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## CONSIDERATION OF THE FINANCIAL SITUATION OF THE ORGANIZATION IN THE LIGHT OF THE REPORT OF THE WORKING GROUP ON THE EXAMINATION OF THE ADMINISTRATIVE AND BUDGETARY PROCEDURES OF THE UNITED NATIONS

### Report of the Fifth Committee

Rapporteur: Mr. N.A. Quao (Ghana)

1. At a series of meetings held between 15 May and 26 June 1963<sup>1/</sup> the Fifth Committee considered item 7 of the agenda entitled "Consideration of the financial situation of the Organization in the light of the report of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations".
2. The Committee had before it the following documentation:
  - (a) The report of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations established in terms of General Assembly resolution 1854 B (XVII) of 19 December 1962 (A/5407 and Corr.1) and related papers (A/AC.113/1-27);
  - (b) The report by the Secretary-General on the United Nations financial position and prospects (A/C.5/974);
  - (c) The report by the Secretary-General on the cost estimates for 1963 for the United Nations Operation in the Congo (ONUC) (A/5416) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/5421);

<sup>1/</sup> 984th to 1005th meetings.

(d) The report by the Secretary-General on the cost estimates for 1963 for the United Nations Emergency Force (UNEF) (A/5187) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/5274).

The report of the Working Group (A/5407 and Corr. 1)

3. This report was presented in two parts. The first concerned its study, in terms of operative paragraphs 1, 2 and 3 of General Assembly resolution 1854 B (XVII), of special methods for financing peace-keeping operations involving heavy expenditures, such as those for the Congo and the Middle East, including a possible special scale of assessments; the second dealt with its examination, in compliance with operative paragraph 4 of the same resolution, of the situation arising from the arrears of some Member States in their payment of contributions for financing peace-keeping operations.

4. On the subject of a special method for the financing of peace-keeping operations, the Working Group indicated that it had not in the time at its disposal been able to arrive at any generally agreed recommendation; however, it had found it possible to identify the various individual positions taken in the Working Group by certain members or groups of members (A/5407, para. 9) as well as the views of many members on certain principles on which the financing of future peace-keeping operations could appropriately be based (A/5407, para. 10). In an ensuing section of the report (A/5407, paras. 11-23) were set forth the individual views of a number of members on the manner in which certain of the latter principles or aspects thereof should be applied. Finally, an indication was given (A/5407, para. 24) of the various views expressed in regard to the possibility of an ad hoc method for the financing of ONUC and UNEF.

5. In the second part of the report of the Working Group (A/5407, para. 25-27), dealing with the arrears in the payment of contributions to the financing of peace-keeping operations, the terms of a paper (A/AC.113/19) submitted by Argentina, Brazil, Cameroon, India, Nigeria and Pakistan were quoted and an indication given of the degree of support for the proposals in question, or otherwise, on the part of other Members of the Group.

Report by the Secretary-General on the United Nations  
financial position and prospects (A/C.5/274)

6. In his report of the financial position and prospects the Secretary-General indicated that the deficit between the Organization's available cash resources and its current liabilities, which totalled \$74.1 million at the end of 1962, had increased to \$93.9 million as at 31 March 1963. The deterioration in the financial position was attributed principally to the large outstanding balances of assessed contributions for ONUC and UNEF, to the fact that no assessments had been levied to cover the costs of these operations since 30 June 1962, and to the customary delay in the early months of the year in collecting assessments for the current year's regular budget. It was further indicated that if the same factors continued to prevail and on the basis of certain assumptions concerning the estimated level of expenses for UNEF and ONUC and the extent of sales of United Nations bonds, the deficit might increase to \$101.4 million as at 30 June and \$140 million at 31 December 1963. On the latter date the Organization's cash resources would have decreased to about \$10 million or less than one month's requirements. Accordingly, the Secretary-General believed it imperative that the General Assembly take action at its special session to ensure that the Organization would have the necessary cash resources to defray its continuing operations, either by assessing the costs of the operations among Members or by such other methods as the General Assembly may wish to adopt.

7. The Secretary-General proceeded to report on the results of certain actions that had been taken to secure the liquidation of arrears and the early payment of current contributions. There were definite indications of progressive improvement as far as the collection of arrear contributions was concerned. Nevertheless, as at 13 May the total of all contributions due, inclusive of unpaid 1963 assessments and advances to the Working Capital Fund as well as arrears for prior years, amounted to \$182,958,797. While the arrears situation remained a matter of serious concern, the Secretary-General was not unhopeful that the coming months would see an accelerated rate of improvement, at least in the number of States which were in default. He was encouraged in this belief by the assurances he had received from some Governments of their intention to liquidate in full past

obligations as soon as the necessary legislative processes could be completed, and by the desire expressed by some others who found themselves in real financial difficulties, to work out appropriate modalities, within the letter and spirit of the Charter, for bringing the payments due up to date as soon as possible.

8. With regard to the issue of United Nations bonds under resolution 1739 (XVI) the Secretary-General reported a grand total of purchases and pledges of \$148,881,794 out of the total of \$200,000,000 authorized for issue up to 31 December 1962. In the belief that a number of Governments would still wish to subscribe if the subscription period were extended the Secretary-General recommended such extension to 31 December 1963. In the event his proposal were approved, he suggested a decision in the following form:

The General Assembly,

Recalling its decision, in operative paragraph 1 of General Assembly resolution 1739 (XVI) of 20 December 1961, to authorize the Secretary-General to issue United Nations bonds in accordance with the terms and conditions set forth in the annex to that resolution,

Decides to amend paragraph 8 of the annex to General Assembly resolution 1739 (XVI) to read as follows:

"The bonds may be sold in whole or in part from time to time until 31 December 1963."

Reports on the cost estimates for 1963 for the United Nations  
Operation in the Congo (A/5416, 5421)

9. In his report (A/5416) to the General Assembly at its fourth special session, the Secretary-General indicated that, in view of the situation that had prevailed in the Congo since January 1963, he had been able to schedule during the year substantial reductions in the military strength of the Force. In consequence the estimated costs in 1963 could be kept to \$83,745,000, representing a reduction of approximately \$36 million, or 30 per cent, from the ONUC expenditure levels during the previous two years when costs totalled some \$120 million annually. Of the total of approximately \$84 million, it was estimated that \$51 million would be required during the first half of 1963 and \$33 million during the last six months. Since

the General Assembly, in terms of resolution 1865 (XVII) of 20 December 1962, had authorized the Secretary-General to expend up to 30 June 1963 at an average monthly rate not to exceed \$10 million for the continuing cost of the operations, it would be necessary for the Assembly at its fourth special session to extend the authority for such expenditures after 30 June if the objectives of the Security Council resolutions relating to the Congo were to be achieved. The Secretary-General ventured to suggest in this connexion that the General Assembly might wish to authorize him to expend during the period from 1 July 1963 to 31 December 1963 at an average monthly rate not to exceed \$5.5 million for the continuing costs of ONUC, provided that such expenditures did not result in total expenditures for the year 1963 in excess of \$84 million.

10. The Advisory Committee on Administrative and Budgetary Questions in its report (A/5421) recommended approval of the Secretary-General's estimates, while expressing the earnest hope that his resolute efforts would enable him to keep actual expenses well below that level.

Reports on the cost estimates for 1963 for the United Nations  
Emergency Force (A/5187, 5274)

11. In his report on UNEF (A/5187), submitted to the General Assembly at its seventeenth session, the Secretary-General submitted cost estimates for the financial year 1 January to 31 December 1963, in the total amount of \$19,256,870. The Advisory Committee on Administrative and Budgetary Questions, in its related report, recommended a reduction of \$256,870 or an appropriation of \$19,000,000 for 1963. At the same time the Committee expressed the hope that every effort would continue to be made to keep costs for the operation at the lowest possible level and suggested that a figure of \$18.5 million would represent a reasonable target for this purpose. The General Assembly subsequently decided in the case of UNEF, as in that of ONUC, to refrain from appropriation action having in mind the terms of resolution 1854 B (XVII) establishing a Working Group to study special methods for financing the peace-keeping operations of the United Nations involving heavy expenditures. Instead, the Secretary-General was authorized, in terms of resolution 1864 (XVII) of 20 December 1962, to expend up to 30 June 1963 at an average monthly rate not to exceed \$1,580,000 for the continuing cost of UNEF. This represented a somewhat lower rate of expenditure than that envisaged under the annual amount of \$19 million recommended by the Advisory Committee.

### General discussion

12. In the course of fourteen meetings held between 15 May and 14 June 1963,<sup>1/</sup> members of the Committee presented their general views on the item under discussion. This debate was preceded by opening statements by the Secretary-General and by H.E. Chief S.O. Adebo (Nigeria), Chairman of the Working Group, who introduced the latter's report (A/5407 and Corr.1). In the course of a further five meetings, held between 20 and 25 June,<sup>2/</sup> certain members expressed their general views in conjunction with their explanations of vote on the various draft resolutions before the Committee

The general discussion of the various matters considered by the Committee, including the resolutions which were introduced, and the views of the delegations participating in the discussions are summarized in the official records of the Committee (A/C.5/SR.984-1005).

### Draft resolutions

13. The following formal proposals were submitted for the consideration of the Committee:

(a) A draft resolution (A/C.5/L.782) on general principles to serve as guidelines for the sharing of the costs of future peace-keeping operations involving heavy expenditures, submitted by Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cyprus, Denmark, Dominican Republic, Federation of Malaya, Gabon, Ghana, Honduras, Iceland, India, Italy, Ivory Coast, Japan, Liberia, Mauritania, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Philippines, Sweden, Tanganyika, Uruguay, Venezuela;

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<sup>1/</sup> 984th to 998th meetings.

<sup>2/</sup> 999th to 1004th meetings.

(b) A draft resolution (A/C.5/L.783) on cost estimates and financing of the United Nations Emergency Force (UNEF) for the period 1 July to 31 December 1963, submitted by Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cyprus, Denmark, Dominican Republic, Federation of Malaya, Gabon, Honduras, Iceland, India, Italy, Japan, Liberia, Mauritania, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Pakistan, Panama, Sweden, Tanganyika, Uruguay, Venezuela;

(c) A draft resolution (A/C.5/L.784) on cost estimates and financing of the United Nations Operation in the Congo (ONUC) for the period 1 July to 31 December 1963, submitted by Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cyprus, Denmark, Dominican Republic, Federation of Malaya, Gabon, Honduras, Iceland, India, Italy, Japan, Liberia, Mauritania, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Pakistan, Panama, Sweden, Tanganyika, Uruguay, Venezuela;

(d) A draft resolution (A/C.5/L.785) on the payment of arrears in respect of assessed contributions to the Special Account for the United Nations Emergency Force (UNEF) and the ad hoc Account for the United Nations Operation in the Congo (ONUC), submitted by Argentina, Australia, Bolivia, Brazil, Cameroon, Canada, Chile, Colombia, Costa Rica, Cyprus, Denmark, Dominican Republic, Federation of Malaya, Gabon, Honduras, Iceland, India, Italy, Japan, Liberia, Mauritania, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Pakistan, Panama, Philippines, Sweden, Tanganyika, Uruguay, Venezuela;

(e) A draft resolution (A/C.5/L.786) on the terms and conditions governing the issue of United Nations bonds, submitted by Cameroon, Canada, Denmark, Federation of Malaya, Netherlands, Nigeria, Norway, Pakistan, Tunisia, Uganda;

(f) A draft resolution (A/C.5/L.787) on the establishment of a Peace Fund, submitted by Cyprus, Ghana, Ivory Coast, Nigeria; subsequently revised (A/C.5/L.787/Rev.1) to reflect the addition of Pakistan as a co-sponsor and the acceptance by the sponsors of an amendment to the fifth preambular paragraph proposed by the representative of Sweden.

(g) A draft resolution (A/C.5/L.788) on the continuation of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations established under General Assembly resolution 1854 B (XVII), submitted by Cameroon, Cyprus, Federation of Malaya, Ghana, Guinea, Uruguay.

14. The texts of these draft resolutions, which were adopted without amendment, are given in the concluding section of this report, numbered I to VII.

15. The results of the voting were:

(a) Draft resolution I (A/C.5/L.782) was adopted by a roll-call vote of 91 in favour, 13 against and 3 abstentions as follows:

In favour: Afghanistan, Algeria, Argentina, Australia, Austria, Bolivia, Brazil, Burma, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kuwait, Laos, Lebanon, Liberia, Libya, Luxembourg, Mali, Mauritania, Mexico, Morocco, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, Spain, Sudan, Sweden, Syria, Tanganyika, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Republic, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Madagascar, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Belgium, Burundi, Portugal.

(b) Draft resolution II (A/C.5/L.783) was adopted by a roll-call vote of 79 in favour, 11 against and 17 abstentions as follows:



In favour: Afghanistan, Argentina, Australia, Austria, Bolivia, Brazil, Burma, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Honduras, Iceland, India, Indonesia, Iran, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mauritania, Mexico, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Philippines, Rwanda, Senegal, Sierra Leone, Somalia, Sweden, Tanganyika, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela, Yugoslavia.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, Hungary, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Algeria, Belgium, Burundi, France, Haiti, Iraq, Jordan, Kuwait, Mali, Morocco, Peru, Portugal, Saudi Arabia, Sudan, Syria, United Arab Republic, Yemen.

(c) Draft resolution III (A/C.5/L.784) was adopted by a roll-call vote of 79 in favour, 12 against and 16 abstentions as follows:

In favour: Afghanistan, Argentina, Australia, Austria, Bolivia, Brazil, Burma, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Honduras, Iceland, India, Indonesia, Iran, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Laos, Lebanon, Liberia, Libya, Luxembourg, Mauritania, Mexico, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Philippines, Rwanda, Senegal, Sierra Leone,

Somalia, Sudan, Sweden, Tanganyika, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Algeria, Belgium, Chad, Haiti, Iraq, Jordan, Kuwait, Madagascar, Mali, Peru, Portugal, Saudi Arabia, Syria, United Arab Republic, Yemen, Yugoslavia.

(d) Draft resolution IV (A/C.5/L.785) was adopted by a roll-call vote of 77 in favour, 12 against and 19 abstentions as follows:

In favour: Argentina, Australia, Austria, Bolivia, Brazil, Burma, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Honduras, Iceland, India, Indonesia, Iran, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Laos, Lebanon, Liberia, Libya, Luxembourg, Mauritania, Mexico, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Philippines, Rwanda, Senegal, Sierra Leone, Somalia, Sweden, Tanganyika, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Afghanistan, Algeria, Belgium, Chad, Haiti, Iraq, Jordan, Kuwait, Madagascar, Mali, Peru, Portugal, Saudi Arabia, Spain, Sudan, Syria, the United Arab Republic, Yemen, Yugoslavia.

(e) Draft resolution V (A/C.5/L.786) was adopted by a roll-call vote of 90 in favour, 12 against and 6 abstentions as follows:

In favour: Afghanistan, Algeria, Argentina, Australia, Austria, Bolivia, Brazil, Burma, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kuwait, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mali, Mauritania, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Philippines, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Sweden, Syria, Tanganyika, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Republic, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Belgium, Haiti, Mexico, Peru, Portugal, Spain.

(f) Draft resolution VI (A/C.5/L.787/Rev.1) was adopted by a roll-call vote of 92 in favour, 12 against and 4 abstentions as follows:

In favour: Afghanistan, Algeria, Argentina, Australia, Austria, Bolivia, Brazil, Burma, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kuwait, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mali, Mauritania, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Philippines, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, Spain, Sudan, Sweden, Syria, Tanganyika, Thailand, Trinidad and Tobago,

Tunisia, Turkey, Uganda, United Arab Republic, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Mongolia, Poland, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Belgium, Mexico, Peru, Portugal.

(g) Draft resolution VII (A/C.5/L.788) was adopted by a roll-call vote of 94 in favour, 12 against and 2 abstentions as follows:

In favour: Afghanistan, Algeria, Argentina, Australia, Austria, Bolivia, Brazil, Burma, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cyprus, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kuwait, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mali, Mauritania, Mexico, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, Spain, Sudan, Sweden, Syria, Tanganyika, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Republic, United Kingdom, United States of America, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Albania, Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Abstaining: Belgium, Portugal.

16. After the vote the representative of Paraguay explained that had he been present during the voting, he would have expressed himself in favour of all seven draft resolutions. The representative of Togo stated that he was not able to participate in the voting at the Committee stage.

Recommendations of the Fifth Committee

17. The Committee therefore recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I

GENERAL PRINCIPLES TO SERVE AS GUIDELINES FOR THE SHARING OF THE  
COSTS OF FUTURE PEACE-KEEPING OPERATIONS INVOLVING HEAVY  
EXPENDITURES

The General Assembly,

Noting with appreciation the report of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations,<sup>1/</sup> submitted pursuant to General Assembly resolution 1854 B (XVII) of 19 December 1962,

Recognizing the necessity of sharing equitably the financial burden of peace-keeping operations to the extent not otherwise covered by agreed arrangements,

1. Affirms that the following principles, inter alia, shall serve as guidelines for the equitable sharing, by assessed or voluntary contributions or a combination thereof, of the costs of peace-keeping operations involving heavy expenditures that may be initiated in the future:

(a) That the financing of such operations is the collective responsibility of all Member States of the United Nations;

(b) That, whereas the economically more developed countries are in a position to make relatively larger contributions, the economically less developed countries have a relatively limited capacity to contribute toward peace-keeping operations involving heavy expenditures;

(c) That, without prejudice to the principle of collective responsibility, every effort should be made to encourage voluntary contributions from Member States;

(d) That the special responsibilities of the permanent members of the Security Council for the maintenance of peace and security should be borne in mind in connexion with their contributions to the financing of peace and security operations;

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<sup>1/</sup> A/5407 and Corr.1.

(e) That, where circumstances warrant, the General Assembly should give special consideration to the situation of any Member States which are victims of, and those which are otherwise involved in, the events or actions leading to a peace-keeping operation;

2. Considers that suitable administrative procedures should be established to ensure that provision for the financing of a peace-keeping operation is made by the General Assembly at the time the operation is authorized;

3. Requests the Secretary-General to review in consultation with the Advisory Committee on Administrative and Budgetary Questions, as appropriate, suitable administrative procedures designed to improve the financial procedures to be followed by the General Assembly at the time peace-keeping operations are authorized, and to report to the General Assembly at its eighteenth session on the results of this review and any recommendations he may wish to make regarding procedures to be followed in the future.

Draft resolution II

UNITED NATIONS EMERGENCY FORCE: COST ESTIMATES AND  
FINANCING FOR THE PERIOD 1 JULY TO 31 DECEMBER 1963

The General Assembly,

Recalling its resolutions 1089 (XI) of 21 December 1956, 1090 (XI) of 27 February 1957, 1151 (XII) of 22 November 1957, 1337 (XIII) of 13 December 1958, 1441 (XIV) of 5 December 1959, 1575 (XV) of 20 December 1960 and 1733 (XVI) of 20 December 1961,

Having considered the report of the Secretary-General on the cost estimates of the United Nations Emergency Force (UNEF)<sup>1/</sup> for the period 1 January 1963 to 31 December 1963, and the report of the Advisory Committee on Administrative and Budgetary Questions<sup>2/</sup> thereon,

1. Decides to continue the Special Account for the expenses of the United Nations Emergency Force;

2. Authorizes the Secretary-General to expend up to 31 December 1963 at an average monthly rate not to exceed \$1,580,000 for the continuing cost of the United Nations Emergency Force;

3. Decides to appropriate an amount of \$9,500,000 for the operations of the United Nations Emergency Force for the period 1 July 1963 to 31 December 1963;

4. Decides to apportion:

(a) the amount of \$2,500,000 among all Member States in accordance with the regular scale of assessments for 1963;

(b) the \$7,000,000 balance of the amount appropriated in paragraph 3 of this resolution, among all Member States in accordance with the regular scale of assessments for 1963, except that each "economically less developed country" shall be assessed an amount calculated at 45 per cent of its rate under the regular scale of assessments for 1963;

provided that this apportionment shall constitute an ad hoc arrangement for the present phase of this peace-keeping operation, and shall not constitute a precedent for the future;

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1/ A/5187.

2/ A/5274.

5. Decides that, for the purpose of this resolution, "economically less developed countries" shall mean all Member States except Australia, Austria, Belgium, Byelorussian SSR, Canada, Czechoslovakia, Denmark, Finland, France, Hungary, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Poland, Romania, South Africa, Sweden, Ukrainian SSR, USSR, United Kingdom and the United States of America;

6. Recommends that the Member States named in paragraph 5 of this resolution make voluntary contributions in addition to their assessments under this resolution in order to finance authorized expenditures in excess of the total amount assessed under this resolution, such voluntary contributions to be credited to a special account by the Secretary-General and transferred to the United Nations Emergency Force Special Account as and when an "economically less developed country" has once paid to the credit of that account its assessment under paragraph 4(b) of this resolution or an equal amount, the transfer to be of an amount which bears the same proportion to the total of such voluntary contributions as the amount of such payment bears to the total of the assessments on "economically less developed countries" under paragraph 4(b); any amount left in such special account on 31 December 1965 shall revert to the Member States that made such voluntary contributions in proportion to their respective voluntary contributions;

7. Appeals to all other Member States who are in a position to assist to make similar voluntary contributions or alternatively to forgo having its assessment calculated at the rate mentioned in the exception contained in paragraph 4(b) of this resolution;

8. Decides that voluntary contributions referred to in paragraphs 6 and 7 of this resolution may be made by a Member State, at its option, in the form of services and supplies, acceptable to the Secretary-General, furnished for use in connexion with the United Nations Emergency Force during the period 1 July 1963 to 31 December 1963 for which the Member State does not require reimbursement, the Member State to be credited with the fair value thereof as agreed upon by the Member State and the Secretary-General.



Draft resolution III

UNITED NATIONS OPERATION IN THE CONGO: COST ESTIMATES AND  
FINANCING FOR THE PERIOD 1 JULY TO 31 DECEMBER 1963

The General Assembly,

Recalling the Security Council resolutions of 14 July 1960, 22 July 1960, 9 August 1960, 21 February 1961 and 24 November 1961, and General Assembly resolutions 1474 (ES-IV) of 20 September 1960, 1583 (XV) of 20 December 1960, 1595 (XV) of 3 April 1961, 1599 (XV), 1600 (XV) and 1601 (XV) of 15 April 1961, 1619 (XV) of 21 April 1961, 1633 (XVI) of 30 October 1961 and 1732 (XVI) of 20 December 1961.

Having considered the report of the Secretary-General on the cost estimates of the United Nations Operation in the Congo (ONUC)<sup>1/</sup> for the period 1 July 1963 to 31 December 1963, and the report of the Advisory Committee on Administrative and Budgetary Questions<sup>2/</sup> thereon,

1. Decides to continue the Congo ad hoc Account for the expenses of the United Nations Operation in the Congo;
2. Authorizes the Secretary-General to expend up to 31 December 1963 at an average monthly rate not to exceed \$5,500,000 for the continuing cost of the United Nations Operation in the Congo;
3. Decides to appropriate an amount of \$33,000,000 for the United Nations Operation in the Congo for the period 1 July 1963 to 31 December 1963;
4. Decides to apportion:
  - (a) the amount of \$3,000,000 among all Member States in accordance with the regular scale of assessments for 1963;
  - (b) the \$30,000,000 balance of the amount appropriated in paragraph 3 of this resolution, among all Member States in accordance with the regular scale of assessments for 1963, except that each "economically less developed country" shall be assessed an amount calculated at 45 per cent of its rate under the regular scale of assessments for 1963;

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<sup>1/</sup> A/5416

<sup>2/</sup> A/5421

provided that this apportionment shall constitute an ad hoc arrangement for the present phase of this peace-keeping operation, and shall not constitute a precedent for the future;

5. Decides that, for the purpose of this resolution, "economically less developed countries" shall mean all Member States except Australia, Austria, Belgium, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Denmark, Finland, France, Hungary, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Poland, Romania, South Africa, Sweden, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom and the United States of America;

6. Recommends that the Member States named in paragraph 5 of this resolution make voluntary contributions in addition to their assessments under this resolution in order to finance authorized expenditures in excess of the total amount assessed under this resolution, such voluntary contributions to be credited to a special account by the Secretary-General and transferred to the Congo ad hoc Account as and when an "economically less developed country" has once paid to the credit of that account its assessment under paragraph 4(b) of this resolution or an equal amount, the transfer to be of an amount which bears the same proportion to the total of such voluntary contributions as the amount of such payment bears to the total of the assessments on "economically less developed countries" under paragraph 4(b); any amount left in such special account on 31 December 1965 shall revert to the Member States that made such voluntary contributions in proportion to their respective voluntary contributions;

7. Appeals to all other Member States which are in a position to assist to make similar voluntary contributions or alternatively to forgo having their assessments calculated at the rate mentioned in the exception contained in paragraph 4(b) of this resolution;

8. Decides that voluntary contributions referred to in paragraphs 6 and 7 of this resolution may be made by a Member State, at its option, in the form of services and supplies, acceptable to the Secretary-General, furnished for use in connexion with the United Nations Operation in the Congo during the period 1 July 1963 to 31 December 1963 for which the Member State does not require reimbursement, the Member State to be credited with the fair value thereof as agreed upon by the Member State and the Secretary-General.

Draft resolution IV

PAYMENT OF ARREARS IN RESPECT OF ASSESSED CONTRIBUTIONS TO THE  
SPECIAL ACCOUNT FOR THE UNITED NATIONS EMERGENCY FORCE AND THE  
AD HOC ACCOUNT FOR THE UNITED NATIONS OPERATION IN THE CONGO

The General Assembly,

Having considered the report of the Working Group on the Examination of the  
Administrative and Budgetary Procedures of the United Nations,<sup>1/</sup>

Noting with concern the present financial situation of the Organization  
resulting from the non-payment of a substantial portion of past assessments for  
the UNEF Special Account and the Congo ad hoc Account,

Believing that it is essential that all assessments for these Accounts be  
paid as soon as possible,

1. Appeals to Member States which continue to be in arrears in respect of  
their assessed contributions for payment to the UNEF Special Account and the  
Congo ad hoc Account to pay their arrears, disregarding other factors, as soon  
as their respective constitutional and financial arrangements can be processed,  
and, pending these arrangements, to make an announcement of their intention to  
do so;

2. Expresses its conviction that Member States who are in arrears and  
object on political or juridical grounds to paying their assessments on these  
accounts nevertheless will, without prejudice to their respective positions,  
make a special effort towards solving the financial difficulties of the United  
Nations by making these payments;

3. Requests the Secretary-General to consult with those Member States  
which are in arrears on the UNEF Special Account and on the Congo ad hoc Account  
and to work out with them arrangements as to the most appropriate modalities  
within the letter and spirit of the Charter of the United Nations, including the  
possibility of payment by instalment, for bringing the payments of these  
accounts up to date as soon as possible;

4. Requests Member States who are in arrears on these accounts to make the  
arrangements with the Secretary-General set out in paragraph 3 of this resolution  
before 31 October 1963;

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<sup>1/</sup> A/5407 and Corr.1.

5. Requests the Secretary-General to report, as appropriate, to the General Assembly on the consultations and arrangements mentioned in paragraphs 3 and 4 of this resolution.

Draft resolution V

TERMS AND CONDITIONS GOVERNING THE ISSUE OF UNITED NATIONS BONDS

The General Assembly,

Recalling its decision in operative paragraph 1 of General Assembly resolution 1739 (XVI) of 20 December 1961 to authorize the Secretary-General to issue United Nations bonds in accordance with the terms and conditions set forth in the annex to that resolution,

Decides to amend paragraph 8 of the annex to General Assembly resolution 1739 (XVI) to read as follows:

"The bonds may be sold in whole or in part from time to time until 31 December 1963."

Draft resolution VI  
**ESTABLISHMENT OF A PEACE FUND**

The General Assembly,

Bearing in mind the purposes of the United Nations as set out in Article 1 of the Charter,

Realizing the need for prompt and effective action to prevent any threats to or breaches of international peace and security,

Believing that inadequate financial resources can seriously delay or jeopardize the success of such action,

Desiring to make sufficient funds readily available to the Secretary-General, thus enabling him to discharge his responsibilities under the Charter in cases of breaches of the peace without undue delay,

Convinced that the establishment of a Peace Fund through voluntary contributions from Member States as well as organizations and individuals is worthy of study as a means of furthering this objective,

1. Requests the Secretary-General to consult all Member States and other interested organizations on the desirability and feasibility of establishing such a Peace Fund;

2. Requests further the Secretary-General to report to the General Assembly at its eighteenth session.

Draft resolution VII

CONTINUATION OF THE WORKING GROUP ON THE EXAMINATION OF THE ADMINISTRATIVE  
AND BUDGETARY PROCEDURES OF THE UNITED NATIONS ESTABLISHED UNDER GENERAL  
ASSEMBLY RESOLUTION 1854 B (XVII)

The General Assembly,

Recalling General Assembly resolution 1854 B (XVII),

Bearing in mind the principles enunciated in resolution ....

that shall serve as guidelines for the equitable sharing of the costs of peace-keeping operations involving heavy expenditures that may be initiated in the future, to the extent that these expenditures will not be otherwise covered by agreed arrangements,

Bearing in mind further that the maintenance of peace and security is a primary purpose of the United Nations,

Desirous that ways and means should be found to arrive at working arrangements so that all Member States may feel able to share in such costs,

Noting that the tasks with which the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations was charged have not been completed,

1. Decides to continue in being the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations;

2. Requests the Working Group to:

(a) Recommend a special method for the equitable sharing of the costs of future peace-keeping operations involving heavy expenditures to the extent not otherwise covered by agreed arrangements;

(b) Consider suggestions regarding other sources of financing future peace-keeping operations;

(c) Explore ways and means for bringing about the widest possible measure of agreement among all Member States on the question of the financing of future peace-keeping operations;

3. Invites the Working Group to consult as appropriate with the Committee on Contributions;

4. Requests the Secretary-General to make available to the Working Group the necessary facilities and assistance for the accomplishment of its tasks;

5. Asks the Working Group to report on these matters to the General Assembly as soon as possible, but not later than at its nineteenth regular session.