

General Conference

THIRD REGULAR SESSION

Item 17(b) of the provisional agenda
(GC(III)/72)

SCALE OF MEMBERS' CONTRIBUTIONS

Scale for 1960

Memorandum by the Director General

1. For each of the financial years 1958 and 1959, the General Conference approved a provisional scale of Members' contributions to the administrative expenses of the Agency, and decided that these provisional scales would be replaced by final scales which it would subsequently approve^{1/}.

2. During its second regular session, however, the General Conference considered that although it had so acted in respect of the years 1958 and 1959, provisional scales should not be established for future years; and it accordingly recommended that

"commencing with the scale of assessment for 1960, any scale of assessment which is approved in advance by the General Conference should be based on the scale adopted by the United Nations for the preceding calendar year and should be final and not subject to any retroactive adjustment."^{2/}

3. The methods used by the United Nations General Assembly's Committee on Contributions in determining the scales of assessment for Members' contributions to the United Nations are described briefly in paragraphs 3 to 6 of document GC(III)/83, where it is explained that the current United Nations scale is intended to apply to the three years 1959, 1960 and 1961.

^{1/} Resolutions GC.1(S)/RES/3 and GC(II)/RES/32 respectively.

^{2/} Resolution GC(II)/RES/33.

4. Article XIV D of the Statute provides as follows:

"The Board of Governors shall apportion the expenses referred to in sub-paragraph B.1 above, among members in accordance with a scale to be fixed by the General Conference. In fixing the scale the General Conference shall be guided by the principles adopted by the United Nations in assessing contributions of Member States to the regular budget of the United Nations."

Among the relevant principles established by the General Assembly are those embodied in resolution 1137 (XII) which it adopted on 14 October 1957 and which is reproduced in annex I to the present document.

5. Briefly, in this resolution the General Assembly decided that the maximum contribution of any one Member State to the ordinary expenses of the United Nations should not, in principle, exceed 30 per cent of the total and that, as and when new Members were admitted to the United Nations, steps should be taken to reduce the assessment of the highest contributor to 30 per cent, provided that such reductions did not result in increases in the contribution of any other Member.

6. For 1958 and 1959, the General Conference decided that in both the provisional and final scales of the Agency, the percentage assessed against the Member bearing the highest contribution would be set at the percentage borne by that Member in the United Nations scale. The General Conference will recall, however, that at its second regular session the Director General introduced a scale for 1959 in which the percentage of the highest contributor was not treated as a fixed percentage but was varied by the same coefficient as was applied to all Member States excepting those bearing the minimum of 0.04 per cent.^{3/}

7. This proposal was not accepted by the General Conference as a feeling existed that the resulting increases in the assessments of certain other Member States would be contrary to the spirit of paragraph 3(d) of General Assembly resolution 1137 (XII). To enable a unanimous decision to be reached, the representative of the Member bearing the highest assessment agreed that in both the provisional and final scales for 1959 his Government's contribution could be set at 32.51 per cent (its percentage in the

^{3/} GC(II)53, annex.

1958 United Nations scale), but added that this decision was not to be considered as a precedent.

8. The General Conference, in adopting resolution GC(II)/RES/33, gave no specific direction to the Secretariat whether the percentage for 1960 for the Member bearing the highest assessment should be set at the level of the United Nations scale. This would, however, automatically follow if the General Conference should take the view that the final paragraph of General Assembly resolution 1137 (XII) must be applied strictly to the Agency's scale and that there can be no increase in the percentage assessment of any Member of the Agency as between the final 1959 scale and the 1960 scale. Under these conditions the scale for 1960 would have to correspond exactly to the final scale for 1959 as proposed by the Director General in document GC(II)/83, annex. The percentage due from the highest contributor would remain at 32.51 per cent, since the assessments of new Members that joined the Agency between the second and third regular sessions of the General Conference are already incorporated into the 1959 final scale. In 1961, of course, if further States become Members of the Agency, all the present Members will benefit except those bearing the minimum assessment.

9. However, if the General Conference considers that the Member bearing the highest assessment should have an appropriate share in the benefits obtained from the admission of the three new Members that joined between the second and third regular sessions, this could be achieved in the manner set out in annex II, where it is shown that the highest assessment would be reduced from 32.51 per cent to 32.27 per cent. As a result, the 1960 percentage assessments of some other Members would be slightly increased as compared to the recommended final scale for 1959, which distributes the contributions received from the three new Member States in 1959 only among those Members that have variable assessments, but no such increases would occur as compared to the provisional scale for 1959. Furthermore, this solution would implement, as far as the Agency is concerned, the recommendation contained in paragraph 3(b) of General Assembly

resolution 1137 (XII) and take into account the reservation made by the representative of the Member bearing the highest assessment, that the fixing of his Government's percentage at 32.51 per cent for 1959 should not be considered as a precedent.

10. It is hoped that the above information will facilitate the task of the General Conference in deciding on the scale of assessments to be adopted for 1960.

A N N E X I

UNITED NATIONS GENERAL ASSEMBLY RESOLUTION 1137 (XII) OF 14 OCTOBER 1957

SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED
NATIONS

The General Assembly,

Recalling its resolutions 14 (I) of 13 February 1946, 238 (III) of 18 November 1948 and 665 (VII) of 5 December 1952, regarding the apportionment of the expenses of the United Nations among its Members and the fixing of the maximum contribution of any one Member State,

Noting that, when the maximum contribution of any one Member State was fixed at 33.33 per cent effective 1 January 1954, the United Nations consisted of sixty Member States,

Noting further that, since 1 January 1954, twenty-two States have been admitted to membership in the United Nations,

Recalling its resolution 1087 (XI) of 21 December 1956, whereby the percentage contributions of the first sixteen new Member States admitted since 1 January 1954 were incorporated into the regular scale of assessments for 1956 and 1957 and were applied to reduce the percentage contributions of all Member States except that of the highest contributor and those of the Member States paying minimum assessments,

Noting that there are now six new Member States - Ghana, Japan, Malaya (Federation of), Morocco, Sudan and Tunisia - whose percentage contributions have not yet been fixed by the Committee on Contributions or incorporated into the 100 per cent scale of assessments,

Decides that:

1. In principle, the maximum contribution of any one Member State to the ordinary expenses of the United Nations shall not exceed 30 per cent of the total;
2. The percentage contributions fixed by the Committee on Contributions for Japan, Morocco, Sudan and Tunisia for 1956 and 1957, and for Ghana and

Malaya (Federation of) for 1957, shall constitute miscellaneous income of the United Nations;

3. The Committee on Contributions shall take the following steps in preparing scales of assessment for 1958 and subsequent years:

- (a) The percentage contributions fixed by the Committee on Contributions for Ghana, Japan, Malaya (Federation of), Morocco, Sudan and Tunisia for 1958 shall be incorporated into the 100 per cent scale for 1958; this incorporation shall be accomplished by applying the total amount of the percentage contributions of the six Member States named above to a pro rata reduction of the percentage contributions of all Members except those assessed at the minimum rate, taking into account the per capita ceiling principle and any reductions which may be required as a result of a review by the Committee on Contributions, at its session commencing 15 October 1957, of appeals from recommendations made previously by that Committee;
- (b) During the three-year period of the next scale of assessments (1959 - 1961), further steps to reduce the share of the largest contributor shall be recommended by the Committee on Contributions when new Member States are admitted;
- (c) The Committee on Contributions shall thereafter recommend such additional steps as may be necessary and appropriate to complete the reduction;
- (d) The percentage contributions of Member States shall not in any case be increased as a consequence of the present resolution.

A N N E X II

CALCULATION OF THE SCALE OF MEMBERS' CONTRIBUTIONS FOR 1960

A. Possible reduction in the assessment of highest contributor

1. If the General Conference decides that, in 1960, the Member bearing the highest rate of assessment should receive some benefit from the admittance of three new Members between the second and third regular sessions of the General Conference, a new figure for the highest assessment could be evaluated by reducing the highest United Nations assessment for 1959 (32.51 per cent) by that Member's share (again 32.51 per cent) of the United Nations 1959 percentages of the three new Members. Those were:

<u>New Member State</u>	<u>United Nations percentage</u> <u>1959-61</u>
Iran	0.21
Iraq	0.09
Philippines	<u>0.43</u>
Total	0.73

2. The assessment of the highest contributor would then be:

$$32.51 - \left(\frac{32.51}{100.00} \times 0.73 \right) \text{ per cent} = 32.27 \text{ per cent}$$

B. Numerical data for the calculation of the scale for 1960

Member State	Percentage contribution to the United Nations for 1959-61	United Nations theoretical rates for 1959-61 for States not Members of United Nations	1959-61 United Nations Rates multiplied by the coefficient 0.931 ^{a/}
(1)	(2)	(3)	(4)
Afghanistan	0.06		0.06
Albania	0.04		0.04
Argentina	1.11		1.03
Australia	1.79		1.67
Austria	0.43		0.40

(1)	(2)	(3)	(4)
Bolgium	1.30		1.21
Brazil	1.02		0.95
Bulgaria	0.16		0.15
Burma	0.08		0.07
Byelorussian Soviet Socialist Republic	0.47		0.44
Cambodia	0.04		0.04
Canada	3.11		2.90
Ceylon	0.10		0.09
China	5.01		4.66
Cuba	0.25		0.23
Czechoslovakia	0.87		0.81
Denmark	0.60		0.56
Dominican Republic	0.05		0.05
Ecuador	0.06		0.06
El Salvador	0.05		0.05
Ethiopia	0.06		0.06
Finland	0.36		0.33
France	6.40		5.96
Germany, Federal Republic of		5.33	4.96
Greece	0.23		0.21
Guatemala	0.05		0.05
Haiti	0.04		0.04
Honduras	0.04		0.04
Hungary	0.42		0.39
Iceland	0.04		0.04
India	2.46		2.29
Indonesia	0.47		0.44
Iran	0.21		0.19
Iraq	0.09		0.08
Israel	0.14		0.13
Italy	2.25		2.09

(1)	(2)	(3)	(4)
Japan	2.19		2.04
Korea, Republic of		0.21	0.19
Luxembourg	0.06		0.06
Mexico	0.71		0.66
Monaco		0.04	0.04
Morocco	0.14		0.13
Netherlands	1.01		0.94
New Zealand	0.42		0.39
Nicaragua	0.04		0.04
Norway	0.49		0.46
Pakistan	0.40		0.37
Paraguay	0.04		0.04
Peru	0.11		0.10
Philippines	0.43		0.40
Poland	1.37		1.27
Portugal	0.20		0.19
Romania	0.34		0.32
Spain	0.93		0.87
Sudan	0.06		0.06
Sweden	1.39		1.29
Switzerland		0.97	0.90
Thailand	0.16		0.15
Tunisia	0.05		0.05
Turkey	0.59		0.55
Ukranian Soviet Socialist Republic	1.80		1.68
Union of South Africa	0.56		0.52
Union of Soviet Socialist Republics	13.62		12.68
United Arab Republic	0.32		0.30
United Kingdom of Great Britain and Northern Ireland	7.78		7.24
United States of America	32.51		32.27

(1)	(2)	(3)	(4)
Vatican City		0.04	0.04
Venezuela	0.50		0.47
Viet-Nam		0.20	0.19
Yugoslavia	<u>0.35</u>	<u> </u>	<u>0.33</u>
	98.43	6.79	
		<u>105.22</u>	<u>100.00</u>

a/ For the method of calculation of this coefficient, see para.5 below.

c. Method of calculating the coefficient 0.931

3. The total of United Nations assessments for 1959-61 for Members of the Agency who are also Members of the United Nations is 98.43 per cent, while the total assessments recommended by the United Nations for Agency Members who are not Members of United Nations is 6.79 per cent, a grand total of 105.22 per cent (see section B, columns 2 and 3 above).

4. It is therefore necessary to find a coefficient by which to multiply the United Nations assessments of the Agency's Members so as to reduce the total to 100.00 per cent. In arriving at this coefficient the following assumptions have been made:

(a) That in the Agency's scale the percentage for the following countries who bear the smallest shares of assessment in the United Nations Scale will remain at 0.04 per cent:

- | | |
|----------|--------------|
| Albania | Monaco |
| Cambodia | Nicaragua |
| Haiti | Paraguay |
| Honduras | Vatican City |
| Iceland | |

(b) The assessment of the United States of America will be set at 32.27 per cent as compared with 32.51 per cent in the United Nations scale.

5. On these assumptions, the coefficient has been calculated as follows:

		<u>United Nations</u> <u>scale</u>	<u>Agency scale</u>
Total assessments		105.22	100.00
Less fixed assess- ments	Max. 32.51	32.27	
	Min. 0.36	<u>32.87</u>	<u>0.36</u>
			<u>32.63</u>
Variable assessments		<u>72.35</u>	<u>67.37</u>

Dividing 67.37 by 72.35 gives a coefficient of 0.931, by which each of the "variable" United Nations assessments has to be multiplied. The resulting scale for the Agency, including the fixed assessments and the adjusted "variable" assessments, is shown in section B, column 4 above.

