



SECOND AND THIRD REPORTS

OF THE

COMMITTEE ON CONTRIBUTIONS

GENERAL ASSEMBLY
OFFICIAL RECORDS : TWENTY-THIRD SESSION
SUPPLEMENT No. 10A (A/7210/Add.1)

UNITED NATIONS

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NOTE

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INTRODUCTION

1. The twenty-eighth session of the Committee on Contributions was convened at United Nations Headquarters from 14 to 19 November 1968. The following members were present:

Syed Amjad Ali (*Chairman*)

Mr. John I. M. Rhodes

Mr. Thomas H. Bennett

Mr. D. Silveira da Mota

Mr. Raymond T. Bowman

Mr. Maurice Viaud

Mr. J. P. Fernandini

Mr. A. V. Zakharov

Mr. S. Raczkowski

Mr. F. Nouredin Kia, Vice-Chairman of the Committee, was unable to attend the session.

2. The Committee on Contributions submitted two reports to the General Assembly on the work of its twenty-eighth session, which are reproduced below.

Part One

SECOND REPORT OF THE COMMITTEE ON CONTRIBUTIONS

ASSESSMENT OF NEW MEMBER STATES

1. Under rule 161 of the rules of procedure of the General Assembly, the Committee on Contributions shall "advise the General Assembly on the assessments to be fixed for new members...". The Committee therefore considered the rates to be recommended for the two new Members admitted to the United Nations at the twenty-third session of the General Assembly, namely Swaziland on 24 September 1968 (General Assembly resolution 2376 (XXIII)) and Equatorial Guinea on 12 November 1968 (General Assembly resolution 2384 (XXIII)).

2. The Committee, after examining the data available for Equatorial Guinea and Swaziland, decided that the minimum rate of 0.04 per cent in the United Nations scale would be appropriate in both cases. It further decided to recommend that the rates of assessment for the two new Members should be additional to the scale of 100 per cent for 1969 and 1970 contained in paragraph (a) of resolution 2291 (XXII) of 8 December 1967.

3. Regulation 5.8 of the Financial Regulations and Rules of the United Nations states: "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". In its resolution 69 (I) of 14 December 1946 the General Assembly resolved:

"That new Members be required to contribute to the annual budget of the year in which they are first admitted, at least $33\frac{1}{3}$ per cent of their percentage of assessment determined for the following year, applied to the budget for the year of their admission."

However, by General Assembly decisions, exceptions have been made to this rule and the prescribed minimum of one third has been reduced, from the year 1955 onwards, to one ninth for all Member States admitted to the Organization within the period from September to December. In line with the previous General Assembly decisions, the Committee decided to recommend that the two new Members should contribute the following proportion for their year of admission:

<i>New Member</i>	<i>Date of admission</i>	<i>Proportion of assessment</i>
Swaziland	24 September 1968	1/9
Equatorial Guinea	12 November 1968	1/9

4. In respect of the new Members' advances to the Working Capital Fund, the Committee recommends that they should be calculated by applying the percentage rates of assessment for Equatorial Guinea and Swaziland to the authorized level of the Fund for 1968, and that these advances should be in addition to the authorized level of the Fund, pending the inclusion of the rates of assessment for the new Members in the scale of 100 per cent.

Part Two

THIRD REPORT OF THE COMMITTEE ON CONTRIBUTIONS

APPLICATION OF ARTICLE 19 OF THE CHARTER IN THE CASE OF ONE MEMBER STATE: ADVICE REQUESTED BY THE GENERAL ASSEMBLY

1. Under rule 161 of the rules of procedure of the General Assembly, the Committee on Contributions shall "advise the General Assembly ... on the action to be taken with regard to the application of Article 19 of the Charter".

2. At the 1674th plenary meeting of the General Assembly, on 24 September 1968, the Temporary President made the following statement:

"I invite the attention of the Members of the General Assembly to documents A/7237¹ and A/7238.² Document A/7238 contains a letter addressed to me by the Secretary-General informing the Assembly that one Member State is 'in arrears in the payment of its contribution to the United Nations regular budget within the terms of Article 19 of the Charter'.

"Document A/7237 contains a letter from the Permanent Representative of the Member State concerned, in which he requests that his State be permitted to vote and he refers to certain circumstances which bear upon the failure of his State to pay, for reasons beyond the control of that Member State.

"In this connexion may I invite the attention of the Members of the Assembly to the second sentence of Article 19 of the Charter, which states: 'The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.'

"On the basis of the letter in document A/7237 explaining the failure to pay as due to conditions beyond the control of the Member concerned, the Assembly may wish to permit that Member to vote under the second sentence of Article 19 pending the advice of the Committee on Contributions with reference to rule 161 of the rules of procedure of the General Assembly.

"Are there any observations? If not, it will be so decided.

"It was so decided."

3. In his letter to the President of the General Assembly (annex I), the Permanent Representative of Haiti had claimed that the Government of Haiti had not been able for reasons beyond its control within

¹ See annex I.

² See annex II.

the terms of Article 19 of the Charter³ to meet its commitments to the United Nations, and had requested a further period of not more than three months for the payment of its arrears of contributions.

4. In order that the Committee on Contributions might have as full information as possible for its consideration of the matter referred to it by the General Assembly, namely whether or not the failure to pay by Haiti was due to conditions beyond its control, the Chairman of the Committee on Contributions, on 21 October 1968, addressed a letter to the Permanent Representative of Haiti (annex III) in which he asked for data and information concerning the economy of Haiti, for the use of the Committee in its appraisal of the question before it. No reply had been received from the Government of Haiti to the Chairman's request.

5. For its review of the claims made by the Government of Haiti, the Committee, in the absence of supplementary data requested from the Government, used statistical data relating to the economy of Haiti prepared by the Statistical Office of the United Nations. The data examined by the Committee covered, to the extent available, the period 1962-1968 and included statistical information on: (i) the total and *per capita* net national product of Haiti, (ii) the number of tourists and income from tourists, (iii) the value of important exports (coffee, sugar, bauxite, sisal) and imports, and (iv) gold and foreign exchange reserves. The Committee also examined the balance of payments statistics as published by the International Monetary Fund and other related material, particularly with respect to foreign trade, governmental and private transfer payments, foreign aid received, capital movements, and size of the national budget. The Committee also took into account such information as was available on Caribbean hurricanes and tropical storms and their effect on land areas during recent years.

6. As a result of its detailed review of the economic and financial situation of Haiti during the last seven years, the Committee recognized that the Government of Haiti had during that period experienced serious economic and financial difficulties. Nevertheless, in the light of the data examined, the Committee concluded that it could not support the contention that the non-payment of the relatively small sum required to reduce the arrears of Haiti to the United Nations regular budget below the limit specified in Article 19 of the Charter could be considered as due to conditions beyond the control of the Member State.

³ The full text of Article 19 of the Charter reads as follows:

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

ANNEXES

Annex I

LETTER DATED 23 SEPTEMBER 1968 FROM THE PERMANENT REPRESENTATIVE OF HAITI TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE GENERAL ASSEMBLY^a

[Original: French]

I have the honour to inform you of the following:

The Haitian Government, which has always been concerned to fulfil its international obligations, has not refused to pay the contributions to the United Nations which is due from it as a Member.

The Haitian Government fully understands the importance for the future of the Haitian nation of its full participation in the various deliberations of the United Nations.

Its silence hitherto was due to the fact that it was hoping to collect the necessary funds for the full payment of its contribution as a Member of the United Nations before the opening of the twenty-third session of the General Assembly.

The Haitian Government requests the President of the General Assembly to take into consideration the reasons why it has not been able to meet its commitments.

Despite the superhuman efforts of the Government of Haiti, the economy of the country is suffering greatly from the after effects of three terrible cyclones, Betty, Flora and Ines, which, over a period of seven years, have destroyed half of its agriculture, its livestock and its barely established light industry.

There remained tourism. But eight consecutive invasions of Haiti by Haitian and foreign mercenaries together with unfavourable propaganda abroad have contributed to a considerable decrease in the revenue derived from that source.

The most recent of these invasions, that of 20 May 1968, which was the subject of a complaint by Haiti to the Security Council, was the most damaging for tourism and for the general economy of the country.

^a Previously issued under the symbol A/7237.

Before this last invasion, the Haitian Government had had strong hopes of paying its contributions to the United Nations in view of the bright prospects which were developing.

These prospects were such that the Haitian Government had felt obliged to undertake many projects to develop the country's infrastructure, such as the construction of the hydro-electric plant at Peligre for the electrification of the country; the irrigation of the Artibonite Valley; the construction of the road in the south; the reorganization of the water system for the Republic's towns; the establishment of a modern telephone system; the development of the Republic's ports.

The Haitian Government, however, considers that the economic difficulties confronting it will be very short-lived. It has in fact taken all the necessary steps to ensure that between now and the beginning of next year it will finish discharging its obligations and resume its programme of economic expansion.

In accordance with its desire to regulate its position vis-à-vis the United Nations and in view of the circumstances which prevent it from doing so immediately, the Haitian Government has asked me to request a further period of not more than three months for the payment of its arrears and in the meantime, as evidence of its good faith, offers to pay the sum of \$5,005 as a symbolic gesture in order not to lose its right to vote.

Attached is cheque No. 140 relating to this matter.

I would ask you to communicate the text of this letter to the Members of the General Assembly.

(Signed) Marcel Ch. ANTOINE
Ambassador

Annex II

LETTER DATED 24 SEPTEMBER 1968 FROM THE SECRETARY-GENERAL TO THE PRESIDENT OF THE GENERAL ASSEMBLY^a

[Original: French]

At the present time one Member State, namely, Haiti, is in arrears in the payment of its contribution to the United Nations regular budget within the terms of Article 19 of the Charter, which provides as follows:

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

The amount by which the arrears contribution to the United Nations regular budget due from the Haitian Government exceeds the amount of the contribution due from it for the preceding two full years is \$US 29,948^b and a payment exceeding that amount would be necessary in order to reduce the arrears below the limits specified in Article 19.

The above position of that Member State was reported to the President of the twenty-second session of the General Assembly in my letter of 24 April 1968 (A/7086). In this connexion, attention is invited to the communications addressed to me by the Permanent Representatives to the United Nations

of the Dominican Republic, Haiti, Mexico and the Union of Soviet Socialist Republics and to my replies thereto. These communications were issued as documents of the twenty-second session of the General Assembly as follows:

<i>Communication from the Permanent Representative of:</i>		<i>Secretary-General's reply</i>
Dominican Republic	A/7136	A/7169
Haiti	A/7129	A/7167
Mexico	A/7118	A/7168
Union of Soviet Socialist Republics	A/7111	A/7146
Union of Soviet Socialist Republics	A/7193	

Attention is invited to the report of the Committee on Contributions to the twenty-third session of the General Assembly,^c and in particular to paragraph 53 thereof on the status of the collection of contributions.

Attention is also invited to a letter dated 23 September 1968 from the Permanent Representative of Haiti to the United Nations (A/7237).^d

(Signed) U THANT
Secretary-General

^a Previously issued under the symbol A/7238.

^b On 23 September 1968, Haiti made a contribution of \$US 5,005 (see annex I).

^c *Official Records of the General Assembly, Twenty-third Session, Supplement No. 10 (A/7210).*

^d See annex I of the present document.

Annex III

LETTER DATED 21 OCTOBER 1968 FROM THE CHAIRMAN OF THE COMMITTEE ON CONTRIBUTIONS TO THE PERMANENT REPRESENTATIVE OF HAITI TO THE UNITED NATIONS

[Original: English]

As the General Assembly at its 1674th plenary meeting referred to the Committee on Contributions for advice under rule 161 of the rules of procedure of the General Assembly, the Secretary-General's letter of 24 September 1968 (A/7238) and your Excellency's communication of the same date (A/7237), the Committee will be meeting during the current session of the Assembly.

I am sure the work of the Committee would be greatly facilitated if the Government of Haiti could kindly furnish information to permit the Committee to appraise the problem involved. The information required might include the following data for the years 1966 and 1967, together with any estimates or forecasts available for the year 1968:

1. Estimates of the net national product;
2. Value of exports of coffee, sugar, bauxite, sisal, essential oils;

3. Value of total exports to all countries, distinguishing the principal countries of destination;

4. Data on the number of days spent by tourists in Haiti, and any relevant data on earnings from tourists;

5. Foreign exchange reserves at the end of 1966, 1967 and the latest month of 1968.

As the Committee is likely to meet perhaps by the middle of November, it would be appreciated if the above material, or any part of it that is readily available, could be submitted as soon as possible.

In addition, it would be appreciated if the Government of Haiti would confirm the expectation that, between now and the beginning of next year, it will be able to discharge its financial obligations to the United Nations. An indication of the steps being taken to this end would also be appreciated.

(Signed) Syed Amjad ALI
Chairman, Committee on Contributions

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