporting of comparable national accounting data. They are also reflected in the "National accounts questionnaire" and the "Material balances questionnaire" sent out every year by the United Nations Statistical Office to national statistical offices for the collection of data on national accounts including national income.

57. A technical note on these guidelines is given in annex VII to the present report. The guidelines were generally endorsed by the Committee. However, a few members of the Committee noted that, from its inception until the current time, the Committee had based its computations of relative capacity to pay on average "assessable income" for a series of years, expressed in United States dollars. They emphasized that in order to provide the Committee with comparable national income statistics, countries with centrally planned economies which use the concept of net material product provided to the Statistical Office information about the value of their national income according to the present system of national accounts. It was noted that the Committee's questionnaire sent out to Member States was too detailed. It should be limited to the key indicators necessary for drawing the scale of assessments. Those members, therefore, proposed to request the Statistical Office to work out and circulate to all Member States brief methodological instructions concerning the computation of national income on a uniform basis.

VII. ASSESSMENT OF NEW MEMBER STATES FOR 1983 AND 1984

58. According to rule 160 of the rules of procedure of the General Assembly, the Committee on Contributions is called upon to advise the Assembly on assessments to be fixed for new Members. Regulation 5.8 of the Financial Regulations of the United Nations provides that "new Members shall be required to make a contribution for the year in which they become Members and to provide their proportion of the total advances to the Working Capital Fund at rates to be determined by the General Assembly".

59. During the thirty-eighth session of the General Assembly in 1983, on 23 September, Saint Christopher and Nevis was admitted to membership in the Organization. By resolution 548 (1984), the Security Council, having examined the application of Brunei Darussalam for admission to membership in the United Nations, recommended to the General Assembly that Brunei Darussalam be admitted. It is, therefore, expected that Brunei Darussalam will be admitted to membership in the Organization in September 1984.

60. Under the terms of General Assembly resolution 69 (I) of 14 December 1946, new Members are required to contribute to the annual budget of the year in which they are first admitted, at least 33.33 per cent of their percentage of assessment determined for the following year, applied to the budget for the year of admission. However, by subsequent decision of the Assembly, exceptions have been made to the one-third rule, the prescribed minimum having been reduced to one ninth for almost all States newly admitted to membership in the Organization since 1955.

61. The United Nations scale of assessments for the years 1983 to 1985, as adopted by the General Assembly in resolution 37/125 A of 17 December 1982, was based on national and per capita income data for the years 1971-1980. On the same basis, the Committee recommends that Saint Christopher and Nevis, admitted to membership in 1983, should be assessed at the rate of 0.01 per cent for 1984 and 1985 and at the rate of one ninth of 0.01 per cent for its year of admission in 1983. Should Brunei Darussalam be admitted in September 1984 or during the course of the thirty-ninth session of the General Assembly in 1984, the Committee would recommend that it should be assessed at the rate of 0.03 per cent for 1985 and at the rate of one ninth of 0.03 per cent for 1984.

62. The Committee further recommends that for 1983 and/or 1984, the contributions of the new Members should be applied to the same basis of assessment as for other Member States, except that in the case of appropriations or apportionments approved by the General Assembly for the financing of the United Nations Disengagement Observer Force and for the United Nations Interim Force in Lebanon, the contributions of these new Member States (in accordance with the group to which they may be assigned by the Assembly) should be calculated in proportion to the calendar year.

VIII. OTHER MATTERS CONSIDERED BY THE COMMITTEE

A. Collection of contributions

63. The Committee on Contributions took note of the letter from the Secretary-General addressed to the President of the General Assembly (A/38/822), which indicated that at the opening of the resumed session of the General Assembly on 26 June 1984, seven Member States, Chad, the Comoros, El Salvador, Equatorial Guinea, Grenada, Mauritania and South Africa, were in arrears in the payment of their assessed contributions within the terms of Article 19 of the Charter of the United Nations. The Committee inquired into the procedures followed by the Secretariat by which the Member States concerned were informed ahead of time of their arrears under Article 19 and reaffirmed its previous decision to authorize its Chairman to issue an addendum to the present report, should it be necessary.

B. Payment of contributions in currencies other than United States dollars

64. Under the provisions of paragraph 3 of its resolution 37/125 A of 17 December 1982, the General Assembly authorized the Secretary-General to accept, at his discretion and after consultation with the Chairman of the Committee, a portion of the contributions of Member States for the calendar years 1983, 1984 and 1985 in currencies other than United States dollars.

65. At its current session, the Committee noted from the Secretary-General's report on the arrangements for the payment by Member States of their 1984 contributions in currencies other than United States dollars that 10 Member States had availed themselves of the opportunity of paying the equivalent of $2.9 million in eight non-United States dollar currencies acceptable to the Organization. In accordance with the recommendation of the Fifth Committee, the Committee also noted that the Secretary-General had continued to give precedence to each Member for payment in its own currency.

C. Study on comparative methods of assessment

66. During its review of alternative methodologies for assessment, the Committee noted that apparently there had not been any scholarly study of comparative methods in use by international organizations and regional organizations within and outside the United Nations system for determining their apportionment of expenses. Considering that the United Nations would mark its fortieth anniversary in 1985 and that during those 40 years numerous international and regional organizations had been established, the Committee decided to request the Secretary-General to undertake such a study within his existing resources. In that regard, mention was made of resolution 38/33 by which the General Assembly "invites the Secretary-General to provide the Committee on Contributions with the facilities it requires to carry out its work and, if requested by the Committee, necessary supplementary assistance".

D. Communications from international organizations

67. The Committee took note of the contents in the following communications forwarded to it by the Secretary-General:

(a) Letter dated 6 July 1983 from the Director General of the International Labour Office transmitting two reports of the Allocations Committee on the "ILO scale of contributions to the budget for 1984-1985" and "Criteria and methods used by the United Nations Committee on Contributions in determining the rate of contributions of each Member State" (INF/1984/2);

(b) Letter dated 9 March 1984 from the Deputy Director General of the International Atomic Energy Agency transmitting the portion of the summary records of the Agency's Board of Governors' discussions on "Assessment of Members' contributions to the regular budget" (INF/1984/1).

E. Date of the next session

68. As the Committee will be required in 1985 to establish a scale of assessments for 1986-1988 and in view of the changes recommended above, the Committee decided that it would hold its forty-fifth session from 3 June to 3 July 1985 in New York. Pending further mandates from the General Assembly, it tentatively planned to schedule its forty-sixth session from 2 to 20 June 1986.

IX. RECOMMENDATION OF THE COMMITTEE

69. The Committee on Contributions recommends to the General Assembly the adoption of the following draft resolution:

Scale of assessments for the apportionment of the expenses of the United Nations

The General Assembly,

Resolves that:

1. The rates of assessment for the following States, admitted to membership in the United Nations on 23 September 1983 and ... 1984, respectively, shall be as follows:

Member State	Per cent
Saint Christopher and Nevis	0.01
Brunei Darussalam	0.03

For 1983, 1984 and 1985, these rates shall be added to the scale of assessments established under General Assembly resolution 37/125 A of 17 December 1982;

2. For their year of admission, Saint Christopher and Nevis and Brunei Darussalam shall contribute at the rate of one ninth of 0.01 and 0.03 per cent, respectively, such contributions to be taken into account as miscellaneous income under regulation 5.2 (c) of the Financial Regulations of the United Nations;

3. For the years 1984 and 1985, Saint Christopher and Nevis shall contribute at the rate of 0.01 per cent and for the year 1985 Brunei Darussalam shall contribute 0.03 per cent; such contribution for 1984 by Saint Christopher and Nevis also to be taken into account as miscellaneous income under regulation 5.2 (c) of the Financial Regulations of the United Nations;

4. The contributions of Saint Christopher and Nevis for 1983 and 1984 and Brunei Darussalam for 1984 shall be applied to the same basis of assessment as for other Member States, except that in the case of appropriations of apportionments approved under General Assembly resolutions 37/38 A of 30 November 1982 and 38/35 A of 1 December 1983 for the financing of the United Nations Disengagement Observer Force, and resolutions 37/127 A of 17 December 1982 and 38/38 A of 5 December 1983 for the financing of the United Nations Interim Force in Lebanon, the contributions of those States, as determined by the group of contributors to which they may be assigned by the Assembly, shall be calculated in proportion to the calendar year;

5. The advances of Saint Christopher and Nevis and Brunei Darussalam to the Working Capital Fund, under regulation 5.8 of the Financial Regulations of the United Nations, shall be calculated by the application of the rates of assessment of 0.01 and 0.03 per cent, respectively, to the authorized level of the Fund, such advances to be added to the Fund pending the incorporation of the new Members' rates of assessment in a 100 per cent scale.

Notes

1/ Official Records of the General Assembly, Thirty-eighth Session, Supplement No. 11 (A/38/11), chap. III.

2/ Handbook of International Trade and Development Statistics (United Nations publication, Sales No. E/F.83.II.D.2).

3/ Yearbook of National Accounts Statistics (United Nations publication, Sales No. E.82.XVII.6).

4/ See System of National Accounts (United Nations publication, Sales No. E.69.XVII.3).

ANNEX I

Socio-economic indicators

(Percentages given in parenthesis relate to the weight allotted to each broad category)

A. Long list

I. Economic development (30 per cent)

(1) Percentage share of manufacturing to total gross domestic product

(2) Percentage share of three main export commodities to total export

(3) Percentage share of active population employed outside agriculture

(4) Number of commercial vehicles per capita

(5) Number of telephones per 1,000 persons

(6) Number of scientists and engineers per million inhabitants

(7) Transported tonnage kilometres by railways per capita

(8) Energy consumption per capita

II. Education development (10 per cent)

(1) Percentage of literate population

(2) Enrolment ratio in the first and second levels of education

III. Health (20 per cent)

(1) Life expectancy at birth

(2) Number of physicians per 1,000 inhabitants

(3) Number of infant survivals

(4) Number of hospital beds per 1,000 inhabitants

(5) Per capita food consumption (daily caloric intake)

IV. External debt and international reserves (30 per cent)

(1) External debt as a percentage of export earnings

(2) International reserves as a percentage of imports

(3) Energy imports as a percentage of domestic use

(4) Food imports as a percentage of domestic use

V. Terms of trade (10 per cent)

(1) Ratio of price index of exports to price index of imports

B. Short list

I. Economic development (30 per cent)

Percentage share of manufacturing in gross domestic product

II. Education development (10 per cent)

Percentage of literate population

III. Health (20 per cent)

Life expectancy at birth

IV. External debt and international reserves (30 per cent)

External debt as percentage of export earnings

International reserves as percentage of imports

V. Terms of trade (10 per cent)

Ratio of price index of exports to price index of imports

ANNEX II

Scales of assessment based on modified methodology

Incorporation of ten economic and social indicators in addition to per capita income

Country	National income average ($US million)	Per capita income average ($US)	Manufacturing as a % of total GDP	Per capita energy consumption (kg. of coal equivalent)	Three main export commodities as a % of total exports	Life expectancy at birth	Literacy rate	Per capita daily caloric intake	Commercial vehicles in use per capita	External debt as % of export earnings	International reserves as % of imports	Terms of trade 1975=100
Year of data	1973-1982	1973-1982	1981	1981	1981	1981	1980	1980	1982	1981	1982	1981
Limit		$2 100	24	2 983	26.1	69	86	2 945	0.045	147.6	19.2	75
Column	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Algeria	22 588	1 303	12	1 429	98.4	56	35	2 433	0.014	126.57	25.3	195
Argentina	47 619	1 755	25	1 718	30.4	71	93	3 494	0.039	193.23	48.3	71
Austria	45 959	6 116	27	4 020	15.4	73	99	3 579	0.072	21.61	20.3	92
Australia	102 494	7 180	20	5 987	29.4	74	100	3 159	0.119	...	5.1	90
Belgium	72 812	7 411	24	5 329	24.4	73	99	3 916	0.031	15.85	6.4	92
Brazil	178 514	1 565	23	757	24.8	64	76	2 447	0.009	257.15	25.6	56
Bulgaria	18 144	2 061	42	5 261	27.8	73	93	3 646	...	20.26	...	74
Canada	182 976	7 821	19	10 070	28.8	75	99	3 369	0.131	4.55	4.5	93
Chile	12 100	1 137	22	925	56.0	68	88	2 790	0.021	222.55	46.2	61
China	223 255	230	32	578	20.6	69	69	2 539	0.001	25.73	22.9	...
Colombia	20 924	871	23	752	57.8	63	81	2 529	0.012	126.52	62.6	122
Cuba	12 680	1 322	21	1 382	93.7	73	95	2 723	0.016	71.93	...	65
Czechoslovakia	40 128	2 660	49	6 403	20.3	72	99	3 477	0.023	22.66	...	87
Denmark	43 816	8 600	16	5 653	20.0	75	99	3 566	0.049	38.77	11.4	89
Egypt	18 589	473	12	516	79.2	57	44	2 972	0.005	133.98	8.8	85
Finland	30 303	6 386	25	4 761	31.9	75	100	3 196	0.035	18.12	9.9	86
France	392 797	7 386	25	4 081	19.5	76	99	3 391	0.544	...	12.0	97
German Democratic Republic	81 602	4 869	54	7 409	19.1	73	99	3 780	0.036	46.67	...	100
Germany, Federal Republic of	501 814	8 179	36	5 614	25.8	73	99	3 780	0.025	12.85		
Greece	27 624	2 966	18	2 013	25.3	74	84	3 685	0.054	86.89	21.4	89
Hungary	15 768	1 480	36	3 809	8.6	71	99	3 534	0.017	76.14	10.1	102
India	108 831	165	15	199	21.6	52	36	1 880	0.002	152.46	13.4	96
Indonesia	45 423	317	12	242	79.8	54	62	2 315	0.005	75.31	28.2	65
Iran (Islamic Republic of)	64 414	1 834	6	874	96.0	58	50	2 018	0.006	82.52	13.3	150
Iraq	22 358	1 836	7	595	98.6	57	24	2 677	0.007	27.24	66.0	213
Ireland	10 701	3 253	20	3 206	24.9	73	98	3 718	0.021	8.15	42.1	209
Israel	14 254	3 905	18	2 255	37.2	73	88	3 020	0.028	87.03	25.3	92
Italy	233 500	4 175	28	3 273	20.8	74	98	3 662	0.032	4.54	32.0	97
											21.0	92

Country	National income average ($US million)	Per capita income average ($US)	Manufacturing as a % of total GDP	Per capita energy consumption (kg. of coal equivalent)	Three main export commodities as a % of total exports	Life expectancy at birth	Literacy rate	Per capita daily caloric intake	Commercial vehicles in use per capita	External debt as % of export earnings	International reserves as % of imports	Terms of trade 1975=100
Year of data	1973-1982	1973-1982	1981	1981	1981	1981	1980	1980	1982	1981	1982	1981
Limit		$2 100	24	2 983	26.1	69	86	2 945	0.045	147.6	19.2	75
Column	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Japan	674 300	5 895	31	3 575	34.3	77	99	2 912	0.136	1.82	15.6	71
Kuwait	19 169	16 315	6	4 548	84.9	70	60	...	0.106	2.91	56.1	210
Libyan Arab Jamahiriya	18 760	6 987	3	2 134	100.0	57	50	3 459	0.089	4.84	75.6	212
Luxembourg	3 502	9 730	28	11 813	24.4	74	99	3 916	0.080	0.17	6.4	109
Malaysia	14 602	1 145	18	987	51.1	65	60	2 625	0.020	28.08	24.4	99
Mexico	111 692	1 723	22	1 687	67.4	66	83	2 791	0.027	185.73	4.4	86
Morocco	11 239	603	18	339	52.2	57	28	2 628	0.010	215.71	4.5	62
Netherlands	106 559	7 669	23	5 652	28.7	76	99	3 514	0.025	0.01	12.2	95
New Zealand	15 922	5 103	25	3 274	47.6	74	99	3 685	0.095	67.42	8.5	105
Nigeria	48 702	659	6	220	98.2	49	34	2 595	0.001	20.21	9.5	189
Norway	32 711	8 077	15	5 950	50.7	76	99	3 315	0.044	16.74	30.7	111
Pakistan	18 912	248	15	221	40.9	50	24	2 184	0.001	264.88	13.7	73
Peru	14 306	883	28	595	45.9	58	80	2 057	0.010	153.34	24.9	72
Philippines	22 284	493	24	353	41.4	63	75	2 275	0.010	136.93	23.5	65
Poland	56 282	1 615	39	4 507	21.0	73	98	3 521	0.019	142.24	...	95
Portugal	16 838	1 723	30	1 250	26.0	72	78	3 101	0.053	97.76	5.0	85
Romania	25 866	1 189	50	4 420	18.6	71	98	3 337	...	40.31	2.9	...
Saudi Arabia	73 427	8 938	4	1 680	99.3	55	25	2 895	0.020	4.32	48.2	196
Singapore	7 051	3 013	29	4 515	40.8	72	83	3 158	0.042	131.63	27.9	96
South Africa	41 146	1 524	24	2 694	38.0	63	57	2 778	0.035	2.64	2.4	95
Spain	127 571	3 489	23	2 397	18.4	74	92	3 361	0.040	63.19	21.2	90
Sweden	77 637	9 393	21	5 156	30.3	77	99	3 202	0.025	26.87	10.6	85
Thailand	21 086	480	20	333	36.5	63	86	2 308	0.011	81.02	16.7	61
Turkey	44 848	1 063	24	702	27.6	62	60	2 965	0.006	215.47	13.2	107
Union of Soviet Socialist Republics	646 348	2 485	36	5 738	13.3	72	100	3 372	...	33.10	...	136
United Arab Emirates	15 563	21 032	7	7 558	94.9	63	56	...	0.046	6.90	31.3	189
United Kingdom of Great Britain and Northern Ireland	294 950	5 282	20	4 641	25.6	74	99	3 306	0.034	15.29	12.3	113
United States of America	1 863 237	8 415	22	10 204	19.4	75	99	3 658	0.152	46.24	7.8	93
Uruguay	5 771	2 011	21	895	50.0	71	94	2 896	0.016	98.14	7.8	86
Venezuela	39 256	3 036	15	3 153	95.2	68	82	2 525	0.115	73.97	33.6	190
Yugoslavia	46 119	2 108	32	2 290	16.2	71	85	3 565	0.023	159.52	10.1	85

Country	Low per capita income allowance formula		Modified formula			
	Present formula without indicators 1973-1982 $2,100/85%		Present formula with indicators 1973-1982 $2,100/85%		Indicators only 1973-1982 85%	
Limit	$2 100					
Column	(13)		(14)		(15)	
	Assessable income	Rate of assessment	Assessable income	Rate of assessment	Assessable income	Rate of assessment
Algeria	15 314	0.21	18 500	0.25	21 699	0.30
Argentina	40 999	0.56	50 190	0.70	48 761	0.68
Austria	53 399	0.73	48 440	0.67	47 062	0.65
Australia	119 087	1.64	108 028	1.51	104 953	1.47
Belgium	84 600	1.16	76 743	1.07	74 559	1.04
Brazil	139 954	1.92	144 756	2.02	149 656	2.09
Bulgaria	17 871	0.25	19 123	0.26	18 579	0.26
Canada	212 599	2.92	192 856	2.70	187 367	2.62
Chile	7 393	0.10	9 738	0.13	12 093	0.16
China	54 474	0.75	197 311	2.76	228 613	3.20
Colombia	10 524	0.14	17 878	0.25	21 426	0.30
Cuba	8 698	0.12	10 689	0.14	12 984	0.18
Czechoslovakia	46 624	0.64	42 294	0.59	41 091	0.57
Denmark	50 909	0.70	46 182	0.64	44 867	0.62
Egypt	6 357	0.09	9 825	0.13	13 304	0.18
Finland	35 208	0.48	31 939	0.44	31 030	0.43
France	456 389	6.27	414 008	5.80	402 224	5.63
German Democratic Republic	94 813	1.30	86 008	1.20	83 560	1.17
Germany, Federal Republic of	583 056	8.02	528 911	7.41	513 857	7.20
Greece	32 096	0.44	29 115	0.40	28 286	0.39
Hungary	11 826	0.16	16 619	0.23	16 146	0.22
India	23 616	0.32	55 994	0.78	88 395	1.23
Indonesia	12 673	0.17	27 165	0.38	41 689	0.58
Iran (Islamic Republic of)	57 521	0.79	67 892	0.95	65 959	0.92
Iraq	19 988	0.27	23 565	0.33	22 894	0.32
Ireland	12 433	0.17	11 278	0.15	10 957	0.15
Israel	16 561	0.23	15 023	0.21	14 596	0.20
Italy	271 302	3.73	246 109	3.44	239 104	3.35
Japan	783 467	10.77	710 712	9.95	690 483	9.67
Kuwait	22 272	0.31	20 204	0.28	19 629	0.27
Libyan Arab Jamahiriya	21 797	0.30	19 773	0.27	19 210	0.26

Country	Low per capita income allowance formula		Modified formula			
	Present formula without indicators 1973-1982 $2,100/85%		Present formula with indicators 1973-1982 $2,100/85%		Indicators only 1973-1982 85%	
Limit	$2 100					
Column	(13)		(14)		(15)	
	Assessable income	Rate of assessment	Assessable income	Rate of assessment	Assessable income	Rate of assessment
Luxembourg	4 068	0.06	3 691	0.05	3 586	0.05
Malaysia	8 965	0.12	15 390	0.21	14 952	0.20
Mexico	94 714	1.30	90 846	1.27	87 045	1.21
Morocco	4 439	0.06	5 654	0.07	6 880	0.09
Netherlands	123 810	0.70	112 313	1.57	109 116	1.52
New Zealand	18 499	0.25	16 781	0.23	16 304	0.22
Nigeria	20 308	0.28	48 289	0.67	49 870	0.69
Norway	38 006	0.52	34 477	0.48	33 496	0.46
Pakistan	4 746	0.07	8 322	0.11	11 910	0.16
Peru	7 267	0.10	9 831	0.13	12 404	0.17
Philippines	7 799	0.11	13 479	0.18	19 168	0.26
Poland	45 250	0.62	53 907	0.75	57 632	0.80
Portugal	14 278	0.20	15 324	0.21	16 380	0.22
Romania	16 347	0.22	27 262	0.38	26 486	0.37
Saudi Arabia	85 314	1.17	77 392	1.08	75 189	1.05
Singapore	8 192	0.11	7 431	0.10	7 220	0.10
South Africa	31 558	0.43	43 367	0.60	42 133	0.59
Spain	148 224	2.04	134 459	1.88	130 632	1.83
Sweden	90 206	1.24	81 829	1.14	79 500	1.11
Thailand	7 274	0.10	13 254	0.18	19 250	0.26
Turkey	26 056	0.36	31 288	0.43	36 553	0.51
Union of Soviet Socialist Republics	750 989	10.32	681 250	9.54	661 860	9.27
United Arab Emirates	18 082	0.25	16 403	0.22	15 936	0.22
United Kingdom of Great Britain and Northern Ireland	342 701	4.71	310 877	4.35	302 028	4.23
Uruguay	5 563	0.08	5 337	0.07	5 112	0.07
Venezuela	45 611	0.63	41 375	0.57	40 198	0.56
Yugoslavia	53 585	0.74	45 616	0.63	44 965	0.63
TOTAL	5 345 671	73.45	5 242 343	73.45	5 240 861	73.45

Notes

Column (3). Data refer to 1978 for Ireland; 1979 for Algeria; 1980 for Argentina, Brazil, Bulgaria, China, Colombia, Cuba, Czechoslovakia, the German Democratic Republic, Hungary, the Islamic Republic of Iran, Iraq, the Netherlands, Poland, Romania, Saudi Arabia, the Union of Soviet Socialist Republics and Yugoslavia.

Column (5). Data refer to 1973 for Romania; 1974 for Bulgaria; 1975 for the German Democratic Republic; 1978 for China, South Africa and the United Arab Emirates; 1979 for the Islamic Republic of Iran and Nigeria; 1980 for Algeria, Chile, Cuba, India, Iraq, Mexico and the Union of Soviet Socialist Republics.

Column (6). The estimate for China refers to 1980.

Column (7). Data refer to 1970 for Bulgaria and Luxembourg; 1971 for Greece; 1973 for the Libyan Arab Jamahiriya; 1975 for Chile, Iraq, Israel, South Africa and Spain.

Column (9). Data refer to 1976 for Argentina and Turkey; 1977 for the Islamic Republic of Iran and Peru; 1978 for Austria, Australia, the German Democratic Republic, Iraq, Nigeria, Saudi Arabia and the United Arab Emirates; 1980 for China; 1981 for Algeria, Colombia, India, Italy, Kuwait, the Libyan Arab Jamahiriya, Pakistan, Portugal, South Africa, the United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela, Yugoslavia and the United States of America.

Column (10). Data refer to 1980 for China, Cuba, Egypt, Greece, Indonesia, the Islamic Republic of Iran, Iraq, Ireland, Israel, Kuwait, the Libyan Arab Jamahiriya, Malaysia, Mexico, Morocco, Nigeria, Peru, Portugal, Saudi Arabia, Singapore, South Africa, Spain, the United Arab Emirates and Venezuela; 1982 for Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, Romania and the Union of Soviet Socialist Republics.

Column (11). Data refer to 1975 for Iraq; 1979 for Algeria and Saudi Arabia; 1980 for Argentina, Egypt, the Federal Republic of Germany, Italy, Luxembourg and the United Arab Emirates; 1981 for Australia, Brazil, China, Greece, India, the Libyan Arab Jamahiriya, Morocco, the Netherlands, New Zealand, Peru, the Philippines, Portugal, Turkey, the United Kingdom of Great Britain and Northern Ireland and Yugoslavia.

Column (12). The estimate for the German Democratic Republic refers to 1978.

Sources of statistics shown in annex II

Column (3). Manufacturing as a percentage of total gross domestic product:

Main source. Yearbook of National Accounts Statistics, 1982, vols. I and II (United Nations publication in preparation).

Other sources. "Monthly bulletin of statistics" (February 1984).

Organisation for Economic Co-operation and Development, National Accounts of OECD Countries, 1964-1981, vol. II (Paris, 1983).

Economist Intelligence Unit, Quarterly Economic Review.

Economic Commission for Africa, "National accounts computer print-outs".

Column (4). Per capita energy consumption (kilograms of coal equivalent):

United Nations, Yearbook of World Energy Statistics, 1981 (United Nations publication, Sales No. E/F.82.XVII.16).

Column (5). Three main export commodities as a percentage of total exports:

Main source. Yearbook of International Trade Statistics, 1981, vol. I (United Nations publication, Sales No. E/F.82.XVII.7).

Other sources. United Nations Statistical Yearbook, 1981 (United Nations publication, Sales No. E/F.83.XVII.1).

United Nations Statistics (Geneva), "Comtrade inquiry".

Institute of Developing Economies, Foreign Trade of China, 1978.

Column (6). Life expectancy at birth:

Source: World Bank, World Development Report 1983 (Washington, D.C.).

Column (7). Literacy rate:

Main sources. World Bank, World Development Report 1980 and 1983.

United Nations Educational, Scientific and Cultural Organization, Statistical Yearbook, 1981.

Other source. World Bank, World Tables, 1976.

Column (8). Per capita daily caloric intake:

Main sources. Food and Agriculture Organization of the United Nations, FAO Production Yearbook, 1981, vol. 35 (Rome).

World Bank, World Development Report 1983 (Washington, D.C.).

Column (9). Commercial vehicles in use per capita:

Main source. United Nations, Statistical Yearbook 1982 (to be published).

Column (10). External debt as a percentage of export earnings:

Main sources. World Bank, World Debt Tables, 1982-1983 ed. (Washington, D.C., 1983).

Organisation for Economic Co-operation and Development, External Debt of Developing Countries, 1982 Survey (Paris).

International Monetary Fund, Government Finance Statistics Yearbook, vol. VII (Washington, D.C., 1983).

Statistics on external indebtedness: Bank and trade-related non-bank external claims on individual borrowing and territories at end-December 1982 and end-June 1983. (A joint report by the Bank of International Settlements and the Organisation for Economic Co-operation and Development.)

Column (11). International reserves as percentage of imports:

Main source. International Monetary Fund, International Financial Statistics (Washington, D.C., February 1984).

Column (12). Terms of trade:

Main source. Handbook of International Trade and Development Statistics, 1983 (United Nations publication, Sales No. E/F.83.II.D.2).

ANNEX III

Scales of assessment based on modified methodology

Incorporation of seven economic and social indicators in addition to per capita income

(Taxable income in millions of United States dollars and machine rate of assessment)

Country	National income average 1973-1982 ($US million)	Per capita income average 1973-1982 ($US)	Manufacturing as a % of total GDP	Manufactured exports as a % of total exports	Three main export commodities as a % of total exports	% Active population employed outside agriculture	Number of telephones per 1,000 persons	Literacy rate	Per capita daily caloric intake	Low per capita income allowance formula: Present formula without indicators 1973-1982 $2 100/85%		Modified formula: Present formula with indicators 1973-1982 $2 100/85%		Modified formula: Indicators only 1973-1982 85%	
Limit		$2 100	24	51.8	26.1	75.2	266	86	2 945	$2 100					
Column	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		(11)		(12)	
										Taxable income	Rate of assessment	Taxable income	Rate of assessment	Taxable income	Rate of assessment
Algeria	22 588	1 303	12	0.4	98.4	51.3	25	35	2 433	15 314	0.21	10 369	0.15	5 437	0.08
Argentina	47 619	1 755	25	21.1	30.4	97.3	98	93	3 494	40 999	0.56	42 023	0.59	43 076	0.60
Austria	45 959	6 116	27	86.1	15.4	91.3	421	99	3 579	53 399	0.73	51 260	0.72	51 575	0.72
Australia	102 494	7 180	20	27.2	29.4	94.4	489	100	3 159	119 087	1.64	114 316	1.60	115 019	1.61
Belgium	72 812	7 411	24	72.5	24.4	97.1	387	99	3 916	84 600	1.16	81 210	1.14	81 710	1.14
Brazil	178 514	1 565	23	39.6	24.8	62.6	63	76	2 447	139 954	1.92	143 541	2.01	147 224	2.06
Bulgaria	18 144	2 061	48	62.9	27.8	68.0	141	93	3 646	17 871	0.25	20 237	0.28	20 361	0.29
Canada	182 976	7 821	19	55.9	28.8	95.2	693	99	3 369	212 599	2.92	204 080	2.86	205 336	2.87
Chile	12 100	1 137	22	61.2	56.0	82.0	50	88	2 790	7 393	0.10	8 421	0.12	9 458	0.13
China	223 255	230	43	53.4	20.6	41.4	4	69	2 539	54 474	0.75	128 724	1.80	203 176	2.84
Colombia	20 924	871	23	27.3	57.8	73.5	65	81	2 529	10 524	0.14	12 281	0.17	14 047	0.20
Cuba	12 680	1 322	43	4.4	93.7	77.4	42	95	2 723	8 698	0.12	7 991	0.12	7 296	0.10
Czechoslovakia	40 128	2 660	61	87.7	20.3	90.2	210	99	3 477	46 624	0.64	44 756	0.63	45 032	0.63
Denmark	43 816	8 600	16	56.7	20.0	93.3	674	99	3 566	50 909	0.70	48 870	0.68	49 170	0.69
Egypt	18 589	473	12	12.6	79.2	50.0	12	44	2 972	6 357	0.09	6 757	0.09	7 166	0.10
Finland	30 303	6 386	25	74.8	31.9	87.7	522	100	3 196	35 208	0.48	33 798	0.47	34 006	0.48
France	392 797	7 386	25	74.5	19.5	91.8	498	99	3 391	456 389	6.27	438 102	6.13	440 797	6.17
German Democratic Republic	81 602	4 869	73	88.7	19.1	90.7	194	99	3 780	94 813	1.30	91 014	1.27	91 574	1.28
Germany, Federal Republic of	501 814	8 179	36	86.1	25.8	96.2	488	99	3 561	583 056	8.02	559 693	7.83	563 136	7.88
Greece	27 624	2 966	18	57.1	25.3	63.5	302	84	3 685	32 096	0.44	30 810	0.43	30 999	0.43
Hungary	15 768	1 480	37	65.2	8.6	85.1	121	99	3 534	11 826	0.16	15 138	0.21	17 695	0.25
India	108 831	165	15	58.9	21.6	37.6	4	36	1 880	23 616	0.32	49 736	0.70	75 879	1.06
Indonesia	45 423	317	12	5.0	75.8	41.8	4	62	2 315	12 673	0.17	14 187	0.20	15 732	0.22
Iran (Islamic Republic of)	64 414	1 834	6	2.6	96.0	62.2	32	50	2 018	57 521	0.79	36 840	0.52	16 202	0.23
Iraq	22 358	1 836	7	0.5	65.4	60.4	17	24	2 677	19 988	0.27	14 174	0.20	8 378	0.12
Ireland	10 701	3 253	20	58.3	24.9	79.7	208	98	3 718	12 433	0.17	11 935	0.17	12 009	0.17
Israel	14 254	3 905	19	81.7	37.2	93.4	328	88	3 020	16 561	0.23	15 898	0.22	15 996	0.22
Italy	233 500	4 175	29	84.2	20.8	89.4	364	98	3 662	271 202	3.73	260 432	3.64	262 034	3.67
Japan	674 300	5 895	31	96.7	34.3	89.6	501	99	2 912	783 467	10.77	752 074	10.52	756 699	10.59
Kuwait	19 169	16 315	6	15.0	64.9	98.3	159	60	...	22 272	0.31	21 380	0.30	9 601	0.13

Country	National income average 1973-1982 ($US million)	Per capita income average 1973-1982 ($US)	Manufacturing as a % of total GDP	Manufactured exports as a % of total exports	Three main export commodities as a % of total exports	% Active population employed outside agriculture	Number of telephones per 1,000 persons	Literacy rate	Per capita daily caloric intake	Low per capita income allowance formula: Present formula without indicators 1973-1982 $2 100/85%		Modified formula: Present formula with indicators 1973-1982 $2 100/85%		Modified formula: Indicators only 1973-1982 85%	
Limit		$2 100	24	51.8	26.1	75.2	266	86	2 945	$2 100					
Column	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		(11)		(12)	
										Taxable income	Rate of assessment	Taxable income	Rate of assessment	Taxable income	Rate of assessment
Libyan Arab Jamahiriya	18 760	6 987	3	0.4	100.0	85.5	21	50	3 459	21 797	0.30	20 924	0.29	5 714	0.08
Luxembourg	3 502	9 730	28	72.5	24.4	97.1	547	99	3 916	4 068	0.06	3 906	0.05	3 930	0.06
Malaysia	14 602	1 145	18	27.6	51.1	53.0	53	60	2 625	8 965	0.12	8 959	0.13	8 960	0.13
Mexico	111 692	1 723	22	11.9	67.4	64.8	77	83	2 791	94 714	1.30	80 304	1.12	65 959	0.92
Morocco	11 239	603	18	29.9	52.2	49.4	12	28	2 628	4 439	0.06	5 273	0.07	6 117	0.09
Netherlands	106 559	7 669	23	49.9	28.7	94.9	539	99	3 514	123 810	1.70	118 850	1.66	119 581	1.67
New Zealand	15 922	5 103	25	24.1	47.6	90.9	560	99	3 685	18 499	0.25	17 758	0.25	17 867	0.25
Nigeria	48 702	659	6	0.4	98.2	47.7	2	34	2 595	20 308	0.28	15 024	0.21	9 751	0.14
Norway	32 711	8 077	15	38.4	50.7	92.7	485	99	3 315	38 006	0.52	36 484	0.51	31 744	0.44
Pakistan	18 912	248	15	51.3	40.9	47.0	4	24	2 184	4 746	0.07	8 045	0.11	11 354	0.16
Peru	14 306	883	28	36.5	45.9	63.4	27	80	2 057	7 267	0.10	8 773	0.12	10 286	0.14
Philippines	22 284	493	24	25.2	41.4	54.7	15	75	2 275	7 799	0.11	11 422	0.16	15 056	0.21
Poland	56 282	1 615	42	79.1	21.0	70.5	97	98	3 521	45 250	0.62	54 550	0.76	63 160	0.88
Portugal	16 838	1 723	30	69.8	26.0	74.5	149	78	3 101	14 278	0.20	15 668	0.22	18 896	0.26
Romania	25 866	1 189	57	63.4	18.6	53.7	56	98	3 337	16 347	0.22	22 799	0.32	29 027	0.41
Saudi Arabia	73 427	8 938	4	0.6	99.3	40.5	53	25	2 895	85 314	1.17	81 896	1.15	14 448	0.20
Singapore	7 051	3 013	29	49.7	40.8	97.9	317	83	3 158	8 192	0.11	7 864	0.11	7 913	0.11
South Africa	41 146	1 524	24	48.8	38.0	71.9	118	57	2 778	31 558	0.43	32 582	0.46	33 611	0.47
Spain	127 571	3 489	27	73.3	18.4	83.5	329	92	3 361	148 224	2.04	142 285	1.99	143 160	2.00
Sweden	77 637	9 393	21	80.8	30.3	95.2	828	99	3 202	90 206	1.24	86 592	1.21	87 124	1.22
Thailand	21 086	480	20	31.9	36.5	25.1	11	86	2 308	7 274	0.10	10 600	0.15	13 941	0.20
Turkey	44 848	1 063	24	37.6	27.6	47.0	42	60	2 965	26 056	0.36	30 414	0.43	34 805	0.49
Union of Soviet Socialist Republics a/	646 348	2 485	51	24.6	13.1	84.2	89	100	3 372	750 989	10.32	720 898	10.09	725 332	10.15
United Arab Emirates	15 563	21 032	7	3.6	94.9	94.2	231	56	...	18 082	0.25	17 358	0.24	7 054	0.10
United Kingdom of Great Britain and Northern Ireland	294 950	5 282	20	68.9	25.6	98.0	507	99	3 306	34 701	4.71	328 969	4.60	330 993	4.63
United States of America	1 863 237	8 415	22	68.6	19.4	97.9	789	99	3 658	-	25.00	-	25.00	-	25.00
Uruguay	5 771	2 011	21	29.7	50.0	88.4	99	94	2 896	5 563	0.08	5 021	0.07	4 479	0.06
Venezuela	39 256	3 036	15	4.7	95.2	82.7	58	82	2 525	45 611	0.63	35 244	0.49	16 360	0.23
Yugoslavia	46 119	2 108	42	81.8	16.2	63.9	102	85	3 565	53 585	0.74	51 438	0.72	51 755	0.72

a/ Including Byelorussian SSR and Ukrainian SSR.

ANNEX IV

Assessment rates of 61 selected countries based alternatively on unadjusted exchange rates: PARE and PPP conversions

Country	National income adjustment factor		Machine scales (ceiling 25%, floor 0.01%) based on		
	PARE	PPP	Unadjusted exchange rates $2 100 85%	PARE $2 100 85%	PPP $3 800 110%
	(1)	(2)	(3)	(4)	(5)
Algeria*	106.3	64.1	0.21	0.19	0.17
Argentina	89.3	66.3	0.56	0.68	0.47
Australia*	103.8	110.7	1.64	1.56	1.31
Austria	100.4	105.3	0.73	0.72	0.62
Belgium	96.4	111.1	1.16	1.19	0.92
Brazil	101.2	74.1	1.92	1.86	1.20
Bulgaria*	100.9	52.2	0.25	0.24	0.49
Canada*	99.1	90.9	2.92	2.91	2.84
Chile	107.3	63.6	0.10	0.10	0.08
China*	97.0	25.2	0.75	0.77	1.43
Colombia	106.3	41.5	0.14	0.13	0.25
Cuba*	95.1	47.6	0.12	0.13	0.18
Czechoslovakia*	88.6	49.8	0.64	0.71	1.14
Denmark	97.7	123.1	0.70	0.71	0.50
Egypt*	93.4	37.5	0.09	0.10	0.13
Finland	102.1	111.2	0.48	0.47	0.38
France	98.8	108.9	6.27	6.26	5.09
German Democratic Republic*	93.0	82.2	1.30	1.38	1.40
Germany, Federal Republic of	97.7	119.6	8.02	8.09	5.92
Greece	98.4	81.7	0.44	0.44	0.31
Hungary	89.1	45.9	0.16	0.20	0.28
India	98.2	31.0	0.32	0.33	0.19
Indonesia	108.2	52.4	0.17	0.15	0.06
Iran (Islamic Republic of)	114.2	72.7	0.79	0.61	0.55
Iraq*	110.0	65.4	0.27	0.23	0.24
Ireland	100.0	84.0	0.17	0.17	0.18

* Not based on a benchmark study.

Country	National income adjustment factor		Machine scales (ceiling 25%, floor 0.01%) based on		
	PARE	PPP	Unadjusted exchange rates $2 100 85%	PARE $2 100 85%	PPP $3 800 110%
	(1)	(2)	(3)	(4)	(5)
Israel	99.2	78.2	0.23	0.23	0.26
Italy	99.0	80.8	3.73	3.72	4.07
Japan	100.7	106.6	10.77	10.56	8.92
Kuwait*	117.2	114.6	0.31	0.26	0.24
Libyan Arab Jamahiriya*	108.7	88.8	0.30	0.27	0.30
Luxembourg	100.3	108.4	0.06	0.06	0.05
Malaysia	100.5	48.6	0.12	0.12	0.17
Mexico	103.6	49.9	1.30	1.21	1.96
Morocco	95.5	54.8	0.06	0.06	0.04
Netherlands	99.1	114.7	1.70	1.69	1.31
New Zealand*	102.1	99.0	0.25	0.25	0.23
Nigeria	108.5	54.7	0.28	0.28	0.22
Norway	102.3	126.6	0.52	0.50	0.36
Pakistan	102.3	36.3	0.07	0.06	0.05
Peru	100.3	41.4	0.10	0.10	0.17
Philippines	114.1	47.8	0.11	0.09	0.09
Poland	96.0	44.0	0.62	0.66	1.20
Portugal	96.5	61.2	0.20	0.21	0.19
Romania	91.1	39.1	0.22	0.26	0.50
Saudi Arabia*	115.0	81.1	1.17	1.01	1.28
Singapore*	99.3	85.9	0.11	0.11	0.07
South Africa*	103.5	61.5	0.43	0.40	0.40
Spain	101.4	76.8	2.04	1.98	2.34
Sweden*	98.1	125.4	1.24	1.25	0.87
Thailand	100.8	37.4	0.10	0.10	0.15
Turkey*	96.5	51.2	0.36	0.38	0.43
Union of Soviet Socialist Republics*	89.5	57.3	10.32	11.38	15.92
United Arab Emirates*	106.1	102.5	0.25	0.23	0.21
United Kingdom of Great Britain and Northern Ireland	105.8	95.3	4.71	4.39	4.36
United States of America	100.0	100.0	25.00	25.00	25.00
Uruguay	111.1	70.7	0.08	0.06	0.06
Venezuela	110.0	73.0	0.63	0.56	0.72
Yugoslavia	99.1	72.6	0.74	0.73	0.46

* Not based on a benchmark study.

ANNEX V

Limits on variations between successive assessment scales

1. Combination of percentage limits and percentage point limits with five rate brackets

If the present official scale is	the percentage change in the new machine scale should not be more than the lesser of: Percentage limits	Percentage point limits
above 1.00 per cent	10 per cent	30 points
0.76 - 1.00 per cent	25 per cent	20 points
0.51 - 0.75 per cent	33 per cent	15 points
0.05 - 0.50 per cent	50 per cent	10 points
0.01 - 0.04 per cent	50 per cent	1 point

2. Percentage limits with five rate brackets

If the present official scale is	the percentage change in the new machine scale should not be more than
above 1.00 per cent	10 per cent
0.76 - 1.00 per cent	15 per cent
0.51 - 0.75 per cent	20 per cent
0.04 - 0.50 per cent	25 per cent
0.01 - 0.03 per cent	50 per cent (or one point)

3. Combination of percentage limits and percentage point limits with eight rate brackets

If the present official scale is	the percentage change in the new machine scale should not be more than the lesser of: Percentage limits	Percentage point limits
above 5.00	5.0 per cent	75 points
2.50 - 4.99	7.5 per cent	30 points
1.00 - 2.49	10.0 per cent	20 points
0.76 - 0.99	15.0 per cent	15 points
0.51 - 0.75	20.0 per cent	10 points
0.25 - 0.50	25.0 per cent	5 points
0.05 - 0.24	30.0 per cent	3 points
0.01 - 0.04	50.0 per cent	1 point

Geometric method of limited variations of individual rates of assessment between two successive scales

Four assumptions underlie the geometric method of limiting variations of individual rates of assessment between two successive scales:

1. As in the case of the other three formulae studied, it is designed to set a maximum limit on the upward or downward variation of the rate of assessment of every Member State between two scales;

2. Unlike the other three formulae, it allows the limit on the variation to be expressed either in percentage points or as percentages; for the sake of simplification, however, the use of percentage points is preferred;

3. Again, unlike the other three formulae, which have been constructed empirically, it relies on a mathematical function of the type $y = \pm f(x)$, x being the rate of assessment in the old scale and y the maximum variation of x in the new scale. The use of a mathematical function guarantees the homogeneity of the possible variations throughout the scale of assessment; in particular, this has three important consequences:

(a) Corresponding to any given individual rate of assessment in the old scale is <u>a single</u> maximum limit on the (upward or downward) variation of that rate of assessment;

(b) The higher the rate of assessment in the old scale, the more substantial the potential (upward or downward) variation may be;

(c) There are no step functions, which is not true of the other three formulae; i.e., corresponding to two rates of assessment very close to each other but situated on either side of a fixed reference point (e.g., 0.99 and 1.01, which are just below and just above 1.00) are two maximum variation limits which are very close to each other, whereas in the other formulae, they are far apart.

4. Lastly, the geometric method <u>leaves the General Assembly free to determine for itself the form to be given</u> to the methodology of limiting variations of rates of assessment. The way in which the method works is more clearly apparent from the graph, below.

Explanation of the graph

On the abscissa (x axis) appear the rates of assessment of the old scale, or, if preferred, of the scale which serves as the point of departure (base scale).

On the ordinate (y axis) appear the maximum variation limits on rates of assessment in the old scale expressed in percentage points.

In other words, for every x value, the rate of assessment of a Member State in the old scale, there is a y value such that the new rate of assessment of that State in the revised scale, may, as a maximum, be equal to $x \pm y$.

Three curves have been drawn:

The first (assumption No. 1) is a hyperbola with the mathematical formula: $y = \frac{a}{1 + 1/x} + b$;

The second (assumption No. 2) is a straight line with the mathematical formula: $y = ax + b$;

The third (assumption No. 3) is an exponential curve with the mathematical formula: $y = a^x + b$;

Example: If a country has a rate of assessment of 2.00 in the current scale, then:

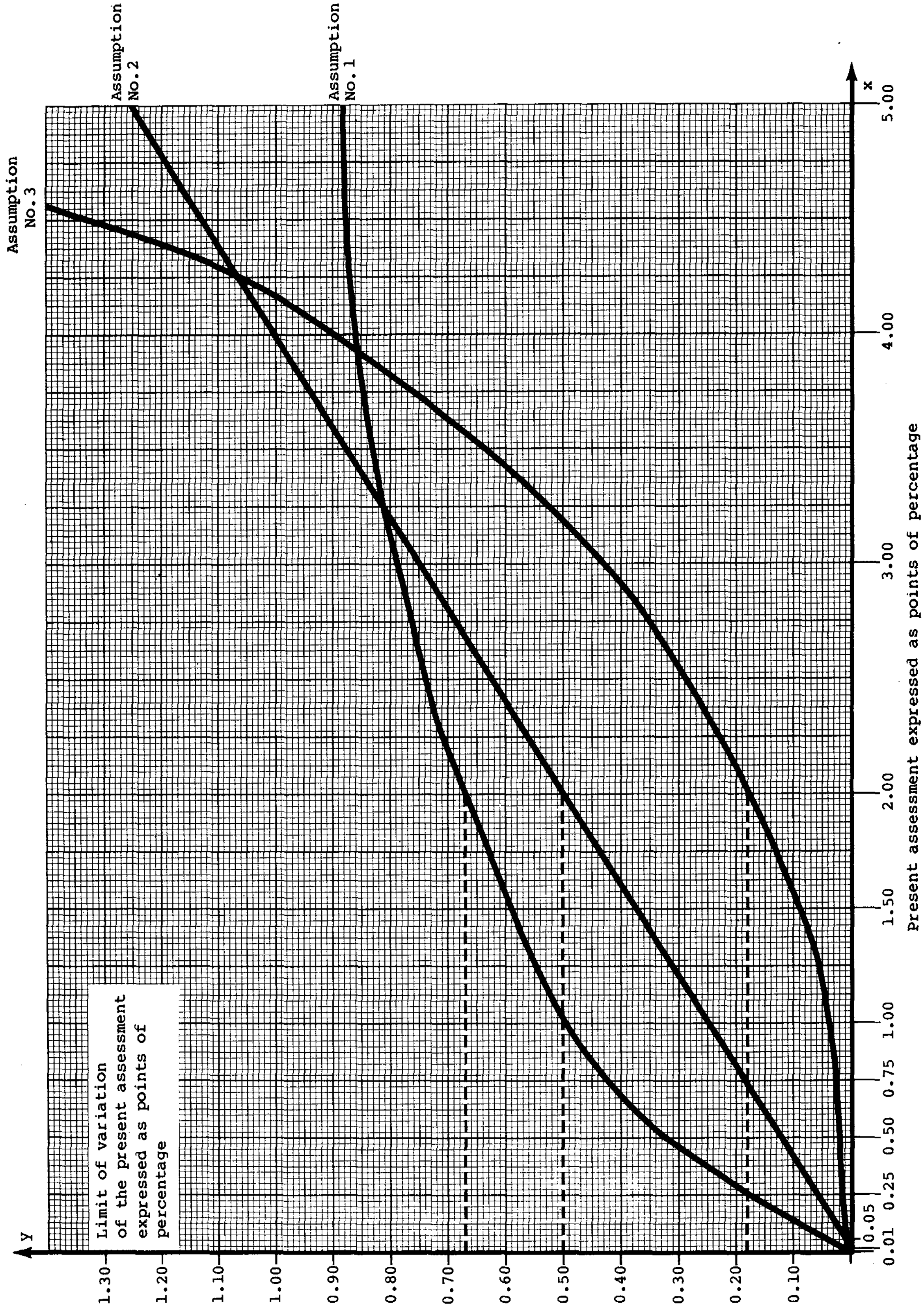
In assumption No. 1, its rate of assessment in the new scale may be between 2.00 - 0.68 = 1.32 and 2.00 + 0.68 = 2.68;

In assumption No. 2, between 2.00 - 0.50 = 1.50 and 2.00 + 0.50 = 2.50;

In assumption No. 3, between 2.00 - 0.18 = 1.82 and 2.00 + 0.18 = 2.18.

Factors a and b have to be established: a determines the general direction of the curve, and b the possible variation of the rate of assessment, namely, the value of y, for the smallest possible value of x, namely, 0.01. Factors a and b can be established by the Committee on Contributions, but also by the General Assembly. It should be said at once that the hyperbolic curve (assumption No. 1) tends to give an unfavourable result for a Member State whose rate of assessment in the base scale is low (the possible variation of such a rate is relatively high in this case); on the other hand, it is relatively favourable in the case of a Member State whose rate of assessment is already high in the base scale. The reverse is true of assumption No. 3 (exponential curve), which is favourable for a Member State whose rate of assessment is low in the base scale and is very adverse in the case of a Member State whose rate of assessment is high. Curve No. 2, i.e. the straight line, is neutral and guarantees a homothetic progression of the possible variation limits.

Thus, when the geometric method is used, it is for the General Assembly to state the form that it wants to be given to the curve of limits on the variation of rates of assessment between two successive scales.


Assumption No.3
Assumption No.2
Assumption No.1
Limit of variation of the present assessment expressed as points of percentage
y
1.30
1.20
1.10
1.00
0.90
0.80
0.70
0.60
0.50
0.40
0.30
0.20
0.10
x
0.01
0.05
0.25
0.50
0.75
1.00
1.50
2.00
3.00
4.00
5.00
Present assessment expressed as points of percentage

ANNEX VII

Technical note on guidelines for the collection and presentation of data by Member States

Introduction

1. Under the original terms of reference of the Committee on Contributions, the expenses of the United Nations should be apportioned broadly according to capacity to pay, and comparative estimates of national income were recommended as a guide at that time. Thus, from its inception until the establishment of the scale for 1983-1985, the Committee has based its computations of relative capacity to pay on average assessable income for a series of years, expressed in United States dollars. Assessable income is defined to be the difference between national income and the amount of relief received or absorbed because of the application of the per capita income allowance formula. The primary statistical data required for these calculations are estimates of national income in national currency, exchange rates for converting these estimates into United States dollars and population estimates to arrive at per capita income figures.

I. COMMUNICATIONS WITH MEMBER STATES

2. In order to ensure that estimates of national income and related statistics are submitted by Governments sufficiently ahead of time, the United Nations Statistical Office, under standing instructions from the Committee on Contributions, sends out at the beginning of the year in which the Committee reviews the assessment scale a letter with an attached questionnaire to national statistical offices of all Member and non-member States, requesting these data. Samples of these letters and questionnaires are presented in attachments I and II.

3. A few weeks later, the Secretary of the Committee on Contributions transmits a note verbale from the Secretary-General to the permanent representatives of all Member States, informing them officially of the date and place of the next session of the Committee and requesting supplementary information for use by the Committee.

II. INFORMATION REQUESTED FROM MEMBER STATES

A. Information requested by the Committee

4. Countries with market economies are requested by the Committee to provide data on the aggregate national income at market prices according to the present system of national accounts (SNA) a/ for each of the calendar years 19__ to 19 __. Where this information is not readily available, Member States are requested to furnish the estimates of other aggregates, together with supplementary information (e.g., depreciation, indirect taxes, subsidies, net factor income from abroad) that is necessary to permit The Statistical Office to derive national income estimates at market prices.

5. The data supplied should be provided on a calendar-year basis in order to ensure maximum comparability of national income data.

6. As has been customary, the questionnaire sets out estimates of national income and related aggregates already available to the Statistical Office. Such information is obtained from official replies to the United Nations national accounts questionnaires or to previous questionnaires of the Committee on Contributions, or is estimated on the basis of data provided by the United Nations regional commissions and other international organizations. To complete the questionnaires, countries are requested to confirm or revise the indicated estimates and to supply additional data for the period in question.

7. Countries with centrally planned economies, which use the concept of net material product, which presents basic differences from the methods used in market economies for the computation of national income, are requested by the Committee to provide information about the value of their national income in market prices according to the present SNA as well as additional information needed in order to derive this concept from net material product. The questionnaire attached to the letter from the Director of the Statistical Office (see attachment II) also requests any or all information currently available that is necessary in estimating national income.

B. Recurrent compilation of national accounts data by the Statistical Office

8. The data compiled for the Committee should, in principle, be consistent with more comprehensive data compiled by the Statistical Office, which are based on a comprehensive booklet entitled "Instructions and definitions for the national accounts questionnaire", b/ developed jointly by the United Nations and the Organization for Economic Co-operation and Development (OECD), and the material balances questionnaire. The national accounts questionnaire, included in the booklet, is divided into four parts.

9. Part 1 contains summary but comprehensive information in current and constant prices. It includes not only the basic gross domestic product account but summary information of government receipts and disbursements, enterprise and household income and outlay, and external transactions, a summary capital transactions account, information on gross product by institutional sector of origin and kind of activity and, finally, a table showing the relations among the aggregate concepts used in the revised system of national accounts and commonly in national statistical systems.

10. Part 2 contains the detailed breakdown of the final expenditure components of gross domestic product (consumption, capital formation, imports and exports) in current and constant prices, together with supporting tables giving additional information on government outlays and capital stock.

11. Part 3 contains detailed institutional sector accounts. For each sector and subsector, five accounts are given: a production account, an income and outlay account, a capital formation account, a capital finance account and a balance sheet. The sectors and subsectors distinguished in part 3 are general government (central, State or provincial, local, social security funds), corporate and quasi-corporate enterprises (non-financial, financial), households and private unincorporated enterprises (farm entrepreneurial, other farm, non-farm entrepreneurial, non-farm wage earner, other) and non-profit institutions serving households.

12. Part 4 contains a breakdown by kind of activity. The tables show the derivation of value added (gross output less intermediate consumption), the cost components of value added and employment.

13. The booklet further contains standard classifications of transactors and transactions as well as definitions of the content of flows, such as gross output and imports of goods and services (under "Total supply of goods and services"); and intermediate consumption, government final consumption expenditure, private final consumption expenditure, gross capital formation, exports of goods and services, value added and gross domestic product (under "Disposition of total supply: intermediate and final uses"). Frequent references are made to detailed discussions of definitions and classifications in A System of National Accounts a/ and International Standard Industrial Classification of All Economic Activities. c/ A list of tables which are included in the national accounts questionnaire is given in attachment III.

14. In order to obtain uniformly reported data from countries with centrally planned economies, a detailed material balances questionnaire is also sent to those countries every year by the Statistical Office. For purposes of international comparability, the International Standard Industrial Classification of All Economic Activities is used in the tables of the material product system (MPS) questionnaire, where data are to be classified by the kind of activity of units of the material and non-material spheres of the economy. Like the SNA questionnaire, the MPS questionnaire also contains abbreviated definitions of the classifications of transactors and transactions and the pertinent flows.

15. Among the major classifications of transactors are the division of the economy into material and non-material spheres, the classification by kind of economic activity (e.g., agriculture, industrial activity, construction) and the classification by socio-economic sector (that is, the socialist sector, subdivided into four categories - State sector, co-operative sector, personal plots of households, public organization sector - and private sector). Definitions are given for transactions relating to the final use of the net material product (e.g., personal consumption, material consumption in the units of the non-material sphere serving individuals and those units serving the community as a whole, net capital formation), the net material product, the primary income of the population and of enterprises, the global product and intermediate material consumption, and, finally, the total consumption of the population. The tables which form part of the material balances questionnaire are listed in attachment IV.

16. For both questionnaires, countries are requested to report data which are as complete, consistent, internationally comparable and up to date as possible for the years from 19__ to 19__. Effort should be made to report the series of data in the detail in which they are requested and in conformance with the relevant standard classifications and definitions.

III. PROCESSING OF NATIONAL INCOME DATA FOR THE COMMITTEE ON CONTRIBUTIONS

A. Estimation of missing national income data by the United Nations Statistical Office

17. If data are not received by the deadline indicated in the communication, the Statistical Office sends reminder telegrams to those Governments which have not yet replied.

18. When the Member States do not provide complete national income data for the period requested, estimates of national income for the years for which data have not been supplied by Governments have to be made by the United Nations Statistical Office. The methodology used in estimating national income at market prices depends on the nature of the available data.

19. Where estimates of national income are derived from available related economic aggregates (gross domestic product, gross national product etc.), the method used is to estimate the relevant components, e.g., depreciation, indirect taxes, subsidies or net factor income from abroad, either from absolute amounts contained in publications of other international organizations, such as the World Bank and the International Monetary Fund (IMF), or by the use of proportions or percentages that establish a prior relationship between these components and the main economic aggregates.

20. In cases where national income data for one or more years have to be calculated to complete the series for the period under review, growth rates implicit in estimates of basic economic and financial statistics prepared from a number of sources, such as national publications, regional economic surveys prepared by the regional commissions and reports of statistical experts provided under the technical co-operation programme, are utilized to extrapolate from available national income data to arrive at estimates for the missing years.

21. Where absolute figures on national product are not available, but distributive shares of each of the primary, secondary and tertiary sectors of the economy can be established for any year with sufficient reliability, sectoral estimates are weighted and extrapolated by relevant production indicators. For example, national indexes of the quantum of production are employed for agriculture, total industrial activity, manufacturing and, in some cases, construction. Where such national indexes are not available for agriculture, indexes compiled by the Food and Agricultural Organization of the United Nations (FAO) are utilized. In the absence of official series for total industrial activity or manufacturing, use is made of indicators officially provided and utilized in compiling the world index of industrial production of the Statistical Office. These are then converted to estimates at current market prices by adjusting both sectoral growth performances with the use of suitable price indexes. For the utilities and services sector, extrapolations are generally made by using current government expenditures in the production of government services. By adding up the resulting sectoral estimates, the total gross domestic product (GDP) is obtained, which is then adjusted to the national income basis, using the method described in paragraph 19 above.

22. For MPS countries, where net material product data need to be converted to national income, the value of the "non-material" services is estimated by the difference between (a) the sum of the incomes arising in the activities classified

in the non-material sphere of production, which is comprised of wages and salaries, profits, interest and taxes, and (b) the amount of non-material services used in the material sphere, such as expenditure on social and cultural services furnished by enterprises to their employees, purchases of non-material services, allowances for travel expenditures and imputed gross output of financial institutions. When this difference or the basic data necessary to estimate the quantities involved are not provided, the Statistical Office has calculated these estimates from basic information contained in national publications and in reports of international organizations, such as the Council for Mutual Economic Assistance (CMEA), and sent them to the countries concerned for confirmation and/or revision.

B. Conversion of national income data into a uniform period coverage

23. Once incomparability arising from differences in concepts and methods has been resolved, variations in period coverage are smoothed by converting all estimates from a fiscal year to a calendar year. In cases where calendar-year data are not supplied, the Statistical Office adjusts the data submitted to a calendar-year basis in accordance with the decision of the Committee on Contributions.

24. While the majority of Governments submit national income data series based on calendar years, some countries supply estimates based on divergent fiscal years. Basically, before converting fiscal-year estimates to calendar-year estimates, the Statistical Office first classifies fiscal-year compilations according to quarterly ends or beginnings. Thus, data based on a fiscal year ending 7 July are considered as ending 30 June, which is the end of the quarter closest to 7 July; similarly, data for a fiscal year beginning 21 March are considered as beginning 1 April.

25. The actual conversion to a calendar-year basis is made as follows:

(a) For fiscal years starting with the second quarter of the year, one quarter of the data for the previous fiscal year is added to three quarters of the data for the current fiscal year;

(b) For fiscal years starting with the third quarter, one half of the data for the previous fiscal year is added to one half of the data for the current fiscal year;

(c) For fiscal years beginning with the last quarter, three quarters of the data for the previous fiscal year are added to one quarter of the data for the current fiscal year.

C. Conversion of national income data into a common currency unit

26. In converting national income estimates of the market economies into United States dollars, the Statistical Office uses the following procedures. For countries which are members of IMF, the conversion rates are selected from the average exchange rates for the period published in the IMF "International Financial Statistics". d/ For those countries which have a single fluctuating exchange rate, the conversion rate used is normally the average of market rates for the period. These are averages prepared by IMF based on the market rates that were communicated to IMF by the monetary authority of each country. They are averages of daily market rates in the market of the country; or, if those are not available, daily

quotations in New York; or, if those are not available, end-of-month market rates; or, if those are not available, official rates. The preference is always market rates. Only when a free market rate is not available for a given country is use made of the official rate, which is the rate at which a monetary authority is obliged to support its currency, by central bank intervention, in order to maintain a predetermined parity *vis-à-vis* another currency, such as the United States dollar, the pound sterling or the French franc.

27. For a few countries which are not covered in the "International financial statistics", exchange rates are provided by IMF to the Statistical Office for publication in the United Nations "Monthly Bulletin of Statistics".

28. For the centrally planned economies, the conversion rate used is usually the average of United Nations operational rates of exchange for the period established by the Controller for accounting purposes according to rules 111.5 and 111.6 of the Financial Regulations and Rules of the United Nations.

D. Estimate of national income per capita

29. The population figures used in calculating per capita national income are mid-year estimates reported in the United Nations "Monthly bulletin of statistics" and the *Demographic Yearbook*. e/ The main source of these estimates are official data provided by national statistical offices in reply to the United Nations annual *Demographic Yearbook* questionnaire. For countries which have incomplete series of population data, gaps are filled on the basis of census and survey results which take into account annual civil registration (fertility and mortality rates) and both internal and external migration. If these are not available, a computation using interpolation formulae calculates constant rates of population increase, which are applied to available population figures.

Notes

a/ A more detailed explanation of concepts is given in *A System of National Accounts* (United Nations publication, Sales No. E.69.XVII.3).

b/ The current version of the questionnaire was published by the Organisation for Economic Co-operation and Development (OECD) in 1980 in Paris.

c/ United Nations publication, Sales No. E.68.XVII.8.

d/ International Monetary Fund, "International Financial Statistics", a monthly bulletin (Washington, D.C.).

e/ United Nations publication, Sales No. E/F.81.XIII.1.

Attachment I

Letter dated 5 December 1981 from the Director of the Statistical Office addressed to all Member and non-member States with market economies

The next session of the General Assembly Committee on Contributions is scheduled to open on 8 June 1982 at United Nations Headquarters in New York to undertake a comprehensive review of the scale of assessments of the Member States based on the latest available national income estimates. The Committee has requested, therefore, the Statistical Office to compile for each Member State the aggregate national income at market prices according to the present system of national accounts for each of the calendar years 1969 to 1980.

Member States which do not calculate the national income aggregate on a regular basis are requested to furnish estimates of other aggregates together with supplementary information (e.g. depreciation, indirect taxes, subsidies, net factor income from abroad) that is necessary to permit the Statistical Office to derive the national income estimate in market prices. If calendar years are not a regular feature of the national accounts compilation of your country, I shall appreciate receiving from you the data for each of the years converted to calendar-year basis.

It is desirable that the information reach the Statistical Office of the United Nations before 31 March 1982. If the data are not received by that date or not in the form specified above, the Statistical Office intends to make estimates or adjustments based on available information. For lack of detailed economic statistics at Headquarters, these estimates or adjustments are necessarily approximations to the actual level of national income.

The information already available to the Statistical Office is set out in the attached form and I should be greatly obliged if you would confirm the figures or supply revised data. Please indicate in your reply whether you wish us to treat the information supplied as confidential or whether the Office may publish it in its regular publications.

(Signed) Svein NORDBOTTEN
Director
Statistical Office

Country :
Currency unit :

COMMITTEE ON CONTRIBUTIONS QUESTIONNAIRE

(Statistical Office of the United Nations, New York)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
National income at market prices												
New or revised figure												
Gross domestic product												
New or revised figure												
Other aggregate												
Comment												

Note: To improve comparability it would be most helpful if the estimates provided are compiled in accordance with the United Nations definitions, as set out in A System of National Accounts, Studies of Methods, Series F, No. 2, Rev.3. It would be appreciated if you would note any important conceptual differences between the definition governing the estimates for your country and the corresponding United Nations definition.

Data are requested for the years 1969 through 1980.

Please return to the Statistical Office of the United Nations before 31 March 1982.

Attachment II

Letter dated 12 January 1982 from the Director of the Statistical Office addressed to all Member and non-member States with centrally planned economies

The next session of the General Assembly Committee on Contributions is scheduled to open on 8 June 1982 at United Nations Headquarters to undertake a comprehensive review of the scale of assessments of the Member States. The Committee will wish to have for each Member State the aggregate national income in market prices for each of the calendar years 1969 to 1980. Member States which do not calculate this aggregate are requested to furnish estimates of other aggregates and their components (e.g., depreciation, indirect taxes and subsidies) necessary to permit an estimation of national income in market prices.

To enable the Committee to recommend to the General Assembly an equitable scale of assessments, it is essential that the national income of all Member States should be known on a comparable basis. In trying to accomplish this task the Committee is confronted with certain basic differences in the methods used in many countries for the computation of national income. The centrally planned economies use the concept of net material product, which excludes certain types of services which are considered to fall outside the sphere of production. The other economies, in general, include all such services in the sphere of production and, consequently, they are included in their national income estimates.

In order that the fullest possible information may be available to the Committee on Contributions, Member States which utilize the material product system are requested to provide information about the value of the national income in market prices according to the present system of national accounts as well as additional information needed in order to derive this concept from net material product. The information already available to the Statistical Office is set out in the attached form, and I should be greatly obliged if you would confirm the figures or supply revised data.

It is very desirable that the information reach the Statistical Office of the United Nations before 31 March 1982. Please indicate in your reply whether you wish us to treat the information supplied as confidential or whether the Office may publish it in its regular publications.

(*Signed*) Svein NORDBOTTEN
Director
Statistical Office

Country :
Currency unit :

COMMITTEE ON CONTRIBUTIONS QUESTIONNAIRE

(Statistical Office of the United Nations, New York)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
NET MATERIAL PRODUCT												
Plus: Wages and salaries paid by units of the non-material sphere (excluding allowances for business trips)												
Plus: Contributions to social insurance paid by units of the non-material sphere												
Plus: Operating surplus, including turnover tax net, in: (a) Non-budgetary units of the non-material sphere (b) Financial institutions (difference between actual and imputed gross output, on the one hand, and intermediate consumption, on the other, of banks and insurance companies)												
Minus: Allowances for business trips of employees paid by enterprises in the material sphere												
Minus: Purchases of non-material services by enterprises in the material sphere												
Minus: Expenditures on social and cultural services furnished by enterprises of the material sphere to their employees												
Minus: Imputed gross output of financial institutions (banks and insurance companies) destined for enterprises in the material and non-material spheres												
Plus: Non-depreciated value of scrapped fixed assets of enterprises in the material sphere												
Plus: Net factor income received from abroad												
Equals: NATIONAL INCOME AT MARKET PRICES												

Data are requested for the calendar years 1969 through 1980.

Please return to the Statistical Office of the United Nations before 31 March 1982.

Attachment III

Tables included in the national accounts questionnaire

Part 1. Summary information

1.1 Expenditures on the gross domestic product (current prices)
1.2 Expenditures on the gross domestic product (constant prices)
1.3 Cost components of the gross domestic product
1.4 General government current receipts and expenditures, summary
1.5 Current income and outlay of corporate and quasi-corporate enterprises, summary
1.6 Current income and outlay of households and non-profit institutions, summary
1.7 External transactions on current account, summary
1.8 Capital transactions of the nation, summary
1.9 Gross domestic product by institutional sector of origin
1.10 Gross domestic product by kind of activity (current prices)
1.11 Gross domestic product by kind of activity (constant prices)
1.12 Relations among national accounting aggregates

Part 2. Final expenditures on gross domestic product: detailed breakdown and supporting tables

2.1 General government final consumption expenditure by function (current prices)
2.2 General government final consumption expenditure by function (constant prices)
2.3 Total general government outlays by function and type
2.4 Composition of general government outlays for social security and social assistance
2.5 Private final consumption expenditure by type (current prices)
2.6 Private final consumption expenditure by type (constant prices)
2.7 Gross capital formation by type of good and owner (current prices)
2.8 Gross capital formation by type of good and owner (constant prices)
2.9 Gross capital formation by kind of activity of owner, International Standard Industrial Classification (ISIC) major divisions (current prices)
2.10 Gross capital formation by kind of activity of owner, ISIC major divisions (constant prices)
2.11 Gross fixed capital formation by kind of activity of owner, ISIC divisions (current prices)
2.12 Gross fixed capital formation by kind of activity of owner, ISIC divisions (constant prices)
2.13 Stocks of reproducible fixed assets, by type of good and owner (current prices)
2.14 Stocks of reproducible fixed assets, by type of good and owner (constant prices)
2.15 Stocks of reproducible fixed assets by kind of activity (current prices)
2.16 Stocks of reproducible fixed assets by kind of activity (constant prices)
2.17 Exports and imports of goods and services, detail

Part 3. Institutional sector accounts: detailed flow accounts and balance sheets

1. General government

   3.11 Production account: total and subsectors
   3.12 Income and outlay account: total and subsectors
   3.13 Capital accumulation account: total and subsectors
   3.14 Capital finance account: total and subsectors
   3.15 Balance sheet: total and subsectors

2. Corporate and quasi-corporate enterprises

   3.21 Production account: total and sectors
   3.22 Income and outlay account: total and sectors
   3.23 Capital accumulation account: total and sectors
   3.24 Capital finance account: total and sectors
   3.25 Balance sheet: total and sectors
   3.26 Financial transactions of financial institutions: detail

3. Households and private unincorporated enterprises

   3.31 Production account: total and subsectors
   3.32 Income and outlay account: total and subsectors
   3.33 Capital accumulation account: total and subsectors
   3.34 Capital finance account: total and subsectors
   3.35 Balance sheet: total and subsectors

4. Private non-profit institutions serving households

   3.41 Production account
   3.42 Income and outlay account
   3.43 Capital accumulation account
   3.44 Capital finance account
   3.45 Balance sheet

5. External transactions

   3.51 Current account, detail
   3.52 Capital accumulation account
   3.53 Capital finance account

Part 4. Production by kind of activity: detailed breakdowns and supporting tables

4.1 Derivation of value added by kind of activity, ISIC major divisions (current prices)
4.2 Derivation of value added by kind of activity, ISIC major divisions (constant prices)
4.3 Derivation of value added by kind of activity, ISIC divisions (current prices)
4.4 Derivation of value added by kind of activity, ISIC divisions (constant prices)
4.5 Cost components of value added, ISIC major divisions
4.6 Cost components of value added, ISIC divisions
4.7 Employment by kind of activity, ISIC major divisions

4.8 Employment by kind of activity, ISIC divisions
4.9 Supply of goods and services (current prices)
4.10 Supply of goods and services (constant prices)
4.11 Disposition of goods and services (current prices)
4.12 Disposition of goods and services (constant prices)
4.13 Gross output of goods and services (current prices)
4.14 Gross output of goods and services (constant prices)
4.15 Intermediate consumption by kind of activity of user (current prices)
4.16 Intermediate consumption by kind of activity of user (constant prices)
4.17 Reconciliation of SNA gross domestic product with MPS net material product

Attachment IV

List of tables in the material balances questionnaires

(in current and constant prices)

1. Net material product by use
2. Net material product by kind of activity of the material sphere
3. Primary incomes by kind of activity of the material sphere
4. Primary incomes from net material product by sector
5. Supply and disposition of goods and material services by kind of activity of the material sphere
6. Capital formation by kind of activity of the material and non-material spheres
7. Final consumption by type of services
8. Personal consumption according to source of supply of goods and services
9. Total consumption of the population by commodity (e.g., food, beverages, tobacco, clothing) and service (e.g., health, transport and communications, education, recreation, sport), and by mode of acquisition (i.e., purchased, free of charge from own production)

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