

UNITED NATIONS

GENERAL

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SEP 24 1956

Distr.
GENERAL

A/3194
21 September 1956

ORIGINAL: ENGLISH

Eleventh session UN/ISA COLLECTION

REPORT OF THE NEGOTIATING COMMITTEE FOR EXTRA-BUDGETARY FUNDS

1. The General Assembly, at its tenth session (resolution 958 (X) of 8 November 1955), decided to re-establish the Negotiating Committee for Extra-Budgetary Funds and reaffirmed the terms of reference of the Committee as laid down in resolution 693 (VII) of 25 October 1952. Pursuant to this decision, the President of the General Assembly appointed a Committee to serve until the close of the eleventh session of the Assembly composed of representatives of the following nine Member States: Argentina, Australia, Canada, Chile, France, Lebanon, Pakistan, the United Kingdom of Great Britain and Northern Ireland and the United States of America. The Committee elected Mr. T. Wakeham Cutts of Australia as Chairman.
2. The purpose for which the Committee was established was to consult with Member and non-member States as to the amounts which Governments might contribute on a voluntary basis toward each of the programmes approved by the General Assembly for which funds are not available through the regular budget of the United Nations and for which the Committee is specifically requested by the Assembly to obtain pledges of voluntary contributions from Governments.
3. In compliance with the Assembly's directive, the Negotiating Committee has continued during the past year its efforts to raise voluntary contributions on behalf of the agencies with which it is concerned: the Chairman has addressed letters to delegations for the information of their Governments outlining the financial requirements of the agencies, the Committee has held a number of general meetings with representatives of Member and non-member States for the announcement of pledges of contributions, and the Chairman and the members of the Committee have personally approached representatives of Governments with a view to stimulating interest in, and support of, the different programmes. A summary of the action taken and results achieved for each of the programmes is given below.

Expanded Programme of Technical Assistance

4. The sixth United Nations Technical Assistance Conference was convened by the Secretary-General, at the request of the Negotiating Committee, on 26 October 1955 for the announcement of pledges of contributions to the Expanded Programme of Technical Assistance for 1956. At the Conference, sixty-one Governments pledged contributions totalling approximately \$28 million. Since that time a number of Governments have increased the contributions pledged at the Conference and new pledges have been announced by fifteen Governments, so that the total of pledges now amounts to approximately \$29.5 million. As the United States contribution of \$15.5 million was pledged subject to the condition that it must not exceed 50 per cent of total contributions, the total funds that may be expected to be made available for the financing of the 1956 Programme on the basis of present pledges amount to approximately \$28 million. There are indications, however, that a few additional pledges may still be announced before the end of the year.

5. The seventh United Nations Technical Assistance Conference has been called for 17 October 1956, when Governments have been requested to announce their contributions toward the Expanded Programme for 1957.

United Nations Children's Fund

6. As regards the United Nations Children's Fund, which has its own Sub-Committee on Fund Raising, it was agreed with the agency that, unless requested, no special action should be taken by the Negotiating Committee to obtain funds for the financing of the United Nations Children's Fund programme. As at 15 September 1956, the United Nations Children's Fund had received contributions and pledges from sixty-five Governments to a total of \$16,491,145. It is expected that by the end of the year the number of donor Governments will surpass the seventy-two contributors for 1955, that contributions and pledges for 1956 will exceed a total of \$17 million, and that revenue from other sources will bring the income for the year to approximately \$19 million. On that basis it is anticipated that available resources will be sufficient for the United Nations Children's Fund to reach its goal of \$20 million in allocations for assistance during 1956.

United Nations Refugee Fund

7. During the tenth session of the General Assembly, the Negotiating Committee held a general meeting with representatives of Member and non-member States to consider the financial situation of the United Nations Refugee Fund and for the announcement of contributions toward the 1955 as well as the 1956 programme of the High Commissioner for Refugees. At that time, additional pledges of approximately \$1.6 million were required to reach the target of \$4.2 million established by the UNREF Executive Committee for governmental contributions to the programme for 1955, and no contributions had yet been announced for 1956, for which year the target had been tentatively set at \$4.4 million. The seriousness of this situation had been recognized by the Assembly and it had, shortly before the meeting of the Negotiating Committee, adopted a resolution (resolution 925 (X) of 25 October 1955) in which it urged States Members and non-members of the United Nations to give early and serious consideration to making contributions to UNREF in order that the targets for 1955 and 1956 might be attained and the High Commissioner enabled fully to implement the programmes planned for those years. By the end of 1955, twenty Governments had pledged or paid contributions for that year amounting to a total of \$2,653,697.

8. On account of the short-fall in contributions for the financing of the 1955 programme, the UNREF Executive Committee decided to increase the amount of the approved programme for 1956 by the amount of the short-fall in the contributions to the 1955 programme. The 1956 programme so approved thus amounts to \$5,950,000. This decision was reached in order to achieve completion of the High Commissioner's programme within the allotted period of four years. By the middle of February 1956, contributions totalling \$800,000 only had been pledged by eight Governments toward the High Commissioner's programme for 1956. The Negotiating Committee addressed a letter to the Governments of Member and non-member States bringing this situation to their attention and inviting them to be represented at a meeting on 27 March 1956 to consider the situation with regard to the raising of the funds required for the successful completion of the 1956 programme and for the announcement of contributions. Representatives of thirty-five Governments attended the meeting. As at 15 September 1956, eighteen Governments had pledged a total of \$2,946,592, while the payments received amount to \$1,184,128.

United Nations Relief and Works Agency for Palestine Refugees in the Near East

9. In accordance with General Assembly resolution 818 (IX) of 4 December 1954, the Negotiating Committee, in June 1955, communicated to Governments provisional estimates prepared by the Director of UNRWA of the funds which would be required for the financing of the Agency's programmes for the financial period 1 July 1955 to 30 June 1956. This arrangement was made in an attempt to obtain pledges and payments of contributions in advance of or early in the financial year of UNRWA. On receipt of the final budget estimates as submitted by the Director to the Assembly, the Negotiating Committee communicated again with Governments informing them of the funds that would be needed for the financing of the UNRWA programmes for 1955-1956. These requirements were:

For the relief programme at current standards: \$26.8 million, of which it was expected that \$500,000 would be obtained from miscellaneous income and \$1 million from payment of contributions pledged for prior years. Subject to the availability of funds, an additional \$1.7 million was recommended for improvements in relief standards in certain categories of the programme.

For the rehabilitation programme: \$92,557,000, of which it was anticipated that part could be financed through payment of contributions totalling \$41.5 million previously pledged but not yet paid.

The Negotiating Committee, on 3 November 1955, held a general meeting with representatives of Member and non-member States to ascertain the amount of support that might be expected for the financing of the UNRWA programmes and for the announcement of contributions. The Director of UNRWA, who was present at the meeting, reviewed the financial position and requirements of the Agency and made an urgent appeal to Governments to provide the support needed for the fulfilment of its programmes.

10. By the end of February 1956, the total of contributions pledged by Governments toward the UNRWA relief programme amounted to \$22.8 million, of which only \$7.8 million had been paid, while no new pledges had been announced in respect of the rehabilitation programme. In view of the seriousness of this situation, the Negotiating Committee addressed a letter to Governments calling to their attention the importance of arranging for early payment of the amounts

already pledged, and also of giving urgent consideration to the possibility of pledging further contributions toward the UNRWA programmes. A meeting with representatives of Governments was held on 27 March 1956 to review the financial situation of UNRWA and for the announcement of pledges and payment of contributions. The meeting was attended by representatives of thirty-five Governments. As at 15 September 1956, a total of \$23,366,347 had been pledged by twenty-nine Governments and contributions totalling \$23,077,784 had been paid in respect of the 1955-1956 relief programme.

11. The proposed budget for the UNRWA programmes for the next financial period, which covers the eighteen-month period from 1 July 1956 to 31 December 1957, was circulated to Governments by the Negotiating Committee on 8 August 1956. According to these estimates, which will be reviewed by the General Assembly, the total expenditure for the relief programme for the eighteen-month period will amount to \$43,405,000 and for the rehabilitation programme to \$102,015,000, and Governments have been asked to announce the support that they will be able to give to these programmes at the earliest possible date.

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12. An annex showing the contributions pledged and paid as at 15 September 1956 for each of the four programmes is attached to the present report.

CONCLUSIONS

13. In its reports^{1/} submitted at the ninth and tenth sessions of the General Assembly, the Negotiating Committee drew the Assembly's attention to the unsatisfactory situation arising from the fact that pledges to certain of the programmes financed by voluntary contributions fell considerably short of the financial targets set for those programmes. Apart from the obvious effect on the programmes themselves, the Committee expressed concern at the possible effect on the prestige of the United Nations of the recurrent failure to achieve announced targets.

^{1/} See Official Records of the General Assembly. Ninth Session, Annexes, agenda item 42, document A/2730, and Tenth Session, Annexes, agenda item 40, document A/2945.

14. Experience during the past year, particularly with regard to the results of the efforts of the Committee to raise funds for UNRWA and UNREF, has not demonstrated any improvement in the situation. Accordingly, the Committee again expresses its concern at the effect of the establishment for programmes supported by voluntary contributions of financial targets unlikely to be realized in actual receipts of contributions.

15. The Negotiating Committee has been led by its concern also to review the present methods of soliciting funds for voluntary programmes, including its own part in these efforts. It has reached the conclusion that a change in the general procedure would be desirable.

16. Under the present procedures, a separate pledging conference has been convened each year for the announcement of contributions to the Expanded Programme of Technical Assistance, while the Negotiating Committee has held meetings with representatives of Governments, during the General Assembly and on other occasions, at which pledges were sought for UNREF and UNRWA. In recent years the Committee has not taken any special action to solicit contributions on behalf of UNICEF, though it has expressed its readiness to do so if requested by that agency.

17. With a view to emphasizing the importance of the voluntary programmes and the pledging of funds for these programmes, and to securing a more simplified, expeditious and co-ordinated approach, the Committee recommends:

- (i) That the General Assembly establish each year an ad hoc committee of the whole, under the chairmanship of the President of the General Assembly, at which pledges of contributions for all the voluntary programmes for the following financial year would be announced;
- (ii) That States not Members of the United Nations, but members of one or more of the specialized agencies, be invited to attend meetings of the ad hoc committee for the purpose of announcing their pledges;
- (iii) That the ad hoc committee meet as soon as practicable after the opening of the Assembly in order that the programmes of the activities concerned for the following year may be established in good time.

In addition to emphasizing the importance of the programmes, this procedure would make it possible for the Assembly to consider the reports on the respective activities in the light of more realistic information as to the possible level of contributions for the ensuing year.

18. In view of the postponement of the opening date of the eleventh session of the General Assembly, and the specific statutory requirement that the Technical Assistance Committee approve the allocations for 1957 for the Expanded Programme of Technical Assistance by 30 November at the latest, the Negotiating Committee recommends that the procedure proposed above be initiated at the twelfth session of the Assembly, and that the present procedures be continued in the meantime. The Committee is, however, of the opinion that a decision to this effect should be taken at the eleventh session, so as to give Governments time to plan for the meeting of the proposed ad hoc committee at the twelfth session.

19. The Negotiating Committee has already consulted with representatives of voluntary programmes and has asked that this report be considered by the governmental supervisory bodies of the respective agencies, so that comments may be furnished to the General Assembly at its eleventh session if those bodies so desire. The Committee makes its proposal, however, on the assumption that the procedure would apply to all the programmes with which it is concerned, and would wish to reconsider the situation should it be decided that separate arrangements should continue to be made for any one or more of them.

20. Should the General Assembly approve the new procedure for institution at the twelfth session, it might wish to re-establish the Negotiating Committee under its present terms of reference, to act during the intervening period between the eleventh and twelfth sessions to deal with questions relating to contributions to the 1957 programmes of the activities with which it is concerned.

A N N E X

STATEMENT OF PLEDGES

As at 15 September 1956

1. Expanded Programme of Technical Assistance for 1956
2. United Nations Children's Fund for 1956
3. United Nations Refugee Fund for 1956
4. United Nations Relief and Works Agency for Palestine Refugees in the Near East for the financial periods 1955-1956 and 1956-1957 (eighteen-month period)

TABLE OF PLEDGES AS AT 15 SEPTEMBER 1956

(Figures in United States dollars)

	<u>EPTA^{1/}</u>	<u>UNICEF^{2/}</u>	<u>UNREF^{3/}</u>	<u>UNRWA^{4/}</u>	
	1956	1956	1956	1 July 1955- 30 June 1956	1 July 1956- 31 December 1957 ^{4/}
MEMBER STATES					
Afghanistan	10,000	6,000	-	-	-
Argentina	100,000	-	-	-	-
Australia	312,520 ^{1/}	-	-	112,500	-
Austria	38,462	30,769	3,000	700	350
Belgium	437,500	160,000	200,000	30,000	-
Bolivia	10,000	15,000	-	-	-
Brazil	751,351	324,910	15,000	-	-
Bulgaria	14,706	-	-	-	-
Burma	18,000	56,000	-	3,528	-
Byelorussian SSR	50,000	-	-	-	-
Cambodia	5,000	-	-	-	-
Canada	1,800,000	662,072	125,000	500,000	-
Ceylon	18,000	14,726	-	-	-
Chile	110,000	55,000	-	-	-
China	20,000	-	-	-	-
Colombia	140,000	284,333	-	-	-
Costa Rica	8,400	-	-	-	-
Cuba	25,000	-	-	-	-
Czechoslovakia	69,444	34,722	-	-	-
Denmark	579,123	72,400	72,390	43,478	-
Dominican Republic	24,000	20,000	5,000	-	-
Ecuador	10,000	1,000	-	-	-
Egypt	100,517	-	-	224,924 ^{4/}	-
El Salvador	7,000	-	-	-	-
Ethiopia	20,000	8,000	-	-	-
Finland	15,000	21,739	-	-	-
France	1,448,571	785,714	274,120 ^{3/}	599,133 ^{4/}	-
Greece	5,000	12,000	10,000 ^{3/}	11,000	-
Guatemala	7,500	20,000	-	-	-
Haiti	14,400	10,000	-	-	-
Honduras	-	20,000	-	-	-
Hungary	12,875	-	-	-	-
Iceland	3,359	-	-	-	-
India	450,000	335,781	-	31,499	-
Indonesia	65,790	100,000	-	30,000	-
Iran	50,000	200,000	-	3,350	-
Iraq	28,003	56,000	-	-	-
Ireland	14,002	-	-	-	-
Israel	50,000	27,778	-	-	-
Italy	112,000	-	-	-	-

	EPTA	UNICEF	UNREF	UNRWA	
	1956	1956	1956	1 July 1955- 30 June 1956	1 July 1956- 31 December 1957
Jordan	5,601	1,401	-	-	-
Laos	1,420	-	-	-	-
Lebanon	6,846	4,615	-	12,164 ^{4/}	-
Liberia	20,000	-	-	-	-
Libya	5,000	2,000	-	-	-
Luxembourg	3,000	3,000	3,000	2,000	-
Mexico	33,600	300,000	-	-	-
Netherlands	760,000	78,947	96,000 ^{3/}	32,895	-
New Zealand	168,020	210,000	28,000 ^{3/}	140,000	140,000
Nicaragua	6,500	-	-	-	-
Norway	380,792	67,200	84,000	42,135	42,135
Pakistan	166,213	75,600	-	21,000	21,000
Panama	3,600	-	-	-	-
Paraguay	12,000	5,000	-	-	-
Peru	-	82,051	-	-	-
Philippines	66,000	90,000	-	-	-
Poland	75,000	40,000	-	-	-
Romania	16,667	-	-	-	-
Saudi Arabia	25,000	-	-	115,000	-
Spain	10,000	33,376	-	-	-
Sweden	695,921	193,050	115,987	57,915 ^{4/}	57,915
Syria	11,867	7,000	-	74,900 ^{4/}	-
Thailand	64,000	200,000	-	-	-
Turkey	201,495	107,143	-	10,357	-
Ukrainian SSR	125,000	-	-	-	-
Union of Soviet Socialist Republics	1,000,000	500,000	-	-	-
United Kingdom	2,240,000 ^{1/}	560,000 ^{2/}	280,000 ^{3/}	4,500,000 ^{4/}	2,000,000 ^{4/}
United States	15,500,000 ^{1/}	9,700,000 ^{2/}	1,494,000 ^{3/}	16,700,000 ^{4/}	17,500,000 ^{4/}
Uruguay	120,000	-	-	-	-
Venezuela	66,000	-	-	-	-
Yugoslavia	110,000	200,000	-	40,000	-
NON-MEMBER STATES					
Germany, Federal Republic of	297,619	285,714	23,806	16,603	-
Japan	90,000	100,000	-	10,000	10,000
Korea, Republic of	3,500 ^{1/}	2,000	-	-	-
Liechtenstein	-	-	467	-	-
Monaco	1,429	857	-	286	-
Switzerland	233,645	234,000	116,822	-	-
Vatican City	2,000	1,000	-	-	-
Viet-Nam	10,000	1,000	-	-	-

	<u>EPTA</u>	<u>UNICEF</u>	<u>UNREF</u>	<u>UNRWA</u>	
	1956	1956	1956	1 July 1955- 30 June 1956	1 July 1956- 31 December 1957
OTHER CONTRIBUTORS					
Antigua (Leeward Islands)	-	117	-	-	-
Bahrein	-	-	-	980	980
Brunei	-	1,625	-	-	-
Granada (Windward Islands)	-	583	-	-	-
Hong Kong	-	3,500	-	-	-
Malayan Federation	-	24,500	-	-	-
Morocco	-	2,429	-	-	-
North Borneo	-	655	-	-	-
Saar	-	28,571	-	-	-
Singapore	-	3,267	-	-	-
Trinidad and Tobago	-	7,000	-	-	-
TOTALS	<u>29,493,258</u>	<u>16,491,145</u>	<u>2,946,592</u>	<u>23,366,347</u>	<u>19,772,380</u>

SUMMARY OF PLEDGES AND PAYMENTS

As at 15 September 1956

	<u>Pledges</u> US\$	<u>Payments</u> US\$
Expanded Programme of Technical Assistance for 1956	29,493,258	21,505,316
United Nations Children's Fund for 1956 . .	16,491,145	8,531,751
United Nations Refugee Fund for 1956	2,946,592	1,184,128
United Nations Relief and Works Agency for Palestine Refugees in the Near East for 1955-1956	23,366,347	23,077,784
and for 1956-1957 (eighteen-month period).	19,772,380	2,069,245

Footnotes to annex:

- 1/ EPTA: Australia - Amount pledged for the first half of the calendar year 1956.
- United States - Maximum contribution: Pledged subject to the condition that the contribution shall not exceed 50 per cent of the total governmental contributions to the programme.
- Liechtenstein - A contribution of Swiss francs 2,000 (\$467) has been pledged by the Government of Liechtenstein and accepted under financial regulation 7.2.
- 2/ UNICEF: Australia - Contribution for the year 1 July 1955 to 30 June 1956 was \$566,720.
- United States - Maximum contribution: Pledged subject to the condition that the contribution shall not exceed 57-1/2 per cent of the total governmental contributions to the programme.
- 3/ UNREF: Greece - Estimated value of thirty tons of raisins.
- New Zealand - Has also contributed \$56,000 to the China operations, which sum will be used for the joint operations of the United Nations Refugee Fund and the Inter-Governmental Committee for European Migration.
- United Kingdom - \$56,000 of the amount of \$280,000 is pledged subject to a total of \$3,250,000 being reached.
- United States - Including a special contribution of \$194,000 and a contribution of \$1,300,000 pledged subject to the condition that the United States contribution will be at the rate of one-third of total governmental contributions to the Fund.
- 4/ UNRWA: Eighteen-month period - on account of the decision to convert the Agency's fiscal year to the calendar year.
- Egypt, Lebanon and Syria - Equivalent of services and facilities provided by Government.
- France - Including \$27,705 for rent of camp sites and warehouses.
- United States - Maximum contribution: Pledged subject to the condition that the contribution shall not exceed 70 per cent of the total governmental contributions to the programme.
