SUB-COMMITTEE OF THE WHOLE ON THE FINANCES OF THE IRO

MEMORANDUM SUBMITTED BY THE SECRETARIAT FOR THE INFORMATION OF THE COMMITTEE

(To be read in conjunction with the Chart on the Suggested Provisional Scale of Contributions to the Operational Budget for the First Financial Year of the IRO)

Note 1

The UNRRA administrative actual scale was adjusted to conform with the UNRRA official administrative scale as described in UNRRA Resolution No. 43 of 1944, which gave 4.90% unallocated.

Note 2

The UNRRA official administrative scale was adjusted to conform with United Nations membership by allocating 4.90% + .05% from Iceland, giving 4.95%, which was allocated as follows:

- Argentina: 3.65%
- Turkey: 1.00%
- Syria: .11%
- Saudi Arabia: .11%
- Lebanon: .10%

The basis for assessing Argentina at 3.65% was:
(a) no direct participation in the conduct of the war;
(b) no war devastation;
(c) Argentina has the highest per capita income of the South American States.

Turkey was assessed at 1.00% for the following reasons:
(a) assessment of Turkey and Egypt in the Working Capital Fund of the United Nations are the same;
(b) the national income and per capita income of Turkey and Egypt are nearly the same.
Lebanon, Syria and Saudi Arabia were assessed on the same basis as Iraq and Iran at 1.0.

Byelorussia and Ukraine. Because of the absence of adequate data, the Working Group found itself unable to suggest a proper assessment for Byelorussia and the Ukraine, and assumed that pending further information this assessment might be included as part of the assessment of the USSR, as in the case of the official UNRRA scale.

Note 3

Point 1. Whilst it was decided to accept .05% as the minimum contribution, in making adjustments at this stage, those countries which were already assessed at .05% were left unchanged.

On account of the exceptionally low per capita income of China and India, the assessment against these two countries was reduced by 50% of the UNRRA official scale.

Note 4

Adjustments were made in the assessments of countries who are in exceptionally difficult financial situation owing to enemy occupation. The Working Group was not in possession of factual information which would permit it to assess this factor. However, the Secretariat kindly supplied certain preliminary figures which are being considered by the United Nations Committee on Contributions on a somewhat different frame of reference. The figures of the United Nations Committee provided for a 40% reduction for the following countries:
Greece,
Yugoslavia,
Poland,
Byelorussia,
Ukraine.

30% reduction for

China,
Philippines.

25% reduction for

USSR

20% reduction for

France,
Belgium,
Luxembourg,
Netherlands,
Norway,
United Kingdom,
India,
Czechoslovakia.

Luxembourg and the Philippines were omitted following the
principle accepted above in that they were already assessed on a
minimum scale.

India and the United Kingdom scales were not adjusted as these
two countries are not included within the terms of reference which apply
only to the "situation of countries formerly under enemy occupation".

It was decided to assess the USSR on the higher percentage
of reduction because of the fact that Byelorussia and the Ukraine
assessments were included in that of the USSR.

These figures were used by the group only as a basis for a
provisional assessment, and on the ground that no more satisfactory
figures were available.

It is suggested that the governments of the formerly occupied
countries should be asked to give up to date information about
their financial situation as a result of the war, and that these
scales be reconsidered in the light of such information received.